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December 7, 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  
Revised 2009 Fourth Quarter Gas Cost Report**

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The attached materials provide the TG Fort Nelson Revised 2009 Fourth Quarter Gas Cost Report to the British Columbia Utilities Commission (the “Commission”). As a result of recent declines in the natural gas commodity market, and in conjunction with feedback from Commission staff, Terasen Gas Inc. (“Terasen Gas”) has revised the TG Fort Nelson 2009 Fourth Quarter Gas Cost Report and the GCRA deferral account forecast utilizing the December 2, 2009 forward prices.

Based on the forward prices as at December 2, 2009, the December 31, 2009 GCRA deferral balance is projected to be approximately \$39,700 surplus after tax (Revised Tab 1, Page 2, Column 2, Line 34). Further, based on the December 2, 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 87.2% (Revised 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 \$0.808/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 \$0.808/GJ increase Terasen Gas is requesting for TG Fort Nelson effective January 1, 2010, is provided under the section titled “BALANCING REQUIREMENT” at Revised Tab 1, Page 1. The schedules within Revised 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.

Revised 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 \$113 or 10.0%, 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 \$0.808/GJ. The gas cost recovery charge component of rates would increase from \$5.501/GJ to \$6.309/GJ, effective January 1, 2010.

Provided in Revised Tab 5 are the details of the forecast gas costs for TG Fort Nelson. Terasen Gas requests the information contained in Revised 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 believes this will ensure that market sensitive information is protected, and 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 those 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 by: Brian Noel***

**For:** Tom A. Loski

Attachments

TERASEN GAS INC. - FORT NELSON SERVICE AREA  
GAS COST RECONCILIATION ACCOUNT ("GCRA") RATE CHANGE TRIGGER MECHANISM  
FOR THE PERIOD JANUARY 1, 2010 TO DECEMBER 31, 2010  
WITH **EXISTING OCTOBER 1, 2009** GAS COST RECOVERY RATES  
**(DECEMBER 2, 2009 FORWARD PRICES)**

Revised Tab 1  
Page 1

Line No.	Particulars	Annual (\$000)	Percentage	Volume (TJ)	Unit Cost (\$/GJ)
	(1)	(2)	(3)	(4)	(5)
1	<b><u>RATE CHANGE TRIGGER MECHANISM</u></b>				
2	Projected Grossed-up GCRA Balance as at December 31, 2009	\$ (55.5)			
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	\$ 3,465.1			
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	Ratio = $\frac{\text{Forecast Recovered Gas Costs}}{\text{Forecast Incurred Gas Costs} + \text{Projected GCRA Balance}}$	$\frac{\$ 2,974.0}{\$ 3,409.6}$	=	<b><u>87.2%</u></b>	
11					
12					
13					
14					
15					
16	<b><u>BALANCING REQUIREMENT</u></b>				
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)	\$ (55.5)			\$ (0.1029)
23	Forecast GCRA Activities - January 2010 to December 2010 (Line 5 - Line 7)	491.1			\$ 0.9105
24	(Over) / Under Recovery at Proposed Rates	<u>\$ 435.6</u>			
25					
26	Proposed Rates (Decrease) / Increase				<u>\$ 0.808</u>

WITH EXISTING OCT 1, 2009 GAS COST RECOVERY RATES  
 (DECEMBER 2, 2009 FORWARD PRICES)

Line No.	Particulars													12 months Jan10-Dec10 Forecast Total
		Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	(14)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
1	<b>RECOVERED GAS COSTS</b>													
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
4														
5	Recovery Unit Cost on Sales - \$/GJ	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.501	
6	Recovery 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	
7														
8	Recovery on Sales - \$000	\$ 533.0	\$ 385.1	\$ 366.9	\$ 216.2	\$ 119.4	\$ 76.5	\$ 51.7	\$ 68.2	\$ 127.1	\$ 217.3	\$ 356.5	\$ 449.4	\$ 2,967.3
9	Recovery on T-Service UAF - \$000	1.3	1.3	0.7	0.7	-	-	-	-	-	0.7	0.7	1.3	6.7
10	Total Forecast Recovered Gas Costs - \$000	<u>\$ 534.3</u>	<u>\$ 386.4</u>	<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>
11														
12														
13														
14	<b>INCURRED GAS COSTS</b>													
15	Total 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
16														
17														
18	Incurred Cost - \$/GJ	\$ 7.0616	\$ 6.5343	\$ 6.4684	\$ 5.5592	\$ 5.6107	\$ 5.6814	\$ 5.7637	\$ 5.7713	\$ 5.7577	\$ 5.8030	\$ 6.2603	\$ 6.4274	
19														
20	Forecast Incurred Gas Costs - \$000	<u>\$ 695.6</u>	<u>\$ 464.6</u>	<u>\$ 438.6</u>	<u>\$ 221.8</u>	<u>\$ 123.4</u>	<u>\$ 80.1</u>	<u>\$ 54.8</u>	<u>\$ 72.7</u>	<u>\$ 134.7</u>	<u>\$ 232.7</u>	<u>\$ 412.6</u>	<u>\$ 533.5</u>	<u>\$ 3,465.1</u>
21														
22														
23														
24														
25														
26	<b>GCRA BALANCE</b>													
27	Opening Balances (Pre-Tax) (1*)	\$ (55.5)	\$ 105.8	\$ 184.0	\$ 255.0	\$ 259.9	\$ 263.9	\$ 267.5	\$ 270.6	\$ 275.1	\$ 282.7	\$ 297.4	\$ 352.8	
28	Forecast Activity	161.3	78.2	71.0	4.9	4.0	3.6	3.1	4.5	7.6	14.7	55.4	82.8	491.1
29	Closing Balances (Pre-tax) - \$000	<u>\$ 105.8</u>	<u>\$ 184.0</u>	<u>\$ 255.0</u>	<u>\$ 259.9</u>	<u>\$ 263.9</u>	<u>\$ 267.5</u>	<u>\$ 270.6</u>	<u>\$ 275.1</u>	<u>\$ 282.7</u>	<u>\$ 297.4</u>	<u>\$ 352.8</u>	<u>\$ 435.6</u>	
30														
31														
32	Tax 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%	
33														
34	Opening Balance (After-Tax)	\$ (39.7)												
35	Closing Balances (After Tax) - \$000	<u>\$ 75.6</u>	<u>\$ 131.5</u>	<u>\$ 182.3</u>	<u>\$ 185.8</u>	<u>\$ 188.7</u>	<u>\$ 191.3</u>	<u>\$ 193.5</u>	<u>\$ 196.7</u>	<u>\$ 202.1</u>	<u>\$ 212.6</u>	<u>\$ 252.2</u>	<u>\$ 311.4</u>	

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.

