

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER

NUMBER A-26-10

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

and

An Application by Direct Energy (B.C.) Limited for Renewal of its Gas Marketer Licence under the Customer Choice Program

BEFORE: D.A. Cote, Commissioner

L.F. Kelsey, Commissioner

October 21, 2010

ORDER

WHEREAS:

- A. On August 26, 2010 Direct Energy (B.C.) Limited (Direct Energy), carrying on business as Direct Energy Business for commercial customers and Direct Energy for residential customers, applied to the British Columbia Utilities Commission (Commission) for renewal of its Gas Marketer Licence. The Application for renewal of its Licence to Market Natural Gas (Application) included the payment of the \$1,000 Application Fee and a \$250,000 Letter of Credit, pursuant to items 2 and 3 respectively, of the Licence Requirements;
- B. The Commission notes that Direct Energy did not submit copies of licences to carry on business in BC, pursuant to item 7 of the Licence Requirements. It is Direct Energy's responsibility to comply with municipal rules and to govern itself accordingly;
- C. The Commission has reviewed Direct Energy's Application and relying upon the information and representations made by Direct Energy, finds that renewal of its Gas Marketer Licence, subject to conditions, is warranted.

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

- 1. The Commission issues to Direct Energy a Gas Marketer Licence for the period of November 1, 2010 to March 25, 2011.
- Direct Energy will file an amended Letter of Credit by November 30, 2010 with an expiry date of October 31, 2011, and upon the Commission's receipt of the amended Letter of Credit, it will extend the effective period of the Gas Marketer Licence to October 31, 2011.
- 3. Direct Energy must file copies of all required licences to carry on business in the province 30 calendar days from the date of this Order, pursuant to item 7 of the Licence Requirements. Failure to provide these documents by the due date may result in the suspension of Direct Energy's Gas Marketer Licence.

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- 4. The Gas Marketer Licence is subject to the following conditions:
 - a. Direct Energy will carry out the undertakings as set out in the Application for a Licence to Market Natural Gas dated August 26, 2010 and the Rules for Gas Marketers.
 - b. Direct Energy will comply with the Code of Conduct for Gas Marketers and Rate Schedule 36 of Terasen Gas Inc.
 - c. Direct Energy will maintain a \$250,000 Letter of Credit or acceptable substitute in full force and effect for the duration of the Licence.
 - d. Direct 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 Direct 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 Direct Energy will return these documents forthwith upon written request from the Commission.
 - g. Direct Energy must file with the Commission unaudited quarterly financial statements no later than 45 days after the end of the relevant quarter, pursuant to item 5 of the Licence Requirements.
 - h. Direct Energy must submit to the Commission copies of all training plans, procedures, and manuals, including door-to-door sales and customer service scripts, before soliciting new residential customers.
 - i. Direct 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. Direct Energy shall be responsible for the non-compliance of its employees, salespersons or other representatives of its products and services with the Code of Conduct for Gas Marketers.

DATED at the City of Vancouver, in the Province of British Columbia, this 26th day of October 2010.

BY ORDER

Original signed by:

D.A. Cote Commissioner

Attachment



LICENCE No. A-26-

GAS MARKETER LICENCE

Direct Energy (B.C.) Limited

Operating as:

Direct Energy Business (Commercial Customers)

Direct Energy (Residential Customers)

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-26-10, which are set out in the reverse of the Licence.

BRITISH COLUMBIA UTILITIES COMMISSION

 Original signed by:	
D.A. Cote, Commissioner	

ISSUED: November 1, 2010

EXPIRES: March 25, 2011

1) As described in the Rules for Gas Marketers

The Gas Marketer Licence is subject to the following conditions:

- a. Direct Energy will carry out the undertakings as set out in the Application for a Licence to Market Natural Gas dated August 26, 2010 and the Rules for Gas Marketers.
- b. Direct Energy will comply with the Code of Conduct for Gas Marketers and Rate Schedule 36 of Terasen Gas Inc.
- c. Direct Energy will maintain a \$250,000 Letter of Credit or acceptable substitute in full force and effect for the duration of the Licence.

- d. Direct 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 Direct 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 Direct Energy will return these documents forthwith upon written request from the Commission.
- g. Direct Energy must file with the Commission unaudited quarterly financial statements no later than 45 days after the end of the relevant quarter, pursuant to item 5 of the Licence Requirements.
- h. Direct Energy must submit to the Commission copies of all training plans, procedures, and manuals, including door-to-door sales and customer service scripts, before soliciting new residential customers.
- i. Direct 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. Direct Energy shall be responsible for the non-compliance of its employees, salespersons or other representatives of its products and services with the Code of Conduct for Gas Marketers.