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Log No. 34577

**VIA E-MAIL**

Regulatory.Affairs@terasengas.com

October 1, 2010

**TERASEN FORT NELSON**

**2011 REVENUE REQUIREMENTS/RSAM**

**EXHIBIT A-1**

Mr. Tom Loski  
Chief Regulatory Officer  
Terasen Gas Inc.  
16705 Fraser Highway  
Surrey, BC V4N 0E8

Dear Mr. Loski:

Re: Terasen Gas Inc.  
Fort Nelson Service Area/Order G-149-10  
Application to Amend Schedule of Rates/2011 Revenue Requirements

This will acknowledge receipt of your September 8, 2011 Revenue Requirements Application seeking approval to recover a revenue deficiency of \$295,000 through a permanent increase in its delivery rates, effective January 1, 2011.

Enclosed for your information and publication is Commission Order G-149-10 establishing a Written Public Hearing and Regulatory Timetable for the review of the Application.

Yours truly,

Erica M. Hamilton

cms  
Enclosure



SIXTH FLOOR, 900 HOWE STREET, BOX 250  
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**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER G-149-10**

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

and

An Application by Terasen Gas Inc. -  
Fort Nelson Service Area  
for Approval to Amend its Schedule of Rates

**BEFORE:** D.A. Cote, Commissioner

September 30, 2010

**O R D E R**

**WHEREAS:**

- A. British Columbia Utilities Commission (the Commission) Order G-147-09 approved the Terasen Gas Inc. (TGI) Application for the 2010 Deferral Account Treatment for the Fort Nelson Service Area (TG Fort Nelson);
- B. Order G-147-09 approved the continuation of delivery rates as set by Order G-172-08 except that, effective January 1, 2010, the Revenue Stabilization Adjustment Mechanism (RSAM) rate rider was to decrease to \$0.037/GJ, the continuation of existing deferral accounts and the establishment of two new rate base deferral accounts (IFRS Transitional Deferral Account and ROE & Capital Structure Deferral Account), the disposition of which would be determined in a future revenue requirements application;
- C. On September 8, 2010, TG Fort Nelson submitted its 2011 Revenue Requirements Application seeking approval to recover a revenue deficiency of \$295,000 through a permanent increase in its delivery rates, effective January 1, 2011;
- D. The Application seeks approval to decrease the RSAM rate rider, effective January 1, 2011, from \$0.037/GJ by \$0.004/GJ for a total rate rider of \$0.033/GJ;
- E. The Application also seeks approval of a new rate base deferral account, 2011 RRA Costs Deferral;
- F. TG Fort Nelson submits that a written hearing process is appropriate for the review of the Application and proposes a timetable for the regulatory review process;
- G. The Commission considers that establishing a written public hearing and regulatory timetable for the registration of Interveners and for the review of the Application is necessary and in the public interest.

**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER** G-149-10

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**NOW THEREFORE** the Commission orders as follows:

1. The Application will be examined by a Written Public Hearing process, in accordance with the Regulatory Timetable attached as Appendix A to this Order.
2. The Application, together with any supporting materials, will be made available for inspection at the TGI Office, 16705 Fraser Highway, Surrey, BC, V4N 0E8, at the Town of Fort Nelson municipal offices at 5319 - 50<sup>th</sup> Avenue South, Fort Nelson, BC and at the British Columbia Utilities Commission, Sixth Floor, 900 Howe Street, Vancouver, B.C., V6Z 2N3, and will also be made available on the TGI and Commission websites at [www.terasengas.com](http://www.terasengas.com) and [www.bcuc.com](http://www.bcuc.com).
3. Interveners and Interested Parties should register with the Commission, in writing or by electronic submission, by Friday, October 15, 2010. Interveners should specifically state the nature of their interest in the Application, and identify generally the nature of the issues that they intend to pursue during the proceeding and the nature and extent of their anticipated involvement in the review process.
4. TGI Fort Nelson will publish in display-ad format, the Notice of Application and Written Public Hearing, attached as Appendix B, in the appropriate Fort Nelson local news publications, as soon as it is possible to do so.