TERASEN GAS INC. - FORT NELSON SERVICE AREA  
 RECOVERED AND INCURRED COSTS SUMMARY  
 FOR THE PERIOD JANUARY 1, 2010 TO DECEMBER 31, 2011

Revised Tab 1  
 Page 3

WITH EXISTING OCT 1, 2009 GAS COST RECOVERY RATES  
 (DECEMBER 2, 2009 FORWARD PRICES)

Line No.	Particulars													12 months Jan11-Dec11 Forecast Total
		Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	(27)
	(1)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	
1	<b>RECOVERED GAS COSTS</b>													
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 UAF - TJ	0.2	0.2	0.1	0.1	-	-	-	-	-	0.1	0.1	0.2	1.0
4														
5	Recovery Unit Cost on Sales - \$/GJ	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.501	\$ 5.5010	\$ 5.5010	\$ 5.5010	
6	Recovery 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	\$ 6.5310	\$ 6.5310	\$ 6.5310	
7														
8	Recovery on Sales - \$000	\$ 530.8	\$ 383.4	\$ 365.3	\$ 215.1	\$ 118.8	\$ 75.9	\$ 51.2	\$ 67.7	\$ 126.5	\$ 216.2	\$ 354.3	\$ 446.7	\$ 2,951.9
9	Recovery on T-Service UAF - \$000	1.3	1.3	0.7	0.7	-	-	-	-	-	0.7	0.7	1.3	6.7
10	Total Forecast Recovered Gas Costs - \$000	<u>\$ 532.1</u>	<u>\$ 384.7</u>	<u>\$ 366.0</u>	<u>\$ 215.8</u>	<u>\$ 118.8</u>	<u>\$ 75.9</u>	<u>\$ 51.2</u>	<u>\$ 67.7</u>	<u>\$ 126.5</u>	<u>\$ 216.9</u>	<u>\$ 355.0</u>	<u>\$ 448.0</u>	<u>\$ 2,958.6</u>
11														
12														
13														
14	<b>INCURRED GAS COSTS</b>													
15	Total Purchases 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 Cost - \$/GJ	\$ 6.5155	\$ 6.5198	\$ 6.4688	\$ 5.5870	\$ 5.6018	\$ 5.6741	\$ 5.7585	\$ 5.7797	\$ 5.7659	\$ 5.7683	\$ 6.3995	\$ 6.5664	
19														
20	Forecast Incurred Gas Costs - \$000	<u>\$ 639.2</u>	<u>\$ 461.6</u>	<u>\$ 436.6</u>	<u>\$ 221.8</u>	<u>\$ 122.7</u>	<u>\$ 79.4</u>	<u>\$ 54.1</u>	<u>\$ 72.2</u>	<u>\$ 134.3</u>	<u>\$ 230.2</u>	<u>\$ 418.5</u>	<u>\$ 541.7</u>	<u>\$ 3,412.3</u>
21														
22														
23														
24														
25														
26	<b>GCRA BALANCE</b>													
27	Opening Balances (Pre-Tax) (1*)	\$ 423.7	\$ 530.8	\$ 607.7	\$ 678.3	\$ 684.3	\$ 688.2	\$ 691.7	\$ 694.6	\$ 699.1	\$ 706.9	\$ 720.2	\$ 783.7	
28	Forecast Activity	107.1	76.9	70.6	6.0	3.9	3.5	2.9	4.5	7.8	13.3	63.5	93.7	\$ 453.7
29	Closing Balances (Pre-tax) - \$000	<u>\$ 530.8</u>	<u>\$ 607.7</u>	<u>\$ 678.3</u>	<u>\$ 684.3</u>	<u>\$ 688.2</u>	<u>\$ 691.7</u>	<u>\$ 694.6</u>	<u>\$ 699.1</u>	<u>\$ 706.9</u>	<u>\$ 720.2</u>	<u>\$ 783.7</u>	<u>\$ 877.4</u>	
30														
31														
32	Tax Rate	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	
33														
34	Opening Balance (After-Tax)	\$ 311.4												
35	Closing Balances (After Tax) - \$000	<u>\$ 390.1</u>	<u>\$ 446.6</u>	<u>\$ 498.5</u>	<u>\$ 502.9</u>	<u>\$ 505.8</u>	<u>\$ 508.4</u>	<u>\$ 510.5</u>	<u>\$ 513.8</u>	<u>\$ 519.5</u>	<u>\$ 529.3</u>	<u>\$ 576.0</u>	<u>\$ 644.9</u>	

Slight differences in totals due to rounding.

