



ORDER NUMBER
C-5-24

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

and

Creative Energy Thomson Rivers Limited Partnership
Certificate of Public Convenience and Necessity
for Thompson Rivers University Low Carbon District Energy System Phase 2

BEFORE:

T. A. Loski, Panel Chair
E. A. Brown, Commissioner

on September 19, 2024

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

WHEREAS:

- A. On May 27, 2024, Creative Energy Thomson Rivers Limited Partnership (CETRLP) submitted an application with the British Columbia Utilities Commission (BCUC) for a Certificate of Public Convenience and Necessity (CPCN) to construct and operate the second phase (Phase 2) of the Thompson Rivers University (TRU) Low-Carbon District Energy System (LCDES), pursuant to sections 45 and 46 of the *Utilities Commission Act* (UCA) (Application);
- B. On May 3, 2023, pursuant to Decision and accompanying Order C-1-23, CETRLP was granted a CPCN to construct and operate the first phase of TRU LCDES (Phase 1). Directive 2 of Order C-1-23 requires CETRLP to provide reports as laid out in Section 9 of the Decision accompanying Order C-1-23;
- C. In the Application, CETRLP seeks approval to construct and operate Phase 2 of the TRU LCDES to provide space heating and domestic hot water to four additional existing buildings located on the TRU campus;
- D. CETRLP also requests approval to replace the reporting requirements as set out in Appendix A of the Decision and accompanying Order C-1-23 with consolidated and coordinated reporting requirements for both Phase 1 and Phase 2 of the TRU LCDES;
- E. By Order G-171-24 dated June 21, 2024, the BCUC established a regulatory timetable for the review of the Application, which included public notice, one round of information requests to CETRLP, allowance for letters of comment, and CETRLP final arguments; and
- F. The BCUC has considered the Application, the evidence and submissions in this proceeding and determines that certain approvals are warranted.

NOW THEREFORE pursuant to sections 45 and 46 of the UCA, the BCUC orders as follows:

1. CETRLP is granted a CPCN to construct and operate Phase 2 of the TRU LCDES, as set out in the Application.
2. CETRLP must file with the BCUC the combined cost estimate for the TRU LCDES Phase 1 and Phase 2 projects (Project) (Combined Project Cost Estimate), within thirty (30) days of this order. The Combined Project Cost Estimate must follow the cost category breakdown provided in Appendix B to this order.
3. Directive 2 of Order C-1-23 is rescinded and CETRLP is no longer required to report to the BCUC as directed by Order C-1-23.
4. CETRLP must file reports for the Project as outlined in Appendix A and Appendix B to this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 19th day of September 2024.

BY ORDER

Original signed by:

T. A. Loski
Commissioner

Attachment

Creative Energy Thompson Rivers Limited Partnership
Certificate of Public Convenience and Necessity
for Thompson Rivers University Low Carbon District Energy System Phase 2

PROJECT REPORTING

The scope of project reporting will comprise of the following:

1. Semi-annual Progress Reports

Each semi-annual Progress Report is required to detail:

- Actual costs incurred to date for the Project compared to the Combined Project Cost Estimate, highlighting variances and an explanation for significant variances;
- Updated forecast costs, highlighting the reasons for significant changes in the Project cost anticipated to be incurred, as compared to the Combined Project Cost Estimate; and
- The status of Project risks, as identified in Section 10 of the Application and in the Phase 1 progress reporting provided to the BCUC prior to the date of this order, highlighting the following:
 - Status of identified risks;
 - Changes in and additions to risks;
 - Options available to address the risks;
 - Actions that CETRLP is taking to deal with the risks; and,
 - Impact on the Project's schedule and cost.

CETRLP must file semi-annual progress reports within 30 days of the end of each semi-annual reporting period, with the first report covering the period ending January 31, 2025. Each report must provide the information set out above and in Appendix B to this order.

2. Material Change Reports

A material change is a change in CETRLP's plan for the Project that would reasonably be expected to have a significant impact on the schedule, cost and/or scope, such that:

- Schedule – The Project commencement and/or in-service date of September 2026, as provided in Table 8 of the Application, is delayed by 3 months or longer;
- Cost – The total Project cost exceeds the Combined Project Cost Estimate by 30 percent; or
- Scope – There is a change to the Project scope of work, for example, but not limited to, a change in CETRLP's preferred heating system design, or the connection of any of the buildings to be connected to the TRU LCDES.

In the event of a material change, CETRLP must file a material change report with the BCUC explaining the reasons for the material change, CETRLP's consideration of the Project risk and the options available, and actions CETRLP is taking to address the material change.

CETRLP must file the material change report as soon as practicable and in any event within 30 days of the date on which the material change occurs. If the material change occurs within 30 days of the date of filing a semi-annual progress report, CETRLP may instead include the material change information in the progress report.

3 Final Report

A Final Report is due within six months of substantial completion of the Project. The report is to include:

- A complete breakdown of the final cost of the Project;
- A comparison of the final Project cost to the Combined Project Cost Estimate; and
- An explanation and justification for any cost variances that exceed 30 percent for any of the categories of costs listed in Part 3.1 of Appendix B of this order.

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Table of Contents for Semi-Annual Progress Report

1. Project Status

- 1.1. General Project Status
- 1.2. Milestones Completed
- 1.3. Project Challenges and Issues
- 1.4. Plans for Next Period

2. Project Schedule

- 2.1 Schedule Summary
 - 2.1.1 Schedule Performance to Date
 - 2.1.2 Schedule Projection Going Forward
 - 2.1.3 Schedule Difficulties and Variances

3. Project Costs

- 3.1 Project Cost Summary - Including explanation of variances relative to the Combined Project Cost Estimate, and in the following table form:

Category	Total Project Cost Estimate (\$)	Actual Cost Incurred to Date (\$)	Total Forecast Cost at Project Completion (\$)	Variance (\$)
Development				
Regulatory				
Detailed Design				
Construction – Energy Centre				
Construction – Energy Transfer Station				
Construction – Distribution Piping System				
Management				
Admin/Other soft costs				
Contingency				
TOTAL				

- 3.2 Financial Summary including explanation of variances for the total project costs.

4. Project Risks

- 4.1 Significant Project Risks
- 4.2 Impacts to Project Schedule or Costs
- 4.3 Plans to Mitigate Risks

5. Public and Indigenous Communities Consultation

- 5.1 An ongoing report on the status of consultation efforts including description of issues raised and addressed, if any.