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December 3, 2009

British Columbia Utilities Commission 6th Floor, 900 Howe Street Vancouver, B.C. V6Z 2N3

Attention: Ms. Erica M. Hamilton, Commission Secretary

Dear Ms. Hamilton:

Re: Terasen Gas Inc. – Fort Nelson Service Area ("TG Fort Nelson") Gas Cost Reconciliation Account ("GCRA") and 2009 Fourth Quarter Gas Cost Report

The attached materials provide the TG Fort Nelson 2009 Fourth Quarter Gas Cost Report as required under British Columbia Utilities Commission (the "Commission") guidelines.

Based on the forward prices as at November 18, 2009, the December 31, 2009 GCRA deferral balance is projected to be approximately \$29,500 surplus after tax (Tab 1, Page 2, Column 2, Line 34). Further, based on the November 18, 2009 forward prices, the gas purchase cost assumptions, the forecast gas cost recoveries at present rates for the 12-month period ending December 31, 2010, and accounting for the projected December 31, 2009 deferral balance, the GCRA ratio is calculated to be 84.9% (Tab 1, Page 1, Column 3, Line 10). The ratio falls outside the deadband range of 95% to 105%, indicating that a rate change is necessary at this time.

The result indicates a gas cost flow through increase, effective January 1, 2010, of \$0.979/GJ would be required to eliminate the forecast under-recovery of the 12-month forward gas purchase costs and to amortize the projected December 31, 2009 surplus deferral balance. A summary, including a component breakdown of the \$0.979/GJ increase Terasen Gas Inc. ("Terasen Gas") is requesting for TG Fort Nelson effective January 1, 2010, is provided under the section titled "BALANCING REQUIREMENT" at Tab 1, Page 1. The schedules within Tab 2 provide a summary of the forecast monthly GCRA activity and deferral balances with the proposed gas cost flow through, effective January 1, 2010.

Tabs 3 and 4 provide the tariff continuity and the bill impact schedules. These schedules show the proposed January 1, 2010 increase of the gas cost recovery charge component of rates. The TG Fort Nelson rate change, effective January 1, 2010, would increase the annual bill by approximately \$137 or 12.2%, for a Fort Nelson residential customer with an average annual consumption of 140 GJ.

In summary, Terasen Gas hereby requests Commission approval to flow through in customers' rates, effective January 1, 2010, a TG Fort Nelson gas cost recovery charge rate increase of \$0.979/GJ. The gas cost recovery charge component of rates would increase from \$5.501/GJ to \$6.480/GJ, effective January 1, 2010.



Provided in Tab 5 are the details of the forecast gas costs for TG Fort Nelson. Terasen Gas requests the information contained in Tab 5 be treated as CONFIDENTIAL.

CONFIDENTIALITY

Consistent with past practice and previous discussions and positions on the confidentiality of selected filings (and further emphasized in Terasen Gas' January 31, 1994 submission to the Commission) Terasen Gas is requesting that this information be filed on a confidential basis pursuant to Section 71(5) of the *Utilities Commission Act* and requests that the Commission exercise its discretion under Section 6.0 of the Rules for Natural Gas Energy Supply Contracts and allow these documents to remain confidential. Terasen Gas' ability to obtain favourable commercial terms for future gas contracting is not impaired.

In this regard, Terasen Gas further believes that the Core Market could be disadvantaged and may well shoulder incremental costs if utility gas supply procurement strategies as well as contracts are treated in a different manner than those of other gas purchasers, and believes that since it continues to operate within a competitive environment, there is no necessity for public disclosure and risk prejudice or influence in the negotiations or renegotiation of subsequent contracts.

Terasen Gas will continue to monitor the forward prices and will report these results in the TG Fort Nelson 2010 First Quarter Gas Cost Report.

We trust the Commission will find the attached to be in order. However, should any further information be required, please contact Brian Noel at 604-592-7467.

All of which is respectfully submitted.

Yours very truly,

TERASEN GAS INC.

Original signed:

Tom A. Loski

Attachments

TERASEN GAS INC. - FORT NELSON SERVICE AREATab 1GAS COST RECONCILIATION ACCOUNT ("GCRA") RATE CHANGE TRIGGER MECHANISMPage 1FOR THE PERIOD JANUARY 1, 2010 TO DECEMBER 31, 2010WITH EXISTING OCTOBER 1, 2009 GAS COST RECOVERY RATES(NOVEMBER 18, 2009 FORWARD PRICES)VICTOR CONTRUCTION CON

Line No.	Particulars	Annual (\$000)	Percentage	Volume (TJ)	Unit Cost (\$/GJ)
	(1)	(2)	(3)	(4)	(5)
1	RATE CHANGE TRIGGER MECHANISM				
2	Projected Grossed-up GCRA Balance as at December 31, 2009	\$ (41.2)			
3	(Tab 1, Page 2, Line 34, Col 2 after tax amount grossed up using 28.5% tax rate)				
4					
5	Forecast Incurred Gas Costs - January 2010 to December 2010	\$ 3,543.5			
6	(Tab 1, Page 2, Line 20, Col 14)				
7	Forecast Recovered Gas Costs - January 2010 to December 2010	\$ 2,974.0			
8	(Tab 1, Page 2, Line 10, Col 14)				
9					
10	Forecast Recovered Gas Costs \$ 2,974	.0	04 0 %		
11	Ratio = $\frac{1}{\text{Forecast Incurred Gas Costs + Projected GCRA Balance}} = \frac{42,074}{3,502}$		<u>84.9</u> %		
12					
13					
14					
15					
16	BALANCING REQUIREMENT				
17	(applicable when Rate Change Trigger Mechanism Ratio falls outside 95% to 105% deadband)				
18					
19	Forecast 12 Month Sales Recovery Volumes - January 2010 to December 2010			539.4	
20	(Tab 1, Page 2, Col. 14, Line 2)				
21		.			• • • • • • •
22	Projected GCRA Balance at December 31, 2009 (Line 2)	\$ (41.2)			\$ (0.0764)
23	Forecast GCRA Activities - January 2010 to December 2010 (Line 5 - Line 7)	569.5			\$ 1.0558
24	(Over) / Under Recovery at Proposed Rates	\$ 528.3			
25 26	Proposed Rates (Decrease) / Increase				\$ 0.979
20					Ψ 0.010

WITH EXISTING OCT 1, 2009 GAS COST RECOVERY RATES (NOVEMBER 18, 2009 FORWARD PRICES)

Line No. Pai	rticulars	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan10-Dec10 Forecast Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1 <u>RECOVERED GAS COSTS</u> 2 Total Sales - TJ		96.9	70.0	66.7	39.3	21.7	13.9	9.4	12.4	23.1	39.5	64.8	81.7	539.4
3 T-Service UAF - TJ		0.2	0.2	0.1	0.1	-	-	-	-	-	0.1	0.1	0.2	1.0
 Recovery Unit Cost on Sales Recovery Unit Cost on T-Sen 7 		+	\$ 5.501 \$ 6.531	\$ 5.501 \$ 6.531	\$ 5.501 \$ 6.531	\$ 5.501 \$ 6.531	\$ 5.501 \$ 6.531	• • • • •	\$ 5.501 \$ 6.531	\$ 5.501 \$ 6.531	\$ 5.501 \$ 6.531	\$ 5.501 \$ 6.531	\$ 5.501 \$ 6.531	
8 Recovery on Sales - \$0009 Recovery on T-Service UAF -	- \$000	\$ 533.0 <u>1.3</u>	\$ 385.1 <u>1.3</u>	\$ 366.9 0.7	\$ 216.2 0.7	\$ 119.4 -	\$ 76.5 	\$	\$ 68.2 	\$ 127.1 	\$ 217.3 <u>0.7</u>	\$ 356.5 0.7	\$ 449.4 <u>1.3</u>	\$ 2,967.3 <u>6.7</u>
10 Total Forecast Recovered Ga 11 12 13	as Costs - \$000	<u>\$ 534.3</u>	\$ 386.4	<u>\$ 367.6</u>	<u>\$216.9</u>	<u>\$ 119.4</u>	<u>\$ 76.5</u>	<u>\$51.7</u>	<u>\$ 68.2</u>	<u>\$ 127.1</u>	<u>\$218.0</u>	<u>\$ 357.2</u>	<u>\$ 450.7</u>	<u>\$ 2,974.0</u>
 14 INCURRED GAS COSTS 15 Total Purchases Incl. Compar 16 17 	ny Use and UAF - TJ	98.5	71.1	67.8	39.9	22.0	14.1	9.5	12.6	23.4	40.1	65.9	83.0	547.9
18 Incurred Cost - \$/GJ 19		\$ 7.2497	\$ 6.6669	\$ 6.5424	\$ 5.7049	\$ 5.7482	\$ 5.8242	\$ 5.9136	\$ 5.9068	\$ 5.9085	\$ 5.9451	\$ 6.4180	\$ 6.5709	
20 Forecast Incurred Gas Costs 21 22 23 24 25	- \$000	<u>\$ 714.1</u>	<u>\$ 474.0</u>	<u>\$ 443.6</u>	<u>\$ 227.6</u>	<u>\$ 126.5</u>	<u>\$82.1</u>	<u>\$56.2</u>	<u>\$74.4</u>	<u>\$ 138.3</u>	<u>\$238.4</u>	<u>\$ 422.9</u>	<u>\$ 545.4</u>	<u>\$3,543.5</u>
 26 <u>GCRA BALANCE</u> 27 Opening Balances (Pre-Tax) 28 Forecast Activity 29 Closing Balances (Pre-tax) - \$ 30 31 		\$ (41.2) 179.8 \$ 138.6	\$ 138.6 87.6 \$ 226.2	\$ 226.2 76.0 \$ 302.2	\$ 302.2 10.7 \$ 312.9	\$ 312.9 7.1 \$ 320.0	\$ 320.0 <u>5.6</u> \$ 325.6	4.5	\$ 330.1 6.2 \$ 336.3	\$ 336.3 <u>11.2</u> \$ 347.5	20.4	65.7	\$ 433.6 94.7 \$ 528.3	569.5 =
32 Tax Rate 33 34 Opening Balance (After-Tax)		28.50% \$ (29.5)	28.50%	28.50%	28.50%	28.50%	28.50%	28.50%	28.50%	28.50%	28.50%	28.50%	28.50%	
35 Closing Balances (After Tax)	- \$000		\$ 161.7	\$ 216.0	\$ 223.7	\$ 228.8	\$ 232.8	\$ 236.0	\$ 240.4	\$ 248.4	\$ 263.0	\$ 310.0	\$ 377.7	=