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

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

Revised Tab 1  
Page 4

Line No	Particulars	Dec 2, 2009 Forward Prices 2009 Q4 Gas Cost Report	Aug 24, 2009 Forward Prices 2009 Q3 Gas Cost Report	Dec 2, 2009 Forward Prices Less Aug 24, 2009 Forward Prices (4) = (2) - (3)
	(1)	(2)	(3)	
1	<b>Station No. 2 Index Prices - \$CDN/GJ</b>			
2	<b>2009</b>			
3	January	\$ 6.52	\$ 6.52	\$ -
4	February	\$ 4.79	\$ 4.79	\$ -
5	March	\$ 4.08	\$ 4.08	\$ -
6	April	\$ 3.71	\$ 3.71	\$ -
7	May	\$ 2.92	\$ 2.92	\$ -
8	June	\$ 3.30	\$ 3.30	\$ -
9	July	\$ 3.04	\$ 3.04	\$ -
10	August	\$ 2.87	\$ 2.87	\$ -
11	September	\$ 2.30 (1*)	\$ 2.63	\$ (0.33)
12	October	\$ 3.12	\$ 2.51	\$ 0.61
13	November	\$ 4.84	\$ 3.72	\$ 1.12
14	December	\$ 4.64	\$ 4.56	\$ 0.09
15	Simple Average (Jan, 2009 - Dec, 2009)	\$ 3.84	\$ 3.72	3.4% \$ 0.12
16	Simple Average (Apr, 2009 - Mar, 2010)	\$ 3.63	\$ 3.66	-0.7% \$ (0.03)
17	Simple Average (Jul, 2009 - Jun, 2010)	\$ 3.87	\$ 3.98	-2.7% \$ (0.11)
18	Simple Average (Oct, 2009 - Sep, 2010)	\$ 4.32	\$ 4.50	-3.9% \$ (0.18)
19	<b>2010</b>			
20	January	\$ 3.92	\$ 4.85	\$ (0.93)
21	February	\$ 4.52	\$ 4.91	\$ (0.38)
22	March	\$ 4.42	\$ 4.91	\$ (0.48)
23	April	\$ 4.19	\$ 4.53	\$ (0.34)
24	May	\$ 4.26	\$ 4.60	\$ (0.34)
25	June	\$ 4.36	\$ 4.70	\$ (0.34)
26	July	\$ 4.46	\$ 4.82	\$ (0.36)
27	August	\$ 4.54	\$ 4.92	\$ (0.38)
28	September	\$ 4.60	\$ 4.99	\$ (0.39)
29	October	\$ 4.75	\$ 5.11	\$ (0.37)
30	November	\$ 5.41	\$ 5.82	\$ (0.42)
31	December	\$ 5.85	\$ 6.21	\$ (0.36)
32	Simple Average (Jan, 2010 - Dec, 2010)	\$ 4.61	\$ 5.03	-8.4% \$ (0.42)
33	Simple Average (Apr, 2010 - Mar, 2011)	\$ 5.04	\$ 5.40	-6.6% \$ (0.36)
34	Simple Average (Jul, 2010 - Jun, 2011)	\$ 5.32	\$ 5.63	-5.6% \$ (0.31)
35	Simple Average (Oct, 2010 - Sep, 2011)	\$ 5.56	\$ 5.83	-4.6% \$ (0.27)
36	<b>2011</b>			
37	January	\$ 6.08	\$ 6.44	\$ (0.36)
38	February	\$ 6.08	\$ 6.44	\$ (0.36)
39	March	\$ 5.95	\$ 6.26	\$ (0.31)
40	April	\$ 5.35	\$ 5.51	\$ (0.16)
41	May	\$ 5.34	\$ 5.47	\$ (0.14)
42	June	\$ 5.40	\$ 5.56	\$ (0.16)
43	July	\$ 5.46	\$ 5.65	\$ (0.19)
44	August	\$ 5.53	\$ 5.71	\$ (0.19)
45	September	\$ 5.56	\$ 5.74	\$ (0.18)
46	October	\$ 5.69	\$ 5.83	\$ (0.13)
47	November	\$ 6.18	\$ 6.32	\$ (0.14)
48	December	\$ 6.47	\$ 6.62	\$ (0.14)
49	Simple Average (Jan, 2011 - Dec, 2011)	\$ 5.76	\$ 5.96	-3.4% \$ (0.20)

Note (1\*) The September 2009 recorded price in column 2 of the Revised 2009 Q4 Report was corrected to \$2.30. In the original 2009 Q4 Report it was incorrectly reported as \$2.63.

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

Revised Tab 1  
Page 5

Line No.	Particulars	2009 Q4 Gas Cost Report Oct 1, 2009 Gas Cost Recovery Rates (December 2, 2009 Forward Prices)		2009 Q3 Gas Cost Report Oct 1, 2009 Gas Cost Recovery Rates (Aug 24, 2009 Forward Prices)	
		(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)	\$ (165.7)	
8		August	\$ (180.4)	\$ (177.3)	
9		September	\$ (204.6)	\$ (201.7)	
10		October	\$ (139.4)	\$ (226.3)	
11		November	\$ (102.2)	\$ (212.8)	
12		December	\$ (39.7)	\$ (181.2)	
13	2010	January	\$ 75.6	\$ (97.3)	
14		February	\$ 131.5	\$ (63.9)	
15		March	\$ 182.3	\$ (31.4)	
16		April	\$ 185.8	\$ (23.0)	
17		May	\$ 188.7	\$ (17.4)	
18		June	\$ 191.3	\$ (13.0)	
19		July	\$ 193.5	\$ (9.6)	
20		August	\$ 196.7	\$ (4.7)	
21		September	\$ 202.1	\$ 4.0	
22		October	\$ 212.6	\$ 19.9	
23		November	\$ 252.2	\$ 68.4	
24		December	\$ 311.4	\$ 139.3	
25	2011	January	\$ 390.1	\$ 233.3	
26		February	\$ 446.6	\$ 300.8	
27		March	\$ 498.5	\$ 361.8	
28		April	\$ 502.9	\$ 369.1	
29		May	\$ 505.8	\$ 373.3	
30		June	\$ 508.4	\$ 377.0	
31		July	\$ 510.5	\$ 380.0	
32		August	\$ 513.8	\$ 384.6	
33		September	\$ 519.5	\$ 392.5	
34		October	\$ 529.3		
35		November	\$ 576.0		
36		December	\$ 644.9		

