



**LETTER NO. L-5-05**

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Log No. 7935, 7495

January 17, 2005

Mr. Don Low  
Sunshine Valley Utilities Ltd.  
202 – 283 East 11<sup>th</sup> Avenue  
Vancouver, B.C. V5T 2C4

Dear Mr. Low:

Re: Sunshine Valley Utilities Ltd. and  
British Columbia Hydro and Power Authority  
Resale of Electricity to Residents

We are in receipt of a complaint from a person, who receives electricity at Sunshine Valley, that is charged rates that are in excess of the rates that B.C. Hydro would otherwise charge. The Commission understands that you have failed to respond to B.C. Hydro's letters dated October 1 and November 22, 2004, that requested clarification to a number of questions related to this matter. Further, Sunshine Valley Utilities is currently not registered as a regulated utility under this Commission.

As a result, the Commission requires Sunshine Valley Utilities to respond, as follows:

1. Under the Utilities Commission Act, Section 1 - Definitions, since Sunshine Valley is selling power to individuals for compensation, it must apply for a Certificate of Public Convenience and Necessity to construct, operate and maintain a utility system.
2. Since you are charging customers at rates that are in excess of B.C. Hydro's Electric Tariff Page B-20 – Resale of Electricity, you must apply to this Commission for approval of those customer rates.
3. As you have been issued an exemption from certain sections of the Utilities Commission Act for the propane grid system for the sale of vapour to customers, you may wish to consider applying for approval of a similar exemption for the electrical system.

Please respond to the Commission by January 31, 2005, as to the course of action that Sunshine Valley is expected to take.

Yours truly,

*Original signed by:*

Robert J. Pellatt

RJP/ac  
cc: Mr. Richard Stout  
Chief Regulatory Officer  
British Columbia Hydro and Power Authority