



ORDER NUMBER
G-315-23

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

and

Corix Multi-Utility Services Inc.
Dockside Green Energy Amendment to the
Variable Energy Charge Rate Setting Mechanism

BEFORE:

B. A. Magnan, Panel Chair
E. B. Lockhart, Commissioner
E. A. Brown, Commissioner
W. E. Royle, Commissioner

on November 16, 2023

ORDER

WHEREAS:

- A. On November 1, 2023, pursuant to British Columbia Utilities Commission (BCUC) Order G-269-20, directive 3, Corix Multi-Utility Services Inc. (Corix) filed an evaluation report on the rate setting mechanism for the Dockside Green Energy (DGE) utility's Variable Energy Charge (Evaluation Report) which included a request for BCUC approval to amend the Variable Energy Charge rate setting mechanism;
- B. By Order G-248-19 dated October 16, 2019, the BCUC approved the flow-through of energy costs at DGE using an Energy Cost Reconciliation Account (ECRA) to record variances between the actual energy costs and the revenue collected through the Variable Energy Charge, with the balance to be amortized over a one-year period;
- C. By Order G-269-20 dated October 26, 2020 a two-parameter rate-setting mechanism was established for DGE's Variable Energy Charge comprising a ± 5 percent ECRA trigger ratio plus a minimum rate change threshold of $\pm \$0.011$ per kWh. 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;
- D. The proposed amendment will remove the minimum rate change threshold resulting in a single-parameter Variable Energy Charge rate setting mechanism whereby a change in the Variable Energy Charge rate is triggered when 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, is greater than 1.05 or less than 0.95;

- E. Corix submits that the amendment provides minor improvement in price transparency without negatively impacting rate stability for DGE customers and improves regulatory efficiency by aligning the DGE Variable Energy Charge rate setting mechanism with that approved by the BCUC for Corix's Burnaby Mountain District Energy Utility UniverCity customer group and the Neighbourhood District Energy System at the University of British Columbia; and
- F. The BCUC has reviewed the Evaluation Report and the analysis provided and determines that Corix's requested amendment to the Variable Energy Charge rate setting mechanism, as set out in section 6.1 of the Evaluation Report, is warranted.

NOW THEREFORE the BCUC orders that Corix is approved to amend the existing Variable Energy Charge rate setting mechanism for DGE by removing the minimum rate change threshold of $\pm \$0.011$ per kWh. This results in a single-parameter Variable Energy Charge rate setting mechanism whereby a change in the Variable Energy Charge rate is triggered when the following condition is met:

- a. 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, is greater than 1.05 or less than 0.95.

DATED at the City of Vancouver, in the Province of British Columbia, this 16th day of November 2023.

BY ORDER

Original signed by:

B. A. Magnan
Commissioner