



ORDER NUMBER
G-226-19

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

and

Creative Energy Vancouver Platforms Inc.
Application for a Fuel Cost Adjustment Charge Rate Rider

BEFORE:

T. A. Loski, Panel Chair
B. A. Magnan, Commissioner
R. I. Mason, Commissioner

on September 17, 2019

ORDER

WHEREAS:

- A. On February 28, 2019, Creative Energy Vancouver Platforms Inc. (CEV) filed with the British Columbia Utilities Commission (BCUC) a Fuel Cost Adjustment Charge (FCAC) Rate Rider application (Application), seeking approval of an FCAC Rate Rider of \$4.80 per thousand pounds steam (M#), effective March 1, 2019;
- B. CEV submits that the proposed FCAC Rate Rider has been calculated based on an 18-month amortization of the current balance in the Fuel Charge Stabilization Account (FCSA) and is targeted to reduce the exceedance in the FCSA to five percent of a rolling 12-month total of fuel costs over a period of 18 months, on a forecast basis;
- C. By Order G-167-16, dated November 18, 2016, the BCUC established the process by which the FCSA is managed;
- D. In its decision and accompanying Order G-205-18, dated October 25, 2018, the BCUC directed CEV to file for approval of the amortization period for the FCSA at the time it files the FCAC rate change applications with the BCUC in the format directed in the 2016-2017 RRA decision;
- E. By Order G-213-18, dated November 8, 2018, the BCUC approved an FCAC of \$13.75 per M#, based on a 12-month amortization of the current balance in the FCSA;
- F. By Order G-52-19, dated March 8, 2019, the BCUC approved a FCAC Rate Rider of \$4.80 per M# on an interim and refundable basis, effective March 1, 2019. Further, the BCUC established the regulatory timetable for the review of the Application, which included one round of information requests (IR), deadline for letters of comment, deadline for CEV to respond to letters of comment and further process to be determined;

- G. By Order G-100-19, dated May 7, 2019, the BCUC approved an amended regulatory timetable which included a second round of IRs and a request for submissions on further process, including whether the regulatory process should move to a streamlined review process, final argument, or another procedural process;
- H. By Order G-126-19, dated June 11, 2019, the BCUC established the remainder of the regulatory timetable with the filing of written final and reply arguments; and
- I. The BCUC has reviewed the evidence and arguments in the proceeding and makes the following determinations.

NOW THEREFORE pursuant to sections 59-61 of the *Utilities Commission Act*, for the reasons provided in the decision issued concurrently with this order, the BCUC orders as follows:

- 1. The establishment of an FCAC Rate Rider, which was approved on an interim basis by Order G-52-19, is made permanent, effective March 1, 2019.
- 2. The request for permanent approval of an FCAC Rate Rider of \$4.80 per M# is denied. More specifically, the requests in the Application, as listed below are not approved:
 - a. An FCAC Rate Rider calculated based on an 18-month amortization of the current balance in the FCSA; and
 - b. The request to account for third-party regulatory costs in the FCSA and subsequently recover those costs through the FCAC Rate Rider.
- 3. CEV is directed to file within 30 days, an updated rate rider amount using up-to-date information based on a 24-month amortization period effective March 1, 2019 and the exclusion of third-party regulatory costs in the FCSA.
- 4. Creative Energy is to inform its customers of the approved FCAC Rate Rider in a timely manner by way of a customer notice.

DATED at the City of Vancouver, in the Province of British Columbia, this 17th day of September 2019.

BY ORDER

Original signed by:

T. A. Loski
Commissioner