

LETTER NO. L-19-02

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VIA FACSIMILE

May 16, 2002

Mr. Geoff 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. May 2002 Cost of Service Allocation Study

In its letter filing its May 2002 Cost of Service Allocation Study, Centra Gas states that it is not requesting Commission review and approval of the study on a stand-alone basis, but that it be reviewed and approved in conjunction with a Rate Design study using 2003 inputs as a basis for the analysis. Centra Gas has stated to Commission staff that it intends to file its three-year Revenue Requirements Application by June 30, 2002 and its Rate Design Application by July 30, 2002. Centra Gas is suggesting a workshop following those filings to discuss further process and timing for review of the applications.

The Commission concurs with the proposal suggested by Centra Gas and will consider the timing of workshops and further process at a later date. The Commission accepts Centra Gas' proposed dates for filing its Revenue Requirements and Rate Design Applications.

Yours truly Original signed by: Robert J. Pellatt

JWF/cms cc: Interested Parties