

October 23, 2009

Tom A. Loski Chief Regulatory Officer

16705 Fraser Highway Surrey, B.C. V4N 0E8 Tel: (604) 592-7464 Cell: (604) 250-2722 Fax: (604) 576-7074

Email: tom.loski@terasengas.com

www.terasengas.com

Regulatory Affairs Correspondence
Email: regulatory.affairs@terasengas.com

Hansen Corporation 2 Frederick Street P.O. Box 6127 Doncaster 3108 Victoria, Australia

Attention: Mr. Andrew Hansen, Chief Executive Officer

Dear Mr. Hansen:

Re: Terasen Gas Inc. ("Terasen Gas")

Customer Care Enhancement Project Application for a Certificate of Public Convenience and Necessity ("CPCN") to Insource Customer Care Services and Implement a New Customer Information System ("CIS") - Project No. 3698561 (the "Application")

Terasen Utilities Information Request No. 1 to Hansen Technologies

In accordance with the British Columbia Utilities Commission (the "Commission") Order No. G-107-09 establishing the Regulatory Timetable for review of the Application, attached please find Terasen Gas' Information Request No. 1 to Hansen Technologies evidence filed on October 13, 2009.

If you have any questions or require further information related to this Application, please do not hesitate to contact Danielle Wensink, Director, Customer Care & Services at (604) 592-7497.

Yours very truly,

TERASEN GAS INC.

Original signed:

Tom A. Loski

Attachments

cc (email only): Registered Parties



Terasen Gas Inc. ("TGI" or "Terasen Gas")

Application for a Certificate of Public Convenience and Necessity ("CPCN") for the Customer Care Enhancement Program (the "Project")

Terasen Gas Information Request ("IR") No. 1 to Hansen Technologies

Submission Date: October 23, 2009

Page 1

1. Reference: HANSEN TECHNOLOGIES Exhibit C6-4, Hansen Evidence, p.1

"The existing Peace CIS software solution is viable, operational and reliable. In our view, it is premature to be considering an expensive new solution. Now is the time Terasen and its Vancouver customer base should be benefiting from the amortised investment already made in the Peace CIS solution."

1.1 Please explain how Terasen Gas and its customer base have any "amortized investment" in CustomerWorks LP's Peace CIS when CustomerWorks LP, and not Terasen Gas, owns the Peace CIS.

2. Reference: Exhibit C6-4, Hansen Evidence, p.1

"The shift to an inhouse operation, whilst introducing a totally new CIS solution, represents a significant and unnecessary risk. The transition of the existing Peace CIS solution from the outsourced provider to an in house Terasen Gas operation represents the low risk and much lower cost option."

- In the past five years, how many utilities have adopted and successfully implemented a Peace CIS in place of a competing CIS software (i.e. not a Peace version upgrade, but rather first time implementation of a Peace CIS, regardless of the version)? For each of the utilities identified, please provide:
 - (a) The name of the utility;
 - (b) The number of customers of the utility that must be supported by the installed CIS;
 - (c) Whether the CIS was purchased before or after Hansen acquired Peace;
 - (d) The "go live" date; and
 - (e) The version of Peace CIS installed by the utility.
- 2.2 In the past five years, how many clients who were using Peace CIS systems replaced their Peace CIS systems with non-Peace CIS solutions. For each of the utilities identified, please provide:



Terasen Gas Inc. ("TGI" or "Terasen Gas")

Application for a Certificate of Public Convenience and Necessity ("CPCN") for the Customer Care Enhancement Program (the "Project")

_

Terasen Gas Information Request ("IR") No. 1 to Hansen Technologies

Page 2

Submission Date:

October 23, 2009

- (a) The name of the utility;
- (b) The number of customers of each utility that must be supported by the Peace CIS;
- (c) The implementation date of the Peace CIS; and
- (d) The version of Peace CIS installed by the client at the time of the replacement with non-Peace CIS solutions.
- 2.3 How many utilities have implemented Peace 8.09? For each of the utilities identified, please provide:
 - (a) The name of each utility that has installed Peace 8.09;
 - (b) The number of customers of each utility that must be supported by the Peace 8.09 CIS;
 - (c) The implementation date; and
 - (d) The name of the system integrator.
- 2.4 Please confirm that there are currently no utilities using Peace X. If not confirmed, for each of the utilities identified please provide:
 - (a) The name of each utility that has installed Peace X;
 - (b) The number of customers of each utility that must be supported by the Peace X CIS;
 - (c) The implementation date; and
 - (d) The name of the system integrator.
- 2.5 Please describe Hansen's system integration partner model.
 - (a) Does Hansen recognize partners as authorized Peace partners? If so:
 - (i) How do partners become recognized by Hansen as authorized Peace partners?



Terasen Gas Inc. ("TGI" or "Terasen Gas")

Application for a Certificate of Public Convenience and Necessity ("CPCN") for the Customer Care Enhancement Program (the "Project")

Submission Date: October 23, 2009

Terasen Gas Information Request ("IR") No. 1 to Hansen Technologies

Page 3

- (ii) Please identify all of the system integrators in North America who currently are officially recognized or authorized by Hansen as Peace partners.
- (iii) Please identify all of the companies in North America that currently are officially recognized or authorized by Hansen as Peace partners for system sustainment.
- 2.6 Please identify all of the system integrators in North America who currently have experience in implementing Peace 8.09 and Peace X CIS.
- 2.7 Please identify all of the companies in North America who currently have experience in sustaining Peace 8.09 and Peace X CIS.
- 2.8 How many Hansen staff currently involved in integration or sustainment activity for the Peace CIS are located in North America?
- 2.9 Please file Hansen's financial statements to June 30, 2009, released September 30, 2009 (available at http://www.hsntech.com/downloads/HSN_ARep2009_web.pdf).

3. Reference: Exhibit B-4, Appendix 0, Gartner Inc., "Magic Quadrant for Utilities Customer Information Systems", p. 14

"Several Peace clients have informed Gartner that they are in the process of replacing or considering replacement of Peace software. Some of them started considering replacement before the Hansen acquisition."

3.1 How many existing clients have advised Hansen (or of which Hansen is otherwise aware) that they are in the process of replacing or considering replacement of Peace software?