

CREATIVEENERGY

June 20, 2025

Via E-filing

Commission Secretary
British Columbia Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC V6Z 2N3

**Re: British Columbia Utilities Commission (BCUC, Commission)
Creative Energy Vancouver Platforms Inc. (Creative Energy)
Core TES RNG Bridging Fuel Rate Application**

Creative Energy writes to submit the enclosed application (**Application**) for approval of a renewable natural gas (RNG) bridging fuel service for Creative Energy's Core Thermal Energy System, and requests the approvals set out in section 1.2 of the Application.

A Draft Order and proposed Tariff Pages are attached at **Appendices A and B**.

For further information, please contact the undersigned.

Yours sincerely,



Amr Ayad

Senior Manager, Regulatory Affairs.



CREATIVE ENERGY

YOUR COMMUNITY ENERGY PARTNER

Creative Energy Vancouver Platforms Inc.

Core TES RNG Bridging Fuel Rate Application

June 20, 2025

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1 Introduction

1.1 Introduction

Creative Energy Vancouver Platforms Inc. (**Creative Energy**) files this application with the British Columbia Utilities Commission (the **BCUC** or **Commission**) for approval of:

- The addition of a Renewable Natural Gas (**RNG**) Fuel Cost Adjustment Charge (**FCAC** and together **RNG FCAC**) to the existing Steam Service Tariff (**Tariff**), effective January 1, 2026;
- The establishment of an associated RNG Fuel Cost Stabilization Account (**FCSA** and together **RNG FCSA**), effective January 1, 2026;
- Approval of an RNG FCAC pricing methodology, effective January 1, 2026; and
- Endorsement of the Request for Service (**RfS**) form to allow Creative Energy to enroll customers under the RNG Service prior to the end of 2025 and to provide this service to customer who subscribe to it starting on January 1, 2026.

The proposed RNG Service is an important milestone for the Core Thermal Energy System (**Core TES**). The availability of the RNG Service by January 1, 2026 is designed to coincide with the effective date of the greenhouse gas (**GHG**) intensity limits established by the City of Vancouver (the **City**). The Commission's approval of the RNG FCAC rate and associated RNG FCSA account will allow Creative Energy customers to procure low-carbon heat to reduce their annual GHG emissions. For the customers affected by the By-law, our RNG Service would represent an affordable and viable compliance pathway for building owners that would also relieve them of the additional operating permit fees for non-compliance. Creative Energy also understands that some of our customers have organizational GHG emissions reduction targets that could be achieved with our low-carbon heating RNG Service. This voluntary RNG Service enables all of our customers to achieve their corporate objectives and ensure by-law compliance in addition to reducing the risk of system attrition to the benefit of all customers.

The proposed RNG FCAC and RNG FCSA are modelled on the existing natural gas FCAC and FCSA fuel pricing structure used for the Core TES. The existing fuel cost flow-through mechanism has been in place for several years and has been approved by the BCUC in previous proceedings. By using this established framework, Creative Energy aims to minimize the regulatory burden for this Application while ensuring continuity and clarity for our customers who are already familiar with this fuel cost recovery mechanism. The proposed RNG FCAC and RNG FCSA will function in the same way as our existing FCAC and FCSA do, allowing Creative Energy to recover its RNG fuel costs on a flow-through basis directly from those customers taking RNG Service.

Creative Energy is requesting approval of the rate design (RNG FCAC and RNG FCSA) in this Application. A separate, subsequent application(s) will be submitted to establish the rates once the rate design is approved. This subsequent application will request approval of a revised natural gas FCAC to account for the removal of the consumer carbon taxes in tandem with an initial RNG FCAC. **Section 1.5** provides greater clarity on the scope of this Application.

Indicative rates for both the existing natural gas FCAC and RNG FCAC are included in this Application to allow the Commission to make an informed decision. The indicative FCAC for 2026

after accounting for carbon tax savings is \$8.71 per thousand pounds of steam (M#)¹ and the indicative RNG FCAC is \$22.08 per M#. **Section 5.4** provides further details on the RNG pricing and calculation methodology.

As part of this Application, Creative Energy has designed a simple enrollment process and sets out clear terms of service for the RNG FCAC that have been socialized and validated by our customers during the engagement process discussed in detail in **Section 4.0**. Under the proposed terms of service, customers may voluntarily opt-in to this low-carbon service and select the percentage of their total annual demand to be met under the RNG Service in 1% increments. Customers will have the flexibility to adjust their blend percentage annually during the established adjustment period. Customer have been supportive of an increase-only adjustment policy to provide stability while allow Creative Energy to support evolving customer needs. These program elements have been incorporated based on comprehensive customer feedback and received strong support.

1.2 Approvals Sought and Scope of the Application

Creative Energy seeks the following approvals from the Commission by way of this Application:

- Approval of the establishment of a Renewable Natural Gas Fuel Cost Adjustment Charge (**RNG FCAC**) rate and a Renewable Natural Gas Fuel Cost Stabilization Account (**RNG FCSA**), effective January 1, 2026.
- Approval of an RNG FCAC pricing methodology as discussed in **Section 5.4 of the Application**, effective January 1, 2026 and which remains in effect until Creative Energy applies for a new pricing methodology or the BCUC determines otherwise; and
- Approval and endorsement of the Request for Service form to allow Creative Energy to enroll customers under the RNG Service and provide this service starting on January 1, 2026.

A Draft Order is included in **Appendix A** to the Application. In addition, revised Tariff Pages reflecting the proposed changes to the current tariff pages are included in **Appendix B** to the Application.

1.3 Proposed Regulatory Review Process

Table 1 below sets out a proposed regulatory process and schedule for the review of the Application. Creative Energy requests the Commission to limit the scope of this proceeding to the specific details of this proposed service and rate.

Table 1: Proposed Regulatory Process and Timetable

Action	Date (2025)
Application submitted to the Commission	Friday June 20, 2025
BCUC Procedural Order	Monday July 07, 2025
Creative Energy to provide public notice of the Application	Friday July 11, 2025
Intervener registration deadline	Friday July 25, 2025

¹ As of January 1, 2025 based on the current pricing of RNG and natural gas and the assumptions listed in the modeling attached to this application and discussed in Section 4.0 of this Application. This can change subject to future rate applications by Fortis BC.

Action	Date (2025)
Creative Energy confirmation of compliance with public notice requirements	Tuesday July 29, 2025
BCUC Information Request (IR) No. 1 to Creative Energy	Monday August 11, 2025
Intervener IR No. 1 to Creative Energy	Friday August 15, 2025
Creative Energy Responses to BCUC and Intervener IR No. 1	Monday August 25, 2025
Letters of comment deadline (if any)	Friday August 29, 2025
Creative Energy Final Argument	Monday September 8, 2025
Intervener Final Argument	Friday September 19, 2025
Creative Energy Reply Argument	Friday September 26, 2025
BCUC Final Decision	Early- November 2025 ²

1.4 Structure of the Application

This Application is structured as follows:

- Section 2.0- Discusses the context for the Application
- Section 3.0- Provides details on the legislative framework and terms of the service.
- Section 4.0- Describes customer engagement about this RNG Service and this Application.
- Section 5.0- Lays out the details of the proposed structure for the RNG FCAC rates.

