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ORDER NUMBER G-13-24

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

and

Creative Energy Vancouver Platforms Inc. 2024 Revenue Requirements for the Core Thermal Energy System

BEFORE:

A. K. Fung, Panel Chair E. B. Lockhart, Commissioner

on January 12, 2024

ORDER

WHEREAS:

- A. On December 15, 2023, Creative Energy Vancouver Platforms Inc. (Creative Energy) filed with the British Columbia Utilities Commission (BCUC) its 2024 Revenue Requirements Application (RRA) for the thermal energy system serving downtown Vancouver and Northeast False Creek (NEFC) (together, Core TES) (Application). In the Application Creative Energy requests, among other things, interim approval of the thermal energy service rates for the Core TES which are equivalent to an average rate of \$12.58 per thousand pounds of steam (M#) and a system contribution charge of \$10.60 per megawatt hour of thermal energy (MWh) for customers connected to the NEFC system, as each set out in Appendix B to the Application, effective January 1, 2024;
- B. On December 21, 2023, the BCUC issued its Decision and Order G-358-23 (2023 RRA Decision), which, among other things, approved, on a permanent basis effective January 1, 2023, Creative Energy to charge an average thermal energy service rate of \$11.29 per M# to customers connected to the Core TES and a system contribution charge of \$10.60 per MWh to customers connected to the NEFC system, subject to the directives and determinations outlined in the respective order and decision issued concurrently;
- C. In the Application, Creative Energy states that the 2023 RRA Decision remained pending at the time the Application was being prepared and that it intends to file an evidentiary update to the Application (Evidentiary Update) to address, among other things, the 2024 load forecast as well as the directives and determinations of the 2023 RRA Decision that are applicable to the Application. Creative Energy specifies that its request for permanent approval of the thermal energy service rates and system contribution charge, effective January 1, 2024, will be made as part of its Evidentiary Update; and
- D. The BCUC has commenced review of the Application and determines that approving interim thermal energy service rates for Core TES customers and the system contribution charge for NEFC customers, as well as establishing a regulatory timetable, is warranted.

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

- 1. Creative Energy is approved to charge the thermal energy service rates to customers connected to the Core TES, and the system contribution charge to customers connected to the NEFC system, as set forth in Appendix B to the Application, on an interim and refundable/recoverable basis, effective January 1, 2024.
- 2. Any variance between the interim and permanent thermal energy service rates and the system contribution charge for customers connected to the NEFC system, as determined by the BCUC following its final determination of the Application, is subject to refund or recovery from ratepayers, with interest at Creative Energy's weighted average cost of debt.
- 3. A regulatory timetable for the review of the Application is established as set out in Appendix A to this order.
- 4. The scope of Information Request No. 1 is limited to the specific topics outlined in Appendix C to this order.
- 5. Creative Energy is directed to file amended tariff pages for endorsement by the BCUC within 10 days of the date of this order.
- 6. On or before Monday, January 22, 2024 Creative Energy is directed to:
 - (i) provide notice of the Application and this order on its website at <u>https://creative.energy/;</u>
 - (ii) provide a copy of this order and the Public Notice attached as Appendix B to this order, electronically where possible, to all customers of the Core TES and registered interveners in the 2023 RRA proceeding; and
 - (iii) provide notice of the Application and this order, or post the Public Notice attached as Appendix B to this order, on its existing social media platforms. Weekly reminder posts, including the Public Notice, must be published on each platform until the conclusion of the intervener registration period on Monday, February 5, 2024.
- 7. Creative Energy is directed to provide to the BCUC by Thursday, February 8, 2024 confirmation of compliance with Directive 6, including a list of the social media platforms on which the Public Notice was posted, as well as a list of all parties notified.
- In accordance with the BCUC <u>Rules of Practice and Procedure</u>, parties who wish to actively participate in the proceeding must complete a Request to Intervene Form, available on the Get Involved in a Proceeding section of the BCUC's website at <u>https://www.bcuc.com/GetInvolved/GetInvolvedProceeding</u>, by Monday, February 5, 2024.

DATED at the City of Vancouver, in the Province of British Columbia, this 12th day of January 2024.

BY ORDER

Original signed by:

A. K. Fung Commissioner

Attachment

Creative Energy Vancouver Platforms Inc. 2024 Revenue Requirements for the Core Thermal Energy System

REGULATORY TIMETABLE

Action	Date (2024)
Public Notice of the Application	Monday, January 22
Intervener registration deadline	Monday, February 5
Creative Energy confirmation of compliance with Public Notice requirements	Thursday, February 8
Creative Energy to file an evidentiary update to the Application	Thursday, February 15
BCUC Information Request (IR) No. 1	Thursday, February 29
Intervener IR No. 1	Thursday, March 7
Creative Energy responses to IR No. 1	Thursday, March 21
Letters of comment deadline	Thursday, March 28
Creative Energy final argument	Thursday, April 11
Intervener final argument	Tuesday, April 23
Creative Energy reply argument	Monday, May 6



We want to hear from you

CREATIVE ENERGY 2024 REVENUE REQUIREMENTS FOR THE CORE THERMAL ENERGY SYSTEM

On December 15, 2023, Creative Energy Vancouver Platforms Inc. (Creative Energy) applied to the British Columbia Utilities Commission (BCUC) for approval of an increase to thermal energy service rates to an average of \$12.58 per thousand pounds of steam for its Vancouver downtown and Northeast False Creek service areas (Core Thermal Energy System).

The BCUC approved the rate increase on an interim and refundable/recoverable basis effective January 1, 2024 and has started a proceeding to review Creative Energy's application for permanent rates. Please visit the Proceeding webpage on bcuc.com under "Our Work" to learn more.

To participate in the proceeding, visit <u>www.bcuc.com/get-involved</u>.

GET INVOLVED

- Submit a letter of comment
- Subscribe to the proceeding •
- **Request intervener status**

IMPORTANT DATES

- 1. Monday, February 5, 2024 Deadline to request intervener status with the BCUC
- 2. Thursday, March 28, 2024 Deadline to submit a letter of comment to share your views, opinions, and insights on the application

Subscribe to this proceeding on bcuc.com under "Get Involved" to receive email notifications when public documents are added to the proceeding.

CONTACT INFORMATION

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Creative Energy Vancouver Platforms Inc. 2024 Revenue Requirements for the Core Thermal Energy System

SCOPE OF INFORMATION REQUEST NO.1

The scope of Information Request No. 1 is limited to the specific topics outlined below subject to (i) objections from any party, and (ii) the Panel adjusting the scope as a result of Creative Energy's Evidentiary Update to the Application.

- 1. Approvals sought and rescindment or variance, if any, of current BCUC directives relating to Creative Energy's routine filings in annual reports and revenue requirement applications.
- 2. Rate and bill impact.
- 3. Load forecast, including the Load Forecast Variance Account.
- 4. The following cost components of operations and maintenance:
 - a. Wages and benefits;
 - b. Information technology services;
 - c. Other general and administrative, including sales expenses; and
 - d. Water and electricity expenses.
- 5. Working capital.
- 6. The proposed increase in interest rate from 7.5 percent in 2023 to 7.85 percent in 2024.
- 7. Capital additions and expenditures, including the remote metering project.
- 8. Deferral accounts:
 - a. Revenue Deficiency Deferral Account;
 - b. Steam Distribution Network Study Deferral Account; and
 - c. Third Party Regulatory Costs Deferral Account, including costs related to the long-term resource plan.
- 9. System contribution charge.