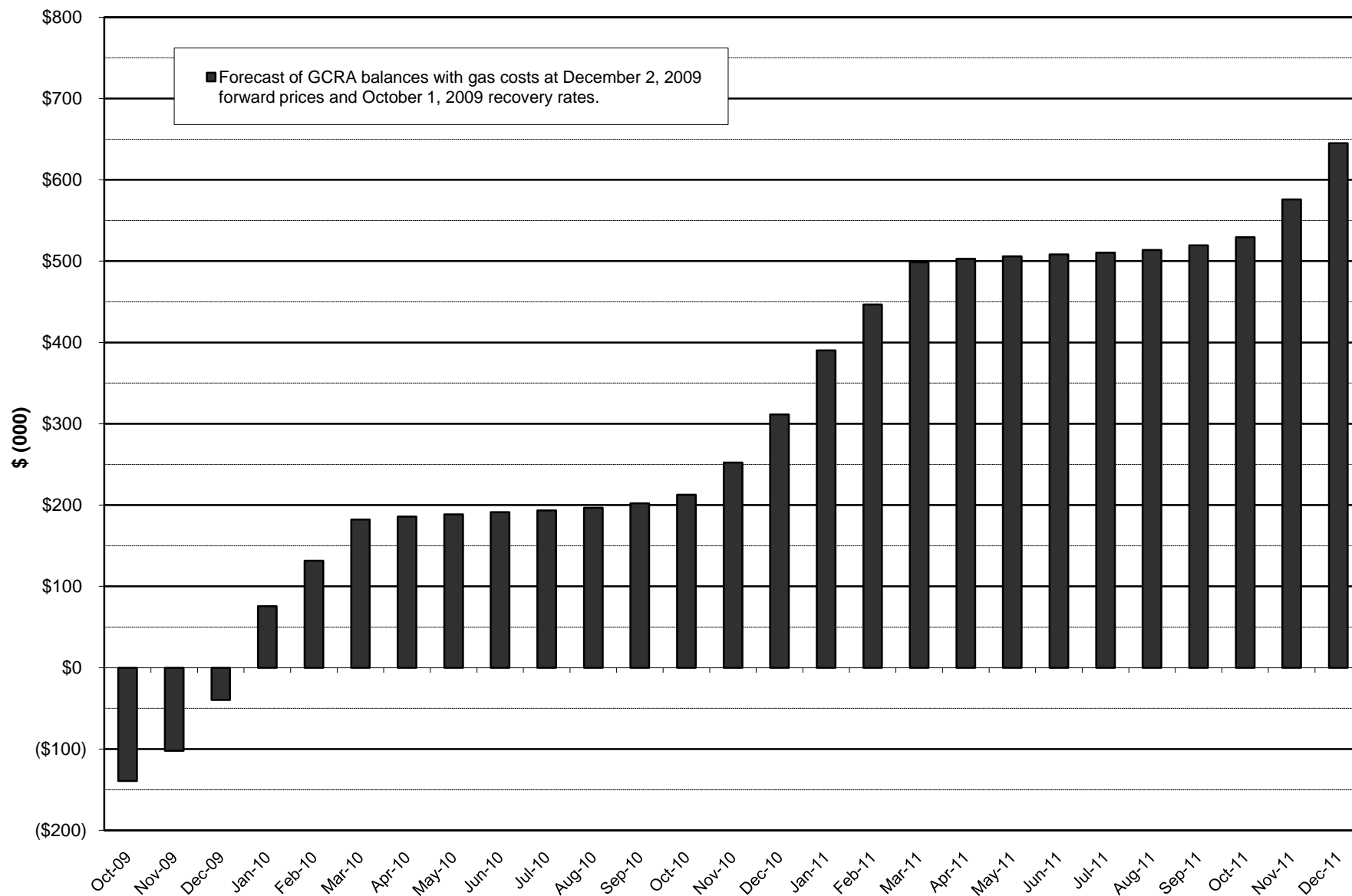
38 **Notes:** Comparison of Recorded with Projected GCRA balances

39 (a) October 2009 GCRA surplus balance was less than forecast primarily due to higher recorded unit cost of gas.

40

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

Revised Tab 1  
Page 6





TERASEN GAS INC. - FORT NELSON SERVICE AREA  
RECOVERED AND INCURRED COSTS SUMMARY  
FOR THE PERIOD JANUARY 1, 2010 TO DECEMBER 31, 2011

Revised Tab 2  
Page 1

WITH PROPOSED JAN 1, 2010 GAS COST RECOVERY RATES  
(DECEMBER 2, 2009 FORWARD PRICES)

