



**IN THE MATTER OF**

**TERASEN GAS INC.**

**CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY APPLICATION  
FOR THE REPLACEMENT AND UPGRADING OF  
THE VANCOUVER LOW PRESSURE GAS DISTRIBUTION SYSTEM  
TO DISTRIBUTION PRESSURE**

**DECISION**

**June 26, 2006**

**BEFORE:**

**Anthony J. Pullman, Commissioner**

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COMMISSION ORDER NO. C-2-06

APPENDIX A – List of Exhibits

## 1.0 INTRODUCTION

Terasen Gas Inc. (“Terasen Gas” or the “Company”) states that manufactured coal gas service was made available to residents of Vancouver as early as 1886, and that coal gas continued to be manufactured up to 1956 when it was replaced by natural gas from north east British Columbia and Alberta. The coal gas was typically reticulated in Low Pressure (“LP”) steel mains (2 kPa), which were installed to then current standards which did not include coating or cathodic protection.

Terasen Gas states that during the 1970s and 1980s significant replacement of the Vancouver LP Gas Distribution System was undertaken, which resulted in most of the system being replaced. It is understood that the primary criteria by which areas were replaced were leak history and the time required for emergency response. Also, in some instances, localized development and redevelopment contributed to the earlier replacement of specific sections of the LP gas distribution system. As a result of these criteria for replacement, many of the central locations of the LP gas distribution system in Vancouver were not replaced (Exhibit B-1, p. 9).

Terasen Gas states that in recent years it has replaced and upgraded the following:

	<b>LP Mains (km)</b>	<b>LP Services</b>	<b>LP Regulator Stations</b>	<b>Cost (Million \$)</b>
1996-9	39.4	3024	10	4.60
2003-5	14.5	901	1	3.06

(Exhibit B-2, BCUC IR-1.3.1)

Terasen Gas states that in the years 2000-2002 no expenditures on the LP mains or services replacement program were made.

Terasen Gas states that there remain to be removed and upgraded 95 km of LP Mains, with 7100 Services and 24 Regulator Stations, in five Vancouver neighbourhoods: Dunbar, Kerrisdale, Marpole, University and Riley Park (Exhibit B-1, p. 12). It also states that it is unable to provide more than one installation crew to perform LP mains and service replacements and that 5 km of LP main replacement and 310 LP service replacements represent the maximum annual output of its

internal resources (Exhibit B-2, BCUC IR-1, 3.3). Accordingly it proposes to add this project and a similar project at Mission, BC to its standard four-year construction services contract in order to provide a single contractor with a base line level of work for the ensuing four year period (Exhibit B1, p. 32). This will result in a cost-savings advantage (Terasen Gas Submission, p. 7).

Terasen Gas states that it did not specifically identify the Project in its 2004 Resource Plan, which the Commission accepted in Letter No. L-30-05. Terasen Gas states that its Resource Plan is not the appropriate forum for review of this type of system integrity upgrade expenditure and that the Resource Planning Guidelines direct utilities to design resource option portfolios that can meet that utilities future demand forecast. The Vancouver LP system is part of Terasen Gas' existing distribution system serving existing, rather than forecasted future demand growth for which expansion alternatives need to be examined through the Resource Planning process. This Application is not driven by the need to upgrade system capacity (Exhibit B-2, BCUC IR-1, 5.4).

Terasen Gas states that it noted the Project in its 2005 Annual Review Application (Tab B1, p. 7) and in the presentation materials presented at the November 10, 2005 Annual Review Workshop (pages 78 to 80), and that more recently it noted the project in the presentation made by it to its Customer Advisory Council on April 26, 2006 (pages 47 and 48). Terasen Gas states that it received no expressions of concern from its key customers in respect of its plan to file this Application (Exhibit B-2, BCUC IR-1, 5.6).

Terasen Gas states that it can see no positive reasons for extending the upgrade of its LP distribution over a longer period. It cites significant additional safety risks due to possible undetected leakage; potential loss of service ensuing therefrom; extra costs due to lack of contractor interest and increased contractor rates due to lower volumes of work (Exhibit B-2, BCUC IR-1, 12.1).

