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ORDER NUMBER G-40-17

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

and

Corix Multi-Utility Services Inc.

Application for a Certificate of Public Convenience and Necessity for the Burnaby Mountain District Energy Utility

BEFORE:

D. A. Cote, Panel Chair/Commissioner
D. J. Enns, Commissioner
W. M. Everett, QC, Commissioner

on March 20, 2017

ORDER

WHEREAS:

- A. Corix Multi-Utility Services Inc. (Corix) is seeking approval from the British Columbia Utilities Commission (Commission) to construct and operate the next stage of the development of its UniverCity Neighbourhood Utility Service (NUS) and to extend service to the Simon Fraser University (SFU) Campus. The expanded system will be called the Burnaby Mountain District Energy Utility (DEU). Corix is applying to the Commission for the following:
 - i. A Certificate of Public Convenience and Necessity (CPCN) pursuant to section 45 of the *Utilities Commission Act* (UCA) authorizing the construction and operation by Corix of the biomass central energy plant and the associated facilities (Project Facilities); and
 - ii. Approval pursuant to sections 60 and 61 of the UCA of the Amended and Restated Thermal Energy Services Agreement, dated as of January 27, 2017, between Corix and SFU including the cost of service, cost allocation and rate design principles set out in Schedule 1 (Cost of Service Parameters) and Schedule 2 (Cost Allocation and Rate Design Principles) (Application);
- B. On November 26, 2010, Corix filed an application for a CPCN under sections 45 and 46 of the UCA to construct and operate an alternative energy-based district energy system for the UniverCity residential community on Burnaby Mountain. Corix also sought approval under sections 56, 60 and 61 of the UCA for a deemed capital structure, return on equity, long-term debt financing costs, a levelized rate structure and a revenue deficiency deferral account;
- C. On May 6, 2011, by Order C-7-11, the Commission granted a CPCN to Corix to construct and operate the initial phase of the NUS district energy utility at UniverCity using temporary natural gas central energy plants;

- E. On October 7, 2015, Corix filed an application for a CPCN for additional capital and amended rates for UniverCity NUS on Burnaby Mountain requesting approval for expenditures to replace and expand the capacity of the existing temporary natural gas facilities with a larger capacity boiler. According to Corix, when combined with expenditures on the NUS, the replacement would trigger the requirement to file a CPCN under the Thermal Energy Systems Regulatory Framework Guidelines (TES Guidelines). As part of that application, Corix also requested approval of amended levelized rates;
- F. On December 30, 2015, the Commission issued Order G-215-15 and accompanying reasons for decision regarding Corix's Application for a CPCN for Additional Capital and Amended Rates for UniverCity NUS on Burnaby Mountain (CPCN application);
- G. On January 20, 2016, Corix filed a response to Order G-215-15. As part of its response, Corix informed the Commission that it had elected not to proceed with the project as proposed in its October 7, 2015 CPCN application and instead elected to retain the existing Temporary Energy Centre (TEC) in service and supplement the capacity with an additional TEC operating separately;
- H. On April 11, 2016, the Commission issued Order G-48-16A, approving the updated rate base and revenue requirements as outlined in Corix's January 20, 2016 submission; and
- I. Corix requests a written hearing process to review this Application and related to this Application, filed the following documents requesting that the non-redacted version of the following documents be kept confidential:
 - The Amended and Restated Infrastructure Agreement between Corix and SFU dated January 27, 2017;
 - ii. The Amended and Restated Thermal Energy Services Agreement between Corix and SFU dated as of January 27, 2017 (together, the Agreements); and
 - iii. A working copy of the Burnaby Mountain DEU financial model.

NOW THEREFORE, the British Columbia Utilities Commission orders as follows:

- 1. A written hearing process is established for the review of the Corix Multi-Utility Services Inc. (Corix) Application for a Certificate of Public Convenience and Necessity (CPCN) for the Burnaby Mountain District Energy Utility (DEU) as set out in the Regulatory Timetable attached as Appendix A to this order.
- 2. The Commission will hold the Burnaby Mountain DEU financial model, the non-redacted Amended and Restated Infrastructure Agreement between Corix and Simon Fraser University (SFU) and the non-redacted Amended and Restated Thermal Energy Services Agreement between Corix and SFU as confidential. Interveners may request access to this information in accordance with the Commission's Rules of Practice and Procedure.
- 3. Corix must publish in display-ad format, within seven days of the date of this order, the Public Notice of Application attached as Appendix B to this order, in the Burnaby NOW and SFU News that will provide reasonable notice to members of the public who may be affected by the project.
- 4. Corix must provide a copy of this order to all registered interveners and interested parties of the Corix 2015 Application for a CPCN for Additional Capital and Amended Rates for UniverCity Neighbourhood Utility Service on Burnaby Mountain proceeding, the Corix 2010 Application for a CPCN for the Neighbourhood Utility Service (NUS) at UniverCity, Burnaby proceeding and all current customers of the UniverCity NUS.

