



LETTER NO. L-46-03

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September 22, 2003

Mr. C.P. Donohue
Director, Regulatory Affairs & Gas Supply
Pacific Northern Gas (N.E.) Ltd.
950 - 1185 West Georgia Street
Vancouver, B.C. V6E 4E6

Dear Mr. Donohue:

Re: Pacific Northern Gas (N.E.) Ltd.
Tumbler Ridge Division
Third Quarter 2003 Report on Gas Supply Costs and Gas Cost Variance Accounts

Further to your September 12, 2003 letter recommending that the current Gas Supply Charges and Gas Cost Variance Account rider for PNG (N.E.)'s Tumbler Ridge division continue from October 1 to December 31, 2003, the Commission accepts your recommendation.

The Commission recognizes the continued volatility of current gas prices and the forward price strip into 2004. The GCVA rider and gas commodity prices will continue to be monitored and reviewed in PNG's Fourth Quarter 2003 Report.

Yours truly,

Original signed by:

Robert J. Pellatt

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