

**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER** A-30-07

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

and

An Application by Universal Energy Corporation  
for a Gas Marketer Licence

**BEFORE:** L.F. Kelsey, Commissioner  
P.E. Vivian, Commissioner November 1, 2007

**O R D E R**

**WHEREAS:**

- A. On September 28, 2007 Universal Energy Corporation ("UEC") applied to the Commission for a Gas Marketer Licence. The application included the payment of the \$1,000 application fee and a \$250,000 Letter of Credit pursuant to the requirements of Item 3 of the Licence application form; and
- B. The Commission has reviewed UEC's information on enrollments, cancellations, complaints and disputes with residential customers sent to the Commission on September 27, 2007 and finds that remedial measures must be applied to the current business model to reduce the number of cancellations; and
- C. UEC is not applying the Third Party Verification call script approved for July 1, 2007 in Commission Order No. G-73-07, Appendix A, page 6; and
- D. The Commission has reviewed UEC's application and relying upon the information and representations made by UEC, finds that approval of a 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 Universal Energy Corporation a Gas Marketers Licence for the period November 1, 2007 to October 4, 2008.
2. The Licence is subject to the following conditions:
  - 2.1 Universal Energy Corporation will carry out the undertakings as set out in the application for a Licence to Market Natural Gas dated September 28, 2007, the Rules for Gas Marketers and Order No. G-73- 07 Appendix A, page 6, which outlines the required script for the Third Party Verification ("TPV").
  - 2.2 The current TPV script is to be modified by November 15, 2007 to conform generally to the direction under Order No. G-73-07 and specifically in the areas as follows:

**BRITISH COLUMBIA  
UTILITIES COMMISSION**

**ORDER  
NUMBER**      A-30-07

2

- 2.2.1 The reference to quality control purposes at the beginning of the script should be removed entirely. The TPV script is applied under direction from the Commission to reconfirm with the customer the essential terms of the contract. It is not for quality control purposes.
  - 2.2.2 Confirmation with the customer that Universal is not affiliated with Terasen Gas Inc. or the government.
  - 2.2.3 There must be explicit mention that the customer may not save money.
  - 2.2.4 There must be explicit confirmation of the customer's cancellation rights under the 10 day cooling off period by including the term "cancel" or "cancellation" rather than the oblique reference using the terms "reconsider" or "rescind".
- 2.3 The Commission must accept the revised TPV script by written confirmation. Once accepted by the Commission, deviations from the approved TPV script will be assessed a minimum \$1,000 penalty.
  - 2.4 Universal Energy Corporation will comply with the Code of Conduct for Gas Marketers and Rate Schedule 36 of Terasen Gas Inc.
  - 2.5 Universal Energy Corporation will maintain a Letter of Credit or acceptable substitute in full force and effect for the duration of the Licence.
  - 2.6 Universal Energy Corporation 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.
  - 2.7 The Commission may, at any time and without prior notice to Universal Energy Corporation, withdraw the Gas Marketer Licence for reasons the Commission, in its sole discretion, deems and considers sufficient.
  - 2.8 The Gas Marketer Licence and all copies of it shall remain the property of the Commission and Universal Energy Corporation will return these documents forthwith upon written request from the Commission.
  - 2.9 UEC is required to provide a report to the Commission every three months that identifies the enrollments, cancellations and total complaints/disputes in that period and outlines the corrective procedures that have been implemented to reduce the level of cancellations.

**DATED** at the City of Vancouver, in the Province of British Columbia, this    1<sup>st</sup>    day of November 2007.

BY ORDER

*Original signed by*

L.F. Kelsey  
Commissioner

Attachment



LICENCE No. A-30-07

# *GAS MARKETER LICENCE*

*Universal Energy Corporation*

is granted a licence for the purpose of providing advice to, or acting on behalf of, a low volume consumer <sup>(1)</sup> purchasing gas directly in the Province of British Columbia subject to the terms and conditions contained in Commission Order No. A-30-07 which are set out in the reverse of the Licence.

**BRITISH COLUMBIA UTILITIES COMMISSION**

*Original signed by*

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L.F. Kelsey, Commissioner

ISSUED: November 1, 2007

EXPIRES: October 4, 2008

(1) As described in the Rules for Gas Marketers.

**The Licence is subject to the following conditions:**

- 2.1 Universal Energy Corporation will carry out the undertakings as set out in the application for a Licence to Market Natural Gas dated September 28, 2007, the Rules for Gas Marketers and Order No. G-73- 07 Appendix A, page 6, which outlines the required script for the Third Party Verification (“TPV”).
- 2.2 The current TPV script is to be modified by November 15, 2007 to conform generally to the direction under Order No. G-73-07 and specifically in the areas as follows:
  - 2.2.1 The reference to quality control purposes at the beginning of the script should be removed entirely. The TPV script is applied under direction from the Commission to reconfirm with the customer the essential terms of the contract. It is not for quality control purposes.
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- 2.5 Universal Energy Corporation will maintain a Letter of Credit or acceptable substitute in full force and effect for the duration of the Licence.
- 2.6 Universal Energy Corporation 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.
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- 2.8 The Gas Marketer Licence and all copies of it shall remain the property of the Commission and Universal Energy Corporation will return these documents forthwith upon written request from the Commission.
- 2.9 UEC is required to provide a report to the Commission every three months that identifies the enrollments, cancellations and total complaints/disputes in that period and outlines the corrective procedures that have been implemented to reduce the level of cancellations.