

ERICA M. HAMILTON COMMISSION SECRETARY Commission.Secretary@bcuc.com web site: http://www.bcuc.com SIXTH FLOOR, 900 HOWE STREET, BOX 250 VANCOUVER, BC CANADA V6Z 2N3 TELEPHONE: (604) 660-4700 BC TOLL FREE: 1-800-663-1385 FACSIMILE: (604) 660-1102

Log No. 34492

VIA EMAIL michael@smartenergybc.com

Mr. Michael Cook President Smart Energy (B.C.) Ltd.

114-3280 Mt. Lehman Road Abbotsford, BC V4X 2M9

Dear Mr. Cook:

Re: Smart Energy (B.C.) Ltd.
Application for a Licence to Market Natural Gas – Marketing Materials

In the course of our review of Smart Energy (B.C.) Ltd.'s (Smart Energy) application for renewal of its gas marketing licence under the Customer Choice Program, and further to L-77-10 dated September 21, 2010 the Commission has identified an additional area of non-compliance in the renewal application.

Smart Energy's marketing material provides inaccurate statements regarding Terasen Gas rates, advising targeted customers that Terasen Gas's rates will change quarterly. The Commission will not undertake further review of the renewal application until Smart Energy has revised and refiled its marketing material.

We remind Smart Energy that it is the responsibility of the gas marketing company to ensure its business strategy complies with the Rules and Code of Conduct for Gas Marketers.

Yours truly,

Erica M. Hamilton

September 23, 2010

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