



ORDER NUMBER
G-15-25

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

and

Creative Energy Vancouver Platforms Inc.
2024 to 2027 Rates for Heating at South Downtown TES

BEFORE:

E. B. Lockhart, Panel Chair
W. E. Royle, Commissioner

on January 24, 2025

ORDER

WHEREAS:

- A. On December 20, 2024, Creative Energy Vancouver Platforms Inc. (Creative Energy) filed an application (Application) for approval with the British Columbia Utilities Commission (BCUC), pursuant to sections 58 to 60 and 90 of the *Utilities Commission Act*, seeking, among other things, approval of interim rates, effective January 1, 2024, for the provision of heating and hot water service to customers connected to its South Downtown thermal energy system (SODO Heating TES);
- B. By Order G-222-21 dated July 22, 2021, the BCUC approved, among other things, a rate design and rates consisting of a levelized capacity charge per kilowatt (kW) per month for the years 2019 through 2023 and a variable charge rate design which is per megawatt hour (MWh) for Creative Energy's SODO Heating TES, effective November 1, 2019;
- C. In the Application, Creative Energy requests that the BCUC approve the following levelized capacity charge rates, on an interim and refundable/recoverable basis, for the SODO Heating TES as set out in Appendix B of the Application:

Year	2024	2025	2026	2027
Price kW per month	\$14.64	\$15.62	\$15.93	\$16.25

- D. Creative Energy also requests approval to continue to charge the variable charge on a flow-through basis to customers and to terminate the Regulatory Cost Variance Deferral Account rate rider; and
- E. The BCUC has commenced its review of the Application and considers that the following determinations are warranted.

NOW THEREFORE pursuant to sections 59 to 61 and 89 of the *Utilities Commission Act*, and for the reasons outlined in the decision accompanying this order, the BCUC orders as follows:

1. Creative Energy's request for interim approval of the rate schedule and levelized capacity charge rates for the SODO Heating TES, effective January 1, 2024, as set out Appendix B of the Application is denied, for the reasons set out in the decision accompanying this order.
2. Creative Energy is approved to implement a capacity charge of \$15.62 per kW per month for the SODO Heating TES, effective January 1, 2025, on an interim and refundable/recoverable basis, subject to any further determinations made by the BCUC.
3. Creative Energy is approved to continue charging the variable charge for the SODO Heating TES on a flow-through basis to customers, effective January 1, 2025, on an interim and refundable/recoverable basis, subject to any further determinations made by the BCUC.
4. Creative Energy is directed to file revised tariff pages with the BCUC for endorsement, reflecting the terms of this order, within 10 business days of the date of this order.
5. A regulatory timetable for the review of the Application is established as set out in Appendix A to this order.
6. Creative Energy is directed to file, by noon on Friday, February 14, 2025, the supplemental information to the Application specified by the BCUC.
7. On or before Wednesday, January 29, 2025, Creative Energy is directed to:
 - (i) Provide notice of the Application and this order on its website at <https://creative.energy/>;
 - (ii) Provide a copy of the Application and this order, electronically where possible, to all customers of the SODO Heating TES, including, but not limited to, Westbank Projects Corp. as the building owner of Buildings 1, 3, 4 and 5 and the strata corporation for Building 2;
 - (iii) Provide a copy of the Application and this order, electronically where possible, to all registered interveners in the Creative Energy Application for Heating Rates for the Heating Thermal Energy System and Cooling Rates for the District Cooling System at the Vancouver House Development proceeding;
 - (iv) Provide notice of the Application and this order, or post the Public Notice attached as Appendix B to this order, on its existing social media platforms. Reminder posts must be published on each platform every two weeks until Thursday, February 20, 2025.
8. Creative Energy is directed to provide to the BCUC:
 - (i) By Monday, February 3, 2025, confirmation of compliance with the public notice requirements in Directive 7 of this order, except for the social media reminder posts, including a list of social media platforms on which notice was posted and a list of all parties notified; and
 - (ii) By Monday, February 24, 2025, confirmation of compliance with the public notice requirement in Directive 7 of this order regarding social media reminder posts.
9. In accordance with the BCUC [Rules of Practice and Procedure](#), parties who wish to actively participate in the proceeding must complete a Request to Intervene Form, available on the Get Involved in a Proceeding

section of the BCUC's website at <https://www.bcuc.com/forms/RequestToIntervene>, by Thursday, February 20, 2025.