**DATED** at the City of Vancouver, In the Province of British Columbia, this *First* day of October 2010.

BY ORDER

*Original signed by:*

D.A. Cote  
Commissioner

Attachments

Terasen Gas Inc. -  
Fort Nelson Service Area  
Application for Approval of 2011 Revenue Requirements

**REGULATORY TIMETABLE**

<b>ACTION</b>	<b>DATE (2010)</b>
Publication of Notice	October 4 to October 15
Intervener Registration	Friday, October 15
Commission Information Request No. 1	Friday, October 15
Intervener Information Request No. 1	Friday, October 22
Terasen Fort Nelson Response to Information Requests No. 1	Friday, November 12
Terasen Fort Nelson Final Argument Submissions	Thursday, November 18
Intervener Final Argument Submissions	Thursday, November 25
Terasen Fort Nelson Reply Argument Submissions	Thursday, December 2



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**Terasen Gas Inc.**  
**Fort Nelson Service Area**  
**Application for Approval of 2011 Revenue Requirements**

**NOTICE OF APPLICATION AND  
WRITTEN PUBLIC HEARING**

**THE APPLICATION**

On September 8, 2010, Terasen Gas Inc. – Fort Nelson Service Area (TG Fort Nelson or the Company) applied to the British Columbia Utilities Commission (the Commission) for approval of its 2011 Revenue Requirements (the Application) on a permanent basis, pursuant to sections 58, 60 and 61 of the *Utilities Commission Act* (the Act), effective January 1, 2011. The Application seeks approval, on a permanent basis effective January 1, 2011, to decrease the Revenue Stabilization Adjustment Mechanism (RSAM) rate rider from \$0.037/GJ by \$0.004/GJ for a total rate rider of \$0.033/GJ. The Application also seeks a revenue requirement increase of \$295,000 for the 2011 test year, effective January 1, 2011, resulting in an average of 20.37 percent increase on a delivery margin basis for all customers.

**THE REGULATORY PROCESS**

The Commission has established a Written Public Hearing process for submissions and the regulatory review of the Application.

**INTERVENTION**

Persons who expect to actively participate in the TG Fort Nelson proceeding should register as Interveners with the Commission, and should identify the issues that they intend to pursue as well as the nature and extent of their anticipated involvement in the review process. Interveners will each receive a copy of the Application, all correspondence, filed documentation, and should provide an email address, if available.

Persons not expecting to actively participate, but who have an interest in the proceeding, should register as Interested Parties. Interested Parties will receive a copy of the Executive Summary in the Application and a copy of the Commission's Decision when issued.

Interveners and Interested Parties should register in writing, no later than Friday, October 15, 2010. Notification by mail, courier delivery, facsimile, email or on-line registration is acceptable.

All submissions and/or correspondence received from active participants or the general public relating to the Application will be placed on the public record and posted to the Commission's website.

**PUBLIC INSPECTION OF THE APPLICATION**

The Application and supporting materials will be available for inspection at the following locations:

**British Columbia Utilities Commission**, Sixth Floor, 900 Howe Street, Vancouver, BC V6Z 2N3  
Telephone: 1-800-663-1385 Internet: [www.bcuc.com](http://www.bcuc.com)

**Terasen Gas** Office, 16705 Fraser Highway, Surrey, BC V6N 0E8 Internet: [www.terasengas.com](http://www.terasengas.com)

**Town of Fort Nelson** municipal offices, 5319 -50th Avenue South, Fort Nelson, BC

For further information, please contact Ms. Erica M. Hamilton, Commission Secretary, as follows:

Telephone: (604) 660-4700 Telephone: (B.C. Toll Free) 1-800-663-1385  
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