1.5 Matters NOT Addressed in this Application

Creative Energy acknowledges the direction from the Commission in **Order G-252-24** and accompanying reasons for decision dated September 26, 2024, granting Creative Energy leave to file another low-carbon energy rate design application.

Creative Energy is currently considering rate design matters for the Core TES, including for long-term low-carbon service on the Core TES. For clarity, those matters are not intended to be addressed by this limited-scope Application, which as described in further detail in **Section 2.2** below is intended to provide an interim low-carbon service for customers while Creative Energy plans, and ultimately submits for BCUC approval later in 2026, a larger and more comprehensive rate re-design for the Core TES, for both conventional and low-carbon service.

Additionally, this Application does not address or seek the approval for the rate for the newly proposed RNG FCAC or replacement of the existing FCAC rate, as Creative Energy plans to cover these aspects in a separate application (s).

² This date is critical to allow Creative Energy to enroll its customers to the RNG Service.

2 Context for this Application

2.1 City of Vancouver Annual Greenhouse Gas and Energy Limits By-law No. 13472

On July 20, 2022, the City of Vancouver enacted the *Annual Greenhouse Gas and Energy Limits By-law* No. 13472 (the **By-law**). The By-law establishes Greenhouse Gas Intensity (**GHGI**) Limits and Heat Energy Intensity (**HEI**) Limits for existing office and retail buildings equal to or larger than 100,000 ft² in gross floor area.

The By-law takes a phased approach and establishes an initial GHGI limit for office and retail buildings that comes into effect on January 01, 2026. This initial limit applies for 2026 until 2040, at which point the GHGI limit is reduced to zero in perpetuity. HEI limits are only introduced in 2040 and are therefore less relevant to this Application. Nevertheless, both the GHGI and HEI limits are documented in **Table 2** and **Table 3** below.

Under the By-law, any owner of a building that exceeds the requirements imposed must apply for an annual carbon emissions operating permit and pay the annual carbon emissions permit fee. The By-law states that non-compliant buildings will be charged \$350 per tonne of CO₂ equivalent (CO₂e) in excess of the GHGI limit and \$100 per gigajoule (GJ) of heat energy that exceeds the HEI limits.

Table 2: GHG Intensity Limits

Occupancy Type	2026	2040	Units
Office	25	0	kg CO ₂ e/m ² /year
Retail	14	0	kg CO ₂ e/m ² /year

Table 3: Heat Energy Intensity Limits

Occupancy Type	2026	2040	Units
Office	None	0.09	GJ/m ² /year
Retail	None	0.09	GJ/m ² /year

The By-law specifically addresses how buildings connected to district energy systems (**DES**) will be treated for GHG emissions accounting. As described in the City of Vancouver's letter to Creative Energy dated August 9, 2024, attached at **Appendix C**, the City has established an accounting protocol requiring Creative Energy to provide annual documentation validating the GHG emission factors assigned to each of Creative Energy's service offerings. This framework explicitly recognizes that Creative Energy can offer different energy services with different emission factors, allowing customers to choose low-carbon options to meet their compliance obligations under the By-law.

The City plans to publish GHG emission factors for major energy sources, including natural gas and renewable natural gas, which Creative Energy will use to determine the overall annual GHG emissions for both the current FCAC service and the new RNG FCAC service. Importantly, the City's letter confirms that Creative Energy's planned low-carbon energy blend rate offerings can be subscribed to by customers to reduce their GHG emissions under the By-law. Subscription to such low-carbon energy blends that reduce customer GHG emissions to applicable City limits will constitute an eligible and accepted compliance pathway. We are actively engaged with the City

through ongoing consultation to support the development of a clear and well-documented compliance framework. Creative Energy anticipates that at least 16 of its customers will be subject to the GHGI limit that comes into effect on January 1, 2026. These customers are therefore in need of a low-carbon thermal energy service effective January 1, 2026, to ensure that they can meet the GHGI limits and avoid the penalties for non-compliance.

2.2 The Need for a RNG Bridging Solution

At present, Creative Energy's natural gas- fuel carries a GHG emission factor that may not allow all customers to meet the 2026 GHGI limits under the By-law. While Creative Energy's current FCAC recovers the costs of conventional natural gas with its associated emission, it is imperative that Creative Energy also has a low-carbon service offering with a substantially lower emission factor effective January 1, 2026 to provide a compliance pathway to its customers.

Creative Energy has received a certificate of public convenience and necessity (**CPCN**) for its Decarbonization Project.³ The Decarbonization Project will decarbonize the Core TES, allowing Creative Energy to attract new customers and retain existing customers by offering a low-carbon thermal energy service by producing thermal energy from electric boilers. The Decarbonization Project was initially expected to be in-service in time to enable Creative Energy to provide a low-carbon service to its customers by January 1, 2026 using the electrically driven thermal energy; however, the Decarbonization Project has been delayed, with the exact in-service timing still to be determined.

An alternative solution is therefore required to ensure that Creative Energy's existing customers have access to a low-carbon energy service to meet their obligations under the By-law as of January 1, 2026. The RNG Bridging Fuel Service contemplated in this Application is intended to continue to be available as the main source of low-carbon energy until the Decarbonization Project is in service and the low-carbon thermal energy from the electric boilers is available.

It is this context that has led to Creative Energy filing this Application for approval of the RNG FCAC and RNG FCSA. The RNG FCAC will recover the costs of renewable natural gas, which carries a significantly lower GHG emission factor than conventional natural gas. Approval of the RNG FCAC and RNG FCSA will allow Creative Energy to offer its customers, particularly those subject to the By-law, a distinct low-carbon energy service option that, when combined with the City's emissions accounting framework, will provide an eligible compliance pathway for meeting the 2026 GHGI limits.

This approach aligns directly with the City of Vancouver's confirmation that customers can purchase Creative Energy's low-carbon energy blend rate offerings to reduce their GHG emissions under City By-law 13472, with such subscriptions constituting an accepted compliance pathway.

³ BCUC Order C-5-22 dated September 15, 2022.

2.3 Support Received from the Interveners

Intervenors have provided explicit support for RNG as a bridging solution in multiple proceedings, demonstrating broad acceptance of this approach.

