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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. – Lower Mainland, Inland, and Columbia Service Areas Commodity Cost Reconciliation Account ("CCRA") and Midstream Cost Reconciliation Account ("MCRA") Deferral Accounts, including Customer Choice Deferral Cost Recovery
Revised 2009 Fourth Quarter Gas Cost Report

The attached materials provide the Terasen Gas Inc. ("Terasen Gas" or the "Company") Revised 2009 Fourth Quarter Gas Cost Report for the CCRA and MCRA deferral accounts 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 has revised its 2009 Fourth Quarter Gas Cost Report and the CCRA and MCRA deferral account forecasts utilizing the December 2, 2009 forward prices.

CCRA and MCRA Deferral Accounts

Based on the forward prices as at December 2, 2009, the December 31, 2009 CCRA balance is projected to be approximately $45 million surplus (after tax). Further, based on the December 2, 2009 forward prices, the gas purchase cost assumptions, and the forecast commodity 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 CCRA ratio is calculated to be 95.2% (Revised Tab 1, Page 1, Column 10, Lines 36/37). The ratio falls within the deadband range of 95% to 105%, indicating that a rate change is not required at this time.

Based on the forward prices as at December 2, 2009, the December 31, 2009 MCRA balance is projected to be approximately $24 million deficit (after tax). Further, based on the December 2, 2009 forward prices, the midstream gas supply cost assumptions, the forecast midstream cost recoveries at present rates, and the projected December 31, 2009 deferral balance, the MCRA balance at December 31, 2010 is forecast to be approximately $52 million deficit (after-tax), as shown at Revised Tab 1, Page 2. The MCRA deficits indicate that midstream rates are currently under-recovering costs and that midstream rates should be increased effective January 1, 2010 in order to eliminate the forecast 2010 deficit accumulation in the MCRA.

Revised Tab 2 provides the information related to the allocation of the forecast gas supply costs based on the December 2, 2009 forward prices to the Sales rate classes.

The schedules at Revised Tab 2, Pages 2 to 4, indicate the increases required to the midstream rates, effective January 1, 2010, to eliminate the forecast under-recovery of the 12-month forward gas purchase costs and to amortize the projected December 31, 2009 deferral balance. The midstream rate for Lower Mainland Residential customers would increase by $0.700/GJ, from $0.942/GJ to $1.642/GJ, effective January 1, 2010.

Revised Tab 3, Pages 1 to 4, provide the monthly CCRA and MCRA deferral balances based on the December 2, 2009 forward prices with the commodity rate remaining unchanged from the current rate and with the proposed changes to the midstream rates, effective January 1, 2010. Terasen Gas will continue to monitor the forward prices, and will report CCRA and MCRA balances in its 2010 First Quarter Gas Cost Report. The Company's position remains that midstream revenues and costs be reported on a quarterly basis and, under normal circumstances, midstream rates be adjusted on an annual basis with a January 1 effective date.

Customer Choice Deferred Cost Recovery

The proposed changes to the Residential and Commercial Commodity Unbundling Deferred Cost Recovery Rate Riders remain unchanged from those presented within the 2009 Fourth Quarter Gas Cost Report, filed on December 3, 2009. However, for convenience, the original and unchanged Tab 4 schedules have been included again under Tab 4 within the Revised 2009 Fourth Quarter Gas Cost Report.

Terasen Gas has requested that the Residential Commodity Unbundling Deferred Cost Recovery Rate Rider be reset from $0.073/GJ to $0.083/GJ, effective January 1, 2010, (Tab 4, Page 1, Column 2, Line 13). The per GJ rate rider will be applicable to all residential customers eligible to participate in the program (Rate Schedules 1, 1U, and 1X customers within the Lower Mainland, Inland, and Columbia service areas excluding Revelstoke and Fort Nelson). And that the Commercial Commodity Unbundling Deferred Cost Recovery Rate Rider be reset from credit of $0.021 to be a credit rider of $0.008/GJ, effective January 1, 2010, (Tab 4, Page 3, Column 2, Line 13). The per GJ refund rate rider will be applicable to all commercial customers eligible to participate in the program (Rate Schedules 2, 2U, 2X, 3, 3U, and 3X customers within the Lower Mainland, Inland, and Columbia service areas excluding Revelstoke and Fort Nelson).

Revised Tabs 5 and 6 provide the tariff continuity and bill impact schedules. These schedules reflect the effect of the proposed January 1, 2010 increases to the Midstream Cost Recovery Charges, and the Residential and Commercial Commodity Unbundling Deferred Cost Recovery Rate Riders.

In summary, Terasen Gas requests approval of the following, effective January 1, 2010:

- Approval for the Commodity Cost Recovery Charge to remain unchanged from the current rate of $4.953/GJ.
- Approval to increase the Midstream Cost Recovery Charge to the rates proposed for the Sales rate classes as shown in the schedules at Revised Tab 2, Pages 2 to 4.

- Approval to reset Rate Rider 8 (Residential Commodity Unbundling Deferred Cost Recovery Rate Rider), applicable to Rate Schedules 1, 1U, and 1X customers within the Lower Mainland, Inland, and Columbia service areas excluding Revelstoke and Fort Nelson, at $0.083/GJ effective January 1, 2010.
- Approval to reset Rate Rider 8 (Commercial Commodity Unbundling Deferred Cost Recovery Rate Rider), applicable to Rate Schedules 2, 2U, 2X, 3, 3U, and 3X customers within the Lower Mainland, Inland, and Columbia service areas excluding Revelstoke and Fort Nelson, to a credit of $0.008/GJ effective January 1, 2010.

The proposed aggregate rate changes would increase Lower Mainland Rate Schedule 1 rates by $0.710/GJ, and result in an increase to a typical Lower Mainland Residential customer's annual bill, with an average consumption of 95 GJ, of approximately $67 or 6.9%.

We trust that the Commission will find this filing in order. If there are any questions regarding this filing, please contact Brian Noel at 604-592-7467.

All of which is respectfully submitted.

Sincerely,

TERASEN GAS INC.

Original Signed by: Brian Noel

For: Tom A. Loski

Attachments

TERASEN GAS INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS

CCRA MONTHLY BALANCES AT EXISTING RATES (AFTER VOLUME ADJUSTMENTS) AND RATE CHANGE TRIGGER MECHANISM

FOR THE FORECAST PERIOD JANUARY 1, 2010 TO DECEMBER 31, 2011

DECEMBER 2, 2009 FORWARD PRICES

$(Millions)

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1		Recorded	Recorded	Recorded	Recorded	Projected	Projected
2		Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09
3	CCRA Balance - Beginning (Pre-tax) (1*)	$ (62)	$ (71)	$ (81)	$ (91)	$ (88)	$ (76)
4	Gas Costs Incurred	$ 38	$ 35	$ 39	$ 39	$ 49	$ 51
5	Revenue from **EXISTING** Recovery Rates	$ (48)	$ (45)	$ (49)	$ (36)	$ (38)	$ (39)
6	**CCRA Balance - Ending (Pre-tax) (2*)**	$ (71)	$ (81)	$ (91)	$ (88)	$ (76)	$ (65)
7							
8	**CCRA Balance - Ending (After-tax) (3*)**	$ (50)	$ (57)	$ (64)	$ (61)	$ (53)	$ (45)
9							

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
10														Total
11														Jan-10
12		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	to
13		Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Dec-10
14	CCRA Balance - Beginning (Pre-tax) (1*)	$ (64)	$ (54)	$ (42)	$ (30)	$ (28)	$ (24)	$ (20)	$ (16)	$ (11)	$ (6)	$ 0	$ 11	$ (64)
15	Gas Costs Incurred	$ 49	$ 46	$ 51	$ 40	$ 42	$ 42	$ 44	$ 44	$ 43	$ 45	$ 49	$ 52	$ 546
16	Revenue from **EXISTING** Recovery Rates	$ (39)	$ (35)	$ (39)	$ (38)	$ (39)	$ (38)	$ (39)	$ (39)	$ (38)	$ (39)	$ (38)	$ (39)	$ (458)
17	**CCRA Balance - Ending (Pre-tax) (2*)**	$ (54)	$ (42)	$ (30)	$ (28)	$ (24)	$ (20)	$ (16)	$ (11)	$ (6)	$ 0	$ 11	$ 24	$ 24
18														
19	**CCRA Balance - Ending (After-tax) (3*)**	$ (38)	$ (30)	$ (22)	$ (20)	$ (17)	$ (14)	$ (11)	$ (8)	$ (4)	$ 0	$ 8	$ 18	$ 18
20														
21														Total
22														Jan-11
23		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	to
24		Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Dec-11
25	CCRA Balance - Beginning (Pre-tax) (1*)	$ 24	$ 38	$ 51	$ 65	$ 70	$ 75	$ 80	$ 87	$ 93	$ 100	$ 108	$ 118	$ 24
26	Gas Costs Incurred	$ 52	$ 48	$ 52	$ 42	$ 44	$ 43	$ 45	$ 45	$ 44	$ 46	$ 47	$ 51	$ 559
27	Revenue from **EXISTING** Recovery Rates	$ (38)	$ (35)	$ (38)	$ (37)	$ (38)	$ (37)	$ (38)	$ (38)	$ (37)	$ (38)	$ (37)	$ (38)	$ (452)
28	**CCRA Balance - Ending (Pre-tax) (2*)**	$ 38	$ 51	$ 65	$ 70	$ 75	$ 80	$ 87	$ 93	$ 100	$ 108	$ 118	$ 131	$ 131
29														
30	**CCRA Balance - Ending (After-tax) (3*)**	$ 28	$ 37	$ 47	$ 51	$ 55	$ 59	$ 64	$ 69	$ 74	$ 79	$ 87	$ 96	$ 96

31
32
33
34 **CCRA RATE CHANGE TRIGGER MECHANISM**
35

36 CCRA
37 Ratio

$$\text{CCRA Ratio} = \frac{\text{Forecast Recovered Gas Costs (Jan 2010 - Dec 2010)}}{\text{Forecast Incurred Gas Costs (Jan 2010 - Dec 2010) + Projected CCRA Pre-tax Balance (Dec 2009)}} = \frac{\$\ 458}{\$\ 481} = \mathbf{95.2\%}$$

Notes: *Slight differences in totals due to rounding.*

(1) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts (Jan 1, 2009, 30.0%, Jan 1, 2010, 28.5%, and Jan 1, 2011, 26.5%).*

(2) For rate setting purpose CCRA pre-tax balances include grossed up projected deferred interest as at December 31, 2009.*

(3) For rate setting purpose CCRA after tax balances are independently grossed-up to reflect pre-tax amounts.*

TERASEN GAS INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS

MCRA MONTHLY BALANCES AT EXISTING RATES (AFTER VOLUME ADJUSTMENTS)

FOR THE FORECAST PERIOD JANUARY 1, 2010 TO DECEMBER 31, 2011

DECEMBER 2, 2009 FORWARD PRICES

$(Millions)

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1		Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Projected	Projected	**Total**
2		Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	**2009**
3	MCRA Balance - Beginning (Pre-tax) (1*)	$ (34)	$ (27)	$ (25)	$ (55)	$ (35)	$ (40)	$ (11)	$ 11	$ 23	$ 38	$ 44	$ 44	$ (34)
4	Gas Costs Incurred	$ 122	$ 92	$ 207	$ 27	$ 2	$ (5)	$ 16	$ 11	$ 1	$ 30	$ 61	$ 76	$ 639
5	Revenue from **EXISTING** Recovery Rates	$ (115)	$ (89)	$ (238)	$ (7)	$ (6)	$ 34	$ 6	$ 2	$ 13	$ (24)	$ (60)	$ (83)	$ (569)
6	**MCRA Balance - Ending (Pre-tax) (2*)**	$ (27)	$ (25)	$ (55)	$ (35)	$ (40)	$ (11)	$ 11	$ 23	$ 38	$ 44	$ 44	$ 34	$ 34
7														
8	**MCRA Balance - Ending (After-tax) (3*)**	$ (19)	$ (17)	$ (39)	$ (25)	$ (28)	$ (8)	$ 8	$ 16	$ 26	$ 31	$ 31	$ 24	$ 24
9														
10														
11														
12		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	**Total**
13		Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	**2010**
14	MCRA Balance - Beginning (Pre-tax) (1*)	$ 34	$ 23	$ 17	$ 13	$ 15	$ 26	$ 42	$ 59	$ 78	$ 94	$ 99	$ 90	$ 34
15	Gas Costs Incurred	$ 74	$ 67	$ 52	$ 12	$ (0)	$ (6)	$ (10)	$ (12)	$ (5)	$ 21	$ 62	$ 75	$ 330
16	Revenue from **EXISTING** Recovery Rates	$ (84)	$ (74)	$ (55)	$ (10)	$ 12	$ 21	$ 28	$ 31	$ 21	$ (17)	$ (70)	$ (92)	$ (291)
17	**MCRA Balance - Ending (Pre-tax) (2*)**	$ 23	$ 17	$ 13	$ 15	$ 26	$ 42	$ 59	$ 78	$ 94	$ 99	$ 90	$ 73	$ 73
18														
19	**MCRA Balance - Ending (After-tax) (3*)**	$ 17	$ 12	$ 9	$ 11	$ 19	$ 30	$ 43	$ 56	$ 67	$ 71	$ 64	$ 52	$ 52
20														
21														
22														
23		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	**Total**
24		Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	**2011**
25	MCRA Balance - Beginning (Pre-tax) (1*)	$ 71	$ 54	$ 43	$ 34	$ 37	$ 48	$ 62	$ 79	$ 96	$ 111	$ 117	$ 112	$ 71
26	Gas Costs Incurred	$ 81	$ 73	$ 59	$ 14	$ 0	$ (6)	$ (9)	$ (14)	$ (7)	$ 26	$ 71	$ 86	$ 373
27	Revenue from **EXISTING** Recovery Rates	$ (97)	$ (84)	$ (68)	$ (11)	$ 11	$ 21	$ 26	$ 32	$ 22	$ (20)	$ (76)	$ (99)	$ (344)
28	**MCRA Balance - Ending (Pre-tax) (2*)**	$ 54	$ 43	$ 34	$ 37	$ 48	$ 62	$ 79	$ 96	$ 111	$ 117	$ 112	$ 100	$ 100
29														
30	**MCRA Balance - Ending (After-tax) (3*)**	$ 40	$ 32	$ 25	$ 27	$ 35	$ 46	$ 58	$ 71	$ 82	$ 86	$ 82	$ 73	$ 73

Notes: *Slight differences in totals due to rounding.*

(1) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts (Jan 1, 2009, 30.0%, Jan 1, 2010, 28.5%).*

(2) For rate setting purpose MCRA pre-tax balances include grossed up projected deferred interest as at December 31, 2009.*

(3) For rate setting purpose MCRA after tax balances are independently grossed-up to reflect pre-tax amounts.*

TERASEN GAS INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
SUMAS INDEX FORECAST FOR THE PERIOD ENDING DECEMBER 31, 2011
AND US DOLLAR EXCHANGE RATE FORECAST UPDATE

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
	(1)			(2)		(3)		(4) = (2) - (3)
1	**Sumas Index Prices - $US/MMBtu**							
2	**2009**	January		$ 6.89		$ 6.89		$ -
3		February		$ 4.80		$ 4.80		$ -
4		March		$ 3.83		$ 3.83		$ -
5		April		$ 3.59		$ 3.59		$ -
6		May		$ 2.74		$ 2.74		$ -
7		June		$ 2.88		$ 2.88		$ -
8		July		$ 2.69	Recorded	$ 2.69		$ -
9		August		$ 3.01	Projected	$ 3.01		$ -
10		September		$ 2.46	Forecast	$ 2.93		$ (0.47)
11		October		$ 3.87		$ 2.83		$ 1.04
12		November	Recorded	$ 5.22		$ 4.31		$ 0.91
13		December	Projected	$ 5.47		$ 5.14		$ 0.33
14	*Simple Average (Jan, 2009 - Dec, 2009)*			*$ 3.95*		*$ 3.80*	*3.9%*	*$ 0.15*
15	*Simple Average (Apr, 2009 - Mar, 2010)*			*$ 3.89*		*$ 3.87*	*0.5%*	*$ 0.02*
16	*Simple Average (Jul, 2009 - Jun, 2010)*			*$ 4.27*		*$ 4.32*	*-1.2%*	*$ (0.05)*
17	*Simple Average (Oct, 2009 - Sep, 2010)*			*$ 4.80*		*$ 4.88*	*-1.6%*	*$ (0.08)*
18	**2010**	January	Forecast	$ 4.75		$ 5.43		$ (0.68)
19		February		$ 5.18		$ 5.48		$ (0.30)
20		March		$ 4.84		$ 5.48		$ (0.64)
21		April		$ 4.50		$ 4.76		$ (0.26)
22		May		$ 4.57		$ 4.82		$ (0.26)
23		June		$ 4.66		$ 4.92		$ (0.26)
24		July		$ 4.77		$ 5.04		$ (0.28)
25		August		$ 4.85		$ 5.14		$ (0.29)
26		September		$ 4.91		$ 5.21		$ (0.30)
27		October		$ 5.05		$ 5.33		$ (0.28)
28		November		$ 6.15		$ 6.42		$ (0.27)
29		December		$ 6.59		$ 6.80		$ (0.22)
30	*Simple Average (Jan, 2010 - Dec, 2010)*			*$ 5.07*		*$ 5.40*	*-6.1%*	*$ (0.33)*
31	*Simple Average (Apr, 2010 - Mar, 2011)*			*$ 5.53*		*$ 5.78*	*-4.3%*	*$ (0.25)*
32	*Simple Average (Jul, 2010 - Jun, 2011)*			*$ 5.80*		*$ 6.00*	*-3.3%*	*$ (0.20)*
33	*Simple Average (Oct, 2010 - Sep, 2011)*			*$ 6.05*		*$ 6.20*	*-2.4%*	*$ (0.15)*
34	**2011**	January		$ 6.82		$ 7.03		$ (0.21)
35		February		$ 6.82		$ 7.03		$ (0.21)
36		March		$ 6.69		$ 6.85		$ (0.17)
37		April		$ 5.65		$ 5.71		$ (0.06)
38		May		$ 5.64		$ 5.68		$ (0.04)
39		June		$ 5.70		$ 5.76		$ (0.06)
40		July		$ 5.77		$ 5.85		$ (0.09)
41		August		$ 5.83		$ 5.92		$ (0.09)
42		September		$ 5.87		$ 5.95		$ (0.09)
43		October		$ 5.98		$ 6.03		$ (0.06)
44		November		$ 6.91		$ 6.53		$ 0.38
45		December		$ 7.20		$ 7.62		$ (0.42)
46	*Simple Average (Jan, 2011 - Dec, 2011)*			*$ 6.24*		*$ 6.33*	*-1.4%*	*$ (0.09)*
47								
48	Conversation Factors							
49	1 MMBtu = 1.055056 GJ							
50	Dec 2, 2009 vs Aug 24, 2009 ($1US=$x.xxxCDN)			Forecast Jan 2010-Dec 2010		Forecast Oct 2009-Sep 2010		
51	Barclays Bank Average Exchange Rate			$ 1.0513		$ 1.0634	-1.1%	$ (0.012)
52	Bank of Canada Daily Exchange Rate			$ 1.0500		$ 1.0742	-2.3%	$ (0.024)

