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ORDER NUMBER G-28-17

IN THE MATTER OF the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

Creative Energy Vancouver Platforms Inc.
Stream A Registration for the 1480 Howe Street Thermal Energy System

BEFORE:

H. G. Harowitz, Commissioner/Panel Chair B. A. Magnan, Commissioner R. D. Revel, Commissioner

March 3, 2017

ORDER

WHEREAS:

- A. On August 28, 2014, the British Columbia Utilities Commission (Commission) issued Order G-127-14 approving the Thermal Energy Systems (TES) Regulatory Framework Guidelines (TES Guidelines);
- B. Under section 2.1 of the TES Guidelines, a Stream A TES is defined as: "An On-Site TES with an Initial Capital Cost above \$500,000 but less than \$15,000,000 is exempt from sections 44.1, 45 and 59-61 of the UCA. TES Providers are required to register Stream A TES prior to building or otherwise acquiring the Stream A TES";
- C. On January 6, 2017, Creative Energy Vancouver Platforms Inc. (Creative Energy) filed a registration form for a Stream A TES to provide heat for construction purposes only to 1480 Howe Street, in accordance with the TES Guideline requirements;
- D. On January 25, 2017, Commission Staff questions were issued to Creative Energy. Creative Energy responded on February 6, 2017; and
- E. The Commission reviewed the application and Creative Energy's responses to Staff questions and is satisfied that the TES to be built to serve 1480 Howe Street should be considered a Stream A TES and suitable for exemption from sections 44.1, 45 and 59-61 of the *Utilities Commission Act*.

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

1. In accordance with the Thermal Energy Systems (TES) Regulatory Framework Guidelines, the Creative Energy Vancouver Platforms Inc. TES to be built to serve 1480 Howe Street is exempt from sections 44.1, 45 and 59-61 of the *Utilities Commission Act*.

- 2. This exemption is provided only for the duration of construction on the site, and Creative Energy Vancouver Platforms Inc. is directed to file with the Commission any changes to the temporary status, location or use of the thermal energy system, in accordance with the TES Guidelines.
- 3. Creative Energy Vancouver Platforms Inc. is directed to file with the Commission, an annual report for the 1480 Howe Street 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, 2018.

DATED at the City of Vancouver, in the Province of British Columbia, this 3rd day of March 2017.

BY ORDER

Original signed by:

H. G. Harowitz Commissioner

Attachment

Creative Energy Vancouver Platforms Inc. Stream A Registration for the 1480 Howe Street Thermal Energy System

REASONS FOR DECISION

1.0 **BACKGROUND**

The Thermal Energy Systems (TES) Regulatory Framework Guidelines (TES Guidelines) defines the Stream A TES as: "An On-Site TES with an Initial Capital Cost above \$500,000 but less than \$15,000,000 is exempt from sections 44.1, 45-46 [sic] and 59-61 of the UCA. TES Providers are required to register Stream A TES prior to building or otherwise acquiring the Stream A TES."1

Furthermore, an On-Site TES is defined as a TES that "...consists of thermal energy generation and distribution equipment and fixtures that are physically located on the same site as the thermal load. It is designed to meet the energy demands of one or more customers on that site and doesn't share any generation or distribution facilities beyond the bounds of the site."

2.0 **APPLICATION**

Creative Energy Vancouver Platforms Inc. (Creative Energy) filed an application to register a TES system serving 1480 Howe Street as a Stream A TES, in accordance with the TES Guideline requirements. The application clearly indicates that the thermal generation and distribution equipment and fixtures are **not** physically located on the same site as the thermal load; furthermore, the application is for approval of a temporary energy centre (TEC) to serve heat for construction and commissioning purposes only, to a single customer of two buildings under one building permit on a single site. The Application indicates that there are potential plans for the future use of the TES system; however, approval is not being sought for those at this time.

Given the lack of strict conformity with on-site provision of the TES Guideline requirements, Creative Energy was asked to provide additional information to supplement its Application. In that response, Creative Energy states "This TEC is only serving one customer for a temporary period. It is located on a City-owned site adjacent to the site with the thermal load because there is no space on the site of the load. Because this is only a temporary service and serving only one customer, Creative Energy requests that the guidelines be applicable to this scenario."3

3.0 **ANALYSIS**

The Panel has reviewed the Stream A Application and responses to staff questions and accepts that, subject to the approval of the City of Vancouver for the location of the TEC, the TES to serve 1480 Howe Street for construction and commissioning purposes only, should be considered a Stream A TES.

With the exception of the TEC not residing on the same site as the thermal load, the Panel is satisfied that the TES meets all other characteristics of a Stream A TES as set out in the TES Guidelines.

¹ TES Guidelines G-27-15, p. 7.

² Ibid., p. 8.

³ 02-06-2017 Creative Energy _1480 Howe St_Stream A TES_Staff Ques Resp.

Regarding the off-site location, the Panel finds that the combination of the space limitations of the thermal load site, the siting of the TEC on a City-owned adjacent site, and the temporary nature of the TES provide a reasonable basis for relaxing the single-site provision of the TES Guidelines in this instance.

Commission determination

Pursuant to section 88(3) of the *Utilities Commission Act* and by the advance approval of the Lieutenant Governor in Council (OIC 400), the British Columbia Utilities Commission orders as follows:

- 1. In accordance with the Thermal Energy Systems (TES) Regulatory Framework Guidelines, the Creative Energy Vancouver Platforms Inc. TES to be built to serve1480 Howe Street is exempt from sections 44.1, 45 and 59-61 of the *Utilities Commission Act*.
- 2. This exemption is provided only for the duration of construction at 1480 Howe Street, and Creative Energy Vancouver Platforms Inc. is directed to file with the Commission any changes to the temporary status, location or use of the thermal energy system, in accordance with the TES guidelines.
- 3. Creative Energy Vancouver Platforms Inc. is directed to file with the Commission, an annual report for the 1480 Howe Street 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, 2018.