



LETTER NO. L-2-03

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VIA FACSIMILE

January 9, 2003

To: Applicant and Registered Intervenors

Re: Centra Gas British Columbia Inc.
Phase 2 Rate Design Oral Public Hearing
Application for Approval of Amending Agreements between
Centra Gas British Columbia Inc., British Columbia Hydro and Power Authority and BC Gas Utility Ltd.

On December 20, 2002, Centra Gas British Columbia Inc. ("Centra Gas") applied for approval of three amending agreements between Centra Gas and British Columbia Hydro and Power Authority ("B.C. Hydro") for natural gas service to the Island Cogeneration Plant at Elk Falls. The amending agreements are as follows:

1. Amending Agreement to the B.C. Hydro Transportation Service Agreement dated October 17, 2002.
2. Amending Agreement to the B.C. Hydro Capacity Assignment Agreement dated October 17, 2002. BC Gas Utility Ltd. ("BC Gas") is also a party to this agreement.
3. Amending Agreement to the B.C. Hydro Peaking Agreement dated October 17, 2002.

In order to assess the impact of these arrangements on the Centra Gas proposed 2003 rates and cost of service the Commission has decided to include these contracts as part of the Phase 2 Rate Design Oral Public Hearing scheduled to begin Wednesday, February 5, 2003. The following schedule will apply for information requests and responses:

Information Requests to Centra Gas, B.C. Hydro and BC Gas	Friday, January 17, 2003
Information Responses from Centra Gas, B.C. Hydro and BC Gas	Friday, January 24, 2003

Yours truly,

Original signed by:

Robert J. Pellatt

RB/cms

cc: Mr. Dietz Kellmann
Director, Financial Development Services
BC Gas Utility Ltd. (Fax: (604) 592-7890)