TERASEN GAS INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS

AECO INDEX FORECAST FOR THE PERIOD ENDING DECEMBER 31, 2011

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
	(1)			(2)		(3)		(4) = (2) - (3)
1	**AECO Index Prices - $CDN/GJ**							
2	**2009**	January		$ 6.22		$ 6.22		$ -
3		February		$ 5.33		$ 5.33		$ -
4		March		$ 4.48		$ 4.48		$ -
5		April		$ 3.82		$ 3.82		$ -
6		May		$ 3.24		$ 3.24		$ -
7		June		$ 3.35		$ 3.35		$ -
8		July		$ 3.14	Recorded	$ 3.14		$ -
9		August		$ 2.90	Projected	$ 2.90		$ -
10		September		$ 2.56	Forecast	$ 2.78		$ (0.22)
11		October		$ 2.87		$ 2.63		$ 0.24
12		November	Recorded	$ 4.64		$ 3.66		$ 0.98
13		December	Projected	$ 4.53		$ 4.50		$ 0.03
14	*Simple Average (Jan, 2009 - Dec, 2009)*			*$ 3.92*		*$ 3.84*	*2.1%*	*$ 0.08*
15	*Simple Average (Apr, 2009 - Mar, 2010)*			*$ 3.66*		*$ 3.71*	*-1.3%*	*$ (0.05)*
16	*Simple Average (Jul, 2009 - Jun, 2010)*			*$ 3.90*		*$ 4.03*	*-3.2%*	*$ (0.13)*
17	*Simple Average (Oct, 2009 - Sep, 2010)*			*$ 4.36*		*$ 4.56*	*-4.4%*	*$ (0.20)*
18	**2010**	January	Forecast	$ 3.88		$ 4.79		$ (0.91)
19		February		$ 4.50		$ 4.85		$ (0.34)
20		March		$ 4.50		$ 4.85		$ (0.34)
21		April		$ 4.35		$ 4.69		$ (0.33)
22		May		$ 4.42		$ 4.75		$ (0.33)
23		June		$ 4.52		$ 4.85		$ (0.34)
24		July		$ 4.62		$ 4.98		$ (0.36)
25		August		$ 4.70		$ 5.07		$ (0.37)
26		September		$ 4.76		$ 5.15		$ (0.39)
27		October		$ 4.91		$ 5.27		$ (0.36)
28		November		$ 5.36		$ 5.77		$ (0.42)
29		December		$ 5.80		$ 6.16		$ (0.36)
30	*Simple Average (Jan, 2010 - Dec, 2010)*			*$ 4.69*		*$ 5.10*	*-8.0%*	*$ (0.41)*
31	*Simple Average (Apr, 2010 - Mar, 2011)*			*$ 5.12*		*$ 5.47*	*-6.4%*	*$ (0.35)*
32	*Simple Average (Jul, 2010 - Jun, 2011)*			*$ 5.38*		*$ 5.71*	*-5.8%*	*$ (0.33)*
33	*Simple Average (Oct, 2010 - Sep, 2011)*			*$ 5.62*		*$ 5.92*	*-5.1%*	*$ (0.30)*
34	**2011**	January		$ 6.03		$ 6.39		$ (0.36)
35		February		$ 6.03		$ 6.39		$ (0.36)
36		March		$ 5.90		$ 6.21		$ (0.31)
37		April		$ 5.49		$ 5.71		$ (0.22)
38		May		$ 5.48		$ 5.67		$ (0.20)
39		June		$ 5.54		$ 5.76		$ (0.22)
40		July		$ 5.60		$ 5.85		$ (0.25)
41		August		$ 5.67		$ 5.91		$ (0.25)
42		September		$ 5.70		$ 5.94		$ (0.24)
43		October		$ 5.83		$ 6.03		$ (0.19)
44		November		$ 6.11		$ 6.31		$ (0.20)
45		December		$ 6.40		$ 6.61		$ (0.20)
46	*Simple Average (Jan, 2011 - Dec, 2011)*			*$ 5.81*		*$ 6.06*	*-4.1%*	*$ (0.25)*

TERASEN GAS INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
STATION NO. 2 INDEX FORECAST FOR THE PERIOD ENDING DECEMBER 31, 2011

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	
	(1)			(2)		(3)	(4) = (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		$ 3.30		$ 3.30		$ -
8		July		$ 3.04	Recorded	$ 3.04		$ -
9		August		$ 2.87	Projected	$ 2.87		$ -
10		September		$ 2.30	Forecast	$ 2.63		$ (0.33)
11		October		$ 3.12		$ 2.51		$ 0.61
12		November	Recorded	$ 4.84		$ 3.72		$ 1.12
13		December	Projected	$ 4.64		$ 4.56		$ 0.09
14	*Simple Average (Jan, 2009 - Dec, 2009)*			*$ 3.84*		*$ 3.72*	*3.2%*	*$ 0.12*
15	*Simple Average (Apr, 2009 - Mar, 2010)*			*$ 3.63*		*$ 3.66*	*-0.8%*	*$ (0.03)*
16	*Simple Average (Jul, 2009 - Jun, 2010)*			*$ 3.87*		*$ 3.98*	*-2.8%*	*$ (0.11)*
17	*Simple Average (Oct, 2009 - Sep, 2010)*			*$ 4.32*		*$ 4.50*	*-4.0%*	*$ (0.18)*
18	**2010**	January	Forecast	$ 3.92		$ 4.85		$ (0.93)
19		February		$ 4.52		$ 4.91		$ (0.38)
20		March		$ 4.42		$ 4.91		$ (0.48)
21		April		$ 4.19		$ 4.53		$ (0.34)
22		May		$ 4.26		$ 4.60		$ (0.34)
23		June		$ 4.36		$ 4.70		$ (0.34)
24		July		$ 4.46		$ 4.82		$ (0.36)
25		August		$ 4.54		$ 4.92		$ (0.38)
26		September		$ 4.60		$ 4.99		$ (0.39)
27		October		$ 4.75		$ 5.11		$ (0.37)
28		November		$ 5.41		$ 5.82		$ (0.42)
29		December		$ 5.85		$ 6.21		$ (0.36)
30	*Simple Average (Jan, 2010 - Dec, 2010)*			*$ 4.61*		*$ 5.03*	*-8.3%*	*$ (0.42)*
31	*Simple Average (Apr, 2010 - Mar, 2011)*			*$ 5.04*		*$ 5.40*	*-6.7%*	*$ (0.36)*
32	*Simple Average (Jul, 2010 - Jun, 2011)*			*$ 5.32*		*$ 5.63*	*-5.5%*	*$ (0.31)*
33	*Simple Average (Oct, 2010 - Sep, 2011)*			*$ 5.56*		*$ 5.83*	*-4.6%*	*$ (0.27)*
34	**2011**	January		$ 6.08		$ 6.44		$ (0.36)
35		February		$ 6.08		$ 6.44		$ (0.36)
36		March		$ 5.95		$ 6.26		$ (0.31)
37		April		$ 5.35		$ 5.51		$ (0.16)
38		May		$ 5.34		$ 5.47		$ (0.14)
39		June		$ 5.40		$ 5.56		$ (0.16)
40		July		$ 5.46		$ 5.65		$ (0.19)
41		August		$ 5.53		$ 5.71		$ (0.19)
42		September		$ 5.56		$ 5.74		$ (0.18)
43		October		$ 5.69		$ 5.83		$ (0.13)
44		November		$ 6.18		$ 6.32		$ (0.14)
45		December		$ 6.47		$ 6.62		$ (0.14)
46	*Simple Average (Jan, 2011 - Dec, 2011)*			*$ 5.76*		*$ 5.96*	*-3.4%*	*$ (0.20)*

TERASEN GAS INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
GAS BUDGET COST SUMMARY
FOR THE FORECAST PERIOD JANUARY 1, 2010 TO DECEMBER 31, 2010
DECEMBER 2, 2009 FORWARD PRICES

Line No.	Particulars	Delivered Volumes (TJ)	Costs ($ 000)	Unit Cost ($/GJ)	Comments
	(1)	(2)	(3)	(4)	(5)
1	**CCRA**				
2	***TERM PURCHASES***				
3	Hunt	0.0	$ 0	$ -	
4	Station #2	20,087.0	93,302	4.645	
5	AECO	0.0	0	4.698	
6	TOTAL TERM PURCHASES	20,087.0	**$ 93,302**	$ 4.645	
7	***SEASONAL***				
8	Hunt	13,852.0	$ 68,824	$ 4.969	
9	Station #2	22,082.8	112,647	5.101	
10	AECO	8,839.6	42,471	4.805	
11	TOTAL SEASONAL PURCHASES	44,774.4	**$ 223,942**	$ 5.002	
12	***SPOT***				
13	Hunt	0.0	$ 0	$ -	
14	Station #2	22,472.9	100,645	4.479	
15	AECO	5,012.4	23,097	4.608	
16	TOTAL SPOT PURCHASES	27,485.3	**$ 123,742**	$ 4.502	
17					
18	**TOTAL CCRA COMMODITY**	92,346.7	**$ 440,987**	$ 4.775	
19	**HEDGING (GAIN)/LOSS**		**104,208**		
20	**CCRA ADMINISTRATION COSTS**		**1,083**		
21	FUEL-IN-KIND VOLUMES	1,448			Fuel-in-kind gas costs included in CCRA commodity purchase costs
22	**TOTAL CCRA - MARKETABLE GAS**	92,346.7	**$ 546,278**	$ 5.916	Fuel-in-kind gas volumes are not part of total marketable gas
23	**MCRA**				
24	***MCRA COMMODITY***				
25	TOTAL MCRA COMMODITY	34,176.4	**$ 159,343**	$ 4.662	
26					
27	PEAKING	3,573.3	**$ 20,232**	$ 5.662	0
28	***TRANSPORTATION***				
29	WEI		$ 81,577		
30	BC Hydro - SCP		3,600		
31	Terasen Huntingdon		289		
32	NOVA		9,853		
33	ANG		3,444		
34	NWP		5,373		
35	TOTAL TRANSPORTATION		**$ 104,136**		
36	**STORAGE GAS**				
37	***Injection***				
38	BC (Aitken)	(20,667.1)	$ (107,522)	$ 5.203	Includes LNG
39	Alberta (Carbon)	(2,965.2)	(14,953)	5.043	
40	Downstream (JP/Mist)	(5,220.2)	(29,056)	5.566	
41	TOTAL INJECTION	(28,852.5)	**$ (151,531)**	$ 5.252	
42	***Withdrawal***				
43	BC (Aitken)	19,550.1	$ 119,538	$ 6.114	Includes LNG
44	Alberta (Carbon)	2,935.9	15,804	5.383	
45	Downstream (JP/Mist)	5,179.7	30,407	5.870	
46	TOTAL WITHDRAWAL	27,665.7	**$ 165,750**	$ 5.991	
47	***Storage Demand Charges (fixed only)***				
48	BC (Aitken)		$ 19,467		
49	Alberta (Carbon)		3,750		
50	Downstream (JP/Mist)		17,092		
51	TOTAL DEMAND CHARGE		**$ 40,309**		
52	**NET STORAGE**		**$ 54,527**		
53	***MITIGATION***				
54	Resale Commodity		$ (185,956)		Both On / Off System sales of surplus term & storage gas
55	Mitigation of Assets		(11,765)		Includes transportation & storage mitigation
56	TOTAL MITIGATION		**$ (197,721)**		
57	***OTHER***				
58	**COMPANY USE GAS**	(254.2)	**$ (825)**	$ 3.246	Company Use, Heater Fuel, Compressor Fuel
59	**GSMIP**		**1,000**		
60	**MCRA ADMINISTRATION COSTS**		**2,528**		
61	**HEDGING (GAIN)/LOSS**		**319**		
62	**TOTAL MCRA - CORE**		**$ 143,539**	$ 1.271	Average unit cost based on Core sales volume
63	**Core Sales Volume**	112,951.5			Total Core sales volume per Gas Sales Forecast (TGI + TGW)
64	**TOTAL BUDGET**		**$ 689,817**		

Note: Gas Budget Cost Summary reflects the amalgamation to the Terasen Gas (Whistler) Inc. ("TGW") and TGI gas supply portfolios.

TERASEN GAS INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS

RECONCILIATION OF GAS COST INCURRED

FOR THE FORECAST PERIOD JANUARY 1, 2010 TO DECEMBER 31, 2010

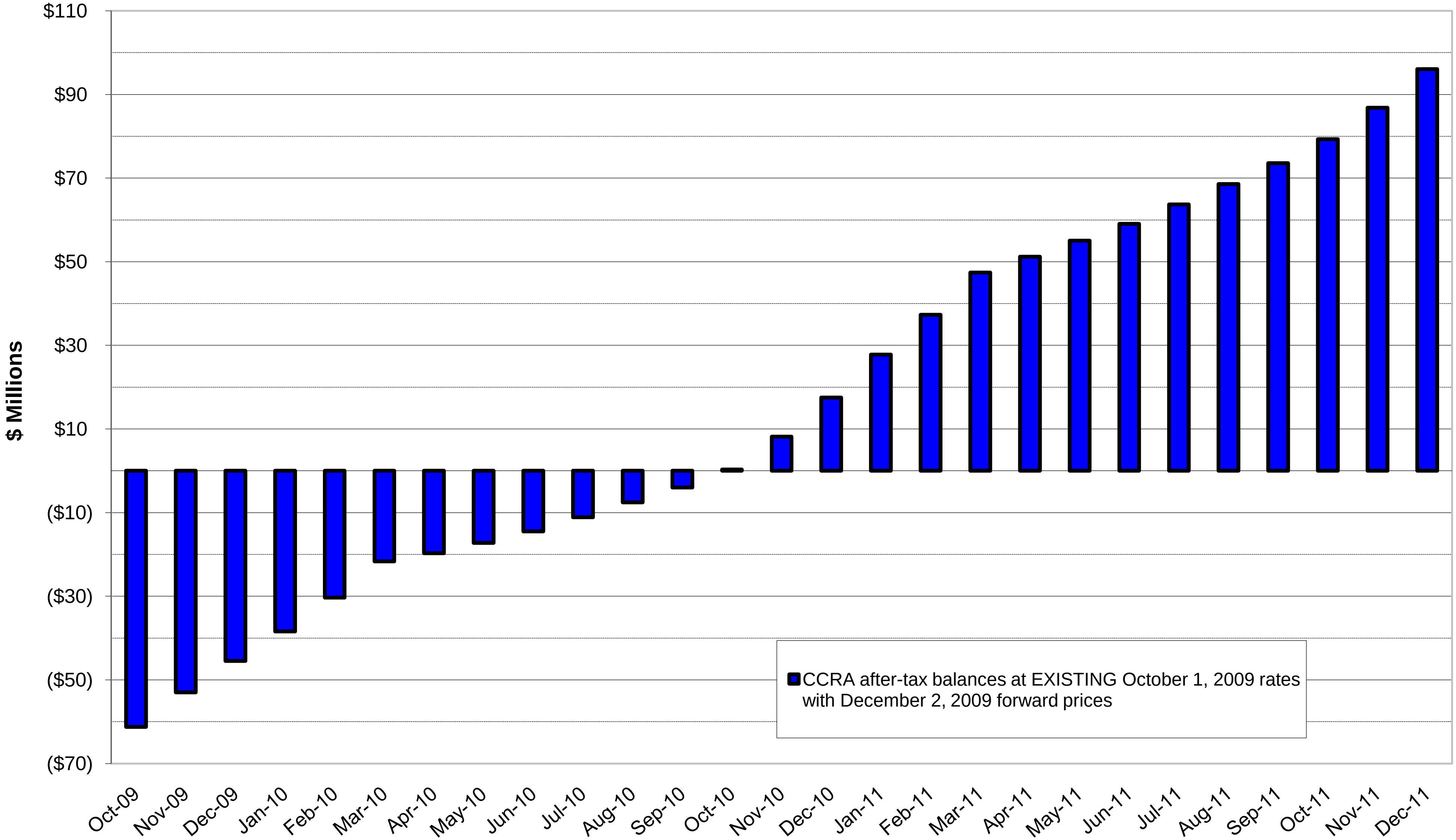
DECEMBER 2, 2009 FORWARD PRICES

$(Millions)

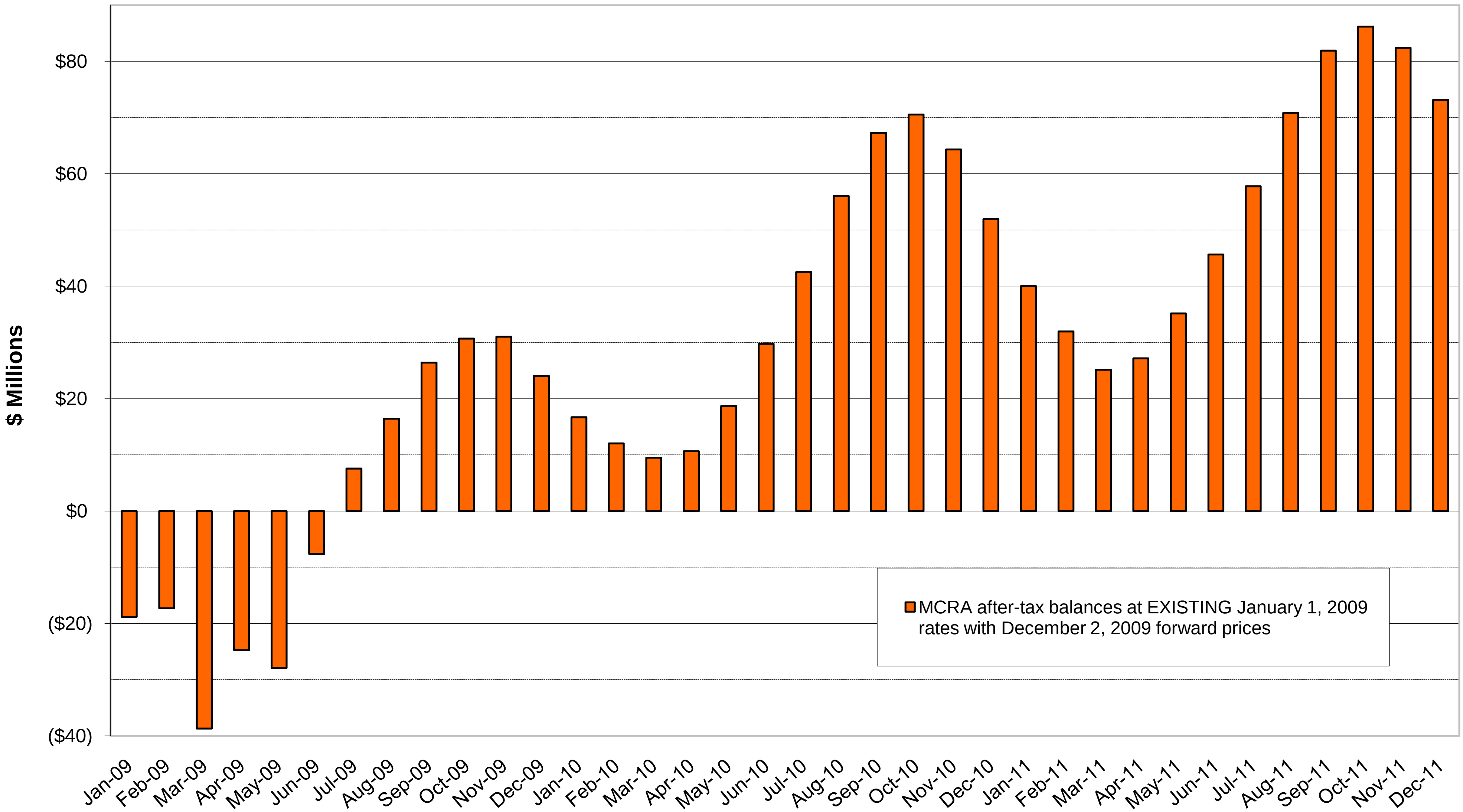
Line No.	Particulars	CCRA/MCRA Deferral Account Forecast	Gas Budget Cost Summary
	(1)	(2)	(3)
1	**Gas Cost Incurred**		
2	CCRA (Revised Tab 1, Page 1, Col. 14, Line 15)	$ 546	
3	MCRA (Tab 1, Page 2, Col. 14, Line 15)	330	
4			
5			
6	**Gas Budget Cost Summary**		
7	CCRA (Revised Tab 1, Page 6, Col. 3, Line 22)		$ 546
8	MCRA (Revised Tab 1, Page 6, Col. 3, Line 62)		144
9	Total Net Costs for Firm Customers		$ 690
10			
11	Add back Off-System Sales		
12	Cost		194
13	Margin		(12)
14			
15	Add back On-System Sales		
16	Cost		5
17	Margin		(1)
18			
19			
20	**Totals Reconciled**	$ 876	$ 876