Slight differences in totals due to rounding.

Note (1*) Pre-tax opening balances are restated based on current income taxes, to reflect grossed-up after tax amounts.

Tab 1 Page 2

12 months

WITH EXISTING OCT 1, 2009 GAS COST RECOVERY RATES (NOVEMBER 18, 2009 FORWARD PRICES)

3 T-Service UAF - TJ 0.2 0.2 0.1 0.1 - - - - 0.1 0.1 0.2 4 5 Recovery Unit Coston Sales - \$(GJ) \$ 5.501 <th>ine No.</th> <th>FORWARD PRICES) Particulars</th> <th></th> <th>lan-11</th> <th>Feb-11</th> <th>Mar-11</th> <th>Apr-11</th> <th>ľ</th> <th>May-11</th> <th>Jun-11</th> <th></th> <th>Jul-11</th> <th>Aug-11</th> <th>Sep-11</th> <th>Oct-11</th> <th>Nov-11</th> <th>Dec-11</th> <th><u>12 months</u> Jan11-Dec1⁻ Forecast Total</th>	ine No.	FORWARD PRICES) Particulars		lan-11	Feb-11	Mar-11	Apr-11	ľ	May-11	Jun-11		Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	<u>12 months</u> Jan11-Dec1 ⁻ Forecast Total
2 Total Sales - TJ 96.5 66.7 66.4 39.1 21.6 13.8 9.3 23.0 39.3 64.4 81.2 5 3 T-Service UAF - TJ 0.2 0.2 0.1 0.1 0.1 0.1 0.2 0.1 0.1 0.1 0.2 0.1 0.1 0.2 0.1 0.1 0.2 0.1 0.1 0.2 0.1 0.1 0.2 0.1 0.1 0.2 0.1 0.1 0.2 0.1 0.1 0.2 0.1 0.1 0.2 0.1 0.1 0.2 0.1 0.1 0.2 0.1 0.1 0.2 0.1 0.1 0.2 0.1 0.1 0.2 0.1 0.1 0.2 0.1 0.1 0.2 0.1 0.2 0.1 0.2 0.1 0.2 0.1 0.2 0.1 0.2 0.1 0.2 0.1 0.2 0.1 0.2 0.1 0.2 0.1 0.2 0.2 0.1 0.2 0.2 0.2 0.1 0.2 0.2 0.2 0.2 0.2 0.2 <th></th> <th>(1)</th> <th></th> <th>(15)</th> <th>(16)</th> <th>(17)</th> <th>(18)</th> <th></th> <th>(19)</th> <th>(20)</th> <th></th> <th>(21)</th> <th>(22)</th> <th>(23)</th> <th>(24)</th> <th>(25)</th> <th>(26)</th> <th>(27)</th>		(1)		(15)	(16)	(17)	(18)		(19)	(20)		(21)	(22)	(23)	(24)	(25)	(26)	(27)
2 Total Sales - TJ 96.5 66.7 66.4 93.1 21.6 13.8 93.1 21.3 23.0 33.3 64.4 81.2 5 7 - Service UAF - TJ 0.2 0.2 0.1 0.1 0 - - 0.1 0.1 0.2 8 Recovery Unit Cost on Sales - \$/GJ \$ 5.501 \$ <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>																		
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4 Secondy Unit Cost on Sales - \$(G) 5 6 5 6 5 6 5 6 5 6 5 6 5 6 5 6 5 6 5 6									-	-	,	-						
F Recovery Unit Cost on Sales - \$(G) \$ 5.501 \$				0.2	0.2	0.1	0.								0.1	0.1	0.2	
6 Recovery Unit Cost on T-Service UAF - \$\u03e9(GJ) \$ 6.531	•	Cost on Sales - \$/GJ	\$	5 501	\$ 5,501	\$ 5,501	\$ 5.50	1 \$	5 501	\$ 5,501	\$	5 501	\$ 5,501	\$ 5.501	\$ 5,5010	\$ 5,5010	\$ 5,5010	
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20 Forecast Incurred Gas Costs - \$000 \$ 652.5 \$ 473.4 \$ 444.8 \$ 223.1 \$ 123.5 \$ 80.0 \$ 54.3 \$ 72.5 \$ 136.7 \$ 231.9 \$ 425.9 \$ 546.7 \$ 3,44 22 23 24 24 25 5 513.9 \$ 634.3 \$ 72.5 \$ 136.7 \$ 231.9 \$ 425.9 \$ 546.7 \$ 3,44 24 25 23 24 25 543.3 \$ 72.5 \$ 136.7 \$ 231.9 \$ 425.9 \$ 546.7 \$ 3,44 26 26 26 26 361.8 \$ 809.1 \$ 813.8 \$ 817.9 \$ 821.0 \$ 851.0 \$ 921.9 \$ 1,02.0 \$ 921.9 \$ 1,02.0 \$ 921.9 \$ 1,02.0 \$ 921.9 \$ 1,02.0 \$ 921.9 \$ 1,02.0 \$ </td <td></td> <td>¢, 66</td> <td>Ψ</td> <td>0.0017</td> <td>φ 0.0005</td> <td>φ 0.0000</td> <td>φ 0.020</td> <td>, ψ</td> <td>0.0000</td> <td>ψ 0.7112</td> <td>- Ψ</td> <td>0.7002</td> <td>φ 0.0022</td> <td>φ 0.0002</td> <td>φ 0.0110</td> <td>φ 0.0117</td> <td>φ 0.0205</td> <td></td>		¢, 66	Ψ	0.0017	φ 0.0005	φ 0.0000	φ 0.020	, ψ	0.0000	ψ 0.7112	- Ψ	0.7002	φ 0.0022	φ 0.0002	φ 0.0110	φ 0.0117	φ 0.0205	
21 22 23 24 25 26 27 Opening Balances (Pre-Tax) (1*) 28 Forecast Activity 29 Closing Balances (Pre-tax) - \$000 31 32 Tax Rate 34 Opening Balance (After-Tax) 34 Opening Balance (After-Tax) 35 377.7		ad Gas Costs - \$000	\$	652 5	\$ 473.4	\$ 444.8	\$ 223	1 \$	123 5	\$ 80.0	2	54 3	\$ 72.5	\$ 1367	\$ 231.9	\$ 425.9	\$ 546.7	\$ 3,465.3
22 23 24 24 25 25 26 GCRA BALANCE 27 Opening Balances (Pre-Tax) (1*) \$ 513.9 \$ 634.3 \$ 723.0 \$ 801.8 \$ 809.1 \$ 813.8 \$ 817.9 \$ 821.0 \$ 825.8 \$ 836.0 \$ 851.0 \$ 921.9 \$ 921.9 \$ 102.6 \$ 921.			Ψ	002.0	φ +10.+	φ +++.0	φ 220.	φ	120.0	φ 00.0	φ	04.0	φ 12.5	φ 100.7	φ 201.5	φ 420.0	φ 040.1	φ 0,400.0
23 24 24 25 25 26CRA BALANCE 26 27 Opening Balances (Pre-Tax) (1*) 27 Opening Balances (Pre-Tax) (1*) 28 Forecast Activity 29 Closing Balances (Pre-tax) - \$000 31 4.8 10.2 15.0 70.9 98.7 \$1.02.6 31 31 4.8 10.2 15.0 70.9 98.7 \$50.6 32 Tax Rate 26.50% <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>																		
24 25 25 GCRA BALANCE 27 Opening Balances (Pre-Tax) (1*) ^{\$} ⁵ ^{120.4} ^{88.7} ^{78.8} ^{78.8} ^{78.8} ^{73.8} ^{4.7} ^{4.1} ^{813.8} ^{\$} ^{817.9} ^{\$} ^{825.8} ^{\$} ^{836.0} ^{\$} ^{851.0} ^{\$} ^{921.9} ^{98.7} ^{\$} ^{98.7} ^{78.8} ^{73.8} ^{4.7} ^{4.1} ^{4.1} ^{3.1} ^{4.8} ^{10.2} ^{15.0} ^{70.9} ^{98.7} ^{\$ 10.20.6} ^{98.7}																		
25 26 GCRA BALANCE 27 Opening Balances (Pre-Tax) (1*) \$\$ 513.9 \$ 634.3 \$ 723.0 \$ 801.8 \$ 809.1 \$ 813.8 \$ 817.9 \$ 821.0 \$ 825.8 \$ 836.0 \$ 851.0 \$ 921.9 921.9																		
26 GCRA BALANCE 27 Opening Balances (Pre-Tax) (1*) 28 Forecast Activity 29 Closing Balances (Pre-tax) - \$000 30 31 32 32 32 34 34 34 34 34 34																		
27 Opening Balances (Pre-Tax) (1*) \$\$ 513.9\$ \$634.3\$ \$723.0\$ \$801.8\$ \$809.1\$ \$813.8\$ \$817.9\$ \$821.0\$ \$825.8\$ \$836.0\$ \$851.0\$ \$921.9\$ 28 Forecast Activity 120.4 88.7 78.8 7.3 4.7 4.1 3.1 4.8 10.2 15.0 70.9 98.7 \$ \$ 502.8\$ \$836.0\$ \$851.0\$ \$921.9\$ \$ 10.2 15.0 70.9 98.7 \$ \$ \$ 634.3\$ \$723.0\$ \$801.8\$ \$809.1\$ \$813.8\$ \$817.9\$ \$821.0\$ \$825.8\$ \$836.0\$ \$851.0\$ \$921.9\$ \$1,020.6\$ \$ \$ \$ \$ \$ \$ \$813.8\$ \$817.9\$ \$821.0\$ \$825.8\$ \$836.0\$ \$851.0\$ \$921.9\$ \$1,020.6\$ \$		F																
28 Forecast Activity 120.4 88.7 78.8 7.3 4.7 4.1 3.1 4.8 10.2 15.0 70.9 98.7 \$ 50 29 Closing Balances (Pre-tax) - \$000 \$ 634.3 \$ 723.0 \$ 801.8 \$ 809.1 \$ 813.8 \$ 817.9 \$ 825.8 \$ 836.0 \$ 851.0 \$ 921.9 \$ 1,020.6 30 31 32 7ax Rate 26.50%			۹	513.0	\$ 6343	\$ 723.0	\$ 801	a ¢	800 1	\$ 813.8	2 C	817 0	\$ 821.0	\$ 825.8	\$ 836.0	\$ 851.0	\$ 021.0	
29 Closing Balances (Pre-tax) - \$000 \$ 634.3 723.0 801.8 809.1 813.8 817.9 825.8 836.0 851.0 921.9 \$ 1,020.6 30 31 32 Tax Rate 26.50% <			Ψ														•	\$ 506.7
30 31 32 Tax Rate 26.50% 26.50\% 26.			\$															_ ψ 000.7
31 32 Tax Rate 26.50% 26.50\% 2			Ψ	004.0	φ 120.0	φ 001.0	φ 005.	ιψ	010.0	φ 017.5	γ ψ	021.0	φ 020.0	φ 000.0	φ 001.0	ψ 321.5	φ 1,020.0	=
32 Tax Rate 26.50% 26.50\% 26.5																		
33 34 Opening Balance (After-Tax) \$ 377.7				26 50%	26 50%	26 500	26 50	0/_	26 50%	26 500	4	26 50%	26 50%	26 50%	26 50%	26 50%	26 50%	
34 Opening Balance (After-Tax) \$ 377.7				20.00%	20.00%	20.307	20.50	70	20.00%	20.307	ru	20.00%	20.30%	20.30%	20.307	20.30%	20.30%	
		e (After-Tax)	¢	377 7														
			Ф Ф		\$ 531.4	\$ 589 3	\$ 594	7 \$	598.2	\$ 601.2	\$	603.5	\$ 607.0	\$ 614.5	\$ 625.5	\$ 677.6	\$ 750.1	

