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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER E-1-06**

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

and

A Filing by Terasen Gas Inc.
For Incremental Jackson Prairie Natural Gas Storage Service

BEFORE: L.F. Kelsey, Commissioner
L.A. Boychuk, Commissioner

March 16, 2006

O R D E R

WHEREAS:

- A. Northwest Pipeline Corporation ("NWP") has offered 1.17 Bcf (1,200,000 Dth) of total share capacity and 104,000 Dth/d of additional deliverability for incremental firm storage at Jackson Prairie in an open season initiated February 6, 2006. NWP will file with the United States Federal Energy Regulatory Commission ("the FERC") for cost of service based rates based on the incremental cost of the expansion; and
- B. Terasen Gas Inc. ("Terasen Gas") requests Commission approval on the expansion service awarded by NWP to Terasen Gas as described in its application for approval of the Precedent Agreements ("the Agreements") for Incremental Firm Storage Service at Jackson Prairie; and
- C. The Agreements commit Terasen Gas to enter into firm storage service agreements in the form approved by the FERC, following its review and approval process; and
- D. NWP may terminate the Agreements by no later than July 1, 2007 if certain conditions are not met; and
- E. The Commission has reviewed the Agreements and is satisfied they are in the public interest.

NOW THEREFORE the Commission accepts for filing, pursuant to Section 71 of the Utilities Commission Act, the fully executed copy of the Precedent Agreements between Terasen Gas and Northwest Pipeline Corporation for incremental Jackson Prairie firm natural gas storage service.

DATED at the City of Vancouver, in the Province of British Columbia, this 17th day of March 2006.

BY ORDER

Original signed by:

L.F. Kelsey
Commissioner