



Application for a Licence to Market Natural Gas

Licence Requirements and Application Instructions

Licence Requirements

To apply to obtain or renew a Licence as a Natural Gas Marketer, **all of the following items must be submitted:**

1. A completed Application for a Licence to Market Natural Gas (Form A);
2. A \$1,000 Application Fee made payable to the Minister of Finance;
3. Proof of security in the amount of CAD \$250,000. Proof of security may be provided by way of a bond, letter of credit or security for CAD \$250,000 acceptable to the Commission. The proof of security must include within or be accompanied by all terms and conditions. The terms and conditions must contain the Required Terms in the wording provided by the Commission and attached as Appendix C to Order A-6-09;
4. A copy of the Annual Report for the most recently ended fiscal year filed with the Registrar of Companies in B.C. or a copy of the last Registration Certificate filed in B.C.;
5. Financial Statements. A copy of the audited financial statement from the most recently ended fiscal year and copies of all subsequent unaudited quarterly statements for each concluded financial quarter following the most recently ended fiscal year. Applicants may request that the Commission hold these financial statements confidential;
6. Confirmation that the applicant's working capital position at the time of the most recently ended fiscal year exceeded \$50,000 and that the current ratio of current assets to current liabilities at the conclusion of each fiscal year exceeded 1.10;
7. Copies of all licences to carry on business in B.C.;
8. All training plans, procedures, and the manuals, including door-to-door sales scripts and customer service protocol scripts that are being used and are planned to be used by the Gas Marketer and its employees to market and sell natural gas;
9. All marketing material that are being used and are planned to be used by the Gas Marketer and its employees at the time of door-to-door marketing and sale of natural gas;
10. Copies of all customer gas supply Agreements/Contracts and Notice of Appointment for all rate classifications including all corresponding terms, conditions, and schedules;



11. Disputes and complaints information including the following:

- Cumulative total number of enrolled customers.
- Total number of customers that were enrolled, per month, in the last 12 months.
- Total number of customers, per month, who were enrolled in the last 12 months and cancelled within their 10 day cancellation period.
- Total number of customers, per month, who were enrolled in the last 12 months and whose contracts were cancelled after the 10 day cancellation period, including anniversary drops or early terminations outside of anniversary dates.
- Total number of disputes for adjudication, per month, that were logged in GEM in the last 12 months.
- Total number of 'cancellation requests,' per month, that were logged in GEM in the last 12 months.
- Total number of Operational Correction Drops, per month, that were submitted through GEM in the last 12 months and the reason for each drop request.
- Total number of complaints, per month, that were received in writing in the last 12 months.

Applicants must also outline the most common reasons for the disputes and complaints and identify what actions they have taken or will implement to remedy the problems;

12. Information on the Gas Marketer's gas supply arrangements with its suppliers. Applicants must confirm that they have the gas contract capability to meet the existing and future commitments to its customers by outlining its operating structure on how it secures and hedges its gas supply; and
13. Such other information that the Commission may require.

Instructions

Incomplete applications will not be processed by the Commission and will be returned to the Applicant. If the proof of security will not accompany the application, Applicants must ensure that the proof of security is received by the Commission prior to the application's submission. Type or print clearly all information in black ink. Please send the completed application to:

British Columbia Utilities Commission
Sixth Floor, 900 Howe St. , Box 250
Vancouver, BC., V6Z 2N3

Attention: Vivian Lee
Customer Choice Administrator

Email: Customer.Choice@bcuc.com
Facsimile: 604-660-1102



SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. V6Z 2N3 CANADA
web site: <http://www.bcuc.com>

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

Application for a Licence to Market Natural Gas

A. General Information

1. Name of Business (Name to appear on Licence)			
2. If there has been a change of name, show all previous names			
3. Primary Contact for this Licence (British Columbia Contact)			
Mr.	<input type="checkbox"/>	Last Name:	Full First name:
Mrs.	<input type="checkbox"/>		Initial:
Ms.	<input type="checkbox"/>	Position Held:	
Other	<input type="checkbox"/>		
Contact Address			
City		Postal	
Phone Number		Fax Number	E-mail Address

4. Type and period of Licence Applied for	
Initial Licence to Market Natural Gas	<input type="checkbox"/>
Renewal Licence to Market Natural Gas	<input type="checkbox"/>
Requested Licence Term	
Type of Service:	
<input type="checkbox"/> Commercial	<input type="checkbox"/> Residential
<input type="checkbox"/> Commercial & Residential	
5. Business Classification	
Sole Proprietor	<input type="checkbox"/>
Partnership	<input type="checkbox"/>
Corporation	<input type="checkbox"/>
Other (describe): _____	<input type="checkbox"/>

