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**CITY OF KELOWNA**  
**MEMORANDUM**

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**Date:** February 12, 2004  
**File No.:** 5520-06 & 2240-01  
**To:** City Manager  
**From:** Electrical Utilities Manager  
**Subject:** **Assignment of the UCBC/Aquila Master Services Agreement to Fortis Pacific Holding Inc.**

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**RECOMMENDATION:**

THAT the Mayor and City Clerk be authorized to execute an Assignment, Consent and Release Agreement document being brought forward by Aquila Networks Canada Ltd. due to their sale of shares to Fortis Pacific Holdings Inc.

**BACKGROUND:**

The City of Kelowna signed a Master Services Agreement with UCBC/Aquila dated October 1, 2000. In December 2003 Aquila submitted a notification of sale of all its shares for its BC Operations and its Alberta Operations to Fortis Pacific Holdings Inc. to the British Columbia Utilities Commission (BCUC).

As per section 4.3 of our Master Agreement (Right to Assign and Subcontract) and in order to move the purchase process along smoothly and with out delays, Aquila has requested that the City execute their Assignment, Consent, and Release Agreement document.

Staff have reviewed the document and recommend Councils signature, once the document has been received from Aquila's representative.

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Rod Carle  
Electrical Utilities Manager

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John Vos  
Director of Works & Utilities