



August 12, 2020

INFO RELEASE – BCUC Issues Decision on Sustainable Services Ltd.’s Westhills Thermal Energy System

VANCOUVER – Today, by Order [G-213-20](#), the British Columbia Utilities Commission (BCUC) determined that the portion of Sustainable Services Ltd.’s (SSL) Westhills Thermal Energy System (TES) serving Lakeview Ridge and Glenvale is a Stream A TES, and the Westhills TES serving Paradise Falls is a Stream B TES. The BCUC also granted a Certificate of Public Convenience and Necessity (CPCN) for the Westhills TES serving Paradise Falls so that SSL and its customers would not bear the added cost of a separate CPCN and rates application.

The Westhills TES is a geo-exchange district energy system, owned and operated by SSL, that provides heating, cooling and domestic hot water services to SSL customers in Lakeview Ridge, Glenvale and Paradise Falls in the Municipality of Langford on Vancouver Island. In June 2018, per [Order G-104-18](#), the BCUC determined that SSL is a public utility as defined in section 1 of the *Utilities Commission Act* (UCA) and is therefore subject to BCUC regulation under the UCA. This determination was made following an investigation into a customer complaint. On September 4, 2018, SSL applied to the BCUC to register its Westhills TES as a Steam A TES, which would exempt it from certain regulatory requirements under the UCA.

By Order [G-213-20](#), for its Stream A TES (Westhills TES serving Lakeview Ridge and Glenvale), SSL is required to have long-term contracts with its customers that set out the utility’s rates and terms of service, as the BCUC does not regulate its rates.

For the Stream B TES (Westhills TES serving Paradise Falls), rates are regulated by the BCUC and SSL is required to file rates applications, follow long-term resource planning requirements, and file a CPCN application, which is required prior to construction or operation. However, given that the Westhills TES serving Paradise Falls is complete and has been in service since 2018, and based on the evidence heard in this proceeding, the BCUC granted a CPCN in the interests of regulatory efficiency, with no further process. This has the effect of minimizing any additional application and review costs for SSL and its customers.

In addition, the BCUC directed SSL to align the Paradise Falls TES rates to the Lakeview Ridge and Glenvale TES rates, as long as the Lakeview Ridge and Glenvale TES rates continue to be set by the City of Langford, and the rates charged to the Paradise Falls TES customers are the same as the rates charged to the Lakeview Ridge and Glenvale TES customers receiving the same service.

Given the unique circumstances of the Westhills TES, the BCUC will hear complaints from all customers of the Westhills TES (Stream A and Stream B), in accordance with the Stream B complaints process outlined in the TES Guidelines.

A full list of the BCUC’s directions and more information about this application is available [here](#).

Background

Thermal Energy Systems (TES) consist of equipment or facilities necessary for the production, generation, storage, transmission, sale, delivery or provision of heat, hot water and/or cooling. In accordance with the UCA, a TES provider that sells heating, hot water and/or cooling for compensation is considered a public utility and is regulated by the BCUC. TES providers are governed by the [TES Guidelines](#), which were created by the BCUC and include the definition of a TES and TES providers, the role of the BCUC, categories of TES, and TES regulation and exemptions.

About the BCUC

The BCUC is a regulatory agency responsible for oversight of energy utilities and compulsory auto insurance in British Columbia. It is the BCUC's role to balance the interests of customers with the interests of the businesses it regulates. The BCUC carries out fair and transparent reviews of matters within its jurisdiction and considers public input where public interest is impacted.

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