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ORDER NUMBER G-249-24

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

and

Cambie Gardens Energy Limited Partnership
Complaint filed by S.U.C.C.E.S.S. Affordable Housing Society and the City of Vancouver

BEFORE:

D. A. Cote, Panel Chair E. A. Brown, Commissioner M. Jaccard, Commissioner

on September 24, 2024

ORDER

WHEREAS:

- A. On June 30, 2023, the British Columbia Utilities Commission (BCUC) received a complaint filed by S.U.C.C.E.S.S Affordable Housing Society (SUCCESS) and the City of Vancouver (City) (collectively, the Complainants), regarding the inability to reach an agreement with Cambie Gardens Energy Limited Partnership (CGE) on the rates and terms for the delivery of thermal energy services from the CGE Thermal Energy System (TES) (Complaint);
- B. By Order G-271-23 dated October 12, 2023, and as amended by G-306-23 dated November 10, 2023, G-5-24 dated January 11, 2024, and G-47-24 dated February 23, 2024, the BCUC established a regulatory timetable to hear the Complaint. The timetable consisted of two rounds of information requests (IRs) and final and reply arguments;
- C. On March 19, 2024, CGE and the Complainants filed their respective final arguments;
- D. By letter dated April 2, 2024, and by order G-109-24, dated April 12, 2024, the BCUC ordered CGE to file the additional information as set out in the letter included as Appendix A;
- E. On April 29, 2024, CGE filed its response to Order G-109-24;
- F. By Order G-131-24, dated May 14, 2024, the BCUC amended the regulatory timetable to provide for argument on the additional information file by CGE, followed by reply arguments; and
- G. The BCUC has reviewed the evidence, and considers the following determinations are warranted.

Final Order 1 of 2

NOW THEREFORE for the reasons outlined in the decision accompanying this order, the BCUC orders as follows:

- 1. CGE and the Complainants have an additional six (6) months to negotiate a long-term service agreement for the TES.
- 2. If CGE and the Complainants are unable to reach agreement within six months following the issuance of this decision, they are directed to provide notification to the BCUC.
- 3. The order and executive summary are not confidential, while the decision and information filed confidentially in the proceeding shall remain confidential until the BCUC determines otherwise.
- 4. The Complaint is closed.

DATED at the City of Vancouver, in the Province of British Columbia, this 24th day of September 2024.

BY ORDER

Original signed by:

D. A. Cote Commissioner

Final Order 2 of 2

Cambie Gardens Energy Limited Partnership Complaint filed by S.U.C.C.E.S.S. Affordable Housing Society and the City of Vancouver

DECISION

Executive Summary

On June 30, 2023, S.U.C.C.E.S.S. Affordable Housing Society (SUCCESS) and the City of Vancouver (City) (jointly the Complainants) filed a complaint with the British Columbia Utilities Commission (BCUC) pursuant to section 83 of the *Utilities Commission Act* (UCA) regarding their inability to reach an agreement with Cambie Gardens Energy Limited Partnership (CGE) on the rates and terms for the delivery of space heating and domestic hot water to serve SUCCESS at 603 West 59th Avenue, Vancouver, BC (Complaint). The Complainants seek the BCUC's assistance to compel CGE to provide the relevant financial information to justify its proposed rates, as well as its proposed annual escalation rate.²

SUCCESS operates and manages affordable housing units across Metro Vancouver.³ The City, while not a party to the agreement, is the owner of the airspace parcel leased by SUCCESS and the Panel has determined that it has sufficient interest to be a party to the proceeding.⁴

CGE, an Onni subsidiary, provides thermal energy services to three customers: SUCCESS which receives only heating services, and two customers who, in addition to heating, also receive cooling services.⁵

CGE was granted a Stream A thermal energy system (TES) exemption for the CGE TES in December 2021, exempting CGE from the regulation of rates, CPCN requirements and long-term resource planning requirements, in accordance with the BCUC Thermal Energy System Regulatory System Framework Guidelines (TES Guidelines).⁶ Noting the lack of agreement among the parties, which is a requirement of the TES Guidelines, the Panel established a proceeding to hear the Complaint. Given the absence of an agreed upon long-term agreement, the Panel determined both rates and the associated contractual terms and conditions are in scope.⁷

Following CGE's request for confidentiality, the BCUC determined that certain information was to be kept confidential from the public due to the presence of commercially sensitive information, until further order of the BCUC.⁸ The full decision is therefore not publicly available.

The Panel has not lifted CGE's Stream A exemption in its decision but rather, has provided recommendations and guidance to the parties with respect to rates and terms of the service agreement that we would find acceptable in a long-term agreement. Accordingly, the Panel directs the parties to engage in further meetings as necessary to negotiate a long-term service agreement. If the parties are unable to reach agreement within six months following the issuance of this Decision, they are further directed to provide notification to the BCUC.

Order G-249-24

¹ Exhibit B1-1, p. 1.

² Ibid., p. 7.

³ Ibid., pp. 2-3.

⁴ Exhibit A-7, G-271-23, Appendix B, p. 3.

⁵ Exhibit B2-4, p. 7.

⁶ BCUC Order G-373-21

⁷ Exhibit A-7, G-271-23, dated October 12, 2023.

⁸ Exhibit A-10, G-306-23, dated November 10. 2023.

In addition to other confidential recommendations, the Panel has recommended the inclusion of periodic performance reviews and resulting adjustments to the basic charge to mitigate unnecessary forecast risk to both parties.

Given SUCCESS is a tenant and not the property owner, the Panel also recommends the parties add terms to the service agreement to address the role of the City as property owner, similar to those required by BC Hydro and FEI in their Tariffs.

Order G-249-24 ii

Cambie Gardens Energy Limited Partnership Complaint filed by S.U.C.C.E.S.S. Affordable Housing Society and the City of Vancouver

Confidential Decision