OVAL VILLAGE DEU
PRIVATE PUBLIC PARTNERSHIP
A success story - What’s next?

Presented By:
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Established in 2013
Municipal corporation wholly owned by the City
Manage district energy business on behalf of the City
LIEC Board of Directors which reports to City Council
http://www.luluislandenergy.ca/
1. Alexandra DEU - GeoExchange fields provides low-carbon energy

2. Oval Village DEU – Sewage Heat Recovery will provide low-carbon energy
Corix Utilities Inc.

• A Canadian owned community-focused provider of utility infrastructure services located in 20 states and 3 provinces
• Own and/or operate over 1,200 utility systems, with over 900 employees
• We design, build, install, finance, own, and operate energy, water, and wastewater utility infrastructure
• We currently operate 15 district energy systems (heating and cooling) that are delivered under various ownership models
Oval Village DEU, Richmond, BC

- RFP award in 2010; Feasibility and Due Diligence 2010-2014
- Agreements executed in 2014 – Concession based
- Over 600,000 m$^2$ of connected floor area
- Sewage Waste Heat Recovery with Natural Gas (24 MWt)
- Mandatory connection through municipal policy/bylaw
Utilities Regulation in Province of British Columbia

PRIVATELY OWNED UTILITY

PRIVATELY OWNED UTILITY

MUNICIPAL OWNED UTILITY

MUNICIPAL OWNED UTILITY
Ownership / Governance Models Considerations

Flexibility, Participation and Risk Sharing

• Development Forecasting
  • Implementation of DEU Bylaw
  • Integration into Planning and Permitting processes

• Capital Planning Process
  • Deployment of infrastructure “just in time”
  • Use of interim plants

• Rate Setting
  • Transparent process; use of Cost of Service
  • Council Approval of Rates
District Energy and Municipal Land Development Policies

• Official Community Plan

• Rezoning Considerations

• Permitting Process
  – Development Permit
  – Building Permit
  – Occupancy Permit

• Service Area Bylaw
Oval Village DEU Business Model

The Lulu Island Energy Company Ltd. (LIEC)

Utility Assets

Customers / Ratepayers

Connection to DEU Load Requirements

Provision of Thermal Energy

Payment for Thermal Energy

Design Guidelines Installation Coordination

Statutory Rights of Way

Ownership Governance Rate Setting and Review

Environmental Benefits Concession Fees

Revenue for Services

Design, Build Finance Operations and Maintenance

City of Richmond

CORIX

Land Developers

Service Area Bylaws, DEU Connection Requirements, Rezoning and Building Permits

Environmental Benefits Concession Agreement

Revenue for Services

Statutory Rights of Way
Roles and Responsibilities

• **Corix Utilities**
  – Design, Build, Finance, and Operate
  – 30 Year Concession Right
  – Cost of Service based rates

• **Lulu Island Energy Company**
  – Owner
  – Customer Service and Billing
  – Final Rate Setting (City Council Regulated)
What’s Next? City Centre DEU

- RFP award in 2017; Feasibility and Due Diligence 2018 (Ongoing)
- Agreements in negotiation – Concession based
- Over 5,700,000m$^2$ of incremental connected floor area to OVDEU
- Estimated peak demand of 154 MWt of Heating and 80 MW of Cooling
- Mandatory connection through municipal policy/bylaw
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THANK YOU