



LETTER No. L-45-02

ROBERT J. PELLATT
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VIA FACSIMILE

November 14, 2002

Mr. C.P. Donohue
Director, Regulatory Affairs & Gas Supply
Pacific Northern Gas Ltd.
950 - 1185 West Georgia Street
Vancouver, B.C. V6E 4E6

Dear Mr. Donohue:

Re: Pacific Northern Gas Ltd. ("PNG")
Revisions to the 2002/03 Gas Supply Price Management Plan
Accepted by Letter No. L-38-02

As requested in your letters dated October 29, 2002 and November 1, 2002, the Commission accepts PNG's revisions to its 2002/03 Gas Supply Price Management Plan ("GSPMP") effective for the gas contract year commencing November 1, 2002.

Under the GSPMP as revised, PNG has discretion with regard to the timing when risk management actions are to be implemented, as well as the risk management instruments to be used. PNG is required to inform the Commission within 30 days of actions it has taken with respect to the GSPMP on an ongoing basis. The Commission requests that PNG include in future monthly reports, an update on the timing and nature of risk management actions that PNG intends to implement, particularly over the following 30 days.

Yours truly,

Original signed by:

Robert J. Pellatt

RJP/ac