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## ORDER NUMBER G-80-25

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

and

Corix Burnaby Mountain DE Limited Partnership Variable Energy Charge

## **BEFORE:**

E. B. Lockhart, Commissioner B. A. Magnan, Commissioner

on March 27, 2025

## ORDER

## WHEREAS:

- A. On February 28, 2025, pursuant to section 61(4) of the Utilities Commission Act (UCA), Corix Burnaby Mountain DE Limited Partnership (Corix) filed its 2024 Energy Cost Reconciliation Account (ECRA) annual report (Annual Report) for the UniverCity customer group (UniverCity) at the Burnaby Mountain District Energy Utility (BMDEU). This report included a request for British Columbia Utilities Commission (BCUC) approval to maintain the current UniverCity Variable Energy Charge in accordance with the rate-setting mechanism approved by Order G-279-21;
- B. By Order G-279-21 dated September 24, 2021, the BCUC approved the annual Variable Energy Charge rate setting mechanism and the flow-through of UniverCity's energy costs via the establishment of the ECRA to record variances between the actual energy costs and the revenue collected through the Variable Energy Charge;
- C. The approved rate-setting mechanism utilizes an ECRA ratio and established ECRA ratio thresholds of 0.95 and 1.05 (Trigger Ratios). The ECRA ratio is the ratio of expected 12-month Variable Energy Charge recovery revenue to the sum of the expected 12-month energy costs, plus the ECRA balance at the beginning of the forecast period. A rate change is warranted if the ECRA ratio falls outside the range established by the Trigger Ratios;
- D. By Order G-69-24 dated March 14, 2024, the current UniverCity Variable Energy Charge of \$0.0291 per kilowatt-hour (kWh) was approved effective April 1, 2024;
- E. On March 14, 2025, the British Columbia (BC) Government issued a statement of its intention to eliminate the scheduled increase to BC's carbon tax that would otherwise have occurred on April 1, 2025, and its proposed legislation to repeal the carbon tax;

- F. On March 17, 2025, by Order in Council No. 131, the Lieutenant Governor in Council issued Direction No. 9 to the BCUC which, among other things, requires the BCUC to set BC Hydro's average rate increases for the next two years at 3.75% per year effective April 1, 2025;
- G. On March 19, 2025, Corix filed an amendment to the Annual Report (Amended Annual Report), to account for an updated forecast following the proposed changes to BC's carbon tax and BC Hydro's rate increases;
- H. Based on the current Variable Energy Charge, Corix calculates the ECRA ratio to be 1.0889 for the 12-month period April 2025 to March 2026, and the tested rate required to produce a 1.00 ECRA ratio is calculated to be \$0.0267 per kWh. Therefore, as the ECRA ratio falls outside the range established by the Trigger Ratios in Order G-279-21, a change to the Variable Energy Charge by Corix is indicated effective April 1, 2025;
- I. The proposed Variable Energy Charge increase utilizes a 12-month amortization period and is consistent with the rate-setting mechanism approved by Order G-279-21; and
- J. The BCUC has reviewed the Amended Annual Report and determines that a decrease to UniverCity's Variable Energy Charge is warranted.

**NOW THEREFORE** pursuant to sections 59 to 61 of the UCA, the BCUC orders as follows:

- 1. Corix is approved to decrease the Variable Energy Charge for UniverCity at the BMDEU from \$0.0291 per kWh to \$0.0267 per kWh effective April 1, 2025.
- 2. Corix is directed to notify UniverCity customers of the approval in Directive 1 of this order with a bill insert or bill message to be included with the next monthly billing.
- 3. Corix is directed to file revised tariff page with the BCUC within 15 days of this order.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 27<sup>th</sup> day of March, 2025.

BY ORDER

Electronically signed by Bernard Magnan

B.A. Magnan Commissioner