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Headnote

Mutual Reliance Review System for Exemptive Relief Application – relief granted to permit an issuer that has not been a reporting issuer for 12 months to use the short prospectus distribution system in NI 44-101

Applicable British Columbia Provisions

National Instrument 44-101 *Short Form Prospectus Distributions*, ss. 2.1 and 15.1

IN THE MATTER OF THE SECURITIES LEGISLATION OF BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, NEW BRUNSWICK, NEWFOUNDLAND AND LABRADOR, NOVA SCOTIA AND PRINCE EDWARD ISLAND

AND

IN THE MATTER OF THE MUTUAL RELIANCE REVIEW SYSTEM FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF ENMAX CORPORATION

WHEREAS the local securities regulatory authority or regulator (the “Decision Maker”) in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Newfoundland and Labrador, Nova Scotia and Prince Edward Island (the “Jurisdictions”) have received an application from ENMAX Corporation (the “Filer”) for a decision under the securities legislation of the Jurisdictions (the “Legislation”) that the requirement contained in the Legislation that an issuer shall have been a reporting issuer or equivalent in the Jurisdictions for the 12 calendar months preceding the date of filing of its Initial AIF (the “Eligibility Requirement”) to permit offerings of Approved Rating Non-Convertible securities in the Jurisdictions under National Instrument 44-101 Short Form Prospectus Distributions (“NI 44-101”) and National Instrument 44-102 Shelf Distributions (“NI 44-102”) shall not apply to the Filer;

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the “System”), the Alberta Securities Commission is the principal regulator for this application;

AND WHEREAS, unless otherwise defined, the terms herein have the meaning given to them in National Instrument 14-101 Definitions or Québec Commission Notice 14-101;

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AND WHEREAS the Filer has represented to the Decision Makers that:

1. The Filer was incorporated under the *Business Corporations Act* (Alberta) on July 29, 1997. Its head office and registered office are located at 141 – 50th Avenue S.E., Calgary, Alberta, T2G 4S7.
2. The Filer is an electricity transmission, distribution and energy supply and services company that conducts substantially all of its business through wholly owned operating subsidiaries.
3. As at September 30, 2003, the Filer and its subsidiaries had approximately \$1.4 billion of assets and approximately \$1.1 billion of shareholders' equity.
4. The City of Calgary is the sole shareholder of the Filer.
5. The Filer became a reporting issuer (or equivalent) under the applicable securities laws, regulations, rules and policies of the securities regulatory authority of each of the Jurisdictions (collectively, the "Legislation") on July 29, 2003, upon the issuance of a MRRS Decision Document evidencing the final receipts in the Jurisdictions for the (final) non-offering long form prospective of the Filer dated July 28, 2003. To the best of its knowledge, the Filer is not in default of any of the requirements of the Legislation.
6. The Filer's primary sources of liquidity and capital resources are from cash provided by operations, debt capital market borrowings and bank financing.
7. The Filer, as at September 30, 2003, had debentures in the aggregate principal amount of approximately \$171.8 million with interest rates ranging from 5.25% to 12% outstanding; (collectively, the "Indebtedness").
8. Indebtedness of the Filer has been assigned a rating of "A" by Dominion Bond Rating Service Limited.
9. The Filer:
 - (a) does not believe that equity contributions from The City of Calgary, its sole shareholder, will constitute a source of capital;
 - (b) is not aware of any plan or decision by The City of Calgary to permit the Filer to sell common equity to the public or other investors; and

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- (c) wishes to establish a medium term note program, among other things, to provide flexibility in the repayment of Indebtedness and further borrowing of amounts from time to time.

- 10. The Filer proposes to file an Initial AIF (as defined in NI 44-101) pursuant to NI 44-101 in respect of its financial year ended December 31, 2003; and
- 11. Assuming that the Initial AIF is accepted by the securities regulatory authorities in the Jurisdictions, the Filer would be qualified to file a prospectus for Approved Rating Non-Convertible securities (as such terms are defined in NI 44-101) pursuant to section 2.4 of NI 44-101 and section 2.4 of NI 44-102, but for the fact that it has not been a reporting issuer for 12 months.

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each of the Decision Makers (collectively, the “Decision”);

AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decisions Makers with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers under the Legislation is that the Eligibility Requirement shall not apply to the Filer in connection with the issuance of Approved Rating Non-Convertible securities under NI 44-101 and NI 44-102, provided that the Filer complies with the other requirements and procedures and each of the other eligibility requirements of NI 44-101 and NI 44-102.

DATED in Calgary, Alberta this 24th day of March, 2004.

Agnes Lau, CA
Deputy Director, Capital Markets