Note:
Slight differences in totals due to rounding

Terasen Gas Inc.
Lower Mainland, Inland and Columbia CCRA After-Tax Monthly Balances
Recorded to October 2009 and Projected to December 2011



Terasen Gas Inc.
Lower Mainland, Inland and Columbia MCRA After-Tax Monthly Balances
Recorded to October 2009 and Projected to Decmber 2011



TERASEN GAS INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS
COMMODITY COST RECONCILIATION ACCOUNT ("CCRA")

COST OF GAS (COMMODITY COST RECOVERY CHARGE) FLOW-THROUGH BY RATE SCHEDULE
FOR THE FORECAST PERIOD JANUARY 1, 2010 TO DECEMBER 31, 2010
(DECEMBER 2, 2009 FORWARD PRICING)

Line No.	Particulars	Unit	RS-1, RS-2, RS-3, RS-5 and RS-6	Whistler	RS-4	RS-7	RS-1 to RS-7 incl Whistler Total
	(1)		(2)	(3)	(4)	(5)	(6)
1	**CCRA Sales Volumes (1*)**	TJ	91,422.7	725.2	184.5	14.3	92,346.7
2							
3							
4	**CCRA Incurred Costs**						
5	Station #2	$000	$ 303,399.9	$ 2,406.6	$ 705.2	$ 82.5	$ 306,594.2
6	AECO	$000	65,050.8	516.0	0.9	0.1	65,567.8
7	Huntingdon	$000	68,121.1	540.4	163.1	-	68,824.5
8	CCRA Commodity Costs before Hedging	$000	$ 436,571.8	$ 3,463.0	$ 869.2	$ 82.6	$ 440,986.6
9	Mark to Market Hedges Loss / (Gain)	$000	103,184.3	818.5	205.4	-	104,208.2
10	Core Market Administration Costs	$000	1,072.6	8.5	2.1	-	1,083.2
11	**Total Incurred Costs before CCRA deferral amortization**	$000	$ 540,828.7	$ 4,290.0	$ 1,076.7	$ 82.6	$ 546,278.0
12	(1*)						
13	Pre-tax Amortization CCRA Deficit/(Surplus) as of Jan 1, 2010	$000	(63,509.6)	$ -	(126.4)	-	(63,636.1)
14	**Total CCRA Incurred Costs**	$000	$ 477,319.1	$ 4,290.0	$ 950.3	$ 82.6	$ 482,641.9
15							
16							
17	**CCRA Incurred Unit Costs**						
18	CCRA Commodity Costs before Hedging	$/GJ	$ 4.7753	$ 4.7753			
19	Mark to Market Hedges Loss / (Gain)	$/GJ	1.1287	1.1287			
20	Core Market Administration Costs	$/GJ	0.0117	0.0117			
21	CCRA Incurred Costs (excl. CCRA deferral amortization)	$/GJ	$ 5.9157	$ 5.9157			
22	Pre-tax Amortization CCRA Deficit/(Surplus) as of Jan 1, 2010	$/GJ	(0.6947)	-			
23	**CCRA Gas Costs Incurred -- Flow-Through**	$/GJ	$ 5.2210	$ 5.9157			
24							
25							
26							
27							
28							
29							
30	**Commodity Cost Recovery Component Applicable to Whistler at January 1, 2010**			Whistler			
31							
32	Existing Terasen Gas Cost of Gas (effective since Oct 1, 2009)	$/GJ		**$ 4.953**			
33							
34	Adjustment for Dec 31, 2009 CCRA Balance (Column 2, Line 22)	$/GJ		**0.695**			
35							
36	Whistler Commodity Cost Recovery Component Effective Jan 1, 2010	$/GJ		**$ 5.648**			
37							
38							

Note (1*) CCRA pre-tax amortization of December 31, 2009 balance does not apply to Terasen Gas (Whistler) Inc.

TERASEN GAS INC. - LOWER MAINLAND SERVICE AREA AND SUMMARY
MIDSTREAM COST RECONCILIATION ACCOUNT ("MCRA")
MIDSTREAM COST RECOVERY CHARGE FLOW-THROUGH BY RATE SCHEDULE
FOR THE FORECAST PERIOD JANUARY 1, 2010 to DECEMBER 31,2010
(DECEMBER 2, 2009 FORWARD PRICING)

Line No.	Particulars	Residential RS-1	Commercial RS-2	Commercial RS-3	Whistler	General Firm Service RS-5	NGV RS-6	Seasonal RS-4	General Interruptible RS-7	Lower Mainland RS-1 to RS-7 and Whistler Total	Term & Spot Gas Sales RS-14	Off-System Interruptible Sales RS-30	Lower Mainland RS-1 to RS-7, RS-14 & RS-30 and Whistler Total	All Service Areas: RS-1 to RS-7 and Whistler Summary	All Service Areas: All Rate Schedules and Whistler Summary
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
1	**LOWER MAINLAND SERVICE AREA**														
2															
3	**Midstream (MCRA) Sales Volumes (TJ)**	50,837.9	17,866.8	13,802.0	725.2	2,658.1	92.2	87.8	9.8	86,079.8	541.9	33,456.3	120,078.0	112,951.5	147,175.8
4															
5	**MCRA Gas Costs Incurred ($000)**														
6															
7	Midstream Commodity Costs	$ 459.7	$ 161.6	$ 124.8	$ 6.6	$ 24.0	$ 0.8	$ 0.4	$ 0.0	$ 778.0	$ 3,141.5	$ 186,366.6	$ 190,286.1	$ 1,252.5	$ 192,072.3
8	Midstream Tolls and Fees	(2,007.5)	(705.5)	(545.0)	(28.6)	(105.0)	(3.6)	(2.7)	(0.3)	(3,398.4)	116.4	8,092.4	4,810.4	(4,460.2)	3,797.4
9	Midstream Mark to Market- Hedges Loss / (Gain)	117.1	41.1	31.8	1.7	6.1	0.2	0.1	-	198.1	-	-	198.1	318.9	318.9
10	Subtotal Midstream Variable Costs	$ (1,430.7)	$ (502.8)	$ (388.4)	$ (20.4)	$ (74.8)	$ (2.6)	$ (2.2)	$ (0.3)	$ (2,422.3)	$ 3,257.8	$ 194,458.9	$ 195,294.5	$ (2,888.8)	$ 196,188.6
11	Midstream Storage - Fixed	$ 19,029.5	$ 6,665.1	$ 4,075.7	$ 214.1	$ 588.7	$ 10.2	$ -	$ -	$ 30,583.4	$ -	$ -	$ 30,583.4	$ 40,309.2	$ 40,309.2
12	On/Off System Sales (RS-14 & RS-30)	6,153.9	2,155.4	1,318.0	69.3	190.4	3.3	-	-	9,890.3	-	-	9,890.3	13,035.5	13,035.5
13	GSMIP Incentive Sharing	472.1	165.3	101.1	5.3	14.6	0.3	-	-	758.7	-	-	758.7	1,000.0	1,000.0
14	Pipeline Demand Charges	42,166.3	14,768.8	9,031.2	474.5	1,304.5	22.6	-	-	67,767.9	-	-	67,767.9	88,573.2	88,573.2
15	Core Administration Costs - 70%	1,193.2	417.9	255.6	13.4	36.9	0.6	-	-	1,917.7	-	-	1,917.7	2,527.6	2,527.6
16	Subtotal Midstream Fixed Costs	$ 69,015.0	$ 24,172.5	$ 14,781.6	$ 776.7	$ 2,135.1	$ 37.0	$ -	$ -	$ 110,918.0	$ -	$ -	$ 110,918.0	$ 145,445.4	$ 145,445.4
17	**Total Incurred Costs before MCRA deferral amortization**	$ 67,584.3	$ 23,669.7	$ 14,393.2	$ 756.2	$ 2,060.3	$ 34.4	$ (2.2)	$ (0.3)	$ 108,495.7	$ 3,257.8	$ 194,458.9	$ 306,212.5	$ 142,556.6	$ 341,634.0
18															
19	**Pre-tax Amort. MCRA Deficit/(Surplus) as of Jan 1, 2010** (1*)	$ 15,871.8	$ 5,559.1	$ 3,399.4	$ -	$ 491.0	$ 8.5	$ -	$ -	$ 25,329.9	$ -	$ -	$ 25,329.9	$ 33,441.8	
20															
21	**Total MCRA Incurred Costs**	$ 83,456.1	$ 29,228.8	$ 17,792.6	$ 756.2	$ 2,551.3	$ 43.0	$ (2.2)	$ (0.3)	$ 133,825.6	$ 3,257.8	$ 194,458.9	$ 331,542.4	$ 175,998.5	
22															
23														**Average**	
24	**MCRA Incurred Unit Costs ($/GJ)**													**Costs**	
25	Midstream Commodity Costs	$ 0.0090	$ 0.0090	$ 0.0090	$ 0.0090	$ 0.0090	$ 0.0090							$ 0.0111	
26	Midstream Tolls and Fees	(0.0395)	(0.0395)	(0.0395)	(0.0395)	(0.0395)	(0.0395)							(0.0395)	
27	Midstream Mark to Market- Hedges Loss / (Gain)	0.0023	0.0023	0.0023	0.0023	0.0023	0.0023							0.0028	
28	*Subtotal Midstream Variable Costs*	*$ (0.0281)*	*$ (0.0281)*	*$ (0.0281)*	*$ (0.0281)*	*$ (0.0281)*	*$ (0.0281)*							*$ (0.0256)*	
29	Midstream Storage - Fixed	$ 0.3743	$ 0.3730	$ 0.2953	$ 0.2953	$ 0.2215	$ 0.1107							$ 0.3569	
30	On/Off System Sales (RS-14 & RS-30)	0.1210	0.1206	0.0955	0.0955	0.0716	0.0358							0.1154	
31	GSMIP Incentive Sharing	0.0093	0.0093	0.0073	0.0073	0.0055	0.0027							0.0089	
32	Pipeline Demand Charges	0.8294	0.8266	0.6543	0.6543	0.4908	0.2454							0.7842	
33	Core Administration Costs - 70%	0.0235	0.0234	0.0185	0.0185	0.0139	0.0069							0.0224	
34	*Subtotal Midstream Fixed Costs*	*$ 1.3576*	*$ 1.3529*	*$ 1.0710*	*$ 1.0710*	*$ 0.8032*	*$ 0.4016*							*$ 1.2877*	
35	**Total Incurred Costs before MCRA deferral amortization**	$ 1.3294	$ 1.3248	$ 1.0428	$ 1.0428	$ 0.7751	$ 0.3735							$ 1.2621	
36	**Pre-tax Amort. MCRA Deficit/(Surplus) as of Jan 1, 2010**	0.3122	0.3111	0.2463	-	0.1847	0.0924							0.2980 (1*)	
37	**MCRA Gas Cost Incurred -- Flow-Through ($/GJ)**	$ 1.6416	$ 1.6359	$ 1.2891	$ 1.0428	$ 0.9598	$ 0.4658							$ 1.5601	
38															
39									Fixed Price						
40								Tariff	Option						
41								Equal To	Equal To						
42	**Midstream Cost Recovery Charge ($/GJ)**							Rate 5	Rate 5						
43	**Proposed Flow-Through**														
44	**Midstream Cost Recovery Charge effective Jan 1, 2010**	**$ 1.642**	**$ 1.636**	**$ 1.289**	**$ 1.043**	**$ 0.960**	**$ 0.466**	**$ 0.960**	**$ 0.960**						
45	Existing Midstream Cost Recovery Charge (effective Jan 1, 2009)	0.942	0.947	0.830	-	0.670	0.471	0.670	0.670						
46	Midstream Cost Recovery Charge Increase / (Decrease)	$ 0.700	$ 0.689	$ 0.459	$ -	$ 0.290	$ (0.005)	$ 0.290	$ 0.290						
47	Midstream Cost Recovery Charge % Increase / (Decrease)	74.31%	72.76%	55.30%		43.28%	-1.06%	43.28%	43.28%						

Note (1*) MCRA pre-tax amortization of December 31, 2009 balance does not apply to Terasen Gas (Whistler) Inc.

TERASEN GAS INC. - INLAND SERVICE AREA
MIDSTREAM COST RECONCILIATION ACCOUNT ("MCRA")
MIDSTREAM COST RECOVERY CHARGE FLOW-THROUGH BY RATE SCHEDULE
FOR THE FORECAST PERIOD JANUARY 1, 2010 to DECEMBER 31,2010

Line No.	Particulars	Residential RS-1	Commercial RS-2	Commercial RS-3	General Firm Service RS-5	NGV RS-6	*Subtotal*	Seasonal RS-4	General Interruptible RS-7	Inland RS-1 to RS-7 Total	Term & Spot Gas Sales RS-14	Off-System Interruptible Sales RS-30	Inland RS-1 to RS-7, & RS-14 Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1	**INLAND SERVICE AREA**												
2													
3	**Midstream (MCRA) Sales Volumes (TJ)**	15,284.8	5,716.3	2,645.4	402.5	11.7	24,060.6	96.7	4.5	24,161.8	226.1	-	24,387.9
4													
5	**MCRA Gas Costs Incurred ($000)**												
6													
7	Midstream Commodity Costs	$ 211.2	$ 79.0	$ 36.6	$ 5.6	$ 0.2	*$ 332.5*	$ 0.9	$ 0.0	$ 333.5	$ 1,311.8	$ -	$ 1,645.3
8	Midstream Tolls and Fees	(604.1)	(225.9)	(104.5)	(15.9)	(0.5)	*(950.9)*	(3.0)	(0.1)	(954.0)	48.8	-	(905.2)
9	Midstream Mark to Market- Hedges Loss / (Gain)	53.8	20.1	9.3	1.4	0.0	*84.7*	0.2	-	84.9	-	-	84.9
10	Subtotal Midstream Variable Costs	*$ (339.0)*	*$ (126.8)*	*$ (58.7)*	*$ (8.9)*	*$ (0.3)*	*$ (533.7)*	*$ (1.8)*	*$ (0.1)*	$ (535.7)	*$ 1,360.6*	$ -	$ 825.0
11	Midstream Storage - Fixed	$ 5,727.1	$ 2,134.5	$ 782.0	$ 89.2	$ 1.3	*$ 8,734.1*	$ -	$ -	$ 8,734.1	$ -	$ -	$ 8,734.1
12	On/Off System Sales (RS-14 & RS-30)	1,852.1	690.3	252.9	28.9	0.4	*2,824.5*	-	-	2,824.5	-	-	2,824.5
13	GSMIP Incentive Sharing	142.1	53.0	19.4	2.2	0.0	*216.7*	-	-	216.7	-	-	216.7
14	Pipeline Demand Charges	12,251.2	4,566.2	1,672.8	190.9	2.8	*18,683.8*	-	-	18,683.8	-	-	18,683.8
15	Core Administration Costs - 70%	359.1	133.8	49.0	5.6	0.1	*547.7*	-	-	547.7	-	-	547.7
16	Subtotal Midstream Fixed Costs	*$ 20,331.5*	*$ 7,577.8*	*$ 2,776.0*	*$ 316.8*	*$ 4.6*	*$ 31,006.7*	*$ -*	*$ -*	$ 31,006.7	*$ -*	*$ -*	$ 31,006.7
17	**Total Incurred Costs before MCRA deferral amortization**	$ 19,992.5	$ 7,451.0	$ 2,717.4	$ 307.8	$ 4.3	$ 30,473.0	$ (1.8)	$ (0.1)	$ 30,471.1	$ 1,360.6	$ -	$ 31,831.7
18													
19	**Pre-tax Amort. MCRA Deficit/(Surplus) as of Jan 1, 2010**	$ 4,776.7	$ 1,780.3	$ 652.2	$ 74.4	$ 1.1	*$ 7,284.8*	$ -	$ -	$ 7,284.8	$ -	$ -	$ 7,284.8
20													
21	**Total MCRA Incurred Costs**	$ 24,769.2	$ 9,231.3	$ 3,369.6	$ 382.3	$ 5.4	*$ 37,757.8*	$ (1.8)	$ (0.1)	$ 37,755.9	$ 1,360.6	$ -	$ 39,116.5
22													
23													
24	**Midstream Cost Recovery Charge ($/GJ)**												
25	Midstream Commodity Costs	$ 0.0138	$ 0.0138	$ 0.0138	$ 0.0138	$ 0.0138	*$ 0.0138*						
26	Midstream Tolls and Fees	(0.0395)	(0.0395)	(0.0395)	(0.0395)	(0.0395)	*(0.0395)*						
27	Midstream Mark to Market- Hedges Loss / (Gain)	0.0035	0.0035	0.0035	0.0035	0.0035	*0.0035*						
28	Subtotal Midstream Variable Costs	*$ (0.0222)*	*$ (0.0222)*	*$ (0.0222)*	*$ (0.0222)*	*$ (0.0222)*	*$ (0.0222)*						
29	Midstream Storage - Fixed	$ 0.3747	$ 0.3734	$ 0.2956	$ 0.2217	$ 0.1108	*$ 0.3630*						
30	On/Off System Sales (RS-14 & RS-30)	0.1212	0.1208	0.0956	0.0717	0.0358	*0.1174*						
31	GSMIP Incentive Sharing	0.0093	0.0093	0.0073	0.0055	0.0027	*0.0090*						
32	Pipeline Demand Charges	0.8015	0.7988	0.6323	0.4743	0.2371	*0.7765*						
33	Core Administration Costs - 70%	0.0235	0.0234	0.0185	0.0139	0.0070	*0.0228*						
34	Subtotal Midstream Fixed Costs	*$ 1.3302*	*$ 1.3257*	*$ 1.0494*	*$ 0.7870*	*$ 0.3935*	*$ 1.2887*						
35	**Total Incurred Costs before MCRA deferral amortization**	$ 1.3080	$ 1.3035	$ 1.0272	$ 0.7649	$ 0.3713	*$ 1.2665*						
36	**Pre-tax Amort. MCRA Deficit/(Surplus) as of Jan 1, 2010**	$ 0.3125	$ 0.3115	$ 0.2465	$ 0.1849	$ 0.0925	*$ 0.3028*						
37	**MCRA Gas Cost Incurred -- Flow-Through ($/GJ)**	$ 1.6205	$ 1.6149	$ 1.2737	$ 0.9498	$ 0.4638	*$ 1.5693*						
38													
39									Fixed Price				
40								Tariff	Option				
41								Equal To	Equal To				
42	**Midstream Cost Recovery Charge ($/GJ)**							Rate 5	Rate 5				
43	**Proposed Flow-Through**												
44	**Midstream Cost Recovery Charge effective Jan 1, 2010**	**$ 1.621**	**$ 1.615**	**$ 1.274**	**$ 0.950**	**$ 0.464**	***$ 1.569***	**$ 0.950**	**$ 0.950**				
45	Existing Midstream Cost Recovery Charge (effective Jan 1, 2009)	0.903	0.907	0.796	0.644	0.446	*0.889*	0.644	0.644				
46	Midstream Cost Recovery Charge Increase / (Decrease)	$ 0.718	$ 0.708	$ 0.478	$ 0.306	$ 0.018	*$ 0.680*	$ 0.306	$ 0.306				
47	Midstream Cost Recovery Charge % Increase / (Decrease)	79.51%	78.06%	60.05%	47.52%	4.04%	*76.49%*	47.52%	47.52%				

TERASEN GAS INC. - COLUMBIA SERVICE AREA
MIDSTREAM COST RECONCILIATION ACCOUNT ("MCRA")
MIDSTREAM COST RECOVERY CHARGE FLOW-THROUGH BY RATE SCHEDULE
FOR THE FORECAST PERIOD JANUARY 1, 2010 to DECEMBER 31,2010
(DECEMBER 2, 2009 FORWARD PRICING)

