

# Basic District Heating Ownership Models

Ownership models for district heating range from forestry companies trying to turn existing forest residue into a profit, to community-owned utility corporation primarily heating primarily public buildings. To avoid regulation by the Utility Commission co-operatives and community-owned models are applied. Ownership in each of these models can range from 100% public to 100% private.

## Biomass Supplier / Co-operative

- one or a network of forest companies turning existing biomass resources / forestry residue into profit
- profit or non-profit models
- regulated by Utility Commission (BCUC)
- fuel supply to district heating company rather than heat supply to consumer avoids BCUC oversight
- example: Downie Timber supplying fuel to the Revelstoke Community Energy Corporation (RCEC)

## Consumer Co-operative

- assets owned by consumers
- usually non-profit (Canadian co-op laws apply)
- exempt from Utility Commission (BCUC) pricing review if all consumers are co-op members
- application: small forestry-based rural communities
- tax benefits such as the federal CCA Classes 43.1 and 43.2
- example: Eno, Finland

## Municipality-Owned Utility

- owned by the district / municipality / town / city
- typically tax neutral
- limited by level of debt allowed
- BC communities are exempt from Utility Commission (BCUC) pricing review
- example: Revelstoke Community Energy Corporation (RCEC)

## Commercial Utility

- commercial utility owns & operates assets (e.g. Terasen or Corix Utilities)
- ownership can be partly private, partly public
- long-term contracts with consumers
- utility registered with Utility Commission (BCUC) and subject to price review
- requires „critical mass“ for utility to make investment
- example: Central Heat Distribution (CHD) in Vancouver