



No. S174308
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

INDUSTRIAL ALLIANCE INSURANCE AND FINANCIAL SERVICES INC.

PLAINTIFF

AND:

WEDGEMOUNT POWER LIMITED PARTNERSHIP
WEDGEMOUNT POWER (GP) INC.,
WEDGEMOUNT POWER INC.
THE EHRHARDT 2011 FAMILY TRUST
POINTS WEST HYDRO POWER LIMITED PARTNERSHIP
By its general partner POINTS WEST HYDRO (GP) INC.
CALAVIA HOLDINGS LTD.
SWAHEALY HOLDINGS LIMITED
BRENT ALLAN HARDY
DAVID JOHN EHRHARDT
28165 YUKON INC.
PARADISE INVESTMENT TRUST
SUNNY PARADISE INC.

DEFENDANTS

APPLICATION RESPONSE

Application Response of: Her Majesty the Queen in right of the Province of British
Columbia (the "Province")

THIS IS A RESPONSE TO the notice of application of British Columbia Hydro and Power
Authority (BCH) filed January 19, 2018

Part 1: ORDERS CONSENTED TO

The application respondent consents to the granting of the orders set out in the following
paragraphs of Part 1 of the notice of application:

NIL

Part 2: ORDERS OPPOSED

The application respondent opposes the granting of the orders set out in the following paragraphs of Part 1 of the notice of application:

NIL

Part 3: ORDERS ON WHICH NO POSITION IS TAKEN

The application respondent takes no position on the granting of the orders set out in paragraphs 1 and 2 of Part 1 of the notice of application.

Part 4: FACTUAL BASIS

1. Wedgemount Power Limited Partnership through their general partner, Wedgemount Power (GP) Inc. ("Wedgemount") holds a license of occupation over Crown Land and a water licence.
2. Wedgemount has constructed and is in the process of constructing works in and around Wedgemount Creek related to the production of hydro-electric power.

Part 5: LEGAL BASIS

1. The Province's concern under the *Land Act* and the *Water Sustainability Act*, is to ensure that the licence holder, including a person exercising those rights, discharges responsibilities as described in the licences and associated legislation in respect of works constructed on the Crown Lands and on Wedgemount Creek, including any decommissioning and remediation of the site if the works are not completed.
2. The Province is concerned that these responsibilities will not be properly discharged by the licence holder, or any person exercising those rights, in the manner required by the licences and legislation if works are not completed, and which may result if the application is successful.
3. *Land Act*, RSBC 1996, c 245
4. *Water Sustainability Act*, SBC 2014, c 15

Part 6: MATERIAL TO BE RELIED ON

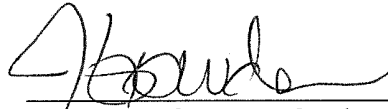
1. Affidavit #1 of James Davies made on April 5, 2018

The application respondent estimates that the application will take 1 hour.

The application respondent has not filed in this proceeding a document that contains an address for service. The application respondent's address for service is:

Ministry of Attorney General
Legal Services Branch
PO Box 9289 STN PROV GOVT
400 – 1675 Douglas Street
Victoria, BC V8W 9J7
Fax number address for service: 250-387-0700
Name of the application respondent's lawyer: Isabel Gowda

Date: April 5, 2018



Signature of Lawyer for the
Province, Isabel Gowda