



LETTER NO. L-36-10

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VIA EMAIL

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April 13, 2010

Mr. Michael Stedman
Vice President
Active Energy ULC
Suite 402, 390 Brant Street
Burlington, ON L7R 4J4

Dear Mr. Stedman:

Re: Active Renewable Marketing Limited
Code of Conduct – Allegations of Forgery – Notice to Appear at the Commission Office

The Commission is in receipt of about nine complaints from January 1, 2010 to April 6, 2010 against Active Renewable Marketing Limited (Active) regarding unauthorized signatures on contracts. The nature of complaints range from customers claiming their signatures were forged to complaints about employees with no signing authority executing contracts based on misleading information provided by salespersons for Active. These are very serious allegations.

The Commission is also aware of a number of disputes, filed through the Gateway for Energy Marketers system (GEM) within the same time period that involved allegations of forgery and misrepresentation by Active salespersons. Active has initiated cancellation on a number of these disputed contracts through the GEM system. However, for most of these cancelled contracts, Active did not provide information on how it investigated the dispute, the results of the investigation, and/or actions taken by Active as a result of the investigations.

Based on allegations made by customers, it is gravely concerning to the Commission, if proven true, that Active's agents may be engaging in acts that are not in compliance with the Code of Conduct. The Commission reminds Active that repercussions of non-compliance to the Code of Conduct may result in actions including the possible suspension or cancellation of Licence A-22-09A.

Please note that section 71.1(9) of the *Utilities Commission Act* states that "Section 43 applies to each gas marketer as if that gas marketer were a public utility." Section 43 of the *Utilities Commission Act* is the duty to provide information. This section reads, in part:

- "43(1) A public utility must, for the purposes of this Act,
- (a) answer specifically all questions of the commission, and
 - (b) provide to the commission

(i) the information the commission requires...”

The Commission Chair has directed Commission staff to initiate an investigation of these allegations and report back to the Commission. As a first step of the Commission’s investigation into this matter, Active’s senior management is hereby notified to appear at the Commission’s offices at 1 pm on May 12, 2010 to discuss the information required below.

The Commission requires submission of a report that includes the following information by May 3, 2010:

- 1) A complete list of both verbal and written complaints received by Active, either directly or from the Commission, involving allegations of forgery and/or unauthorized signature, from January 1, 2010 to April 6, 2010;
- 2) A list of disputes filed against Active through GEM involving allegations of forgery and/or unauthorized signature, from January 1, 2010 to April 6, 2010; and
- 3) Actions taken by Active to individually address each complaint and dispute and should include:
 - Steps taken by Active to investigate;
 - Results of the investigation;
 - Actions taken by Active against agents who are found to be in violation of the Code of Conduct;
 - Resolution offered to the customer, if any; and,
 - Any changes to the agent training materials and ongoing Code of Conduct compliance programs.

Yours truly,

Original signed by:

for:

Erica M. Hamilton

JT/cms