

LETTER NO. L-98-07

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VIA E-MAIL regulatory.affairs@terasengas.com

December 6, 2007

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

Dear Mr. Thomson:

ERICA M. HAMILTON

COMMISSION SECRETARY

Commission.Secretary@bcuc.com

web site: http://www.bcuc.com

Re: Terasen Gas Inc. Fort Nelson Service Area 2007 Fourth Quarter Gas Cost Report <u>Gas Cost Reconciliation Account</u>

On November 30, 2007 Terasen Gas filed the 2007 Fourth 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 January 1, 2008.

Yours truly,

Original signed by

Erica Hamilton

RB/cms