Slight differences in totals due to rounding.

Note (1*) Pre-tax opening balances are restated based on current income tax

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Tab 1

Line			Nov 18, 2009 Fo		•			Nov 18, 2009 I Le	SS	
No		Particulars	2009 Q4 Gas 0	Cost Report	2009 Q3 Gas	s Cost	Report	Aug 24, 2009 I	Forwar	d Prices
		(1)	(2	2)		(3)		(4) = (2	2) - (3)	
1	Station No. 2	Index Prices - \$CDN/GJ								
2	2009	January		6.52		\$	6.52		\$	-
3		February		§ 4.79		\$	4.79		\$	-
4		March		§ 4.08	▲	\$	4.08		\$	-
5		April		3.71		\$	3.71		\$	-
6		May		§ 2.92		\$	2.92		\$	-
7		June	4			\$	3.30		\$	-
8		July		3.04	Recorded	\$	3.04		\$	-
9		August		2.87	Projected	\$	2.87		\$	-
10		September		§ 2.63	Forecast	\$	2.63		\$	-
11		October	Recorded S Projected			\$ \$	2.51		\$ \$	0.61
12		November	,				3.72		ф Ф	1.12
13	0' / 4	December	Forecast		V	\$	4.56	0.00/	<u>ə</u>	(0.25)
14		ge (Jan, 2009 - Dec, 2009)		\$ 3.84		\$	3.72	3.3%	\$	0.12
15	Simple Averag	ge (Apr, 2009 - Mar, 2010)		\$ 3.72		\$	3.66	1.6%	\$	0.06
16	Simple Averag	ge (Jul, 2009 - Jun, 2010)		\$ 3.98		\$	3.98	0.1%	\$	0.00
17	Simple Average	ge (Oct, 2009 - Sep, 2010)		\$ 4.43		\$	4.50	-1.4%	\$	(0.07)
18	2010	January		4.67		\$	4.85		\$	(0.19)
19		February		4.69		\$	4.91		\$	(0.21)
20		March	5	6 4.52		\$	4.91		\$	(0.38)
21		April	5	\$ 4.30		\$	4.53		\$	(0.23)
22		May	5	\$ 4.36		\$	4.60		\$	(0.23)
23		June		§ 4.46		\$	4.70		\$	(0.24)
24		July		§ 4.58		\$	4.82		\$	(0.25)
25		August		4.65		\$	4.92		\$	(0.26)
26		September		\$ 4.71		\$	4.99		\$	(0.28)
27		October		\$ 4.85		\$	5.11		\$	(0.27)
28		November		5.50		\$	5.82		\$	(0.32)
29		December		5.89		\$	6.21		\$	(0.32)
30	Simple Averag	ge (Jan, 2010 - Dec, 2010)	<u>-</u>	\$ 4.77		\$	5.03	-5.3%	\$	<u>(0.26)</u>
31	Simple Averag	ge (Apr, 2010 - Mar, 2011)		\$ 5.12		\$	5.40	-5.1%	\$	(0.28)
32	Simple Average	ge (Jul, 2010 - Jun, 2011)		\$ 5.34		\$	5.63	-5.2%	\$	(0.29)
33	Simple Avera	ge (Oct, 2010 - Sep, 2011)	-	\$ 5.53		\$	5.83	-5.2%	\$	(0.30)
34	2011	January		6.12		\$	6.44		\$	(0.32)
35	2011	February		6.11 6.11		\$	6.44		\$	(0.33)
36		March		5.95		\$	6.26		\$	(0.32)
37		April		5.24		\$	5.51		\$	(0.27)
38		May		5.21		\$	5.47		\$	(0.27)
39		June		5.26		\$	5.56		\$	(0.29)
40		July		5.33		\$	5.65		\$	(0.32)
41		August		5.39		\$	5.71		\$	(0.32)
42		September	e e e e e e e e e e e e e e e e e e e	5.46		\$	5.74		\$	(0.29)
43		October		5.57		\$	5.83		\$	(0.26)
44		November		6.06		\$	6.32		\$	(0.26)
45		December		6.34		\$	6.62		\$	(0.27)
46	Simple Avera	ge (Jan, 2011 - Dec, 2011)		\$ 5.67		\$	5.96	-4.9%	\$	(0.29)

