BRITISH COLUMBIA UTILITIES COMMISSION

ORDER NUMBER G-90-08

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

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 Approval to Extend the Maturity Date of Indebtedness Under
the Term Credit Agreement

BEFORE: L.F. Kelsey, Commissioner
P.E. Vivian, Commissioner June 12, 2008
A.A. Rhodes, Commissioner

O R D E R

WHEREAS:

A. Pursuant to Commission Order No. G-96-07 dated August 14, 2007, the Commission approved the incurrence of indebtedness by Terasen Gas Inc. ("Terasen Gas") under a credit agreement between Terasen Gas, the Canadian Imperial Bank of Commerce ("CIBC") and other lenders, and CIBC as administrative agent for the lenders, providing for an unsecured revolving term credit facility for the principal amount of up to $500 million with an initial term not to exceed five years (the "Term Credit Agreement"); and

B. The Term Credit Agreement entered into on August 24, 2007 has an annual extension mechanism that permits Terasen Gas to request the lenders to extend the then current maturity date of the Term Credit Agreement for a further 365 days; and

C. By letter dated June 5, 2008, pursuant to Sections 50(2) and 50(3) of the Utilities Commission Act (the "Act"), Terasen Gas requested approval of the Commission to an extension of the maturity date under the Term Credit Agreement for a further 365 days, from the current maturity date of August 24, 2012 to an extended maturity date of August 24, 2013 (the "Application"); and

D. The Commission has reviewed the Application and finds that approval is warranted.

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NOW THEREFORE pursuant to Sections 50(2) and 50(3) of the Act, the Commission orders as follows:

1. The Commission approves for Terasen Gas the Application to extend the current maturity date under the Term Credit Agreement for a further 365 days.

2. Terasen Gas shall file with the Commission a report for each year detailing the actual annual activity and year-end balances for the Term Credit Agreement for the extended term as offered with CIBC.

3. Terasen is to file with the Commission the updated Term Sheet which will disclose the upfront amendment fee for the extended term as granted by the lenders.

DATED at the City of Vancouver, in the Province of British Columbia, this 16th day of June 2008.

BY ORDER

Original signed by:

L.F. Kelsey
Commissioner