



**LETTER NO. L-63-09**

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**VIA E-MAIL**

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August 28, 2009

Mr. Gord Potter  
Executive Vice President,  
Regulatory and Legal Affairs  
Just Energy Group  
Suite 200, 6345 Dixie Road  
Mississauga, ON L5T 2E6

Dear Mr. Potter:

Re: Just Energy (B.C.) Limited Partnership ("Just Energy")  
and  
Universal Energy Corporation ("Universal Energy")  
Applications for a Licence to Market Natural Gas – Financial Statements

The Commission is in receipt of Just Energy and Universal Energy's Applications for a Licence to Market Natural Gas ("Applications") dated August 18, 2009.

Condition 2.4 of Commission Orders A-11-08, A-17-08, and A-7-09 notes that Just Energy and Universal Energy:

*"...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."*

The Commission notes that the financial statements for the most recently ended fiscal year for both companies indicate that the Working Capital and the Current Ratio of Current Assets to Current Liabilities, as they appear on the audited financial reports' consolidated balance sheets, do not meet the minimum threshold set out in condition 2.4.

Upon further enquiry by Commission staff, Just Energy provided adjusted calculations with respect to Current Assets and Current Liabilities for Just Energy Income Fund and Universal Energy Group Limited. The Commission notes that if the method of calculation for assessment of the minimum financial threshold has been adjusted by Just Energy and deviates from the summary in the audited financial statements, it is Just Energy's responsibility to justify and explain the reasons for the deviation.

The Commission requests that the Licence holders, Just Energy (B.C.) Limited Partnership and Universal Energy Corporation, provide the following information:

1. Please identify the adjusted items of Current Assets and Current Liabilities for both Just Energy Income Fund and Universal Energy Group Limited and justify the reasons for the adjustments.
2. Please provide a report detailing the Working Capital and the Current Ratio of Current Assets to Current Liabilities on a stand-alone basis for both Just Energy (B.C.) Limited Partnership and Universal Energy Corporation, on a month-to-month basis from January 2007 to present.
3. The Chief Financial Officer(s) for both entities must confirm that the financial information contained in the reports were prepared by management in accordance with accounting principles generally accepted in Canada and within the framework of the companies' significant accounting policies.
4. If the reports demonstrate that Just Energy (B.C.) Limited Partnership and/or Universal Energy Corporation have not been in compliance with condition 2.4 of Commission Orders A-11-08, A-17-08, and A-7-09, please indicate what action(s) the Commission should take as appropriate penalty or remedy to the non-compliance.

Please provide this information to the Commission on or before **September 8, 2009**.

Yours truly,

*Original signed by:*

Erica M. Hamilton