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November 3, 2010

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

Attention: Ms. Erica Hamilton, Commission Secretary

Dear Ms. Hamilton:

**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**

Written Reply Submissions

On July 15, 2010, Terasen Gas filed the Application as referenced above.

In accordance with Commission Order No. G-133-10 setting out the Regulatory Timetable for the review of the Application, TGI respectfully submits its Written Reply Submissions in advance of the November 15, 2010 filing deadline.

The Company respectfully requests that the Commission render a timely decision to enable the Project to proceed as contemplated by the schedule outlined on page 39 of the Application.

If there are any questions regarding the attached, please contact the undersigned.

Yours very truly,

TERASEN GAS INC.

Original signed:

Diane Roy

Attachment

BRITISH COLUMBIA UTILITIES COMMISSION

**IN THE MATTER OF the *Utilities Commission Act*,
R.S.B.C. 1996, Chapter 473 (the “Act”)**

and

**AN APPLICATION BY TERASEN GAS INC.
FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY AND APPROVAL
FOR THE KOOTENAY RIVER CROSSING (SHOREACRES) UPGRADE PROJECT**

**REPLY SUBMISSIONS OF
TERASEN GAS INC.**

NOVEMBER 3, 2010

SUBMISSIONS OF TERASEN GAS INC.

1. Neither of the two intervenors in the proceeding has raised any issues in their submissions in Terasen Gas Inc. ("TGI")'s application for a Certificate of Public Convenience and Necessity for the Kootenay River Crossing (Shoreacres) Upgrade Project (the "Project"). Indeed, one of the intervenors, the Commercial Energy Consumers Association of British Columbia ("CEC"), agreed with all aspects of the Project as proposed by TGI. The CEC submitted that "the Project is the appropriate and most cost-effective solution to address the potential risks to the reliability and integrity of the natural gas pipeline aerial crossing of the Kootenay River," and recommended that the Commission "find the project to be necessary for the public convenience and that approval is in the public interest."¹ The other intervenor, the Brilliant Expansion Power Corporation, stated that it was satisfied with TGI's responses to its Information Requests and had "no further comments."
2. The Project also received support from the City of Castlegar² and a "no objections" resolution from the Board of Directors of the Regional District of Central Kootenay.³
3. Based on the evidence in Exhibit B-1, the Application, and Exhibits B-2, B-3, and B-4, TGI's responses to the Commission's and intervenors' information requests, the Project is necessary and is in the public interest. As stated in TGI's Final Submissions, the Project is required to address the integrity of the Kootenay River aerial crossing, which is challenged by the unstable slope at the east terminus and by the continuing deteriorating condition of the crossing. TGI's selected project alternative is the most cost-effective among the feasible alternatives, and is also preferred in terms of non-financial factors.
4. TGI accordingly respectfully requests that the Commission issue a Certificate of Public Convenience and Necessity for the Project as applied for by TGI.

All of which is respectfully submitted.

TERASEN GAS INC.

Original signed:

Diane Roy

Dated: November 3, 2010

¹ CEC Submission, at pages 1 and 2.

² Exhibit E-1.

³ Exhibit E-2.