DATED at the City of Vancouver, in the Province of British Columbia, this 24th day of January 2025.

BY ORDER

Electronically signed by Blair Lockhart

E. B. Lockhart
Commissioner

Creative Energy Vancouver Platforms Inc.
2024 to 2027 Rates for Heating at South Downtown TES

REGULATORY TIMETABLE

Action	Date (2025)
Creative Energy public notice of application	Wednesday, January 29
BCUC supplemental information list to Creative Energy	Thursday, January 30
Creative Energy confirmation of compliance with public notice requirements	Monday, February 3
Creative Energy responses to BCUC supplemental information list	Friday, February 14 (noon)
Intervener registration deadline	Thursday, February 20
Creative Energy confirmation of compliance with social media reminder posts	Monday, February 24
BCUC Information Request (IR) No. 1 to Creative Energy	Thursday, March 6
Intervener IR No. 1 to Creative Energy	Thursday, March 13
Creative Energy responses to BCUC and Intervener IR No. 1	Thursday, April 3
Creative Energy final argument	Tuesday, April 22
Intervener final argument	Tuesday, May 6
Creative Energy reply argument	Wednesday, May 21



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We want to hear from you

CREATIVE ENERGY 2024 TO 2027 RATES FOR HEATING AT SOUTH DOWNTOWN THERMAL ENERGY SYSTEM

On December 20, 2024, Creative Energy Vancouver Platforms Inc. (Creative Energy) filed an application seeking the British Columbia Utilities Commission's (BCUC) approval of the heat and hot water rates for the years 2024 to 2027 for customers connected to its South Downtown thermal energy system as follows:

Year	2024	2025	2026	2027
Price per kilowatt (kW) per month	\$14.64	\$15.62	\$15.93	\$16.25

By Order G-15-25, the BCUC approved an interim capacity charge rate of \$15.62 per kW per month as requested, effective January 1, 2025.

The BCUC has established an open and transparent public proceeding to review Creative Energy's application to determine permanent rates, among other items. The proceeding includes several opportunities for public comment and participation:

GET INVOLVED

- **Submit a letter of comment**
- **Subscribe to the proceeding**
- **Request intervenor status**

IMPORTANT DATES

1. **Thursday, February 20, 2025** – Deadline to [request intervenor status](#) with the BCUC.
2. **Thursday, April 3, 2025** – Deadline to submit a [letter of comment](#) to share your views, opinions, and insights on the application.

For more information about the Application, please visit the [Proceeding webpage](#) on bcuc.com under "Our Work - Proceedings". [Subscribe to this Proceeding](#) on bcuc.com under "Get Involved" to receive email notifications when public documents are added to the proceeding.

CONTACT INFORMATION

Creative Energy Vancouver Platforms Inc.



Suite 1 – 720 Beatty Street
Vancouver, BC V6B 2M1



E: info@creative.energy



P: 604.688.9584

British Columbia Utilities Commission



Suite 410, 900 Howe Street
Vancouver, BC V6Z 2N3



E: Commission.Secretary@bcuc.com



P: 604.660.4700

DECISION

1.0 Introduction and Background

On December 20, 2024, Creative Energy Vancouver Platforms Inc. (Creative Energy) filed an application (Application) with the British Columbia Utilities Commission (BCUC), seeking, among other things, approval of the levelized capacity charge rates, effective January 1, 2024, as set out in Appendix B of the Application on an interim and refundable/recoverable basis for the provision of heating and hot water service to customers connected to the South Downtown (SODO) thermal energy system (SODO Heating TES).

Creative Energy's SODO Heating TES rates were most recently reviewed and approved by the BCUC in 2021. On July 22, 2021, by Order G-222-21, the BCUC approved a levelized capacity rate design and charges per kilowatt (kW) of design peak heating demand for the years 2019 through 2023, effective November 1, 2019, for the SODO Heating TES. The BCUC also approved a variable charge per megawatt hour (MWh) based on a direct flow-through of fuel costs, effective November 1, 2019.¹

In September 2023 and November 2024, the BCUC issued its decisions on Stage 1 and Stage 2, respectively, of the BCUC's Generic Cost of Capital (GCOC) proceedings (GCOC Stage 1 and 2 Decisions). These decisions approved, among other things, interim and permanent rates for Creative Energy's SODO Heating TES, effective January 1, 2024.²

This decision addresses Creative Energy's request for interim rates, effective January 1, 2024, for the SODO Heating TES.