2.3.1 2021 Core TES Decarbonization Project CPCN Proceeding

The British Columbia Old Age Pensioners' Organization (the **BCOAPO**) has submitted that it considers RNG a valuable bridging solution, especially in circumstances where delays occur in project timelines or when temporary capacity exceeds the availability of permanent low-carbon energy. This perspective highlights the suitability of RNG under proper regulatory oversight.⁴

2.3.2 2024 Long Term Resource Plan (LTRP) Proceeding

The Commercial Energy Consumers Association of BC (the **CEC**) provided explicit satisfaction with Creative Energy's RNG bridging approach in their 2024 LTRP final argument, stating that "the CEC is satisfied with Creative Energy's proposal in the Application to use RNG Service from FEI as a near-term measure."⁵

The BC Sustainable Energy Association (**BCSEA**) has also expressed support for the use of RNG in the 2024 LTRP as a backup solution, a means to meet peak demand, and an interim measure while permanent low-carbon resources are being developed.⁶

Moreover, BCOAPO endorsed Creative Energy's plan to utilize RNG as a versatile low-carbon solution to bridge the transition toward permanent low-carbon energy resources.⁷

2.3.3 2024 New Plant Premises and Interconnection Infrastructure Proceeding

The CEC has expressed its strong support for RNG as a bridging measure in the New Plant Premises proceeding, stating that "the CEC is of the view that the RNG bridging measure is appropriate in that it is reasonably cost-effective and acceptable to the City."⁸

The CEC has also showed approval for Creative Energy's proactive approach to implementing RNG as a transitional solution. It emphasized that using RNG as a bridging measure provides a valuable opportunity for Creative Energy to address completion issues at the New Premises with the Developer without requiring ratepayer involvement.⁹

⁴ BCOAPO Final Argument, Creative Energy Core Steam System Decarbonization Project CPCN proceeding, April 22, 2022, pp. 7.

⁵ CEC Final Argument, Creative Energy 2024 Long Term Resource Plan proceeding, May 21, 2025, para. 99

⁶ Ibid. 36.

⁷ BCOAPO Final Argument, Creative Energy 2024 Long Term Resource Plan proceeding, May 21, 2025, p. 9.

⁸ CEC Final Argument, Creative Energy New Plant Premises and Interconnection Infrastructure Capital Expenditures proceeding, December 12, 2024, para. 188.

⁹ Ibid, para. 189

3 Legislative Framework and Application for Service

3.1 Legislative Framework

Sections 59 to 61 of the *Utilities Commission Act (UCA)* pertain to the setting and amendment of rates. More particularly:

- Pursuant to section 60(1)(a) and (b) of the *UCA*, when setting rates, the BCUC must take into account all matters that it considers proper and relevant affecting the rate, and, amongst other things, must have due regard to setting a rate that is not unjust and unreasonable;
- Pursuant to section 60(1)(b.1) of the *UCA*, the BCUC may use any mechanism, formula or other method of setting the rate that it considers advisable and may order that the rate derived from such a mechanism, formula or other method is to remain in effect for a specified period; and
- Pursuant to section 61(4) of the *UCA*, a public utility may file with the BCUC a new schedule of rates the utility considers to be made necessary by a change in the price, over which the utility has no effective control.

3.2 Request for Service

Appendix D, included with this Application, provides a form for submitting a Request for Service. This form enables customers to request to subscribe to the RNG bridging fuel service (**RNG Service**) on an opt-in basis and includes a section where customers can specify the percentage of RNG fuel they wish to incorporate into their overall energy usage.

The form is designed to ensure transparency and ease of use and is intended to be incorporated into the thermal energy service agreement between the customer and Creative Energy, which contains additional terms and conditions relating to the customer's purchase of thermal energy from Creative Energy.

This form facilitates a streamlined application process while ensuring that all requisite details are captured to support compliance with regulatory requirement and City By-laws.

3.3 RNG Terms of Service

As outlined in the proposed Tariff Pages attached as **Appendix B** to this Application, the following are the terms of the RNG Service.

- 1) Customers may voluntarily enroll in the RNG Service by submitting a written Request for Service to Creative Energy specifying their desired RNG percentage. Enrollment is subject to RNG supply availability and Creative Energy approval. Initial enrollment becomes effective on the first day of the year following approval.
- 2) Customers must maintain their initial RNG Service selection for at least one calendar year. Adjustments to the selected RNG percentage are permitted once per calendar year, provided a written request is submitted at least 60 days prior to the end of the current year. All changes are subject to approval by Creative Energy.

- 3) Once a Customer has elected a percentage of RNG Service, that percentage may not be decreased during the term of the Service Agreement. Customers may increase their RNG percentage, subject to availability and approval, but may not reduce their RNG percentage below the previously selected level.
- 4) Customers may opt out of the RNG Service by submitting a written request at least 60 days before the end of the year. Once a customer has opted out, they must reapply and submit a new Request for Service form to re-enroll in the RNG Service, subject to approval by Creative Energy.

Regarding Clause (3) of the terms of service above- This increase-only policy serves several important regulatory and operational purposes: (i) it provides Creative Energy with demand certainty necessary for prudent long-term RNG procurement planning and contracting; (ii) it ensures stable cost allocation among RNG Service customers and avoids potential cost shifts to other customers; and (iii) it supports Creative Energy's broader resource planning for low-carbon energy services, including integration with the future Decarbonization Project. Customer commitments to specific RNG levels become integral components of Creative Energy's long-term energy supply planning and investment decisions.

3.4 Queuing of Applications for Service

Creative Energy will prioritize and process requests for RNG Service using a simple queue system based on the order in which requests are accepted. The sequence within the queue determines the priority of customers' access to the service, ensuring a fair and transparent application process and giving Creative Energy the opportunity to optimize the system. Based on projected customer demand and anticipated RNG supply, Creative Energy expects to fulfill all customer requests. The queue system ensures orderly processing of applications and provides customers with clarity on their application status.

4 Customer Engagement on Proposed RNG Service

Creative Energy conducted a comprehensive two-phase consultation process in Spring 2025 to gather customer feedback on the proposed RNG FCAC service. Our consultation process was designed to ensure meaningful input from our two key customer groups prior to filing this Application: compliance-driven customers under the 2026 GHGI limits, and customers otherwise interested in low-carbon energy for non-compliance reasons. However, our consultation design was inclusive and transparent, with all customers given equal opportunity to participate. Details of this process and its findings are attached in **Appendix E**.

4.1 Consultation Methodology

The consultation employed a strategic segmentation approach, dividing Creative Energy's customer buildings into three distinct groups based on their anticipated service needs:

- **RNG-01:** The 16 compliance-driven customers subject to the 2026 GHGI By-law, which were prioritized due to their immediate regulatory compliance requirements and the alignment between the RNG FCAC program and their compliance needs.
- **RNG-02:** Other interested customers who had previously expressed interest in low-carbon solutions, targeted based on their demonstrated commitment to sustainability initiatives.
- **RNG-03:** All other customers.

This segmentation enabled Creative Energy to track engagement patterns and analyze responses according to customer groups with distinct survey collector links used for each segment. The consultation was then structured as a two-phase process to gather broad feedback and validate specific program elements such as the conditions of service.

