

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, BC V6Z 2N3 CANADA
web site: <http://www.bcuc.com>



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-99-14**

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

**IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473**

and

**Requiring an On-Site System Examination of Casa Del Mila Oro Geothermal
and the Preparation of a Report Detailing the Findings of the Examination**

BEFORE: L.F. Kelsey, Commissioner July 17, 2014

O R D E R

WHEREAS:

- A. On January 16, 2014, by Order G-6-14 following a complaint and hearing, the British Columbia Utilities Commission (Commission) found the person, or the person's lessee, trustee, receiver or liquidator who owns or operates the geothermal heating and cooling facilities known as Casa Del Mila Oro (CDMO) Geothermal to be a public utility as defined by the *Utilities Commission Act* (UCA);
- B. In response to concerns of complaints, Order G-6-14 also directed CDMO Geothermal to provide to the Commission an assessment of any planned work or repairs, including identification of current deficiencies of the system, if any;
- C. On June 11, 2014, the Commission received an update from CDMO Geothermal indicating that the geothermal energy service had been fully restored. CDMO Geothermal also advised that a small leak exists in the system, but this leak did not previously affect nor will it now affect geothermal service to individual units. CDMO Geothermal also indicated that it plans to complete repair work in the fall, after the busy summer season;
- D. On July 9, 2014, by Order G-89-14 following numerous complaints from customers that CDMO Geothermal was planning to cut service to units whose accounts were in arrears, the Commission ordered that pursuant to section 85 of the UCA, CDMO Geothermal must not disconnect service to its customers unless agreed by the customer until further order from the Commission;
- E. In the period July 10 to July 14, 2014, the Commission received numerous customer complaints that geothermal service has been disconnected to some of the units at Casa Del Mila Oro Resort;

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-99-14

2

- F. As of July 17, 2014, the Commission has not received written confirmation from CDMO Geothermal that all customers are re-connected;
- G. On July 16 and 17, 2014, the Commission received several customer concerns that as a result of high temperatures the state of the geothermal system has deteriorated, causing existing leaks to worsen and potentially affect service to individual units;
- H. The information received by the Commission raises concerns with respect to the safety and reliability of CDMO Geothermal's system, pursuant to section 38 of the UCA; and
- I. The Commission determines that an independent examination is necessary in accordance with section 24 of the UCA.

NOW THEREFORE the Commission orders as follows:

- 1. Pursuant to section 24 of the *Utilities Commission Act*, the Commission initiates an examination and report into the adequacy, safety and reliability of service.
- 2. Pursuant to sections 8 and 78 of the *Utilities Commission Act*, the Commission appoints Lakeview Geotech Ltd. as an independent technical expert to carry out the examination and report. Lakeview Geotech Ltd. is to perform an on-site examination of CDMO Geothermal and is expected to provide a report to the Commission, which includes the components outlined in the Terms of Reference, attached as Appendix A.
- 3. Pursuant to section 43(1) of the *Utilities Commission Act*, CDMO Geothermal is directed to fully comply with the examination and provide information and fully respond to inquiries of the Commission and the appointed expert.
- 4. The timing of the on-site examination and production of a report following the attached Terms of Reference will be established to occur in an efficient and expeditious manner following issuance of this Order, to be filed no later than 4:30 p.m. on Monday, July 21, 2014.

DATED at the City of Vancouver, in the Province of British Columbia, this 17th day of July 2014.

BY ORDER

Original Signed By:

L.F. Kelsey
Commissioner

TERMS OF REFERENCE

Third Party Verification and Assessment of Casa Del Mila Oro (CDMO) Geothermal System
Report to British Columbia Utilities Commission

Name and Contact details of Third Party Company	Lakeview Geotech Ltd. <i>[Please provide address, phone, fax and email]</i>
Name of technician and qualifications	<i>[Please include a list of technician's certifications]</i>
Verification of service connection to all units	Date and time of verification: ☐ Yes, all units are connected to the geothermal system and receiving service ☐ No, the following units are disconnected from the geothermal system and not receiving service: • <i>[Please list units that are disconnected]</i> •
Assessment of current state of system	Date and time of assessment: Description of current state of system: <i>[Please describe, with as much detail as possible, the current state of the geothermal system. Please include all pertinent information including the level of water in the system loop, any leaks in the system, and the impact of any system deficiencies on the heating/cooling service to individual units]</i>
Recommendations for Immediate Priorities	Identification of critical priorities for summer season: <i>[Given the high temperatures of the summer months and the impact of such temperatures on the system performance, please indicate in your professional opinion, which of the above described system problems should be immediately addressed/repared in order to ensure safe, reliable service during the summer season.]</i> Priority 1:

	Priority 2: Priority 3: . . .	
	Estimate of Time and Cost: <i>[Please provide an estimate of the cost and time to complete the immediate repairs identified above.]</i>	
Recommendations for Ongoing Maintenance and Future Repairs	Identification of future priorities: <i>[Please provide a brief outline and description of non-critical maintenance and/or repair requirements that, although not immediately necessary, should be completed to achieve full safe, reliable service.]</i>	
	Estimate of Time and Cost: <i>[Please provide an estimate of the cost and time to complete the future maintenance and repairs identified above.]</i>	
Signature of Technician	<i>[signature]</i>	<i>[date]</i>