

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. V6Z 2N3 CANADA
web site: <http://www.bcuc.com>



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-66-03

TELEPHONE: (604) 660-4700
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**IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473**

and

Terasen Gas Inc. – 2003 Annual Review of its 2004 Revenue Requirements

BEFORE: L.A. Boychuk, Commissioner)
L.F. Kelsey, Commissioner) October 16, 2003

O R D E R

WHEREAS:

- A. Commission Order No. G-51-03 approved for Terasen Gas Inc. (“Terasen Gas”, “the Company”) the Settlement Agreement for a 2004-2007 Performance-Based Rate Plan; and
- B. The terms of the Settlement Agreement include an expanded annual review process that requires Terasen Gas to provide considerable information on its current and future year activities, along with statistics on its quality of service provided and its compliance with the code of conduct and transfer pricing policy. At each annual review the Company will update its forecast of customer additions, use per account and industrial revenues. The impact on revenues resulting from the updated forecasts will be flowed through in delivery rates in the following year. The Settlement Agreement also provides for the flow through of the impacts of changes approved by Commission orders and exogenous factors.

NOW THEREFORE the Commission orders as follows:

- 1. The Commission will hold the 2003 Annual Review of Terasen Gas’ 2004 Revenue Requirements material on Friday, November 21, 2003, commencing at 9:00 a.m., at the Terasen Centre, Georgia Room, Main Floor, 1111 West Georgia Street, Vancouver, B.C.
- 2. No later than Friday, October 31, 2003, Terasen Gas is to provide interested parties and the Commission with advance information regarding the projections and forecasts to be presented by Terasen Gas at the Annual

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Review. Terasen Gas is to provide copies of this Preliminary 2004 Revenue Requirements material to all parties who participated in the 2004-2007 negotiated settlement process.

3. Those persons wishing to participate in the 2003 Annual Review are to advise the Commission Secretary of their intention to do so, no later than Friday, November 7, 2003.
4. Participants in the Annual Review requesting additional information from Terasen Gas should do so as soon as possible after receipt of the material and Terasen Gas is directed to use its best efforts to respond before the Annual Review.
5. Terasen Gas will arrange for publication of the attached Notice of the 2003 Annual Review in local newspapers in its service area so as to provide adequate public notice to customers.

DATED at the City of Vancouver, in the Province of British Columbia, this 16th day of October 2003.

BY ORDER

Original signed by:

Lori Ann Boychuk
Commissioner

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Notice of 2003 Annual Review

Terasen Gas Inc. - 2004 Revenue Requirements

Under the terms of the Terasen Gas Inc. ("Terasen Gas") 2004-2007 Settlement Agreement, Terasen Gas will conduct an Annual Review of the operation of the settlement and rate adjustments prior to January 1 of each year of the Term with Commission, staff and interested parties. The Annual Review is a "proceeding" for purposes of participant cost awards. This process will provide the Commission and all interested parties an opportunity to remain informed about the activities of Terasen Gas.

The Commission will hold the Annual Review of Terasen Gas' 2004 Revenue Requirements material on Friday, November 21, 2003, commencing at 9:00 a.m., in the Terasen Centre Georgia Room, Main Floor, 1111 West Georgia Street, Vancouver, B.C. The 2003 Annual Review will attempt to obtain consensus on issues which must be decided by the Commission related to setting delivery rates for the year 2004.

Those persons wishing to participate in the Annual Review are to advise Robert J. Pellatt, the Commission Secretary, of their intention to do so, by email to commission.secretary@bcuc.com, by telephone at (604) 660-4700 or 1-800-663-1385, or in writing, no later than Friday, November 7, 2003.