



**ORDER NUMBER  
C-5-20**

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

and

Creative Energy Mount Pleasant Limited Partnership  
Application for a Certificate of Public Convenience and Necessity to Acquire, Operate  
and Expand a Thermal Energy System for Cooling in the Main Alley Development

**BEFORE:**

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

on December 3, 2020

**ORDER**

**WHEREAS:**

- A. On March 10, 2020, Creative Energy Mount Pleasant Limited Partnership (CEMP) filed an application with the British Columbia Utilities Commission (BCUC), pursuant to sections 45 and 46 of the *Utilities Commission Act* (UCA), for a Certificate of Public Convenience and Necessity (CPCN) to acquire and operate the existing Mount Pleasant district cooling system (Mount Pleasant DCS), and to expand and operate the Mount Pleasant DCS to provide cooling to the Main Alley Development in the Mount Pleasant neighbourhood of Vancouver (Application);
- B. CEMP's Application includes the following components (together the Project):
- Acquisition and operation of the existing Mount Pleasant DCS to serve the following buildings:
    - Building M1 located at 2015 Main Street, Vancouver; and
    - Building M3 located at 111 East 5<sup>th</sup> Avenue, Vancouver.
  - Extension and operation of the Mount Pleasant DCS to serve the following buildings:
    - Building M2 located at 114 East 4<sup>th</sup> Avenue, Vancouver by 2021;
    - Building M4 located at 110 East 5<sup>th</sup> Avenue, Vancouver by 2023; and
    - Building M5 located at 2015 Main Street, Vancouver by 2029.
  - Renovation, expansion and upgrade of the cooling plant located in Building M3 in 2027.
- C. Specifically, CEMP's Application requests approval of the following:
- (i) A CPCN, pursuant to sections 45 and 46 of the UCA to acquire and operate the existing Mount Pleasant DCS assets at a cost of \$419,222, and to expand and operate the Mount Pleasant DCS to

provide cooling to the Main Alley Development at an estimated capital cost of \$9,134,241, resulting in a total estimated cost of \$9,553,463;

- (ii) The Customer Service Agreement (Non-M3 Lands), pursuant to sections 58 to 60 of the UCA; and
- (iii) The Customer Service Agreement (M3 Lands), pursuant to sections 58 to 60 of the UCA.

- D. Creative Energy Vancouver Platforms Inc., a regulated public utility, is to provide expert services to CEMP for ownership, operation and regulation of the Mount Pleasant DCS;
- E. By Orders G-73-20, G-149-20, G-234-20 and G-247-20, dated March 31, June 10, September 14 and October 2, 2020, respectively, the BCUC established a public hearing process and regulatory timetables for review of the Application, which consisted of public notice, intervener registration, two rounds of BCUC and intervener information requests (IRs), one round of Panel IRs, Streamlined Review Process, and the filing of written and reply arguments; and
- F. The BCUC has considered the Application, evidence and submissions from all parties and finds that public convenience and necessity require that the Project proceed and the following determinations to be warranted.

**NOW THEREFORE** the BCUC orders as follows:

1. Pursuant to sections 45 and 46 of the UCA, a CPCN is granted to CEMP for the Project, authorizing the following:
  - Acquisition and operation of the existing Mount Pleasant DCS to serve the following buildings:
    - Building M1 located at 2015 Main Street, Vancouver; and
    - Building M3 located at 111 East 5th Avenue, Vancouver.
  - Extension and operation of the Mount Pleasant DCS to serve the following buildings:
    - Building M2 located at 114 East 4th Avenue, Vancouver by 2021;
    - Building M4 located at 110 East 5th Avenue, Vancouver by 2023; and
    - Building M5 located at 2015 Main Street, Vancouver by 2029.
  - Renovation, expansion and upgrade of the cooling plant located in Building M3 in 2027.

subject to the following terms:

- (a) CEMP shall conduct further public consultation regarding the Project prior to Phase 3. CEMP must file with the BCUC, at least 6 months prior to commencing Phase 3, a report regarding its public consultation, outlining issues or concerns raised, if any, and how CEMP addresses, or plans to address, such matters.
- (b) CEMP may not proceed with Phase 3 of the Project until it has agreed in writing a target in-service date for the expansion and renovation of Building M3 and a target in-service date for Building M5 with the Owner pursuant to section 3.9(h) of the Construction and Purchase Agreement (CPA) and filed that target in-service date with the BCUC.
- (c) CEMP may not amend the target dates for Buildings M3 or M5 or agree any other dates with the Owner with regards to Phase 3 and section 3.9(h) without the prior approval of the BCUC.

- (d) CEMP must ensure all upgrades made in Phase 1 related to the connection to new Building M2 are undertaken in accordance with commitments made by the Owner and the capacity and resiliency requirements resulting from that commitment.
  - (e) CEMP must ensure all upgrades made in Phase 2 related to the connection to new Building M4 are undertaken in accordance with commitments made by the Owner and the capacity and resiliency requirements resulting from that commitment.
  - (f) CEMP must ensure all upgrades made in Phase 3 related to the expansion of Building M3 are undertaken in accordance with commitments made by the Owner and the capacity and resiliency requirements resulting from that commitment.
  - (g) CEMP must ensure all upgrades made in Phase 4 related to the connection to new Building M5 are undertaken in accordance with commitments made by the Owner and the capacity and resiliency requirements resulting from that commitment.
  - (h) CEMP must file any proposed changes to the CPA for approval by the BCUC.
  - (i) CEMP shall file its code of conduct and transfer pricing policy with the BCUC at the same time as it files its application for rates for cooling service.
2. CEMP is directed to file with the BCUC a report every six months starting June 30, 2021 and continuing until the end of the Project. The final Project report is to be filed within 60 days of the Project completion. Each report shall include:
- (a) For each phase of the Project, the current status of implementation, including costs incurred to date, forecast cost remaining to be incurred, and explanations of variances between the CPCN forecast total cost and current or final total cost incurred;
  - (b) For each building, the target in-service date filed with the BCUC, the actual or anticipated in-service date with an explanation for any variance;
  - (c) For each building, the original and current demand forecast, and actual demand of each in-service building; and
  - (d) For each building not yet completed, information regarding changes to forecast capacity needs as a result of changes to building codes and standards since the start of the Project.
3. Pursuant to sections 58 to 60 of the UCA and subject to the changes outlined in Directive 5 of this Order, the BCUC approves the Customer Service Agreement (Non-M3 Lands) as filed in Attachment 58.1 to Exhibit B-5;
4. Pursuant to sections 58 to 60 of the UCA and subject to the changes outlined in Directive 5 of this Order, the BCUC approves the Customer Service Agreement (M3 Lands) as filed in Attachment 58.1 to Exhibit B-5; and
5. CEMP is directed to remove the reference in the Customer Service Agreements to the BCUC website and to include wording clearly explaining how customers may review the terms and conditions. CEMP is directed to file the updated Customer Service Agreements with the BCUC as a compliance filing within 30 days of this order.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 3<sup>rd</sup> day of December 2020.

BY ORDER

*Original signed by:*

R. I. Mason  
Commissioner