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June 13, 1996

Mr. Gordon A. Hazlewood 1129 Henlow Road West Vancouver, B.C. V7S 2E6

Dear Mr. Hazlewood:

Re: Application for Reconsideration of the Commission's Decision regarding your Complaint

This is in response to your request of January 6, 1996, that the Commission reconsider its decision of December 27, 1995 (reference letter No. L-68-95).

The Commission believes that your request for a reconsideration relies on your contention that the Commission approved Tariff B-27-1 without proper authority, and that the Commission failed to consider all the possible evidence before deciding your complaint.

The Commission has received a legal opinion regarding the legality of B.C. Hydro Tariff B-27-1 that limits B.C. Hydro's liability during the supply of electricity and is satisfied that Tariff B-27-1 has been properly approved. The essence of the legal opinion is that there is no statutory restriction to B.C. Hydro contracting with its customers to limit its liability and therefore the Commission may approve the tariff if it deems it to be in the public interest.

Regarding your second contention, the Commission has reviewed your letters of January 6, 1996, March 4, 1996 and March 31, 1996, and B.C. Hydro's reply of January 29, 1996, and believes that this additional evidence does not substantively add to the evidence originally considered by the Commission and therefore does not change the Commission's view.

The Commission therefore denies your request for a reconsideration.

Not withstanding the above decision, the Commission recognizes that Tariff B-27-1 is inconsistent with the B.C. Hydro Industrial tariff and with the tariffs of other utilities in how they treat the negligence issue. The Commission will be initiating a review of alternative tariff wordings which may lead to changes which would apply to future service.

You may wish to pursue your claim for damages in a Civil Court if you do not agree with B.C. Hydro's settlement proposal.

Yours truly,

Robert J. Pellatt

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cc: Mr. David A. Harrison, Senior Vice President

Corporate & Financial Affairs and Chief Financial Officer

British Columbia Hydro and Power Authority