



LETTER NO. L-67-05

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ROBERT J. PELLATT
COMMISSION SECRETARY
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Log No. 10556

VIA E-MAIL AND FACSIMILE
regulatory.affairs@terasengas.com

August 5, 2005

TGI-TGVI_ROE 2005 Exhibit A-6

Mr. Scott Thomson
Vice President, Finance and Regulatory Affairs
Terasen Gas Inc.
16705 Fraser Highway
Surrey, B.C. V3S 2X7

Dear Mr. Thomson:

Re: Terasen Gas Inc. / Terasen Gas (Vancouver Island) Inc.
Project No. 3698394 – Order No. G-69-05
Application to Determine the Appropriate Return on Equity and Capital Structure
and to Review and Revise the Automatic Adjustment Mechanism

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 ("ROE") of each of the Companies. The Application also requests review and revision of the automatic adjustment mechanism for the ROE of a low-risk benchmark utility.

On August 3, 2005, the Commission held a Procedural Conference, pursuant to Order No. G-69-05, to address the scope of the Commission's review of the Application, the steps and timetable associated with the regulatory review process and any other matters to assist the Commission to efficiently review the Application.

With input provided by Utilities and Intervenors at the Procedural Conference, the Commission defines the scope for proceeding as follows:

1. The automatic ROE adjustment mechanism and all issues related thereto with respect to the establishment of the low-risk benchmark utility return used in the calculation of the appropriate ROE for utilities;
2. The capital structure for TGI and TGVI and utility-specific risk premium, if any, used in the calculation of the appropriate ROE for TGI and TGVI; and
3. The date the decision becomes effective.

Other utilities, including FortisBC and PNG, may not have the same status as other intervenors in this proceeding. Also, with consideration to the views of utilities and Intervenors, the Commission attaches the approved Regulatory Timetable.

Yours truly,

Original signed by:

Constance M. Smith

for: Robert J. Pellatt

RG/cms
Attachment

cc: Registered Intervenors and Interested Parties

Proceedings/TGI-TGVI ROE/Gen Cor/Scope and Regulatory Updated Timetable

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REGULATORY TIMETABLE

(2005)

BCUC and other Utilities' Information Request No. 1 to TGI and TGVI	Friday, August 12
Filing of budgets for PACA	Friday, August 26
TGI and TGVI Responses to Information Request No. 1	Friday, September 2
BCUC Information Request No. 2 and Intervenor Information Request No. 1	Wednesday, September 14
TGI and TGVI Responses to Information Requests	Friday, September 30
Intervenor Evidence	Tuesday, October 11
BCUC and Participant Information Requests to Intervenor	Thursday, October 20
Intervenor Responses to Information Requests	Friday, November 4
Oral Public Hearing commences	Monday, November 14