



ROBERT J. PELLATT
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December 8, 1995

Mr. David A. Harrison
Senior Vice-President
Corporate & Financial Affairs
and Chief Financial Officer
British Columbia Hydro and Power Authority
333 Dunsmuir Street
Vancouver, B.C.
V6B 5R3

Dear Mr. Harrison:

Re: Application to Amend the Terms and Conditions of the B.C. Hydro
Tariff Relating to Uneconomic Extensions for Residential Service

The Commission has received B.C. Hydro's application dated November 24, 1995 to amend the Terms and Conditions of its Electric Tariff relating to Uneconomic Extensions for Residential Service ("Uneconomic Extensions Application").

As you are aware, the Commission has just completed a generic hearing into the subject of system extension policies. B.C. Hydro was a participant in that hearing, having been directed to participate in Order No. G-50-95 dated June 30, 1995. Moreover, B.C. Hydro had been directed to review the principles underlying its distribution extension policy as early as November 1994 in the Commission's B.C. Hydro Revenue Requirements Decision.

In this context then, the Commission believes that it is unfortunate that B.C. Hydro has waited to file its Uneconomic Extensions Application until the generic system extension hearing is beyond the stage at which new evidence, such as this application, may be reviewed and discussed by other interested parties.

The Commission is currently considering the evidence brought forward in the generic system extension hearing and anticipates issuing a Decision in the near future. After that Decision has been released the Commission will consider B.C. Hydro's Uneconomic Extensions Application.

Yours truly,

A handwritten signature in black ink, appearing to read "R. Pellatt", written over a horizontal line.

Robert J. Pellatt

JF/cms

BCH/Cor/UER Services-Appl.