TERASEN GAS INC. - FORT NELSON SERVICE AREA STATION NO. 2 INDEX FORECAST FOR THE PERIOD ENDING DECEMBER 31, 2011

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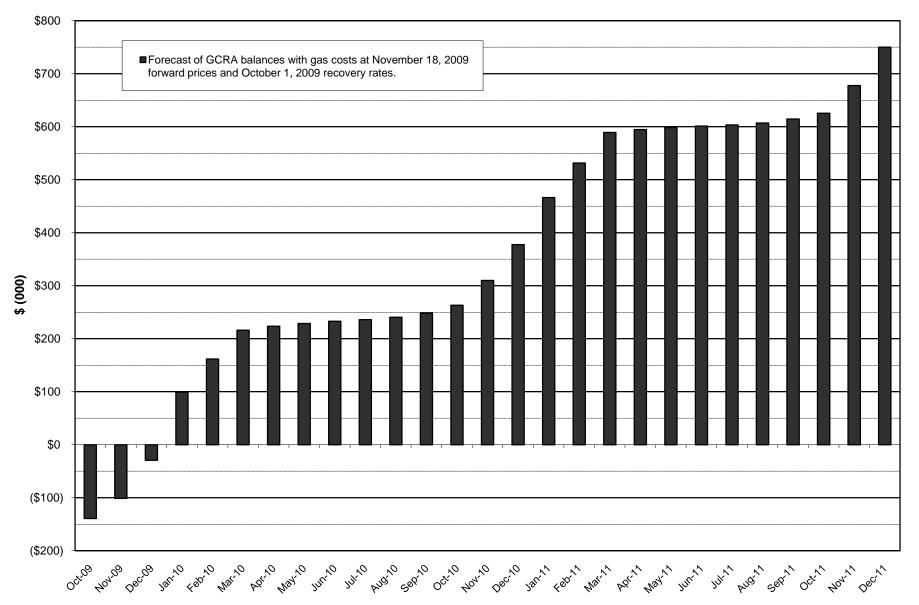
Tab 1 Page 4

TERASEN GAS INC. - FORT NELSON SERVICE AREA GCRA AFTER TAX BALANCES (\$000) FOR THE PERIOD ENDING DECEMBER 31, 2011 WITH EXISTING GAS COST RECOVERY RATES

Line No.		Particulars	2009 Q4 Gas Cost R Oct 1, 2009 Gas Cost Reco (Nov 18, 2009 Forward	overy Rates	2009 Q3 Gas Cost R Oct 1, 2009 Gas Cost Rec (Aug 24, 2009 Forward	overy Rates
		(1)	(2)		(3)	
1	2009	January	\$	(94.0)	\$	(94.0)
2		February	\$	(60.7)	\$	(60.7)
3		March	\$ \$	(215.6)	▲ \$	(215.6)
4		April	\$	(26.2)	† \$	(26.2)
5		May	\$ \$ \$ \$ \$ \$	(133.6)	\$	(133.6)
6		June	\$	(143.2)	\$	(143.2)
7		July	\$	(165.7)	Recorded \$	(165.7)
8		August	\$	(180.4)	Projected \$	(177.3)
9		September	\$	(204.6)	\$	(201.7)
10		October	Recorded \$	(139.4) (a)	\$	(226.3)
11		November	Projected \$	(101.3)		(212.8)
12		December	\$	(29.5)	\$	(181.2)
13	2010	January		99.1	\$	(97.3)
14		February	\$	161.7	\$	(63.9)
15		March	V \$	216.0	\$	(31.4)
16		April	\$ \$ \$ \$ \$ \$	223.7	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(23.0)
17		May	\$	228.8	\$	(17.4)
18		June	\$	232.8	\$	(13.0)
19		July	\$	236.0	\$	(9.6)
20		August	\$	240.4	\$	(4.7)
21		September	\$	248.4	\$	4.0
22		October	\$	263.0	\$	19.9
23		November	\$	310.0	\$	68.4
24		December	\$	377.7	\$	139.3
25	2011	January	\$	466.2	\$	233.3
26		February	\$	531.4	\$	300.8
27		March	\$	589.3	\$	361.8
28		April	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	594.7	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	369.1
29		May	\$	598.2	\$	373.3
30		June	\$	601.2	\$	377.0
31		July	\$	603.5	\$	380.0
32		August	\$	607.0	\$	384.6
33		September	\$	614.5	\$	392.5
34		October	\$	625.5		
35		November	\$ \$ \$ \$ \$ \$ \$	677.6		
36		December	\$	750.1		
37						
38	Notes: Com	parison of Recorded with Projected	d GCRA balances			
39	(a) Octo	ber 2009 GCRA surplus balance w	as less than forecast primarily due to higher	recorded unit cost of ga	as.	
40						

Tab 1

TERASEN GAS INC. - FORT NELSON SERVICE AREA GCRA AFTER TAX BALANCES BY MONTH FOR THE PERIOD ENDING DECEMBER 2011



Tab 1 Page 6

WITH PROPOSED JAN 1, 2010 GAS COST RECOVERY RATES (NOVEMBER 18, 2009 FORWARD PRICES)

<u>12 months</u> Jan10-Dec10

Line																									F	orecast
No.	Particulars	Jan-10	F	Feb-10	Ma	ar-10	A	Apr-10	I	May-10	J	un-10	J	lul-10	Α	ug-10	S	ep-10	C	Oct-10	N	ov-10	D	ec-10		Total
	(1)	 (2)		(3)		(4)		(5)		(6)		(7)		(8)		(9)		(10)		(11)		(12)		(13)		(14)
	ECOVERED GAS COSTS tal Sales - TJ	00.0		70.0		00.7		20.0		04.7		40.0		0.4		40.4		00.4		20 5		64.0		04 7		500.4
	ital Sales - 1J Service UAF - TJ	96.9 0.2		70.0 0.2		66.7 0.1		39.3 0.1		21.7		13.9		9.4		12.4		23.1		39.5 0.1		64.8 0.1		81.7 0.2		539.4 1.0
4				0.2						-		-		-		-		-								1.0
	ecovery Unit Cost on Sales - \$/GJ	\$ 6.480	\$	6.480	\$	6.480	\$	6.480	\$	6.480	\$	6.480	\$	6.480	\$	6.480	\$	6.480	\$	6.480	\$	6.480	\$	6.480		
6 Re 7	ecovery Unit Cost on T-Service UAF - \$/GJ	\$ 6.531	\$	6.531	\$	6.531	\$	6.531	\$	6.531	\$	6.531	\$	6.531	\$	6.531	\$	6.531	\$	6.531	\$	6.531	\$	6.531		
	ecovery on Sales - \$000	\$ 627.9	\$	453.6	\$	432.2	\$	254.7	\$	140.6	\$	90.1	\$	60.9	\$	80.4	\$	149.7	\$	256.0	\$	419.9	\$		\$	3,495.4
	ecovery on T-Service UAF - \$000	 1.3		1.3		0.7		0.7	_	-		-		-		-		-		0.7		0.7		1.3		6.7
10 To	tal Forecast Recovered Gas Costs - \$000	\$ 629.2	\$	454.9	\$	432.9	\$	255.4	\$	140.6	\$	90.1	\$	60.9	\$	80.4	\$	149.7	\$	256.7	\$	420.6	\$	530.7	\$	3,502.1
11 12 13 14 <u>IN</u>	CURRED GAS COSTS																									
15 To 16 17	tal Purchases Incl. Company Use and UAF - TJ	98.5		71.1		67.8		39.9		22.0		14.1		9.5		12.6		23.4		40.1		65.9		83.0		547.9
18 Ind 19	curred Cost - \$/GJ	\$ 7.2497	\$	6.6669	\$ 6	6.5424	\$	5.7049	\$	5.7482	\$	5.8242	\$	5.9136	\$	5.9068	\$	5.9085	\$	5.9451	\$	6.4180	\$	6.5709		
	recast Incurred Gas Costs - \$000	\$ 714.1	\$	474.0	\$	443.6	\$	227.6	\$	126.5	\$	82.1	\$	56.2	\$	74.4	\$	138.3	\$	238.4	\$	422.9	\$	545.4	\$	3,543.5
21 22																										
23																										
24																										
25																										
	CRA BALANCE																									
	bening Balances (Pre-Tax) (1*)	\$ (41.2)	\$		\$	62.8	\$	73.5	\$	45.7	\$	31.6	\$	23.6	\$	18.9	\$	12.9		1.5	\$	(16.8)	\$	(14.5)		
	precast Activity	 84.9	-	19.1		10.7	-	(27.8)	_	(14.1)	_	(8.0)	_	(4.7)	_	(6.0)	_	(11.4)		(18.3)		2.3		14.7	\$	41.4
	osing Balances (Pre-tax) - \$000	\$ 43.7	\$	62.8	\$	73.5	\$	45.7	\$	31.6	\$	23.6	\$	18.9	\$	12.9	\$	1.5	\$	(16.8)	\$	(14.5)	\$	0.2		
30																										
31 22 To	x Rate	28.50%		28.50%		28.50%		28.50%		28.50%		28.50%		28.50%		28.50%		28.50%		28.50%		28.50%		28.50%		
32 18	ix Raie	20.00%		20.30%	4	20.30%		20.30%		20.30%		20.50%		20.30%		20.00%		20.30%		20.00%		20.30%		20.30%		
34 Op	pening Balance (After-Tax)	\$ (29.5)		44.0	¢	50.0	¢	00 7	¢	00.0	¢	40.0	¢	40 5	¢	0.0	¢	4.0	¢	(40.4)	¢	(40 5)	¢	0.0		
35 CI	osing Balances (After Tax) - \$000	\$ 31.2	φ	44.9	Ф	52.6	Φ	32.7	Ф	22.6	φ	16.9	Ъ	13.5	φ	9.2	φ	1.0	Ъ	(12.1)	Φ	(10.5)	φ	0.0		

