

LETTER NO. L-58-05

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

VIA E-MAIL

July 19, 2005

TGI-TGVI_ROE 2005 Exhibit A-3

To: Registered Intervenors and Interested Parties

Re: Terasen Gas Inc. and Terasen Gas (Vancouver Island) Inc. 2005 Return on Common Equity Review

On June 30, 2005, Terasen Gas Inc. ("TGI") and Terasen Gas (Vancouver Island) Inc. ("TGVI"), (collectively "the Companies"), applied to the Commission for an increase in the common equity components and the return on equity of each of the Companies. The Application also requests review and revision of the current ROE adjustment mechanism.

Commission Order No. G-69-05 established a Procedural Conference to be held on Wednesday, August 3, 2005, commencing at 9:00 a.m. in the Commission Hearing Room.

Commissioner O'Hara may be appointed to the Commission Panel. Commissioner O'Hara was employed until February, 2004 by Terasen Pipelines (Trans Mountain) Inc., a wholly owned subsidiary of Terasen Inc. Commissioner O'Hara discloses that she receives a pension from the company, and that it is not influenced by the Companies' financial success.

Please advise the Commission of any objection that you may have to Commission O'Hara's appointment in writing with reasons for the objection to the Commission Secretary by July 28, 2005.

Yours truly,

Original signed by:

Robert J. Pellatt

LO/yl

cc: Recipients of Order No. G-69-05

PF/TGI-TGVI2005ROE/L. O'Hara- Disclosure