Line No.	Particulars	Residential **RS-1**	Commercial **RS-2**	Commercial **RS-3**	General Firm Service **RS-5**	NGV **RS-6**	*Subtotal*	Seasonal **RS-4**	General Interruptible **RS-7**	**Columbia RS-1 to RS-7 Total**	Term & Spot Gas Sales **RS-14**	Off-System Interruptible Sales **RS-30**	**Columbia RS-1 to RS-7 Total**
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1	**COLUMBIA SERVICE AREA**												
2													
3	**Midstream (MCRA) Sales Volumes (TJ)**	1,642.2	716.3	313.6	37.8	-	2,709.9	-	-	2,709.9	-	-	2,709.9
4													
5	**MCRA Gas Costs Incurred ($000)**												
6													
7	Midstream Commodity Costs	$ 85.4	$ 37.3	$ 16.3	$ 2.0	$ -	*$ 141.0*	$ -	$ -	$ 141.0	$ -	$ -	$ 141.0
8	Midstream Tolls and Fees	(65.3)	(28.5)	(12.5)	(1.5)	-	*(107.8)*	-	-	(107.8)	-	-	(107.8)
9	Midstream Mark to Market- Hedges Loss / (Gain)	21.8	9.5	4.2	0.5	-	*35.9*	-	-	35.9	-	-	35.9
10	Subtotal Midstream Variable Costs	*$ 41.9*	*$ 18.3*	*$ 8.0*	*$ 1.0*	*$ -*	*$ 69.1*	*$ -*	*$ -*	$ 69.1	*$ -*	*$ -*	$ 69.1
11	Midstream Storage - Fixed	$ 620.2	$ 269.6	$ 93.4	$ 8.4	$ -	*$ 991.7*	$ -	$ -	$ 991.7	$ -	$ -	$ 991.7
12	On/Off System Sales (RS-14 & RS-30)	200.6	87.2	30.2	2.7	-	*320.7*	-	-	320.7	-	-	320.7
13	GSMIP Incentive Sharing	15.4	6.7	2.3	0.2	-	*24.6*	-	-	24.6	-	-	24.6
14	Pipeline Demand Charges	1,326.8	576.8	199.9	18.1	-	*2,121.5*	-	-	2,121.5	-	-	2,121.5
15	Core Administration Costs - 70%	38.9	16.9	5.9	0.5	-	*62.2*	-	-	62.2	-	-	62.2
16	Subtotal Midstream Fixed Costs	*$ 2,201.8*	*$ 957.2*	*$ 331.7*	*$ 30.0*	*$ -*	*$ 3,520.7*	*$ -*	*$ -*	$ 3,520.7	*$ -*	*$ -*	$ 3,520.7
17	**Total Incurred Costs before MCRA deferral amortization**	$ 2,243.7	$ 975.4	$ 339.7	$ 31.0	$ -	*$ 3,589.8*	$ -	$ -	$ 3,589.8	$ -	$ -	$ 3,589.8
18													
19	**Pre-tax Amort. MCRA Deficit/(Surplus) as of Jan 1, 2010**	$ 517.3	$ 224.9	$ 77.9	$ 7.0	$ -	*$ 827.2*	$ -	$ -	$ 827.2	$ -	$ -	$ 827.2
20													
21	**Total MCRA Incurred Costs**	$ 2,761.0	$ 1,200.3	$ 417.6	$ 38.0	$ -	*$ 4,416.9*	$ -	$ -	$ 4,416.9	$ -	$ -	$ 4,416.9
22													
23													
24	**Midstream Cost Recovery Charge ($/GJ)**					**Inland Rate**							
25	Midstream Commodity Costs	$ 0.0520	$ 0.0520	$ 0.0520	$ 0.0520	$ 0.0138	*$ 0.0520*						
26	Midstream Tolls and Fees	(0.0398)	(0.0398)	(0.0398)	(0.0398)	(0.0395)	*(0.0398)*						
27	Midstream Mark to Market- Hedges Loss / (Gain)	0.0132	0.0132	0.0132	0.0132	0.0035	*0.0132*						
28	Subtotal Midstream Variable Costs	*$ 0.0255*	*$ 0.0255*	*$ 0.0255*	*$ 0.0255*	*$ (0.0222)*	*$ 0.0255*						
29	Midstream Storage - Fixed	$ 0.3777	$ 0.3764	$ 0.2980	$ 0.2235	$ 0.1108	*$ 0.3660*						
30	On/Off System Sales (RS-14 & RS-30)	0.1221	0.1217	0.0964	0.0723	0.0358	*0.1183*						
31	GSMIP Incentive Sharing	0.0094	0.0093	0.0074	0.0055	0.0027	*0.0091*						
32	Pipeline Demand Charges	0.8079	0.8052	0.6374	0.4780	0.2371	*0.7829*						
33	Core Administration Costs - 70%	0.0237	0.0236	0.0187	0.0140	0.0070	*0.0229*						
34	Subtotal Midstream Fixed Costs	*$ 1.3408*	*$ 1.3362*	*$ 1.0578*	*$ 0.7933*	*$ 0.3935*	*$ 1.2992*						
35	**Total Incurred Costs before MCRA deferral amortization**	$ 1.3663	$ 1.3617	$ 1.0833	$ 0.8188	$ 0.3713	*$ 1.3247*						
36	**Pre-tax Amort. MCRA Deficit/(Surplus) as of Jan 1, 2010**	0.3150	0.3139	0.2485	0.1864	0.0925	*0.3052*						
37	**MCRA Incurred Costs ($/GJ)** (line 28+line 34+line 35)	$ 1.6813	$ 1.6757	$ 1.3318	$ 1.0052	$ 0.4638	*$ 1.6300*						
38													
39									Fixed Price				
40								Tariff	Option				
41								Equal To	Equal To				
42	**Midstream Cost Recovery Charge ($/GJ)**							Rate 5	Rate 5				
43	**Proposed Flow-Through**												
44	**Midstream Cost Recovery Charge effective Jan 1, 2010**	**$ 1.681**	**$ 1.676**	**$ 1.332**	**$ 1.005**	**$ 0.464**	***$ 1.630***	**$ 1.005**	**$ 1.005**				
45	Existing Midstream Cost Recovery Charge (effective Jan 1, 2009)	0.981	0.986	0.873	0.720	0.446	*0.969*	0.720	0.720				
46	Midstream Cost Recovery Charge Increase / (Decrease)	$ 0.700	$ 0.690	$ 0.459	$ 0.285	$ 0.018	*$ 0.661*	$ 0.285	$ 0.285				
47	Midstream Cost Recovery Charge % Increase / (Decrease)	71.36%	69.98%	52.58%	39.58%	4.04%	*68.21%*	39.58%	39.58%				

TERASEN GAS INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS

CCRA MONTHLY BALANCES AT EXISTING RATES (AFTER VOLUME ADJUSTMENTS)

FOR THE FORECAST PERIOD JANUARY 1, 2010 TO DECEMBER 31, 2011

DECEMBER 2, 2009 FORWARD PRICES

$(Millions)

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1		Recorded	Recorded	Recorded	Recorded	Projected	Projected
2		Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09
3	CCRA Balance - Beginning (Pre-tax) (1*)	$ (62)	$ (71)	$ (81)	$ (91)	$ (88)	$ (76)
4	Gas Costs Incurred	$ 38	$ 35	$ 39	$ 39	$ 49	$ 51
5	Revenue from **EXISTING** Recovery Rates	$ (48)	$ (45)	$ (49)	$ (36)	$ (38)	$ (39)
6	**CCRA Balance - Ending (Pre-tax) (2*)**	$ (71)	$ (81)	$ (91)	$ (88)	$ (76)	$ (65)
7							
8	**CCRA Balance - Ending (After-tax) (3*)**	$ (50)	$ (57)	$ (64)	$ (61)	$ (53)	$ (45)
9							

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
10														Total
11														Jan-10
12		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	to
13		Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Dec-10
14	CCRA Balance - Beginning (Pre-tax) (1*)	$ (64)	$ (54)	$ (42)	$ (30)	$ (28)	$ (24)	$ (20)	$ (16)	$ (11)	$ (6)	$ 0	$ 11	$ (64)
15	Gas Costs Incurred	$ 49	$ 46	$ 51	$ 40	$ 42	$ 42	$ 44	$ 44	$ 43	$ 45	$ 49	$ 52	$ 546
16	Revenue from **EXISTING** Recovery Rates	$ (39)	$ (35)	$ (39)	$ (38)	$ (39)	$ (38)	$ (39)	$ (39)	$ (38)	$ (39)	$ (38)	$ (39)	$ (458)
17	**CCRA Balance - Ending (Pre-tax) (2*)**	$ (54)	$ (42)	$ (30)	$ (28)	$ (24)	$ (20)	$ (16)	$ (11)	$ (6)	$ 0	$ 11	$ 24	$ 24
18														
19	**CCRA Balance - Ending (After-tax) (3*)**	$ (38)	$ (30)	$ (22)	$ (20)	$ (17)	$ (14)	$ (11)	$ (8)	$ (4)	$ 0	$ 8	$ 18	$ 18
20														

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
21														Total
22														Jan-11
23		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	to
24		Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Dec-11
25	CCRA Balance - Beginning (Pre-tax) (1*)	$ 24	$ 38	$ 51	$ 65	$ 70	$ 75	$ 80	$ 87	$ 93	$ 100	$ 108	$ 118	$ 24
26	Gas Costs Incurred	$ 52	$ 48	$ 52	$ 42	$ 44	$ 43	$ 45	$ 45	$ 44	$ 46	$ 47	$ 51	$ 559
27	Revenue from **EXISTING** Recovery Rates	$ (38)	$ (35)	$ (38)	$ (37)	$ (38)	$ (37)	$ (38)	$ (38)	$ (37)	$ (38)	$ (37)	$ (38)	$ (452)
28	**CCRA Balance - Ending (Pre-tax) (2*)**	$ 38	$ 51	$ 65	$ 70	$ 75	$ 80	$ 87	$ 93	$ 100	$ 108	$ 118	$ 131	$ 131
29														
30	**CCRA Balance - Ending (After-tax) (3*)**	$ 28	$ 37	$ 47	$ 51	$ 55	$ 59	$ 64	$ 69	$ 74	$ 79	$ 87	$ 96	$ 96
31														

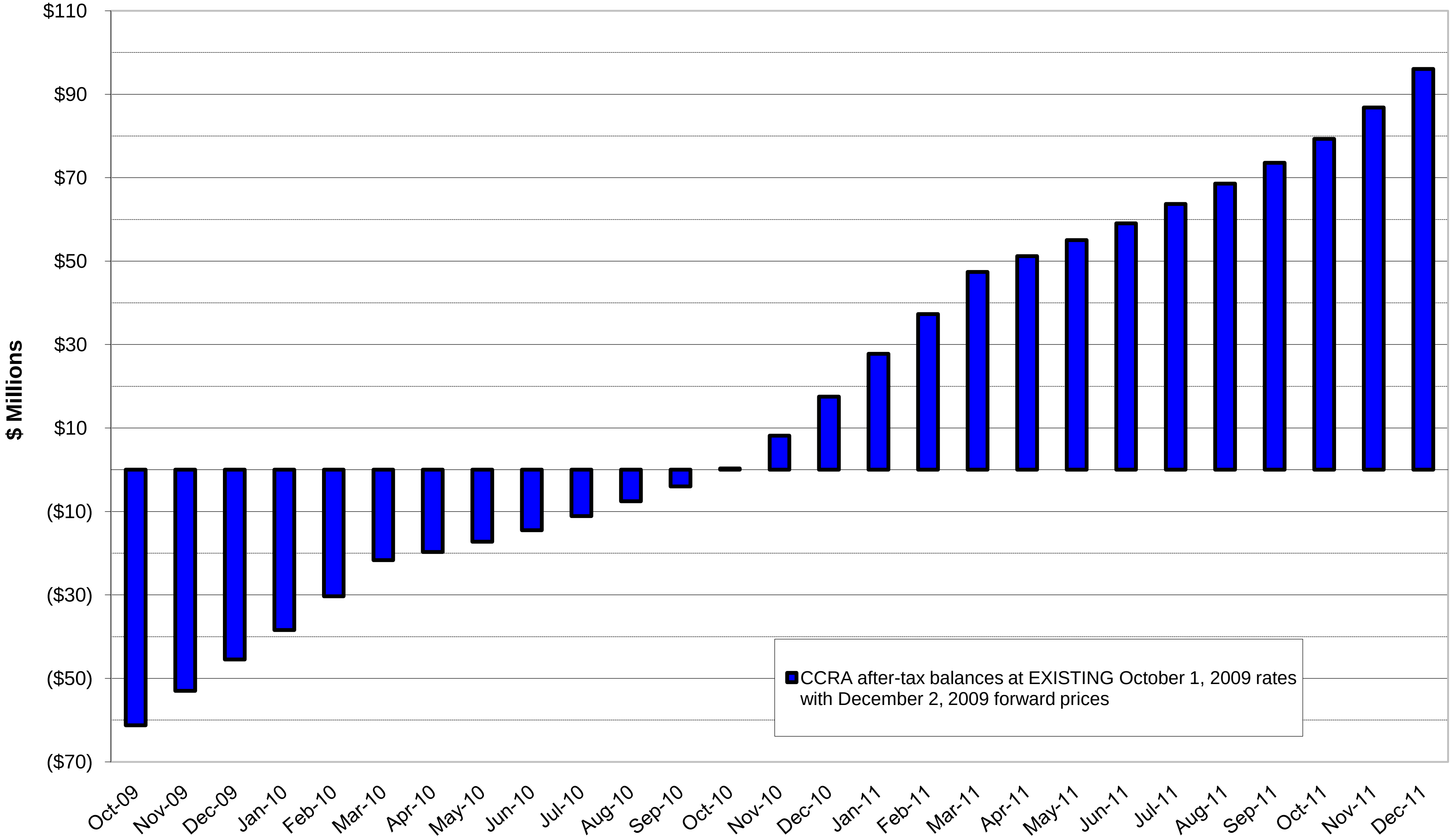
Notes: *Slight differences in totals due to rounding.*

(1) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts (Jan 1, 2009, 30.0%, Jan 1, 2010, 28.5%, and Jan 1, 2011, 26.5%).*

(2) For rate setting purpose CCRA pre-tax balances include grossed up projected deferred interest as at December 31, 2009.*

(3) For rate setting purpose CCRA after tax balances are independently grossed-up to reflect pre-tax amounts.*

Terasen Gas Inc.
Lower Mainland, Inland and Columbia CCRA After-Tax Monthly Balances
Recorded to October 2009 and Projected to December 2011



TERASEN GAS INC. - LOWER MAINLAND, INLAND AND COLUMBIA SERVICE AREAS

MCRA MONTHLY BALANCES AT PROPOSED RATES (AFTER VOLUME ADJUSTMENTS)

FOR THE FORECAST PERIOD JANUARY 1, 2010 TO DECEMBER 31, 2011

DECEMBER 2, 2009 FORWARD PRICES

$(Millions)

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1		Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Recorded	Projected	Projected	**Total**
2		Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	**2009**
3	MCCRA Balance - Beginning (Pre-tax) (1*)	$ (34)	$ (27)	$ (25)	$ (55)	$ (35)	$ (40)	$ (11)	$ 11	$ 23	$ 38	$ 44	$ 44	$ (34)
4	Gas Costs Incurred	$ 122	$ 92	$ 207	$ 27	$ 2	$ (5)	$ 16	$ 11	$ 1	$ 30	$ 61	$ 76	$ 639
5	Revenue from **EXISTING** Recovery Rates	$ (115)	$ (89)	$ (238)	$ (7)	$ (6)	$ 34	$ 6	$ 2	$ 13	$ (24)	$ (60)	$ (83)	$ (569)
6	**MCRA Balance - Ending (Pre-tax) (2*)**	$ (27)	$ (25)	$ (55)	$ (35)	$ (40)	$ (11)	$ 11	$ 23	$ 38	$ 44	$ 44	$ 34	$ 34
7														
8	**MCRA Balance - Ending (After-tax) (3*)**	$ (19)	$ (17)	$ (39)	$ (25)	$ (28)	$ (8)	$ 8	$ 16	$ 26	$ 31	$ 31	$ 24	$ 24
9														
10														
11														
12		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	**Total**
13		Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	**2010**
14	MCRA Balance - Beginning (Pre-tax) (1*)	$ 34	$ 10	$ (7)	$ (20)	$ (24)	$ (16)	$ (3)	$ 14	$ 33	$ 47	$ 46	$ 29	$ 34
15	Gas Costs Incurred	$ 74	$ 67	$ 52	$ 12	$ (0)	$ (6)	$ (10)	$ (12)	$ (5)	$ 21	$ 62	$ 75	$ 330
16	Revenue from **PROPOSED** Recovery Rates	$ (97)	$ (84)	$ (65)	$ (16)	$ 8	$ 19	$ 27	$ 31	$ 19	$ (22)	$ (79)	$ (104)	$ (364)
17	**MCRA Balance - Ending (Pre-tax) (2*)**	$ 10	$ (7)	$ (20)	$ (24)	$ (16)	$ (3)	$ 14	$ 33	$ 47	$ 46	$ 29	$ (1)	$ (1)
18														
19	**MCRA Balance - Ending (After-tax) (3*)**	$ 7	$ (5)	$ (14)	$ (17)	$ (12)	$ (2)	$ 10	$ 23	$ 33	$ 33	$ 20	$ (0)	$ (0)
20														
21														
22														
23		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	**Total**
24		Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	**2011**
25	MCRA Balance - Beginning (Pre-tax) (1*)	$ (1)	$ (30)	$ (51)	$ (70)	$ (73)	$ (66)	$ (53)	$ (38)	$ (21)	$ (7)	$ (7)	$ (20)	$ (1)
26	Gas Costs Incurred	$ 81	$ 73	$ 59	$ 14	$ 0	$ (6)	$ (9)	$ (14)	$ (7)	$ 26	$ 71	$ 86	$ 373
27	Revenue from **PROPOSED** Recovery Rates	$ (110)	$ (95)	$ (78)	$ (17)	$ 8	$ 19	$ 25	$ 32	$ 21	$ (25)	$ (85)	$ (110)	$ (417)
28	**MCRA Balance - Ending (Pre-tax) (2*)**	$ (30)	$ (51)	$ (70)	$ (73)	$ (66)	$ (53)	$ (38)	$ (21)	$ (7)	$ (7)	$ (20)	$ (45)	$ (45)
29														
30	**MCRA Balance - Ending (After-tax) (3*)**	$ (22)	$ (38)	$ (52)	$ (54)	$ (48)	$ (39)	$ (28)	$ (15)	$ (5)	$ (5)	$ (15)	$ (33)	$ (33)

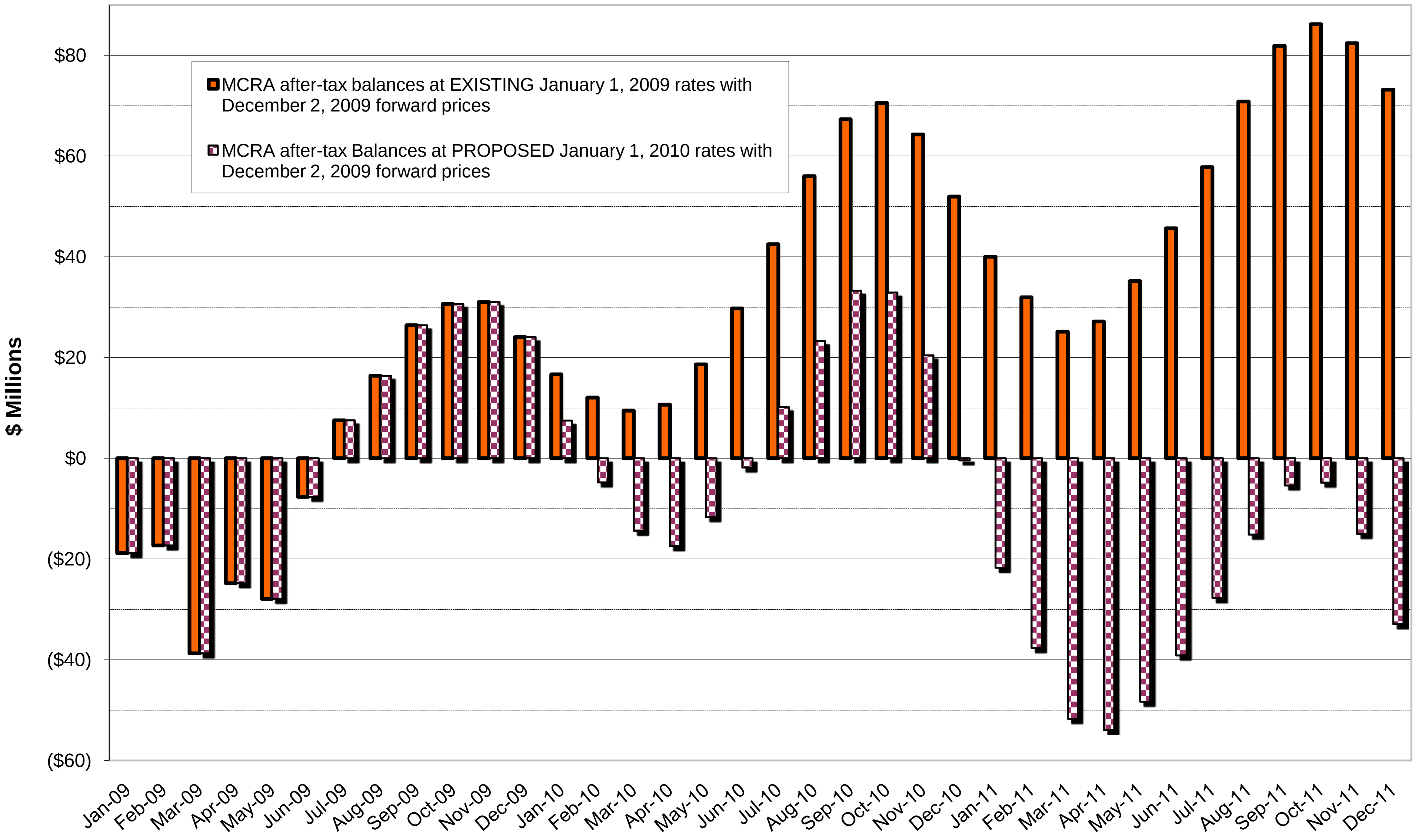
Notes: Slight differences in totals due to rounding.

