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Brilliant Expansion Power Corporation
c/o Columbia Power Corporation
Suite 200, 445 – 13th Avenue
Castlegar, BC
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Attention: Mr. Glenn MacIntyre

Dear Mr. MacIntyre:

**Re: Terasen Gas Inc. ("TGI" or the "Company")
Application ("Application") for a Certificate of Public Convenience and
Necessity ("CPCN") for the Kootenay River Crossing (Shoreacres) Upgrade
Project
Response to the Brilliant Expansion Power Corporation ("BEPC") Information
Request ("IR") No. 1**

On July 15, 2010, TGI filed the Application as referenced above. In accordance with Commission Order No. G-133-10 setting out the Regulatory Timetable for review of the Application, TGI respectfully submits the attached response to BEPC IR No. 1.

If there are any questions regarding the attached, please contact Diane Roy at (604) 576-7349.

Yours very truly,

TERASEN GAS INC.

Original signed by: Diane Roy

For: Tom A. Loski

Attachment

cc (e-mail only): Erica Hamilton, Commission Secretary
Registered Parties



Terasen Gas Inc. ("TGI", "Terasen Gas" or the "Company") An Application for a Certificate of Public Convenience and Necessity ("CPCN") for the Kootenay River Crossing (Shoreacres)	Submission Date: September 30, 2010
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Reference: 5.2.8 Safety and Security

BEPC Information Request No.1

Has TGI performed a risk assessment on BEPC's Brilliant Expansion hydroelectric facility in terms of potential economic or physical damages incurred by a break or leak in the upgraded transmission line?

Response:

TGI has not performed a formal risk assessment specific to the upgraded transmission line upstream of the BEPC's Brilliant Expansion hydroelectric facility.

TGI has, however, considered both construction and long term operational risks in the evaluation of alternatives and the selection of the HDD option as the preferred alternative. HDD has been widely and successfully used for years by the pipeline and utility industry, and TGI has successfully installed and operated river, road and railway crossings on numerous occasions using the HDD construction method. The new crossing will be designed and constructed in accordance with all applicable TGI standards.

Following installation, the upgraded pipeline segment will be inspected and pressure tested prior to being put into service to confirm that the pipeline meets contract specifications and is fit for service. Once in service it will be monitored and maintained in accordance with TGI's Asset Integrity Management Program ("AIMP"). Terasen Gas believes that the activities carried out in accordance with the AIMP are effective in managing the long-term integrity of its pipeline system. For this new segment of pipeline, TGI will follow existing incident notification protocols for the Environment Ministry and the Oil and Gas Commission and will also notify BEPC and their O&M service providers of any incident that TGI considers significant enough to impact downstream facilities.

TGI asserts that replacement will ensure the integrity of the crossing and lower the risk to the entire surrounding community including the BEPC facility relative to the current aerial crossing structure.

For these reasons, and given the fact that the new upgraded crossing is approximately 10 km upstream of the Brilliant Dam, TGI does not believe any further risk assessment related to BEPC's Brilliant Expansion hydroelectric facility is warranted. See also the response to BEPC IR 1.2.



Terasen Gas Inc. ("TGI", "Terasen Gas" or the "Company") An Application for a Certificate of Public Convenience and Necessity ("CPCN") for the Kootenay River Crossing (Shoreacres)	Submission Date: September 30, 2010
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Reference: 5.5.2 Other Pending or Anticipated Applications/Conditions

BEPC Information Request No. 2

What level of risk does TGI consider may exist to water quality resulting from erosion releasing silt or other substances into the water during construction or during future operations and impacting critical fisheries downstream?

Response:

TGI considers the risk to water quality to be minimal during construction and subsequent operations.

The HDD construction method will be used to install the new pipeline crossing at a depth of minimum 30 m below the river bed and a distance of at least 75 m from the river banks; therefore, the river bed should not be disturbed.

There is the potential for migration of drilling fluids to the surface during construction. However, examination of available Geotechnical data by TGI's HDD design consultant concluded that the probability of such an event is very low. TGI, its HDD design consultant and the drilling contractor will take every precaution to prevent such an event. Also, the drilling contractor will have TGI approved mitigation plans in place should such an event occur. As noted in the response to BEPC IR 1.1, TGI will follow existing incident notification protocols and will notify BEPC and their O&M service providers of any incident that TGI considers significant enough to impact downstream facilities.

Terasen Gas is in the process of completing a fish habitat assessment both upstream and downstream of the HDD crossing location and will prepare an Environmental Management Plan for the construction phase of the project. TGI will adhere to the Department of Fisheries and Oceans Canada – Pacific Region, Operational Statement on Directional Drilling (DFO / 2007 – 1283).

There is also the potential for debris to enter the river during the removal of the existing aerial pipeline crossing. TGI will ensure that this issue is addressed in the removal contract and that the selected contractor has appropriate experience, skills and plans inclusive of mitigation plans in place.

TGI will select experienced contractors and will have environmental and trade inspectors on site during all critical phases of construction to monitor the contractors in an effort to minimize the potential for any adverse impact on the Kootenay River.

Because the new pipeline will be installed at a considerable depth below the river bed, there will be no impact on the river during its future operations. See also the response to BEPC IR 1.1.