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June 3, 2010

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

Regulatory Affairs Correspondence
Email: regulatory_affairs@terasengas.com

Attention: Ms. Erica M. Hamilton, Commission Secretary

Dear Ms. Hamilton:

**Re: Terasen Gas Inc. – Fort Nelson Service Area (“TG Fort Nelson”)
Gas Cost Reconciliation Account (“GCRA”) and
2010 Second Quarter Gas Cost Report**

The attached materials provide the TG Fort Nelson 2010 Second Quarter Gas Cost Report as required under British Columbia Utilities Commission (the “Commission”) guidelines.

Based on the forward prices as at May 25, 2010, the June 30, 2010 GCRA deferral balance is projected to be approximately \$30,000 deficit after tax (Tab 1, Page 2, Column 2, Line 32). Further, based on the May 25, 2010 forward prices, the gas purchase cost assumptions, the forecast gas cost recoveries at present rates for the 12-month period ending June 30, 2011, and accounting for the projected June 30, 2010 deferral balance, the GCRA ratio is calculated to be 109.1% (Tab 1, Page 1, Column 3, Line 10). The ratio falls outside the deadband range of 95% to 105%, indicating that a rate change is necessary at this time.

The result indicates a gas cost flow through decrease, effective July 1, 2010, of \$0.525/GJ would be required to eliminate the forecast over-recovery of the 12-month forward gas purchase costs and to amortize the projected June 30, 2010 deficit deferral balance. A summary, including a component breakdown of the \$0.525/GJ decrease Terasen Gas Inc. (“Terasen Gas”) is requesting for TG Fort Nelson effective July 1, 2010, is provided under the section titled “BALANCING REQUIREMENT” at Tab 1, Page 1. The schedules within Tab 2 provide a summary of the forecast monthly GCRA activity and deferral balances with the proposed gas cost flow through, effective July 1, 2010.

Tabs 3 and 4 provide the tariff continuity and the bill impact schedules. These schedules show the proposed July 1, 2010 decrease of the gas cost recovery charge component of rates. The TG Fort Nelson rate change, effective July 1, 2010, would decrease the annual bill by approximately \$74 or 6.1%, for a Fort Nelson residential customer with an average annual consumption of 140 GJ.

In summary, Terasen Gas hereby requests Commission approval to flow through in customers’ rates, effective July 1, 2010, a TG Fort Nelson gas cost recovery charge rate decrease of \$0.525/GJ. The gas cost recovery charge component of rates would decrease from \$6.309/GJ to \$5.784/GJ, effective July 1, 2010.

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

CONFIDENTIALITY

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

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

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

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

All of which is respectfully submitted.

Yours very truly,

TERASEN GAS INC.

Original signed by: Brian Noel

For: Tom A. Loski

Attachments

TERASEN GAS INC. - FORT NELSON SERVICE AREA
GAS COST RECONCILIATION ACCOUNT ("GCRA") RATE CHANGE TRIGGER MECHANISM
FOR THE PERIOD JULY 1, 2010 TO JUNE 30, 2011
WITH EXISTING JANUARY 1, 2010 GAS COST RECOVERY RATES
MAY 25, 2010 FORWARD PRICES

Tab 1
Page 1

Line No.	Particulars	Annual (\$000)	Percentage	Volume (TJ)	Unit Cost (\$/GJ)
	(1)	(2)	(3)	(4)	(5)
1	<u>RATE CHANGE TRIGGER MECHANISM</u>				
2	Projected Grossed-up GCRA Balance as at June 30, 2010	\$ 42.0			
3	(Tab 1, Page 2, Line 32, Col 2 after tax amount grossed up using 28.5% tax rate)				
4					
5	Forecast Incurred Gas Costs - July 2010 to June 2011	\$ 3,076.3			
6	(Tab 1, Page 2, Line 18, Col 14)				
7	Forecast Recovered Gas Costs - July 2010 to June 2011	\$ 3,400.8			
8	(Tab 1, Page 2, Line 8, Col 14)				
9					
10	Ratio = $\frac{\text{Forecast Recovered Gas Costs}}{\text{Forecast Incurred Gas Costs} + \text{Projected GCRA Balance}}$	= \$ 3,400.8	=		= <u>109.1%</u>
11		\$ 3,118.3			
12					
13					
14					
15					
16	<u>BALANCING REQUIREMENT</u>				
17	(applicable when Rate Change Trigger Mechanism Ratio falls outside 95% to 105% deadband)				
18					
19	Forecast 12 Month Sales Recovery Volumes - July 2010 to June 2011			538.0	
20	(Tab 1, Page 2, Col. 14, Line 2)				
21					
22	Projected GCRA Balance at June 30, 2010 (Line 2)	\$ 42.0			\$ 0.0781
23	Forecast GCRA Activities - July 2010 to June 2011 (Line 5 - Line 7)	(324.5)			\$ (0.6032)
24	(Over) / Under Recovery at Existing Rates	<u>\$ (282.5)</u>			
25					
26					
27	Proposed Rates (Decrease) / Increase				<u><u>\$ (0.525)</u></u>

TERASEN GAS INC. - FORT NELSON SERVICE AREA
 RECOVERED AND INCURRED COSTS SUMMARY
 FOR THE PERIOD JULY 1, 2010 TO JUNE 30, 2012
 WITH EXISTING JANUARY 1, 2010 GAS COST RECOVERY RATES
 May 25, 2010 Forward Prices

Line No.	Particulars	12 months Jul 10 - Jun 11 Forecast												
		Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	RECOVERED GAS COSTS													
2	Total Sales - TJ	9.4	12.4	23.1	39.5	64.8	81.7	96.5	69.7	66.4	39.1	21.6	13.8	538.0
3	T-Service UAF - TJ	-	-	-	0.0	0.1	0.1	0.3	0.2	0.2	0.0	0.0	-	0.8
4	Adjust to Recorded Recovered Costs													
5	Recovery Unit Cost on Sales - \$/GJ	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	
6	Recovery on Sales - \$000	\$ 59.3	\$ 78.2	\$ 145.7	\$ 249.2	\$ 408.8	\$ 515.4	\$ 608.8	\$ 439.7	\$ 418.9	\$ 246.7	\$ 136.3	\$ 87.1	\$ 3,394.2
7	Recovery on T-Service UAF @ \$8.078 - \$000	-	-	-	0.2	0.4	0.6	2.0	1.5	1.4	0.4	0.1	-	6.6
8	Total Forecast Recovered Gas Costs - \$000	\$ 59.3	\$ 78.2	\$ 145.7	\$ 249.4	\$ 409.3	\$ 516.0	\$ 610.9	\$ 441.3	\$ 420.3	\$ 247.0	\$ 136.3	\$ 87.1	\$ 3,400.8
9														
10														
11														
12	INCURRED GAS COSTS													
13	Total Purchases Incl. Company Use and UAF - TJ	9.5	12.6	23.4	40.1	65.8	82.9	98.1	70.9	67.5	39.7	21.9	14.0	546.3
14														
15														
16	Incurred Cost - \$/GJ	\$ 5.3758	\$ 5.3879	\$ 5.3885	\$ 5.4478	\$ 5.6651	\$ 5.7862	\$ 5.8542	\$ 5.8476	\$ 5.8146	\$ 4.9919	\$ 5.0242	\$ 5.0773	
17														
18	Forecast Incurred Gas Costs - \$000	\$ 51.2	\$ 67.7	\$ 126.2	\$ 218.3	\$ 372.5	\$ 479.8	\$ 574.3	\$ 414.4	\$ 392.5	\$ 198.1	\$ 110.1	\$ 71.0	\$ 3,076.3
19														
20														
21														
22														
23														
24	GCRA BALANCE													
25	Opening Balances (Pre-Tax) ^(1*)	\$ 42.0	\$ 34.0	\$ 23.5	\$ 4.0	\$ (27.1)	\$ (63.8)	\$ (97.4)	\$ (133.9)	\$ (160.8)	\$ (188.6)	\$ (237.5)	\$ (263.8)	
26	Forecast Activity	(8.1)	(10.5)	(19.5)	(31.1)	(36.7)	(36.3)	(36.5)	(26.9)	(27.8)	(48.9)	(26.3)	(16.0)	(324.5)
27	Closing Balances (Pre-tax) - \$000	\$ 34.0	\$ 23.5	\$ 4.0	\$ (27.1)	\$ (63.8)	\$ (100.1)	\$ (133.9)	\$ (160.8)	\$ (188.6)	\$ (237.5)	\$ (263.8)	\$ (279.8)	
28														
29														
30	Tax Rate	28.50%	28.50%	28.50%	28.50%	28.50%	28.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	
31														
32	Opening Balance (After-Tax) - \$000	\$ 30.0	\$ 24.3	\$ 16.8	\$ 2.8	\$ (19.4)	\$ (45.6)	\$ (71.6)	\$ (98.4)	\$ (118.2)	\$ (138.6)	\$ (174.6)	\$ (193.9)	
33	Closing Balances (After Tax) - \$000	\$ 24.3	\$ 16.8	\$ 2.8	\$ (19.4)	\$ (45.6)	\$ (71.6)	\$ (98.4)	\$ (118.2)	\$ (138.6)	\$ (174.6)	\$ (193.9)	\$ (205.6)	