(1) Pre-tax opening balances are restated based on current income tax rates, to reflect grossed-up after tax amounts (Jan 1, 2009, 30.0%, Jan 1, 2010, 28.5%).*

(2) For rate setting purpose MCRA pre-tax balances include grossed up projected deferred interest as at December 31, 2009.*

(3) For rate setting purpose MCRA after tax balances are independently grossed-up to reflect pre-tax amounts.*

Terasen Gas Inc.
Lower Mainland, Inland and Columbia MCRA After-Tax Monthly Balances
Recorded to October 2009 and Projected to Decmber 2011



TERASEN GAS INC. **Tab 4**
RESIDENTIAL COMMODITY UNBUNDLING PROGRAM COST AMORTIZATION SCHEDULE - Capital & O&M **Page 1**
(Rider 8 - Residential)

Line No.	Particulars (1)	FY 2010 [(A)] (2)	
1	Projected Dec. 31, 2009 Deferred Account Balance - Capital [(B)]	$3,333,538.72	
2			
3	Deferral Amortization	$3,333,538.72	
4	AFUDC on pre-tax balances @ 6.04% p.a.	$153,900.29	
5	Sub-total	$3,487,439.01	
6			
7	Forecast Annual Volume (GJ) [(C)]	67,764,700	
8			[(D)]
9		Net of Tax Amortization	Gross Amortization
10			
11	Unit Cost / GJ - Capital Cost	$0.0515	$0.0720
12	Unit Cost / GJ - O&M Cost (page 2, col. 2, line 13)	$0.0078	$0.0109
13	**Unit Cost / GJ - Total Residential Capital and O&M Costs**	**$0.059**	**$0.083**
14			
15			
16	Notes:		
17	(A) All amounts are net of tax unless otherwise indicated.		
18	(B) Projected Dec 31, 2009 CUSTOMER CHOICE (Initial and Enhancements program) balance includes AFUDC to that date.		
19	(C) Forecast sale volumes for eligible residential customers (including Lower Mainland, Inland, and Columbia Rate Schedules		
20	1, 1U and 1X, excluding Revelstoke and Fort Nelson).		
21	(D) Gross Amortization = Net-Of-Tax Amortization / (1 - 28.5% Tax Rate)		
22			
23			
24	AFUDC rate	6.04%	
25	AFUDC rate / month	0.50%	
26	Amortization periods	12	
27			

Line No.		Opening Deferral Account Balance	AFUDC	Sub-total	Amortization - Deferral	Amortization - AFUDC	Total Amortization	Ending Deferral Account Balance
29	Jan-10	$3,333,538.72	$23,461.17	$3,356,999.89	($270,193.24)	($23,461.17)	($293,654.41)	$3,063,345.48
30	Feb-10	$3,063,345.48	$21,559.57	$3,084,905.06	($271,552.31)	($21,559.57)	($293,111.88)	$2,791,793.17
31	Mar-10	$2,791,793.17	$19,648.41	$2,811,441.58	($272,918.22)	($19,648.41)	($292,566.63)	$2,518,874.95
32	Apr-10	$2,518,874.95	$17,727.64	$2,536,602.59	($274,291.00)	($17,727.64)	($292,018.63)	$2,244,583.96
33	May-10	$2,244,583.96	$15,797.20	$2,260,381.15	($275,670.68)	($15,797.20)	($291,467.88)	$1,968,913.28
34	Jun-10	$1,968,913.28	$13,857.05	$1,982,770.33	($277,057.30)	($13,857.05)	($290,914.35)	$1,691,855.97
35	Jul-10	$1,691,855.97	$11,907.14	$1,703,763.11	($278,450.90)	($11,907.14)	($290,358.05)	$1,413,405.07
36	Aug-10	$1,413,405.07	$9,947.43	$1,423,352.50	($279,851.51)	($9,947.43)	($289,798.94)	$1,133,553.56
37	Sep-10	$1,133,553.56	$7,977.86	$1,141,531.41	($281,259.16)	($7,977.86)	($289,237.02)	$852,294.39
38	Oct-10	$852,294.39	$5,998.38	$858,292.77	($282,673.90)	($5,998.38)	($288,672.28)	$569,620.50
39	Nov-10	$569,620.50	$4,008.94	$573,629.44	($284,095.75)	($4,008.94)	($288,104.69)	$285,524.75
40	Dec-10	$285,524.75	$2,009.50	$287,534.25	($285,524.75)	($2,009.50)	($287,534.25)	$0.00
41	TOTAL	$3,333,538.72	$153,900.29		($3,333,538.72)	($153,900.29)		$0.00

TERASEN GAS INC.
RESIDENTIAL COMMODITY UNBUNDLING PROGRAM COST AMORTIZATION SCHEDULE - O & M
(Rider 8 - Residential)

Line No.	Particulars	FY 2010 (A)	
	(1)	(2)	
1	Projected Dec. 31, 2009 Deferred Account Balance - O&M (B)	$490,028.06	
2	Projected 2010 Additions (excluding 2010 Cst Education Funding)	15,824.00	
3	Subtotal Deferral Costs	$505,852.06	
4			
5	Deferral Amortization	$505,852.06	
6	AFUDC on pre-tax balances @ 6.04% p.a.	$23,353.79	
7	Sub-total	$529,205.85	
8			
9	Forecast Annual Volume (GJ) (C)	67,764,700	
10			(D)
11		Net of Tax Amortization	Gross Amortization
12			
13	**Unit Cost / GJ - Residential O&M Cost**	**$0.0078**	**$0.0109**
14			
15			

16 Notes:
17 (A) All amounts are net of tax unless otherwise indicated.
18 (B) Projected Dec 31, 2009 balance includes AFUDC to that date.
19 (C) Forecast sale volumes for eligible residential customers (including Lower Mainland, Inland, and Columbia Rate Schedules
20 1, 1U and 1X, excluding Revelstoke and Fort Nelson).
21 (D) Gross Amortization = Net-Of-Tax Amortization / (1 - 28.5% Tax Rate)
22
23

Line No.		
24	AFUDC rate	6.04%
25	AFUDC rate / month	0.50%
26	Amortization periods	12
27		

28		Opening Deferral Account Balance	AFUDC	Sub-total	Amortization - Deferral	Amortization - AFUDC	Total Amortization	Ending Deferral Account Balance
29	Jan-10	$505,852.06	$3,560.15	$509,412.20	($41,000.82)	($3,560.15)	($44,560.96)	$464,851.24
30	Feb-10	$464,851.24	$3,271.58	$468,122.83	($41,207.05)	($3,271.58)	($44,478.63)	$423,644.19
31	Mar-10	$423,644.19	$2,981.57	$426,625.77	($41,414.32)	($2,981.57)	($44,395.89)	$382,229.87
32	Apr-10	$382,229.87	$2,690.10	$384,919.97	($41,622.63)	($2,690.10)	($44,312.74)	$340,607.24
33	May-10	$340,607.24	$2,397.17	$343,004.40	($41,832.00)	($2,397.17)	($44,229.16)	$298,775.24
34	Jun-10	$298,775.24	$2,102.76	$300,878.00	($42,042.41)	($2,102.76)	($44,145.17)	$256,732.83
35	Jul-10	$256,732.83	$1,806.86	$258,539.69	($42,253.89)	($1,806.86)	($44,060.75)	$214,478.94
36	Aug-10	$214,478.94	$1,509.49	$215,988.43	($42,466.42)	($1,509.49)	($43,975.91)	$172,012.52
37	Sep-10	$172,012.52	$1,210.61	$173,223.13	($42,680.03)	($1,210.61)	($43,890.64)	$129,332.49
38	Oct-10	$129,332.49	$910.23	$130,242.72	($42,894.71)	($910.23)	($43,804.94)	$86,437.78
39	Nov-10	$86,437.78	$608.34	$87,046.13	($43,110.47)	($608.34)	($43,718.81)	$43,327.31
40	Dec-10	$43,327.31	$304.93	$43,632.25	($43,327.31)	($304.93)	($43,632.25)	$0.00
41	TOTAL	$505,852.06	$23,353.79		($505,852.06)	($23,353.79)		$0.00

TERASEN GAS INC.
COMMERCIAL COMMODITY UNBUNDLING PROGRAM COST AMORTIZATION SCHEDULE - O & M
(Rider 8 - Commercial)

Line No.	Particulars	FY 2010 (A)	
	(1)	(2)	
1	Projected Dec. 31, 2009 Deferred Account Balance - O&M (B)	($82,798.40)	
2	Projected 2010 Additions	($154,164.00)	
3	Subtotal Deferral Costs	($236,962.40)	
4			
5	Deferral Amortization	($236,962.40)	
6	AFUDC on pre-tax balances @ 6.04% p.a.	($10,939.90)	
7	Sub-total	($247,902.30)	
8			
9	Forecast Annual Volume (GJ) (C)	41,060,700	
10			(D)
11		Net of Tax Amortization	Gross Amortization
12			
13	**Unit Cost / GJ - Commercial O&M Cost**	**($0.006)**	**($0.008)**
14			
15			

16 Notes:
17 (A) All amounts are net of tax unless otherwise indicated.
18 (B) Projected Dec 31, 2009 balance includes AFUDC to that date.
19 (C) Forecast sale volumes for eligible commercial customers (including Lower Mainland, Inland, and Columbia
20 Rate Schedules 2, 2U, 2X, 3, 3U, and 3X, excluding Revelstoke and Fort Nelson).
21 (D) Gross Amortization = Net-Of-Tax Amortization / (1 - 28.5% Tax Rate)
22
23

Line No.		
24	AFUDC rate	6.04%
25	AFUDC rate / month	0.50%
26	Amortization periods	12
27		

28		Opening Deferral Account Balance	AFUDC	Sub-total	Amortization - Deferral	Amortization - AFUDC	Total Amortization	Ending Deferral Account Balance
29	Jan-10	($236,962.40)	($1,667.72)	($238,630.12)	$19,206.51	$1,667.72	$20,874.23	($217,755.89)
30	Feb-10	($217,755.89)	($1,532.55)	($219,288.44)	$19,303.12	$1,532.55	$20,835.66	($198,452.78)
31	Mar-10	($198,452.78)	($1,396.69)	($199,849.47)	$19,400.21	$1,396.69	$20,796.91	($179,052.56)
32	Apr-10	($179,052.56)	($1,260.16)	($180,312.72)	$19,497.79	$1,260.16	$20,757.95	($159,554.77)
33	May-10	($159,554.77)	($1,122.93)	($160,677.70)	$19,595.87	$1,122.93	$20,718.80	($139,958.90)
34	Jun-10	($139,958.90)	($985.02)	($140,943.92)	$19,694.44	$985.02	$20,679.46	($120,264.47)
35	Jul-10	($120,264.47)	($846.41)	($121,110.88)	$19,793.50	$846.41	$20,639.91	($100,470.97)
36	Aug-10	($100,470.97)	($707.11)	($101,178.07)	$19,893.06	$707.11	$20,600.17	($80,577.91)
37	Sep-10	($80,577.91)	($567.10)	($81,145.01)	$19,993.12	$567.10	$20,560.22	($60,584.78)
38	Oct-10	($60,584.78)	($426.39)	($61,011.18)	$20,093.69	$426.39	$20,520.08	($40,491.10)
39	Nov-10	($40,491.10)	($284.97)	($40,776.07)	$20,194.76	$284.97	$20,479.73	($20,296.34)
40	Dec-10	($20,296.34)	($142.84)	($20,439.18)	$20,296.34	$142.84	$20,439.18	($0.00)
41	TOTAL	($236,962.40)	($10,939.90)		$236,962.40	$10,939.90		$0.00

TERASEN GAS INC.
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
PROPOSED JANUARY 1, 2010 RATES
BCUC ORDER NO. G-xx-09

Line No.	RATE SCHEDULE 1: RESIDENTIAL SERVICE	EXISTING OCTOBER 1, 2009 RATES			COMMODITY RELATED CHARGES CHANGES			PROPOSED JANUARY 1, 2010 RATES		
	Particulars	Lower Mainland	Inland	Columbia	Lower Mainland	Inland	Columbia	Lower Mainland	Inland	Columbia
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Delivery Margin Related Charges									
2	**Basic Charge per month**	**$11.84**	**$11.84**	**$11.84**	**$0.00**	**$0.00**	**$0.00**	**$11.84**	**$11.84**	**$11.84**
3										
4	Delivery Charge per GJ	$2.961	$2.961	$2.961	$0.000	$0.000	$0.000	$2.961	$2.961	$2.961
5	Rider 3 ESM	($0.132)	($0.132)	($0.132)	$0.000	$0.000	$0.000	($0.132)	($0.132)	($0.132)
6	Rider 4 Delivery Rate Refund	($0.035)	($0.035)	($0.035)	$0.000	$0.000	$0.000	($0.035)	($0.035)	($0.035)
7	Rider 5 RSAM	$0.001	$0.001	$0.001	$0.000	$0.000	$0.000	$0.001	$0.001	$0.001
8	Subtotal **Delivery Margin Related Charges per GJ**	**$2.795**	**$2.795**	**$2.795**	**$0.000**	**$0.000**	**$0.000**	**$2.795**	**$2.795**	**$2.795**
9										
10										
11	Commodity Related Charges									
12	Midstream Cost Recovery Charge per GJ	$0.942	$0.903	$0.981	$0.700	$0.718	$0.700	$1.642	$1.621	$1.681
13	Rider 8 Unbundling Recovery	$0.073	$0.073	$0.073	$0.010	$0.010	$0.010	$0.083	$0.083	$0.083
	Rider 9 Reserve For Future Use	$0.000	$0.000	$0.000	$0.000	$0.000	$0.000	$0.000	$0.000	$0.000
14	Subtotal **Midstream Related Charges per GJ**	**$1.015**	**$0.976**	**$1.054**	**$0.710**	**$0.728**	**$0.710**	**$1.725**	**$1.704**	**$1.764**
15										
16	**Cost of Gas (Commodity Cost Recovery Charge) per GJ**	**$4.953**	**$4.953**	**$4.953**	**$0.000**	**$0.000**	**$0.000**	**$4.953**	**$4.953**	**$4.953**
17										
18										
19	Rider 1 Propane Surcharge (Revelstoke only)		$6.240			($0.718)			$5.522	
20										
21										
22	**Cost of Gas Recovery Related Charges for Revelstoke**		**$12.096**			**$0.000**			**$12.096**	
23	per GJ (Includes Rider 1, excludes Riders 8)									

TERASEN GAS INC.
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
PROPOSED JANUARY 1, 2010 RATES
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REVISED TAB 5
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SCHEDULE 2

Line No.	**RATE SCHEDULE 2: SMALL COMMERCIAL SERVICE** Particulars	**EXISTING OCTOBER 1, 2009 RATES** Lower Mainland	Inland	Columbia	**COMMODITY RELATED CHARGES CHANGES** Lower Mainland	Inland	Columbia	**PROPOSED JANUARY 1, 2010 RATES** Lower Mainland	Inland	Columbia
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Delivery Margin Related Charges									
2	**Basic Charge per month**	**$24.84**	**$24.84**	**$24.84**	**$0.00**	**$0.00**	**$0.00**	**$24.84**	**$24.84**	**$24.84**
3										
4	Delivery Charge per GJ	$2.479	$2.479	$2.479	$0.000	$0.000	$0.000	$2.479	$2.479	$2.479
5	Rider 3 ESM	($0.100)	($0.100)	($0.100)	$0.000	$0.000	$0.000	($0.100)	($0.100)	($0.100)
6	Rider 4 Delivery Rate Refund	($0.029)	($0.029)	($0.029)	$0.000	$0.000	$0.000	($0.029)	($0.029)	($0.029)
7	Rider 5 RSAM	$0.001	$0.001	$0.001	$0.000	$0.000	$0.000	$0.001	$0.001	$0.001
8	Subtotal **Delivery Margin Related Charges per GJ**	**$2.351**	**$2.351**	**$2.351**	**$0.000**	**$0.000**	**$0.000**	**$2.351**	**$2.351**	**$2.351**
9										
10										
11	Commodity Related Charges									
12	Midstream Cost Recovery Charge per GJ	$0.947	$0.907	$0.986	$0.689	$0.708	$0.690	$1.636	$1.615	$1.676
13	Rider 8 Unbundling Recovery	($0.021)	($0.021)	($0.021)	$0.013	$0.013	$0.013	($0.008)	($0.008)	($0.008)
14	Subtotal **Midstream Related Charges per GJ**	**$0.926**	**$0.886**	**$0.965**	**$0.702**	**$0.721**	**$0.703**	**$1.628**	**$1.607**	**$1.668**
15										
16	**Cost of Gas (Commodity Cost Recovery Charge) per GJ**	**$4.953**	**$4.953**	**$4.953**	**$0.000**	**$0.000**	**$0.000**	**$4.953**	**$4.953**	**$4.953**
17										
18										
19	Rider 1 Propane Surcharge (Revelstoke only)		$5.145			($0.708)			$4.437	
20										
21										
22	**Cost of Gas Recovery Related Charges for Revelstoke**		**$11.005**			**$0.000**			**$11.005**	
23	per GJ (Includes Rider 1, excludes Rider 8)									

