



LETTER NO. L-21-01

ROBERT J. PELLATT
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VIA FACSIMILE

July 3, 2001

Mr. Geoffrey Higgins
Manager, Regulatory Affairs
Centra Gas British Columbia Inc.
1675 Douglas Street
P.O. Box 3777
Victoria, B.C. V8W 3V3

Dear Mr. Higgins:

Re: Centra Gas British Columbia Inc.
Report on New Customer Rate Balancing Account
and New Customer Rates effective July 1, 2001

Further to your June 19, 2001 Report on the New Customer Rate Balancing Account ("NCRBA") and the forecast balance to the end of 2001, the Commission accepts Centra Gas' calculations that a rate change is not required for New Customer Rates effective July 1, 2001. The estimated forecast of gas cost recoveries would, if passed through at this time, lead to a decrease of 2.7% in the average residential New Customer sales rate. This is within the deadband range of plus or minus 5% as outlined by Commission Letter No. L-5-01.

The Commission directs Centra Gas to file, by September 10, 2001, a report on forecast gas costs and gas revenues, along with actual and forecast NCRBA balances for the 12 months commencing October 1, 2001.

Yours truly,

Original signed by:

Robert J. Pellatt

RJP/yl