



**ORDER NUMBER
G-170-16**

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

and

Creative Energy Vancouver Platforms Inc.
Phase 1 Rate Design Application

BEFORE:

D. M. Morton, Commissioner
D. J. Enns, Commissioner
W. M. Everett, Commissioner
H. G. Harowitz, Commissioner
M. Kresivo, Commissioner
R. I. Mason, Commissioner
R. D. Revel, Commissioner

on November 24, 2016

ORDER

WHEREAS:

- A. On June 9, 2015, the British Columbia Utilities Commission (Commission) issued its decision regarding Creative Energy Vancouver Platforms Inc.'s (Creative Energy) 2015–2017 Revenue Requirement Application. On pages 15-27 of that decision, the Commission raised concerns with regard to Creative Energy's Fuel Cost Adjustment Charge and the appropriateness and applicability of the current fuel cost treatment methodology;
- B. Creative Energy recovers its fuel costs for its steam utility firstly, through the Base Cost of 41 cents per one million BTU (mmBtu) embedded in the Steam Tariff, and secondly, through a Fuel Cost Adjustment Charge;
- C. The Commission directed Creative Energy to file a Phase I rate design application within one year from the date of that decision, specifically in regard to the recovery of fuel costs;
- D. By Order G-79-16, the Commission approved a request for extension of the Phase I rate design filing to November 1, 2016;
- E. On April 1, 2016, Creative Energy filed an application for approval of its 2016-2017 Revenue Requirements and Rate Design for its Steam Service and its Northeast False Creek Hot Water Service (2016–2017 RRA);
- F. On November 18, 2016, the Commission issued its decision for Creative Energy's 2016–2017 RRA and allowed Creative Energy to continue to recover the Base Cost in the Steam Tariff, until such time as it approves an alternative handling methodology. The Commission also made various directives in Order G-167-16 and directed Creative Energy to file its Compliance Filing by December 30, 2016;

- G. On November 1, 2016, Creative Energy filed the Phase I Rate Design Application (Application) and seeks approval to remove the 41 cents per mmBTU from the Base Cost and to include it in the Fuel Cost Adjustment Charge effective January 1, 2017; and
- H. The Commission has reviewed the Application and considers the requests to be revenue neutral and therefore determines that approval is in the public interest.

NOW THEREFORE pursuant to sections 59 to 61 of the *Utilities Commission Act*, the British Columbia Utilities Commission orders as follows:

1. Creative Energy Vancouver Platforms Inc.'s proposal to remove the 41 cents per one million BTU from its Steam Tariff and include it as part of its fuel costs recovered through the Fuel Cost Adjustment Charge effective January 1, 2017, is approved.
2. Any impact as a result of the approval must be reflected in the calculation of permanent Steam Tariff rates effective January 1, 2017, and included in the Compliance Filing due on December 30, 2016 for Creative Energy Vancouver Platforms Inc.'s 2016-2017 Revenue Requirement Application.
3. Any impact as a result of the approval must be reflected in the calculation of Northeast False Creek's 2017 Revenue Requirements and resulting addition to the Revenue Deficiency Deferral Account, and included in the Compliance Filing due on December 30, 2016 for Creative Energy Vancouver Platforms Inc.'s 2016-2017 Revenue Requirement Application.

DATED at the City of Vancouver, in the Province of British Columbia, this 25th day of November 2016.

BY ORDER

Original signed by:

D. M. Morton
Commissioner