



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-138-09

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 Application by Terasen Gas Inc.
for a Certificate of Public Convenience and Necessity
for the Tilbury Property Purchase**

BEFORE: A.J. Pullman, Panel Chair and Commissioner
M .R. Harle, Commissioner November 26, 2009

ORDER

WHEREAS:

- A. On October 28, 2009 Terasen Gas Inc. ("TGI") applied to the British Columbia Utilities Commission (the "Commission"), pursuant to section 45 of the *Utilities Commission Act* (the "Act"), for a Certificate of Public Convenience and Necessity ("CPCN") for the Tilbury Property Purchase (the "Application"); and
- B. TGI considers that the Tilbury Property Purchase is necessary to control development of the Property in such a manner that will not jeopardize TGI's ability to continue to comply with Canadian Standards Association standard CSA Z276, the mandatory standard governing the operation of the Tilbury LNG Facility; and
- C. TGI has entered into a Contract of Purchase and Sale (the "Contract") dated September 4, 2009 amended by the Modification and Ratification Agreement dated October 23, 2009 to acquire the Property, conditional upon (among other things) obtaining Commission approval within 120 days of October 23, 2009; and
- D. TGI states that a duty to consult with First Nations does not arise with respect to the sale of the Property, which represents the transfer of previously developed, fee simple land as between private parties; and
- E. TGI requested that the Application be reviewed by a minimal process; and
- F. The Commission considers that establishing a written public hearing and regulatory timetable for the registration of Intervenor and for the review of the Application, is necessary and in the public interest.

NOW THEREFORE the Commission orders as follows:

- 1. The Application will be examined by a Written Public Hearing process, in accordance with the Regulatory Timetable for the hearing that is established and attached as Appendix A to this Order.

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2. The Application, together with any supporting materials, will be made available for inspection at the TGI Office, 16705 Fraser Highway, Surrey, BC, V4N 0E8 and at the British Columbia Utilities Commission, Sixth Floor, 900 Howe Street, Vancouver, BC, V6Z 2N3 and will also be available on the TGI and Commission websites at www.terasengas.com and www.bcuc.com.
3. Intervenor or Interested Parties should register with the Commission, in writing or electronic submission, by Friday, December 11, 2009. Intervenor should specifically state the nature of their interest in the Application, and identify generally the nature of the issues that they intend to pursue during the proceeding and the nature and extent of their anticipated involvement in the review process.
4. TGI will deliver the Notice of Application and Written Public Hearing, attached as Appendix B, to all land owners within one kilometre of the existing Tilbury LNG Facility and to the offices of The Corporation of the City of Delta.

DATED at the City of Vancouver, in the Province of British Columbia, this 26th day of November 2009.

BY ORDER

Original signed by:

A.J. Pullman
Panel Chair/Commissioner

Attachments

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REGULATORY TIMETABLE

ACTION

DATES

Commission Information Requests	Friday, December 4, 2009
Intervenor and Interested Party Registration	Friday, December 11, 2009
Intervenor Information Requests	Friday, December 11, 2009
Participant Assistance/Cost Award Budgets	Friday, December 18, 2009
TGI Response to Commission and Intervenor Information Requests	Tuesday, January 5, 2010
TGI Written Final Submission	Friday, January 8, 2010
Intervenor Written Final Submission	Friday, January 15, 2010
TGI Written Reply Submission	Friday, January 22, 2010



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APPENDIX B
to Order G-138-09
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NOTICE OF APPLICATION AND WRITTEN PUBLIC HEARING

