



LETTER NO. L-110-05

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

ROBERT J. PELLATT
COMMISSION SECRETARY
Commission.Secretary@bcuc.com
web site: <http://www.bcuc.com>

Log No. 12735

VIA E-MAIL

regulatory.affairs@terasengas.com

December 13, 2005

Mr. Scott Thomson
Vice President, Finance and Regulatory Affairs
Terasen Gas Inc.
16075 Fraser Highway
Surrey, B.C. V3S 2X7

Dear Mr. Thomson:

Re: Terasen Gas (Vancouver Island) Inc.
2005 Fourth Quarter Report

On December 2, 2005, Terasen Gas (Vancouver Island) Inc. ("TGVI") filed its 2005 Fourth Quarter Report for information. By this letter, the Commission acknowledges receipt of the 2005 Fourth Quarter Report, and accepts TGVI's recommendation that customer rates remain as set out in Order No. G-126-05 and the Negotiated Settlement Agreement for the Vancouver Island and the Sunshine Coast service areas.

Yours truly,

Original signed by:

Robert J. Pellatt

RB/dlf