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

TERASEN GAS INC. - FORT NELSON SERVICE AREA
 RECOVERED AND INCURRED COSTS SUMMARY
 FOR THE PERIOD JULY 1, 2010 TO JUNE 30, 2012
 WITH EXISTING JANUARY 1, 2010 GAS COST RECOVERY RATES
 May 25, 2010 Forward Prices

Line No.	Particulars	12 months												Forecast Total
		Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	
	(1)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)
1 RECOVERED GAS COSTS														
2 Total Sales - TJ		9.3	12.3	23.0	39.3	64.4	81.2	96.8	70.0	66.7	39.2	21.6	13.8	537.6
3 T-Service UAF - TJ		-	-	-	0.0	0.1	0.1	0.3	0.2	0.2	0.0	0.0	-	0.8
4 Adjust to Recorded Recovered Costs														
5 Recovery Unit Cost on Sales - \$/GJ		\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	\$ 6.309	
6 Recovery on Sales - \$000		\$ 58.7	\$ 77.6	\$ 145.1	\$ 247.9	\$ 406.3	\$ 512.3	\$ 610.7	\$ 441.6	\$ 420.8	\$ 247.3	\$ 136.3	\$ 87.1	\$ 3,391.7
7 Recovery on T-Service UAF @ \$8.078 - \$000		-	-	-	0.2	0.4	0.6	2.0	1.5	1.4	0.4	0.1	-	6.6
8 Total Forecast Recovered Gas Costs - \$000		\$ 58.7	\$ 77.6	\$ 145.1	\$ 248.1	\$ 406.7	\$ 512.9	\$ 612.7	\$ 443.2	\$ 422.2	\$ 247.7	\$ 136.3	\$ 87.1	\$ 3,398.3
9														
10														
11														
12 INCURRED GAS COSTS														
13 Total Purchases Incl. Company Use and UAF - TJ		9.4	12.5	23.3	39.9	65.4	82.4	98.4	71.2	67.8	39.8	21.9	14.0	545.9
14														
15														
16 Incurred Cost - \$/GJ		\$ 5.1410	\$ 5.1484	\$ 5.1344	\$ 4.9870	\$ 5.5406	\$ 5.6713	\$ 5.7614	\$ 5.7402	\$ 5.6620	\$ 4.7754	\$ 4.7986	\$ 4.8527	
17														
18 Forecast Incurred Gas Costs - \$000		\$ 48.5	\$ 64.2	\$ 119.7	\$ 198.9	\$ 362.1	\$ 467.4	\$ 567.0	\$ 408.5	\$ 383.9	\$ 190.0	\$ 105.1	\$ 67.9	\$ 2,983.2
19														
20														
21														
22														
23														
24 GCRA BALANCE														
25 Opening Balances (Pre-Tax) ^(1*)		\$ (279.8)	\$ (290.0)	\$ (303.4)	\$ (328.7)	\$ (378.0)	\$ (422.6)	\$ (458.8)	\$ (504.6)	\$ (539.2)	\$ (577.5)	\$ (635.1)	\$ (666.3)	
26 Forecast Activity		(10.2)	(13.4)	(25.4)	(49.3)	(44.6)	(45.5)	(45.8)	(34.6)	(38.3)	(57.6)	(31.2)	(19.2)	\$ (415.1)
27 Closing Balances (Pre-tax) - \$000		\$ (290.0)	\$ (303.4)	\$ (328.7)	\$ (378.0)	\$ (422.6)	\$ (468.1)	\$ (504.6)	\$ (539.2)	\$ (577.5)	\$ (635.1)	\$ (666.3)	\$ (685.5)	
28														
29														
30 Tax Rate		26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	
31														
32 Opening Balance (After-Tax) - \$000		\$ (205.6)	\$ (213.1)	\$ (223.0)	\$ (241.6)	\$ (277.8)	\$ (310.6)	\$ (344.1)	\$ (378.4)	\$ (404.4)	\$ (433.1)	\$ (476.3)	\$ (499.7)	
33 Closing Balances (After Tax) - \$000		\$ (213.1)	\$ (223.0)	\$ (241.6)	\$ (277.8)	\$ (310.6)	\$ (344.1)	\$ (378.4)	\$ (404.4)	\$ (433.1)	\$ (476.3)	\$ (499.7)	\$ (514.1)	

Slight differences in totals due to rounding.
 Note (1*) Pre-tax opening balances are restated based on current income tax