2.0 Legislative Framework

Section 60 of the *Utilities Commission Act* (UCA) requires that, in setting a rate under the UCA, the BCUC must consider all matters that it considers proper and relevant affecting the rate and have due regard to the setting of a rate that is not unjust or unreasonable.

Under section 60 (1)(b.1) of the UCA, the BCUC may use any method of setting the rate that it considers advisable and may order that the rate is to remain in effect for a specified period. Section 61 (1) of the UCA requires that a public utility must file with the BCUC schedules showing all rates established by it and collected, charged or enforced or to be collected or enforced.

¹ Creative Energy Application for Heating Rates for the Heating Thermal Energy System and Cooling Rates for the District Cooling System at the Vancouver House Development, Decision and Order G-222-21 dated July 22, 2021.

² Interim rates were approved by BCUC Generic Cost of Capital Stage 1, Decision and Order G-236-23 dated September 5, 2023, p. 141; and permanent rates were approved by BCUC Generic Cost of Capital Stage 2, Order G-321-24 and the accompanying decision, p. 100.

3.0 Request for Interim Rates Effective January 1, 2024

For the SODO Heating TES, Creative Energy's requested levelized capacity charge rates per kW per month for 2024 through 2027 as set out in Appendix B of the Application are as follows:³

Year	2024	2025	2026	2027
\$/kW/mo.	14.64	15.62	15.93	16.25

In the Application, Creative Energy acknowledges that it originally intended to file the Application for approval of SODO Heating TES rates for the above-noted period (i.e. 2024 through 2027) in December 2023. However, due to several factors including uncertainty of the decommissioning timeline for the SODO temporary energy system and related matters, the filing was delayed and in the absence of an approved rate otherwise, Creative Energy continued to bill its SODO Heating TES customers throughout 2024 at the rates approved by the BCUC for 2023.⁴

In November 2023, the City of Vancouver approved an extension to the deadline for Creative Energy to remove the SODO temporary energy system from its current location from December 31, 2023 to August 31, 2027. Creative Energy is now considering its options with respect to housing the permanent energy centre and considers it necessary to apply for new rates for the test years between 2024 and 2027.⁵

To support the Application, Creative Energy has attached the rates model for the SODO Heating TES and included selected references to the associated assumptions and computations in the rates model. In addition, Creative Energy discusses in the Application why the requested approval of rates, effective January 1, 2024, does not raise concerns about retroactive ratemaking.⁶

Panel Determination

The requested interim approval of the rate schedule and levelized capacity charge rates as set out in Appendix B of the Application is denied. However, the Panel approves a capacity charge rate of \$15.62/kW/month for the SODO Heating TES and to continue charging the variable charge on a flow-through basis to customers as applied-for, each effective January 1, 2025, on an interim and refundable/recoverable basis, subject to any further determinations made by the BCUC. The BCUC will determine the manner by which any variance between the approved interim rate and permanent rate, including any applicable interest, will be refunded to or collected from ratepayers at the time the BCUC renders its final decision on the Application.

Regarding the capacity charge effective January 1, 2024, the Panel finds that Creative Energy has not sufficiently justified why the Panel should set interim rates for 2024, given the potential impact of the GCOC Stage 1 and 2 Decisions and potential retroactive ratemaking concerns. In particular, the Panel is not persuaded that the approval of interim rates for 2024 is needed at this time given that the 2024 year has passed and, by the time the Application was filed, Creative Energy had already billed customers based on the 2023 approved rates for most of the year. Further, in the Panel's view, the issue of potential retroactive ratemaking for 2024, as well as how the directives in the GCOC Stage 1 and 2 Decisions regarding rate approvals for the SODO Heating TES may impact what further orders the BCUC can make regarding rates for 2024, should be considered before further rates for 2024 are set. These issues will be a matter for consideration in the current proceeding.

³ Exhibit B-1, Appendix B (Tariff Page for Endorsement).

⁴ Exhibit B-1, p. 1. The original decommissioning timeline for the SODO temporary energy system was originally anticipated by the end of 2023 as stated on page 3 of the Application.

⁵ Exhibit B-1, p. 3.

⁶ Exhibit B-1, pp. 1–2.

However, the Panel finds that establishing the 2025 interim capacity charge rate requested by Creative Energy for the SODO Heating TES effective January 1, 2025, until further order of the BCUC, is warranted. The Panel does not consider that interim approval of the further requested rate increases for 2026 and 2027 to be necessary at this juncture.