



ORDER NUMBER
G-21-23

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

and

Corix Multi-Utility Services Inc.
Application for Approvals relating to Restructuring and Business Combination Transactions

BEFORE:

A. K. Fung, KC, Panel Chair
M. Kresivo, KC, Commissioner
A. Pape-Salmon, Commissioner

on January 26, 2023

ORDER

WHEREAS:

- A. On November 16, 2022, Corix Multi-Utility Services Inc. (CMUS) and SW Merger Acquisition Corp. (SWMAC) applied to the British Columbia Utilities Commission (BCUC), pursuant to sections 45, 46, 50, 52 and 54 of the *Utilities Commission Act* (UCA) for approval of certain steps of a proposed restructuring involving CMUS and a proposed business combination involving the acquisition of a reviewable interest in CMUS (Application);
- B. CMUS is a public utility pursuant to the UCA which owns and operates a number of public utility systems in British Columbia that are subject to regulation by the BCUC pursuant to the UCA and the BCUC's Thermal Energy System (TES) Regulatory Framework Guidelines;
- C. CMUS is a wholly owned subsidiary of Corix Utilities Inc. (CUI), which is a wholly owned subsidiary of Corix Infrastructure Inc. (CII), and is indirectly controlled by British Columbia Investment Management Corporation (BCI);
- D. On August 26, 2022, CII and Corix Infrastructure (US) Inc. (Corix US) entered into an agreement with IIF Subway Investment L.P., SWMAC and SouthWest Water Company (SouthWest), which provides a framework for combining CII's water utility and wastewater and related businesses in Canada and the United States (US) with the water utility and wastewater businesses of SouthWest in the US (Business Combination). The Business Combination includes CII's electricity, natural gas and propane distribution utilities, geothermal energy utilities, and municipal service operations of CII related to its US and Canadian water utility and wastewater operations, and excludes the following three Stream B thermal energy utilities owned by CMUS;
 - a. Burnaby Mountain District Energy Utility, Certificate of Public Convenience and Necessity (CPCN) granted by Orders C-7-11 and C-5-17;
 - b. UBC Neighborhood District Energy System, CPCN granted by Order C-2-15; and

- c. Dockside Green District Energy Utility, CPCN granted by Orders C-1-08, C-3-08 and G-166-18;
- E. CMUS will retain ownership and operations of the multi-utility systems listed below because they form part of CII's related businesses, which are included in the Business Combination:
 - a. Panorama Mountain's Propane Distribution Utility;
 - b. Sonoma Pines' Electricity Distribution Utility and Natural Gas Distribution Utility; and
 - c. Sun Rivers' Electricity Distribution Utility, Natural Gas Distribution Utility; Micro TES Geothermal System, Stream A Belmonte Central Energy Plant TES, and Stream A Talasa Central Energy Plant TES;
- F. The Application requests an order granting the following to CMUS:
 - a. Pursuant to section 52 of the UCA, approval to transfer its interest in each of the three Stream B thermal energy utilities that it owns and operates (Transferred TES) to three limited partnerships to be formed under the laws of a Canadian jurisdiction (TES LPs), which will continue to be indirectly controlled by BCI;
 - b. Subject to the BCUC's approval requested above and pursuant to sections 45 and 46 of the UCA, a CPCN for each of the TES LPs to enable them to lawfully operate the respective Transferred TES;
 - c. Pursuant to section 50 of the UCA, approval to issue additional shares and to assume intercompany balances in connection with the restructuring of CII; and
 - d. Pursuant to section 54 of the UCA, approval for a limited partnership to be formed under the laws of Delaware or another US state (SMWAC Holdco) to acquire 50 percent ownership of Corix US, which will result in SWMAC Holdco sharing indirect control of CMUS with CII and possibly an affiliate or affiliates of CII;
- G. By Order G-369-22 dated December 15, 2022, the BCUC established a regulatory timetable for the proceeding, which included Notice of Application and intervener registration; and
- H. The BCUC has commenced review of the Application and determines that establishing a further regulatory timetable is warranted.

NOW THEREFORE the BCUC establishes a further regulatory timetable for the review of the Application, as set out in Appendix A to this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 26th day of January 2023.

BY ORDER

Original signed by:

A. K. Fung, KC
Commissioner

Attachment

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REGULATORY TIMETABLE

Action	Date (2023)
BCUC Information Request (IR) No. 1 to CMUS	Tuesday, February 14
Intervener IR No. 1 to CMUS	Wednesday, February 22
CMUS responses to BCUC and Intervener IR No. 1	Wednesday, March 22
Further Process	To be determined