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ORDER NUMBER G-222-19

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

and

Creative Energy Vancouver Platforms Inc.

Application for a Certificate of Public Convenience and Necessity to Acquire
and Operate a Thermal Energy System for Cooling at the Vancouver House Development

BEFORE:

T. A. Loski, Panel Chair B. Lockhart, Commissioner R. I. Mason, Commissioner

on September 12, 2019

ORDER

WHEREAS:

- A. On August 28, 2019, Creative Energy Vancouver Platforms Inc. (Creative Energy) filed an application with the British Columbia Utilities Commission (BCUC) for a Certificate of Public Convenience and Necessity (CPCN) pursuant to sections 45 and 46 of the *Utilities Commission Act* (UCA) to acquire and operate a district thermal energy system to provide cooling to the Vancouver House Development in the South Downtown area of Vancouver (Application). The Vancouver House Development comprises four buildings located on three parcels of land:
 - Buildings 1 and 2 at 1480 Howe Street;
 - Building 3 at 1461 Granville Street; and
 - Building 4 at 1462 Granville Street.
- B. On August 28, 2014, the BCUC issued Order G-127-14 approving the Thermal Energy Systems (TES) Regulatory Framework Guidelines (TES Guidelines) and revisions to the TES Guidelines were approved by Order G-27-15. 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 November 7, 2018, Creative Energy filed with the BCUC an application to register the 1480 Howe Street Cooling Stream A Thermal Energy System in accordance with the TES Guidelines. By Order G-251-18, Creative Energy's application was denied;
- D. Creative Energy proposes that the BCUC review the Application without a hearing process; and

E. The BCUC has commenced review of the Application and determines that the establishment of a hearing process is warranted.

NOW THEREFORE the BCUC orders as follows:

- 1. For the reasons attached as Appendix A to this order, a public hearing process is established, as set out in the regulatory timetable attached as Appendix B to this order.
- 2. Creative Energy is directed, as soon as reasonably possible but no later than September 26, 2019, to:
 - a. provide by email or mail, notice of the Application and this order to all registered interveners in the Creative Energy 2018-2022 Revenue Requirements Application and all affected customers, including all parties that have purchased units in the Vancouver House Development and any tenants of the Vancouver House Development; and
 - b. post a copy of this order, the Application and the Public Notice attached as Appendix C, on the Creative Energy website.
- 3. Parties who wish to participate in the regulatory proceeding are to register with the BCUC by completing a Request to Intervene Form by the date established in the regulatory timetable attached as Appendix B to this order and in accordance with the BCUC's Rules of Practice and Procedure attached to Order G-15-19.

DATED at the City of Vancouver, in the Province of British Columbia, this	12th	day of September 2019
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BY ORDER

Original signed by:

T. A. Loski Commissioner

Attachment

Creative Energy Vancouver Platforms Inc.

Application for a Certificate of Public Convenience and Necessity to Acquire and Operate a Thermal Energy System for Cooling at the Vancouver House Development

REASONS FOR DECISION

1.0 Introduction

On August 28, 2019, Creative Energy Vancouver Platforms Inc. (Creative Energy) filed an application with the British Columbia Utilities Commission (BCUC) for a Certificate of Public Convenience and Necessity (CPCN) pursuant to sections 45 and 46 of the *Utilities Commission Act* (UCA) to acquire and operate a district thermal energy system to provide cooling to the Vancouver House Development in the South Downtown area of Vancouver (Application). The Vancouver House Development comprises four buildings:

- Buildings 1 and 2 at 1480 Howe Street;
- · Building 3 at 1461 Granville Street; and
- Building 4 at 1462 Granville Street.¹

Buildings 1, 3 and 4 are for commercial use and Building 2 is a residential tower. Initially, the Developer will be the only customer, however the Developer intends to transfer Building 2 to a Strata Corporation, at which time there will be two customers: the Developer and the Strata Corporation. The expected occupancy date for Buildings 1 and 2 is November 2019 and December 2019 for Buildings 3 and 4.²

2.0 Review of the Application

Creative Energy submits that no hearing is required to approve the Application given the specific circumstances, and if clarification is required, communications between BCUC staff and Creative Energy could be pursued to support better understanding of the Application. Creative Energy further explains that there is currently only one customer that is a highly sophisticated commercial party, who is also party to the Purchase Agreement and given the expected occupancy dates, Creative Energy requests that the BCUC grant the requested CPCN by November 1, 2019.³

Creative Energy submits that the BCUC has the discretion to tailor its regulatory oversight so as to use the least amount of regulation needed consistent with the BCUC's key principles and guidelines, as articulated in the BCUC's Thermal Energy Systems Regulatory Framework Guidelines. Specifically, Creative Energy submits, subsection 46(2) of the UCA provides the BCUC with the discretion not to hold any hearing on the Application and the scale and circumstances of the district thermal energy system allow the BCUC to appropriately exercise its discretion to review and approve this Application without a hearing.⁴

¹ Exhibit B-1, p. 1

² *Ibid.*, pp. 1, 10

³ *Ibid.,* p. 3

⁴ BCUC Order G-27-15, Appendix A, Thermal Energy Systems Regulatory Framework Guidelines, p. 5

Panel Determination

The Panel notes that whilst at present the Developer is the only customer, the Developer intends to transfer Building 2 to a Strata Corporation and Buildings 1, 3 and 4 will be for commercial use where there will likely be commercial tenants. The Panel therefore finds that an opportunity for affected parties to participate in the hearing is required and additional evidence is needed in order for it to make its determination on the Application, therefore, additional process is warranted.

For these reasons, a public hearing process is established, as set out in the regulatory timetable attached as Appendix B to this order.

Creative Energy Vancouver Platforms Inc. Application for a Certificate of Public Convenience and Necessity to Acquire and Operate a Thermal Energy System for Cooling at the Vancouver House Development

REGULATORY TIMETABLE

Action	Date 2019	
Creative Energy Publishes Notice of Application	Thursday, September 26	
Intervener Registration	Thursday, October 10	
BCUC Information Request (IR) No. 1	Thursday, October 10	
Intervener IR No. 1	Thursday, October 24	
Creative Energy Responses to BCUC IR No. 1	Thursday, October 24	
Creative Energy Responses to Intervener IR No. 1	Thursday, November 7	
Further Process	To be determined	



We want to hear from you

Creative Energy TES for Cooling at the Vancouver House Development CPCN

On August 28, 2019, Creative Energy Vancouver Platforms Inc. (Creative Energy) filed an application with the British Columbia Utilities Commission (BCUC) for a Certificate of Public Convenience and Necessity (CPCN) pursuant to sections 45 and 46 of the *Utilities Commission Act* (UCA) to acquire and operate a district thermal energy system to provide cooling to the Vancouver House Development in the South Downtown area of Vancouver (Application). The BCUC considers that establishing a public hearing process is warranted for the review of the Application.

HOW TO PARTICIPATE

- Submit a letter of comment
- · Register as an interested party
- Request intervener status

IMPORTANT DATES

 Thursday, September 26, 2019 – Deadline to register as an intervener with the BCUC

For more information on getting involved, please visit our website (<u>www.bcuc.com/get-involved</u>) or contact us at the information below.

GET MORE INFORMATION

Creative Energy Vancouver Platforms Inc.



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British Columbia Utilities Commission



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