



**ORDER NUMBER
G-184-24**

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

and

Creative Energy Mount Pleasant Limited Partnership
Rates for the Mount Pleasant District Cooling System

BEFORE:

E. B. Lockhart, Commissioner

on July 10, 2024

ORDER

WHEREAS:

- A. On October 31, 2023, Creative Energy Mount Pleasant Limited Partnership (CEMP) filed with the British Columbia Utilities Commission (BCUC), pursuant to sections 58 to 61 and 90 of the *Utilities Commission Act*, its application for rates for the Mount Pleasant District Cooling System (DCS) for the provision of cooling service to the Main Alley Development (Application). In the Application, CEMP requests, among other things, approval of the following rates on an interim and refundable basis for the three-year period effective January 1, 2024 through December 31, 2026 (Test Period):
- (i) A levelized capacity charge (\$/kilowatt/month) as set out in Appendix B to the Application to recover the forecast capital and fixed operating costs (Capacity Charge); and
 - (ii) A variable charge (\$/megawatt-hour) as set out in Appendix B to the Application to recover the actual electricity and water costs on a flow-through basis (Variable Charge);
- B. By Order G-350-23, the BCUC approved the Capacity Charge and Variable Charge, as set out in Appendix B to the Application, on an interim and refundable/recoverable basis, effective January 1, 2024;
- C. By Orders G-350-23, G-12-24, G-57-24, G-114-24, G-129-24, and Letter dated June 19, 2024, the BCUC established regulatory timetables for the review of the Application, which included, among other things, three rounds of BCUC and intervener information requests (IRs), a request for submissions as part of final arguments, a request for supplemental information, and final and reply arguments;
- D. In each of its responses to BCUC IR No. 2 and BCUC IR No. 3, CEMP filed an amended request for approval of rates and a revised rates model and revised tariff pages. CEMP also provided a revised rates model and revised tariff pages in its supplemental information filed on June 24, 2024;

- E. On June 24, 2024, CEMP filed its final argument and on July 4, 2024, interveners filed their final argument;
and
- F. The BCUC has reviewed the evidentiary record and determines that amending the regulatory timetable to provide an opportunity for submissions on CEMP's request for permanent rates is warranted.

NOW THEREFORE the BCUC orders as follows:

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 10th day of July 2024.

BY ORDER

Original signed by:

E. B. Lockhart
Commissioner

Attachment

Creative Energy Mount Pleasant Limited Partnership
Rates for the Mount Pleasant District Cooling System

REGULATORY TIMETABLE

Action	Date (2024)
CEMP written submissions on items outlined in Appendix B	Wednesday, July 17
Intervener written submissions on items outlined in Appendix B	Monday, July 22
CEMP reply argument	Thursday, July 25

Creative Energy Mount Pleasant Limited Partnership
Rates for the Mount Pleasant District Cooling System

REQUEST FOR SUBMISSIONS

Background

On October 31, 2023, Creative Energy Mount Pleasant Limited Partnership (CEMP) filed with the British Columbia Utilities Commission (BCUC), pursuant to sections 58 to 61 and 90 of the Utilities Commission Act, its application for rates for the Mount Pleasant District Cooling System (DCS) for the provision of cooling service to the Main Alley Development (Application). In the Application, CEMP requests, among other things, approval of the following rates on an interim and refundable basis for the three-year period effective January 1, 2024 through December 31, 2026 (Test Period):

- (i) A levelized capacity charge (\$/kilowatt/month) as set out in Appendix B to the Application to recover the forecast capital and fixed operating costs (Capacity Charge); and
- (ii) A variable charge (\$/megawatt-hour) as set out in Appendix B to the Application to recover the actual electricity and water costs on a flow-through basis (Variable Charge).

By Order G-350-23, the BCUC approved on an interim and refundable/recoverable basis, effective January 1, 2024, the Capacity Charge and Variable Charge as set out in Appendix B to the Application (Original Interim Rate).

In each of its responses to BCUC IR No. 2 and BCUC IR No. 3, CEMP filed an amended request for approval of rates and a revised rates model and revised tariff pages. CEMP also provided a revised rates model and revised tariff pages in its response to the Panel's request for supplemental information filed on June 24, 2024.

On June 24, 2024, CEMP submitted its final argument stating that it is seeking permanent approval of:

A rate design consisting of a levelized fixed capacity charge to recover fixed capital and operating costs that do not vary with energy consumption from each building customer based on their respective peak design capacity (\$/kW) and a variable charge to recover actual electricity and water input costs on a flow-through basis per unit of actual energy consumption (\$/MWh).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 address the following matters, with supporting rationale, in accordance with the deadlines established in the regulatory timetable set out in Appendix A to Order G-184-24. Given that CEMP and the registered intervener have already filed final arguments, their additional submissions (due July 17 and July

¹ CEMP Final Argument, p. 1.

² Order G-236-23, p. 2.

22, respectively) should focus solely on the matters outlined below, and CEMP's reply argument (due July 25) 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.
 - i. If the Updated Interim Rate is to come into effect, CEMP'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, CEMP'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 CEMP, please clarify whether CEMP is seeking approval of, on an interim basis pending the outcome of the BCUC GCOC Stage 2 Proceeding, the rates as filed in its response to BCUC IR No. 3 or the rates based on the revised rates model provided in its response to the Panel's request for supplemental information.