Line No.	Particulars													12 months Jan10-Dec10 Forecast Total
		Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	(14)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
1	<b>RECOVERED GAS COSTS</b>													
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
4														
5	Recovery Unit Cost on Sales - \$/GJ	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	
6	Recovery 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	
7														
8	Recovery on Sales - \$000	\$ 611.3	\$ 441.6	\$ 420.8	\$ 247.9	\$ 136.9	\$ 87.7	\$ 59.3	\$ 78.2	\$ 145.7	\$ 249.2	\$ 408.8	\$ 515.4	\$ 3,402.8
9	Recovery on T-Service UAF - \$000	1.3	1.3	0.7	0.7	-	-	-	-	-	0.7	0.7	1.3	6.7
10	Total Forecast Recovered Gas Costs - \$000	<u>\$ 612.6</u>	<u>\$ 442.9</u>	<u>\$ 421.5</u>	<u>\$ 248.6</u>	<u>\$ 136.9</u>	<u>\$ 87.7</u>	<u>\$ 59.3</u>	<u>\$ 78.2</u>	<u>\$ 145.7</u>	<u>\$ 249.9</u>	<u>\$ 409.5</u>	<u>\$ 516.7</u>	<u>\$ 3,409.5</u>
11														
12														
13														
14	<b>INCURRED GAS COSTS</b>													
15	Total 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
16														
17														
18	Incurred Cost - \$/GJ	\$ 7.0616	\$ 6.5343	\$ 6.4684	\$ 5.5592	\$ 5.6107	\$ 5.6814	\$ 5.7637	\$ 5.7713	\$ 5.7577	\$ 5.8030	\$ 6.2603	\$ 6.4274	
19														
20	Forecast Incurred Gas Costs - \$000	<u>\$ 695.6</u>	<u>\$ 464.6</u>	<u>\$ 438.6</u>	<u>\$ 221.8</u>	<u>\$ 123.4</u>	<u>\$ 80.1</u>	<u>\$ 54.8</u>	<u>\$ 72.7</u>	<u>\$ 134.7</u>	<u>\$ 232.7</u>	<u>\$ 412.6</u>	<u>\$ 533.5</u>	<u>\$ 3,465.1</u>
21														
22														
23														
24														
25														
26	<b>GCRA BALANCE</b>													
27	Opening Balances (Pre-Tax) <sup>(1*)</sup>	\$ (55.5)	\$ 27.5	\$ 49.2	\$ 66.3	\$ 39.5	\$ 26.0	\$ 18.4	\$ 13.9	\$ 8.4	\$ (2.6)	\$ (19.8)	\$ (16.7)	
28	Forecast Activity	83.0	21.7	17.1	(26.8)	(13.5)	(7.6)	(4.5)	(5.5)	(11.0)	(17.2)	3.1	16.8	\$ 55.6
29	Closing Balances (Pre-tax) - \$000	<u>\$ 27.5</u>	<u>\$ 49.2</u>	<u>\$ 66.3</u>	<u>\$ 39.5</u>	<u>\$ 26.0</u>	<u>\$ 18.4</u>	<u>\$ 13.9</u>	<u>\$ 8.4</u>	<u>\$ (2.6)</u>	<u>\$ (19.8)</u>	<u>\$ (16.7)</u>	<u>\$ 0.1</u>	
30														
31														
32	Tax 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%	
33														
34	Opening Balance (After-Tax)	\$ (39.7)												
35	Closing Balances (After Tax) - \$000	<u>\$ 19.6</u>	<u>\$ 35.1</u>	<u>\$ 47.3</u>	<u>\$ 28.1</u>	<u>\$ 18.4</u>	<u>\$ 13.0</u>	<u>\$ 9.8</u>	<u>\$ 5.9</u>	<u>\$ (2.0)</u>	<u>\$ (14.3)</u>	<u>\$ (12.1)</u>	<u>\$ (0.1)</u>	

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.

TERASEN GAS INC. - FORT NELSON SERVICE AREA  
 RECOVERED AND INCURRED COSTS SUMMARY  
 FOR THE PERIOD JANUARY 1, 2010 TO DECEMBER 31, 2011

Revised Tab 2  
 Page 2

WITH PROPOSED JAN 1, 2010 GAS COST RECOVERY RATES  
 (DECEMBER 2, 2009 FORWARD PRICES)

Line No.	Particulars													12 months Jan11-Dec11 Forecast Total
		Jan-11 (15)	Feb-11 (16)	Mar-11 (17)	Apr-11 (18)	May-11 (19)	Jun-11 (20)	Jul-11 (21)	Aug-11 (22)	Sep-11 (23)	Oct-11 (24)	Nov-11 (25)	Dec-11 (26)	(27)
1	<b>RECOVERED GAS COSTS</b>													
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 UAF - TJ	0.2	0.2	0.1	0.1	-	-	-	-	-	0.1	0.1	0.2	1.0
4														
5	Recovery Unit Cost on Sales - \$/GJ	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	
6	Recovery 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	
7														
8	Recovery on Sales - \$000	\$ 608.8	\$ 439.7	\$ 418.9	\$ 246.7	\$ 136.3	\$ 87.1	\$ 58.7	\$ 77.6	\$ 145.1	\$ 247.9	\$ 406.3	\$ 512.3	\$ 3,385.4
9	Recovery on T-Service UAF - \$000	1.3	1.3	0.7	0.7	-	-	-	-	-	0.7	0.7	1.3	6.7
10	Total Forecast Recovered Gas Costs - \$000	<u>\$ 610.1</u>	<u>\$ 441.0</u>	<u>\$ 419.6</u>	<u>\$ 247.4</u>	<u>\$ 136.3</u>	<u>\$ 87.1</u>	<u>\$ 58.7</u>	<u>\$ 77.6</u>	<u>\$ 145.1</u>	<u>\$ 248.6</u>	<u>\$ 407.0</u>	<u>\$ 513.6</u>	<u>\$ 3,392.1</u>
11														
12														
13														
14	<b>INCURRED GAS COSTS</b>													
15	Total Purchases 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 Cost - \$/GJ	\$ 6.5155	\$ 6.5198	\$ 6.4688	\$ 5.5870	\$ 5.6018	\$ 5.6741	\$ 5.7585	\$ 5.7797	\$ 5.7659	\$ 5.7683	\$ 6.3995	\$ 6.5664	
19														
20	Forecast Incurred Gas Costs - \$000	<u>\$ 639.2</u>	<u>\$ 461.6</u>	<u>\$ 436.6</u>	<u>\$ 221.8</u>	<u>\$ 122.7</u>	<u>\$ 79.4</u>	<u>\$ 54.1</u>	<u>\$ 72.2</u>	<u>\$ 134.3</u>	<u>\$ 230.2</u>	<u>\$ 418.5</u>	<u>\$ 541.7</u>	<u>\$ 3,412.3</u>
21														
22														
23														
24														
25														
26	<b>GCRA BALANCE</b>													
27	Opening Balances (Pre-Tax) <sup>(1*)</sup>	\$ (0.1)	\$ 29.0	\$ 49.6	\$ 66.6	\$ 41.0	\$ 27.4	\$ 19.7	\$ 15.1	\$ 9.7	\$ (1.1)	\$ (19.5)	\$ (8.0)	
28	Forecast Activity	29.1	20.6	17.0	(25.6)	(13.6)	(7.7)	(4.6)	(5.4)	(10.8)	(18.4)	11.5	28.1	\$ 20.2
29	Closing Balances (Pre-tax) - \$000	<u>\$ 29.0</u>	<u>\$ 49.6</u>	<u>\$ 66.6</u>	<u>\$ 41.0</u>	<u>\$ 27.4</u>	<u>\$ 19.7</u>	<u>\$ 15.1</u>	<u>\$ 9.7</u>	<u>\$ (1.1)</u>	<u>\$ (19.5)</u>	<u>\$ (8.0)</u>	<u>\$ 20.1</u>	
30														
31														
32	Tax Rate	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	
33														
34	Opening Balance (After-Tax)	\$ (0.1)												
35	Closing Balances (After Tax) - \$000	<u>\$ 21.3</u>	<u>\$ 36.4</u>	<u>\$ 48.9</u>	<u>\$ 30.1</u>	<u>\$ 20.1</u>	<u>\$ 14.4</u>	<u>\$ 11.0</u>	<u>\$ 7.0</u>	<u>\$ (0.9)</u>	<u>\$ (14.4)</u>	<u>\$ (5.9)</u>	<u>\$ 14.8</u>	

Slight differences in totals due to rounding.

