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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-4-05

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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 an Amending Agreement which amends the Bypass Transportation Agreement
between Terasen Gas Inc. and the British Columbia Hydro and Power Authority
for the Transportation of Natural Gas to the Burrard Thermal facility and the
Wheeling Agreement between Terasen Gas Inc. and Terasen Gas (Vancouver Island) Inc.
for the Transportation of Gas to the Eagle Mountain, Coquitlam Interconnection and Compressor**

BEFORE: L.F. Kelsey, Commissioner
K.L. Hall, Commissioner January 6, 2005

O R D E R

WHEREAS:

- A. On December 22, 2004 Terasen Gas Inc. ("TGI") applied for approval of an Amending Agreement dated December 17, 2004 (the "Amending Agreement") which amends the BC Hydro Bypass Transportation Agreement ("BC Hydro BTA") between TGI and British Columbia Hydro and Power Authority ("BC Hydro") and the Wheeling Agreement between TGI and Terasen Gas (Vancouver Island) Inc ("TGVI"); and
- B. TGVI and BC Hydro entered into a BC Hydro BTA effective November 1, 1999. This Tariff Supplement was approved by Order No. G-78-99; and
- C. The Amending Agreement amends the BC Hydro BTA for the period from the effective date to October 31, 2005 to increase the minimum delivery pressure at the TGVI interconnect with TGI from the current minimum delivery pressure of 250 psig to 320 psig along with a corresponding reduction in Contract Quantity from 275 TJ/day to 240 TJ/day. This revision will increase the capacity of the TGVI transmission system from 145 TJ/day to approximately 155 TJ/day and increase the contract demand to 45 TJ/day for BC Hydro on the TGVI transmission system; and
- D. TGI and TGVI entered into the Wheeling Agreement on July 3, 1989. The Amending Agreement increases the minimum hourly pressure from 1896 KPA to 2240 KPA and reduces the Contract Demand from 3,682.6 $10^3\text{M}^3/\text{day}$ to 3,534 $10^3\text{M}^3/\text{day}$ for the 10 month period ending October 31, 2005; and
- E. TGI states that the Amending Agreement is not harmful to its customers and is beneficial to all existing customers of TGVI; and
- F. The Commission has considered the application and finds that the amendments included in the application should be approved.

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NOW THEREFORE the Commission approves effective January 1, 2005 pursuant to Section 61(2) of the Utilities Commission Act the Amending Agreement dated December 17, 2004 with respect to amendments to the BC Hydro BTA and the TGV I Wheeling Agreement.

DATED at the City of Vancouver, in the Province of British Columbia, this 11th day of January 2005.

BY ORDER

Original signed by:

L.F. Kelsey
Commissioner