## **2.0 BACKGROUND**

On May 11, 2006 Terasen Gas applied to the British Columbia Utilities Commission (the “Commission”) pursuant to Section 45 of the Utilities Commission Act, R.S.B.C. 1996, Chapter 473, (the “Act”) for a Certificate of Public Convenience and Necessity (“CPCN”) for the replacement and upgrading of the existing Vancouver Low-Pressure Gas Distribution System to Distribution Pressure (“DP”).

On May 18, 2006 the Commission issued Order No. G-57-06 establishing a written comment process for the review of the Application and establishing a regulatory timetable. Information Requests were issued by the Commission on May 19 and June 14, 2006, and Terasen Gas’ responses thereto were made on June 2 and 19, 2006. Terasen Gas’ written submission was made on June 19, 2006.

No one intervened in the proceeding.

## **3.0 SCOPE OF WORK**

The scope of the work for which Terasen Gas seeks approval is as follows:

- Insertion and connection of polyethylene (“PE”) piping within the existing steel mains and services, (approximately 95 kilometres of main and 7100 services);
- Relocation of approximately 710 meter sets; and
- Removal and reclamation activities associated with 24 Low-Pressure Regulator Stations.

(collectively, the “Project”) (Exhibit B-1, p. 1).

The scope and methodology for the replacement of the Vancouver LP Gas Distribution System consists of replacing all of the remaining steel LP gas system with DP PE mains and services using an “insertion” method. DP piping on the Terasen Gas system operates at pressures of 700 kPa or less, but generally no higher than 420 kPa. The construction methodology involves inserting into an

existing, larger-diameter steel LP pipe a new smaller diameter PE DP pipe. The insertion method significantly reduces the cost of underground installation by minimizing total excavation required (Exhibit B-1, p. 12).

#### 4.0 CAPITAL COST AND COST OF SERVICE IMPACT

Terasen Gas sets out the anticipated expenditure to implement the project as follows:

**Table 3 – Estimate of Projected Costs by Year (\$'000's)**

<b>Line item</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Total</b>
Project Management				
Project Management	140	90	45	275
Training & Evaluation	40	20	21	81
<b>Mains</b>				
Labour – Company	752	958	994	2,704
Labour – Contract	2,032	3,274	3,540	8,846
Materials	446	679	712	1,836
<b>Services &amp; Meter Sets</b>				
Labour – Company (including permits)	554	725	689	1,967
Labour – Contract	1,284	2,223	2,053	5,560
Materials				
Service	278	455	410	1,143
Meters & Regulators	44	72	65	181
Electrofusion PTT	31	54	48	132
<b>Stations</b>				
Company field labour – station removal	30	61	56	147
Surface Rehabilitation – station removal	45	95	89	229
<b>Total Direct Costs</b>	<b>5,674</b>	<b>8,706</b>	<b>8,723</b>	<b>23,102</b>
<b>AFUDC</b>	158	243	244	645
<b>Total Planned Project Costs</b>	<b>5,832</b>	<b>8,949</b>	<b>8,967</b>	<b>23,747</b>

Terasen Gas states that the cost estimate has a plus or minus 10 percent confidence range (Exhibit B-1, p. 13).

Terasen Gas states that the primary risks to cost, and schedule, for this Project consist of the availability of contract resources and the effect on local construction and labour rates due to an anticipated reduction of available labour during the years leading up to the 2010 Olympics.

Terasen Gas is of the view that the planned use of Project-dedicated contractor personnel, as opposed to assigning work to Company personnel on a piecemeal basis, will help ensure that overall costs for this Project will not exceed estimated values. As well, to secure contractor resources, Terasen Gas has tendered a four-year construction services contract for this Project, which would include the work contemplated for the Mission IP Project (the subject of a separate CPCN application) and is in the contract-awarding phase at present. Terasen Gas states that it is very confident that the contractor portion of the estimates provided herein will be consistent with the estimates that it has evaluated during the bid process (Exhibit B-1, p. 14).

Terasen Gas states that contractor labour will be 15 percent cheaper than comparable Terasen Gas labour and that contractor labour will be more productive, as its crews will not be subject to being called away from upgrade project work to work on unrelated projects, emergencies, etc. (Exhibit B-2, BCUC IR-1, 3.7, 3.8, 3.9).

Terasen Gas requests that it add total Project expenditures to rate base, in the year immediately following completion, stating that this proposed treatment of costs is consistent with that which has been approved in past proceedings for other system integrity initiatives which have been deemed to be in the interests of both customers and of the utility. As work will be completed and put into service on a main-by-main or "block-by-block" basis, Terasen Gas seeks as part of the approval to add work completed in each calendar year to rate base with amortization commencing in the following year. AFUDC will be earned on the asset before it goes into rate base (Exhibit B-1, p. 28).