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

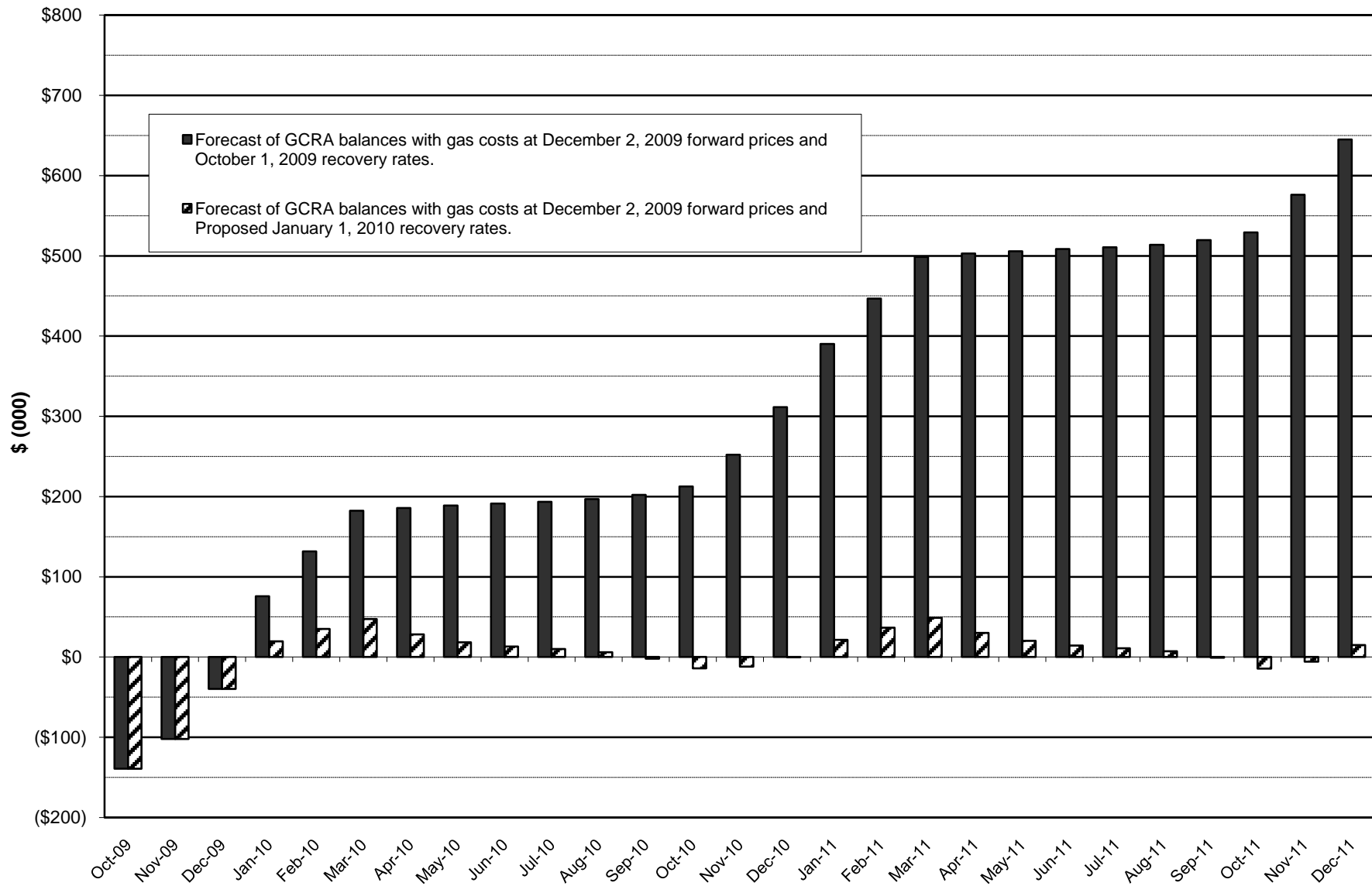
TERASEN GAS INC. - FORT NELSON SERVICE AREA  
GCRA AFTER TAX BALANCES (\$000)  
FOR THE PERIOD ENDING DECEMBER 31, 2011  
**COMPARISON OF PROPOSED JANUARY 1, 2010 RATES TO EXISTING RATES**

