



LETTER NO. L-2-06

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Log No. 13008

VIA E-MAIL

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January 13, 2006

Mr. Moe A. Blumes
Treasurer
Stargas Utilities Ltd.
2287 Selkirk Drive
Kelowna, B.C. V1V 2N6

Dear Mr. Blumes:

Re: Stargas Utilities Ltd. ("Stargas", "the Company")
Reconsideration and Variance of Commission Order No. G-118-05

The Commission has reviewed the December 23, 2005 Stargas request for review and variance of Commission Order No. G-118-05 ("the Decision") regarding the 2005 Stargas Application To Alter Rates, Make Additional Deferrals and Levy Administrative Charges ("the Revenue Requirement Application"). Under Section 99 of the Utilities Commission Act, the authority of the Commission to allow a reconsideration is discretionary. The Commission's discretion to reconsider and vary a decision or an order is applied with a view to ensuring that there is consistency and predictability in the Commission's decision-making. For a reconsideration to proceed, the reconsideration applicant is required, on a prima facie basis, to meet one or more the following criteria:

1. An error in fact or law;
2. A fundamental change in circumstance since the decision;
3. A basic principle that had not been raised in the original proceeding; or
4. An new principle that has arisen as a result of the decision.

Stargas submits that the Commission made an error in fact due to a misstatement/absence of relevant information provided by the Company in response to an information request. The Commission considers that this submission by Stargas does not meet the threshold required for reconsideration of the Commission's Decision.

The Stargas request for review and variance of Commission Order No. G-118-05 is denied.

Yours truly,

Original signed by:

Robert J. Pellatt

SPS/cms