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BRITISH COLUMBIA UTILITIES COMMISSION	
ORDER NUMBER	G-129-15A

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

and

FortisBC Alternative Energy Services Inc.
Stream A Thermal Energy Systems Registration for SOLO Phase 1 (Stratus)

BEFORE: L. F. Kelsey, Commissioner
C. A. Brown, Commissioner August 6, 2015
H. G. Harowitz, Commissioner
D. M. Morton, Commissioner

O R D E R

WHEREAS:

- A. On October 7, 2013, FortisBC Alternative Energy Services Inc. (FAES) applied to the British Columbia Utilities Commission (Commission) for approval of a Certificate of Public Convenience and Necessity (CPCN) and Rate Approvals established in agreements for thermal energy systems for the SOLO District Development (Original Application);
- B. On February 25, 2014, by Order C-3-14, the Commission issued a CPCN to FAES for the purchase of the thermal energy systems for the SOLO District Development (SOLO Development Project); however, pursuant to sections 59 to 61 of the *Utilities Commission Act* (UCA), the Commission denied the rates established by the Service Agreements;
- C. On March 27, 2014, FAES submitted an application, pursuant to sections 59 to 61 of the UCA, for approval of the rates established in Amended Service Agreements for Thermal Energy Services for the SOLO Development Project in compliance with Order C-3-14. Further, FAES applied to the Commission for approval to use the Terms and Conditions of the Thermal Energy System Service Agreement, as the General Terms and Conditions for future "Stream A" type projects as defined in the proposed Thermal Energy System (TES) Framework until such time as the TES Regulatory Framework is approved;
- D. On April 15, 2014, the Commission issued Order G-54-14 approving FAES's rates for thermal energy systems established in the two, 20-year term Amended Service Agreements including the Terms and Conditions for the SOLO Development Project. The Commission denied the approval of the Terms and Conditions of the Thermal Energy System Service Agreement, as General Terms and Conditions for future "Stream A" type projects;

- E. On August 28, 2014, the Commission issued Order G-27-15 approving the TES Regulatory Framework Guidelines (TES Guidelines);
- F. On April 16, 2015 and June 4, 2015, FAES filed letters with the Commission requesting direction on filing an application to rescind Order G-54-14 and register the SOLO Phase 1 TES as a Stream A TES, thereby exempting the project from sections 44.1 and 59-61 of the UCA. FAES requested the letters be kept confidential due to commercially sensitive information;
- G. In the April 16, 2015 letter, FAES stated that although Order G-54-14 approved the rates and terms and conditions in the two proposed Amended Service Agreements (Agreements), the Agreements have not been executed by the Developer. FAES also stated that since the Developer did not execute the proposed Agreements, the Developer did not issue information about energy rates to purchasers of the Strata Lots. Additionally, there were no interveners during the rate design process. Therefore, in the April 16, 2015 and June 4, 2015 letters, FAES requested to rescind Order G-54-14;
- H. On June 19, 2015, FAES filed a Stream A TES registration form for the SOLO Phase 1 TES and on July 15, 2015, FAES submitted a redacted version of the confidential letters filed with the Commission on April 16, 2015 and June 4, 2015; and
- I. The Commission reviewed the Application and its supplemental information and considers exemption from sections 44.1 and 59-61 of the UCA in accordance with the Stream A TES Guidelines and rescission of Order G-54-14 are appropriate contingent on the notice to and comments from any potentially affected parties.

NOW THEREFORE pursuant to sections 88(3) and 90(1) of the *Utilities Commission Act* (UCA), and by the advance approval of the Lieutenant Governor in Council (OIC 400) the British Columbia Utilities Commission orders as follows:

1. FortisBC Alternative Energy Services Inc.'s (FAES) requested rate increase from 0.106/kWh to \$0.112/kWh for 2015 is approved.
2. FAES is required to provide a notice to all affected parties (Appia Developer, and registered parties in the FAES SOLO CPCN proceeding) by August 21, 2015, providing them with 60 days to provide written comment to the Commission. The notice must specifically state that, as per the Commission's Thermal Energy System Regulatory Framework Guidelines for a Stream A Thermal Energy System, rates for SOLO Phase 1 TES will not be reviewed and approved by the Commission and future complaints regarding rates will not be within the jurisdiction of the Commission to adjudicate.
3. FAES must file with the Commission, an advance copy of the notice to be sent to the affected parties identified in directive 2 by August 14, 2015.

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4. FAES must request that Appia distribute this order and the Commission reviewed notice to all purchasers of strata lots to whom Order G-54-14 applies.
5. Effective October 30, 2015, provided no comments or complaints are received and acted on by the Commission, FAES is exempt from sections 44.1 and 59-61 of the UCA.
6. Effective October 30, 2015, provided no comments or complaints are received and acted on by the Commission, Order G-54-14 is rescinded.
7. The non-redacted letters filed by FAES on April 16 and June 4, 2015 will be maintained as confidential.
8. Subject to the approvals provided in accordance with directives 5 and 6, FAES must file with the Commission an annual report for the SOLO Phase 1 TES project in accordance with Stream A annual reporting guidelines as provided in Appendix B of the TES Guidelines, with the first report to be filed on or before February 15, 2016.

DATED at the City of Vancouver, In the Province of British Columbia, this 12th day of August 2015.

BY ORDER

Original signed by:

D. M. Morton
Commissioner