Revised Tab 2  
Page 3

Line No.			2009 Q4 Gas Cost Report Proposed Jan 1, 2010 Rates (December 2, 2009 Forward Prices)		2009 Q4 Gas Cost Report Oct 1, 2009 Gas Cost Recovery Rates (December 2, 2009 Forward Prices)	
	Particulars		(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)	\$ (165.7)	
8		August		\$ (180.4)	\$ (180.4)	
9		September		\$ (204.6)	\$ (204.6)	
10		October		\$ (139.4)	\$ (139.4)	
11	2010	November	Recorded	\$ (102.2)	Recorded	\$ (102.2)
12		December	Projected	\$ (39.7)	Projected	\$ (39.7)
13		January		\$ 19.6		\$ 75.6
14		February		\$ 35.1		\$ 131.5
15		March		\$ 47.3		\$ 182.3
16		April		\$ 28.1		\$ 185.8
17		May		\$ 18.4		\$ 188.7
18		June		\$ 13.0		\$ 191.3
19		July		\$ 9.8		\$ 193.5
20		August		\$ 5.9		\$ 196.7
21		September		\$ (2.0)		\$ 202.1
22		October		\$ (14.3)		\$ 212.6
23	2011	November		\$ (12.1)		\$ 252.2
24		December		\$ (0.1)		\$ 311.4
25		January		\$ 21.3		\$ 390.1
26		February		\$ 36.4		\$ 446.6
27		March		\$ 48.9		\$ 498.5
28		April		\$ 30.1		\$ 502.9
29		May		\$ 20.1		\$ 505.8
30		June		\$ 14.4		\$ 508.4
31		July		\$ 11.0		\$ 510.5
32		August		\$ 7.0		\$ 513.8
33		September		\$ (0.9)		\$ 519.5
34		October		\$ (14.4)		\$ 529.3
35		November		\$ (5.9)		\$ 576.0
36		December		\$ 14.8		\$ 644.9

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

Revised 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**

Revised Tab 3  
Page 1

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 1	No. 1	<b><u>Option A</u></b>			
2						
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	\$1.62	\$12.62
12			<b>Minimum Monthly Charge (includes first 2 gigajoules)</b>	<b>\$19.20</b>	<b>\$1.62</b>	<b>\$20.82</b>
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	\$0.808	\$6.309
17			<b>Next 28 Gigajoules in any month</b>	<b>\$7.737</b>	<b>\$0.808</b>	<b>\$8.545</b>
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	\$0.808	\$6.309
22			<b>Excess of 30 Gigajoules in any month</b>	<b>\$7.679</b>	<b>\$0.808</b>	<b>\$8.487</b>
23						
24						
25	Rate 1	No. 1.1	<b><u>Option B</u></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	\$1.62	\$12.62
30			<b>Minimum Monthly Charge (includes first 2 gigajoules)</b>	<b>\$19.20</b>	<b>\$1.62</b>	<b>\$20.82</b>
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	\$0.808	\$6.309
35			<b>Next 28 Gigajoules in any month</b>	<b>\$7.737</b>	<b>\$0.808</b>	<b>\$8.545</b>
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	\$0.808	\$6.309
40			<b>Excess of 30 Gigajoules in any month</b>	<b>\$7.679</b>	<b>\$0.808</b>	<b>\$8.487</b>

**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**

Revised Tab 3  
Page 2

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 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	\$1.62	\$12.62
4			<b>Minimum Monthly Charge (includes first 2 gigajoules)</b>	<b>\$34.24</b>	<b>\$1.62</b>	<b>\$35.86</b>
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	\$0.808	\$6.309
9			<b>Next 28 Gigajoules in any month</b>	<b>\$7.969</b>	<b>\$0.808</b>	<b>\$8.777</b>
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	\$0.808	\$6.309
14			<b>Excess of 30 Gigajoules in any month</b>	<b>\$7.898</b>	<b>\$0.808</b>	<b>\$8.706</b>
15						
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	\$1.62	\$12.62
19			<b>Minimum Monthly Charge (includes first 2 gigajoules)</b>	<b>\$34.24</b>	<b>\$1.62</b>	<b>\$35.86</b>
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	\$0.808	\$6.309
24			<b>Next 28 Gigajoules in any month</b>	<b>\$7.969</b>	<b>\$0.808</b>	<b>\$8.777</b>
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	\$0.808	\$6.309
29			<b>Excess of 30 Gigajoules in any month</b>	<b>\$7.898</b>	<b>\$0.808</b>	<b>\$8.706</b>
30						
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	\$1.62	\$12.62
33			<b>Minimum Monthly Charge (includes first 2 gigajoules)</b>	<b>\$33.42</b>	<b>\$1.62</b>	<b>\$35.04</b>
34						
35			Delivery Charge per Month	\$2.755	\$0.000	\$2.755
36			Gas Cost Recovery Charge per Month	\$5.501	\$0.808	\$6.309
37			<b>Next 28 Gigajoules in any month</b>	<b>\$8.256</b>	<b>\$0.808</b>	<b>\$9.064</b>
38						
39			Delivery Charge per Month	\$2.685	\$0.000	\$2.685
40			Gas Cost Recovery Charge per Month	\$5.501	\$0.808	\$6.309
41			<b>Excess of 30 Gigajoules in any month</b>	<b>\$8.186</b>	<b>\$0.808</b>	<b>\$8.994</b>

**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**

Revised Tab 3  
Page 3

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			Gas Cost Recovery Charge per Gigajoule	\$5.501	\$0.808	\$6.309
9						
10			Minimum Monthly Delivery Charge	\$1,458.00	\$0.00	\$1,458.00
11						
12						
13	Rate 3.2	No. 3	Delivery Charge			
14						
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						
19			Rider 5 - Revenue Stabilization Adjustment Charge per GJ	\$0.236	\$0.000	\$0.236
20			Gas Cost Recovery Charge per Gigajoule	\$5.501	\$0.808	\$6.309
21						
22			Minimum Monthly Delivery Charge	\$1,458.00	\$0.00	\$1,458.00
23						
24						
25	Rate 3.3	No. 3.1	Delivery Charge			
26						
27			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			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	\$0.808	\$6.309
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

