



JUL 15 2014

Mr. Peter Ostergaard
Chair
BC Utilities Commission Review Task Force
4460 Houlihan Court
Victoria, BC V8N 6C6

Dear Mr. Ostergaard:

On April 28, 2014, Honourable Suzanne Anton, Minister of Justice and Attorney General and I issued a Terms of Reference (ToR) for the independent review (Review) of the BC Utilities Commission (BCUC). The ToR appointed a Task Force consisting of you, Mr. Michael Costello and Mr. Brian Wallace. I understand that the Task Force has recently completed its first round of consultations and would like to thank you for your efforts to date.

I have been briefed by Ministry staff on the first round of submissions from interested stakeholders and reviewed your interim Consultation Summary. I believe certain issues have been raised by stakeholders that were not explicit in the ToR for the Review, and that stakeholders and government would benefit from exploring these issues further. These issues include, but are not limited to:

- The potential efficiencies that could be gained from BCUC regulation of private sector water utilities.
- Issues that have been raised regarding the regulatory model in British Columbia, including:
 - Mechanisms for government to provide clear and timely policy direction;
 - The appropriate application of the energy objectives in the *Clean Energy Act*;
 - Options for clarifying the roles and mandate of the Province and the BCUC with respect to utility regulation; and
 - Whether a different regulatory model for Crown corporations should apply as compared to investor-owned utilities.

I would also like to clarify the deliverables that are required from the Task Force as per the ToR. Deliverables #1 and #2 require you to submit a summary of consultations with stakeholders on

Ministry of
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Minister Responsible
for Core Review

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matters contained in the ToR followed by a summary of submissions from stakeholders. Given the available time for the Review to complete its work, and the issues identified above, it would be preferable for the Task Force to provide one general consultation summary based on the Task Force's discussions with stakeholders and written submissions rather than two separate summary documents.

Please contact Mr. Les MacLaren, Assistant Deputy Minister, Electricity and Alternative Energy Division, if you have any further questions. Mr. MacLaren can be reached at (250) 952-0204 or les.maclaren@gov.bc.ca.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Bennett". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Bill Bennett
Minister

Pc: Honourable Suzanne Anton