

BRITISH COLUMBIA UTILITIES COMMISSION

ORDER

NUMBER E-3-06

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

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

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 Storage Contracts and a Related Transportation Agreement

BEFORE: Robert H. Hobbs, Chair April 25, 2006

ORDER

WHEREAS:

- A. On April 3, 2006 Terasen Gas Inc. ("Terasen Gas") filed with the Commission four natural gas storage contracts and one associated gas transportation agreement; and
- B. The Commission has reviewed the Terasen Gas filing and is satisfied that the contracts should be accepted for filing.

NOW THEREFORE pursuant to Section 71 of the Utilities Commission Act and the Commission's Energy Supply Contract - Rules, the Commission accepts for filing the four new and /or amending natural gas storage contracts and the gas transportation contract described as follows:

- Agreement dated March 29, 2006 between Unocal Canada Limited ("Unocal") and Terasen Gas for firm Natural Gas storage services at the Aitken Creek Gas Storage Facility ("Aitken Creek") which replaces contracts described as GS-4145A and GS-1083.
- Assignment and Amending Agreement with an effective date of April 1, 2006 between Unocal and Terasen Gas and Westcoast Energy Inc. carrying on business as Duke Energy Gas Transmission ("Westcoast") by which Unocal permanently assigns to Terasen Gas 20,777 GJ/day of Westcoast Transportation North Capacity.

BRITISH COLUMBIA UTILITIES COMMISSION

ORDER

NUMBER E-3-06

2

3. Amendment dated March 28, 2006 to the Firm Gas Storage Agreement between Terasen Gas (Vancouver Island) Inc.) and Terasen Gas dated September 9, 2003 as amended June 14, 2004 reflecting the provisions of the agreement between Unocal and Terasen Gas in respect of Aitken Creek.

4. Seasonal Exchange Agreement dated effective April 1, 2006 between Terasen Gas and Avista Energy Inc. for Jackson Prairie Storage.

 Amendment dated March 31, 2006 to the Gas Supply Deferred Exchange Agreement between Terasen Gas and Puget Sound Energy Inc. dated September 28, 1999 as amended May 8, 2001; March 15, 2002; March 27, 2003; March 11, 2004; June 7, 2004 and March 15, 2005; described as contract GS-4135 for Jackson Prairie Storage.

The Commission will keep confidential the gas storage agreements identified in this Order.

DATED at the City of Vancouver, in the Province of British Columbia, this

25th

day of April 2006.

BY ORDER

Original signed by:

Robert H. Hobbs Chair