Line No.	RATE SCHEDULE 3: LARGE COMMERCIAL SERVICE Particulars	EXISTING OCTOBER 1, 2009 RATES Lower Mainland	Inland	Columbia	COMMODITY RELATED CHARGES CHANGES Lower Mainland	Inland	Columbia	PROPOSED JANUARY 1, 2010 RATES Lower Mainland	Inland	Columbia
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Delivery Margin Related Charges									
2	**Basic Charge per month**	**$132.52**	**$132.52**	**$132.52**	**$0.00**	**$0.00**	**$0.00**	**$132.52**	**$132.52**	**$132.52**
3										
4	Delivery Charge per GJ	$2.136	$2.136	$2.136	$0.000	$0.000	$0.000	$2.136	$2.136	$2.136
5	Rider 3 ESM	($0.079)	($0.079)	($0.079)	$0.000	$0.000	$0.000	($0.079)	($0.079)	($0.079)
6	Rider 4 Delivery Rate Refund	($0.021)	($0.021)	($0.021)	$0.000	$0.000	$0.000	($0.021)	($0.021)	($0.021)
7	Rider 5 RSAM	$0.001	$0.001	$0.001	$0.000	$0.000	$0.000	$0.001	$0.001	$0.001
8	Subtotal **Delivery Margin Related Charges per GJ**	**$2.037**	**$2.037**	**$2.037**	**$0.000**	**$0.000**	**$0.000**	**$2.037**	**$2.037**	**$2.037**
9										
10										
11	Commodity Related Charges									
12	Midstream Cost Recovery Charge per GJ	$0.830	$0.796	$0.873	$0.459	$0.478	$0.459	$1.289	$1.274	$1.332
13	Rider 8 Unbundling Recovery	($0.021)	($0.021)	($0.021)	$0.013	$0.013	$0.013	($0.008)	($0.008)	($0.008)
14	Subtotal **Midstream Related Charges per GJ**	**$0.809**	**$0.775**	**$0.852**	**$0.472**	**$0.491**	**$0.472**	**$1.281**	**$1.266**	**$1.324**
15										
16	**Cost of Gas (Commodity Cost Recovery Charge) per GJ**	**$4.953**	**$4.953**	**$4.953**	**$0.000**	**$0.000**	**$0.000**	**$4.953**	**$4.953**	**$4.953**
17										
18										
19	Rider 1 Propane Surcharge (Revelstoke only)		$5.256			($0.478)			$4.778	
20										
21										
22	**Cost of Gas Recovery Related Charges for Revelstoke**		**$11.005**			**$0.000**			**$11.005**	
23	per GJ (Includes Rider 1, excludes Rider 8)									

TERASEN GAS INC.
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
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Line No.	RATE SCHEDULE 4: SEASONAL SERVICE Particulars	EXISTING OCTOBER 1, 2009 RATES Lower Mainland	Inland	Columbia	COMMODITY RELATED CHARGES CHANGES Lower Mainland	Inland	Columbia	PROPOSED JANUARY 1, 2010 RATES Lower Mainland	Inland	Columbia
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Delivery Margin Related Charges									
2	**Basic Charge per month**	$439.00	$439.00	$439.00	$0.00	$0.00	$0.00	$439.00	$439.00	$439.00
3										
4	**Delivery Charge per GJ**									
5	(a) Off-Peak Period	$0.762	$0.762	$0.762	$0.000	$0.000	$0.000	$0.762	$0.762	$0.762
6	(b) Extension Period	$1.539	$1.539	$1.539	$0.000	$0.000	$0.000	$1.539	$1.539	$1.539
7										
8	**Rider 3 ESM**	($0.061)	($0.061)	($0.061)	$0.000	$0.000	$0.000	($0.061)	($0.061)	($0.061)
9	**Rider 4 Delivery Rate Refund**	($0.001)	($0.001)	($0.001)	$0.000	$0.000	$0.000	($0.001)	($0.001)	($0.001)
10										
11	Commodity Related Charges									
12	**Commodity Cost Recovery Charge**									
13	(a) Off-Peak Period	$4.953	$4.953	$4.953	$0.000	$0.000	$0.000	$4.953	$4.953	$4.953
14	(b) Extension Period	$4.953	$4.953	$4.953	$0.000	$0.000	$0.000	$4.953	$4.953	$4.953
15										
16	**Midstream Cost Recovery Charge per GJ**									
17	(a) Off-Peak Period	$0.670	$0.644	$0.720	$0.290	$0.306	$0.285	$0.960	$0.950	$1.005
18	(b) Extension Period	$0.670	$0.644	$0.720	$0.290	$0.306	$0.285	$0.960	$0.950	$1.005
19										
20										
21	Subtotal Off -Peak Commodity Related Charges per GJ									
22	(a) Off-Peak Period	$5.623	$5.597	$5.673	$0.290	$0.306	$0.285	$5.913	$5.903	$5.958
23	(b) Extension Period	$5.623	$5.597	$5.673	$0.290	$0.306	$0.285	$5.913	$5.903	$5.958
24										
25										
26										
27	Unauthorized Gas Charge per gigajoule	Balancing, Backstopping and UOR per BCUC Order No. G-110-00.						Balancing, Backstopping and UOR per BCUC Order No. G-110-00.		
28	during peak period									
29										
30										
31	Total Variable Cost per gigajoule between									
32	(a) Off-Peak Period	$6.323	$6.297	$6.373	$0.290	$0.306	$0.285	$6.613	$6.603	$6.658
33	(b) Extension Period	$7.100	$7.074	$7.150	$0.290	$0.306	$0.285	$7.390	$7.380	$7.435

TERASEN GAS INC.
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY
PROPOSED JANUARY 1, 2010 RATES
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	RATE SCHEDULE 5 GENERAL FIRM SERVICE	**EXISTING OCTOBER 1, 2009 RATES**			**COMMODITY RELATED CHARGES CHANGES**			**PROPOSED JANUARY 1, 2010 RATES**		
Line No.	Particulars	**Lower Mainland**	**Inland**	**Columbia**	**Lower Mainland**	**Inland**	**Columbia**	**Lower Mainland**	**Inland**	**Columbia**
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Delivery Margin Related Charges									
2	**Basic Charge per month**	$587.00	$587.00	$587.00	$0.00	$0.00	$0.00	$587.00	$587.00	$587.00
3										
4	**Demand Charge per gigajoule**	$14.655	$14.655	$14.655	$0.000	$0.000	$0.000	$14.655	$14.655	$14.655
5										
6	**Delivery Charge per GJ**	$0.593	$0.593	$0.593	$0.000	$0.000	$0.000	$0.593	$0.593	$0.593
7										
8	**Rider 3 ESM**	($0.060)	($0.060)	($0.060)	$0.000	$0.000	$0.000	($0.060)	($0.060)	($0.060)
9	**Rider 4 Delivery Rate Refund**	($0.018)	($0.018)	($0.018)	$0.000	$0.000	$0.000	($0.018)	($0.018)	($0.018)
10										
11										
12	Commodity Related Charges									
13	**Cost of Gas (Commodity Cost Recovery Charge) per GJ**	$4.953	$4.953	$4.953	$0.000	$0.000	$0.000	$4.953	$4.953	$4.953
14	**Midstream Cost Recovery Charge per GJ**	$0.670	$0.644	$0.720	$0.290	$0.306	$0.285	$0.960	$0.950	$1.005
15	Subtotal Commodity Related Charges per GJ	**$5.623**	**$5.597**	**$5.673**	**$0.290**	**$0.306**	**$0.285**	**$5.913**	**$5.903**	**$5.958**
16										
17										
18										
19	Total Variable Cost per gigajoule	$6.138	$6.112	$6.188	$0.290	$0.306	$0.285	$6.428	$6.418	$6.473

BCUC ORDER NO. G-xx-09

Line No.	RATE SCHEDULE 6: NGV - STATIONS Particulars	EXISTING OCTOBER 1, 2009 RATES Lower Mainland	 Inland	 Columbia	COMMODITY RELATED CHARGES CHANGES Lower Mainland	 Inland	 Columbia	PROPOSED JANUARY 1, 2010 RATES Lower Mainland	 Inland	 Columbia
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Delivery Margin Related Charges									
2	**Basic Charge per month**	$61.00	$61.00	$61.00	$0.00	$0.00	$0.00	$61.00	$61.00	$61.00
3										
4	**Delivery Charge per GJ**	$3.398	$3.398	$3.398	$0.000	$0.000	$0.000	$3.398	$3.398	$3.398
5										
6	**Rider 3 ESM**	($0.110)	($0.110)	($0.110)	$0.000	$0.000	$0.000	($0.110)	($0.110)	($0.110)
7	**Rider 4 Delivery Rate Refund**	($0.019)	($0.019)	($0.019)	$0.000	$0.000	$0.000	($0.019)	($0.019)	($0.019)
8										
9										
10	Commodity Related Charges									
11	**Cost of Gas (Commodity Cost Recovery Charge) per GJ**	$4.953	$4.953	$4.953	$0.000	$0.000	$0.000	$4.953	$4.953	$4.953
12	**Midstream Cost Recovery Charge per GJ**	$0.471	$0.446	$0.446	($0.005)	$0.018	$0.018	$0.466	$0.464	$0.464
13	Subtotal Commodity Related Charges per GJ	**$5.424**	**$5.399**	**$5.399**	**($0.005)**	**$0.018**	**$0.018**	**$5.419**	**$5.417**	**$5.417**
14										
15										
16	Total Variable Cost per gigajoule	$8.693	$8.668	$8.668	($0.005)	$0.018	$0.018	$8.688	$8.686	$8.686

RATE SCHEDULE 6A:
NGV - VRA's

Line No.	Particulars	EXISTING OCTOBER 1, 2009 RATES	COMMODITY RELATED CHARGES CHANGES	PROPOSED JANUARY 1, 2010 RATES
	(1)	(2)	(3)	(4)
1	**LOWER MAINLAND SERVICE AREA**			
2				
3	**Delivery Margin Related Charges**			
4	Basic Charge per month	$86.00	$0.00	$86.00
5				
6	Delivery Charge per GJ	$3.358	$0.000	$3.358
7	Rider 3 ESM	($0.110)	$0.000	($0.110)
8	Rider 4 Delivery Rate Refund	($0.019)	$0.000	($0.019)
9				
10				
11	**Commodity Related Charges**			
12	Cost of Gas (Commodity Cost Recovery Charge) per GJ	$4.953	$0.000	$4.953
13	Midstream Cost Recovery Charge per GJ	$0.471	($0.005)	$0.466
14	Subtotal Commodity Related Charges per GJ	$5.424	($0.005)	$5.419
15				
16	Compression Charge per gigajoule	$5.28	$0.00	$5.28
17				
18				
19	**Minimum Charges**	$125.00	$0.00	$125.00
20				
21				
22				
23	Total Variable Cost per gigajoule	$13.933	($0.005)	$13.928

Line No.	RATE SCHEDULE 7: INTERRUPTIBLE SALES	EXISTING OCTOBER 1, 2009 RATES			COMMODITY RELATED CHARGES CHANGES			PROPOSED JANUARY 1, 2010 RATES		
	Particulars	**Lower Mainland**	**Inland**	**Columbia**	**Lower Mainland**	**Inland**	**Columbia**	**Lower Mainland**	**Inland**	**Columbia**
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Delivery Margin Related Charges									
2	**Basic Charge per month**	$880.00	$880.00	$880.00	$0.00	$0.00	$0.00	$880.00	$880.00	$880.00
3										
4	**Delivery Charge per GJ**	$0.990	$0.990	$0.990	$0.000	$0.000	$0.000	$0.990	$0.990	$0.990
5										
6	**Rider 3 ESM**	($0.036)	($0.036)	($0.036)	$0.000	$0.000	$0.000	($0.036)	($0.036)	($0.036)
7	**Rider 4 Delivery Rate Refund**	$0.000	$0.000	$0.000	$0.000	$0.000	$0.000	$0.000	$0.000	$0.000
8										
9	Commodity Related Charges									
10	**Cost of Gas (Commodity Cost Recovery Charge) per GJ**	$4.953	$4.953	$4.953	$0.000	$0.000	$0.000	$4.953	$4.953	$4.953
11	**Midstream Cost Recovery Charge per GJ**	$0.670	$0.644	$0.720	$0.290	$0.306	$0.285	$0.960	$0.950	$1.005
12	Subtotal Commodity Related Charges per GJ	**$5.623**	**$5.597**	**$5.673**	**$0.290**	**$0.306**	**$0.285**	**$5.913**	**$5.903**	**$5.958**
13										
14										
15										
16	Charges per gigajoule for UOR Gas	Balancing, Backstopping and UOR per BCUC Order No. G-110-00.						Balancing, Backstopping and UOR per BCUC Order No. G-110-00.		
17										
18										
19										
20										
21										
22	Total Variable Cost per gigajoule	$6.577	$6.551	$6.627	$0.290	$0.306	$0.285	$6.867	$6.857	$6.912

TERASEN GAS INC.
COMMODITY RELATED CHARGES CHANGES
BCUC ORDER NO. G-xx-09

RATE SCHEDULE 1 - RESIDENTIAL SERVICE

Line No.	Particular	EXISTING OCTOBER 1, 2009 RATES Volume		Rate	Annual $	PROPOSED JANUARY 1, 2010 RATES Volume		Rate	Annual $	Annual Increase/Decrease Rate	Annual $	% of Previous Total Annual Bill
1	**LOWER MAINLAND SERVICE AREA**											
2	Delivery Margin Related Charges											
3	Basic Charge	12	months x	$11.84 =	$142.08	12	months x	$11.84 =	$142.08	$0.00	$0.00	0.00%
4												
5	Delivery Charge	95.0	GJ x	$2.961 =	281.2950	95.0	GJ x	$2.961 =	281.2950	$0.000	0.0000	0.00%
6	Rider 3 ESM	95.0	GJ x	($0.132) =	(12.5400)	95.0	GJ x	($0.132) =	(12.5400)	$0.000	0.0000	0.00%
7	Rider 4 Delivery Rate Refund	95.0	GJ x	($0.035) =	(3.3250)	95.0	GJ x	($0.035) =	(3.3250)	$0.000	0.0000	0.00%
8	Rider 5 RSAM	95.0	GJ x	$0.001 =	0.0950	95.0	GJ x	$0.001 =	0.0950	$0.000	0.0000	0.00%
9	Subtotal Delivery Margin Related Charges				**$407.61**				**$407.61**		**$0.00**	**0.00%**
10												
11	Commodity Related Charges											
12	Midstream Cost Recovery Charge	95.0	GJ x	$0.942 =	$89.4900	95.0	GJ x	$1.642 =	$155.9900	$0.700	$66.5000	6.82%
13	Rider 8 Unbundling Recovery	95.0	GJ x	$0.073 =	6.9350	95.0	GJ x	$0.083 =	7.8850	$0.010	0.9500	0.10%
14	Midstream Related Charges Subtotal				$96.43				$163.88		$67.45	6.92%
15												
16	Cost of Gas (Commodity Cost Recovery Charge)	95.0	GJ x	$4.953 =	$470.54	95.0	GJ x	$4.953 =	$470.54	$0.000	$0.00	0.00%
17	Subtotal Commodity Related Charges				**$566.97**				**$634.42**		**$67.45**	**6.92%**
18												
19	Total *(with effective $/GJ rate)*	95.0		*$10.259*	**$974.58**	95.0		*$10.969*	**$1,042.03**	*$0.710*	**$67.45**	**6.92%**
20												
21	**INLAND SERVICE AREA**											
22	Delivery Margin Related Charges											
23	Basic Charge	12	months x	$11.84 =	$142.08	12	months x	$11.84 =	$142.08	$0.00	$0.00	0.00%
24												
25	Delivery Charge	75.0	GJ x	$2.961 =	222.0750	75.0	GJ x	$2.961 =	222.0750	$0.000	0.0000	0.00%
26	Rider 3 ESM	75.0	GJ x	($0.132) =	(9.9000)	75.0	GJ x	($0.132) =	(9.9000)	$0.000	0.0000	0.00%
27	Rider 4 Delivery Rate Refund	75.0	GJ x	($0.035) =	(2.6250)	75.0	GJ x	($0.035) =	(2.6250)	$0.000	0.0000	0.00%
28	Rider 5 RSAM	75.0	GJ x	$0.001 =	0.0750	75.0	GJ x	$0.001 =	0.0750	$0.000	0.0000	0.00%
29	Subtotal Delivery Margin Related Charges				**$351.71**				**$351.71**		**$0.00**	**0.00%**
30												
31	Commodity Related Charges											
32	Midstream Cost Recovery Charge	75.0	GJ x	$0.903 =	$67.7250	75.0	GJ x	$1.621 =	$121.5750	$0.718	$53.8500	6.76%
33	Rider 8 Unbundling Recovery	75.0	GJ x	$0.073 =	5.4750	75.0	GJ x	$0.083 =	6.2250	$0.010	0.7500	0.09%
34	Midstream Related Charges Subtotal				$73.20				$127.80		$54.60	6.86%
35												
36	Cost of Gas (Commodity Cost Recovery Charge)	75.0	GJ x	$4.953 =	$371.48	75.0	GJ x	$4.953 =	$371.48	$0.000	$0.00	0.00%
37	Subtotal Commodity Related Charges				**$444.68**				**$499.28**		**$54.60**	**6.86%**
38												
39	Total *(with effective $/GJ rate)*	75.0		*$10.619*	**$796.39**	75.0		*$11.347*	**$850.99**	*$0.728*	**$54.60**	**6.86%**
40												
41	**COLUMBIA SERVICE AREA**											
42	Delivery Margin Related Charges											
43	Basic Charge	12	months x	$11.84 =	$142.08	12	months x	$11.84 =	$142.08	$0.00	$0.00	0.00%
44												
44	Delivery Charge	80.0	GJ x	$2.961 =	236.8800	80.0	GJ x	$2.961 =	236.8800	$0.000	0.0000	0.00%
45	Rider 3 ESM	80.0	GJ x	($0.132) =	(10.5600)	80.0	GJ x	($0.132) =	(10.5600)	$0.000	0.0000	0.00%
46	Rider 4 Delivery Rate Refund	80.0	GJ x	($0.035) =	(2.8000)	80.0	GJ x	($0.035) =	(2.8000)	$0.000	0.0000	0.00%
47	Rider 5 RSAM	80.0	GJ x	$0.001 =	0.0800	80.0	GJ x	$0.001 =	0.0800	$0.000	0.0000	0.00%
48	Subtotal Delivery Margin Related Charges				**$365.68**				**$365.68**		**$0.00**	**0.00%**
49												
50	Commodity Related Charges											
51	Midstream Cost Recovery Charge	80.0	GJ x	$0.981 =	$78.4800	80.0	GJ x	$1.681 =	$134.4800	$0.700	$56.0000	6.62%
52	Rider 8 Unbundling Recovery	80.0	GJ x	$0.073 =	5.8400	80.0	GJ x	$0.083 =	6.6400	$0.010	0.8000	0.09%
53	Midstream Related Charges Subtotal				$84.32				$141.12		$56.80	6.71%
54												
55	Cost of Gas (Commodity Cost Recovery Charge)	80.0	GJ x	$4.953	$396.24	80.0	GJ x	$4.953 =	$396.24	$0.000	$0.00	0.00%
56	Subtotal Commodity Related Charges				**$480.56**	80.0			**$537.36**		**$56.80**	**6.71%**
57												
58	Total *(with effective $/GJ rate)*	80.0		*$10.578*	**$846.24**	80.0		*$11.288*	**$903.04**	*$0.710*	**$56.80**	**6.71%**