B. Information about the Applicant Organization

1. Applicant Organization (Corporation, Partnership, Sole Proprietorship, Other)			
Full Legal Name of Organization	Date of Formation		
Business Address			
City	Province.	Country	Postal/ZIP
Phone Number	Fax Number	E-mail Address	

2. Licensing History			
Has your organization or an affiliate of your organization ever been granted a licence to market gas in British Columbia?		Yes	<input type="checkbox"/>
		No	<input type="checkbox"/>
If your response is yes to the above, please provide the following information:			
Licence Type		Licence No.	
Please provide a summary with reasons and results of any investigation for any situations where gas has not flowed as required in the Gas Marketer's gas supply contracts with local distribution companies for corresponding direct sale to customers.			
Please provide character references from local distribution companies who are familiar with the activities of the Gas Marketer.			
If your organization has ever marketed or sold electricity or natural gas in any other jurisdiction? If so, please provide the following information:			
Organization	Jurisdiction	Licence Type	Licence/Registration No.

3. Please provide the requested details of all legal proceedings as attachments to this Application.

	Yes	No
Has your organization ever made a proposal to its creditors under the Bankruptcy and Insolvency Act, been declared bankrupt or is it presently party to bankruptcy or receivership proceedings?	<input type="checkbox"/>	<input type="checkbox"/>
<ol style="list-style-type: none"> 1. Where your organization is an undischarged bankrupt, provide a copy of the Assignment in Bankruptcy and a list of creditors 2. Where your organization is a discharged bankrupt, provide full proof of discharge 3. Where your organization has submitted a proposal to creditors or is in receivership provide a copy of the proposal or receivership order together with a list of creditors. 		
Are there any unpaid judgments against your organization? If yes, provide a copy of each judgment. State amount outstanding and repayment arrangements.	<input type="checkbox"/>	<input type="checkbox"/>
Has your organization ever been found guilty or convicted or an offence under any law, Regulation or Act or are any charges now pending? This includes where a conditional discharge or an absolute discharge has been ordered. If yes, provide particulars in a separate, signed and dated statement.	<input type="checkbox"/>	<input type="checkbox"/>
Has your organization ever had a licence or registration of any kind refused, suspended, revoked or cancelled? If yes, attach particulars	<input type="checkbox"/>	<input type="checkbox"/>
Has your organization ever been subject of a regulatory investigation or proceeding? If yes, attach particulars.	<input type="checkbox"/>	<input type="checkbox"/>
Has your organization ever been reprimanded, fined or otherwise disciplined by a regulatory/licensing body? If yes, attach particulars.	<input type="checkbox"/>	<input type="checkbox"/>

C. Information About Each Key Individual

Attach a copy of this sheet for each Sole Proprietor, Partner, Officer and Director

1. Personal Information			
Mr. <input type="checkbox"/>	Last Name:	Full First name:	Initial:
Mrs. <input type="checkbox"/>			
Ms. <input type="checkbox"/>	Position Held:		
Other <input type="checkbox"/>			
Contact Address			
City	Prov.	Country	Postal/ZIP
Phone Number	Fax Number	Birthdate mm/dd/yy	

2. Personal Experience in Energy Industry

	Yes	No
Has this person been a proprietor, partner, officer, director of an organization that was granted a licence to market natural gas in British Columbia? If yes, provide licence number.	<input type="checkbox"/>	<input type="checkbox"/>
Has this person been a proprietor, partner, officer, or director of an organization that marketed or sold electricity or natural gas other than for a regulated distribution utility in any other jurisdiction? If yes, please provide company name, jurisdiction, or location and licence or registration type, identifier and date issued.	<input type="checkbox"/>	<input type="checkbox"/>
Has this person been a proprietor, partner, officer, or director of an organization that had a registration or licence of any kind refused, suspended, revoked or cancelled? If yes, provide particulars.	<input type="checkbox"/>	<input type="checkbox"/>

