

LETTER NO. L-72-07

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VIA E-MAIL

regulatory.affairs@terasengas.com

September 13, 2007

Mr. Scott Thomson Vice President, Finance and Regulatory Affairs Terasen Gas Inc. 16705 Fraser Highway Surrey, B.C. V4N 0E8

Dear Mr. Thomson:

Re: Terasen Gas Inc.
Fort Nelson Service Area
2007 Third Quarter Gas Cost Report
Gas Cost Reconciliation Account

On September 6, 2007 Terasen Gas filed the 2007 Third Quarter Gas Cost Report for the Fort Nelson service area. The Commission acknowledges receipt of the Report and accepts the recommendation that customer rates remain unchanged for the Fort Nelson service area, as of October 1, 2007.

Yours truly,

Original signed by:

Robert J. Pellatt

JBW/rt