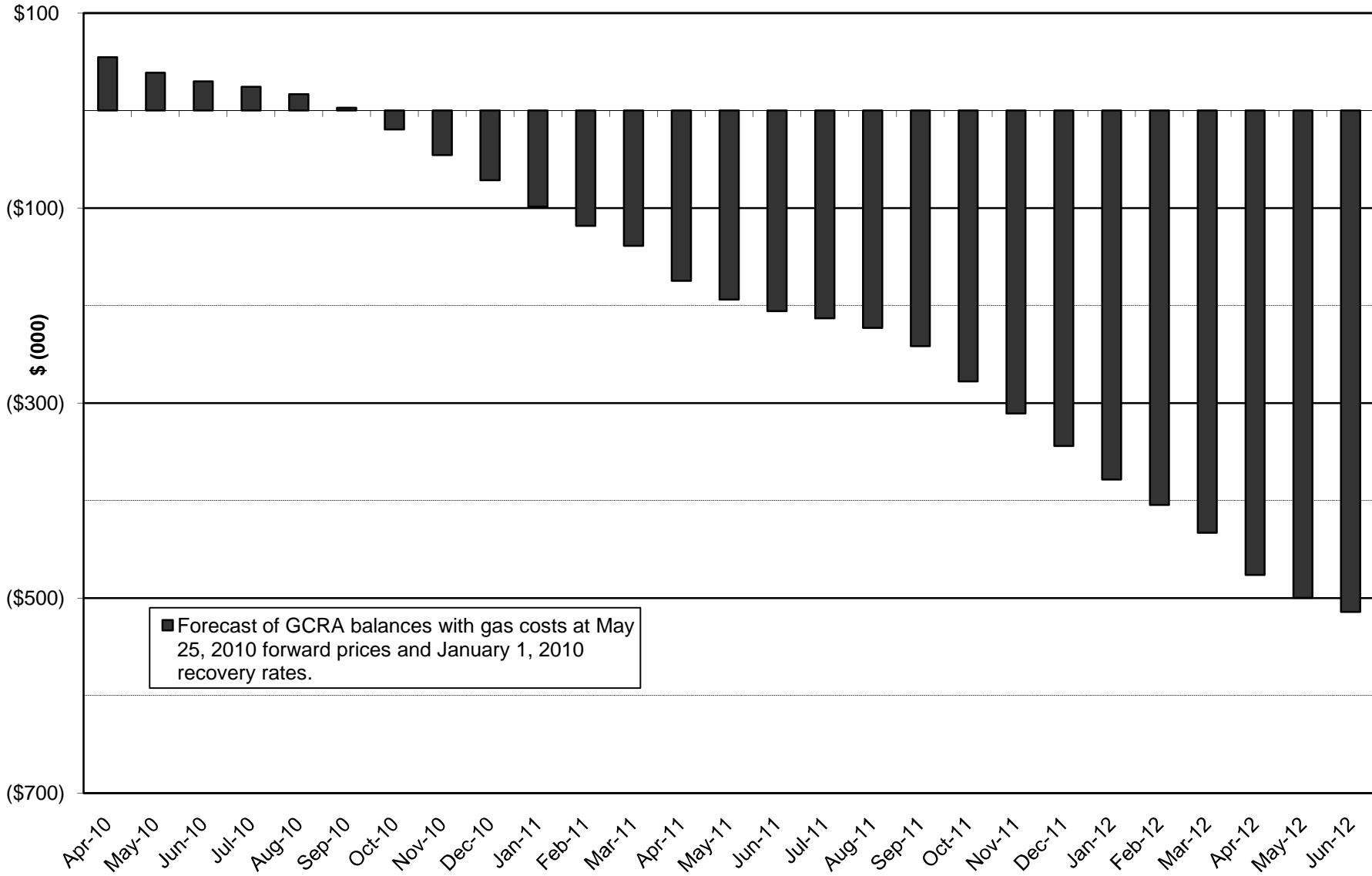
TERASEN GAS INC. - FORT NELSON SERVICE AREA
STATION NO. 2 INDEX FORECAST FOR THE PERIOD ENDING JUNE 30, 2012

Line No	Particulars	May 25, 2010 Forward Prices 2010 Q2 Gas Cost Report	Feb 23, 2010 Forward Prices 2010 Q1 Gas Cost Report	May 25, 2010 Forward Prices Less Feb 23, 2010 Forward Prices (4) = (2) - (3)
	(1)	(2)	(3)	
1	Station No. 2 Index Prices - \$CDN/GJ			
2	2010 January	\$ 5.11	\$ 5.11	\$ 0.00
3	February	\$ 5.13	Recorded \$ 5.13	\$ 0.00
4	March	\$ 4.39	Projected \$ 4.81	\$ (0.42)
5	April	\$ 3.51	Forecast \$ 4.24	\$ (0.73)
6	May	Recorded \$ 3.37	\$ 4.31	\$ (0.94)
7	June	Projected \$ 3.50	\$ 4.38	\$ (0.88)
8	July	Forecast \$ 3.56	\$ 4.46	\$ (0.90)
9	August	\$ 3.64	\$ 4.52	\$ (0.88)
10	September	\$ 3.72	\$ 4.55	\$ (0.83)
11	October	\$ 3.89	\$ 4.65	\$ (0.76)
12	November	\$ 4.23	\$ 4.98	\$ (0.75)
13	December	\$ 4.61	\$ 5.30	\$ (0.69)
14	<i>Simple Average (Jan, 2010 - Dec, 2010)</i>	<u>\$ 4.05</u>	<u>\$ 4.70</u>	-13.8% <u>\$ (0.65)</u>
15	<i>Simple Average (Apr, 2010 - Mar, 2011)</i>	<u>\$ 4.03</u>	<u>\$ 4.81</u>	-16.3% <u>\$ (0.79)</u>
16	<i>Simple Average (Jul, 2010 - Jun, 2011)</i>	<u>\$ 4.26</u>	<u>\$ 4.95</u>	-13.9% <u>\$ (0.69)</u>
17	<i>Simple Average (Oct, 2010 - Sep, 2011)</i>	<u>\$ 4.49</u>	<u>\$ 5.08</u>	-11.4% <u>\$ (0.58)</u>
18	2011 January	\$ 4.82	\$ 5.52	\$ (0.70)
19	February	\$ 4.80	\$ 5.50	\$ (0.70)
20	March	\$ 4.69	\$ 5.36	\$ (0.67)
21	April	\$ 4.37	\$ 4.87	\$ (0.50)
22	May	\$ 4.40	\$ 4.84	\$ (0.44)
23	June	\$ 4.45	\$ 4.89	\$ (0.44)
24	July	\$ 4.51	\$ 4.95	\$ (0.44)
25	August	\$ 4.57	\$ 5.01	\$ (0.44)
26	September	\$ 4.60	\$ 5.04	\$ (0.44)
27	October	\$ 4.70	\$ 5.14	\$ (0.44)
28	November	\$ 5.06	\$ 5.54	\$ (0.48)
29	December	\$ 5.35	\$ 5.84	\$ (0.49)
30	<i>Simple Average (Jan, 2011 - Dec, 2011)</i>	<u>\$ 4.69</u>	<u>\$ 5.21</u>	-9.9% <u>\$ (0.51)</u>
31	<i>Simple Average (Apr, 2011 - Mar, 2012)</i>	<u>\$ 4.87</u>	<u>\$ 5.34</u>	-8.8% <u>\$ (0.47)</u>
32	<i>Simple Average (Jul, 2011 - Jun, 2012)</i>	<u>\$ 4.96</u>		
33	2012 January	\$ 5.55	\$ 6.05	\$ (0.50)
34	February	\$ 5.50	\$ 6.03	\$ (0.53)
35	March	\$ 5.33	\$ 5.83	\$ (0.50)
36	April	\$ 4.77		
37	May	\$ 4.78		
38	June	\$ 4.81		

TERASEN GAS INC. - FORT NELSON SERVICE AREA
GCRA AFTER TAX BALANCES (\$000)
FOR THE PERIOD ENDING JUNE 30, 2012
WITH EXISTING GAS COST RECOVERY RATES