Terasen Gas estimates that, based upon the total construction cost estimate of \$23.747 million (including AFUDC), over a five year period (2007 to 2011), on a levelized basis, the average cost of service will be \$1.457 million. When compared to the approved 2006 delivery margin of \$494.672 million, this equates to an effective increase of approximately 0.29 percent (Exhibit B-1, p. 28).

Terasen Gas estimates that the incremental cost of service as a result of the Project will be as follows:

<b>\$000</b>	
2007	418
2008	1,215
2009	2,097

(Exhibit B-2, BCUC IR-1, 11.1)

## **5.0 PROJECT SCHEDULE**







Terasen Gas proposes that the replacement and upgrading of the Vancouver LP Gas Distribution System will be undertaken over a two and one-half year period with completion anticipated in December 2008. Terasen Gas believes that the primary risk to meeting the proposed schedule is the availability of contractor resources, which Terasen Gas proposes to mitigate by the terms of the contract.

The annual components of the replacement program will be planned during the winter months of the previous year to allow the start of construction early the following year. The replacement plan for 2006 has been prepared and is ready to be implemented.

Based on an area-by-area review of repair history, work problems and likely customer growth Terasen Gas develops the following schedule for the project work:



**Table 4 – Vancouver Low-Pressure Replacement Project Schedule**

1.0 Activities and Timeline	2006	2007	2008	2009
1.1 Planning/CPCN Approval	 BCUC Approval anticipated by July 1			
1.2 Dunbar		 23.6 km 1763 Services		
1.3 Dunbar, Kerrisdale, and Marpole areas		 35.2 km 2832 Services		
1.4 Marpole, UBC, and Riley Park areas			 36.2 km 2505 Services	
1.5 Construction Complete before 2009			 Oct. 1	
1.7 Completion Reporting and Post Implementation Review				

(Exhibit B-1, pp. 14-15)

## 6.0 PERMITS AND APPROVALS

Terasen Gas states that design and construction approvals for the replacement of the Vancouver LP Gas Distribution System will be obtained from the City in accordance with established agreements. Terasen Gas representatives have met with City of Vancouver officials and described the Company's plans and received a favourable response to this work with no unusual concerns identified. Terasen Gas files a letter of support for the Project from the City of Vancouver, Utilities Management Branch (Exhibit B-2, Attachment 1.1).

In addition, Terasen Gas states that it has also discussed this Project with the British Columbia Safety Authority and has received its support for this work. A Provincial Gas Inspector will work with Terasen Gas as this Project proceeds.

Terasen Gas states that site rezoning and land purchases are not required for the work associated with the Replacement and Upgrading of the Vancouver LP Gas Distribution System, and that private land rights and access road use will be in accordance with established agreements and repairs will be completed to the standard existing prior to the work being undertaken (Exhibit B-1, p. 29).

## **7.0 LP MAINS MAJOR PROBLEMS**

Terasen Gas identifies the following problems with the LP Mains:

- Protection

The Vancouver LP Gas Distribution System has been operated since its installation with no coating or poor coating and no cathodic protection, which is a key component of the overall integrity of any steel pipeline system. Cathodic protection cannot be cost effectively applied to the Vancouver LP Gas Distribution System due to the amount of bare steel pipe. Terasen Gas shows photographs of instances where the pipe has corroded completely through. A recent Terasen study suggests that the frequency of leaks on the LP piping is 19 times the frequency of the rest of the steel distribution system (Exhibit B-2, BCUC IR-1, 4.9). Terasen Gas believes that the LP gas is only contained by the compacted soil surrounding the pipe and when this soil is disturbed leakage will occur. As well, if this soil is disturbed when the ground is saturated with water, the result is the intrusion of water into the system that often interrupts service to its customers by filling the service line or house piping with water or ice (Exhibit B-1, p. 19).

- Pipe Joining Methods

Over time three methods were primarily used on the LP system to join sections of pipe together. Steel pipe installed in the LP system before the mid-1950 was often joined by a single-pass oxyacetylene gas weld making the older LP joints more brittle than new multi-pass oxyacetylene or arc welded joints. This coupled with poor workmanship when aligning the pipe ends, produces welds that are likely to fail prematurely.

