

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-95-04

TELEPHONE: (604) 660-4700  
BC TOLL FREE: 1-800-663-1385  
FACSIMILE: (604) 660-1102

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

**and**

**Terasen Gas Inc. and Terasen Gas (Vancouver Island) Inc. – 2004 Annual Reviews**

**BEFORE:** L.F. Kelsey, Commissioner  
K.L. Hall, Commissioner October 21, 2004

**O R D E R**

**WHEREAS:**

- A. On October 14, 2004 Terasen Gas Inc. (“Terasen Gas”) and Terasen Gas (Vancouver Island) Inc. (“TGVI”) proposed to hold their Annual Reviews for setting 2005 rates on November 19, 2004 beginning at 8:30 a.m. and 1:30 p.m. respectively in the Georgia Room at the Terasen Centre located at 1111 West Georgia Street; and
- B. Commission Order No. G-51-03 approved for Terasen Gas, the Settlement Agreement for a 2004-2007 Multi-Year Performance-Based Rate Plan (“PBR”); and
- C. The terms of the Settlement Agreement for the 2004 – 2007 PBR for Terasen Gas included an expanded annual review 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 also provides for the flow through of the impacts of changes approved by BCUC orders and exogenous factors; and
- D. Commission Order No. G-2-03 approved for TGVI, the Settlement Agreement for 2003-2005 Revenue Requirements; and
- E. The terms of the Settlement Agreement for the 2003 - 2005 Revenue Requirements for TGVI included an Annual Review each year for the Company to provide information regarding its performance for the current year, and proposed activities for the upcoming year; and
- F. Following the November 19, 2004 Annual Reviews, Terasen Gas and TGVI proposed the following timetable in order to finalize customer rates for January 1, 2005:
  - a. By November 26, 2004, Terasen Gas and TGVI are to respond to issues raised at each Annual Review and file for 2005 delivery rates; and

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- b. By December 1, 2004, Registered participants at each Annual Review are to provide comments on Terasen Gas' and TGVI's November 26<sup>th</sup> submission; and
- c. By December 3, 2004 Terasen Gas and TGVI are to reply to comments.

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

1. The Commission will hold an Annual Review of Terasen Gas' and TGVI's 2005 Revenue Requirement material on Friday, November 19, 2004 commencing at 8:30 a.m. for Terasen Gas and at 1:30 p.m. for TGVI in the Georgia Room at the Terasen Centre located at 1111 West Georgia Street, Vancouver, B.C.
2. No later than Friday, October 29, 2004, Terasen Gas is to provide interested parties and the Commission with advance information regarding the projections and forecasts to be presented at the Annual Review. Terasen Gas is to provide copies of the Preliminary 2005 Revenue Requirement material to all parties who participated in the 2004-2007 Negotiated Settlement process.
3. No later than Friday, November 5, 2004, TGVI is to provide Intervenor and the Commission with advance information regarding the projections and forecasts to be presented at the Annual Review. TGVI is to provide copies of this Preliminary 2005 Revenue Requirements material to all parties who participated in the 2003-2005 Negotiated Settlement process.
4. Those persons wishing to participate either or both in the Terasen Gas and/or TGVI Annual Review are to advise the Commission Secretary in writing of their intention to do so, no later than Wednesday, November 10, 2004.
5. The deadlines for information requests and responses on the Annual Review materials are set out in the Regulatory Timetable attached as Appendix A to this Order.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 21<sup>st</sup> day of October, 2004.

**BY ORDER**

*Original signed by:*

L.F. Kelsey  
Commissioner

**Terasen Gas Inc. and Terasen Gas (Vancouver Island) Inc.  
2004 Annual Reviews**

**REGULATORY TIMETABLE**

<u>Action</u>	<u>Date 2004</u>
Terasen Gas Inc. ("Terasen Gas") files Annual Review Material	Friday, October 29
Terasen Gas (Vancouver Island) Inc. ("TGVI") files Annual Review Material	Friday, November 5
Information Requests issued to Terasen Gas	Friday, November 5
Participants to advise the Commission Secretary of their interest in attending the Annual Review(s)	Wednesday, November 10
Information Requests issued to TGVI	Friday, November 12
Terasen Gas' response to Information Requests	Friday, November 12
TGVI's response to Information Requests	Wednesday, November 17
Terasen Gas Inc. Annual Review	Friday, November 19 8:30 a.m.
Terasen Gas (Vancouver Island) Inc. Annual Review	Friday, November 19 1:30 p.m.

Location of Annual Reviews

Terasen Centre – Georgia Room  
1111 West Georgia Street  
Vancouver, B.C.