Line No.	Particulars	2010 Q2 Gas Cost Report		2010 Q1 Gas Cost Report	
		Jan 1, 2010 Gas Cost Recovery Rates	May 25, 2010 Forward Prices	Jan 1, 2010 Gas Cost Recovery Rates	Feb 23, 2010 Forward Prices
	(1)	(2)	(3)		
1	2009 Jan	\$	(94.0)	\$	(94.0)
2	Feb	\$	(60.7)	\$	(60.7)
3	Mar	\$	(215.6)	\$	(215.6)
4	Apr	\$	(26.2)	\$	(26.2)
5	May	\$	(133.6)	\$	(133.6)
6	Jun	\$	(143.2)	\$	(143.2)
7	Jul	\$	(165.7)	\$	(165.7)
8	Aug	\$	(180.4)	\$	(180.4)
9	Sep	\$	(204.6)	\$	(204.6)
10	Oct	\$	(139.4)	\$	(139.4)
11	Nov	\$	(206.2)	\$	(206.2)
12	Dec	\$	(26.2)	\$	(26.2)
13	2010 Jan	\$	0.3	Recorded \$	0.3
14	Feb	\$	41.0	Projected \$	16.9
15	Mar	\$	(6.6)	\$	32.1
16	Apr	\$	54.8	\$	13.6
17	May	\$	38.8	\$	3.9
18	Jun	\$	30.0	\$	(1.7)
19	Jul	\$	24.3	\$	(5.1)
20	Aug	\$	16.8	\$	(9.3)
21	Sep	\$	2.8	\$	(17.8)
22	Oct	\$	(19.4)	\$	(31.3)
23	Nov	\$	(45.6)	\$	(36.9)
24	Dec	\$	(71.6)	\$	(38.2)
25	2011 Jan	\$	(98.4)	\$	(35.0)
26	Feb	\$	(118.2)	\$	(32.6)
27	Mar	\$	(138.6)	\$	(32.8)
28	Apr	\$	(174.6)	\$	(60.7)
29	May	\$	(193.9)	\$	(76.2)
30	Jun	\$	(205.6)	\$	(85.5)
31	Jul	\$	(213.1)	\$	(91.5)
32	Aug	\$	(223.0)	\$	(98.9)
33	Sep	\$	(241.6)	\$	(113.4)
34	Oct	\$	(277.8)	\$	(139.9)
35	Nov	\$	(310.6)	\$	(155.6)
36	Dec	\$	(344.1)	\$	(166.0)
37	2012 Jan	\$	(378.4)	\$	(171.1)
38	Feb	\$	(404.4)	\$	(174.8)
39	Mar	\$	(433.1)	\$	(184.1)
40	Apr	\$	(476.3)		
41	May	\$	(499.7)		
42	Jun	\$	(514.1)		

TERASEN GAS INC. - FORT NELSON SERVICE AREA
 GCRA AFTER TAX BALANCES BY MONTH
 FOR THE PERIOD ENDING JUNE 2012



TERASEN GAS INC. - FORT NELSON SERVICE AREA
 RECOVERED AND INCURRED COSTS SUMMARY
 FOR THE PERIOD JULY 1, 2010 TO JUNE 30, 2012
 WITH PROPOSED JULY 1, 2010 GAS COST RECOVERY RATES
 May 25, 2010 Forward Prices

Line No.	Particulars	12 months												Forecast Total
		Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	RECOVERED GAS COSTS													
2	Total Sales - TJ	9.4	12.4	23.1	39.5	64.8	81.7	96.5	69.7	66.4	39.1	21.6	13.8	538.0
3	T-Service UAF - TJ	-	-	-	0.0	0.1	0.1	0.3	0.2	0.2	0.0	0.0	-	0.8
4	Adjust to Recorded Recovered Costs													
5	Recovery Unit Cost on Sales - \$/GJ	\$ 5.784	\$ 5.784	\$ 5.784	\$ 5.784	\$ 5.784	\$ 5.784	\$ 5.784	\$ 5.784	\$ 5.784	\$ 5.784	\$ 5.784	\$ 5.784	
6	Recovery on Sales - \$000	\$ 54.4	\$ 71.7	\$ 133.6	\$ 228.5	\$ 374.8	\$ 472.5	\$ 558.1	\$ 403.1	\$ 384.1	\$ 226.2	\$ 124.9	\$ 79.8	\$ 3,111.7
7	Recovery on T-Service UAF @ \$8.078 - \$000	-	-	-	0.2	0.4	0.6	2.0	1.5	1.4	0.4	0.1	-	6.6
8	Total Forecast Recovered Gas Costs - \$000	\$ 54.4	\$ 71.7	\$ 133.6	\$ 228.7	\$ 375.2	\$ 473.1	\$ 560.2	\$ 404.7	\$ 385.4	\$ 226.5	\$ 125.0	\$ 79.8	\$ 3,118.3
9														
10														
11														
12	INCURRED GAS COSTS													
13	Total Purchases Incl. Company Use and UAF - TJ	9.5	12.6	23.4	40.1	65.8	82.9	98.1	70.9	67.5	39.7	21.9	14.0	546.3
14														
15														
16	Incurred Cost - \$/GJ	\$ 5.3758	\$ 5.3879	\$ 5.3885	\$ 5.4478	\$ 5.6651	\$ 5.7862	\$ 5.8542	\$ 5.8476	\$ 5.8146	\$ 4.9919	\$ 5.0242	\$ 5.0773	
17														
18	Forecast Incurred Gas Costs - \$000	\$ 51.2	\$ 67.7	\$ 126.2	\$ 218.3	\$ 372.5	\$ 479.8	\$ 574.3	\$ 414.4	\$ 392.5	\$ 198.1	\$ 110.1	\$ 71.0	\$ 3,076.3
19														
20														
21														
22														
23														
24	GCRA BALANCE													
25	Opening Balances (Pre-Tax) ^(1*)	\$ 42.0	\$ 38.9	\$ 34.9	\$ 27.5	\$ 17.2	\$ 14.5	\$ 21.2	\$ 35.3	\$ 45.0	\$ 52.1	\$ 23.7	\$ 8.8	
26	Forecast Activity	(3.1)	(4.0)	(7.4)	(10.3)	(2.7)	6.6	14.1	9.7	7.1	(28.4)	(14.9)	(8.8)	(42.0)
27	Closing Balances (Pre-tax) - \$000	\$ 38.9	\$ 34.9	\$ 27.5	\$ 17.2	\$ 14.5	\$ 21.2	\$ 35.3	\$ 45.0	\$ 52.1	\$ 23.7	\$ 8.8	\$ 0.0	
28														
29														
30	Tax Rate	28.50%	28.50%	28.50%	28.50%	28.50%	28.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	
31														
32	Opening Balance (After-Tax)	\$ 30.0	\$ 27.8	\$ 25.0	\$ 19.7	\$ 12.3	\$ 10.4	\$ 15.1	\$ 25.5	\$ 32.7	\$ 37.8	\$ 17.0	\$ 6.0	
33	Closing Balances (After Tax) - \$000	\$ 27.8	\$ 25.0	\$ 19.7	\$ 12.3	\$ 10.4	\$ 15.1	\$ 25.5	\$ 32.7	\$ 37.8	\$ 17.0	\$ 6.0	\$ (0.4)	

Slight differences in totals due to rounding.

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

TERASEN GAS INC. - FORT NELSON SERVICE AREA
 RECOVERED AND INCURRED COSTS SUMMARY
 FOR THE PERIOD JULY 1, 2010 TO JUNE 30, 2012
 WITH PROPOSED JULY 1, 2010 GAS COST RECOVERY RATES
 May 25, 2010 Forward Prices