Terasen Gas states that many LP steel mains were joined by bell and spigot joints, or sleeves and crosses, which were sealed with lead and hemp. The integrity of this type of seal depended upon the moisture content of the manufactured gas swelling the hemp between the bell and spigot. With natural gas replacing manufactured gas in 1956, the moisture content of the gas became significantly lower and consequently leakage from these joints has increased over time. Terasen Gas believes that the number of these joints remaining in its system is significant.

Terasen Gas states that LP steel mains were also often joined by mechanical couplings. These couplings were used to make connections to new main extensions and for repair purposes. Terasen Gas believes that there are a number of unrecorded, unanchored mechanical couplings installed in its LP system. The couplings are highly susceptible to failure, i.e. pull out, during ground disturbance (Exhibit B-1, pp. 19-20).

- Isolation Valves

Terasen Gas states that the Vancouver LP Gas Distribution System does not have any isolation valves because they were not required by industry standards at the time of construction. Complicating the implementation of a plan to install isolation valves is the fact that LP systems typically have multiple stations and feeds serving the same area. This would necessitate many valves to isolate any particular section of main to the point of being very impractical. This makes emergency and routine maintenance more difficult, as multiple bag-off operations are needed to stop the flow of gas. In the event of an earthquake, system isolation would become next to impossible (Exhibit B-1, pp. 20-21).

## 8.0 THE BENEFITS

Terasen Gas states that the Project will deliver the following benefits:

- Following a seismic event it will reduce exposure to significant interruption of service and reduce exposure to costs associated with service reconnection for Vancouver LP Gas Distribution System customers;

Terasen Gas states that, so far as concerns emergency preparedness following a seismic event, while emergency plans procedures and infrastructures are in place and company personnel are trained to respond to any scale of emergency; the Vancouver LP Gas Distribution System is vulnerable to ground movement and lacks isolation valves with the result that Terasen Gas might not be able to deploy a quality and timely emergency response following a seismic event.

In addition, due to the complex interconnected network of mains, Terasen Gas states that it does not have any continuously monitored telemetry on the Vancouver LP Gas Distribution System and that even if it did at several locations, it would not provide useful information due to the multiple flow paths of the gas.

When the emergency response on the Vancouver LP Gas System is completed after a major earthquake, Terasen Gas states that it will be faced with the enormous task of identifying the customers who have lost gas service, shutting their gas meter off, replacing the LP system, and relighting affected customers. Mains and services may be severed, not line up any more or be plugged with soil, preventing the quicker and more economic insertion method of repair, thus further delaying the return of service to customers.

Terasen Gas states that it will continue to be able to provide safe and reliable service to its customers as a result of completing the work described in this Application. Because the proposed PE DP mains and services will maintain their integrity when either seismic events or adjacent excavation occurs, fewer gas leaks and incidents of emergency response are expected, which should allow Terasen Gas personnel to focus on other emergency matters and, therefore, should translate into faster emergency response times and service restoration (Exhibit B-1, pp. 23-4).

- Improve safety, reliability and integrity of the gas distribution system as a result of the installation of PE pipe and fittings;
- Reduce ongoing operating and maintenance activities related to the operation of the many pressure control stations associated with the Vancouver LP Gas Distribution System; and
- Reduce ongoing maintenance activities related to water removal and leak and break repair in the Vancouver LP Gas Distribution System.

Terasen Gas states that it has implemented monitoring programs to identify LP mains that are experiencing leak and break events. Despite numerous efforts to remediate and manage the Vancouver LP Gas Distribution System, leak and break frequencies for the LP system are significantly higher than the frequencies associated with gas mains constructed from protected steel and polyethylene materials. Terasen Gas does not estimate the value of natural gas it loses in the LP mains system each year.

The replacement of the Vancouver LP Gas Distribution System will result in a significant reduction in the number of service delivery problems and resource requirements due to water getting into the system. Over the last three years, Terasen Gas states that it has spent approximately \$135,000 annually to ensure that the Vancouver LP Gas Distribution System provides reliable service to its customers. This involves pumping water out of sections of the system and relighting customers who lose service due to low system pressure or water that makes its way into the system. These types of expenditures should not be required on the newer steel or on the proposed PE DP system installations (Exhibit B-1, p. 26).