- **Phase One (March 26 to April 10, 2025)** focused on gathering initial feedback about the RNG FCAC concept, gauging interest levels, and identifying blend preferences and concerns.
- **Phase Two (April 25 to May 7, 2025)** built upon first-phase findings to validate customer interest in specific program refinements, focusing on blend selection flexibility, adjustment policy considerations, and annual adjustment periods.

4.2 Consultation Outreach and Participation

Creative Energy contacted over 230 individuals responsible for the 208 buildings served by the Core TES, achieving a 99% email delivery success rate across multiple communication waves. The consultation used multi-wave email campaigns, with follow-up emails to non-responders and final reminders. For customers subject to the By-law (RNG-01) or those who had previously expressed an interest in low-carbon energy (RNG-02), and who had not engaged with the campaign emails, personalized individual follow-up emails were sent to all organizations.

The consultation achieved meaningful participation from the customer segments most likely to subscribe to the RNG Service. The compliance-driven customers in RNG-01 demonstrated particularly high engagement, with 14 out of 16 affected buildings (88%) represented across both

consultation phases, recognizing the potential value of the RNG FCAC for meeting their compliance requirements. Other interested customers in RNG-02 showed meaningful engagement with a 37% response rate in Phase One, providing feedback on how the RNG FCAC would integrate with their broader sustainability strategies. RNG-03 customers showed limited engagement with 5-10% response rates across both phases, consistent with expectations given this segment's lack of immediate regulatory or organizational Environmental, Social, and Governance (ESG) drivers.

Overall, Creative Energy received 37 responses to the Phase One survey, with 36 respondents (97%) expressing willingness to participate in the voluntary opt-in RNG Service. A follow-up survey was conducted to validate customer feedback on blend percentage selection and adjustment policies, with 22 responses received in Phase Two.

4.3 Customer Consultation Results

4.3.1 Interest in the Program

The consultation revealed a strong customer interest in the proposed RNG FCAC program. Among the 37 Phase One respondents, 36 (97%) indicated willingness to participate in the voluntary opt-in service. 25 respondents provided specific RNG blend preferences, with the average preferred blend being approximately 46%, indicating that customers are seeking a tailored approach that balances environmental benefits with cost considerations.

22 respondents voluntarily disclosed organizational information showing they manage 41 of the total 208 buildings served by Creative Energy (20%). Conservative estimates around the unidentified respondents expressing interest in the program suggest a representation of 55 buildings (26%) connected to the Core TES.

4.3.2 Customer Feedback Themes

The consultation identified several key priorities for customers considering the RNG FCAC service. Customers expressed a strong preference for flexible blend selection options rather than predetermined levels. The Phase Two validation received 19 responses on this topic, with six responses favoring 1% increment flexibility and only two responses preferring predetermined blends, while 11 respondents expressed no preference. Respondents noted that this flexibility would be valuable for organizations managing multiple buildings with varying compliance needs.

Price stability and predictability emerged as primary concerns across both consultation phases. Compliance-driven customers indicated they would conduct detailed cost comparisons between RNG program participation and potential non-compliance penalties. As one property manager stated, participation "will depend on cost vs. the CoV penalties."

For compliance-driven customers (RNG-01), understanding how the RNG FCAC would be recognized for GHGI compliance purposes was identified as being critical. Customers sought specific assurance about verification mechanisms and how different blend percentages would affect compliance calculations under the City's By-law. Many respondents viewed the RNG FCAC as one component of a comprehensive decarbonization strategy, with some expressing interest in understanding how this option would complement electrification and other future low-carbon initiatives.

4.3.3 Segment-Specific Insights

The consultation revealed important distinctions in how different customer segments approached the proposed program. Compliance-driven customers in RNG-01 facing regulatory obligations under the 2026 GHGI By-law were primarily concerned with compliance recognition and cost competitiveness. Their feedback focused heavily on the relationship between program costs and regulatory requirements, with explicit mentions of the City of Vancouver's GHGI targets. These customers indicated they would conduct detailed cost-benefit analyses comparing program participation with potential non-compliance penalties.

Other customers in RNG-02 with previously expressed interest in low-carbon solutions approached the RNG FCAC as part of a comprehensive sustainability strategy. Their feedback included more detailed questions about technical flexibility and integration with other initiatives. These customers offered comprehensive feedback on how the RNG FCAC would integrate with their broader sustainability strategies, providing important context for understanding how the program would be utilized as part of larger decarbonization efforts.

RNG-03 customers demonstrated lower engagement with specific blend selections and provided more general feedback with less specific detail on blend preferences. When comments were provided, they were typically less detailed, suggesting a need for more basic education about program mechanics for this customer group.

4.3.4 Creative Energy's Response to Customer Feedback

Creative Energy has confirmed with the City of Vancouver that the RNG FCAC service qualifies as an eligible compliance pathway for buildings subject to the GHGI By-law¹⁰. The program will provide customers with documentation defining how their specific blend percentages translate to GHG emission factors for compliance reporting purposes. The program design includes an increase-only adjustment policy¹¹ to ensure stable low-carbon demand for capital investment planning, while still allowing customers to increase their RNG blend percentages as needed to meet evolving compliance requirements.

Based on the consultation feedback, Creative Energy has also incorporated several elements into the proposed RNG FCAC design to address customer priorities. The proposed RNG FCAC will allow customers to select RNG blend percentages in 1% increments, providing the precision and customization requested by customers to meet their specific regulatory and sustainability needs.

The RNG FCAC includes an associated RNG FCSA to manage cost variances and provide price stability, addressing customer concerns about cost predictability. The rate design also incorporates an annual adjustment schedule, which received strong support from Phase Two respondents, with 15 out of 19 respondents (79%) being in agreement and the remaining four expressing indifference.

There was general support for the increase-only policy, with 47% of respondents in favor, 37% indifferent, and only 16% somewhat disagreeing.

¹⁰ Refer to **Appendix C**.

¹¹ Refer to Section 3.3 for RNG Terms of Service.

4.4 Customer Enrollment for Proposed RNG Service

Based on the consultation results and customer feedback and as detailed in Section 3.0, Creative Energy proposes a voluntary opt-in enrollment process for the RNG FCAC service. Customers will be able to specify their desired RNG blend percentage in 1% increments and will have the opportunity to adjust their blend percentage annually during the established adjustment period.

The enrollment process will include Request for Service forms allowing customers to specify their desired RNG blend percentage, and which will incorporate by reference the amended Tariff Pages. The enrollment documentation will explain how blend percentages relate to GHG emission factors for compliance purposes, and the terms of service describe the increase-only adjustment policy and annual adjustment schedule. By incorporating these elements into the enrollment process, Creative Energy has designed a simplified program structure that reflects the consultation findings and supports customer participation in the RNG Service.

5 The Proposed RNG FCAC and FCSA

5.1 RNG Contracting Plan

On October 26, 2023, by way of Letter L-47-23, the Commission accepted Creative Energy's application for a revised natural gas strategy for the Core TES, to switch natural gas service from FEI's Rate 7 Interruptible Service to FEI Rate 5 Firm Service under the FEI Tariff, effective November 1, 2023. This is the natural gas contracting plan that Creative Energy has been operating with since November 1, 2023.