Slight differences in totals due to rounding.

Note (1*) Pre-tax opening balances are restated based on current income taxes, to reflect grossed-up after tax amounts.

Tab 2 Page 1

WITH PROPOSED JAN 1, 2010 GAS COST RECOVERY RATES (NOVEMBER 18, 2009 FORWARD PRICES)

Line	,																									Fo	1-Dec11 precast
<u>No.</u>	Particulars	J	Jan-11	F	eb-11		ı r-11		pr-11		May-11		un-11		Jul-11		ug-11		ep-11	0	oct-11	N	ov-11	D	ec-11		Total
	(1)		(15)		(16)	(*	17)		(18)		(19)		(20)		(21)		(22)		(23)		(24)		(25)		(26)		(27)
	ED GAS COSTS																										
2 Total Sales ·	- TJ		96.5		69.7		66.4		39.1		21.6		13.8		9.3		12.3		23.0		39.3		64.4		81.2		536.6
3 T-Service U 4	AF - TJ		0.2		0.2		0.1		0.1		-		-		-		-		-		0.1		0.1		0.2		1.0
5 Recovery U	nit Cost on Sales - \$/GJ	\$	6.480	\$	6.480	\$	6.480	\$	6.480	\$	6.480	\$	6.480	\$	6.480	\$	6.480	\$	6.480	\$	6.480	\$	6.480	\$	6.480		
6 Recovery Ui 7	nit Cost on T-Service UAF - \$/GJ	\$	6.531	\$	6.531	\$	6.531	\$	6.531	\$	6.531	\$	6.531	\$	6.531	\$	6.531	\$	6.531	\$	6.531	\$	6.531	\$	6.531		
8 Recovery or	n Sales - \$000	\$	625.3	\$	451.7	\$	430.3	\$	253.4	\$	140.0	\$	89.4	\$	60.3	\$	79.7	\$	149.0	\$	254.7	\$	417.3	\$	526.2	\$	3,477.3
9 Recovery or	n T-Service UAF - \$000		1.3		1.3		0.7		0.7		-		-		-		-		-		0.7		0.7		1.3		6.7
10 Total Foreca	ast Recovered Gas Costs - \$000	\$	626.6	\$	453.0	\$	431.0	\$	254.1	\$	140.0	\$	89.4	\$	60.3	\$	79.7	\$	149.0	\$	255.4	\$	418.0	\$	527.5	\$	3,484.0
11										-																	
12																											
13																											
14 INCURRED	GAS COSTS																										
15 Total Purcha	ases Incl. Company Use and UAF - TJ		98.1		70.8		67.5		39.7		21.9		14.0		9.4		12.5		23.3		39.9		65.4		82.5		545.0
16																											
17																											
18 Incurred Cos	st - \$/GJ	\$	6.6517	\$	6.6869	\$6	5890	\$	5.6207	\$	5.6390	\$	5.7112	\$	5.7802	\$	5.8022	\$	5.8662	\$	5.8116	\$	6.5117	\$	6.6269		
19																											
20 Forecast Inc	urred Gas Costs - \$000	\$	652.5	\$	473.4	\$	444.8	\$	223.1	\$	123.5	\$	80.0	\$	54.3	\$	72.5	\$	136.7	\$	231.9	\$	425.9	\$	546.7	\$	3,465.3
21																											
22																											
23																											
24																											
25																											
26 GCRA BAL																											
	lances (Pre-Tax) ^(1*)	\$	0.0	\$	25.9	\$	46.3	\$	60.1		29.1	\$	12.6	\$	3.2	\$	(2.8)	\$	(10.0)	\$	(22.3)	\$	(45.8)	\$	(37.9)		
28 Forecast Ac			25.9		20.4		13.8		(31.0)		(16.5)		(9.4)		(6.0)		(7.2)		(12.3)		(23.5)		7.9		19.2	\$	(18.7)
•	ances (Pre-tax) - \$000	\$	25.9	\$	46.3	\$	60.1	\$	29.1	\$	12.6	\$	3.2	\$	(2.8)	\$	(10.0)	\$	(22.3)	\$	(45.8)	\$	(37.9)	\$	(18.7)		
30																											
31																											
32 Tax Rate			26.50%		26.50%	2	6.50%		26.50%		26.50%		26.50%		26.50%		26.50%		26.50%		26.50%		26.50%		26.50%		
33		-																									
	lance (After-Tax)	\$	0.0	¢	24.0	¢		¢	04.0	¢	0.0	¢	0.0	¢	(0, 1)	¢	(7 A)	¢	(40.4)	¢	(00 7)	¢	(07.0)	¢	(40.0)		
35 Closing Bala	ances (After Tax) - \$000	\$	19.0	\$	34.0	\$	44.1	\$	21.3	\$	9.2	ቅ	2.3	\$	(2.1)	\$	(7.4)	\$	(16.4)	\$	(33.7)	\$	(27.9)	\$	(13.8)		

Slight differences in totals due to rounding.

Note (1*) Pre-tax opening balances are restated based on current income tax

Page 2

12 months

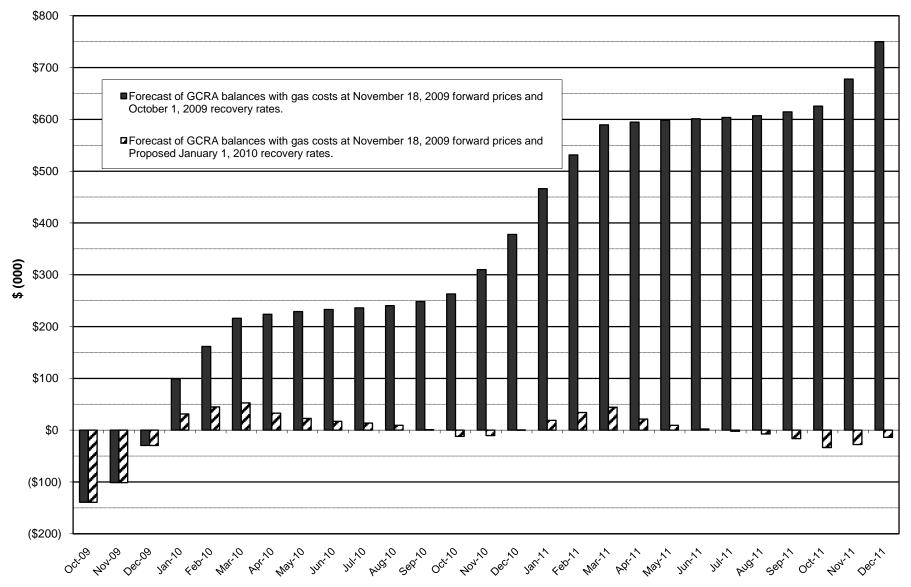
Tab 2

TERASEN GAS INC. - FORT NELSON SERVICE AREA GCRA AFTER TAX BALANCES (\$000) FOR THE PERIOD ENDING DECEMBER 31, 2011 COMPARISON OF PROPOSED JANUARY 1, 2010 RATES TO EXISTING RATES

