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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-65-07

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**IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473**

and

**An Application by Terasen Gas Inc.
for Approval of an Amendment to the Tariff Terms and Conditions to Allow for Thermal Metering**

BEFORE: L.F. Kelsey, Commissioner
L.A. Zaozirny, Commissioner June 14, 2007

O R D E R

WHEREAS:

- A. On May 8, 2007, pursuant to the Utilities Commission Act (the "Act"), Terasen Gas Inc. ("Terasen") filed an application ("Application") to amend the Terms and Conditions of its Tariff to allow "thermal metering" on a pilot project basis; and
- B. Terasen seeks approval to introduce thermal metering as a pilot program, to continue for five years from the date of this Order; and
- C. Thermal metering determines energy consumption by using electronic devices which measure and calculate the differential temperature between a heating medium's inflow and return flow, with applicable corrections for density and enthalpy; and
- D. Thermal metering will allow for the measurement, allocation, and individual billing, of energy use, from thermal energy hydronic heating systems, on an individual per suite basis, within vertical subdivision developments; and
- E. Terasen expects that the introduction of individual metering for suites heated with a central hydronic system will provide value to residents of these vertical subdivision developments, property management companies responsible for strata management, as well as all core customers; and
- F. The program should enhance consumer choice and competition for heating vertical subdivision developments by making natural gas a more viable heating option; and
- G. Thermal metering has been in use in other jurisdictions, and has led to demonstrably improved energy efficiency and conservation; and
- H. Thermal metering is consistent with the BC Energy Plan objective of encouraging energy efficiency and conservation; and

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- I. The physical requirements for the thermal metering system installations are governed under CSA code C900.6-06.

NOW THEREFORE the Commission orders as follows:

1. Terasen shall amend its Tariff Terms and Conditions, to include the definitions of “Hydronic Heating System”, “Thermal Energy”, and “Thermal Metering”, as per Attachment “A”.
2. Customers receiving service via Thermal Metering will be charged for energy consumption as set out in the Terasen Tariff, Schedule 1.
3. Terasen shall report to the Commission on the status of the Thermal Metering pilot project by July 15th of each year, starting in 2008 and each year thereafter through 2012 inclusive. The said report shall contain information on the following aspects of the program:
 - number of developments incorporating thermal metering;
 - number of total units being billed under thermal metering;
 - Terasen’s costs associated with promoting thermal metering; and
 - Terasen’s costs of deploying thermal metering; a summary report listing any complaints regarding thermal metering.

The reports shall state totals for the 12 months ending at June 30 of each year, and the cumulative totals since the pilot program’s inception.

DATED at the City of Vancouver, in the Province of British Columbia, this 14th day of June 2007.

BY ORDER

Original signed by

L.F. Kelsey
Commissioner

Attachment

Attachment “A”

Definitions

Hydronic Heating System: A heating/cooling system where water is heated or cooled and distributes hot water through pipes to radiators or to another style of water-to-air heat exchanger.

Thermal Energy: Means thermal energy supplied by a Gas fired hydronic heating system (where hydronic heating is the primary heating source), and measured by a thermal meter, to premises of a Vertical Subdivision where the thermal meter is used to apportion the gigajoules of Gas consumed by the Gas fired hydronic heating system among the premises in the Vertical Subdivision.

Thermal Metering: Thermal/heat meters measure the energy which, in a heat–exchange circuit, is absorbed or given up by the heat conveying liquid. The thermal/heat meter indicates the quantity of heat in legal units.

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Thermal Energy: All references to Gas shall be deemed to include a reference to Thermal Energy. For example, Gas Service shall be deemed to include the delivery of Thermal Energy through a Meter set. Notwithstanding the foregoing, the meaning of Gas Distribution System shall be deemed not to include a hydronic heating system that delivers energy to Residential Customers but shall include the meters that measure the amount of energy by Residential Customers in a Vertical Subdivision.