Creative Energy has a contract for firm service under Rate Schedule 5 with FEI. FEI Rate 5 Firm Service is paired with Rate Schedule 5RNG, General Firm Renewable Natural Gas Service. This is a general firm RNG rate for the sale of firm gas. Service under Rate Schedule 5RNG is available to customers if the following conditions are met:

- the Customer has entered into a General Firm Service Agreement (Service Agreement)
- Adequate Gas volumes for such Service are available;
- adequate capacity exists on the FortisBC Energy System;
- the Customer purchases under this Rate Schedule all of the Gas required for its facilities specified in the Service Agreement; and
- FortisBC Energy has installed at the Delivery Point the facilities and equipment referred to in Section 8.1 (Facilities and Equipment).

Under Rate Schedule 5RNG, Creative Energy can set the percentage of RNG it receives from FEI between 2%¹² to 100%, in increments of 1%. Creative Energy plans to set this amount before the beginning of each calendar year based on its estimate of the amounts of RNG that its customers will need for the ensuing calendar year. This allows the flexibility for Creative Energy to increase the RNG levels on an annual basis as more customers subscribe to the RNG Service or existing RNG customers increase their percentage of RNG.

Creative Energy will procure RNG supply from FortisBC based on annual customer demand forecasts, with adjustments available monthly to align with actual subscription levels. Due to the timing requirements of RNG procurement via monthly notifications to FortisBC and potential variations in customer consumption patterns, Creative Energy may need to secure reserve RNG supply to ensure adequate service reliability, particularly during peak demand periods of the year. Any variance between contracted RNG supply and actual customer usage, whether resulting from reserve supply requirements or consumption variations, will be tracked and accounted for through the RNG FCSA. This approach ensures that all RNG-related costs and any associated over- or under-recovery are appropriately allocated to RNG Service customers through the established fuel cost stabilization mechanism.

5.2 The Existing FCAC and FCSA

Currently, Creative Energy recovers its fuel expenses for the Core TES on a flow-through basis through two BCUC-approved fuel cost recovery mechanism charges: (1) the FCAC and (2) an FCAC rate rider. Generally, the FCAC is approved by the BCUC on an annual basis in advance of Creative Energy's gas year (**Gas Year**), which currently begins on November 1 of each year and

¹² 2% is the current mandatory minimum level provided by FortisBC and is subject to change in the future.

end on October 31 of the following calendar year. The FCAC is set based on forecast annual fuel costs divided by forecast annual load¹³.

Variances between Creative Energy's forecast and actual fuel costs are recognized in the FCSA. If the FCSA closing balance at the end of the Gas Year exceed +/-5% of the Approved 12-month Fuel Cost Forecast¹⁴, this balance in the FCSA is distributed to or collected from customers in the following Gas Year through a new FCAC and/or a FCAC Rate Rider¹⁵, which is charged on a dollar per thousand pounds of steam (M#) basis.

The FCAC and FCAC Rate Rider mechanism to recover or refund the balances in the FCSA were first approved by the Commission under Order G-167-16 in its November 18, 2016, Decision into Creative Energy's 2016-2017 Revenue Requirements Application. In its October 25, 2018, Decision into Creative Energy's 2018-2022 RRA, issued under Order G-205-18, the Commission confirmed that both the amortization of the FCSA and the setting of forecast fuel costs are issues related to commodity costs, and it is standard BCUC practice to review such commodity cost related information separately from RRAs. Thus, as part of its 2018 Decision the Commission directed Creative Energy to file for approval of the amortization of the FCSA at the time it files a FCAC rate change application. Following this determination, Creative Energy has been applying for FCAC and/or FCAC Rate Rider separately before the beginning of each new Gas Year.

5.3 FCSA Balance at the Start of the RNG Service

As outlined in the sections above, the RNG Service is set to commence on January 1, 2026. Based on the discussion in **Sections 5.1** and **5.2** above, Creative Energy proposes the following steps:

1. Submit a Fuel Cost Adjustment Charge (FCAC) application by July 2025 to address the period between August and December 2025. In this application, Creative Energy plans to request a new FCAC rate to pass on the cost savings from the elimination of carbon taxes to customers and bring the FCSA back within the tolerable +/- 5% range; and
2. File a combined RNG FCAC and FCAC application by November 2025 to establish the fuel rates for the 2026 calendar year. This application will ensure that any remaining balance within the existing FCSA for 2025 is recovered from or refunded to customers in a fair way.

Creative Energy is also contemplating filing of the two applications referred to above as one application in the interests of regulatory efficiency.

Creative Energy notes that there is no issue with any remaining balance in the FCSA at the end of 2025. Under the proposed rate design set out in **Section 5.4** below (refer to **Equations 1 and 2**), any outstanding balance may be refunded or collected from the customers as a Common Rate Rider as part of the Common Charges, ensuring fair and equitable cost recovery. Future accumulations in the natural gas FCSA and RNG FCSA would be recovered directly from

¹³ Usually, it is the approved load forecast from the most recent Core TES Revenue Requirements Application (RRA) unless there is a justification to use a different forecast.

¹⁴The current 12-month Fuel Cost Forecast is \$20,594,876, which was approved as part of the most recent FCAC application by Order G-35-25.

customers receiving the service under the Gas-Specific Charges and RNG-Specific Charges respectively.

5.4 RNG Pricing Design

The forecast annual fuel costs for the purpose of calculating the RNG FCAC is based on the fuel costs under the current FEI's Rate Schedule 5¹⁶. Consumer carbon tax has been removed as of April 2025 and hence is not used in this calculation.

The parameters used in calculating the fuel cost are as follows:

Delivery Margin Related Charges:

Parameter 1.	RS5 Basic Charge, \$/month
Parameter 2.	RS5 Rider 2 (ICE Levy), \$/month
Parameter 3.	RS5 Demand Charge, \$/month/GJ of Daily Demand ¹⁷
Parameter 4.	RS5 Delivery Charge, \$/GJ

Commodity Related Charges:

Parameter 5.	RS5 Gas Charge (Commodity Cost Recovery Charge), \$/GJ
Parameter 6.	RS5 Storage & Transport Charge, \$/GJ
Parameter 7.	Rider 6 – Midstream Cost Reconciliation Account
Parameter 8.	Rider 8 – Storage and Transport RNG Rider

RNG Fuel Cost:

Parameter 9.	5RNG Charge, \$/GJ
--------------	--------------------

The current values of these parameters are included in an MS Excel workbook attached electronically to this Application at **Appendix F**.

