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ORDER NUMBER G-86-24

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

and

Creative Energy Vancouver Platforms Inc. Low Carbon Rates Extension Request Variance to Order C-5-22

BEFORE:

B. A. Magnan, Commissioner

on March 25, 2024

ORDER

WHEREAS:

- A. By letter dated March 18, 2024, Creative Energy Vancouver Platforms Inc. (Creative Energy) requests that the filing date to file a rate design application for the Core Steam System Decarbonization Project (Project) related to British Columbia Utilities Commission (BCUC) Order C-5-22, be amended from March 31, 2024 to July 15, 2024 (Application);
- B. On September 15, 2022, the BCUC issued Order C-5-22, approving a Certificate of Public Convenience and Necessity for the Project, pursuant to sections 44.2, 45 and 46 of the *Utilities Commission Act* (UCA). Among other things, the Order directs Creative Energy to file a low carbon rate design application by June 30, 2023. As part of that application, Creative Energy is also directed to consider the appropriateness of implementing rate transition or mitigation mechanism(s) to address the impact of the proposed rate design on customers;
- C. On November 29, 2022, the BCUC issued Order G-345-22A, amended March 16, 2023, regarding the Application for Rates for the Core Steam and Northeast False Creek Systems. Among other things, the Panel directs Creative Energy to provide a comprehensive proposal that includes analysis of the pros and cons for both the ratepayers and the utility of each of the feasible alternatives considered, as part of the anticipated rate design application supporting low-carbon energy service, and in addition to the BCUC directions included in the Decarbonization Project Decision;
- D. On June 21, 2023, Creative Energy requested that the filing date for the Project's rate design application related to BCUC Order C-5-22, be amended from June 30, 2023 to December 31, 2023;
- E. On June 29, 2023, the BCUC issued Order G-172-23, varying the filing date of the rate design application from June 30, 2023 to December 31, 2023. Directive 2 of Order G-172-23 directed Creative Energy to file an update regarding the status of the Project's rate design application, including progress with respect to stakeholder consultation, with the BCUC by September 30, 2023;
- F. On July 31, 2023, Creative Energy filed Progress Report No. 2 and Material Change Report No. 1 for the Project. In the filing, Creative Energy stated that due to project delays, the final in-service date of the plant is now expected to occur in the first quarter of 2025. On February 21, 2024, the BCUC issued Order G-44-24, amending the CPCN granted by Order C-5-22 to include Project scope changes identified in Material Change Report No. 1;

- G. On September 28, 2023, in compliance with Order G-172-23, Creative Energy filed an update regarding the status of the rate application. In the filing, Creative Energy stated that it continues to advance the analysis that will support an application to the BCUC, and that Creative Energy is on track to file the application by December 2023;
- H. On December 21, 2023, Creative Energy requested that the filing date to file a rate design application for the Project related to BCUC Order C-5-22, be amended from December 31, 2023 to March 31, 2024. On January 5, 2024, the BCUC issued Order G-2-24, varying the filing date of the rate design application from December 31, 2023 to March 31, 2024;
- I. On January 31, 2024, Creative Energy filed Progress Report No. 3 for the Project noting the final in-service date of the plant is now expected to occur in the first quarter of 2025;
- J. By letter dated March 18, 2024, Creative Energy states that it is concurrently addressing several commercial challenges and intricately connected regulatory proceedings. Creative Energy states that it has completed the underlying modeling and is progressing the analysis to support the rate application. Creative Energy met with the City of Vancouver staff in late February 2024 to discuss the overall approach and the main aspects of its low-carbon offering to existing and new customers but did not review rate design considerations. Creative Energy is planning to meet with the City staff again in late April to review its rate design, discuss their overall feedback, and ensure that its low-carbon offering will be compliant with the City's GHG bylaws and their low-carbon strategy. Creative Energy states that consultation with customers and other stakeholders on the rate design considerations is expected to occur in May 2024, in advance of filing the Application in July 2024; and
- K. The BCUC has reviewed the Application and considers that an amendment to the filing deadline of the low carbon rate design application, is warranted.

NOW THEREFORE pursuant to section 99 of the UCA, the BCUC orders as follows:

1. The directive on page 45 of the Decision accompanying Order C-5-22 is varied as follows:

The Panel directs Creative Energy to file a rate design application that addresses different customer's needs (for example, existing customers that opt in to a specific amount of low carbon energy, new customers that require a greater amount of low carbon energy to meet the LCES [Low Carbon Energy System] requirements established by the City of Vancouver, and customers that may opt out of any low carbon energy component to their service) by July 15, 2024. As part of that application, Creative Energy is also directed to consider the appropriateness of implementing rate transition or mitigation mechanism(s) to address the impact of the proposed rate design on customers.

DATED at the City of Vancouver, in the Province of British Columbia, this

day of March 2024.

25th

BY ORDER

Original signed by:

B. A. Magnan Commissioner