Line No.	Particulars	12 months												Forecast Total
		Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	
	(1)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)
1	RECOVERED GAS COSTS													
2	Total Sales - TJ	9.3	12.3	23.0	39.3	64.4	81.2	96.8	70.0	66.7	39.2	21.6	13.8	537.6
3	T-Service UAF - TJ	-	-	-	0.0	0.1	0.1	0.3	0.2	0.2	0.0	0.0	-	0.8
4	Adjust to Recorded Recovered Costs													
5	Recovery Unit Cost on Sales - \$/GJ	\$ 5.784	\$ 5.784	\$ 5.784	\$ 5.784	\$ 5.784	\$ 5.784	\$ 5.784	\$ 5.784	\$ 5.784	\$ 5.784	\$ 5.784	\$ 5.784	
6	Recovery on Sales - \$000	\$ 53.8	\$ 71.1	\$ 133.0	\$ 227.3	\$ 372.5	\$ 469.7	\$ 559.9	\$ 404.9	\$ 385.8	\$ 226.7	\$ 124.9	\$ 79.8	\$ 3,109.4
7	Recovery on T-Service UAF @ \$8.078 - \$000	-	-	-	0.2	0.4	0.6	2.0	1.5	1.4	0.4	0.1	-	6.6
8	Total Forecast Recovered Gas Costs - \$000	\$ 53.8	\$ 71.1	\$ 133.0	\$ 227.5	\$ 372.9	\$ 470.2	\$ 561.9	\$ 406.4	\$ 387.2	\$ 227.1	\$ 125.0	\$ 79.8	\$ 3,116.0
9														
10														
11														
12	INCURRED GAS COSTS													
13	Total Purchases Incl. Company Use and UAF - TJ	9.4	12.5	23.3	39.9	65.4	82.4	98.4	71.2	67.8	39.8	21.9	14.0	545.9
14														
15														
16	Incurred Cost - \$/GJ	\$ 5.1410	\$ 5.1484	\$ 5.1344	\$ 4.9870	\$ 5.5406	\$ 5.6713	\$ 5.7614	\$ 5.7402	\$ 5.6620	\$ 4.7754	\$ 4.7986	\$ 4.8527	
17														
18	Forecast Incurred Gas Costs - \$000	\$ 48.5	\$ 64.2	\$ 119.7	\$ 198.9	\$ 362.1	\$ 467.4	\$ 567.0	\$ 408.5	\$ 383.9	\$ 190.0	\$ 105.1	\$ 67.9	\$ 2,983.2
19														
20														
21														
22														
23														
24	GCRA BALANCE													
25	Opening Balances (Pre-Tax) ^(1*)	\$ 0.0	\$ (5.3)	\$ (12.2)	\$ (25.5)	\$ (54.2)	\$ (65.0)	\$ (67.9)	\$ (62.8)	\$ (60.7)	\$ (63.9)	\$ (101.0)	\$ (120.9)	
26	Forecast Activity	(5.3)	(6.9)	(13.3)	(28.7)	(10.8)	(2.9)	5.0	2.1	(3.3)	(37.1)	(19.9)	(11.9)	\$ (132.8)
27	Closing Balances (Pre-tax) - \$000	\$ (5.3)	\$ (12.2)	\$ (25.5)	\$ (54.2)	\$ (65.0)	\$ (67.9)	\$ (62.8)	\$ (60.7)	\$ (63.9)	\$ (101.0)	\$ (120.9)	\$ (132.8)	
28														
29														
30	Tax Rate	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	
31														
32	Opening Balance (After-Tax)	\$ (0.4)	\$ (4.3)	\$ (9.4)	\$ (19.2)	\$ (40.2)	\$ (48.2)	\$ (50.3)	\$ (46.5)	\$ (44.9)	\$ (47.4)	\$ (75.2)	\$ (90.1)	
33	Closing Balances (After Tax) - \$000	\$ (4.3)	\$ (9.4)	\$ (19.2)	\$ (40.2)	\$ (48.2)	\$ (50.3)	\$ (46.5)	\$ (44.9)	\$ (47.4)	\$ (75.2)	\$ (90.1)	\$ (99.0)	

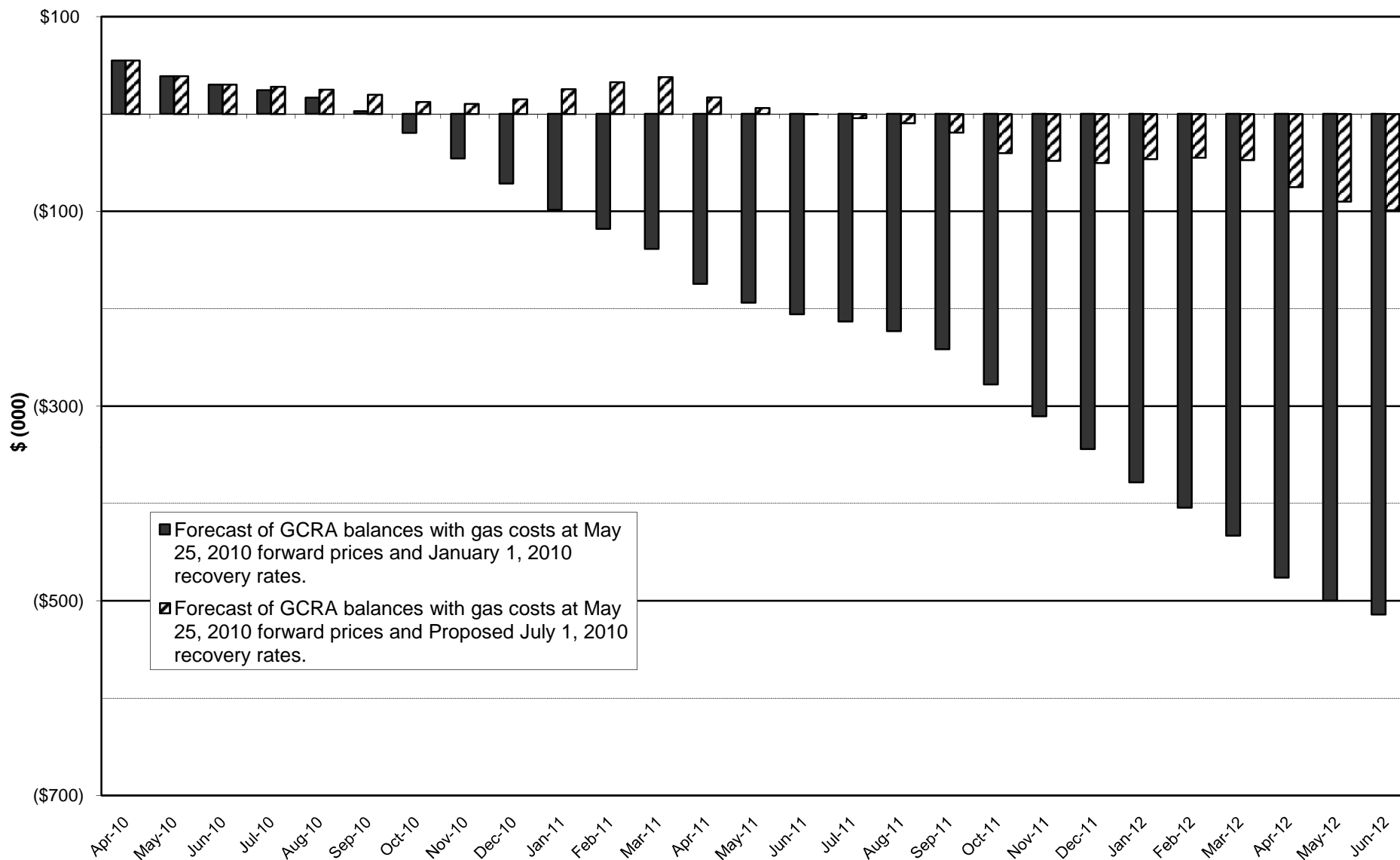
Slight differences in totals due to rounding.

