

LETTER L-74-10

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VIA EMAIL

regulatory.affairs@terasengas.com

September 9, 2010

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

Dear Mr. Loski:

Re: Terasen Gas (Vancouver Island) Inc.
2010 Third Quarter Report on the Gas Cost Variance Account
and the Rate Stabilization Deferral Account

On September 3, 2010 Terasen Gas (Vancouver Island) Inc. filed its 2010 Third Quarter Report on the Gas Cost Variance Account and the Rate Stabilization Deferral Account (the Report) for Information. By this letter, the Commission acknowledges receipt of the Report, regarding the Vancouver Island and the Sunshine Coast service areas.

Yours truly,

Erica M. Hamilton

MRT/cms