

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER

NUMBER A-28-10

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

and

An Application by Active Renewable Marketing Limited for renewal of its Gas Marketer Licence under the Customer Choice Program

BEFORE: L.F. Kelsey, Commissioner October 29, 2010

ORDER

WHEREAS:

- A. On September 1, 2010 Active Energy Corp., operating as Active Renewable Marketing Limited (Active Energy) applied to the British Columbia Utilities Commission (Commission) for renewal of a Gas Marketer Licence. The Application for renewal of its Licence to Market Natural Gas (Application) included the payment of the \$1,000 Application Fee pursuant to item 2 of the Licence Requirements. On October 28, 2010, Active Energy filed a replacement Letter of Credit valid until October 31, 2011, pursuant to item 3 of the Licence Requirements;
- B. Active Energy failed to comply with the Current Ratio and Working Capital requirements of the Commission based on its audited financial statement for the year ended December 31, 2009. It also did not comply with its licence condition requiring submission of certain financial reports;
- C. The Commission has been monitoring and investigating concerns regarding Active Energy's compliance with the Code of Conduct for Gas Marketers (Code of Conduct) and its licence conditions. These concerns remain present with Active's complaints and disputes;
- D. The Commission has reviewed Active Energy's Application and relying upon the information and representations made by Active Energy finds that renewal of its Gas Marketer Licence, for a limited period and subject to conditions, is necessary. During the licence period, the Commission will closely monitor Active Energy's compliance with the Code of Conduct and the conditions of its gas marketer licence.

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER

NUMBER

A-28-10

2

NOW THEREFORE pursuant to section 71.1(6) of the *Utilities Commission Act* the Commission orders as follows:

- 1. The Commission issues to Active Energy a Gas Marketer Licence for the period November 1, 2010 to January 31, 2011.
- 2. The Gas Marketer Licence is subject to the following conditions:
 - a. Active Energy will carry out the undertakings as set out in the Application for a Licence to Market Natural Gas dated September 1, 2010 and the Rules for Gas Marketers.
 - b. Active Energy will comply with the Code of Conduct for Gas Marketers and Rate Schedule 36 of Terasen Gas Inc. Active Energy shall ensure that its employees, salespersons or other representatives of its products and services comply with the standards required of a Gas Marketer as set out in the Code of Conduct for Gas Marketers and Active Energy shall be responsible for any non-compliance of its employees, salespersons or other representatives of its products and services.
 - c. Active Energy will maintain a \$250,000 Letter of Credit or acceptable substitute in full force and effect for the duration of the Licence.
 - d. Active Energy will maintain a Working Capital position of at least \$50,000 and a Current Ratio of current assets to current liabilities of at least 1.10.
 - e. The Commission may, at any time and without prior notice to Active Energy, amend or impose new terms and conditions on, suspend, or cancel the Gas Marketer Licence for reasons the Commission, in its sole discretion, deems and considers sufficient.
 - f. The Gas Marketer Licence and all copies of it shall remain the property of the Commission and Active Energy will return these documents forthwith upon written request from the Commission.
 - g. Active Energy will file with the Commission unaudited monthly financial statements no later than 30 days after the end of the relevant month.
 - h. Active Energy will file a salesperson activity report, which will include the following details: the number of complaints/disputes, the nature of complaints/disputes, the salesperson involved, and the resolution Active has implemented, if any. A template of this report is attached to this Order.

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER

NUMBER

A-28-10

3

i. Active Energy will complete a Third Party Verification call for all customers who enroll under the Customer Choice Program. The Third Party Verification call for residential customers must follow the standardized script in accordance with the Code of Conduct for Gas Marketers. The Third Party Verification call for commercial customers must follow a modified script approved by the Commission. Active Energy will submit a proposed script to the Commission's consideration prior to enrolling commercial customers under the Customer Choice Program.

DATED at the City of Vancouver, in the Province of British Columbia, this

29th

day of October 2010.

BY ORDER

Original signed by:

L.F. Kelsey Commissioner

Attachment

LICENCE No. A-28-10



GAS MARKETER LICENCE

Active Energy Corp.

Operating as: Active Renewable Marketing Limited

is granted a licence for the purpose of providing advice to, or acting on behalf of, a low volume consumer ⁽¹⁾ purchasing gas directly in the Province of British Columbia subject to the terms and conditions contained in Commission Order A-28-10, which are set out in the reverse of the Licence.

BRITISH COLUMBIA UTILITIES COMMISSION

Original signed by:
I F Kelsey Commissioner

ISSUED: November 1, 2010

EXPIRES: January 31, 2011

(1)As described in the Rules for Gas Marketers

The Gas Marketer Licence is subject to the following conditions:

- a. Active Energy will carry out the undertakings as set out in the Application for a Licence to Market Natural Gas dated September 1, 2010 and the Rules for Gas Marketers.
- b. Active Energy will comply with the Code of Conduct for Gas Marketers and Rate Schedule 36 of Terasen Gas Inc. Active Energy shall ensure that its employees, salespersons or other representatives of its products and services comply with the standards required of a Gas Marketer as set out in the Code of Conduct for Gas Marketers and Active Energy shall be responsible for any non-compliance of its employees, salespersons or other representatives of its products and services.
- c. Active Energy will maintain a \$250,000 Letter of Credit or acceptable substitute in full force and effect for the duration of the Licence.
- d. Active Energy will maintain a Working Capital position of at least \$50,000 and a Current Ratio of current assets to current liabilities of at least 1.10.
- e. The Commission may, at any time and without prior notice to Active Energy, amend or impose new terms and conditions on, suspend, or cancel the Gas Marketer Licence for reasons the Commission, in its sole discretion, deems and considers sufficient.
- f. The Gas Marketer Licence and all copies of it shall remain the property of the Commission and Active Energy will return these documents forthwith upon written request from the Commission.
- g. Active Energy will file with the Commission unaudited monthly financial statements no later than 30 days after the end of the relevant month.
- h. Active Energy will file a salesperson activity report, which will include the following details: the number of complaints/disputes, the nature of complaints/disputes, the salesperson involved, and the resolution Active has implemented, if any. A template of this report is attached to this Order.
- i. Active Energy will complete a Third Party Verification call for all customers who enroll under the Customer Choice Program. The Third Party Verification call for residential customers must follow the standardized script in accordance with the Code of Conduct for Gas Marketers. The Third Party Verification call for commercial customers must follow a modified script approved by the Commission. Active Energy will submit a proposed script to the Commission's consideration prior to enrolling commercial customers under the Customer Choice Program.