July 5, 2007

British Columbia Utilities Commission
6th Floor, 900 Howe Street
Vancouver, BC
V6Z 2N3

Attention: Mr. R.J. Pellatt, Commission Secretary

Dear Sir:

Re: British Columbia Hydro and Power Authority (“BC Hydro”)
2007 Rate Design Application – Project No. 3698455
Terasen Utilities Response to Commission Staff Issues List (Exhibit A-19)

We write to provide our comments in respect of the Staff Issues List, as contemplated by the Commission's procedural Order No. G-50-07.

We would propose that Issue 1.2 be revised as follows:

"What should be the frequency and nature of future rate design applications? What is the nature of BC Hydro's long term rate strategy?"

Yours very truly,

TERASEN GAS INC.

Original signed by: David Perttula

For: Tom Loski

cc: Ms. Joanna Sofield, BC Hydro
Registered Intervenors