



**ORDER NUMBER
G-158-24**

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, K.C., Panel Chair
E. B. Lockhart, Commissioner

on June 10, 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, as amended, Creative Energy requests, among other things, approval of the thermal energy service rates for the Core TES which are equivalent to an average rate of \$12.62 per thousand pounds of steam (M#) and a system contribution charge of \$10.60 per megawatt hour (MWh) of thermal energy for customers connected to the NEFC system, effective January 1, 2024;
- B. By Order G-13-24, the BCUC approved, on an interim and refundable basis, effective January 1, 2024, the thermal energy rates equivalent to an average rate of \$12.58 per M# and system contribution charge of \$10.60 per MWh of thermal energy as set forth in Appendix B to the original Application. By the same order, the BCUC established a regulatory timetable for the review of the Application, which included, among other things, intervenor registration, Creative Energy filing an evidentiary update to the Application, one round of information requests (IR) with limited scope and final and reply arguments;
- C. By Order G-104-24, the BCUC established an amended regulatory timetable to include a second round of BCUC and intervenor IRs with limited scope, as well as revised dates for final and reply arguments;
- D. On May 23, 2024, Creative Energy filed its responses to IR No. 2; and
- E. The BCUC has reviewed the evidentiary record and determines that amending the regulatory timetable for additional information and further clarification and submissions on the 2024 load forecast and Remote Metering Project is warranted.

NOW THEREFORE the BCUC orders as follows:

1. The BCUC establishes an amended regulatory timetable, as set out in Appendix A to this order, and parties are requested to address the items outlined in Appendix B to this order as part of their final arguments.
2. Creative Energy is directed to file responses to the Panel IRs outlined in Appendix C to this order, by the deadline established in the amended regulatory timetable.

DATED at the City of Vancouver, in the Province of British Columbia, this 10th day of June 2024.

BY ORDER

Original signed by:

A. K. Fung, K.C
Commissioner

Attachment

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

REGULATORY TIMETABLE

Action	Date (2024)
Creative Energy response to Panel Information Request No. 1	Tuesday, June 18
Creative Energy final argument	Thursday, June 20
Intervener final argument	Friday, July 5
Creative Energy reply argument	Friday, July 19

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

REQUEST FOR SUBMISSIONS

In the Decision accompanying Order G-358-23 for Creative Energy Vancouver Platforms Inc.'s (Creative Energy) 2023 Revenue Requirements for the Core Thermal Energy System, the British Columbia Utilities Commission (BCUC) stated:¹

The Panel is concerned with the projected cost and lack of identified cost savings associated with the Remote Metering Project, particularly when considered on a per customer basis. The Panel considers that Creative Energy has not provided sufficient evidence in this proceeding that would allow the Panel to assess whether the Project is in the public interest, and whether the associated capital expenditures have been prudently incurred and appropriately recovered from ratepayers.

The Panel requests that parties address the following matters, with supporting rationale, as part of their final arguments in accordance with the deadlines established in the regulatory timetable set out in Appendix A to Order G-158-24:

1. Whether the permanent reduction in Creative Energy's 2024 weather-normalized Core Thermal Energy System (TES) load forecast from 1,147,000 thousand pounds of steam (M#) to 1,070,731 M# is reasonable, given that the investigation of load patterns for the Core TES (excluding Northeast False Creek) conducted by Creative Energy to support this load reduction represents just 25 percent of the total load for the Core TES² and in light of Creative Energy's evidence including its responses to the Panel IRs set out in Appendix C to this order.
2. The extent to which the costs associated with the Remote Metering Project should be recovered, in full or in part, from ratepayers based on the evidence provided as part of this proceeding.

¹ Decision to Order G-358-23, p. 40.

² Exhibit B-3-1, p. 2; Exhibit B-9, BCUC IR 22.1.

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

PANEL INFORMATION REQUEST NO. 1 TO CREATIVE ENERGY VANCOUVER PLATFORMS INC.

A. LOAD FORECAST

1.0 Reference: LOAD FORECAST

**Exhibit B-3 (Evidentiary Update), p. 3; Exhibit B-3-1 (Errata to the Evidentiary Update), p. 2; Exhibit B-5, British Columbia Utilities Commission (BCUC) information requests (IR) 3.2, 3.3; Exhibit B-9, BCUC IR 21.1, 21.2; Creative Energy Vancouver Platforms Inc. (Creative Energy) 2023 Revenue Requirements for the Core Thermal Energy System (2023 RRA), Exhibit B-8, BCUC IR 3.9
Weather-Normalized Core TES Load**

In response to BCUC IR 3.9 of the 2023 RRA proceeding, Creative Energy provided its 2022 actual weather-normalized Core Thermal Energy System (TES) load of 1,019,639 thousand pounds of steam (M#).

In response to BCUC IR 3.2, Creative Energy provided its 2023 actual weather-normalized Core TES load of 1,097,805 M#.

On page 2 of the Errata to the Evidentiary Update, Creative Energy provides an updated load forecast for its 2024 Core TES load of 1,070,731 M#.

In response to BCUC IR 3.3, Creative Energy stated:

The variance in actual weather-normalized Core TES load between 2022 and 2023 is 8%. The Core TES load is a function of how much steam our customers use. Creative Energy is not able to provide specific reasons for year-to-year fluctuations.

On page 3 of the Evidentiary Update, Creative Energy states:

[...] Creative Energy determined that the years 2022 and 2023 provide the most appropriate baseline for the 2024 load forecast and subsequent future years.

In response to BCUC IR 21.1, Creative Energy provided the following table:

Year	Actual Core Load excluding NEFC, M#	Weather Normalized Core Load excluding NEFC, M#	Average Weather Normalized Core Load excluding NEFC, M#	NEFC Load, M#	Average Weather Normalized Core Load including NEFC, M#
2022	1,080,491	1,021,722	1,007,305	70,309	1,077,614
2023	980,629	992,888			

In response to BCUC IR 21.2, Creative Energy stated that it “considers it reasonable to take an average of two years when developing a revised load forecast. Increases in actual steam consumption are not relevant as the forecast is normalized. Weather normalized steam consumption decreased from 2022 to 2023.”

- 1.1 Please confirm, or explain otherwise, that the weather-normalized load for the Core TES, including NEFC, is 1,092,031 M# for 2022 (calculated as 1,021,722 M# + 70,309 M# = 1,092,031 M#) and 1,063,197 M# for 2023 (calculated as 992,888 M# + 70,309 M# = 1,063,197 M#) in 2023.
 - 1.1.1 Please reconcile, with supporting rationale, the 2022 weather-normalized Core TES load of 1,019,639 M# and the 2023 weather-normalized Core TES load of 1,097,805 M# with the corresponding figures calculated in the preceding IR. As part of the response, please specify which load information for the Core TES in 2022 and 2023 is correct.
 - 1.1.2 Please reconcile the annual variance of 8 percent in weather-normalized Core TES load between 2022 and 2023, as provided in response to BCUC IR 3.3, to Creative Energy's statement reporting an annual decrease in weather-normalized steam consumption from 2022 to 2023.
- 1.2 Based on the responses from the preceding IR series, please update the 2024 load forecast of 1,070,731 M# for the Core TES, as necessary, and provide detailed supporting calculations. Any updates should include at a minimum: (i) the use of the confirmed average Core TES load from 2022 and 2023 as the basis; and (ii) any other relevant factors.