



**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-92-12**

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

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

An Application by Corix Infrastructure Inc.
pursuant to subsections 54(8) and 54(9) of the Utilities Commission Act
for Approval for the Acquisition of a Public Utility

BEFORE: L.F. Kelsey, Commissioner

June 28, 2012

O R D E R

WHEREAS:

- A. On June 18, 2012, Corix Infrastructure Inc. (Corix) applied to the British Columbia Utilities Commission (Commission) pursuant to section 54 of the *Utilities Commission Act* (the UCA) for approval of acquisition by British Columbia Investment Management Corporation, through its affiliates, bcIMC SIIF 101 2006 Investment Corporation, bcIMC (PPSAF A) Investment Corporation, bcIMC WCBFAF SIIF 101 2006 Investment Corporation and Corix Investment Trust (collectively, BCIMC), of the shares of Corix held by CAI Capital Partners and Company III, LP, CAI Partners and Company III, LP, CAI Capital Partners and Company IV, LP, and CAI Partners and Company IV, LP (collectively, CAI) which will cause BCIMC to have indirect control of Corix Multi-Utility Services Inc. (CMUS), a public utility as defined in the UCA;
- B. Corix is a company incorporated under the laws of the Province of British Columbia and is owned by BCIMC and CAI, each holding an approximately 42 percent ownership interest, with the remaining approximately 16 percent ownership interest held by other investors, including Corix senior management and employees;
- C. BCIMC and CAI have agreed to the transfer of CAI's entire ownership interest in Corix to BCIMC pursuant to the terms of an offer to sell from CAI;
- D. Section 54(4) of the UCA states:
 - (4) For the purpose of this section, a person has a reviewable interest in a public utility if
 - (a) the person owns or controls, or
 - (b) the person and the person's associates own or control,in the aggregate more than 20% of the voting shares outstanding of any class of shares of the utility.

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-92-12**

2

E. Section 54(8) of the UCA states:

- (8) Except if the acquisition or acquisition of control does not increase the percentage of voting shares held, owned or controlled by the person or by the person and the person's associates, a person having a reviewable interest in a public utility and any associate of that person must not acquire or acquire control of any voting shares in the public utility unless the person or associate has obtained the commission's approval.

F. Section 54(9) of the UCA states:

- (9) The commission may give its approval under this section subject to conditions and requirements it considers necessary or desirable in the public interest, but the commission must not give its approval under this section unless it considers that the public utility and the users of the service of the public utility will not be detrimentally affected.

G. The Commission considers the following six criteria in assessing whether a share transfer should be approved under section 54:

- (a) the public utility's current and future ability to raise equity and debt financing will not be reduced or impaired;
- (b) there is no violation of existing covenants that will be detrimental to the customers;
- (c) the conduct of the public utility's business, including the level of service, either now or in future, will be maintained or enhanced;
- (d) the Application is in compliance with appropriate enactments and/or regulations;
- (e) the structural integrity of the assets will be maintained in such a manner as to not impair utility service; and
- (f) the public interest will be preserved.

H. The Commission has reviewed the Application and determined that each of the six criteria has been satisfied in this case.

NOW THEREFORE pursuant to section 54 of the UCA the Commission approves the transfer of CAI's ownership interest in Corix to BCIMC.

DATED at the City of Vancouver, in the Province of British Columbia, this 28th day of June 2012.

BY ORDER

Original signed by:

L.F. Kelsey
Commissioner