



May 8, 2020

**BY EMAIL**

BC Vegetable Marketing Commission  
#207 – 15252 32<sup>nd</sup> Ave  
Surrey, BC V3Z 0R7

**Attention: Ms. Debbie Etsell, Chair**

Dear Ms. Etsell:

**Re: License Renewal - Prokam Enterprises Ltd.**

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We write regarding the renewal of Prokam's producer license for the 2021-22 growing season. You have invited us to submit this letter for consideration by the panel that made the November 18, 2019 decision to issue Prokam a Class 3 license. That decision also said that Prokam's license would revert to a Class 1 license after two seasons of growing regulated vegetables in compliance with the Commission's General Order.

We are requesting that the panel issue Prokam a Class 1 license, despite only one season having passed, during which Prokam did not grow regulated vegetables. We are hopeful that the panel will take the view that Prokam has suffered enough for events that took place in 2017, and that it is time for a clean slate.

Prokam wants to work cooperatively with the Commission to contribute to B.C.'s potato industry. We have made significant investments in equipment over the past several years, including storage facilities and packaging equipment. In spite of past frustrations – which have no doubt been mutual – we remain excited about the opportunities to grow B.C.'s potato industry.

Given that we have been permitted to make this request, we hope there may be an opportunity for a fresh start. Granting Prokam a Class 1 license would help to put the regulatory proceedings behind us in two ways.

First, it would address one of the main issues on Prokam's appeal to BCFIRB from the November 18, 2019 reconsideration decision, at least on a go-forward basis. That would leave the Interim Order requiring that product be marketed as "Packed for End Use" the main issue in that appeal.

Second, it would be a first step towards solving the problem of how Prokam's potatoes are to be marketed in the current 2021-22 growing season.

In its letter of December 7, 2020, the Commission conveyed its expectation that Prokam take all reasonable steps to produce its delivery allocation in 2021-22. We wish to meet those expectations, and we intend to begin planting potatoes, including Russet potatoes, on June 1, 2021 based on the delivery allocation calculated by the Commission in its letter of April 8, 2020. Our goal this year is to preserve Prokam's current delivery allocation and demonstrate Prokam's willingness to adhere to the Commission's expectations.

The problem is that we do not know how those potatoes will be marketed. According to the March 30, 2021 decision of Presiding Member Thauli concerning the reinstatement of Appeal N1908, the Commission's order directing Prokam to BCfresh will lapse with the expiry of the GMA between Prokam and BCfresh on May 31, 2021. As a result, Prokam will be without an agency as of June 1, 2021.

We hope that CFP Marketing Corporation will have been granted an agency license in time to market the potatoes Prokam will plant next month. However, in case CFP has not been granted an agency license – either because the issue remains unresolved or because the license is denied – we are making contingency plans. If it begins to look like CFP will still be in limbo when it comes time to market this season's potatoes, we think the most sensible course would be for Prokam to apply for a producer-shipper license at that time, to bridge the gap until CFP's application is resolved.

To be clear, we are not asking the Commission to decide now whether to grant Prokam a producer-shipper license. But if Prokam were to be granted a Class 1 license now, an eventual producer-shipper license application – should it become necessary – would be much simpler to deal with. The focus could be on the substance of that application and the interests of the industry, rather than on re-hashing the issue of whether a Class 3 license renders Prokam ineligible. It is true that the Commission does not appear to be maintaining that strict view of eligibility, given that in its sur-reply submissions to Presiding Member Thauli the Commission indicated that "if Prokam now wishes to reapply for a producer-shipper license, it may do so". Still, whatever uncertainty remains on the eligibility question can be avoided entirely if Prokam holds a Class 1 license at the time it brings a producer-shipper license application.

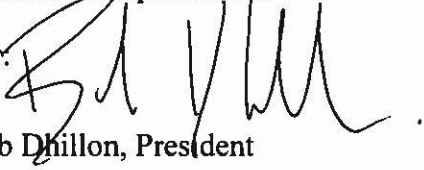
In closing, we stress that we are completely committed to working within the parameters of the General Order and maintaining open channels of communication with the Commission. We think that the Supervisory Review's governance recommendations are going to bring about positive

change, and we are looking forward to working cooperatively with the Commission. We hope the panel will agree that granting Prokam a Class 1 license is a good first step in that direction.

Yours truly,

Prokam Enterprises Ltd.

Per:

A handwritten signature in black ink, appearing to read "Bob Dhillon", written over the printed name below.

Bob Dhillon, President