



ROBERT J. PELLATT
COMMISSION SECRETARY

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November 1, 1996

Mr. David A. Harrison
Senior Vice President and
Chief Financial Officer
British Columbia Hydro and
Power Authority
18th Floor, 333 Dunsmuir Street
Vancouver, B.C.
V6B 5R3

Dear Mr. Harrison:

Re: Kanelk Transmission Company Limited
Application - Proposed Terms and Conditions of Service

On October 4, 1996 Kanelk applied to the Commission for approval of its proposed terms and conditions of service that was required to be filed pursuant to Commission Decision and Order No. G-87-95. Kanelk also advises that it has been unable to reach final agreement on the terms and conditions with B.C. Hydro and requests the matter be set down for hearing.

While subsequent correspondence showed that both parties agreed to continue discussions, the Commission requests B.C. Hydro and the only intervenor in the previous proceedings, Newlands Energy & Water Inc. on behalf of Fording Coal Ltd., to review the application and make a submission on the request. We attach a copy of the Kanelk Application, and ask that such submissions be made to the Commission by November 29, 1996.

Yours truly,

Robert J. Pellatt

RJP/cms

cc: Mr. J.D.V. Newlands
President
Newlands Energy & Water Inc.
Mr. R. Brian Wallace
Bull Houser & Tupper Barristers & Solicitors

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