

LETTER NO. L-68-07

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VIA E-MAIL

Regulatory.Affairs@terasengas.com

September 11, 2007

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

Dear Mr. Thomson:

Re: Terasen Gas Inc. 2007–2010 Price Risk Management Plan Modification of Hedging Limits within Letter No. L-38-07

By letter dated September 4, 2007 Terasen Gas Inc. proposed to modify the hedging limits as outlined in the in the 2007–2010 Price Risk Management Plan ("Plan"). The Commission accepts the modification set out in the September 4, 2007 letter as being consistent with the Plan.

Yours truly,

Robert J. Pellatt

RB/yl