



ROBERT J. PELLATT  
COMMISSION SECRETARY

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**VIA FACSIMILE**

April 30, 1997

Mr. Robert Hobbs  
Director, Regulatory Affairs  
and Corporate Secretary  
West Kootenay Power Ltd.  
P.O. Box 130  
Trail, B.C.  
V1R 4L4

Dear Mr. Hobbs:

Re: West Kootenay Power Ltd.  
System Extension Test Tariff Filing

The Commission has reviewed WKP's proposed System Extension Test tariffs filed under cover of your letter dated March 18, 1997. The Commission has some minor concerns related to the tariffs, and wishes to have those issues resolved prior to implementation of the tariffs. These issues are set out below.

On filed tariff sheet 49.4, the final paragraph states that prior to release of the design package and the estimate package the applicant may be required to sign a confidentiality agreement relating to the estimate package. The Commission is not convinced that a tariff provision potentially requiring estimate packages to be held confidential is in the public interest. Therefore, the Commission is not prepared to approve tariffs containing such a clause at this time. If in future, WKP can demonstrate that the absence of such a provision is detrimental, the Commission may reconsider its position on this issue.

Secondly, on filed tariff sheet 49.5, the paragraph numbered 5, there is the statement that, if the applicant selects an authorized contractor to construct an extension, the applicant will pay WKP all additional costs for designing, engineering, surveying, obtaining permits, connecting to the WKP system, and inspecting the extension. In the Commission's view, this section should be amended to ensure that these costs are specified to customers in advance of selecting WKP or another contractor. Such an amendment might simply add the words "as set out in the Estimate Package" to the sentence that makes up that paragraph.

Finally, notwithstanding that the draft tariffs state that WKP will assume ownership and maintenance of an extension on public or private property upon connection of the extension to WKP's distribution system, should the event ever arise that an extension is to be constructed for which WKP will not assume ownership and maintenance, then the applicant should be permitted to chose any appropriately licensed contractor whether authorized or not by WKP. Should such an instance occur, the Commission may direct the utility to amend its tariffs accordingly.

Therefore, the Commission is prepared to approve the proposed tariffs, effective July 1, 1997, for all applications for extensions or connections following that date, subject to amendments to the tariff sheets to resolve the issues set out above in a manner acceptable to the Commission. WKP is directed to file amended tariff sheets by May 31, 1997.

Yours truly,

A handwritten signature in black ink, appearing to read 'R. J. Pellatt', with a stylized flourish at the end.

Robert J. Pellatt

JWF/ssc