



LETTER NO. L-28-06

ROBERT J. PELLATT
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VIA E-MAIL

June 14, 2006

To: Terasen Gas (Whistler) Inc.
Terasen Gas (Vancouver Island) Inc.
Registered Intervenors/Interested Parties (TGW-TGVI-RP-P)

Re: Terasen Gas (Vancouver Island) Inc. ("TGVI") and
Terasen Gas (Whistler) Inc. ("TGW") (collectively "the Companies")
Application for Reconsideration of BCUC Decision and
Order No. G-53-06 and Letter No. L-27-06 Reply Comments

On May 19, 2006 the Commission issued its Decision respecting the applications of TGVI and TGW by Order No. G-53-06.

On June, 2, 2006, the Companies filed with the Commission a letter responding to the four conditions set out in Order No. G-53-06.

On June 9, 2006, the Companies filed an Application for Reconsideration of the Commission's May 19, 2006 Decision and Order No. G-53-06, limited to reconsideration of the TGVI IP Pipeline Cost Risk Sharing Mechanism as described in the Companies' June 2, 2006 letter.

On June 12, 2006, the Commission issued Letter No. L-27-06 requesting comments from Participants regarding the Application for Reconsideration and reply comments to same from the Companies.

On June 14, 2006, the Commission reviewed comments from Participants regarding the Application for Reconsideration and received reply comments then from the Companies.

The Commission accepts the submission of the Companies that the condition regarding the IP Pipeline Cost Risk Sharing Mechanism cannot be applied in a practical manner and allows reconsideration of this single matter. The Commission does not believe it would be appropriate for new parties to participate at this stage. Accordingly, the following timetable is established.

June 16, at 12:00 (noon) The Companies will file further evidence relating to the IP Pipeline Cost Risk Sharing Mechanism, including illustrative data requested by the Vancouver Island Gas Joint Venture.

June 20, at 8:30 a.m Oral Public Hearing to take place in the Commission Hearing Room:
12th Floor, 1125 Howe Street, Vancouver, BC

Yours truly,

Original signed by:

Robert J. Pellatt

AP/yl