

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-117-09**

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**

**An Amendment to Order G-98-05  
related to an Application by Terasen Gas Inc.  
for Approval of Transactions Related to the  
Southern Crossing Pipeline and Inland Pacific Connector**

**BEFORE:** P.E. Vivian, Commissioner

October 1, 2009

**O R D E R**

**WHEREAS:**

- A. On January 27, 2003, Terasen Gas Inc. (formerly BC Gas Utility Ltd.) ("Terasen Gas") submitted a letter to the British Columbia Utilities Commission ("Commission") which included a copy of the Master Termination and Assignment Agreement between PG&E Energy Trading, Canada Corporation ("PG&E") and BC Gas Utility Ltd. with a payment schedule, Schedule "A". The Master Termination and Assignment Agreement shows the termination payment schedule was for payment of \$825,000 per year from January 2006 to October 2010 and \$145,000 per year from November 2010 to October 2019; and
- B. On October 5, 2005, the Commission issued Order G-98-05 directing Terasen Gas to carry out certain transactions including the PG&E termination payment schedule for payment "of \$825,000 per year from January 2006 to October 2009 and \$145,000 per year from November 2009 to Oct 2019"; and
- C. In the Reasons for Decision, attached as Appendix A to Order G-98-05, at page 7, it states that "*The Commission approves the Terasen Gas request as identified earlier in this section of the Reasons for Decision.*" This is again repeated on page 11. Therefore, the Commission was not attempting to change the payment schedule that was outlined in the Terasen Gas application and approved it as presented; and
- D. On September 25, 2009, Terasen Gas filed a letter requesting an amendment be approved correcting the payment dates within Order G-98-05, and in the accompanying Reasons for Decision, to state payments of \$825,000 per year from January 2006 to October 2010 and \$145,000 per year from November 2010 to October 2019; and

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- E. Terasen Gas has verified that payments of \$825,000 per year from January 2006 to October 2010, and \$145,000 per year from November 2010 to Oct 2019 are consistent with Terasen Gas' obligated payments to the term promissory note holder.

**NOW THEREFORE** the Commission amends Order G-98-05 by replacing Directive 3 within Order G-98-05 in its entirety with *"The Commission approves the recovery of PG&E termination payments of \$825,000 per year from January 2006 to October 2010 and \$145,000 per year from November 2010 to Oct 2019 as an offset to the corresponding NW Natural delivery margin revenue for 2006 forward."*

**DATED** at the City of Vancouver, In the Province of British Columbia, this 2<sup>nd</sup> day of October 2009.

BY ORDER

*Original signed by:*

P.E. Vivian  
Commissioner