



**ORDER NUMBER
G-182-24**

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 July 9, 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 requested, 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 (MWh) of thermal energy for customers connected to the NEFC system as set forth in Appendix B to the Application, 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;
- C. On February 16, 2024, Creative Energy filed an evidentiary update to its Application (Evidentiary Update) amending its 2024 revenue requirements. And on February 22, 2024, Creative Energy filed an errata to its Evidentiary Update correcting errors in the Evidentiary Update and amending its request for permanent approval of thermal energy service rates from an average rate of \$12.58 per M# to \$12.62 per M#;
- D. By Orders G-13-24, G-104-24 and G-158-24, the BCUC established a regulatory timetable for the review of the Application, which included, among other things, two rounds of BCUC and intervener information requests (IRs) with limited scope, one round of Panel IRs, as well as final and reply arguments;
- E. On June 20, 2024, Creative Energy filed its final argument, and on July 5, 2024, interveners filed their final arguments; and

- F. The BCUC has reviewed the evidentiary record and determines that amending the regulatory timetable to provide an opportunity for submissions on Creative Energy's request for permanent rates 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. Parties are requested to address the items outlined in Appendix B to this order by the deadlines established in the amended regulatory timetable.

DATED at the City of Vancouver, in the Province of British Columbia, this 9th day of July 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 written submissions on items outlined in Appendix B	Tuesday, July 16
Intervener written submissions on items outlined in Appendix B	Tuesday, July 23
Creative Energy reply argument	Tuesday, July 30

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

REQUEST FOR SUBMISSIONS

Background

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). By Order G-13-24, the BCUC approved the thermal energy rates equivalent to an average rate of \$12.58 per thousand pounds of steam (M#) and system contribution charge of \$10.60 per MWh of thermal energy, as set forth in Appendix B of the Application, on an interim and refundable basis, effective January 1, 2024 (Original Interim Rate).

On February 16, 2024, Creative Energy filed an evidentiary update to its Application (Evidentiary Update) amending its 2024 revenue requirements. On February 22, 2024, Creative Energy filed an errata to its Evidentiary Update correcting errors in the Evidentiary Update and amending its request for permanent approval of thermal energy service rates from an average rate of \$12.58 per M# to \$12.62 per M#.

On June 20, 2024, Creative Energy submitted its final argument stating that it is seeking “Permanent approval, effective January 1, 2024 [...] of the thermal energy rates and System Contribution Charge set forth in the Application and updated in its subsequent Evidentiary Update and Errata.”¹

In Directive 4 of Order G-236-23 for the BCUC’s Generic Cost of Capital (GCOC) Stage 2 proceeding, the BCUC ordered:²

Interim rates are established, effective January 1, 2024, on a refundable or recoverable basis, for all other utilities, except FBC, that currently use the Benchmark Utility to set their capital structure and equity return pending the BCUC’s final decision on Stage 2 of the GCOC proceeding.

Request for Submissions

The Panel requests that parties provide submissions on the following matters, with supporting rationale, in accordance with the deadlines established in the regulatory timetable set out in Appendix A to Order G-182-24. Given that Creative Energy and the registered interveners have already filed final arguments, their additional submissions (due July 16 and July 23, respectively) should focus solely on the matters outlined below, and Creative Energy’s reply argument (due July 30) should address all relevant matters in the proceeding, including those specified below.

1. Whether the Original Interim Rate, or alternatively the rate as determined by the BCUC in its final decision on this proceeding (Updated Interim Rate), should be in effect pending only the outcome of the BCUC GCOC Stage 2 proceeding.

¹ Creative Energy Final Argument, p. 4.

² Order G-236-23, p. 2.

- i. If the Updated Interim Rate is to come into effect, Creative Energy's proposed approach to refund to or recover from ratepayers the variance between the Original Interim Rate and the Updated Interim Rate.
 - ii. If the Original Interim Rate is to remain in effect, Creative Energy's proposed approach to address the variance between the Original Interim Rate and the Updated Interim Rate, specifically whether a deferral account is required.
2. For Creative Energy, please clarify the request in its final argument for approval of permanent rates effective January 1, 2024, considering Directive 4 of Order G-236-23 and the ongoing BCUC GCOC Stage 2 proceeding. Please provide the legal basis for this request and confirm that in requesting such approval, Creative Energy is foregoing the benefits of any increase in 2024 rates and cost of capital that may arise as a result of the BCUC GCOC Stage 2 proceeding. If not confirmed, please reconcile this with Creative Energy's request in the Application for approval of 2024 permanent rates.