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

TERASEN GAS INC. - FORT NELSON SERVICE AREA
GCRA AFTER TAX BALANCES (\$000)
FOR THE PERIOD ENDING JUNE 30, 2012
WITH PROPOSED GAS COST RECOVERY RATES

Line No.	Particulars	2010 Q2 Gas Cost Report	
		Proposed Jul 1, 2010 Rates May 25, 2010 Forward Prices	Existing Jan 1, 2010 Rates May 25, 2010 Forward Prices
	(1)	(2)	(3)
1	2009 Jan	\$ (94.0)	\$ (94.0)
2	Feb	\$ (60.7)	\$ (60.7)
3	Mar	\$ (215.6)	\$ (215.6)
4	Apr	\$ (26.2)	\$ (26.2)
5	May	\$ (133.6)	\$ (133.6)
6	Jun	\$ (143.2)	\$ (143.2)
7	Jul	\$ (165.7)	\$ (165.7)
8	Aug	\$ (180.4)	\$ (180.4)
9	Sep	\$ (204.6)	\$ (204.6)
10	Oct	\$ (139.4)	\$ (139.4)
11	Nov	\$ (206.2)	\$ (206.2)
12	Dec	\$ (26.2)	\$ (26.2)
13	2010 Jan	\$ 0.3	\$ 0.3
14	Feb	\$ 41.0	\$ 41.0
15	Mar	\$ (6.6)	\$ (6.6)
16	Apr	Recorded \$ 54.8	Recorded \$ 54.8
17	May	Projected \$ 38.8	Projected \$ 38.8
18	Jun	Projected \$ 30.0	Projected \$ 30.0
19	Jul	forecast @ proposed rate \$ 27.8	forecast @ existing rate \$ 24.3
20	Aug	\$ 25.0	\$ 16.8
21	Sep	\$ 19.7	\$ 2.8
22	Oct	\$ 12.3	\$ (19.4)
23	Nov	\$ 10.4	\$ (45.6)
24	Dec	\$ 15.1	\$ (71.6)
25	2011 Jan	\$ 25.5	\$ (98.4)
26	Feb	\$ 32.7	\$ (118.2)
27	Mar	\$ 37.8	\$ (138.6)
28	Apr	\$ 17.0	\$ (174.6)
29	May	\$ 6.0	\$ (193.9)
30	Jun	\$ (0.4)	\$ (205.6)
31	Jul	\$ (4.3)	\$ (213.1)
32	Aug	\$ (9.4)	\$ (223.0)
33	Sep	\$ (19.2)	\$ (241.6)
34	Oct	\$ (40.2)	\$ (277.8)
35	Nov	\$ (48.2)	\$ (310.6)
36	Dec	\$ (50.3)	\$ (344.1)
37	2012 Jan	\$ (46.5)	\$ (378.4)
38	Feb	\$ (44.9)	\$ (404.4)
39	Mar	\$ (47.4)	\$ (433.1)
40	Apr	\$ (75.2)	\$ (476.3)
41	May	\$ (90.1)	\$ (499.7)
42	Jun	\$ (99.0)	\$ (514.1)

TERASEN GAS INC. - FORT NELSON SERVICE AREA
 GCRA AFTER TAX BALANCES BY MONTH
 FOR THE PERIOD ENDING JUNE 2012



TERASEN GAS INC. - FORT NELSON SERVICE AREA
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY FOR
RATE 1 DOMESTIC SERVICE
PROPOSED JULY 1, 2010 RATES
BCUC ORDER NO. G-XX-10

Line No.	Schedule	Tariff Page	Particulars	JANUARY 1, 2010 EXISTING RATES	Delivery Related and Gas Cost Changes	JULY 1, 2010 PROPOSED RATES
	(1)	(2)	(3)	(4)	(5)	(6)
1	Rate 1	No. 1	Option A			
2						
3			Minimum Monthly Charge			
4			plus \$1.19 times			
5			the amount of the promotional			
6			incentive divided by \$100			
7			(includes the first 2 Gigajoules)			
8						
9			Delivery Charge per Month	\$7.730	\$0.000	\$7.730
10			Revenue Stabilization Adjustment Amount per Month	\$0.070	\$0.000	\$0.070
11			Gas Cost Recovery Charge per Month	\$12.620	(\$1.050)	\$11.570
12			Minimum Monthly Charge (includes first 2 gigajoules)	\$20.420	(\$1.050)	\$19.370
13						
14			Delivery Charge per GJ	\$2.000	\$0.000	\$2.000
15			Revenue Stabilization Adjustment Amount per GJ	\$0.037	\$0.000	\$0.037
16			Gas Cost Recovery Charge per GJ	\$6.309	(\$0.525)	\$5.784
17			Next 28 Gigajoules in any month	\$8.346	(\$0.525)	\$7.821
18						
19			Delivery Charge per GJ	\$1.942	\$0.000	\$1.942
20			Revenue Stabilization Adjustment Amount per GJ	\$0.037	\$0.000	\$0.037
21			Gas Cost Recovery Charge per GJ	\$6.309	(\$0.525)	\$5.784
22			Excess of 30 Gigajoules in any month	\$8.288	(\$0.525)	\$7.763
23						
24						
25	Rate 1	No. 1.1	Option B			
26						
27			Delivery Charge per Month	\$7.730	\$0.000	\$7.730
28			Revenue Stabilization Adjustment Amount per Month	\$0.070	\$0.000	\$0.070
29			Gas Cost Recovery Charge per Month	\$12.620	(\$1.050)	\$11.570
30			Minimum Monthly Charge (includes first 2 gigajoules)	\$20.420	(\$1.050)	\$19.370
31						
32			Delivery Charge per GJ	\$2.000	\$0.000	\$2.000
33			Revenue Stabilization Adjustment Amount per GJ	\$0.037	\$0.000	\$0.037
34			Gas Cost Recovery Charge per GJ	\$6.309	(\$0.525)	\$5.784
35			Next 28 Gigajoules in any month	\$8.346	(\$0.525)	\$7.821
36						
37			Delivery Charge per GJ	\$1.942	\$0.000	\$1.942
38			Revenue Stabilization Adjustment Amount per GJ	\$0.037	\$0.000	\$0.037
39			Gas Cost Recovery Charge per GJ	\$6.309	(\$0.525)	\$5.784
40			Excess of 30 Gigajoules in any month	\$8.288	(\$0.525)	\$7.763

TERASEN GAS INC. - FORT NELSON SERVICE AREA
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY FOR
RATES 2.1, 2.2 & 2.3 GENERAL SERVICE
PROPOSED JULY 1, 2010 RATES
BCUC ORDER NO. G-XX-10

Line No.	Schedule (1)	Tariff Page (2)	Particulars (3)	JANUARY 1, 2010 EXISTING RATES (4)	Delivery Related and Gas Cost Changes (5)	JULY 1, 2010 PROPOSED RATES (6)
1	Rate 2.1	No. 2	Delivery Charge per Month	\$22.770	\$0.000	\$22.770
2			Revenue Stabilization Adjustment Amount per Month	\$0.070	\$0.000	\$0.070
3			Gas Cost Recovery Charge per Month	\$12.620	(\$1.050)	\$11.570
4			Minimum Monthly Charge (includes first 2 gigajoules)	\$35.460	(\$1.050)	\$34.410
5						
6			Delivery Charge per GJ	\$2.232	\$0.000	\$2.232
7			Revenue Stabilization Adjustment Amount per GJ	\$0.037	\$0.000	\$0.037
8			Gas Cost Recovery Charge per GJ	\$6.309	(\$0.525)	\$5.784
9			Next 28 Gigajoules in any month	\$8.578	(\$0.525)	\$8.053
10						
11			Delivery Charge per GJ	\$2.161	\$0.000	\$2.161
12			Revenue Stabilization Adjustment Amount per GJ	\$0.037	\$0.000	\$0.037
13			Gas Cost Recovery Charge per GJ	\$6.309	(\$0.525)	\$5.784
14			Excess of 30 Gigajoules in any month	\$8.507	(\$0.525)	\$7.982
15						
16	Rate 2.2	No. 2	Delivery Charge per Month	\$22.770	\$0.000	\$22.770
17			Revenue Stabilization Adjustment Amount per Month	\$0.070	\$0.000	\$0.070
18			Gas Cost Recovery Charge per Month	\$12.620	(\$1.050)	\$11.570
19			Minimum Monthly Charge (includes first 2 gigajoules)	\$35.460	(\$1.050)	\$34.410
20						
21			Delivery Charge per GJ	\$2.232	\$0.000	\$2.232
22			Revenue Stabilization Adjustment Amount per GJ	\$0.037	\$0.000	\$0.037
23			Gas Cost Recovery Charge per GJ	\$6.309	(\$0.525)	\$5.784
24			Next 28 Gigajoules in any month	\$8.578	(\$0.525)	\$8.053
25						
26			Delivery Charge per GJ	\$2.161	\$0.000	\$2.161
27			Revenue Stabilization Adjustment Amount per GJ	\$0.037	\$0.000	\$0.037
28			Gas Cost Recovery Charge per GJ	\$6.309	(\$0.525)	\$5.784
29			Excess of 30 Gigajoules in any month	\$8.507	(\$0.525)	\$7.982
30						
31	Rate 2.3	No. 2.1	Delivery Charge per Month	\$22.420	\$0.000	\$22.420
32			Gas Cost Recovery Charge per Month	\$12.620	(\$1.050)	\$11.570
33			Minimum Monthly Charge (includes first 2 gigajoules)	\$35.040	(\$1.050)	\$33.990
34						
35			Delivery Charge per Month	\$2.755	\$0.000	\$2.755
36			Gas Cost Recovery Charge per Month	\$6.309	(\$0.525)	\$5.784
37			Next 28 Gigajoules in any month	\$9.064	(\$0.525)	\$8.539
38						
39			Delivery Charge per Month	\$2.685	\$0.000	\$2.685
40			Gas Cost Recovery Charge per Month	\$6.309	(\$0.525)	\$5.784
41			Excess of 30 Gigajoules in any month	\$8.994	(\$0.525)	\$8.469

