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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-116-06

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

and

**Terasen Gas Inc., Terasen Gas (Vancouver Island) Inc.,
Terasen Gas (Squamish) Inc. and Terasen Gas (Whistler) Inc.
Request for Approval of Relocation of Environment, Health and Safety Data**

BEFORE: A.J. Pullman, Commissioner September 13, 2006

O R D E R

WHEREAS:

- A. On August 17, 2005, Kinder Morgan, Inc. ("KMI") and 0731297 B.C. Ltd. applied for the acquisition of common shares of Terasen Inc. On November 10, 2005 the Commission issued its Decision ("KMI Decision") accompanied by Order No. G-116-05 approving the KMI acquisition subject to the conditions contained in the KMI Decision; and
- B. By letter dated April 20, 2006, the Terasen Gas Inc., Terasen Gas (Vancouver Island) Inc., Terasen Gas (Whistler) Inc., and Terasen Gas (Squamish) Inc. (collectively the "Terasen Utilities") sought clarification of conditions issued by the Commission in the KMI Decision; and
- C. The Commission responded to the clarification request by issuing Letter No. L-30-06 which clarified the intentions of the KMI Decision in regards to functions, data, and governance. The Commission also concurrently issued Order No. G-75-06 which ordered that the location of data and servers providing service to the Terasen Utilities was to be restricted to Canada and that any proposal to locate data and servers providing services to the Terasen Utilities (including data and servers providing back-up services) outside Canada would require the Commission's approval; and
- D. On August 22, 2006 the Terasen Utilities applied to the Commission for approval to record incident information on KMI's U.S. based Risk Event Management System ("REMS") and to transfer employee contact information (primarily cell phone numbers and email addresses) required to support KMI's U.S. based Emergency Response Line ("ERL") and REMS databases ("the Application"); and
- E. The Commission issued an Information Request on August 31, 2006, to which the Terasen Utilities responded on September 8, 2006; and
- F. The Terasen Utilities state that ERL is a system utilized by all KMI business units as an emergency notification tool to support their Employee Health and Safety function and that the primary servers which

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support the ERL application are located in KMI's Lakewood, Colorado control centre. While incremental costs to Terasen Utilities will be minimal public safety will be improved through ERL's dedicated conference call capability; and

- G. The Terasen Utilities state that REMS is an incident reporting tool used by KMI business units to report and investigate safety related incidents. The REMS program is not hosted on a KMI server but on a third party provider's server located in San Diego, California. The Terasen Utilities state that they will not incur any incremental costs for the use of the REMS program and there will be no duplicate data entry with the existing systems; and
- H. The Terasen Utilities submit that the data to be stored and maintained within the ERL and REMS will consist of business information, and some employee information for which employee consent has been obtained or is not required pursuant to applicable provincial legislation (primarily email and telephone contact information – both work and personal); and
- I. The Commission has reviewed the Application and finds that approval is warranted.

NOW THEREFORE pursuant to Section 23(1) and 54(9) of the Utilities Commission Act, the Application to record incident information in REMS and transfer employee contact information required to support the ERL and REMS databases is approved.

DATED at the City of Vancouver, in the Province of British Columbia, this 14th day of September 2006.

BY ORDER

Original signed by

A.J. Pullman
Commissioner