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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** E-6-07

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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.
of Natural Gas Storage Contracts and a Related Gas Transportation Agreement**

BEFORE: L.F. Kelsey, Commissioner April 4, 2007

O R D E R

WHEREAS:

- A. On March 22, 2007 Terasen Gas Inc. ("Terasen Gas") filed with the Commission, pursuant to Section 71 of the Utilities Commission Act ("Act"), two 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 Act and the Commission's Energy Supply Contract - Rules, the Commission accepts for filing one amending agreement for natural gas storage, one conditional transportation agreement and one conditional storage agreement described as follows:

1. Agreement dated March 15, 2007 is a one-year extension to March 31, 2008 of contract GS-4135 between Puget Sound Energy Inc. and Terasen Gas for firm natural gas storage services at the Jackson Prairie Storage facility.
2. Conditional Agreement between Northwest Natural Gas Company ("NWN") and Terasen Gas for natural gas Mist Storage services to be effective May 1, 2007 to May 31, 2012. This agreement is conditional on NWN successfully completing its drilling program to allow Terasen Gas to contract for 9,200 Dth/day of

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deliverability and 239,200 Dth of capacity. It is also contingent on Terasen Gas successfully obtaining 9,000 Dth/day of Northwest Pipeline Company ("NWP") TF-1 transportation capacity at a suitable rate.

3. Conditional Agreement between NWP and Terasen Gas for natural gas TF-1 transportation service to be effective November 1, 2007 to March 31, 2012. The agreement is conditional upon Terasen Gas successfully obtaining the 9,000 Dth of TF-1 capacity at a suitable rate. It is also conditional on NWN successfully completing its Mist drilling program to allow Terasen Gas to contract for 9,200 Dth/day at a suitable rate.
4. The executed contracts once filed with the Commission will remain as confidential.

DATED at the City of Vancouver, in the Province of British Columbia, this 12th day of April 2007.

BY ORDER

Original signed by

L. F. Kelsey
Commissioner