Line No.		Particulars	2009 Q4 Gas Cost R Proposed Jan 1, 2010 (Nov 18, 2009 Forward	Rates	2009 Q4 Gas Co Oct 1, 2009 Gas Cost F (Nov 18, 2009 Forw	Recovery Rates
		(1)	(2)		(2)	
1	2009	January	\$	(94.0)	\$	(94.0)
2		February	\$	(60.7)	\$	(60.7)
3		March	\$	(215.6)	\$ \$ \$ \$ \$ \$ \$	(215.6)
4		April	\$	(26.2)	\$	(26.2)
5		Мау	\$	(133.6)	\$	(133.6)
6		June	\$	(143.2)	\$	(143.2)
7		July	† \$	(165.7)	1 \$	(165.7)
8		August	\$	(180.4)	\$	(180.4)
9		September	\$	(204.6)	\$	(204.6)
10		October	Recorded \$	(139.4)	Recorded \$	(139.4)
11		November	Projected \$	(101.3)	Projected \$	(101.3)
12		December	\$	(29.5)	\$	(29.5)
13	2010	January	\$	31.2	\$	99.1
14		February	<mark>,</mark> \$	44.9	\$	161.7
15		March	\$	52.6	\$	216.0
16		April	\$	32.7	\$	223.7
17		May	\$	22.6	\$	228.8
18		June	\$	16.9	\$	232.8
19		July	\$ \$	13.5	\$	236.0
20		August	\$	9.2	\$	240.4
21		September	\$	1.0	\$	248.4
22		October	\$	(12.1)	\$	263.0
23		November	\$	(10.5)	\$	310.0
24		December	\$	0.0	\$	377.7
25	2011	January	\$	19.0	\$	466.2
26		February	\$	34.0	\$	531.4
27		March	\$	44.1	\$	589.3
28		April	\$	21.3	\$	594.7
29		May	\$	9.2	\$	598.2
30		June	\$	2.3	\$	601.2
31		July	\$	(2.1)	▼	603.5
32		August	\$	(7.4)	\$	607.0
33		September	\$	(16.4)	\$	614.5
34		October	\$	(33.7)	\$	625.5
35		November	\$	(27.9)	\$	677.6
36		December	\$	(13.8)	\$	750.1

Tab 2 Page 3

TERASEN GAS INC. - FORT NELSON SERVICE AREA GCRA AFTER TAX BALANCES BY MONTH FOR THE PERIOD ENDING DECEMBER 2011



Tab 2 Page 4

TERASEN GAS INC. - FORT NELSON SERVICE AREA CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY FOR RATE 1 DOMESTIC SERVICE PROPOSED JANUARY 1, 2010 RATES BCUC ORDER NO. G-xx-09

Line No.	Schedule	Tariff Page	Particulars	OCTOBER 1, 2009 EXISTING RATES	Gas Cost Changes	JANUARY 1, 2010 PROPOSED RATES
	(1)	(2)	(3)	(4)	(5)	(6)
1 2	Rate 1	No. 1	Option A			
3			Minimum Monthly Charge			
4			plus \$1.19 times			
5			the amount of the promotional			
6			incentive divided by \$100			
7			(includes the first 2 Gigajoules)			
8						
9			Delivery Charge per Month	\$7.73	\$0.00	\$7.73
10			Revenue Stabilization Adjustment Amount per Month	\$0.47	\$0.00	\$0.47
11			Gas Cost Recovery Charge per Month	\$11.00	\$1.96	\$12.96
12			Minimum Monthly Charge (includes first 2 gigajoules)	\$19.20	\$1.96	\$21.16
13						
14			Delivery Charge per GJ	\$2.000	\$0.000	\$2.000
15			Revenue Stabilization Adjustment Amount per GJ	\$0.236	\$0.000	\$0.236
16			Gas Cost Recovery Charge per GJ	\$5.501	\$0.979	\$6.480
17			Next 28 Gigajoules in any month	\$7.737	\$0.979	\$8.716
18						
19			Delivery Charge per GJ	\$1.942	\$0.000	\$1.942
20			Revenue Stabilization Adjustment Amount per GJ	\$0.236	\$0.000	\$0.236
21			Gas Cost Recovery Charge per GJ	\$5.501	\$0.979	\$6.480
22			Excess of 30 Gigajoules in any month	\$7.679	\$0.979	\$8.658
23						
24						
25	Rate 1	No. 1.1	Option B			
26						
27			Delivery Charge per Month	\$7.73	\$0.00	\$7.73
28			Revenue Stabilization Adjustment Amount per Month	\$0.47	\$0.00	\$0.47
29			Gas Cost Recovery Charge per Month	\$11.00	\$1.96	\$12.96
30			Minimum Monthly Charge (includes first 2 gigajoules)	\$19.20	\$1.96	\$21.16
31						
32			Delivery Charge per GJ	\$2.000	\$0.000	\$2.000
33			Revenue Stabilization Adjustment Amount per GJ	\$0.236	\$0.000	\$0.236
34			Gas Cost Recovery Charge per GJ	\$5.501	\$0.979	\$6.480
35			Next 28 Gigajoules in any month	\$7.737	\$0.979	\$8.716
36						
37			Delivery Charge per GJ	\$1.942	\$0.000	\$1.942
38			Revenue Stabilization Adjustment Amount per GJ	\$0.236	\$0.000	\$0.236
39			Gas Cost Recovery Charge per GJ	\$5.501	\$0.979	\$6.480
40			Excess of 30 Gigajoules in any month	\$7.679	\$0.979	\$8.658

TERASEN GAS INC. - FORT NELSON SERVICE AREA

CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY FOR RATES 2.1, 2.2 & 2.3 GENERAL SERVICE PROPOSED JANUARY 1, 2010 RATES BCUC ORDER NO. G-xx-09

Line No.	Schedule	Tariff Page	Particulars	OCTOBER 1, 2009 EXISTING RATES	Gas Cost Changes	JANUARY 1, 2010 PROPOSED RATES
	(1)	(2)	(3)	(4)	(5)	(6)
1	Rate 2.1	No. 2	Delivery Charge per Month	\$22.77	\$0.00	\$22.77
2			Revenue Stabilization Adjustment Amount per Month	\$0.47	\$0.00	\$0.47
3			Gas Cost Recovery Charge per Month	\$11.00	\$1.96	\$12.96
4			Minimum Monthly Charge (includes first 2 gigajoules)	\$34.24	\$1.96	\$36.20
5 6			Delivery Charge per GJ	\$2.232	\$0.000	\$2.232
7			Revenue Stabilization Adjustment Amount per GJ	\$0.236	\$0.000	\$0.236
8			Gas Cost Recovery Charge per GJ	\$5.501	\$0.979	\$6.480
9			Next 28 Gigajoules in any month	\$7.969	\$0.979	\$8.948
10						
11			Delivery Charge per GJ	\$2.161	\$0.000	\$2.161
12			Revenue Stabilization Adjustment Amount per GJ	\$0.236	\$0.000	\$0.236
13			Gas Cost Recovery Charge per GJ	\$5.501	\$0.979	\$6.480
14 15			Excess of 30 Gigajoules in any month	\$7.898	\$0.979	\$8.877
16	Rate 2.2	No. 2	Delivery Charge per Month	\$22.77	\$0.00	\$22.77
17			Revenue Stabilization Adjustment Amount per Month	\$0.47	\$0.00	\$0.47
18			Gas Cost Recovery Charge per Month	\$11.00	\$1.96	\$12.96
19			Minimum Monthly Charge (includes first 2 gigajoules)	\$34.24	\$1.96	\$36.20
20						
21			Delivery Charge per GJ	\$2.232	\$0.000	\$2.232
22			Revenue Stabilization Adjustment Amount per GJ	\$0.236	\$0.000	\$0.236
23			Gas Cost Recovery Charge per GJ	\$5.501	\$0.979	\$6.480
24			Next 28 Gigajoules in any month	\$7.969	\$0.979	\$8.948
25 26			Delivery Charge per GJ	\$2.161	\$0.000	\$2.161
27			Revenue Stabilization Adjustment Amount per GJ	\$0.236	\$0.000	\$0.236
28			Gas Cost Recovery Charge per GJ	\$5.501	\$0.979	\$6.480
29			Excess of 30 Gigajoules in any month	\$7.898	\$0.979	\$8.877
30	Data 0.0	No. 0.4	Dallarm Okama man Maath		* 0.00	* 00.40
31	Rate 2.3	No. 2.1	Delivery Charge per Month	\$22.42	\$0.00	\$22.42
32			Gas Cost Recovery Charge per Month	\$11.00 \$33.42	\$1.96 \$1.96	\$12.96
33 34			Minimum Monthly Charge (includes first 2 gigajoules)	\$33.42	\$1.90	\$35.38
35			Delivery Charge per Month	\$2.755	\$0.000	\$2.755
36			Gas Cost Recovery Charge per Month	\$5.501	\$0.979	\$6.480
37			Next 28 Gigajoules in any month	\$8.256	\$0.979	\$9.235
38			Delivery Charge per Month	¢0 605	¢0,000	¢0.605
39 40			Delivery Charge per Month Gas Cost Recovery Charge per Month	\$2.685 \$5.501	\$0.000 \$0.979	\$2.685 \$6.480
40 41			Excess of 30 Gigajoules in any month	\$5.501 \$8.186	<u>\$0.979</u> \$0.979	\$6.480 \$9.165
41			LACESS OF SU GIGAJOURS IN any monut	φ 0.100	φ0.979	49.10J

