



**LETTER NO. L-28-04**

ROBERT J. PELLATT  
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**VIA FACSIMILE / E-MAIL**

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April 29, 2004

Mr. Joe Peters  
President  
Hemlock Valley Electrical Services Limited  
20955 Hemlock Valley Road  
Agassiz, B.C. V0M 1A1

Dear Mr. Peters:

Re: Hemlock Valley Electrical Services Ltd.  
Security Deposits and Interest Payments  
Your letters dated April 20, 2004

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The Commission is in receipt of your letters dated, April 20, 2004. The original letter with the letterhead "Hemlock Valley Electrical Ltd." was received via email on April 21, 2004 by Commission staff. Subsequently, a revised letter also dated April 20, 2004, with the letterhead "Hemlock Valley Electrical Services Ltd" was received via email on April 28, 2004 also by Commission staff. Other than the letterhead change, the contents of the original letter remained the same.

The Commission would like to clarify the reference to the "Master Plan" in its Letter L-17-04.

The "Master Plan" referred to in Letter L-17-04 was drawn up by Mr. John Hague, a former member of the Commission staff. It is entitled: B.C. Utilities Commission, Master Plan, Re: Security Deposits and interest payments. It contains nine specific steps of activity designed to bring the matter of security deposits and interest payments thereon to a reasonable and timely conclusion. Our file copy indicates this "Master Plan" was signed by Ms. Debbie Daoust and yourself and was received in our offices via fax, on September 9, 2002.

This reference did not in any way refer to your Ski Area Master Plan, approved by the Province of BC in 2003.

After careful consideration of the proposal contained in your revised letter, dated April 20, 2004, the Commission accepts the terms contained therein. More specifically, the Commission accepts your proposal that "*HVEL will, effective January 1, 2004, assume that all current owners have submitted a security deposit for the purposes of*

*their electrical services at Hemlock Valley.” and that “Interest will be paid annually to all customers of HVEL, and if any owner sells their property after January 1, 2004, their deposit of \$150 will be returned forthwith.”*

The Commission believes that the above proposal will serve to put the accounting and administration of security deposits and interest payments related thereto on the proper course on a go forward basis. The Commission also expects the utility to keep it informed on this matter in the future and in the appropriate manner.

Yours truly,

A handwritten signature in black ink, appearing to read 'R. Pellatt', with a stylized flourish at the end.

Robert J. Pellatt

WK/cms

cc: HVES Ratepayers Group