

ROBERT J. PELLATT
COMMISSION SECRETARY



SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. CANADA V6Z 2N3
TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

August 10, 1995

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

Dear Mr. Harrison :

Re: British Columbia Hydro and Power Authority
Sterling Pulp Chemicals Ltd.
Requested Permission to Extend Power Exchange Operation Service

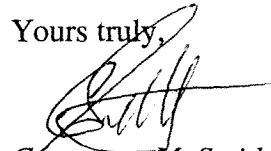
This is in response to your recent filing of the following two Agreements sent under cover of your letter to the Commission dated August 2, 1995:

- Agreement between Powerex and Sterling for electricity supply from the PEO from August 1, 1995 to January 31, 1996; and
- Standard Electricity Supply Agreement ("ESA") between B.C. Hydro and Sterling dated August 1, 1995.

It is noted that the latter Agreement is essentially the basic standard ESA as applicable to all Schedule 1821 customers, except for the modifications made to reflect the specific terms recently approved by the Commission to permit an extension of PEO access to Sterling.

The Commission hereby approves the modified ESA as filed.

Yours truly,


Constance M. Smith
for: Robert J. Pellatt

NCJS/ssc
cc: Mr. M.J. Filippelli
Manager, Raw Materials & Energy
Sterling Pulp Chemicals Ltd.
Toronto, Ontario M9R 1R1