Based on the current values of the above parameters, the RNG FCAC and existing FCAC per M# would be calculated according to **Equation 1** and **Equation 2** below:

Equation 1

$$\text{RNG FCAC} = (\text{Common Charges} + \text{RNG Specific Charges}) \times \text{Applicable Taxes \& Conversions}$$

Equation 2

$$\text{FCAC} = (\text{Common Charges} + \text{Gas Specific Charges}) \times \text{Applicable Taxes \& Conversions}$$

Where:

¹⁶ Found here: <https://www.fortisbc.com/accounts/billing-rates/natural-gas-rates/business-rates#tab-3>

¹⁷ Daily Demand is determined by FortisBC on an annual basis based on the peak demand of the utility from the prior year.

Common Charges = P1 + P3 + P4 + P6 + P7 + P8 + Common Rate Riders

P1 = RS5 Basic Charge
P3 = RS5 Demand Charge
P4 = RS5 Delivery Charge
P6 = RS5 Storage & Transport Charge
P7 = Rider 6
P8 = Rider 8
Common Rate Riders = Cost Recovery of FCSA.

RNG Specific Charges = P9 + RNG Specific Rate Riders

P9 = 5RNG Charge
RNG Specific Rate Riders = Cost Recovery of RNG FCSA from January 01, 2026, onwards

Gas Specific Charges = P5 + Gas Specific Rate Riders

P5 = RS5 Gas Charge (Commodity Cost Recovery Charge)
Gas Specific Rate Riders = Cost Recovery of FCSA from January 01, 2026, onwards

Applicable Taxes & Conversions = (1+ P2 + PST + GST) x CF

P2 = RS5 Rider 2 (ICE Levy)
PST = Provincial Sales Tax rate
GST = Goods and Services Tax rate
CF = Conversion Factor (GJ/M#) for the Core TES, approved as part of the most recent FCAC application by Order G-35-25

Using **Equation 1** and FEI's current Rate Schedule 5, accepted for filing by the Commission on April 17, 2025, Creative Energy's **indicative RNG FCAC rate is \$22.08/M#¹⁸**. In calculating this rate, the Rate Schedule 5 charges have been converted into a \$/M# basis to align with our billing determinants.

Customers that opt in for the RNG Service may choose specific blends of RNG Service in 1% increments. For these customers, their total fuel costs will be a blend of the FCAC and RNG FCAC. The total fuel cost calculation for RNG Service customers is set out in **Equation 3** below:

Equation 3

**Total Fuel Cost (\$) = Consumption (M#) * [RNG FCAC * RNG% + FCAC * (1-RNG%)]
(\$/M#)**

¹⁸ The indicative RNG FCAC rate included in the customer consultation was \$31.13/M#. This figure was calculated in March 2025 based on the then-current FEI Rate 5RNG Table of Charges, which was subsequently amended and updated in a filing on April 17, 2025.

The proposed Tariff Page attached at **Appendix B** to this Application includes the indicative RNG FCAC rate. The same Tariff Pages also cover the fuel cost for customers connected to the NEFC and the Butterfly hot water distribution networks, applying a conversion factor of 0.347 MWh/M#.

5.5 Proposed Changes to the FCAC Design

The amended Tariff Pages submitted at **Appendix B** to this Application include the following addition to the current Tariff Pages filed with the Commission on February 12, 2025 as part of the 2025 RRA and directed by Order G-23-25:

1. The RNG FCAC, as discussed in Section 5.4 above.
2. Terms of Service for the RNG Service, as discussed in Section 3.3 above.
3. RNG Environmental Attributes.

5.6 RNG Fuel Cost Stabilization Account (RNG FCSA)

As discussed in Section 5.2 above and as with the existing natural gas FCAC, variances between Creative Energy's forecast and actual RNG fuel costs will be recognized in the RNG FCSA. Any balance in the RNG FCSA at the end of each Gas Year will be distributed to or collected from customers, as applicable, through the RNG FCAC and/or an RNG-specific rate rider (approval for which will be sought from the BCUC at the appropriate time).

Appendix A: Draft Order

Draft Order

Order Number



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

and

Creative Energy Vancouver Platforms Inc.
Core TES RNG Bridging Fuel Rate Application

ORDER

WHEREAS:

- A. On June 20, 2025, Creative Energy Vancouver Platforms Inc. (**Creative Energy**) submitted an application (**Application**) to the British Columbia Utilities Commission (**BCUC**) for approval of a Renewable Natural Gas Bridging Fuel Rate and tariffs for its Core TES customers, as set out in Appendix B to the Application.
- B. Creative Energy requested, among other things, the following approvals:
 - 1) Approval of the establishment of a Renewable Natural Gas Fuel Cost Adjustment Charge (**RNG FCAC**) rate and a Renewable Natural Gas Fuel Cost Stabilization Account (**RNG FCSA**), effective January 1, 2026.
 - 2) Approval of an RNG FCAC pricing methodology as discussed in Section 5.4 of the Application, effective January 1, 2026 and which remains in effect until Creative Energy applies for a new pricing methodology or the BCUC determines otherwise; and
 - 3) Endorsement of the Request for Service form to allow Creative Energy to enroll customers under the RNG Service and provide this service starting on January 1, 2026.
- C. The BCUC has commenced review of the Application and determines that establishing a regulatory timetable, is warranted.

NOW THEREFORE, pursuant to sections 58 to 60 and 90 of the Utilities Commission Act and section 15 of the Administrative Tribunals Act, the BCUC orders as follows:

1. A regulatory timetable for the review of the Application is established as set out in Appendix ____ to this order.
2. The scope of Information Request No. 1 is limited to the specific topics outlined in Appendix ____ to this order.
3. On or before _____, 2025 Creative Energy is directed to provide a copy of this order and the Public Notice attached as Appendix ____ to this order, electronically where possible, to all customers of the Core TES and registered interveners in _____.

DATED at the City of Vancouver, in the Province of British Columbia, this ____ day of _____ 2025.

Appendix B: Proposed Tariff Pages

Proposed Tariff Pages

Proposed changes are highlighted in yellow

CREATIVE ENERGY VANCOUVER PLATFORMS INC.

15. RATE SCHEDULE

Applicability: The Core steam distribution network, including the Butterfly and NEFC hot water distribution networks served by the Core TES Utility.

Class of Service: Thermal Energy Service.

Thermal Energy Service Rates:

For customers connected to the Core steam distribution network

\$ 18.95 per thousand pounds (M#) of steam for the first 50 M# of steam per month
\$ 16.04 per M# of steam for the next 150 M# of steam per month
\$ 14.20 per M# of steam for the next 800 M# of steam per month
\$ 11.26 per M# of steam for the remainder per month

For customers connected to the NEFC and the Butterfly hot water distribution networks, applying a 0.347 MWh/M# conversion factor:

\$ 54.61 per MWh of thermal energy for the first 17 MWh of thermal energy per month
\$ 46.23 per MWh of thermal energy for the next 52 MWh of thermal energy per month
\$ 40.92 per MWh of thermal energy for the next 278 MWh of thermal energy per month
\$ 32.45 per MWh of thermal energy for the remainder per month

Effective January 1, 2025, the above rates are approved on an interim basis by **Order G-11-25**.

