



LETTER NO. L-73-07

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Log No. 21917

VIA E-MAIL

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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 (Vancouver Island) Inc. ("TGVI")
2007 Third Quarter Gas Cost Report

On September 10, 2007 TGVI filed the 2007 Third Quarter Gas Cost Report for information. By this letter, the Commission acknowledges receipt of the Report, and accepts TGVI's recommendation that customer rates remain unchanged for the period October 1 to December 31, 2007 for the Vancouver Island and the Sunshine Coast service areas.

Yours truly,

Original signed by:

Robert J. Pellatt

JBW/rt