



**ORDER NUMBER
G-46-25**

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

and

British Columbia Utilities Commission
Thermal Energy Systems below a Certain Minimum Size Threshold
for an Exemption from Regulation as a Public Utility

BEFORE:

T. A. Loski, Panel Chair
M. Jaccard, Commissioner

on February 26, 2025

ORDER

WHEREAS:

- A. On August 28, 2013, by Order G-132-13, the British Columbia Utilities Commission (BCUC) established a written public hearing for the review of a proposed regulatory framework for thermal energy systems, which are equipment or facilities for the production, generation, storage, transmission, sale, delivery or provision of heat and/or cold (TES);
- B. On August 27, 2014, the BCUC issued Orders G-119-14, G-120-14 and G-121-14 providing certain exemptions from certain provisions of the *Utilities Commission Act* (UCA) for: a) Micro TES providers; b) Strata owned TES; and c) Stream A TES providers, respectively (TES Exemptions);
- C. On August 28, 2014, by Order G-127-14, the BCUC approved and issued the Thermal Energy System Regulatory Framework Guidelines (TES Guidelines). Revisions to the TES Guidelines were approved on March 2, 2015, by Order G-27-15;
- D. Section 1 of the TES Guidelines states that the TES Guidelines may be revised or updated from time to time in order to incorporate lessons learned and adjust to evolving market circumstances and changes to the UCA;
- E. On December 20, 2019, by Order G-341-19, the BCUC established a public hearing for the Review of Thermal Energy Systems Regulatory Framework Guidelines (TES Review);
- F. On January 26, 2022, the BCUC issued a draft report for comment, followed by additional requests for written submissions from participants on draft proposed revisions to the TES Exemptions by letters dated August 12, 2022, September 29, 2022, and May 4, 2023;

- G. On December 21, 2023, the BCUC released its Panel Report on the TES Framework recommending that TES facilities below a specified threshold (Micro TES) not be exempt from sections 23, 25, 38 and 41 to 44 of the UCA;
- H. On April 3, 2024, by Order G-98-24, the BCUC established a public hearing and regulatory timetable for the second phase of the TES Review (Phase 2). Phase 2 considered the form of BCUC regulation of TES, as well as revisions and updates to the TES Guidelines;
- I. On May 22, 2024, the BCUC issued draft revised TES Guidelines and invited written submissions and reply submissions from registered interveners regarding the draft revised TES Guidelines;
- J. On January 28, 2025, the BCUC requested that the Minister responsible for the administration of the *Hydro and Power Authority Act* (Minister) grant advance approval for the exemptions;
- K. By letter dated February 18, 2025 and attached as Appendix A to this Order, the Minister granted advance approval to the BCUC to exempt from Part 3 of the UCA, except for sections 23, 25, 38, and 41 to 44, the class of cases where a person, or the person's lessee, trustee, receiver or liquidator, owns or operates in British Columbia a TES for the production, generation, storage, transmission, sale, delivery or provision of heat and/or cold, for compensation, where the TES has a capital cost below a certain minimum dollar threshold as determined by the BCUC; and
- L. The BCUC has determined that this exemption from certain sections of Part 3 of the UCA serves the objects and purposes of the UCA and is in the public interest.

NOW THEREFORE pursuant to subsections 88(1) and 88(3) of the *Utilities Commission Act*, the BCUC orders as follows:

- 1. Order G-119-14 is rescinded.
- 2. Subject to Directive 3 of this Order, a person, or the person's lessee, trustee, receiver or liquidator, who owns or operates in British Columbia a Micro TES for the production, generation, storage, transmission, sale, delivery or provision of heat and/or cold for compensation, with a capital cost below a certain minimum dollar threshold as determined by the BCUC is exempt from Part 3 of the UCA, except for sections 23, 25, 38, and 41 to 44.
- 3. The exemption referred to in Directive 2 of this Order remains in effect until the BCUC, after a hearing, orders that the exemption no longer applies in whole or in part.

DATED at the City of Vancouver, in the Province of British Columbia, this 26th day of February 2025.

BY ORDER

Electronically signed by Tom Loski

T. A. Loski
Commissioner

Attachment



FEB 18 2025

CLIFF# 143371

Via email: Commission.Secretary@bcuc.com

Patrick Wruck
Commission Secretary
British Columbia Utilities Commission
Suite 410, 900 Howe St
Vancouver BC V6Z 2N3

Dear Patrick Wruck:

Thank you for your letter of January 28, 2025 regarding the British Columbia Utilities Commission (BCUC) Review of Thermal Energy Systems Regulatory Framework Guidelines proceeding. Your letter requested advance approval to issue orders under section 88 of the *Utilities Commission Act* (UCA) to exempt "Micro Thermal Energy Systems" from provisions of the UCA.

