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ORDER NUMBER G-110-23

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

and

Creative Energy Vancouver Platforms Inc.

2023 Revenue Requirements Application for the Core Thermal Energy System

BEFORE:

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

on May 9, 2023

ORDER

WHEREAS:

- A. On December 1, 2022, Creative Energy Vancouver Platforms Inc. (Creative Energy) filed with the British Columbia Utilities Commission (BCUC) its 2023 Revenue Requirements Application (RRA) for the thermal energy system serving downtown Vancouver and Northeast False Creek (NEFC) (together, Core TES) and requested, among other things, the following:
 - (i) interim and permanent approval of the thermal energy service rates for the Core TES and the system contribution charge for customers connected to the NEFC system as set out in Appendix B to the Application, effective January 1, 2023; and
 - (ii) approval of a proposed Inter-Affiliate Conduct and Transfer Pricing Policy (IAC/TPP) filed as Appendix C to the Application (collectively, Application);
- B. On November 30, 2021, the BCUC issued Order G-349-21 and the accompanying decision on Creative Energy's IAC/TPP (Original IAC/TPP) filed as part of the Creative Energy 2021 RRA for the Core Steam System (2021 IAC/TPP Decision). The 2021 IAC/TPP Decision made several key findings and directives to Creative Energy and ultimately did not approve the Original IAC/TPP as filed;
- C. On November 29, 2022, the BCUC issued Decision and Order G-345-22, approving Creative Energy's application (2022 RRA) to unify the NEFC system's cost of service and rates with the Core Steam system's in a new rate design, effective January 1, 2022 (2022 RRA Decision). Directive 15 of Order G-345-22 directed Creative Energy to file an evidentiary update to its 2023 RRA for the Core Steam and NEFC systems within 60 days of the date of the order, addressing the relevant directives and determinations in the decision, as applicable (Evidentiary Update);

- D. By Order G-379-22 dated December 20, 2022, the BCUC approved, on an interim and refundable/recoverable basis, effective January 1, 2023, the thermal energy rates as set forth in Appendix B to the Application and the same system contribution charge for customers connected to the NEFC system as approved by Order G-345-22. By the same order, the BCUC established a regulatory timetable for the review of the Application;
- E. On January 27, 2023, Creative Energy filed an Evidentiary Update with supporting schedules to amend its request for thermal energy rates for the Core TES on a permanent basis and to address Directive 15 of Order G-345-22;
- F. By Order G-27-23 dated February 9, 2023, the BCUC requested submissions from Creative Energy and interveners regarding the directives and BCUC guidance in the 2021 IAC/TPP Decision and 2022 RRA Decision that are relevant to the Application;
- G. Creative Energy and interveners filed submissions on February 27, 2023 and March 6, 2023, respectively, and Creative Energy filed its reply on March 13, 2023; and
- H. The BCUC has considered the evidence and the submissions from Creative Energy and interveners and makes the following determinations.

NOW THEREFORE pursuant to section 109.1 of the *Utilities Commission Act* and for the reasons set out in the decision accompanying this order, the BCUC orders the following:

- 1. Creative Energy has contravened the following directives from Order G-349-21 of the 2021 IAC/TPP Decision:
 - (i) Directive 2: Creative Energy is directed to provide further evidence demonstrating how its labour rates are reflective of the higher of market pricing or full cost recovery where resources are shared with non-regulated affiliates in its next RRA for the Core Steam System.
 - (ii) Directive 3: Creative Energy is directed to cease sharing, by no later than the time of filing of its 2023 RRA for the Core Steam System, its staff resources with Creative Energy's non-regulated affiliates, to the extent that those staff allocate more than a minimal amount of their time to activities of its nonregulated affiliates.
 - (iii) Directive 4: Creative is directed to request advance BCUC approval, unless otherwise ordered, for any material cost or resource sharing by Creative Energy with any non-regulated affiliate. When seeking such approval, Creative Energy must provide the basis and any justification for the proposed amounts of the cost or resource sharing.
- 2. Creative Energy is directed to file the following within 30 days of the date of the decision accompanying this order:
 - (i) a revised IAC/TPP addressing the determinations, directives, key findings and BCUC guidance in the 2021 IAC/TPP Decision; and
 - (ii) a second evidentiary update to the 2023 Core TES revenue requirements as outlined in Section 3.0 of the Decision.
- 3. A further regulatory timetable for the review of the Application is established, as set out in Appendix A to this order.

DATED at the City of Vancouver, in the Province of British Columbia, this	9 th	day of May 2023.
BY ORDER		
Original signed by:		
T. A. Loski Commissioner		
Attachment		

Creative Energy Vancouver Platforms Inc. 2023 Revenue Requirements Application for the Core Thermal Energy System

REGULATORY TIMETABLE

Action	Date (2023)	
Creative Energy files revised IAC/TPP and second evidentiary update	Thursday, June 8	
BCUC Information Request (IR) No. 1 to Creative Energy	Wednesday, July 5	
Intervener IR No. 1 to Creative Energy	Tuesday, July 11	
Creative Energy responses to BCUC and Intervener IR No. 1	Tuesday, July 25	
Further process	To be determined	