Replacement and upgrading of the Vancouver LP Gas Distribution System will allow Terasen Gas to eliminate approximately \$62,600 in recurring operational costs associated with LP regulating stations. Removal of the remaining 24 LP regulating stations will reduce operating requirements by eliminating training needs for station mechanics who maintain and operate the stations, chart changing expenditure, and the costs associated with maintaining LP parts inventory (Exhibit B-1, p. 26).

In addition Terasen Gas states that it most likely will have to replace the 24 LP regulating stations at an estimated cost of between \$720,000 to \$1,680,000 as the stations do not meet Terasen Gas' standards and in many instances fail to meet WCB Occupational Health and Safety Regulations.

- Reduce the need to enter customer's premises as inside LP meter sets will be replaced with updated meter sets located outside; and
- Increase system capacity to allow the addition of new customer load as a result of redevelopment or renovation thus avoiding inefficient system improvement scenarios (Exhibit B-1, p. 18).

## 9.0 PERFORMANCE BASED REGULATION

Terasen Gas states that it requires a CPCN for the Project because,

“Past practice and the Commission’s CPCN Application Guidelines, as set out in Commission Letter No. L-18-04 and Order No. G-28-04, dictate that CPCN Applications are required for significant projects. As per Letter No. L-18-04, the CPCN Guidelines state *“The Commission may also establish project thresholds that may relate to size, production capacity or type that will determine CPCN application requirements for each utility.”* The threshold for Terasen Gas, which has been set out in the Company’s 2004-2007 PBR Settlement Agreement, has been set at \$5 million regardless of the nature of the project. There are not any other project threshold criteria that the Company is aware of that exclude the need for a CPCN application, even if the project is in excess of \$5 million. No other criteria were considered in the Company’s 2004-2007 PBR Settlement Agreement.

Terasen Gas is of the view that arbitrarily excluding the need for a CPCN for the Low-Pressure Distribution Upgrade Project, even though it meets the one and only threshold criteria that has been established for the Company, would not only be a departure from past practice but also inconsistent with the terms of the Commission approved 2004-2007 PBR Settlement Agreement. The Company is of the view that it would be inappropriate to make changes of this nature to the terms of the 2004-2007 PBR Settlement Agreement” (Exhibit B-3, BCUC IR-2, 13.1).

Terasen Gas is party to a Settlement Agreement covering a Multi-Year Performance-Based Rate (“PBR”) Plan for 2004-2007, which the Commission approved in Order No. G-51-03 dated July 29, 2003. As part of this Agreement, capital expenditures are forecast for each year based on forecast customer additions, forecast average number of customers and forecast inflation. Each year’s actual data are compared with the forecast data and the benefits of any capital savings are shared among the Company and its customers. The PBR states “CPCN expenditures are excluded from the capital formula. Except in very unusual circumstances, CPCN will not be filed for projects below \$5 million” Exhibit B-2, BCUC IR-2, 11.3). Terasen Gas states that “in the preceding years prior to the PBR Base Year (2000 through 2002) there were no expenditures on the Vancouver LP System. In 2003, the Base Year for the 2004-2007 PBR Settlement Agreement only 392 meters of LP mains were replaced for a total cost of \$50.8k. Accordingly, any adjustment to the Target Base Capital Expenditure would be of a de minimis nature, or a “fraction of the total capital costs included in the CPCN Application” (Exhibit B-3, BCUC IR-2, 13.4).

Terasen Gas states that “if the project proceeds as an approved CPCN, the estimated incremental impact on the revenue requirement for 2007 is \$0.003/GJ or \$495,000. The average cost per GJ is based on using the 2006 Non-Bypass forecast volumes before consideration of the earnings sharing mechanism. The 2007 forecast volume will be determined later this year for the 2006 Annual Review (Exhibit B-3, BCUC IR-2, 13.3). Terasen Gas states that treating the Project as a CPCN expenditure rather than as a Base Capital expenditure will increase its total revenue requirement over 2007-9 by \$113,000 (Exhibit B-4, revised response BCUC IR-2, 13.3).

## 10.0 VIEWS OF THE COMMISSION PANEL

The Commission Panel observes that approximately 95 kilometers of Low Pressure mains remain in the Greater Vancouver area, together with 7100 Services and 24 Low Pressure Regulator Stations, and finds that it is in the public interest that these be replaced and upgraded as expeditiously as possible. The Commission Panel notes Terasen Gas' initiative in wrapping the remaining work as a single project, as opposed to its current piecemeal approach.

