



**LETTER NO. L-50-09**

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**VIA E-MAIL**

*Regulatory.Affairs@terasengas.com*

July 9, 2009

**TERASEN GAS 2010 - 2011**

**REVENUE REQUIREMENTS**

**EXHIBIT A-3**

Mr. Tom Loski  
Chief Regulatory Officer  
Terasen Gas Inc.  
16705 Fraser Highway  
Surrey, BC V4N 0E8

Dear Mr. Loski:

Re: Terasen Gas Inc.  
Project No. 3698562/Order G-76-09  
2010 and 2011 Revenue Requirements and Delivery Rates Application

Direction to discuss issues at the Procedural Conference

Terasen Gas Inc. ("Terasen Gas") applied on June 15, 2009 to the British Columbia Utilities Commission (the "Commission") for approval of its 2010 and 2011 Revenue Requirements and Delivery Rates Application (the "Application").

On June 19, 2009 the Commission issued Order G-76-09 establishing a Workshop on July 6, 2009 and a Procedural Conference on July 15, 2009, as part of its review of the Application.

The Application includes proposals of Alternative Energy Solutions for Natural Gas Vehicles, Biogas, Geo-Exchange, Solar Thermal and District Energy Systems (Part III, Section C, pp. 237-271 and Appendix C, Tab 27, pp. 1-6). The Commission requires submissions from Terasen Gas and the Registered Intervenors at the Procedural Conference on whether the proposed Alternative Energy Solutions should be reviewed in this Revenue Requirements proceeding or in a separate review process. In the event that Alternative Energy Solutions should be reviewed in this Revenue Requirements proceeding submissions should be made on whether the evidence on these proposals is complete.

The Commission would also like to receive submissions at the Procedural Conference from Terasen Gas and the Registered Intervenors on whether a second Procedural Conference should be scheduled.

After the Procedural Conference, the Commission will issue a further procedural order for its review of the Application.

Yours truly,

*Original signed by:*

Erica M. Hamilton

CMM/yl

cc: Registered Intervenors  
(TGI-2010-11RR-RI)