



Diane Roy
Director, Regulatory Affairs

16705 Fraser Highway
Surrey, B.C. V4N 0E8
Tel: (604) 576-7349
Cell: (604) 908-2790
Fax: (604) 576-7074
Email: diane.roy@terasengas.com
www.terasengas.com

December 20, 2010

Regulatory Affairs Correspondence
Email: regulatory.affairs@terasengas.com

British Columbia Utilities Commission
6th Floor, 900 Howe Street
Vancouver, BC
V6Z 2N3

Attention: Ms. Erica M. Hamilton, Commission Secretary

Dear Ms. Hamilton:

Re: Terasen Gas Inc. (“Terasen Gas” or “TGI”)

Application for Approval of a Service Agreement for Compressed Natural Gas (“CNG”) Service and for Approval of General Terms and Conditions (“GT&Cs”) for CNG and Liquefied Natural Gas (“LNG”) Service (the “Application”)

Errata to the Application (Exhibit B-1)

On December 1, 2010 Terasen Gas filed the above noted application. In preparation for response to the first round of information requests, Terasen Gas identified one correction to the Application included in this Errata filing.

1. Application, Section 8.4, Page 70

Terasen inadvertently excluded item c) and d) from Section 8 Approvals Sought; a request for a non-rate base deferral account to capture all costs incurred and recoveries received prior to January 1, 2012 and an ongoing rate base deferral account to capture CNG and LNG recoveries received from volume in excess of minimum contract demand :

- c) a non-rate base deferral account attracting AFUDC to capture the O&M costs and cost of service associated with the capital additions to the delivery system incurred and the CNG and LNG Service recoveries received prior to January 1, 2012, and to recover or refund the balance to all non-bypass customers by amortizing the balance through delivery rates commencing January 1, 2012 over a three year period.
- d) effective January 1, 2012, an ongoing rate base deferral account to capture incremental CNG and LNG recoveries received from actual volume in excess of minimum contract demand, to be refunded to all non-bypass customers by amortizing the balance through delivery rates over a one year period, commencing the following year.

Hardcopy Replacement and Insertion Pages:

Application Reference	Description	Insertion Instructions, Binder Volume 1
Application, Section 8, Page 70	Items c) and d) added to Section 8.4	Pages 70 and 71, remove and replace with the revised pages dated December 20, 2010.

Registered Parties who requested hardcopies of the Application will automatically receive hardcopies of this Errata filing.

If you have any questions or require further information related to this submission, please do not hesitate to contact Shawn Hill at (604) 592-7840.

Yours very truly,

TERASEN GAS INC.

Original signed by Shawn Hill:

For: Diane Roy

Attachments

cc (email only): Registered Participants in the TGI CNG and LNG Service Proceeding

8 APPROVALS SOUGHT

In this section, Terasen Gas identifies the approvals sought in this Application. A draft form of the Order containing all of the approvals sought by Terasen Gas can be found in Appendix G. Terasen Gas submits that the WM Agreement and the proposed GT&Cs are just and reasonable, and the expenditures associated with the provision of CNG Service to WM under the WM Agreement are in the public interest. As such, TGI respectfully seeks the following orders from the Commission:

8.1 Approval of the WM Agreement

1. An order pursuant to sections 59-61 of the Act approving the WM Agreement.
2. If the Commission is unable to approve the WM Agreement on a permanent basis by **January 14, 2011**, then TGI also requests an interim order pursuant to section 89 of the Act on or before **January 14, 2011** approving the WM Agreement on an interim basis pending the final determination of this Application.

8.2 Expenditure Schedule For WM Project

1. An order pursuant to section 44.2 of the Act accepting the estimated expenditures outlined in Section 4 of the Application for the Waste Management project.

8.3 Order related to TGI's General Terms and Conditions

1. An order pursuant to sections 59-61 of the Act approving the proposed amendments to TGI's General Terms and Conditions, specifically, the addition of a new section 12B relating to the CNG Service and LNG Service as described in Section 2 of the Application and as set out in Appendix B.

8.4 Orders related to Cost Recovery

1. An order pursuant to sections 59-61 of the Act approving:
 - a) Depreciation rates applicable to NGV refueling assets as identified in Section 4.6.3.2;
 - b) A non-rate base deferral account attracting AFUDC to capture the NGV Fueling Service Application costs incurred in 2010 and 2011 and to recover these costs from all non-bypass customers by amortizing them through delivery rates commencing January 1, 2012 over a three year period.
 - c) a non-rate base deferral account attracting AFUDC to capture the O&M costs and cost of service associated with the capital additions to the delivery system incurred and the CNG and LNG Service recoveries received prior to January 1, 2012, and to recover or

refund the balance to all non-bypass customers by amortizing the balance through delivery rates commencing January 1, 2012 over a three year period.

- d) effective January 1, 2012, an ongoing rate base deferral account to capture incremental CNG and LNG recoveries received from actual volume in excess of minimum contract demand, to be refunded to all non-bypass customers by amortizing the balance through delivery rates over a one year period, commencing the following year.

8.5 Proposed Regulatory Timetable

ACTION	DATE (2010 - 2011)
Intervenor and Interested Party Registration	Monday, December 6, 2010
Commission Information Request No. 1 <u>on Terms and Conditions of WM Agreement only</u>	Friday, December 10, 2010
Terasen Gas Response to Commission Information Request No. 1 <u>on Terms and Conditions of WM Agreement Only</u>	Wednesday, December 22, 2010
Commission Information Request No. 2 (On Remainder of the Application)	Wednesday, January 12, 2011
Anticipated Commission Decision <u>on Terms and Conditions of WM Agreement Only</u>	On or before January 14, 2011
Intervenor Information Request No. 1 (On Remainder of the Application)	Tuesday, January 18, 2011
Terasen Gas Response to Commission Information Request No. 2 and Intervenor Information Request No. 1	Tuesday, February 1, 2011
TGI Written Final Submission	Friday, February 11, 2011
Intervenor Written Final Submission	Tuesday, February 18, 2011
TGI Written Reply Submission	Tuesday, February 25, 2011