LETTER NO. L-55-95



SIXTH FLOOR, 900 HOWE STREET, BOX 250 VANCOUVER, B.C. CANADA V6Z 2N3 TELEPHONE: (604) 660-4700 BC TOLL FREE: 1-800-663-1385 FACSIMILE: (604) 660-1102

November 28, 1995

ROBERT J. PELLATT COMMISSION SECRETARY

> Mr. D.M. Masuhara Vice President Legal and Regulatory Affairs BC Gas Utility Ltd. 1111 West Georgia Street Vancouver, B.C. V6E 4M4

Dear Mr. Masuhara:

Re: BC Gas Utility Ltd. 1994/95 Tariff Review - Lower Mainland Division and Main Extension Review - Lower Mainland and Inland Divisions

The tariff review of the Lower Mainland Division of BC Gas covering activities from July 1, 1994 to June 30, 1995 and mains extensions in the Lower Mainland and Inland Divisions from 1990 to 1994 has been completed. The review determined that the samples selected were in accordance with the tariff except for main extensions in the Lower Mainland Division. The Commission considers that inadequate information was available to review all selected samples of main extensions constructed in the Lower Mainland division.

BC Gas is directed to establish record-keeping procedures that will allow a review of main extensions in all divisions for the comparison of forecast and actual results in the categories of construction costs, customer connections by class and year and average customer consumption by class and year.

Please confirm to the Commission when the necessary procedures have been implemented.

Yours truly,

Róbert J. Pellatt

PWN/cms