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British Columbia Utilities Commission
Sixth Floor, 900 Howe Street
Vancouver, B.C.
V6Z 2N3

Regulatory Affairs Correspondence
Email: regulatory.affairs@terasengas.com

Attention: Ms. Erica M. Hamilton, Commission Secretary

Dear Ms. Hamilton:

**Re: Terasen Gas Inc. ("Terasen Gas" or the "Company")
2010 and 2011 Revenue Requirements and Delivery Rates Application (the
"Application")**

Proposed Negotiated Settlement Process Dates

On June 15, 2009, Terasen Gas filed the Application as referenced above. In accordance with the British Columbia Utilities Commission (the "Commission") Order No. G-89-09 setting out the Regulatory Timetable for the Application, a Second Procedural Conference was held on Friday, September 25, 2009.

During the Procedural Conference parties expressed their support for a Negotiated Settlement Process ("NSP") for the purposes of reviewing the Application. Terasen Gas confirms that commencing October 5, 2009, there are no days for which it is unavailable to participate other than those commitments the Company has with respect to other applications the Terasen Utilities have before the Commission. In this regard, Terasen Gas notes that in Commission Order No. G-107-09 regarding Terasen Gas' Customer Care Enhancement CPCN, Wednesday December 9, 2009 has been set as the date for the commencement of an Oral Hearing or NSP.

Following the Procedural Conference, there was discussion among the parties regarding an NSP for the resolution of the Application. Terasen Gas hereby confirms that the current regulatory timetable, as set out in Order No. G-89-09 with the commencement of an NSP on October 19, 2009, is acceptable to Terasen Gas. Several of the registered parties have also communicated to Terasen Gas their acceptance of that timing.

If there are any questions regarding the attached, please contact the undersigned.

Yours very truly,

TERASEN GAS INC.

Original signed by: Diane Roy

For: Tom A. Loski

cc (e-mail only): Registered Parties