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

RATE SCHEDULE 2 -SMALL COMMERCIAL SERVICE

Line No.	Particular	EXISTING OCTOBER 1, 2009 RATES					PROPOSED JANUARY 1, 2010 RATES					Annual Increase/Decrease		
		Volume		Rate		Annual $	Volume		Rate		Annual $	Rate	Annual $	% of Previous Total Annual Bill
1	**LOWER MAINLAND SERVICE AREA**													
2	Delivery Margin Related Charges													
3	Basic Charge	12	months x	$24.84	=	$298.08	12	months x	$24.84	=	$298.08	$0.00	$0.00	0.00%
4														
5	Delivery Charge	300.0	GJ x	$2.479	=	743.7000	300.0	GJ x	$2.479	=	743.7000	$0.000	0.0000	0.00%
6	Rider 3 ESM	300.0	GJ x	($0.100)	=	(30.0000)	300.0	GJ x	($0.100)	=	(30.0000)	$0.000	0.0000	0.00%
7	Rider 4 Delivery Rate Refund	300.0	GJ x	($0.029)	=	(8.7000)	300.0	GJ x	($0.029)	=	(8.7000)	$0.000	0.0000	0.00%
8	Rider 5 RSAM	300.0	GJ x	$0.001	=	0.3000	300.0	GJ x	$0.001	=	0.3000	$0.000	0.0000	0.00%
9	Subtotal Delivery Margin Related Charges					**$1,003.38**					**$1,003.38**		**$0.00**	**0.00%**
10														
11	Commodity Related Charges													
12	Midstream Cost Recovery Charge	300.0	GJ x	$0.947	=	$284.1000	300.0	GJ x	$1.636	=	$490.8000	$0.689	$206.7000	7.47%
13	Rider 8 Unbundling Recovery	300.0	GJ x	($0.021)	=	(6.3000)	300.0	GJ x	($0.008)	=	(2.4000)	$0.013	3.9000	0.14%
14	Midstream Related Charges Subtotal					$277.80					$488.40		$210.60	7.61%
15														
16	Cost of Gas (Commodity Cost Recovery Charge)	300.0	GJ x	$4.953	=	$1,485.90	300.0	GJ x	$4.953	=	$1,485.90	$0.000	$0.00	0.00%
17	Subtotal Commodity Related Charges					**$1,763.70**					**$1,974.30**		**$210.60**	**7.61%**
18														
19	Total *(with effective $/GJ rate)*	300.0		*$9.224*		**$2,767.08**	300.0		*$9.926*		**$2,977.68**	*$0.702*	**$210.60**	**7.61%**
20														
21	**INLAND SERVICE AREA**													
22	Delivery Margin Related Charges													
23	Basic Charge	12	months x	$24.84	=	$298.08	12	months x	$24.84	=	$298.08	$0.00	$0.00	0.00%
24														
25	Delivery Charge	250.0	GJ x	$2.479	=	619.7500	250.0	GJ x	$2.479	=	619.7500	$0.000	0.0000	0.00%
26	Rider 3 ESM	250.0	GJ x	($0.100)	=	(25.0000)	250.0	GJ x	($0.100)	=	(25.0000)	$0.000	0.0000	0.00%
27	Rider 4 Delivery Rate Refund	250.0	GJ x	($0.029)	=	(7.2500)	250.0	GJ x	($0.029)	=	(7.2500)	$0.000	0.0000	0.00%
28	Rider 5 RSAM	250.0	GJ x	$0.001	=	0.2500	250.0	GJ x	$0.001	=	0.2500	$0.000	0.0000	0.00%
29	Subtotal Delivery Margin Related Charges					**$885.83**					**$885.83**		**$0.00**	**0.00%**
30														
31	Commodity Related Charges													
32	Midstream Cost Recovery Charge	250.0	GJ x	$0.907	=	$226.7500	250.0	GJ x	$1.615	=	$403.7500	$0.708	$177.0000	7.55%
33	Rider 8 Unbundling Recovery	250.0	GJ x	($0.021)	=	(5.2500)	250.0	GJ x	($0.008)	=	(2.0000)	$0.013	3.2500	0.14%
34	Midstream Related Charges Subtotal					$221.50					$401.75		$180.25	7.68%
35														
36	Cost of Gas (Commodity Cost Recovery Charge)	250.0	GJ x	$4.953	=	$1,238.25	250.0	GJ x	$4.953	=	$1,238.25	$0.000	$0.00	0.00%
37	Subtotal Commodity Related Charges					**$1,459.75**					**$1,640.00**		**$180.25**	**7.68%**
38														
39	Total *(with effective $/GJ rate)*	250.0		*$9.382*		**$2,345.58**	250.0		*$10.103*		**$2,525.83**	*$0.721*	**$180.25**	**7.68%**
40														
41	**COLUMBIA SERVICE AREA**													
42	Delivery Margin Related Charges													
43	Basic Charge	12	months x	$24.84	=	$298.08	12	months x	$24.84	=	$298.08	$0.00	$0.00	0.00%
44														
45	Delivery Charge	320.0	GJ x	$2.479	=	793.2800	320.0	GJ x	$2.479	=	793.2800	$0.000	0.0000	0.00%
46	Rider 3 ESM	320.0	GJ x	($0.100)	=	(32.0000)	320.0	GJ x	($0.100)	=	(32.0000)	$0.000	0.0000	0.00%
47	Rider 4 Delivery Rate Refund	320.0	GJ x	($0.029)	=	(9.2800)	320.0	GJ x	($0.029)	=	(9.2800)	$0.000	0.0000	0.00%
48	Rider 5 RSAM	320.0	GJ x	$0.001	=	0.3200	320.0	GJ x	$0.001	=	0.3200	$0.000	0.0000	0.00%
49	Subtotal Delivery Margin Related Charges					**$1,050.40**					**$1,050.40**		**$0.00**	**0.00%**
50														
51	Commodity Related Charges													
52	Midstream Cost Recovery Charge	320.0	GJ x	$0.986	=	$315.5200	320.0	GJ x	$1.676	=	$536.3200	$0.690	$220.8000	7.50%
53	Rider 8 Unbundling Recovery	320.0	GJ x	($0.021)	=	(6.7200)	320.0	GJ x	($0.008)	=	(2.5600)	$0.013	4.1600	0.14%
54	Midstream Related Charges Subtotal					$308.80					$533.76		$224.96	7.64%
55														
56	Cost of Gas (Commodity Cost Recovery Charge)	320.0	GJ x	$4.953	=	$1,584.96	320.0	GJ x	$4.953	=	$1,584.96	$0.000	$0.00	0.00%
57	Subtotal Commodity Related Charges					**$1,893.76**					**$2,118.72**		**$224.96**	**7.64%**
58														
59	Total *(with effective $/GJ rate)*	320.0		*$9.201*		**$2,944.16**	320.0		*$9.904*		**$3,169.12**	*$0.703*	**$224.96**	**7.64%**

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

RATE SCHEDULE 3 - LARGE COMMERCIAL SERVICE

Line No.	Particular	EXISTING OCTOBER 1, 2009 RATES				PROPOSED JANUARY 1, 2010 RATES				Annual Increase/Decrease		
		Volume		Rate	Annual $	Volume		Rate	Annual $	Rate	Annual $	% of Previous Total Annual Bill
1	**LOWER MAINLAND SERVICE AREA**											
2	Delivery Margin Related Charges											
3	Basic Charge	12	months x	$132.52 =	$1,590.24	12	months x	$132.52 =	$1,590.24	$0.00	$0.00	0.00%
4												
5	Delivery Charge	2,800.0	GJ x	$2.136 =	5,980.8000	2,800.0	GJ x	$2.136 =	5,980.8000	$0.000	0.0000	0.00%
6	Rider 3 ESM	2,800.0	GJ x	($0.079) =	(221.2000)	2,800.0	GJ x	($0.079) =	(221.2000)	$0.000	0.0000	0.00%
7	Rider 4 Delivery Rate Refund	2,800.0	GJ x	($0.021) =	(58.8000)	2,800.0	GJ x	($0.021) =	(58.8000)	$0.000	0.0000	0.00%
8	Rider 5 RSAM	2,800.0	GJ x	$0.001 =	2.8000	2,800.0	GJ x	$0.001 =	2.8000	$0.000	0.0000	0.00%
9	Subtotal Delivery Margin Related Charges				**$7,293.84**				**$7,293.84**		**$0.00**	**0.00%**
10												
11	Commodity Related Charges											
12	Midstream Cost Recovery Charge	2,800.0	GJ x	$0.830 =	$2,324.0000	2,800.0	GJ x	$1.289 =	$3,609.2000	$0.459	$1,285.2000	5.49%
13	Rider 8 Unbundling Recovery	2,800.0	GJ x	($0.021) =	(58.8000)	2,800.0	GJ x	($0.008) =	(22.4000)	$0.013	36.4000	0.16%
14	Midstream Related Charges Subtotal				$2,265.20				$3,586.80		$1,321.60	5.64%
15												
16	Cost of Gas (Commodity Cost Recovery Charge)	2,800.0	GJ x	$4.953 =	$13,868.40	2,800.0	GJ x	$4.953 =	$13,868.40	$0.000	$0.00	0.00%
17	Subtotal Commodity Related Charges				**$16,133.60**				**$17,455.20**		**$1,321.60**	**5.64%**
18												
19	Total *(with effective $/GJ rate)*	2,800.0		*$8.367*	**$23,427.44**	2,800.0		*$8.839*	**$24,749.04**	*$0.472*	**$1,321.60**	**5.64%**
20												
21	**INLAND SERVICE AREA**											
22	Delivery Margin Related Charges											
23	Basic Charge	12	months x	$132.52 =	$1,590.24	12	months x	$132.52 =	$1,590.24	$0.00	$0.00	0.00%
24												
25	Delivery Charge	2,600.0	GJ x	$2.136 =	5,553.6000	2,600.0	GJ x	$2.136 =	5,553.6000	$0.000	0.0000	0.00%
26	Rider 3 ESM	2,600.0	GJ x	($0.079) =	(205.4000)	2,600.0	GJ x	($0.079) =	(205.4000)	$0.000	0.0000	0.00%
27	Rider 4 Delivery Rate Refund	2,600.0	GJ x	($0.021) =	(54.6000)	2,600.0	GJ x	($0.021) =	(54.6000)	$0.000	0.0000	0.00%
28	Rider 5 RSAM	2,600.0	GJ x	$0.001 =	2.6000	2,600.0	GJ x	$0.001 =	2.6000	$0.000	0.0000	0.00%
29	Subtotal Delivery Margin Related Charges				**$6,886.44**				**$6,886.44**		**$0.00**	**0.00%**
30												
31	Commodity Related Charges											
32	Midstream Cost Recovery Charge	2,600.0	GJ x	$0.796 =	$2,069.6000	2,600.0	GJ x	$1.274 =	$3,312.4000	$0.478	$1,242.8000	5.71%
33	Rider 8 Unbundling Recovery	2,600.0	GJ x	($0.021) =	(54.6000)	2,600.0	GJ x	($0.008) =	(20.8000)	$0.013	33.8000	0.16%
34	Midstream Related Charges Subtotal				$2,015.00				$3,291.60		$1,276.60	5.86%
35												
36	Cost of Gas (Commodity Cost Recovery Charge)	2,600.0	GJ x	$4.953 =	$12,877.80	2,600.0	GJ x	$4.953 =	$12,877.80	$0.000	$0.00	0.00%
37	Subtotal Commodity Related Charges				**$14,892.80**				**$16,169.40**		**$1,276.60**	**5.86%**
38												
39	Total *(with effective $/GJ rate)*	2,600.0		*$8.377*	**$21,779.24**	2,600.0		*$8.868*	**$23,055.84**	*$0.491*	**$1,276.60**	**5.86%**
40												
41	**COLUMBIA SERVICE AREA**											
42	Delivery Margin Related Charges											
43	Basic Charge	12	months x	$132.52 =	$1,590.24	12	months x	$132.52 =	$1,590.24	$0.00	$0.00	0.00%
44												
45	Delivery Charge	3,300.0	GJ x	$2.136 =	7,048.8000	3,300.0	GJ x	$2.136 =	7,048.8000	$0.000	0.0000	0.00%
46	Rider 3 ESM	3,300.0	GJ x	($0.079) =	(260.7000)	3,300.0	GJ x	($0.079) =	(260.7000)	$0.000	0.0000	0.00%
47	Rider 4 Delivery Rate Refund	3,300.0	GJ x	($0.021) =	(69.3000)	3,300.0	GJ x	($0.021) =	(69.3000)	$0.000	0.0000	0.00%
48	Rider 5 RSAM	3,300.0	GJ x	$0.001 =	3.3000	3,300.0	GJ x	$0.001 =	3.3000	$0.000	0.0000	0.00%
49	Subtotal Delivery Margin Related Charges				**$8,312.34**				**$8,312.34**		**$0.00**	**0.00%**
50												
51	Commodity Related Charges											
52	Midstream Cost Recovery Charge	3,300.0	GJ x	$0.873 =	$2,880.9000	3,300.0	GJ x	$1.332 =	$4,395.6000	$0.459	$1,514.7000	5.51%
53	Rider 8 Unbundling Recovery	3,300.0	GJ x	($0.021) =	(69.3000)	3,300.0	GJ x	($0.008) =	(26.4000)	$0.013	42.9000	0.16%
54	Midstream Related Charges Subtotal				$2,811.60				$4,369.20		$1,557.60	5.67%
55												
56	Cost of Gas (Commodity Cost Recovery Charge)	3,300.0	GJ x	$4.953 =	$16,344.90	3,300.0	GJ x	$4.953 =	$16,344.90	$0.000	$0.00	0.00%
57	Subtotal Commodity Related Charges				**$19,156.50**				**$20,714.10**		**$1,557.60**	**5.67%**
58												
59	Total *(with effective $/GJ rate)*	3,300.0		*$8.324*	**$27,468.84**	3,300.0		*$8.796*	**$29,026.44**	*$0.472*	**$1,557.60**	**5.67%**

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

RATE SCHEDULE 4 - SEASONAL SERVICE

Line No.	Particular	EXISTING OCTOBER 1, 2009 RATES					PROPOSED JANUARY 1, 2010 RATES					Annual Increase/Decrease		
1		Volume		Rate		Annual $	Volume		Rate		Annual $	Rate	Annual $	% of Previous Total Annual Bill
2	**LOWER MAINLAND SERVICE AREA**													
3	Delivery Margin Related Charges													
4	Basic Charge	7	months x	$439.00	=	$3,073.00	7	months x	$439.00	=	$3,073.00	$0.00	$0.00	0.00%
5														
6	Delivery Charge													
7	(a) Off-Peak Period	5,400.0	GJ x	$0.762	=	4,114.8000	5,400.0	GJ x	$0.762	=	4,114.8000	$0.000	0.0000	0.00%
8	(b) Extension Period	0.0	GJ x	$1.539	=	0.0000	0.0	GJ x	$1.539	=	0.0000	$0.000	0.0000	0.00%
9	Rider 3 ESM	5,400.0	GJ x	($0.061)	=	(329.4000)	5,400.0	GJ x	($0.061)	=	(329.4000)	$0.000	0.0000	0.00%
10	Rider 4 Delivery Rate Refund	5,400.0	GJ x	($0.001)	=	(5.4000)	5,400.0	GJ x	($0.001)	=	(5.4000)	$0.000	0.0000	0.00%
11	Subtotal Delivery Margin Related Charges					**$6,853.00**					**$6,853.00**		**$0.00**	**0.00%**
12														
13	Commodity Related Charges													
14	Midstream Cost Recovery Charge													
15	(a) Off-Peak Period	5,400.0	GJ x	$0.670	=	$3,618.0000	5,400.0	GJ x	$0.960	=	$5,184.0000	$0.290	$1,566.0000	4.21%
16	(b) Extension Period	0.0	GJ x	$0.670	=	0.0000	0.0	GJ x	$0.960	=	0.0000	$0.290	0.0000	0.00%
17	Commodity Cost Recovery Charge													
18	(a) Off-Peak Period	5,400.0	GJ x	$4.953	=	26,746.2000	5,400.0	GJ x	$4.953	=	26,746.2000	$0.000	0.0000	0.00%
19	(b) Extension Period	0.0	GJ x	$4.953	=	0.0000	0.0	GJ x	$4.953	=	0.0000	$0.000	0.0000	0.00%
20														
21	Subtotal Cost of Gas (Commodity Related Charges) Off-Peak					**$30,364.20**					**$31,930.20**		**$1,566.00**	**4.21%**
22														
23	Unauthorized Gas Charge During Peak Period (not forecast)													
24														
25	Total during Off-Peak Period	5,400.0				**$37,217.20**	5,400.0				**$38,783.20**		**$1,566.00**	**4.21%**
26														
27														
28	**INLAND SERVICE AREA**													
29	Delivery Margin Related Charges													
30	Basic Charge	7	months x	$439.00	=	$3,073.00	7	months x	$439.00	=	$3,073.00	$0.00	$0.00	0.00%
31														
32	Delivery Charge													
33	(a) Off-Peak Period	9,300.0	GJ x	$0.762	=	7,086.6000	9,300.0	GJ x	$0.762	=	7,086.6000	$0.000	0.0000	0.00%
34	(b) Extension Period	0.0	GJ x	$1.539	=	0.0000	0.0	GJ x	$1.539	=	0.0000	$0.000	0.0000	0.00%
35	Rider 3 ESM	9,300.0	GJ x	($0.061)	=	(567.3000)	9,300.0	GJ x	($0.061)	=	(567.3000)	$0.000	0.0000	0.00%
36	Rider 4 Delivery Rate Refund	9,300.0	GJ x	($0.001)	=	(9.3000)	9,300.0	GJ x	($0.001)	=	(9.3000)	$0.000	0.0000	0.00%
37	Subtotal Delivery Margin Related Charges					**$9,583.00**					**$9,583.00**		**$0.00**	**0.00%**
38														
39	Commodity Related Charges													
40	Midstream Cost Recovery Charge													
41	(a) Off-Peak Period	9,300.0	GJ x	$0.644	=	$5,989.2000	9,300.0	GJ x	$0.950	=	$8,835.0000	$0.306	$2,845.8000	4.62%
42	(b) Extension Period	0.0	GJ x	$0.644	=	0.0000	0.0	GJ x	$0.950	=	0.0000	$0.306	0.0000	0.00%
43	Commodity Cost Recovery Charge													
44	(a) Off-Peak Period	9,300.0	GJ x	$4.953	=	46,062.9000	9,300.0	GJ x	$4.953	=	46,062.9000	$0.000	0.0000	0.00%
45	(b) Extension Period	0.0	GJ x	$4.953	=	0.0000	0.0	GJ x	$4.953	=	0.0000	$0.000	0.0000	0.00%
46														
47	Subtotal Cost of Gas (Commodity Related Charges) Off-Peak					**$52,052.10**					**$54,897.90**		**$2,845.80**	**4.62%**
48														
49	Unauthorized Gas Charge During Peak Period (not forecast)													
50														
51	Total during Off-Peak Period	9,300.0				**$61,635.10**	9,300.0				**$64,480.90**		**$2,845.80**	**4.62%**