TERASEN GAS INC. - FORT NELSON SERVICE AREA CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY FOR

RATES 3.1, 3.2 & 3.3 INDUSTRIAL SERVICE PROPOSED JANUARY 1, 2010 RATES BCUC ORDER NO. G-xx-09

Line No.	Schedule (1)	Tariff Page (2)	Particulars (3)	OCTOBER 1, 2009 EXISTING RATES (4)	Gas Cost Changes (5)	JANUARY 1, 2010 PROPOSED RATES (6)
1	Rate 3.1	No. 3	Delivery Charge			
2 3			First 20 Gigajoules in any month	\$2.319	\$0.000	\$2.319
4			Next 260 Gigajoules in any month	\$2.145	\$0.000	\$2.145
5			Excess over 280 Gigajoules in any month	\$1.736	\$0.000	\$1.736
6						• • • • •
7			Rider 5 - Revenue Stabilization Adjustment Charge per GJ	\$0.236	\$0.000	\$0.236
8 9			Gas Cost Recovery Charge per Gigajoule	\$5.501	\$0.979	\$6.480
10 11			Minimum Monthly Delivery Charge	\$1,458.00	\$0.00	\$1,458.00
12						
13 14	Rate 3.2	No. 3	Delivery Charge			
15			First 20 Gigajoules in any month	\$2.319	\$0.000	\$2.319
16			Next 260 Gigajoules in any month	\$2.145	\$0.000	\$2.145
17			Excess over 280 Gigajoules in any month	\$1.736	\$0.000	\$1.736
18			Diday 5 Deverye Stabilization Adjustment Charge per C.I.	¢0.000	\$0.000	¢0,000
19 20			Rider 5 - Revenue Stabilization Adjustment Charge per GJ Gas Cost Recovery Charge per Gigajoule	\$0.236 \$5.501	\$0.000 \$0.979	\$0.236 \$6.480
20			Cas Cost Nectively Charge per Cigajoure	\$5.50 T	ψ0.575	ψ0. + 00
22 23			Minimum Monthly Delivery Charge	\$1,458.00	\$0.00	\$1,458.00
24 25 26	Rate 3.3	No. 3.1	Delivery Charge			
20			First 20 Gigajoules in any month	\$2.319	\$0.000	\$2.319
28			Next 260 Gigajoules in any month	\$2.145	\$0.000	\$2.145
29 30			Excess over 280 Gigajoules in any month	\$1.736	\$0.000	\$1.736
30 31			Rider 5 - Revenue Stabilization Adjustment Charge per GJ	\$0.236	\$0.000	\$0.236
32			Gas Cost Recovery Charge per Gigajoule	\$5.501	\$0.979	\$6.480
33 34			Minimum Monthly Delivery Charge	\$1,458.00	\$0.00	\$1,458.00

TERASEN GAS INC. - FORT NELSON SERVICE AREA IMPACT ON CUSTOMERS BILLS BCUC ORDER NO. G-xx-09

RATE 1 - DOMESTIC (RESIDENTIAL) SERVICE - OPTION B

Line No.		EXI	STING OC	TOBER 1, 20	09 RATES	PR	OPOSED JA	ANUARY 1, 2	2010 RATES		Annual Increase/(Decre	ase)
												% of Previous
1	Rate 1 Domestic Service Option B	Volu	ime	Rate	Annual \$	Vc	lume	Rate	Annual \$	Rate	Annual \$	Annual Bill
2												
3	Monthly Charge											
4	Delivery Charge per month		months x	\$7.73	\$92.76		months x	\$7.73	\$92.76	\$0.00	\$0.00	0.00%
5	Rider 5 - RSAM per month	12 1	months x	0.47	5.64	12	months x	0.47	5.64	0.00	0.00	0.00%
6	Gas Cost Recovery Charge per month	12 1	months x	11.00	132.00	12	months x	12.96	155.52	1.96	23.52	2.09%
7	Minimum Monthly Charge (includes the first 2 gigajoules)			\$19.20	\$230.40			\$21.16	\$253.92	\$1.96	\$23.52	2.09%
8												
9	Next 28 Gigajoules in any month											
10	Delivery Charge per GJ	116	GJ x	\$2.000	\$232.0000	116	GJ x	\$2.000	\$232.0000	\$0.000	\$0.0000	0.00%
10	Rider 5 - RSAM per GJ	116	GJ x	0.236	27.3760	116	GJ x	0.236	27.3760	0.000	0.0000	0.00%
11	Gas Cost Recovery Charge per GJ	116	GJ x	5.501	638.1160	116	GJ x	6.480	751.6800	0.979	113.5640	10.07%
12	Total Charges per GJ		-	\$7.737	\$897.49		-	\$8.716	\$1,011.06	\$0.979	\$113.57	10.07%
13												
14	Excess of 30 Gigajoules in any month											
15	Delivery Charge per GJ	0	GJ x	\$1.942	\$0.0000	0	GJ x	\$1.942	\$0.0000	\$0.000	\$0.0000	0.00%
15	Rider 5 - RSAM per GJ	0	GJ x	0.236	0.0000	0	GJ x	0.236	0.0000	0.000	0.0000	0.00%
16	Gas Cost Recovery Charge per GJ	0	GJ x	5.501	0.0000	0	GJ x	6.480	0.0000	0.979	0.0000	0.00%
17	Total Charges per GJ		-	\$7.679	\$0.00		_	\$8.658	\$0.00	\$0.979	\$0.00	0.00%
18												
19	Total	140	GJ		\$1,127.89	140	GJ		\$1,264.98		\$137.09	12.15%
20						-	=					-
21	Summary of Annual Delivery and Commodity Charges											
22	Delivery Charge (including RSAM)				\$357.7760				\$357.7760		\$0.0000	0.00%
23	Commodity Charge	1			770.1160				907.2000		137.0840	12.15%
24	Total				\$1,127.89				\$1,264.98		\$137.09	12.15%

Notes: Tariff rate schedule per GJ charges are set at 3 decimals. Individual tariff components are calculated and shown to 4 decimals; subtotal amounts, equivalent to the line items on customer bills, are rounded and shown to 2 decimals, consistent with actual invoice calculations. Slight differences in totals due to rounding