The Commission Panel accepts Terasen Gas' decision to seek a CPCN for this project.

The Commission Panel is of the view that the existence of the Settlement Agreement adds an element of complexity to what would, absent the Agreement, be a simple cost/benefit analysis to determine whether the Project as applied for is in the public interest. The Commission Panel believes that if the Target Base Capital Amounts for 2004-2007 included significant amounts for LP mains replacement, then Terasen Gas could be viewed as "gaming the system" by earning a return on the Project and by sharing in some of the savings it had artificially created. The evidence, however, is that a very small amount of capital for LP mains replacement may have been included in the Base Capital Amounts for 2004-2007 and that any such earnings that Terasen Gas might garner from the Project receiving a CPCN would be negligible.

Accordingly, the Commission Panel approves the Project as applied for.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 26 day of June 2006.



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A.J. Pullman  
Panel Chair and Commissioner



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**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER** C-2-06

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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.  
for Approval of a Certificate of Public Convenience and Necessity  
for the Replacement and Upgrading of the Vancouver Low-Pressure Gas Distribution System

**BEFORE:** A.J. Pullman, Panel Chair  
and Commissioner June 23, 2006

### **CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**

#### **WHEREAS:**

- A. On May 11, 2006, Terasen Gas Inc. filed an application pursuant to Section 45 of the Utilities Commission Act (the "Act") requesting approval of a Certificate of Public Convenience and Necessity for the replacement and upgrading of the Vancouver Low-Pressure Gas Distribution System (the "CPCN Application"); and
- B. The replacement and upgrade would be carried out in 2006, 2007 and 2008, involve the replacement of approximately 95 kilometres of gas mains and 7,100 gas service lines and is estimated to cost \$23,747,000; and
- C. Order No. G-57-06 dated May 18, 2006 determined that a written comment process be established for the review of the CPCN Application and set out a Regulatory Timetable; and
- D. The Commission has considered the Application and the evidence and submissions presented to it and has determined that a Certificate of Public Convenience and Necessity should be issued.

BRITISH COLUMBIA  
UTILITIES COMMISSION

ORDER  
NUMBER C-2-06

**NOW THEREFORE** pursuant to Section 45 of the Act, the Commission orders as follows:

1. A Certificate of Public Convenience and Necessity is granted to Terasen Gas Inc. for the replacement and upgrading of the Vancouver Low-Pressure Gas Distribution System.
2. Commencing September 30, 2006 Terasen Gas Inc. is to file with the Commission, quarterly progress reports on the project schedule and costs, followed by a final report upon project completion. All reports are to be filed in a format to be determined by Terasen Gas Inc. in consultation with Commission staff.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 26 day of June 2006.

BY ORDER



A.J. Pullman  
Panel Chair and Commissioner

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

and

Terasen Gas Inc.  
Certificate of Public Convenience and Necessity Application  
For the Replacement and Upgrading of the  
Vancouver Low-Pressure Gas Distribution System

**EXHIBIT LIST**

**Exhibit No.**

**Description**

*COMMISSION DOCUMENTS*

- |     |   |
|-----|---|
| A-1 | Letter dated May 18, 2006 filing Order No. G-57-06 for a Written Hearing and Regulatory Timetable |
| A-2 | Letter dated May 19, 2006 with Commission Information Request No. 1 to Terasen Gas Inc.           |
| A-3 | Letter dated June 14, 2006 with Commission Information Request No. 2 to Terasen Gas Inc.          |

*APPLICANT DOCUMENTS*

- |     |   |
|-----|---|
| B-1 | Letter dated May 11, 2006 filing the Application for Replacement and Upgrading of the Vancouver Low-Pressure Gas Distribution System to Distribution Pressure CPCN  |
| B-2 | Letter dated June 2, 2006 filing response to Commission's Information Request No. 1   |
| B-3 | Letter dated June 19, 2006 filing Terasen Gas Inc. response to Commission Information Request No. 2   |
| B-4 | Email dated June 23, 2006 filing excel spreadsheets (Capital Expenditures; Summary of Incremental Revenue Requirements; CPCN) detailing calculations under two different treatments of the capital expenditures as a CPCN and as an Other Bas Capital Expenditure |