



LETTER NO. L-56-07

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VIA E-MAIL

Top_manager@yahoo.com

June 29, 2007

Mr. Alan Patterson
Pacific Way Foundation
#3 – 1690 Nanaimo Street
Vancouver, B.C. V5L 5E2

Dear Mr. Patterson:

Re: Pacific Way Foundation
Natural Gas Marketer Activities in British Columbia

Thank you for your June 21, 2007 e-mail in reply to the Commission's letters dated June 8 and 21, 2007. We note that your reply has not responded directly to the question in the Commission's letter of June 8, 2007. Please reply directly to the question the Commission has asked of you by no later than July 6, 2007. Failure to do so could lead the Commission to hold a hearing concerning Pacific Way Foundation's activities.

We have also reviewed the agreement posted on your website which is used to sign up customers for fixed-price gas contracts for terms of 3, 5 and 7-years. The agreement is in violation of the Gas Marketer Code of Conduct, Article 2, whereby a marketer can only offer fixed-price contracts from one to five-years. Seven-year terms for agreements are not allowed to be entered into by gas marketers and will not be accepted by Terasen Gas Inc.

While the Commission has yet to come to a conclusion, it is concerned that the activities of Pacific Way Foundation might be in contravention of Section 71.1 of the Utilities Commission Act. If the Commission makes a final determination that these activities are within its jurisdiction, then Pacific Way Foundation will be required to obtain approval from the Commission to continue them. You may wish to apply to the Commission to obtain a licence to perform these activities.

Please find enclosed the following documents to assist you in completing the gas marketer licence application:

1. Gas Marketer Licence application form.
2. Gas Marketer Code of Conduct.
3. Rules for Gas Marketers.
4. Commission Decision dated August 14, 2006 – Commodity Unbundling Project for Residential Customers.
5. Terms and Conditions and Notice of Appointment of Marketer required by Terasen Gas Inc.

Please note that the completed Licence Application form requires the payment of a \$1,000 application fee and a \$250,000 Letter of Credit or other suitable performance bond, in order to undertake the activities that you have described in your form that was submitted to us on June 21, 2007.

A response and application for a licence should be completed by July 13, 2007.

As well, the Commission recommends that Pacific Way Foundation immediately cease its marketing activities, as described, until either a Gas Marketer Licence has been approved and issued by the Commission, or a formal determination on the applicability of Section 71.1 is made by the Commission. The Commission requests that Pacific Way confirm to the Commission by July 6, 2007 that its marketing activities have ceased and related gas marketer information has been removed from its website.

If the Commission determines that Pacific Way Foundation is performing gas marketing activities then failure to comply with the Commission's rules and obtain a Gas Marketer Licence for gas marketers could result in the Commission holding a hearing that may lead to remedial sanctions under the authority of the Utilities Commission Act, enclosed.

We await your reply.

Yours truly,

Original signed by:

Robert J. Pellatt

RJP/dg

Enclosures

cc: Mr. Hans Mertins
Residential Unbundling Project Manager
Terasen Gas Inc.

Mr. Paul Miller
Boughton Law Corporation