



**ORDER NUMBER
G-70-24**

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

and

Corix UBCDE LP
Amendment to the Variable Energy Charge

BEFORE:

B. A. Magnan, Panel Chair
E. A. Brown, Commissioner
E. B. Lockhart, Commissioner
W. E. Royle, Commissioner

on March 14, 2024

ORDER

WHEREAS:

- A. On February 21, 2024, pursuant to section 61(4) of the *Utilities Commission Act*, Corix UBCDE Limited Partnership (Corix) filed its Energy Cost Reconciliation Account (ECRA) for the Neighbourhood District Energy System at the University of British Columbia (UBC NDES). This report included a request for British Columbia Utilities Commission (BCUC) approval to amend the UBC NDES Variable Energy Charge in accordance with the rate-setting mechanism approved through BCUC Order G-284-23 (Application);
- B. By Order G-284-23 dated October 20, 2023, the BCUC approved the flow-through of energy costs of UBC NDES's energy costs via the establishment of the ECRA to record variances between the actual energy costs and the revenue collected through the Variable Energy Charge, and the annual Variable Energy Charge rate setting mechanism;
- C. The approved rate-setting mechanism utilizes an ECRA ratio and established ECRA ratio thresholds of 0.95 and 1.05 (Trigger Ratios). The ECRA ratio is the ratio of expected 12-month Variable Energy Charge recovery revenue to the sum of the expected 12-month energy costs, plus the ECRA balance at the beginning of the forecast period. A rate change is warranted if the ECRA ratio falls outside the range established by the Trigger Ratios;
- D. The current UBC NDES Variable Energy Charge of \$0.0516 per kilowatt-hour (kWh) was approved through Order G-284-23, effective September 1, 2023;
- E. Based on the current Variable Energy Charge, the ECRA ratio is calculated to be 1.15 for the 12-month period April 2024 to March 2025, and the tested rate required to produce a 1.00 ECRA ratio is calculated to be \$0.0449 per kWh. Therefore, as the ECRA ratio falls outside the range established by the Trigger Ratios through G-284-23, a change to the Variable Energy Charge is indicated effective April 1, 2024;

- F. The proposed Variable Energy Charge decrease utilizes a 12-month amortization period and is consistent with the rate-setting mechanism approved by Order G-284-23; and
- G. The BCUC has reviewed the UBC NDES ECRA 2023 Annual Report in accordance with the criteria set out by Order G-284-23 and determines that a decrease to UBC NDES's Variable Energy Charge is warranted.

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

- 1. Corix is approved to decrease the Variable Energy Charge for UBC NDES from \$0.0516 per kWh to \$0.0449 per kWh effective April 1, 2024.
- 2. Corix is directed to notify UBC NDES customers with a bill insert or bill message to be included with the next monthly billing.

DATED at the City of Vancouver, in the Province of British Columbia, this 14th day of March 2024.

BY ORDER

Original signed by:

B.A. Magnan
Commissioner