TERASEN GAS INC. - FORT NELSON SERVICE AREA
CALCULATION OF CUSTOMERS' RATES AND TARIFF CONTINUITY FOR
RATES 3.1, 3.2 & 3.3 INDUSTRIAL SERVICE
PROPOSED JULY 1, 2010 RATES
BCUC ORDER NO. G-XX-10

Line No.	Schedule (1)	Tariff Page (2)	Particulars (3)	JANUARY 1, 2010 EXISTING RATES (4)	Delivery Related and Gas Cost Changes (5)	JULY 1, 2010 PROPOSED RATES (6)
1	Rate 3.1	No. 3	Delivery Charge			
2						
3			First 20 Gigajoules in any month	\$2.319	\$0.000	\$2.319
4			Next 260 Gigajoules in any month	\$2.145	\$0.000	\$2.145
5			Excess over 280 Gigajoules in any month	\$1.736	\$0.000	\$1.736
6						
7			Rider 5 - Revenue Stabilization Adjustment Charge per GJ	\$0.037	\$0.000	\$0.037
8			Gas Cost Recovery Charge per Gigajoule	\$6.309	(\$0.525)	\$5.784
9						
10			Minimum Monthly Delivery Charge	\$1,458.000	\$0.000	\$1,458.000
11						
12						
13	Rate 3.2	No. 3	Delivery Charge			
14						
15			First 20 Gigajoules in any month	\$2.319	\$0.000	\$2.319
16			Next 260 Gigajoules in any month	\$2.145	\$0.000	\$2.145
17			Excess over 280 Gigajoules in any month	\$1.736	\$0.000	\$1.736
18						
19			Rider 5 - Revenue Stabilization Adjustment Charge per GJ	\$0.037	\$0.000	\$0.037
20			Gas Cost Recovery Charge per Gigajoule	\$6.309	(\$0.525)	\$5.784
21						
22			Minimum Monthly Delivery Charge	\$1,458.000	\$0.000	\$1,458.000
23						
24						
25	Rate 3.3	No. 3.1	Delivery Charge			
26						
27			First 20 Gigajoules in any month	\$2.319	\$0.000	\$2.319
28			Next 260 Gigajoules in any month	\$2.145	\$0.000	\$2.145
29			Excess over 280 Gigajoules in any month	\$1.736	\$0.000	\$1.736
30						
31			Rider 5 - Revenue Stabilization Adjustment Charge per GJ	\$0.037	\$0.000	\$0.037
32			Gas Cost Recovery Charge per Gigajoule	\$6.309	(\$0.525)	\$5.784
33						
34			Minimum Monthly Delivery Charge	\$1,458.000	\$0.000	\$1,458.000

**TERASEN GAS INC. - FORT NELSON SERVICE AREA
IMPACT ON CUSTOMERS BILLS
BCUC ORDER NO. G-XX-10**

RATE 1 - DOMESTIC (RESIDENTIAL) SERVICE - OPTION B

Line No.	EXISTING JANUARY 1, 2010 RATES			PROPOSED JULY 1, 2010 RATES			Annual Increase/(Decrease)		
	Volume	Rate	Annual \$	Volume	Rate	Annual \$	Rate	Annual \$	% of Previous Annual Bill
1	Rate 1 Domestic Service Option B								
2									
3	<u>Monthly Charge</u>								
4	12 months x	\$7.73	\$92.76	12 months x	\$7.73	\$92.76	\$0.00	\$0.00	0.00%
5	12 months x	0.07	0.84	12 months x	0.07	0.84	0.00	0.00	0.00%
6	12 months x	12.62	151.44	12 months x	11.57	138.84	(1.05)	(12.60)	-1.04%
7	Minimum Monthly Charge (includes the first 2 gigajoules)		\$20.42	\$245.04			\$19.37	\$232.44	(\$1.05) (\$12.60) -1.04%
8									
9	<u>Next 28 Gigajoules in any month</u>								
10	116 GJ x	\$2.000	\$232.0000	116 GJ x	\$2.000	\$232.0000	\$0.000	\$0.0000	0.00%
11	116 GJ x	\$0.037	4.2920	116 GJ x	\$0.037	4.2920	0.000	0.0000	0.00%
12	116 GJ x	\$6.309	731.8440	116 GJ x	\$5.784	670.9324	(0.5251)	(60.9116)	-5.02%
13	Total Charges per GJ		\$8.346	\$968.14			\$7.821	\$907.22	(\$0.5251) (\$60.92) -5.02%
14									
15	<u>Excess of 30 Gigajoules in any month</u>								
16	0 GJ x	\$1.942	\$0.0000	0 GJ x	\$1.942	\$0.0000	\$0.000	\$0.0000	0.00%
17	0 GJ x	\$0.037	0.0000	0 GJ x	\$0.037	0.0000	0.000	0.0000	0.00%
18	0 GJ x	\$6.309	0.0000	0 GJ x	\$5.784	0.0000	(0.5251)	0.0000	0.00%
19	Total Charges per GJ		\$8.288	\$0.00			\$7.763	\$0.00	(\$0.5251) \$0.00 0.00%
20									
21	Total	140 GJ	\$1,213.18	140 GJ	\$1,139.66			(\$73.52)	-6.06%
22									
23	<u>Summary of Annual Delivery and Commodity Charges</u>								
24	Delivery Charge (including RSAM)			\$329.8920				\$329.8920	\$0.0000 0.00%
25	Commodity Charge			883.2840				809.7724	(73.5116) -6.06%
26	Total			\$1,213.18				\$1,139.66	(73.52) -6.06%