Revenue Variance Deferral Account Rate Rider (Rate Rider- RVDA):

For customers connected to the Core steam distribution network

Rate Rider – RVDA Amortization \$0.88 per M# of steam per month

For customers connected to the NEFC hot water distribution network, applying a 0.347 MWh/M# conversion factor:

Rate Rider – RVDA Amortization \$2.54 per MWh of thermal energy per month

Effective January 1, 2025, the above rate riders are approved on a permanent basis to be applied over a 24-month period by **Order G-23-25**

For customers connected to the Butterfly hot water distribution network, applying a 0.347 MWh/M# conversion factor:

Rate Rider – RVDA Amortization \$2.54 per MWh of thermal energy per month

Effective January 1, 2025, the above rate rider is approved on an interim basis to be applied over a 24-month period by **Order G-23-25**

Fuel Rates

Fuel Cost Adjustment Charge (FCAC):

The FCAC applies to the portion of thermal energy consumption measured at the customer's meter that corresponds to the percentage of natural gas selected by the customer.

For customers connected to the Core steam distribution network

FCAC	\$18.55 per M# of steam
Rate Rider - Stabilization Account Amortization	\$0.00 per M# of steam
Total	\$18.55 per M# of steam

For customers connected to the NEFC and the Butterfly hot water distribution networks, applying a 0.347 MWh/M# conversion factor to the approved charges above.

FCAC	\$53.46 per MWh of thermal energy
Rate Rider - Stabilization Account Amortization	\$0.00 per MWh of thermal energy
Total	\$53.46 per MWh of thermal energy

Effective November 1, 2024, the above FCAC charges are approved on an interim basis by **Order G-316-24**

RNG Fuel Cost Adjustment Charge (RNG FCAC):

The RNG FCAC and FCAC will be charged on a percentage basis based on the amount selected by the customer (RNG%), subject to RNG supply availability as determined by Creative Energy. Initial RNG Service selections may be made at service commencement or during annual enrollment periods. If no selection has been made, the assumed percentage shall be 100% FCAC and 0% RNG FCAC.

The RNG FCAC applies to the portion of thermal energy consumption measured at the customer's meter that corresponds to the percentage of RNG selected by the customer.

For customers connected to the Core steam distribution network

RNG FCAC	\$22.08 per M# of steam
RNG Rate Rider - Stabilization Account Amortization	\$0.00 per M# of steam
steam Total	\$22.08 per M# of steam

For customers connected to the NEFC and the Butterfly hot water distribution networks, applying a 0.347 MWh/M# conversion factor to the approved charges above.

RNG FCAC	\$63.64 per MWh of thermal energy
RNG Rate Rider - Stabilization Account Amortization	\$0.00 per MWh of thermal energy
Total	\$63.64 per MWh of thermal energy

Effective January 1, 2026, the above RNG FCAC charges are approved on an interim basis by **Order G-xxx-25**

RNG Terms of Service

The following terms are specific to the RNG Service and hence are in addition to the Terms of Service that the customer signed on in their existing Thermal Energy Service agreement.

- 1) Customers may voluntarily enroll in the RNG Service by submitting a written Request for Service to Creative Energy specifying their desired RNG percentage. Enrollment is subject to RNG supply

availability and Creative Energy approval. Initial enrollment becomes effective on the first day of the year following approval.

- 2) Customers must maintain their initial RNG Service selection for at least one calendar year. Adjustments to the selected RNG percentage are permitted once per calendar year, provided a written request is submitted at least 60 days prior to the end of the current year. All changes are subject to approval by Creative Energy.
- 3) Once a Customer has elected a percentage of RNG Service, that percentage may not be decreased during the term of the Service Agreement. Customers may increase their RNG percentage, subject to availability and approval, but may not reduce their RNG percentage below the previously selected level.
- 4) Customers may opt out of the RNG Service by submitting a written request at least 60 days before the end of the year. Once a customer has opted out, they must reapply and submit a new Request for Service form to re-enroll in the RNG Service, subject to approval by Creative Energy.

RNG Environmental Attributes

Environmental Attributes consist of Greenhouse Gas emissions reductions, avoidances, or removals associated with renewable natural gas (RNG) and are quantified as CO₂ equivalent (CO₂e) emissions per unit of thermal energy delivered for use in satisfying City of Vancouver carbon emissions regulations applicable to the Customer's building.

System Contribution Charge:

For customers connected to the NEFC hot water distribution network:

System Contribution Charge \$10.99 per MWh of thermal energy

Effective January 1, 2025, the above charge approved on an interim basis by **Order G-11-25**.

For the Residential Tower owned by Nelson Burrard Holdings Inc. connected to the Butterfly hot water distribution network:

Fixed Monthly Charge for a 30 year-term \$9,516.00 per month

Effective January 1, 2025, the above charge approved on an interim basis by **Order G-11-25**.

Air Conditioning:

A 15% discount will be given to metered thermal energy used for air conditioning through the months of May, June, July, and August based on the average price, as calculated pursuant to the rates set out above, per unit of thermal energy per month used by the Customer concerned. The 15% discount only applies to Thermal Energy Service Rates and not the FCAC.

Issued by:	Accepted for Filing:
Steve Molnar	
Senior Vice President, Legal & General Counsel	Commission Secretary, British Columbia Utilities Commission
Creative Energy Vancouver Platforms Inc. Suite 1, 720 Beatty Street Vancouver, B. C. V6B 2M1	Effective Date: January 1, 2026

Appendix C: City of Vancouver Letter to Creative Energy

August 9, 2024

Wayne O'Connor, President & CEO
Creative Energy
1 - 720 Beatty St,
Vancouver, BC V6B 2M1

Dear Mr. O'Connor:

**RE: Creative Energy's Decarbonization Projects and Compliance with
Vancouver's Annual Greenhouse Gas and Energy Limits Bylaw**

In July 2022, Vancouver City Council enacted the [Annual Greenhouse Gas & Energy Limits Bylaw \(No. 13472\)](#), which established annual reporting requirements, greenhouse gas intensity limits and heat energy limits for the largest commercial buildings in Vancouver. The Bylaw includes specific rules on how buildings connected to district energy systems will be treated regarding the accounting of greenhouse gas emissions and heat energy use to comply with 2026 and 2040 limits. The purpose of this letter is to clarify how the City of Vancouver will calculate GHG emissions for energy consumed by buildings connected to Creative Energy networks considering the different energy sources that will be used by Creative Energy in 2026 and beyond to supply its customers.

Prior to the year 2026, the City will establish an accounting protocol that will describe the annual documentation that Creative Energy must provide to the City to validate the GHG emission factors that will be assigned to each Creative Energy rate offering and the allocation of energy generated, by source, to all of its customers to ensure that the sum of emissions assigned to each customer equals the system totals. The City will publish a list of GHG emission factors for major energy sources, including natural gas, renewable natural gas purchased from FortisBC, and electricity purchased from BC Hydro. Creative Energy will use these emission factors to determine the overall, annual GHG emissions for each of their district energy systems, and the availability of low and/or zero carbon energy that is available to sell to its customers.

