



ORDER NUMBER
G-341-19

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

and

British Columbia Utilities Commission
Review of Thermal Energy Systems Regulatory Framework Guidelines

BEFORE:

R. I. Mason, Panel Chair
W. M. Everett, QC, Commissioner
T. A. Loski, Commissioner

on December 20, 2019

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 (TES);
- B. On December 31, 2013, by Order G-231-13, amended by Order G-231-13A on January 6, 2014, the BCUC found that exemptions from certain provisions of the *Utilities Commission Act* (UCA) for TES providers properly conserves the public interest and the BCUC sought approval from the Lieutenant Governor in Council (LGIC) for certain exemptions, pursuant to section 88(3) of the UCA;
- C. On June 20, 2014, the LGIC approved Orders in Council 399, 400 and 401 giving advance approval to the BCUC to exempt certain TES from certain provisions of the UCA, as requested. 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 UCA for: a) Micro TES providers; b) Strata owned TES; and c) Stream A TES providers, respectively;
- D. 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;
- E. 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 learnt and adjust to evolving market circumstances and changes to the UCA; and
- F. Five years have elapsed since the issuance of the TES Guidelines and the BCUC considers the establishment of a public hearing to review the TES Guidelines (Review of Thermal Energy Systems Regulatory Framework Guidelines) and a regulatory timetable are warranted.

NOW THEREFORE the BCUC orders as follows:

1. The BCUC establishes a public hearing for the Review of Thermal Energy Systems Regulatory Framework Guidelines (Review).
2. A regulatory timetable is established for the Review, as set out in Appendix A to this order.
3. Interveners who wish to participate in the Review are to register with the BCUC by completing a [Request to Intervene Form](#), by the date established in the regulatory timetable attached as Appendix A to this order and in accordance with the BCUC's Rules of Practice and Procedure attached to Order G-15-19.
4. The BCUC requests registered interveners provide written submissions on the draft Terms of Reference attached as Appendix B to this order by the date established in the regulatory timetable, attached as Appendix A to this order.
5. Transcribed workshops on the Review will be held on Wednesday, April 1, 2020, and Thursday, April 2, 2020, commencing at 9:00 a.m. in the BCUC Hearing Room on the 12th floor, 1125 Howe Street, Vancouver, BC.
6. Registered interveners may provide written submissions following the transcribed workshops by the date established in the regulatory timetable attached as Appendix A to this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 20th day of December 2019.

BY ORDER

Original signed by:

R. I. Mason
Commissioner

Attachment

British Columbia Utilities Commission
Review of Thermal Energy Systems Regulatory Framework Guidelines

REGULATORY TIMETABLE

Action	Date (2020)
Intervener registration	Friday, January 31
Intervener written submissions on the draft Terms of Reference	Friday, February 14
Letters of comment on the draft Terms of Reference	Friday, February 14
BCUC issues final Terms of Reference	Wednesday, March 11
Transcribed Workshop – Day 1*	Wednesday, April 1 commencing at 9:00 a.m.
Transcribed Workshop – Day 2* (if required)	Thursday, April 2 commencing at 9:00 a.m.
Intervener written submissions within scope of Terms of Reference (if desired)	Thursday, April 9
Intervener submissions on further process	Thursday, April 23
Notification of intent to file Intervener evidence**	Thursday, April 23
Further process	To be determined

* Location of the workshop:
BCUC Hearing Room
12th Floor, 1125 Howe Street
Vancouver, BC V6Z 2K8

** The notice to file evidence should include a description of the key issues intended to be addressed.

British Columbia Utilities Commission
Review of Thermal Energy Systems Regulatory Framework Guidelines

DRAFT TERMS OF REFERENCE

1. Scaled Framework

- a. Are the current classes for exemptions of thermal energy systems (TES) appropriate? If not, what ought to be the appropriate classes of exemptions for TES and why?

2. Exemption Thresholds

- a. Are the current defining characteristics for each exemption class still appropriate?

3. Complaints

- a. Is the current complaint process adequate for each class of TES?

4. Registration

- a. Should each TES exemption class require registration with the BCUC? If not, why not?

5. Extensions

- a. Are there any issues with the current extension test for each class of TES?

6. Rate Setting Principles

- a. Are there any issues with the current rate setting principles outlined in the TES Guidelines?¹
- b. Should rate setting principles apply to each class of TES?

7. Consultation

- a. Are the consultation requirements adequate for each class of TES?

8. Stream A Exemption

- a. Are there any issues with the Stream A characteristics, as defined in Table 1 of the TES Guidelines?²

9. Stream B

- a. Are there any issues with the additional Certificate of Public Convenience and Necessity (CPCN) filing requirements outlined in the TES Guidelines?³
- b. Should applications for a CPCN include indicative rates and the proposed rate setting mechanism?

10. Use of the TES Guidelines

- a. What issues have users of the TES Guidelines encountered?
- b. Are there suggested improvements to the readability and accessibility of the TES Guidelines?
- c. Are the terms, definitions, and descriptions clear and are they representative of the terms used within the TES industry?
- d. What improvements could be made to the following:
 - i. Stream A TES – Registration Form;
 - ii. Stream A TES – Annual Report; and
 - iii. Stream B TES – System Extension Form.

¹ Order G-27-15, Appendix A, pp. 22–23.

² Order G-27-15, Appendix A, p. 12.

³ Order G-27-15, Appendix A, p. 21.