Revised Tab 4  
Page 1

**RATE 1 - DOMESTIC (RESIDENTIAL) SERVICE - OPTION B**

Line No.		EXISTING OCTOBER 1, 2009 RATES			PROPOSED JANUARY 1, 2010 RATES			Annual Increase/(Decrease)		% of Previous Annual Bill
		Volume	Rate	Annual \$	Volume	Rate	Annual \$	Rate	Annual \$	
1	<b>Rate 1 Domestic Service Option B</b>									
2										
3	<u>Monthly Charge</u>									
4	Delivery Charge per month	12 months x	\$7.73	\$92.76	12 months x	\$7.73	\$92.76	\$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	12.62	151.44	1.62	19.44	1.72%
7	Minimum Monthly Charge (includes the first 2 gigajoules)		\$19.20	\$230.40		\$20.82	\$249.84	\$1.62	\$19.44	1.72%
8										
9	<u>Next 28 Gigajoules in any month</u>									
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	6.309	731.8440	0.808	93.7280	8.31%
12	Total Charges per GJ		\$7.737	\$897.49		\$8.545	\$991.22	\$0.808	\$93.73	8.31%
13										
14	<u>Excess of 30 Gigajoules in any month</u>									
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	6.309	0.0000	0.808	0.0000	0.00%
17	Total Charges per GJ		\$7.679	\$0.00		\$8.487	\$0.00	\$0.808	\$0.00	0.00%
18										
19	Total	140 GJ		\$1,127.89	140 GJ		\$1,241.06		\$113.17	10.03%
20										
21	<u>Summary of Annual Delivery and Commodity Charges</u>									
22	Delivery Charge (including RSAM)			\$357.7760			\$357.7760		\$0.0000	0.00%
23	Commodity Charge			770.1160			883.2840		113.1680	10.03%
24	Total			\$1,127.89			\$1,241.06		\$113.17	10.03%

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

Revised Tab 4  
Page 2

**RATE 2.1 - GENERAL (COMMERCIAL) SERVICE**

Line No.		EXISTING OCTOBER 1, 2009 RATES			PROPOSED JANUARY 1, 2010 RATES			Annual Increase/(Decrease)		
		Volume	Rate	Annual \$	Volume	Rate	Annual \$	Rate	Annual \$	% of Previous Annual Bill
1	<b>Rate 2.1 General Service</b>									
2										
3	<u>Monthly Charge</u>									
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	12.62	= 151.44	1.62	19.44	0.50%
7	Minimum Monthly Charge (includes the first 2 gigajoules)		\$34.24	\$410.88		\$35.86	\$430.32	\$1.62	\$19.44	0.50%
8										
9	<u>Next 298 Gigajoules in any month</u>									
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	6.309	= 2,750.7240	0.808	352.2880	9.07%
13	Total Charges per GJ		\$7.969	\$3,474.48		\$8.777	\$3,826.77	\$0.808	\$352.29	9.07%
14										
15	<u>Excess of 300 Gigajoules in any month</u>									
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	6.309	= 0.0000	0.808	0.0000	0.00%
19	Total Charges per GJ		\$7.898	\$0.00		\$8.706	\$0.00	\$0.808	\$0.00	0.00%
20										
21	Total	460 GJ		\$3,885.36	460 GJ		\$4,257.09		\$371.73	9.57%
22										
23	<u>Summary of Annual Delivery and Commodity Charges</u>									
24	Delivery Charge (including RSAM)			\$1,354.9280			\$1,354.9280		\$0.0000	0.00%
25	Commodity Charge			2,530.4360			2,902.1640		371.7280	9.57%
26	Total			\$3,885.36			\$4,257.09		\$371.73	9.57%

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

Revised Tab 4  
Page 3

**RATE 2.2 - GENERAL (COMMERCIAL) SERVICE**

Line No.		EXISTING OCTOBER 1, 2009 RATES			PROPOSED JANUARY 1, 2010 RATES			Annual Increase/(Decrease)		
		Volume	Rate	Annual \$	Volume	Rate	Annual \$	Rate	Annual \$	% of Previous Annual Bill
1	<b>Rate 2.2 General Service</b>									
2										
3	<u>Monthly Charge</u>									
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	12.62	= 151.44	1.62	19.44	0.08%
7	Minimum Monthly Charge (includes the first 2 gigajoules)		\$34.24	\$410.88		\$35.86	\$430.32	\$1.62	\$19.44	0.08%
8										
9	<u>Next 298 Gigajoules in any month</u>									
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	6.309	= 19,406.4840	0.808	2,485.4080	9.97%
13	Total Charges per GJ		\$7.969	\$24,512.64		\$8.777	\$26,998.05	\$0.808	\$2,485.41	9.97%
14										
15	<u>Excess of 300 Gigajoules in any month</u>									
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	6.309	= 0.0000	0.808	0.0000	0.00%
19	Total Charges per GJ		\$7.898	\$0.00		\$8.706	\$0.00	\$0.808	\$0.00	0.00%
20										
21	Total	3,100 GJ		\$24,923.52	3,100 GJ		\$27,428.37		\$2,504.85	10.05%
22										
23	<u>Summary of Annual Delivery and Commodity Charges</u>									
24	Delivery Charge (including RSAM)			\$7,870.4480			\$7,870.4480		\$0.0000	0.00%
25	Commodity Charge			17,053.0760			19,557.9240		2,504.8480	10.05%
26	Total			\$24,923.52			\$27,428.37		\$2,504.85	10.05%

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



**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 forecasted that gas commodity charges at current rates would be 84.9 percent of costs for the following 12 months; and 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. On December 7, 2009, Terasen Gas filed a Revised 2009 Fourth Quarter Report on the GCRA balance and gas commodity recovery charges for the Fort Nelson Service Area effective January 1, 2010, that were based on December 2, 2009 forward gas prices (the "Revised 2009 Fourth Quarter Report"); and

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to Order No. G-XX-0X  
Page 2 of 2

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- E. The Revised 2009 Fourth Quarter Report forecasts that gas commodity charges at current rates would be 87.2 percent of costs for the following 12 months; and has requested an increase of \$0.808/GJ in gas commodity recovery charges for natural gas customers in Fort Nelson Service Area, effective January 1, 2010; and
- F. This equates to an increase to a typical residential customer's annual bill, based on an annual consumption of 140 GJ, of approximately \$113 or 10.0 percent; and
- G. The Commission has determined that the requested changes, as outlined in the Revised 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 \$0.808/GJ increase in the Gas Cost Recovery Charge for Fort Nelson Service Area to \$6.309/GJ effective January 1, 2010, as set out in Terasen Gas' Revised 2009 Fourth Quarter Report for Fort Nelson Service Area.
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