



**ORDER NUMBER**  
**G-260-19**

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

and

Creative Energy Vancouver Platforms Inc.  
Application for Interim Heating Rates for the Thermal Energy System at the Vancouver House Development

**BEFORE:**

T. A. Loski, Panel Chair  
E. B. Lockhart, Commissioner

on October 28, 2019

**ORDER**

**WHEREAS:**

- A. On October 2, 2019, Creative Energy Vancouver Platforms Inc. (Creative Energy) filed an application with the British Columbia Utilities Commission (BCUC) for the approval of rates, terms and conditions of service, and a Revenue Deficiency Deferral Account (RDDA) effective November 1, 2019, for its provision of thermal energy service for heating at the Vancouver House Development in the South Downtown area of Vancouver (Application);
- B. Creative Energy applies for permanent approval of a rate design, consisting of a levelized Capacity Charge per kilowatt (kW) per month, a Variable Charge per megawatt hour (MWh) and permanent approval of associated terms and conditions for service, as set out in the Customer Service Agreement (CSA) attached as Appendix 1 to the Application;
- C. Creative Energy applies for interim approval, effective November 1, 2019, of:
  - A Capacity Charge of \$11.80/kW/month;
  - A Variable Charge (\$/MWh) to flow-through the actual fuel costs to operate the Thermal Energy System (TES). The Variable Charge in \$/MWh will be calculated each month equal to total monthly fuel costs of the TES for natural gas and electricity (in \$) divided by the total metered energy supplied by the TES to the customers during the month (in MWh); and
  - The associated terms and conditions of service as set out in the CSA;
- D. Creative Energy applies for permanent approval of a RDDA to record annual revenue deficiencies or surpluses resulting from the difference between annual revenue at the approved rates and the annual cost of service. The RDDA will attract interest at Creative Energy's weighted average cost of capital and will be recovered from customers over time through the proposed levelized Capacity Charge;

- E. Creative Energy will submit an evidentiary update of final costs to support a final determination of heating TES rates pending completion of Buildings 3 and 4 at the Vancouver House development and to support a BCUC-directed report into the final costs of the heating TES that is expected to follow at that time, expected in April 2020; and
- F. The BCUC has commenced the review of the Application and considers that the requested interim rates and terms and conditions should be approved on an interim and refundable basis.

**NOW THEREFORE** pursuant to sections 59-61 and 89 of the *Utilities Commission Act*, the BCUC orders as follows:

1. A Capacity Charge of \$11.80/kW/month is approved on an interim and refundable basis, effective November 1, 2019 and subject to further order of the BCUC. The BCUC will determine the manner by which any variance between the approved interim rates and permanent rates, including interest if any, will be refunded to or collected from ratepayers at the time the BCUC renders its final decision on the Application.
2. A Variable Charge in \$/MWh is approved on an interim and refundable basis, effective November 1, 2019 and subject to further order of the BCUC. The Variable Charge is to be calculated each month equal to total monthly fuel costs of the TES for natural gas and electricity (in \$) divided by the total metered energy supplied by the TES to the customers during the month (in MWh). The BCUC will determine the manner by which any variance between the approved interim rates and permanent rates, including interest if any, will be refunded to or collected from ratepayers at the time the BCUC renders its final decision on the Application.
3. Creative Energy is directed to provide interim rate schedules to the BCUC for endorsement within 10 business days of this order.
4. A CSA identical to the CSA that was approved by Order G-42-17, for Creative Energy's North-East False Creek customers, without the addition of the standard Assignment provision, is approved effective November 1, 2019.
5. An RDDA as proposed is approved.
6. The regulatory timetable for review of the Application will be established in due course.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 28<sup>th</sup> day of October 2019

BY ORDER

*Original signed by:*

T. A. Loski  
Commissioner