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

TERASEN GAS INC. - FORT NELSON SERVICE AREA
 IMPACT ON CUSTOMERS BILLS
 BCUC ORDER NO. G-XX-10

RATE 2.1 - GENERAL (COMMERCIAL) SERVICE

Line No.		EXISTING JANUARY 1, 2010 RATES			PROPOSED JULY 1, 2010 RATES			Annual Increase/(Decrease)		
		Volume	Rate	Annual \$	Volume	Rate	Annual \$	Rate	Annual \$	% of Previous Annual Bill
1	Rate 2.1 General Service									
2										
3	<u>Monthly Charge</u>									
4	Delivery Charge per month	12 months x	\$22.77	= \$273.24	12 months x	\$22.77	= \$273.24	\$0.00	\$0.00	0.00%
5	Rider 5 - RSAM per month	12 months x	0.07	= 0.84	12 months x	0.07	= 0.84	0.00	0.00	0.00%
6	Gas Cost Recovery Charge per month	12 months x	12.62	= 151.44	12 months x	11.57	= 138.84	(1.05)	(12.60)	-0.30%
7	Minimum Monthly Charge (includes the first 2 gigajoules)		\$35.46	\$425.52		\$34.41	\$412.92	(\$1.05)	(\$12.60)	-0.30%
8										
9	<u>Next 298 Gigajoules in any month</u>									
10	Delivery Charge per GJ	436 GJ x	\$2.232	= \$973.1520	436 GJ x	\$2.232	= \$973.1520	\$0.000	\$0.0000	0.00%
11	Rider 5 - RSAM per GJ	436 GJ x	0.037	= 16.1320	436 GJ x	0.037	= 16.1320	0.000	0.0000	0.00%
12	Gas Cost Recovery Charge per GJ	436 GJ x	6.309	= 2,750.7240	436 GJ x	5.7839	= 2,521.7804	(0.5251)	(228.9436)	-5.50%
13	Total Charges per GJ		\$8.578	\$3,740.01		\$8.0529	\$3,511.06	(\$0.5251)	(\$228.95)	-5.50%
14										
15	<u>Excess of 300 Gigajoules in any month</u>									
16	Delivery Charge per GJ	0 GJ x	\$2.161	= \$0.0000	0 GJ x	\$2.161	= \$0.0000	\$0.000	\$0.0000	0.00%
17	Rider 5 - RSAM per GJ	0 GJ x	0.037	= 0.0000	0 GJ x	0.037	= 0.0000	0.000	0.0000	0.00%
18	Gas Cost Recovery Charge per GJ	0 GJ x	6.309	= 0.0000	0 GJ x	5.7839	= 0.0000	(0.5251)	0.0000	0.00%
19	Total Charges per GJ		\$8.507	\$0.00		\$7.9819	\$0.00	(\$0.5251)	\$0.00	0.00%
20										
21	Total	460 GJ		\$4,165.53	460 GJ		\$3,923.98		(\$241.55)	-5.80%
22										
23	<u>Summary of Annual Delivery and Commodity Charges</u>									
24	Delivery Charge (including RSAM)			\$1,263.3640			\$1,263.3640		\$0.0000	0.00%
25	Commodity Charge			2,902.1640			2,660.6204		(241.5436)	-5.80%
26	Total			\$4,165.53			\$3,923.98		(\$241.55)	-5.80%

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

TERASEN GAS INC. - FORT NELSON SERVICE AREA
 IMPACT ON CUSTOMERS BILLS
 BCUC ORDER NO. G-XX-10

RATE 2.2 - GENERAL (COMMERCIAL) SERVICE

Line No.	EXISTING JANUARY 1, 2010 RATES			PROPOSED JULY 1, 2010 RATES			Annual Increase/(Decrease)		
	Volume	Rate	Annual \$	Volume	Rate	Annual \$	Rate	Annual \$	% of Previous Annual Bill
1	Rate 2.2 General Service								
2									
3	<u>Monthly Charge</u>								
4	12 months x	\$22.77	= \$273.24	12 months x	\$22.77	= \$273.24	\$0.00	\$0.00	0.00%
5	12 months x	0.07	= 0.84	12 months x	0.07	= 0.84	0.00	0.00	0.00%
6	12 months x	12.62	= 151.44	12 months x	11.57	= 138.84	(1.05)	(12.60)	-0.05%
7	Minimum Monthly Charge (includes the first 2 gigajoules)		\$35.46	\$425.52			\$34.41	\$412.92	(1.05) (12.60) -0.05%
8									
9	<u>Next 298 Gigajoules in any month</u>								
10	3,076 GJ x	\$2.232	= \$6,865.6320	3,076 GJ x	\$2.232	= \$6,865.6320	\$0.000	\$0.0000	0.00%
11	3,076 GJ x	0.037	= 113.8120	3,076 GJ x	0.037	= 113.8120	0.000	0.0000	0.00%
12	3,076 GJ x	6.309	= 19,406.4840	3,076 GJ x	5.7839	= 17,791.2764	(0.5251)	(1,615.2076)	-6.02%
13	Total Charges per GJ		\$8.578	\$26,385.93			\$8.0529	\$24,770.72	(0.5251) (\$1,615.21) -6.02%
14									
15	<u>Excess of 300 Gigajoules in any month</u>								
16	0 GJ x	\$2.161	= \$0.0000	0 GJ x	\$2.161	= \$0.0000	\$0.000	\$0.0000	0.00%
17	0 GJ x	0.037	= 0.0000	0 GJ x	0.037	= 0.0000	0.000	0.0000	0.00%
18	0 GJ x	6.309	= 0.0000	0 GJ x	5.7839	= 0.0000	(0.5251)	0.0000	0.00%
19	Total Charges per GJ		\$8.507	\$0.00			\$7.9819	\$0.00	(0.5251) \$0.00 0.00%
20									
21	Total	3,100 GJ	\$26,811.45	3,100 GJ	\$25,183.64			(\$1,627.81)	-6.07%
22									
23	<u>Summary of Annual Delivery and Commodity Charges</u>								
24	Delivery Charge (including RSAM)		\$7,253.5240	\$7,253.5240			\$0.0000	0.00%	
25	Commodity Charge		19,557.9240	17,930.1164			(1,627.8076)	-6.07%	
26	Total		\$26,811.45	\$25,183.64			(\$1,627.81)	-6.07%	

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



DRAFT ORDER

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

and

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

BEFORE:

[June __, 2010]

WHEREAS:

- A. By Order No. G-155-09 dated December 10, 2009 the British Columbia Utilities Commission (the "Commission") approved the Gas Cost Recovery Charge for the Fort Nelson Service Area, effective January 1, 2010; and
- B. On June 3, 2010, pursuant to Commission Letter No. L-5-01, Terasen Gas Inc. ("Terasen Gas") filed its 2010 Second Quarter Report on the Gas Cost Reconciliation Account ("GCRA") balance and gas commodity recovery charges for the Fort Nelson Service Area effective July 1, 2010, that were based on May 25, 2010 forward gas prices (the "2010 Second Quarter Report"); and
- C. The 2010 Second Quarter Report forecasted that gas commodity charges at current rates would be 109.1 percent of costs for the following 12 months, and requested a decrease of \$0.525/GJ in gas commodity recovery charges for natural gas customers in Fort Nelson Service Area, effective July 1, 2010; and
- D. This equates to a decrease to a typical residential customer's annual bill, based on an annual consumption of 140 GJ, of approximately \$74 or 6.1 percent; and
- E. The Commission has determined that the requested changes, as outlined in the 2010 Second Quarter Report, should be approved.



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

1. The Commission approves a \$0.525/GJ decrease in the Gas Cost Recovery Charge for Fort Nelson Service Area to \$5.784/GJ effective July 1, 2010, as set out in Terasen Gas' 2010 Second Quarter Report for Fort Nelson Service Area.
2. Terasen Gas will notify all customers that are affected by the rate changes with a bill insert or bill message to be included with the next monthly gas billing.

DATED at the City of Vancouver, in the Province of British Columbia, this day of June, 2010.

BY ORDER