Alberta Securities Commission
British Columbia Securities Commission
Saskatchewan Securities Commission
Manitoba Securities Commission
Ontario Securities Commission
Director of Corporations, Department of Provincial Affairs and
Attorney General, Prince Edward Island
Administrator of the Securities Act, New Brunswick
Securities Commission of Newfoundland
Nova Scotia Securities Commission

Dear Sirs

Drayton Valley Power Income Fund (the "Fund")

We refer to the preliminary prospectus dated December 16, 1997 relating to the sale and issue of trust units of the Fund.

We have reported to the directors of Independent Producers Power Inc. on the financial information consisting of the Dickson Dam statement of plant operating income for each of the years in the three-year period ended October 31, 1997.

Our report on the financial information was dated November 27, 1997.

We are withholding our signature from the draft report in the preliminary prospectus pending:

(a) reviewing events between the dates of the preliminary and final prospectuses;

(b) reviewing comments which may be issued by the securities regulatory authorities; and

(c) reading the final prospectus.

Based on the results of our audit of the financial information referred to above and our limited enquiry and review procedures for the period from November 27, 1997 to the date of this letter, we have no reason to believe that the financial information does not present fairly, in all material respects, the plant operating income of the Dickson Dam for each of the years in the three-year period ended October 31, 1997 in accordance with generally accepted accounting principles.

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This letter is provided solely for the purpose of assisting the securities regulatory authorities to which it is addressed in discharging their responsibilities and should not be relied on for any other purpose.

Yours very truly

(Signed) KPMG

Chartered Accountants
Edmonton, Canada
December 16, 1997
:bk 12advice(dickson)03912