



LETTER NO. L-1-00

ROBERT J. PELLATT
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January 6, 2000

Mr. Ray Aldeguer
Senior Vice President
Legal and Regulatory Affairs and General Counsel
British Columbia Hydro and Power Authority
333 Dunsmuir Street
Vancouver, B.C. V6B 5R3

Dear Mr. Aldeguer:

Re: British Columbia Hydro and Power Authority
Consumers Glass Bypass Proposal

By letter dated November 10, 1999, Consumers Glass applied to the Commission to be served under Rate Schedule 1821 based on construction by Consumers Glass of a new substation at its Lavington, B.C. plant to connect to an existing B.C. Hydro 138 kV transmission line. In its letter dated December 28, 1999, B.C. Hydro has confirmed with the Commission that it does not intend to offer a bypass rate to Consumers Glass. B.C. Hydro's letter also confirms that the Net Present Value of its incremental cost of service would be approximately \$1.18 million, slightly in excess of the estimated cost of \$1.16 million to Consumers Glass to construct its bypass facility.

Based on the information contained in the B.C. Hydro letter and the supporting cost estimate, the Commission has determined that it is in agreement with both Consumers Glass and B.C. Hydro. Therefore, if Consumers Glass proceeds with construction of the bypass facilities outlined in its November 10, 1999 letter, then B.C. Hydro should offer service to Consumers Glass at its Lavington plant under Rate Schedule 1821.

The Commission is informing Consumers Glass of B.C. Hydro's position and of the Commission's Decision by way of a copy of this letter and of B.C. Hydro's December 28, 1999 letter.

Yours truly,

Original signed by:

Robert J. Pellatt

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Via Facsimile

cc: Mr. Barry La Pointe
Manager, Engineering Services
Consumers Glass, Lavington, B.C.
(w/attachment)