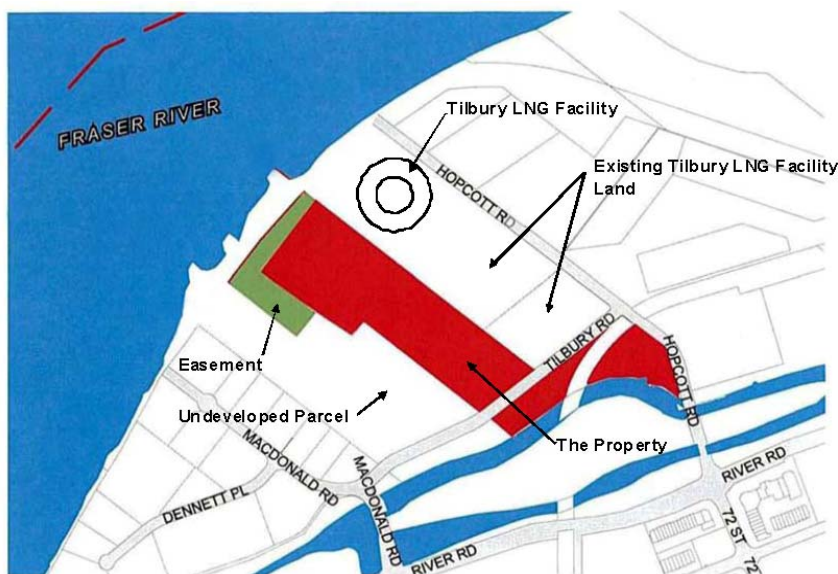
THE APPLICATION

On October 28, 2009 Terasen Gas Inc. ("Terasen Gas", "TGI") applied to the British Columbia Utilities Commission (the "Commission") for a Certificate of Public Convenience and Necessity (the "Application") for the Tilbury Property Purchase.

Terasen Gas requests approval to purchase the property known as the Northwest Hardwoods Site, which is currently owned by Weyerhaeuser Company Limited ("Weyerhaeuser") and consists of 22.8 acres of freehold land immediately adjacent to the existing Tilbury LNG Facility. An easement permitting the use of an adjacent 4.3 acres (for a total of 27.1 acres) is appurtenant (attached) to the Property. TGI has entered into a Contract of Purchase and Sale, which is conditional upon Commission approval. Once acquired, the Property will be incorporated into the Tilbury LNG Facility operations, giving TGI greater control of the use of the property and acting as a buffer to help ensure continued compliance with mandatory safety standards.

In its Application Terasen Gas considered the alternative of replacing the existing LNG storage tank with a different design (such as a full containment tank). The preliminary cost estimate of replacing the LNG storage tank greatly exceeds the cost of the proposed land purchase.

The location of the Tilbury LNG Facility and the Northwest Hardwoods Site (6939, 7150 Tilbury Road, Delta, BC) is shown on the diagram below.



THE REGULATORY PROCESS

The Commission has established a Written Public Hearing and Regulatory Timetable for the regulatory review of the Application. The Regulatory Timetable can be viewed on the Commission's web site at www.bcuc.com.

INTERVENTION

Persons who expect to actively participate in the Terasen Gas proceeding should register as Intervenors with the Commission, and should identify the issues that they intend to pursue as well as the nature and extent of their anticipated involvement in the review process. Intervenors will each receive a copy of the Application, all correspondence, filed documentation and should provide an e-mail address, if available.

Persons not expecting to actively participate, but who have an interest in the proceeding, should register as Interested Parties. Interested Parties will receive a copy of the Executive Summary in the Application, and all Orders and Decisions issued.

Intervenors and Interested Parties should register in writing, **no later than Friday, December 11, 2009**. Notification by mail, courier delivery, fax or e-mail is acceptable.

All submissions and/or correspondence received from active participants or the general public relating to the Application will be placed on the public record and posted to the Commission's web site.

PUBLIC INSPECTION OF THE DOCUMENTS

The Application and supporting materials will be available for inspection at the following locations:

British Columbia Utilities Commission, Sixth Floor, 900 Howe Street
Vancouver, BC V6Z 2N3 Telephone: 1-800-663-1385 Internet: www.bcuc.com

Terasen Gas Office
16705 Fraser Highway
Surrey, BC V6N 0E8
Internet: www.terasengas.com

For further information, please contact Ms. Erica Hamilton, Commission Secretary, or Mr. Mark Thomas, P.Eng., Senior Gas Engineer as follows:

Telephone: (604) 660-4700
Facsimile: (604) 660-1102

BC Toll Free: 1-800-663-1385
E-mail: Commission.Secretary@bcuc.com