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

RATE SCHEDULE 5 -GENERAL FIRM SERVICE

Line No.	Particular	EXISTING OCTOBER 1, 2009 RATES			PROPOSED JANUARY 1, 2010 RATES			Annual Increase/Decrease		
1		Volume	Rate	Annual $	Volume	Rate	Annual $	Rate	Annual $	% of Previous Total Annual Bill
2	**LOWER MAINLAND SERVICE AREA**									
3	Delivery Margin Related Charges									
4	Basic Charge	12 months x	$587.00 =	**$7,044.00**	12 months x	$587.00 =	**$7,044.00**	$0.00	**$0.00**	**0.00%**
5										
6	Demand Charge	58.5 GJ x	$14.655 =	**$10,287.81**	58.5 GJ x	$14.655 =	**$10,287.81**	$0.000	**$0.00**	**0.00%**
7										
8	Delivery Charge	9,700.0 GJ x	$0.593 =	$5,752.1000	9,700.0 GJ x	$0.593 =	$5,752.1000	$0.000	$0.0000	0.00%
9	Rider 3 ESM	9,700.0 GJ x	($0.060) =	(582.0000)	9,700.0 GJ x	($0.060) =	(582.0000)	$0.000	0.0000	0.00%
10	Rider 4 Delivery Rate Refund	9,700.0 GJ x	($0.018) =	(174.6000)	9,700.0 GJ x	($0.018) =	(174.6000)	$0.000	0.0000	0.00%
11	Subtotal Delivery Margin Related Charges			**$4,995.50**			**$4,995.50**		**$0.00**	**0.00%**
12										
13	Commodity Related Charges									
14	Midstream Cost Recovery Charge	9,700.0 GJ x	$0.670 =	$6,499.0000	9,700.0 GJ x	$0.960 =	$9,312.0000	$0.290	$2,813.0000	3.66%
15	Commodity Cost Recovery Charge	9,700.0 GJ x	$4.953 =	48,044.1000	9,700.0 GJ x	$4.953 =	48,044.1000	$0.000	0.0000	0.00%
16	Subtotal Gas Commodity Cost (Commodity Related Charge)			**$54,543.10**			**$57,356.10**		**$2,813.00**	**3.66%**
17										
18	Total *(with effective $/GJ rate)*	9,700.0	*$7.925*	**$76,870.41**	9,700.0	*$8.215*	**$79,683.41**	*$0.290*	**$2,813.00**	**3.66%**
19										
20	**INLAND SERVICE AREA**									
21	Delivery Margin Related Charges									
22	Basic Charge	12 months x	$587.00 =	**$7,044.00**	12 months x	$587.00 =	**$7,044.00**	$0.00	**$0.00**	**0.00%**
23										
24	Demand Charge	82.0 GJ x	$14.655 =	**$14,420.52**	82.0 GJ x	$14.655 =	**$14,420.52**	$0.000	**$0.00**	**0.00%**
25										
26	Delivery Charge	12,800.0 GJ x	$0.593 =	$7,590.4000	12,800.0 GJ x	$0.593 =	$7,590.4000	$0.000	$0.0000	0.00%
27	Rider 3 ESM	12,800.0 GJ x	($0.060) =	(768.0000)	12,800.0 GJ x	($0.060) =	(768.0000)	$0.000	0.0000	0.00%
28	Rider 4 Delivery Rate Refund	12,800.0 GJ x	($0.018) =	(230.4000)	12,800.0 GJ x	($0.018) =	(230.4000)	$0.000	0.0000	0.00%
29	Subtotal Delivery Margin Related Charges			**$6,592.00**			**$6,592.00**		**$0.00**	**0.00%**
30										
31	Commodity Related Charges									
32	Midstream Cost Recovery Charge	12,800.0 GJ x	$0.644 =	$8,243.2000	12,800.0 GJ x	$0.950 =	$12,160.0000	$0.306	$3,916.8000	3.93%
33	Commodity Cost Recovery Charge	12,800.0 GJ x	$4.953 =	63,398.4000	12,800.0 GJ x	$4.953 =	63,398.4000	$0.000	0.0000	0.00%
34	Subtotal Gas Commodity Cost (Commodity Related Charge)			**$71,641.60**			**$75,558.40**		**$3,916.80**	**3.93%**
35										
36	Total *(with effective $/GJ rate)*	12,800.0	*$7.789*	**$99,698.12**	12,800.0	*$8.095*	**$103,614.92**	*$0.306*	**$3,916.80**	**3.93%**
37										
38	**COLUMBIA SERVICE AREA**									
39	Delivery Margin Related Charges									
40	Basic Charge	12 months x	$587.00 =	**$7,044.00**	12 months x	$587.00 =	**$7,044.00**	$0.00	**$0.00**	**0.00%**
41										
42	Demand Charge	55.4 GJ x	$14.655 =	**$9,742.64**	55.4 GJ x	$14.655 =	**$9,742.64**	$0.000	**$0.00**	**0.00%**
43										
44	Delivery Charge	9,100.0 GJ x	$0.593 =	$5,396.3000	9,100.0 GJ x	$0.593 =	$5,396.3000	$0.000	$0.0000	0.00%
45	Rider 3 ESM	9,100.0 GJ x	($0.060) =	(546.0000)	9,100.0 GJ x	($0.060) =	(546.0000)	$0.000	0.0000	0.00%
46	Rider 4 Delivery Rate Refund	9,100.0 GJ x	($0.018) =	(163.8000)	9,100.0 GJ x	($0.018) =	(163.8000)	$0.000	0.0000	0.00%
47	Subtotal Delivery Margin Related Charges			**$4,686.50**			**$4,686.50**		**$0.00**	**0.00%**
48										
49	Commodity Related Charges									
50	Midstream Cost Recovery Charge	9,100.0 GJ x	$0.720 =	$6,552.0000	9,100.0 GJ x	$1.005 =	$9,145.5000	$0.285	$2,593.5000	3.55%
51	Commodity Cost Recovery Charge	9,100.0 GJ x	$4.953 =	45,072.3000	9,100.0 GJ x	$4.953 =	45,072.3000	$0.000	0.0000	0.00%
52	Subtotal Gas Commodity Cost (Commodity Related Charge)			**$51,624.30**			**$54,217.80**		**$2,593.50**	**3.55%**
53										
54	Total *(with effective $/GJ rate)*	9,100.0	$8.033	**$73,097.44**	9,100.0	$8.318	**$75,690.94**	*$0.285*	**$2,593.50**	**3.55%**

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.
COMMODITY RELATED CHARGES CHANGES
BCUC ORDER NO. G-xx-09

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RATE SCHEDULE 6 - NGV - STATIONS

Line No.	Particular	EXISTING OCTOBER 1, 2009 RATES			PROPOSED JANUARY 1, 2010 RATES			Annual Increase/Decrease		
1		Volume	Rate	Annual $	Volume	Rate	Annual $	Rate	Annual $	% of Previous Annual Bill
2	**LOWER MAINLAND SERVICE AREA**									
3	Delivery Margin Related Charges									
4	Basic Charge	12 months x	$61.00 =	$732.00	12 months x	$61.00 =	$732.00	$0.00	$0.00	0.00%
5										
6	Delivery Charge	2,900.0 GJ x	$3.398 =	9,854.2000	2,900.0 GJ x	$3.398 =	9,854.2000	$0.000	0.0000	0.00%
7	Rider 3 ESM	2,900.0 GJ x	($0.110) =	(319.0000)	2,900.0 GJ x	($0.110) =	(319.0000)	$0.000	0.0000	0.00%
8	Rider 4 Delivery Rate Refund	2,900.0 GJ x	($0.019) =	(55.1000)	2,900.0 GJ x	($0.019) =	(55.1000)	$0.000	0.0000	0.00%
9	Subtotal Delivery Margin Related Charges			**$10,212.10**			**$10,212.10**		**$0.00**	**0.00%**
10										
11	Commodity Related Charges									
12	Midstream Cost Recovery Charge	2,900.0 GJ x	$0.471 =	$1,365.9000	2,900.0 GJ x	$0.466 =	$1,351.4000	($0.005)	($14.5000)	-0.06%
13	Commodity Cost Recovery Charge	2,900.0 GJ x	$4.953 =	14,363.7000	2,900.0 GJ x	$4.953 =	14,363.7000	$0.000	0.0000	0.00%
14	Subtotal Cost of Gas (Commodity Related Charge)			**$15,729.60**			**$15,715.10**		**($14.50)**	**-0.06%**
15										
16	Total *(with effective $/GJ rate)*	2,900.0	*$8.945*	**$25,941.70**	2,900.0	*$8.940*	**$25,927.20**	*($0.005)*	**($14.50)**	**-0.06%**
17										
18										
19	**INLAND SERVICE AREA**									
20	Delivery Margin Related Charges									
21	Basic Charge	12 months x	$61.00 =	$732.00	12 months x	$61.00 =	$732.00	$0.00	$0.00	0.00%
22										
23	Delivery Charge	11,900.0 GJ x	$3.398 =	40,436.2000	11,900.0 GJ x	$3.398 =	40,436.2000	$0.000	0.0000	0.00%
24	Rider 3 ESM	11,900.0 GJ x	($0.110) =	(1,309.0000)	11,900.0 GJ x	($0.110) =	(1,309.0000)	$0.000	0.0000	0.00%
25	Rider 4 Delivery Rate Refund	11,900.0 GJ x	($0.019) =	(226.1000)	11,900.0 GJ x	($0.019) =	(226.1000)	$0.000	0.0000	0.00%
26	Subtotal Delivery Margin Related Charges			**$39,633.10**			**$39,633.10**		**$0.00**	**0.00%**
27										
28	Commodity Related Charges									
29	Midstream Cost Recovery Charge	11,900.0 GJ x	$0.446 =	$5,307.4000	11,900.0 GJ x	$0.464 =	$5,521.6000	$0.018	$214.2000	0.21%
30	Commodity Cost Recovery Charge	11,900.0 GJ x	$4.953 =	58,940.7000	11,900.0 GJ x	$4.953 =	58,940.7000	$0.000	0.0000	0.00%
31	Subtotal Cost of Gas (Commodity Related Charge)			**$64,248.10**			**$64,462.30**		**$214.20**	**0.21%**
32										
33	Total *(with effective $/GJ rate)*	11,900.0	*$8.730*	**$103,881.20**	11,900.0	*$8.748*	**$104,095.40**	*$0.018*	**$214.20**	**0.21%**

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.
COMMODITY RELATED CHARGES CHANGES
BCUC ORDER NO. G-xx-09

RATE SCHEDULE 7 - INTERRUPTIBLE SALES

Line No.	Particular	EXISTING OCTOBER 1, 2009 RATES			PROPOSED JANUARY 1, 2010 RATES			Annual Increase/Decrease		
1		Volume	Rate	Annual $	Volume	Rate	Annual $	Rate	Annual $	% of Previous Annual Bill
2	**LOWER MAINLAND SERVICE AREA**									
3	Delivery Margin Related Charges									
4	Basic Charge	12 months x	$880.00 =	**$10,560.00**	12 months x	$880.00 =	**$10,560.00**	$0.00	**$0.00**	**0.00%**
5										
6	Delivery Charge	8,100.0 GJ x	$0.990 =	$8,019.0000	8,100.0 GJ x	$0.990 =	$8,019.0000	$0.000	$0.0000	0.00%
7	Rider 3 ESM	8,100.0 GJ x	($0.036) =	(291.6000)	8,100.0 GJ x	($0.036) =	(291.6000)	$0.000	0.0000	0.00%
8	Rider 4 Delivery Rate Refund	8,100.0 GJ x	$0.000 =	0.0000	8,100.0 GJ x	$0.000 =	0.0000	$0.000	0.0000	0.00%
9	Subtotal Delivery Margin Related Charges			**$7,727.40**			**$7,727.40**		**$0.00**	**0.00%**
10										
11	Commodity Related Charges									
12	Midstream Cost Recovery Charge	8,100.0 GJ x	$0.670 =	$5,427.0000	8,100.0 GJ x	$0.960 =	$7,776.0000	$0.290	$2,349.0000	3.68%
13	Commodity Cost Recovery Charge	8,100.0 GJ x	$4.953 =	40,119.3000	8,100.0 GJ x	$4.953 =	40,119.3000	$0.000	0.0000	0.00%
14	Subtotal Gas Sales - Fixed (Commodity Related Charge)			**$45,546.30**			**$47,895.30**		**$2,349.00**	**3.68%**
15										
16	Non-Standard Charges (not forecast)									
17	Index Pricing Option, UOR									
18										
19	Total *(with effective $/GJ rate)*	8,100.0	*$7.881*	**$63,833.70**	8,100.0	*$8.171*	**$66,182.70**	*$0.290*	**$2,349.00**	**3.68%**
20										
21										
22	**INLAND SERVICE AREA**									
23	Delivery Margin Related Charges									
24	Basic Charge	12 months x	$880.00 =	**$10,560.00**	12 months x	$880.00 =	**$10,560.00**	$0.00	**$0.00**	**0.00%**
25										
26	Delivery Charge	4,000.0 GJ x	$0.990 =	$3,960.0000	4,000.0 GJ x	$0.990 =	$3,960.0000	$0.000	$0.0000	0.00%
27	Rider 3 ESM	4,000.0 GJ x	($0.036) =	(144.0000)	4,000.0 GJ x	($0.036) =	(144.0000)	$0.000	0.0000	0.00%
28	Rider 4 Delivery Rate Refund	4,000.0 GJ x	$0.000 =	0.0000	4,000.0 GJ x	$0.000 =	0.0000	$0.000	0.0000	0.00%
29	Subtotal Delivery Margin Related Charges			**$3,816.00**			**$3,816.00**		**$0.00**	**0.00%**
30										
31	Commodity Related Charges									
32	Midstream Cost Recovery Charge	4,000.0 GJ x	$0.644 =	$2,576.0000	4,000.0 GJ x	$0.950 =	$3,800.0000	$0.306	$1,224.0000	3.33%
33	Commodity Cost Recovery Charge	4,000.0 GJ x	$4.953 =	19,812.0000	4,000.0 GJ x	$4.953 =	19,812.0000	$0.000	0.0000	0.00%
34	Subtotal Gas Sales - Fixed (Commodity Related Charge)			**$22,388.00**			**$23,612.00**		**$1,224.00**	**3.33%**
35										
36	Non-Standard Charges (not forecast)									
37	Index Pricing Option, UOR									
38										
39	Total *(with effective $/GJ rate)*	4,000.0	*$9.191*	**$36,764.00**	4,000.0	*$9.497*	**$37,988.00**	*$0.306*	**$1,224.00**	**3.33%**

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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DRAFT ORDER

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

and

Filings by Terasen Gas Inc. regarding its
2009 Fourth Quarter Gas Costs Report
and Rate Changes effective January 1, 2010
for the Lower Mainland, Inland, Columbia Service Areas

BEFORE:

[Date]

WHEREAS:

A. By Order G-187-08 dated December 11, 2008, the British Columbia Utilities Commission (the "Commission") approved changes to the Midstream Cost Recovery Charges for the sales rate classes within the Lower Mainland, Inland, and Columbia Services Areas, and changes to the Commodity Unbundling Deferral Cost Recovery Rate Rider 8 for Residential and Commercial customers within the Lower Mainland, Inland, and Columbia Service Areas, excluding Revelstoke and Fort Nelson, effective January 1, 2009; and

B. By Order No. G-105-09 dated September 10, 2009, the Commission approved a decrease in the Commodity Cost Recovery Charge for the Lower Mainland, Inland, and Columbia Service Areas, effective October 1, 2009; and

C. On December 3, 2009, pursuant to Commission Letter No. L-5-01, Terasen Gas filed its 2009 Fourth Quarter Report on Commodity Cost Reconciliation Account ("CCRA") and Midstream Cost Reconciliation Account ("MCRA") balances and gas commodity charges for the Lower Mainland, Inland and Columbia Service Areas effective January 1, 2010 that were based on November 18, 2009 forward gas prices (the "2009 Fourth Quarter Report"); and

D. The 2009 Fourth Quarter Report forecasted that commodity cost recoveries at existing rates would be 93.9 percent of costs for the following 12 months; and requested an increase of $0.342/GJ to the Commodity Cost Recovery Charge from $4.953/GJ to $5.295/GJ for natural gas sales rate class customers in Lower Mainland, Inland, and Columbia Service Areas effective January 1, 2010; and

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E. The 2009 Fourth Quarter Report forecasted a MCRA balance at existing rates of approximately $24 million deficit after tax at December 31, 2009; and a balance of approximately $50 million deficit after tax at December 31, 2010; and

F. Terasen Gas requested approval of increases to the Midstream Cost Recovery Charges for the sales rate classes within the Lower Mainland, Inland and Columbia service areas that would eliminate the forecast $50 million deficit balance in the MCRA at the end of 2010, as shown in the 2009 Fourth Quarter Report; and

G. The 2009 Fourth Quarter Report also requested approval to reset the Residential Commodity Unbundling Deferral Cost Recovery Rate Rider 8 from $0.073/GJ to $0.083/GJ for all residential customers in Rate Schedules 1, 1U, and 1X within the Lower Mainland, Inland, and Columbia Service Areas, excluding Revelstoke and Fort Nelson, effective January 1, 2010; and

H. The 2009 Fourth Quarter Report also requested approval to reset the Commercial Commodity Unbundling Deferral Cost Recovery Rate Rider 8 from a credit rider of $0.021/GJ to a credit rider of $0.008/GJ for all commercial customers in Rate Schedules 2, 2U, 2X, 3, 3U, and 3X within the Lower Mainland, Inland, and Columbia Service Areas, excluding Revelstoke and Fort Nelson, effective January 1, 2010; and

I. On December 7, 2009, Terasen Gas filed a Revised 2009 Fourth Quarter Report on CCRA and MCRA balances and gas commodity charges for the Lower Mainland, Inland and Columbia Service Areas effective January 1, 2010 that were based on December 2, 2009 forward gas prices (the "Revised 2009 Fourth Quarter Report"); and

J. The Revised 2009 Fourth Quarter Report forecasts that commodity cost recoveries at current rates would be 95.2 percent of costs for the following 12 months; and requests no change in the Commodity Cost Recovery Charges for natural gas customers in Lower Mainland, Inland and Columbia Service Areas effective January 1, 2010; and

K. The Revised 2009 Fourth Quarter Report forecasts a MCRA balance at existing rates of approximately $24 million deficit after tax at December 31, 2009; and a balance of approximately $52 million deficit after tax at December 31, 2010; and

L. Terasen Gas requests approval of increases to the Midstream Cost Recovery Charges for the sales rate classes within the Lower Mainland, Inland and Columbia service areas that would eliminate the forecast $52 million deficit balance in the MCRA at the end of 2010, as shown in the Revised 2009 Fourth Quarter Report; and

M. Requested changes to the Residential Commodity Unbundling Deferral Cost Recovery Rate Rider 8 from $0.073/GJ to $0.083/GJ for all residential customers in Rate Schedules 1, 1U, and 1X within the Lower Mainland, Inland, and Columbia Service Areas, excluding Revelstoke and Fort Nelson, effective January 1, 2010, within the Revised 2009 Fourth Quarter Report remain unchanged from those requested within the 2009 Fourth Quarter Report; and

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N. Requested changes to the Commercial Commodity Unbundling Deferral Cost Recovery Rate Rider 8 from a credit rider of $0.021/GJ to a credit rider of $0.008/GJ for all commercial customers in Rate Schedules 2, 2U, 2X, 3, 3U, and 3X within the Lower Mainland, Inland, and Columbia Service Areas, excluding Revelstoke and Fort Nelson, effective January 1, 2010, within the Revised 2009 Fourth Quarter Report remain unchanged from those requested within the 2009 Fourth Quarter Report; and

O. The combined effect of the proposed rate changes, as requested within the Revised 2009 Fourth Quarter Report, will increase the unit rate for a residential customer in the Lower Mainland service area by $0.710/GJ, and will increase the annual bill of a typical residential customer in the Lower Mainland with an average annual consumption of 95 GJ by approximately $67 or 6.9 percent; and

P. The Commission concludes 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 Commodity Cost Recovery Charge for sales rate classes within the Lower Mainland, Inland, and Columbia Service Areas remains unchanged effective January 1, 2010, as set out in the Revised 2009 Fourth Quarter Report.

2. The Midstream rates are changed effective January 1, 2010 for the sales rate classes within the Lower Mainland, Inland and Columbia Service Areas to the Midstream Cost Recovery Charges shown in the Revised 2009 Fourth Quarter Report, Revised Tab 2, Pages 2 to 4.

3. Rate Rider 8, applicable to eligible residential customers in Rate Schedules 1, 1U, and 1X within the Lower Mainland, Inland, and Columbia Service Areas, excluding Revelstoke and Fort Nelson, is reset to $0.083/GJ, effective January 1, 2010.

4. Rate Rider 8, applicable to eligible commercial customers in Rate Schedules 2, 2U, 2X, 3, 3U, and 3X within the Lower Mainland, Inland, and Columbia Service Areas, excluding Revelstoke and Fort Nelson, is reset to a credit rider of $0.008/GJ, effective January 1, 2010.

5. 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