3. Legal Proceedings

Is this person now or has this person been involved in personal bankruptcy proceedings. If yes, attach Assignment or Discharge papers.	<input type="checkbox"/>	<input type="checkbox"/>
Is this person now or has this person been an officer, director, or majority shareholder of a corporation which has been declared bankrupt has made a proposal to its creditors under the Bankruptcy and Insolvency Act, or is in receivership, or is presently party to bankruptcy proceedings?	<input type="checkbox"/>	<input type="checkbox"/>
<ol style="list-style-type: none"> 1. Where this person is an undischarged bankrupt, provide a copy of the Assignment in Bankruptcy and a list of creditors 2. Where this person is a discharged bankrupt, provide full proof of discharge 3. For corporate bankruptcies, proposals or receiverships provide related documents. 		
Are there any unpaid judgments against this person? If yes, submit a copy of each judgment. State amount outstanding and repayment arrangements.	<input type="checkbox"/>	<input type="checkbox"/>
Has this person ever been fined, reprimanded, disciplined or otherwise subject to penalties or been investigated by a regulatory body or government agency arising out activities relating to the marketing of gas or electricity? If yes, attach full particulars on a separate, signed and dated statement.	<input type="checkbox"/>	<input type="checkbox"/>
Has this person ever been found guilty or convicted of an offense under any law or are any charges now pending? This includes where a conditional discharge or an absolute discharge has been ordered. If yes, attach full particulars on a separate, signed and dated statement.	<input type="checkbox"/>	<input type="checkbox"/>

D. Confirmation and Understanding

As evidenced by signing this Application, you understand that the Commission may deny, suspend or revoke a licence, or fine or otherwise discipline a licence holder, for reasons it considers sufficient, and that the following may constitute sufficient cause:

1. Misrepresentations in this Application.
2. Failure to carry out undertakings set out in this Application.
3. Failure to comply with the Code of Conduct for Gas Marketers, any applicable legislation, the Rules for Gas Marketers or conditions in the Gas Marketer Licence.
4. Failure to maintain a satisfactory performance bond.
5. Past performance in B.C. or other jurisdictions in respect to Items 1 to 4 above may be sufficient cause for denial of licence.

By signing this application, you confirm and warrant the following:

1. Your sales people/agent will provide all customers, at time of the sale, with a standard information booklet and a copy of the Notice of Appointment of Marketer agreement and any other contract signed by that customer.
2. You have read the Rules for Gas Marketers pursuant to Section 71.1 of the Utilities Commission Act and the Code of Conduct for Gas Marketers, and accept the obligations set out therein.
3. The Licensee shall notify the Commission of any material change in circumstances that adversely affects or is likely to adversely affect the business, operations or assets of the Licensee as soon as practicable, but in any event no more than (20) calendar days past the date upon which such change occurs.

By signing this Application, and to verify the information provided on this form, you authorize the Commission to collect additional information from some or all of the following sources: federal, provincial/state and municipal governments; licensing bodies; law enforcement agencies; sheriffs' offices; credit bureaus; professional and industry associations; and former and current employers. In order to determine whether your organization can reasonably be expected to be financially responsible in the conduct of business, a credit review (in accordance with standard business practices) may be undertaken by the Commission. **Only information relevant to your application will be collected.**

The Applicant certifies that the foregoing information and materials accompanying this Application are correct.

Note: The proprietor or at least one partner, officer or director of the organization must sign this Application. In addition, each individual who has provided information in Section "C" must sign this Application.

Print Name and Title	Signature of Applicant	Date Signed

Required Terms – Proof of Security

Beneficiary:
Minister of Finance
Province of British Columbia
c/o British Columbia Utilities Commission
Box 250, 900 Howe Street
Vancouver, BC
Canada V6Z 2N3

“This **Letter of Credit/Bond** is available for payment to the Minister of Finance upon **Financial Institution**’s receipt of a dated and signed demand statement. The demand statement from the British Columbia Utilities Commission addressed to **Financial Institutions** will request withdrawals from the **Letter of Credit/Bond** to be payable to the Minister of Finance and will state as follows:

‘We the undersigned British Columbia Utilities Commission hereby demand payment of the sum of Canadian Dollars...(Amount in words and figures to be inserted) under **Letter of Credit/Bond No. ___** and confirm that monies drawn will be retained and used by us at our discretion to meet obligations as may be determined by us pursuant to British Columbia *Utilities Commission Act* Section 71.1(8).’

Partial drawing and multiple presentations are permitted hereunder and any amounts payable under this **Letter of Credit/Bond** will be made payable to the Minister of Finance, Province of British Columbia.

This **Letter of Credit/Bond** shall be reduced automatically by the amount of each drawing paid hereunder, or by amendment, or by amount of reduction that may be authorized by the beneficiary from time to time by its written request given to **Financial Institution.**

We hereby agree with you to honour each drawing drawn under and in compliance with the terms and conditions of this **Letter of Credit/Bond** if presented, together with the documents specified at **Financial Institution** on or before expiry date of **expiry date*.*”