



Matthew L. Janisch
Vice President, Finance & CFO

June 30, 2005

Alberta Securities Commission
Ontario Securities Commission
Canadian Institute of Chartered Accountants

John Stevenson, Secretary
Ontario Securities Commission
20 Queen Street West
Suite 1900, Box 55
Toronto, Ontario M5H 3S8

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JUN 30 2005

Ontario Securities Commission
SECRETARY'S OFFICE

Dear Sirs:

Re: Proposed Multilateral Instrument 52-111 – Reporting on Internal Control Over Financial Reporting

We are writing in response to your request for comments on the proposed Multilateral Instrument 52-111 (MI-52-111) – Reporting on Internal Control Over Financial Reporting.

We understand that the goal of the proposed MI-52-111 is to increase investor confidence in Canada and increase the quality of financial statements in order to protect investors. We agree with your goals but do not believe that the proposed MI-52-111 accomplishes these goals and furthermore, creates an inefficient use of companies' resources. We believe that the proposed MI-52-111 is redundant and the costs of implementation and compliance far outweigh the potential benefits. There are already sufficient corporate governance rules, guidance and legislation that protect the Canadian investor and ensures confidence in the Canadian capital markets. We believe that the current audit opinion is sufficient to ensure the quality and integrity of companies' financial statements.

Therefore, we believe the instrument should therefore be completely withdrawn.

Some additional arguments as to why we believe that MI-52-111 is not necessary are as follows:

- Companies are currently required to obtain an audit opinion which requires a third party audit firm to test the companies' results and if controls cannot be relied upon alternative testing is performed to obtain assurance that the Financial Statements are not materially misstated. Therefore, the current audit opinion inherently provides assurance that the company in question has effective controls in place, assuming a clean audit opinion is issued. MI-52-111 would require duplication of testing after sufficient audit evidence has

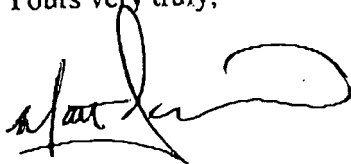
already been obtained.

- When viewing the instrument from a "made-in-Canada" viewpoint, as currently written the instrument is a "one size fits all" strategy which is not a practical solution given the diverse size and business environment of the companies that are expected to comply.
- The majority of investors that we have spoken to are not aware of the costs of implementing MI 52-111 and when advised of the instrument, these investors see little benefit from the additional requirements of compliance and disclosure relative to the costs.
- The proposed MI-52-111 is very similar to the legislation and rules under the Sarbanes-Oxley rules in the United States. The United States has a very different capital market structure than the Canadian capital markets and yet the proposed item is almost identical.

We believe that over-regulation is not the answer to creating a capital markets system with transparency and integrity. The result of over-regulation will be to drive smaller companies to avoid the public capital markets by remaining private or going private, resulting in reduced small-cap options for investors in the future.

We appreciate this opportunity to respond on the proposed instrument and hope that the addressees seriously consider the withdrawal and cancellation of the Proposed MI-52-111.

Yours very truly,



Matthew L. Janisch
VP Finance and Chief Financial Officer
Bow Valley Energy Ltd.

cc. George Tooley, Chair Audit Committee
Ken Stiles, Audit Committee
Henry Lawrie, Audit Committee
Scott Althen, PricewaterhouseCoopers LLP