



LETTER No. L-2-01

ROBERT J. PELLATT
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VIA FACSIMILE

January 22, 2001

Log No. 4293, 4534

Mr. Robert H. Hobbs
Director, Regulatory and Government Affairs
West Kootenay Power Ltd.
P.O. Box 130
Trail, B.C. V1R 4N7

Dear Mr. Hobbs:

Re: Subcontractor Agreement
between West Kootenay Power Ltd. ("WKP") and
Utilicorp British Columbia Ltd. ("UCBC")

The Commission has reviewed the Subcontractor Agreement between WKP and UCBC and hereby approves the Agreement for WKP. The Commission anticipates that the net revenues to WKP from the Subcontractor Agreement will be treated as "Other Income" and shared between WKP and its ratepayers under the current incentive agreement until it expires on December 31, 2002.

Yours truly,

Original signed by:

Robert J. Pellatt

JWF/mmc