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ORDER NUMBER G-251-18

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 Cooling Thermal Energy System

BEFORE:

B. A. Magnan, Panel Chair

on December 21, 2018

ORDER

WHEREAS:

- A. On November 7, 2018, Creative Energy Vancouver Platforms Inc. (Creative Energy) filed with the British Columbia Utilities Commission (BCUC) an application to register the 1480 Howe Street Cooling Stream A Thermal Energy System (1480 Howe Street Cooling TES), in accordance with the BCUC Thermal Energy Systems Regulatory Framework Guidelines (TES Guidelines);
- B. On August 28, 2014, the BCUC issued Order G-127-14 approving the TES Guidelines. On March 2, 2015, the BCUC issued Order G-27-15 approving revisions to the TES Guidelines;
- C. 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, 45–46 and 59–61 of the UCA [*Utilities Commission Act*]. TES Providers are required to register Stream A TES prior to building or otherwise acquiring the Stream A TES;
- D. The BCUC has reviewed the application and is not satisfied that the 1480 Howe Street Cooling TES meets the characteristics of a Stream A TES and is therefore not suitable for exemption from sections 44.1, 45 to 46 and 59 to 61 of the *Utilities Commission Act*.

NOW THEREFORE for the reasons attached as Appendix A, the BCUC orders that Creative Energy's application for approval of the 1480 Howe Street Cooling TES as a Stream A TES is denied.

DATED at the City of Vancouver, in the Province of British Columbia, this 21st day of December 2018.

BY ORDER

Original signed by:

B. A. Magnan Commissioner

Attachment

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

REASONS FOR DECISION

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1.0 Background

The British Columbia Utilities Commission's Thermal Energy Systems Regulatory Framework Guidelines (TES Guidelines) describe the regulatory framework for Thermal Energy Systems (TES). The TES Guidelines state that any on-site TES with the characteristics described in Table 1 below is considered to be a Stream A TES and is therefore exempt from sections 44.1, 45 to 46 and 59 to 61 of the *Utilities Commission Act* (UCA).¹

Table 1 Stream A TES Characteristics

- 1. The thermal generation and distribution equipment and facilities are located on the same Site as the thermal load.
- 2. The TES is designed to meet the energy demands of a specific Site (one or more customers or buildings).
- 3. The Thermal Energy System serves one or more customers or buildings on a single Site but there are no shared or common thermal generation or distribution facilities beyond the boundaries of a single Site.
- 4. There is no, or very limited, use of public rights of way or public streets.
- 5. The TES provides thermal energy to an existing building(s) or to a new building(s) planned or approved under a municipal building permit process.
- 6. The TES has an AACE Class 3 capital cost estimate of equal to or greater than \$500,000 and less than \$15 million.

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. The TES is designed to meet the energy demands of one or more customers on that site and does not share any generation or distribution facilities beyond the bounds of the site.²

2.0 Application

On November 7, 2018, Creative Energy Vancouver Platforms Inc. (Creative Energy) filed an application with the British Columbia Utilities Commission to register the 1480 Howe Street Cooling TES as a Stream A TES (Application). The 1480 Howe Street Cooling TES is to provide thermal cooling to four buildings as part of the Vancouver House Development.

Buildings 1 and 2 are located at 1480 Howe Street with the TES located within a central plant room at the same location. Buildings 3 and 4 are located at 1461 and 1462 Granville Street, respectively. Buildings 3 and 4 are not located on the same site as the thermal generation and distribution equipment and facility. The TES proposes to deliver thermal energy to Buildings 3 and 4 via underground pipework that cross a public street.

¹ British Columbia Utilities Commission, Thermal Energy Systems Regulatory Framework Guidelines, Order G-27-15 dated March 2, 2015, Appendix A, pp. 12–13.

² ibid., p. 8.

3.0 Analysis

The Application was reviewed to assess whether 1480 Howe Street Cooling TES meets any of the Stream A TES Characteristics. Analysis of the Application found that the 1480 Howe Street Cooling TES would only meet one of the six Stream A TES Characteristics as defined by the TES Guidelines.

Stream A TES Characteristic 1

The thermal generation and distribution equipment and facilities are not located on the same site as the thermal load. The Application therefore does not meet the first characteristic of a Stream A TES.

Stream A TES Characteristic 2

The TES is not designed to meet the energy demand of a specific site because the four buildings are located on three different sites. The Application therefore does not meet the second characteristic of a Stream A TES.

Stream A TES Characteristic 3

The TES is designed to serve four buildings on different sites with shared thermal generation and distribution facilities. The Application therefore does not meet the third characteristic of a Stream A TES.

Stream A TES Characteristic 4

The TES is located in a central plant room at 1480 Howe Street and the distribution pipework for connection to Buildings 3 and 4 cross a public street. The Application therefore does not meet the fourth characteristic of a Stream A TES.

Stream A TES Characteristic 5

Each of the three sites has a separate municipal building permit. The Application therefore does not meet the fifth characteristic of a Stream A TES.

Stream A TES Characteristic 6

The capital cost of the Application is \$2,894,000. The Application therefore meets the sixth characteristic of a Stream A TES because the capital cost is between \$500,000 and \$15,000,000.

4.0 BCUC determination

The Panel finds that the 1480 Howe Street Cooling TES fails to meet five of the six Stream A TES Characteristics, as defined by the TES Guidelines. As a result, Creative Energy's Application fails to meet the Stream A TES Characteristics, as defined by the TES Guidelines.

Therefore, Creative Energy's application for approval of the 1480 Howe Street Cooling TES as a Stream A TES is denied.