I, Adrian Dix, Minister of Energy and Climate Solutions, confirm that, pursuant to section 88 (3) of the UCA, approval is given to the BCUC to make the exemptions from the indicated provisions of the UCA (related to Micro Thermal Energy Systems) as set out in the attached draft order of the BCUC.

Sincerely,

Adrian Dix
Minister

Attachment: BCUC Draft Order related to Micro Thermal Energy Systems



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Utilities Commission

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British Columbia Utilities Commission
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BEFORE:
T. A. Loski, Panel Chair
M. Jaccard, Commissioner

on [Date]

DRAFT ORDER

WHEREAS:

- A. On August 28, 2013, by Order G-132-13, the British Columbia Utilities Commission (BCUC) established a written public hearing for the review of a proposed regulatory framework for thermal energy systems, which are equipment or facilities for the production, generation, storage, transmission, sale, delivery or provision of heat and/or cold (TES);
- B. On August 27, 2014, the BCUC issued Orders G-119-14, G-120-14 and G-121-14 providing certain exemptions from certain provisions of the *Utilities Commission Act* (UCA) for: a) Micro TES providers; b) Strata owned TES; and c) Stream A TES providers, respectively (TES Exemptions);
- C. On August 28, 2014, by Order G-127-14, the BCUC approved and issued the Thermal Energy System Regulatory Framework Guidelines (TES Guidelines). Revisions to the TES Guidelines were approved on March 2, 2015, by Order G-27-15;
- D. Section 1 of the TES Guidelines states that the TES Guidelines may be revised or updated from time to time in order to incorporate lessons learned and adjust to evolving market circumstances and changes to the UCA;
- E. On December 20, 2019, by Order G-341-19, the BCUC established a public hearing for the Review of Thermal Energy Systems Regulatory Framework Guidelines (TES Review);

- F. On January 26, 2022, the BCUC issued a draft report for comment, followed by additional requests for written submissions from participants on draft proposed revisions to the TES Exemptions by letters dated August 12, 2022, September 29, 2022, and May 4, 2023;
- G. On December 21, 2023, the BCUC released its Panel Report on the TES Framework recommending that TES facilities below a specified threshold (Micro TES) not be exempt from sections 23, 25, 38 and 41 to 44 of the UCA;
- H. On April 3, 2024, by Order G-98-24, the BCUC established a public hearing and regulatory timetable for the second phase of the TES Review (Phase 2). Phase 2 considered the form of BCUC regulation of TES, as well as revisions and updates to the TES Guidelines;
- I. On May 22, 2024, the BCUC issued draft revised TES Guidelines and invited written submissions and reply submissions from registered interveners regarding the draft revised TES Guidelines;
- J. On January 28, 2025, the BCUC requested that the Minister responsible for the administration of the *Hydro and Power Authority Act* (Minister) grant advance approval for the exemptions;
- K. By letter dated [*] and attached as Appendix x to this Order, the Minister granted advance approval to the BCUC to exempt from Part 3 of the UCA, except for sections 23, 25, 38, and 41 to 44, the class of cases where a person, or the person's lessee, trustee, receiver or liquidator, owns or operates in British Columbia a TES for the production, generation, storage, transmission, sale, delivery or provision of heat and/or cold, for compensation, where the TES has a capital cost below a certain minimum dollar threshold as determined by the BCUC; and
- L. The BCUC has determined that this exemption from certain sections of Part 3 of the UCA serves the objects and purposes of the UCA and is in the public interest.

NOW THEREFORE pursuant to subsections 88(1) and 88(3) of the *Utilities Commission Act*, the BCUC orders as follows:

- 1. Subject to Directive 2 of this Order, a person, or the person's lessee, trustee, receiver or liquidator, who owns or operates in British Columbia a Micro TES for the production, generation, storage, transmission, sale, delivery or provision of heat and/or cold for compensation, with a capital cost below a certain minimum dollar threshold as determined by the BCUC, is exempt from Part 3 of the UCA, except for sections 23, 25, 38, and 41 to 44.
- 2. The exemption referred to in Directive 1 of this Order remains in effect until the BCUC, after a hearing, orders that the exemption no longer applies in whole or in part.

DATED at the City of Vancouver, in the Province of British Columbia, this day of [Month] [Year].

BY ORDER

T. A. Loski
Commissioner