- 5. Interveners who wish to participate in the regulatory proceeding are to register with the Commission by completing a Request to Intervene Form, available on the Commission's website at http://www.bcuc.com/Registration-Intervener-1.aspx, by the date established in the Regulatory Timetable attached as Appendix A to this order and in accordance with the Commission's Rules of Practice and Procedure.
- 6. Interested parties who wish to receive electronic notification of filings for this proceeding should register online as an interested party available on the Commission's website at http://www.bcuc.com/Registration-InterestedParty.aspx, by the date established in the Regulatory Timetable attached as Appendix A to this order and in accordance with the Commission's Rules of Practice and Procedure.

	DATED at the City	y of Vancouver,	, in the Province	of British Columbia	, this 20th	day of March 2017
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BY ORDER

Original Signed By:

D. A. Cote Commissioner

Attachment

Corix Multi-Utility Services Inc. Application for a Certificate of Public Convenience and Necessity for the Burnaby Mountain District Energy Utility

REGULATORY TIMETABLE

ACTION	DATE (2017)
Corix Public Notice	Monday, March 27
Intervener and Interested Party Registration	Monday, April 3
Commission and Intervener Information Request (IR) No. 1	Thursday, April 20
Corix Response to Commission and Intervener IRs No. 1	Thursday, May 4
Commission and Intervener IR No. 2	Thursday, May 25
Corix Response to Commission and Intervener IRs No. 2	Thursday, June 8
Corix Final Argument	Monday, June 22
Intervener Final Arguments	Tuesday, July 6
Corix Reply Argument	Tuesday, July 20



PUBLIC NOTICE

Corix Multi-Utility Services Inc. Application for a Certificate of Public Convenience and Necessity for the Burnaby Mountain District Energy Utility

On February 28, 2017, Corix Multi-Utility Services Inc. (Corix) filed its Application for a Certificate of Public Convenience and Necessity for the Burnaby Mountain District Energy Utility requesting approval for:

- A Certificate of Public Convenience and Necessity (CPCN) pursuant to section 45 of the *Utilities Commission Act* (UCA), authorizing the construction and operation by Corix of the biomass central energy plant and the associated facilities (Project Facilities); and
- Approval pursuant to sections 60 and 61 of the UCA of the Amended and Restated Thermal Energy Services
 Agreement, dated as of January 27, 2017, between Corix and Simon Fraser University including the cost of
 service, cost allocation and rate design principles set out in Schedule 1 (Cost of Service Parameters) and
 Schedule 2 (Cost Allocation and Rate Design Principles).

HOW TO PARTICIPATE

There are a number of ways to participate in a matter before the Commission:

- Submit a letter of comment
- Register as an interested party
- Request intervener status

For more information, or to find the forms for any of the options above, please visit our website or contact us at the information below.



www.bcuc.com/RegisterIndex.aspx

All submissions received, including letters of comment, are placed on the public record, posted on the Commission's website and provided to the Panel and all participants in the proceeding.

NEXT STEPS

1. Intervener registration Persons who are directly or sufficiently affected by the Commission's decision or have relevant information or expertise and that wish to actively participate in the proceeding can request intervener status by submitting a completed Request to Intervene Form by Monday, April 3, 2017.

GET MORE INFORMATION

All documents filed on the public record are available on the "Current Proceedings" page of the Commission's website at www.bcuc.com.

If you would like to review the material in hard copy, or if you have any other inquiries, please contact Patrick Wruck, Commission Secretary, at the following contact information.

British Columbia Utilities Commission

Sixth Floor, 900 Howe Street Vancouver, BC V6Z 2N3

Email: Commission.Secretary@bcuc.com

Phone: 604-660-4700 **Toll Free:** 1-800-663-1385