TERASEN GAS INC. - FORT NELSON SERVICE AREA IMPACT ON CUSTOMERS BILLS BCUC ORDER NO. G-xx-09

RATE 2.1 - GENERAL (COMMERCIAL) SERVICE

Line No.		EXISTING OCTOBER 1, 2009 RATES					PR	OPOSED JA	ANUARY 1,	201	Annual Increase/(Decrease)			
				,					,					% of Previous
1	Rate 2.1 General Service	Volume		Rate		Annual \$	Vo	lume	Rate		Annual \$	Rate	Annual \$	Annual Bill
2														
3	Monthly Charge													
4	Delivery Charge per month	12	months x	\$22.77	=	\$273.24	12	months x	\$22.77	=	\$273.24	\$0.00	\$0.00	0.00%
5	Rider 5 - RSAM per month	12	months x	0.47	=	5.64	12	months x	0.47	=	5.64	0.00	0.00	0.00%
6	Gas Cost Recovery Charge per month	12	months x	11.00	=	132.00	12	months x	12.96	=	155.52	1.96	23.52	0.61%
7	Minimum Monthly Charge (includes the first 2 gigajoules)		-	\$34.24		\$410.88		_	\$36.20		\$434.40	\$1.96	\$23.52	0.61%
8														
9	Next 298 Gigajoules in any month													
10	Delivery Charge per GJ	436	GJ x	\$2.232	=	\$973.1520	436	GJ x	\$2.232	=	\$973.1520	\$0.000	\$0.0000	0.00%
11	Rider 5 - RSAM per GJ	436	GJ x	0.236	=	102.8960	436	GJ x	0.236	=	102.8960	0.000	0.0000	0.00%
12	Gas Cost Recovery Charge per GJ	436	GJ x	5.501	=	2,398.4360	436	GJ x	6.480	=	2,825.2800	0.979	426.8440	10.99%
13	Total Charges per GJ		-	\$7.969		\$3,474.48		_	\$8.948		\$3,901.33	\$0.979	\$426.85	10.99%
14														
15	Excess of 300 Gigajoules in any month													
16	Delivery Charge per GJ	0	GJ x	\$2.161	=	\$0.0000	0	GJ x	\$2.161	=	\$0.0000	\$0.000	\$0.0000	0.00%
17	Rider 5 - RSAM per GJ	0	GJ x	0.236	=	0.0000	0	GJ x	0.236	=	0.0000	0.000	0.0000	0.00%
18	Gas Cost Recovery Charge per GJ	0	GJ x	5.501	=	0.0000	0	GJ x	6.480	=	0.0000	0.979	0.0000	0.00%
19	Total Charges per GJ		-	\$7.898		\$0.00		_	\$8.877		\$0.00	\$0.979	\$0.00	0.00%
20														
21	Total	460	GJ		_	\$3,885.36	460	GJ		_	\$4,335.73		\$450.37	11.59%
22					_					-				
23	Summary of Annual Delivery and Commodity Charges													
24	Delivery Charge (including RSAM)					\$1,354.9280					\$1,354.9280		\$0.0000	0.00%
25	Commodity Charge					2,530.4360					2,980.8000		450.3640	11.59%
26	Total					\$3,885.36				-	\$4,335.73		\$450.37	11.59%
					-					-				

Notes: Tariff rate schedule per GJ charges are set at 3 decimals. Individual tariff components are calculated and shown to 4 decimals; subtotal amounts, equivalent to the line items on customer bills, are rounded and shown to 2 decimals, consistent with actual invoice calculations. Slight differences in totals due to rounding

Tab 4 Page 2

TERASEN GAS INC. - FORT NELSON SERVICE AREA IMPACT ON CUSTOMERS BILLS BCUC ORDER NO. G-xx-09

RATE 2.2 - GENERAL (COMMERCIAL) SERVICE

Line No.		EXISTING OCTOBER 1, 2009 RATES					PR	OPOSED JA	ANUARY 1,	201	Annual Increase/(Decrease)			
													,	% of Previous
1	Rate 2.2 General Service	Volume		Rate	Rate Anr		Volume		Rate		Annual \$	Rate	Annual \$	Annual Bill
2														
3	Monthly Charge													
4	Delivery Charge per month	12	months x	\$22.77	=	\$273.24	12	months x	\$22.77	=	\$273.24	\$0.00	\$0.00	0.00%
5	Rider 5 - RSAM per month	12	months x	0.47	=	5.64	12	months x	0.47	=	5.64	0.00	0.00	0.00%
6	Gas Cost Recovery Charge per month	12	months x	11.00	=	132.00	12	months x	12.96	=	155.52	1.96	23.52	0.09%
7	Minimum Monthly Charge (includes the first 2 gigajoules)			\$34.24		\$410.88			\$36.20		\$434.40	\$1.96	\$23.52	0.09%
8														
9	Next 298 Gigajoules in any month													
10	Delivery Charge per GJ	3,076	GJ x	\$2.232	=	\$6,865.6320	3,076	GJ x	\$2.232	=	\$6,865.6320	\$0.000	\$0.0000	0.00%
11	Rider 5 - RSAM per GJ	3,076	GJ x	0.236	=	725.9360	3,076	GJ x	0.236	=	725.9360	0.000	0.0000	0.00%
12	Gas Cost Recovery Charge per GJ	3,076	GJ x	5.501	_	16,921.0760	3,076	GJ x	6.480	_	19,932.4800	0.979	3,011.4040	12.08%
13	Total Charges per GJ			\$7.969	1	\$24,512.64			\$8.948		\$27,524.05	\$0.979	\$3,011.41	12.08%
14														
15	Excess of 300 Gigajoules in any month													
16	Delivery Charge per GJ	0	GJ x	\$2.161	=	\$0.0000	0	GJ x	\$2.161	=	\$0.0000	\$0.000	\$0.0000	0.00%
17	Rider 5 - RSAM per GJ	0	GJ x	0.236	=	0.0000	0	GJ x	0.236	=	0.0000	0.000	0.0000	0.00%
18	Gas Cost Recovery Charge per GJ	0	GJ x	5.501	_ =_	0.0000	0	GJ x	6.480	_ =_	0.0000	0.979	0.0000	0.00%
19	Total Charges per GJ			\$7.898		\$0.00			\$8.877		\$0.00	\$0.979	\$0.00	0.00%
20					_			_		_				
21	Total	3,100	GJ			\$24,923.52	3,100	GJ		_	\$27,958.45		\$3,034.93	12.18%
22								-						
23	Summary of Annual Delivery and Commodity Charges													
24	Delivery Charge (including RSAM)					\$7,870.4480					\$7,870.4480		\$0.0000	0.00%
25	Commodity Charge				_	17,053.0760				_	20,088.0000		3,034.9240	12.18%
26	Total					\$24,923.52					\$27,958.45		\$3,034.93	12.18%
					-					-				

Notes: Tariff rate schedule per GJ charges are set at 3 decimals. Individual tariff components are calculated and shown to 4 decimals; subtotal amounts, equivalent to the line items on customer bills, are rounded and shown to 2 decimals, consistent with actual invoice calculations. Slight differences in totals due to rounding

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> TELEPHONE: (604) 660-4700 BC TOLL FREE: 1-800-663-1385 FACSIMILE: (604) 660-1102

DRAFT ORDER

IN THE MATTER OF the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

An Application by Terasen Gas Inc. Regarding 2009 Fourth Quarter Gas Cost Report and Rate Changes effective January 1, 2010 for the Fort Nelson Service Area

BEFORE:

[December __, 2009]

WHEREAS:

- A. By Order No. G-106-09 dated September 10, 2009 the British Columbia Utilities Commission (the "Commission") approved the Gas Cost Recovery Charge for the Fort Nelson Service Area; and
- B. On December 3, 2009, pursuant to Commission Letter No. L-5-01, Terasen Gas Inc. ("Terasen Gas") filed its 2009 Fourth Quarter Report on the Gas Cost Reconciliation Account ("GCRA") balance and gas commodity recovery charges for the Fort Nelson Service Area effective January 1, 2010, that were based on November 18, 2009 forward gas prices (the "2009 Fourth Quarter Report"); and
- C. The 2009 Fourth Quarter Report forecasts that gas commodity charges at current rates would be 84.9 percent of costs for the following 12 months; and has requested an increase of \$0.979/GJ in gas commodity recovery charges for natural gas customers in Fort Nelson Service Area, effective January 1, 2010; and
- D. This equates to an increase to a typical residential customer's annual bill, based on an annual consumption of 140 GJ, of approximately \$137 or 12.2 percent; and
- E. The Commission has determined that the requested changes, as outlined in the 2009 Fourth Quarter Report, should be approved.

NOW THEREFORE pursuant to Section 61(4) of the Utilities Commission Act, the Commission orders as follows:

1. The Commission approves a \$0.979/GJ increase in the Gas Cost Recovery Charge for Fort Nelson Service Area to \$6.480/GJ effective January 1, 2010, as set out in Terasen Gas' 2009 Fourth Quarter Report for Fort Nelson Service Area.

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2. Terasen Gas will notify all customers that are affected by the rate changes with a bill insert or bill message to be included with the next monthly gas billing.

DATED at the City of Vancouver, in the Province of British Columbia, this

day of December, 2009.

BY ORDER

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