



**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER A-9-09**

SIXTH FLOOR, 900 HOWE STREET, BOX 250  
VANCOUVER, B.C. V6Z 2N3 CANADA  
web site: <http://www.bcuc.com>

TELEPHONE: (604) 660-4700  
BC TOLL FREE: 1-800-663-1385  
FACSIMILE: (604) 660-1102

IN THE MATTER OF  
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

Summitt Energy BC L.P.  
Breach of the Code of Conduct for Gas Marketers

**BEFORE:** A.A. Rhodes, Commissioner August 26, 2009

**O R D E R**

**WHEREAS:**

- A. On June 4, 2009 Ms. Susan Johannessen of the Jordan Company (of Canada) Ltd., ("Customer") filed a complaint with the British Columbia Utilities Commission ("Commission") with respect to a Salesperson of Summitt Energy BC L.P. ("Summitt"); and
- B. The Customer alleged that Ms. Rachel Morrison ("Salesperson") did not clearly state the nature of the offer and was misleading in her sales presentation. The Customer also alleged that the Salesperson stated that she was working with Terasen Gas Inc. ("Terasen Gas") and requested to see the gas bill in order to determine eligibility for the 'Price Protection Program.' The Customer's complaint also included a gas price chart ("price chart") that was presented to her by the Salesperson. The price chart included historical information dating back to 1999 and included future projection of gas price of \$13.37 per gigajoule by 2011; and
- C. On June 16, 2009 the Commission provided Summitt with a copy of the Customer's complaint and on June 17, 2009, Summitt replied to the Customer and noted that the contracts would be cancelled. Summitt advised the Customer that it would investigate the allegations; and
- D. On June 22, 2009 the Commission advised Summitt that it had initiated a written hearing with respect to its compliance with the Code of Conduct for Gas Marketers ("Code") and provided Summitt with an opportunity to comment on the allegations by July 10, 2009; and
- E. Summitt's response dated July 10, 2009 noted the performance history of the Salesperson, outlined Summitt's position on the alleged violations of the Code, and provided a recording of the Third Party Verification ("TPV") call completed by the Customer. Summitt argued that the Salesperson did not violate

**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER           A-9-09**

2

Articles 7, 8, and 15 of the Code as the Customer positively acknowledged and confirmed her understanding on key topic points. Further, Summitt stated that the Customer did not have any further questions to the TPV caller, was provided with the Customer Choice Standard Information Booklet, and initialed it to acknowledge that the Salesperson represented Summitt. Summitt also noted that the Salesperson requested to see the Terasen Gas bill after the Customer expressed the intent to enter into the Customer Choice Program. Summitt also admitted that the price chart was unapproved marketing material and that the Salesperson's use of it was unauthorized; and

- F. The Commission wrote to Summitt on July 17, 2009 and expressed concern regarding the thoroughness of its investigation and the omission of any reference to a second salesperson being present during the sales visit. The Commission noted that the TPV call was initiated by Brian Dela Cruz. The Commission requested additional follow-up information from Summitt to be submitted by August 14, 2009; and
- G. Summitt provided a response to the Commission on August 14, 2009. In its response it noted that Mr. Dela Cruz was not referenced in its original response as the Commission did not request any information pertaining to him and the Customer's complaint was with respect to the sales presentation of Ms. Morrison. Summitt claimed that Mr. Dela Cruz did not participate in the sales presentation and was only present to receive training on the recently implemented inbound TPV process; and
- H. Summitt also provided written statements from Ms. Morrison and Mr. Dela Cruz as requested by the Commission. Ms. Morrison's statement stated that the price chart was obtained from previous employment. She acknowledged that the price chart was not in compliance with Article 18 of the Code and that she had subsequently undergone Code training. Mr. Dela Cruz's statement maintained that he was present but did not participate in the sales presentation in any way; and
- I. Following the Commission's direction, Summitt telephone surveyed 15% of the total number of customers that signed contracts with Ms. Morrison and Mr. Dela Cruz over the past year. Out of 65 customers, 51% could not recall the marketing material left, 20% did not want to participate in the survey, and 29% confirmed that only the agreement and terms and conditions were left with the customer; and
- J. The Commission reviewed the information provided by the Customer and Summitt. Summitt asserts that all Sales Offices were informed of changes to the Code as it pertained to their sales activity and Summitt's policy strictly prohibits the use of unauthorized marketing materials.

**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER**            A-9-09

3

**NOW THEREFORE** pursuant to section 71.1(6) of the *Utilities Commission Act* the Commission finds that:

1. The actions of Ms. Morrison and Mr. Dela Cruz on behalf of Summitt violated the Scope of the Code, Basic Principles, and Articles 7, 8, 15 and 18 of the Code.
2. The Commission places Summitt on a review period of four months from the date of this Order with the potential of suspension of Summitt's Gas Marketing Licence in the event of future confirmed violations of the Code.
3. Summitt's compliance representatives will be required to appear at the Commission office at the end of the review period to discuss the steps taken by Summitt to redress any compliance matters that arose during that period.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 26<sup>th</sup> day of August 2009.

BY ORDER

*Original signed by:*

A.A. Rhodes  
Commissioner

Attachment