



LETTER NO. L-10-10

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VIA E-MAIL

dlechasseur@hemlockvalleyresort.com
bowragroup.com

February 4, 2010

Ms. Dianne LeChasseur
Hemlock Valley Electrical Services
47075 Snowmist Drive
Hemlock Valley, BC V0M 1A1

Dear Ms. LeChasseur:

Re: Hemlock Valley Electrical Services Ltd.
Requests for information

The British Columbia Utilities Commission (the "Commission") has not received adequate responses to various requests for information regarding Hemlock Valley Electrical Services Ltd. ("Hemlock").

The electrical transmission connection between Hemlock and the now British Columbia Transmission Corporation was made pursuant to a Certificate of Public Convenience and Necessity issued by the Commission on September 1, 1982 through Order C-5-82. Further, pursuant to definitions contained in section 1 of the *Utilities Commission Act* ("UCA"), Hemlock continues to provide the services of a public utility. No request to discontinue service of this public utility asset pursuant to section 41 of the UCA has been made.

As such, Hemlock, as a public utility, is required to comply with the UCA and to provide information requested by the Commission. Information and other requests made by the Commission must be responded to in accordance with sections 42 and 43 of the UCA.

On January 2, 2007, The Bowra Group ("Bowra") informed the Commission that they had assumed the role of Receiver and had secured a buyer for the assets or shares of Hemlock. On March 23, 2007, in Commission Letter L-26-07, Bowra was asked if any application would be made to seek Commission approval of the transaction in accordance with section 52 or 54 of the UCA. At the date of this letter, no response to that request has been received from either Bowra or the purchaser of Hemlock. It should be noted that under section 76 of the UCA, the Receiver is deemed to be the vendor of Hemlock's public utility assets. As such, under sections 76, 52 and 54 of the UCA, Bowra is responsible to provide the Commission with information requested that relates to this transaction.

Further, on October 2, 2009, the Commission requested a copy of Hemlock's 2008 Annual Report to the Commission, pursuant to sections 24 and 49 of the UCA. Annual Reports of public utilities must be filed within four months of the end of the fiscal year. Hemlock's response email was received on October 13, 2009 and it indicated that the report would be prepared but questioned its need. As Hemlock's status as a public utility is unchanged, such reports continue to be required by the Commission in accordance with the UCA. However, to date, no such report has been received.

In a second request, the Commission requests the following items:

- 1) Hemlock's 2008 Annual Report; and
- 2) Status update to the filing of an application for Commission approval of the purchase and sale of utility assets or utility shares of Hemlock Valley Electrical Services Limited pursuant to sections 52 or 54 of the UCA.

Item (1) is requested from Hemlock. Item (2) is requested from both Hemlock and Bowra.

Responses are to be filed with the Commission on or before Wednesday, March 31, 2010.

Yours truly,

Original signed by:

Constance M. Smith

for: Erica M. Hamilton

KB/cms

Attachment

Cc: The Bowra Group
1930-1095 West Pender Street
Vancouver, BC V6E 2M6
Via Registered Mail