This letter confirms that Creative Energy's planned addition of low-carbon energy blend rate offerings, if successfully implemented, and contingent on approval of rates by the BC Utilities Commission, can be purchased by customers to reduce their GHG emissions under City Bylaw 13472. Subscription to a low-carbon energy blend that reduces customer GHG emissions below applicable City of Vancouver GHG intensity limits will be an eligible and accepted compliance pathway.

Should you or your customers have any questions, please feel free to contact the City staff team implementing the Bylaw at: energycarbonreport@vancouver.ca

Sincerely,

A handwritten signature in black ink, appearing to be 'SP' followed by a horizontal line.

Sean Pander, P.Eng
Manager, Green & Resilient Buildings Branch

Appendix D: Request for Service Form

Core Thermal Energy System

Renewable Natural Gas (RNG) Fuel Service

Request for Service

Customer Information		
Applicant Name:		
On behalf of (Customer Name) (if applicable):		
Mailing Address:	City:	
Province: BC	Postal Code:	Email:
Business Phone:	Phone:	
Service Location Address (location where service is provided)		
Street Address:		City:
Province: BC	Postal Code:	
RNG Service Information		
Requested RNG Percentage: (maximum 100%)	_____ %	
Agreement		
The undersigned affirms that the information contained in this request for renewable natural gas ("RNG") fuel service is true and correct, and that the undersigned has the power and authority to execute and deliver this request for RNG fuel service for and on behalf of the customer named herein. The undersigned acknowledges and agrees that this request for RNG fuel service is incorporated into and forms part of the thermal energy service agreement entered into between the customer and creative energy, as amended from time to time (the "service agreement"), which remains in full force and effect. This request for RNG fuel service is subject to the terms and conditions of the thermal service agreement in all respects, including but not limited to those terms and conditions relating to payment for service. The undersigned further acknowledges and agrees that this request for RNG service is subject to the terms and conditions of the Core TES tariff BCUC No. 1 (the "Core TES Tariff"), as revised and approved by the British Columbia Utilities Commission from time to time, including but not limited to those terms and conditions set out under the headings "RNG fuel cost adjustment charge", "RNG terms of service" and "RNG environmental attributes". The undersigned acknowledges and agrees that the rates for RNG fuel service will be determined as set out under the headings "Fuel Cost Adjustment Charge (FCAC)" and "RNG Fuel Cost Adjustment Charge (RNG FCAC)" in the tariff and agrees to pay such rates for RNG fuel service, as may be amended from time to time. In the event of any conflict between this request for RNG fuel service, the service agreement and the Core TES tariff, the order of precedence will be as follows: (1) the Core TES Tariff; (2) this request for RNG fuel service; (3) the thermal energy service agreement.		

Execution	
Customer Name:	
By (name and title of signatory):	
Signature:	
Date:	

ACKNOWLEDGED AND AGREED THIS ____ DAY OF _____, 20__.

CREATIVE ENERGY VANCOUVER PLATFORMS INC.

By: _____

Name:

Title:

Appendix E: Consultation

CREATIVE ENERGY

RNG BRIDGING FUEL RATE APPLICATION CONSULTATION

Findings and Customer Feedback

MAY 30, 2025

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APPENDICES

Appendix 1: Round One Survey

Appendix 2: Round Two Survey

EXECUTIVE SUMMARY

Creative Energy conducted a comprehensive consultation on a proposed Renewable Natural Gas (RNG)-based low carbon fuel charge through a two-phase approach in Spring 2025. Creative Energy reached out to over 230 individuals responsible for the 208 buildings served by the Core Thermal Energy System (TES), with a 99% success rate of delivery. In total, we received 37 responses to our Phase One survey. Of these, 36 respondents (97%) expressed a willingness to participate in the voluntary opt-in service, 25 provided information on their desired RNG blend, and 14 offered open-ended feedback. Customers expressed preferences for flexible blend selection options and emphasized key considerations regarding price stability and regulatory compliance alignment. A follow-up survey was conducted to validate customer feedback on a variety of topics, most notably blend percentage selection and adjustment policies.

Our approach segmented our customers into three groups according to their demand drivers. RNG-01 focused on compliance-driven demand from the 16 buildings affected by the 2026 Greenhouse Gas Intensity (GHGi) by-law. RNG-02 was comprised of buildings with a known interest in decarbonization, and RNG-03 was made up of the remaining buildings. Engagement was highest in RNG-01 with at least 13 out of 16 affected buildings (81%) represented across both Phase One and Phase Two, recognizing the potential value of the RNG FCAC for meeting their compliance requirements. The response rate for RNG-02 was still meaningful at 35%, while RNG-03 customers showed limited interest in our RNG FCAC offering with a 5-10% response rate across Phases One and Two.

The results of our consultation were highly informative, revealing a broad consensus in favour of an annual adjustment schedule, an increase-only policy, and blends at 1% increments. However, different segments placed greater weight on different program aspects. RNG-01 customers emphasized the economic decision-making that will drive participation in the RNG FCAC program, with many referencing the comparative costs of non-compliance penalties. To this end, they sought assurances regarding the eligibility of RNG FCAC as a compliance pathway, reflecting the compliance-driven nature of their participation. RNG-02 customers were particularly supportive of the annual adjustment schedule and the 1% increments, but their responses to the increase-only policy were more varied. Many of these organizations are asset management companies with decarbonization goals at the portfolio level, looking to balance affordability with their environmental objectives while maintaining flexibility across their managed assets. Conversely, RNG-03 provided strong support for the increase-only policy as well as the annual adjustment schedule, though they were mainly indifferent to the blend selection choices. Overall, Creative Energy received meaningful feedback from customers across a range of important program aspects.

CONSULTATION APPROACH

METHODOLOGY

Creative Energy implemented a comprehensive consultation process designed to gather broad feedback and validate specific program elements, while ensuring that organizations with regulatory obligations had sufficient opportunity to participate.

The consultation was structured as a two-phase process:

- **Phase One** (March 26 to April 10, 2025) focused on gathering initial feedback about the overall RNG FCAC concept, gauging interest levels, and identifying general blend preferences and concerns. This phase utilized a multi-wave email campaign through MailChimp with initial distribution, follow-up emails to non-responders, and final reminders. For high-priority stakeholders who had not engaged with the campaign emails, personalized individual follow-up emails were sent.
- **Phase Two** (April 25 to May 7, 2025) built upon first-phase findings to validate customer interest in specific program refinements that emerged as priorities, focusing on three key aspects:
 - More flexible blend selection options (1% increments versus predetermined levels)
 - Adjustment policy considerations
 - Annual adjustment periods

Both phases employed similar distribution methods with multiple communication waves to maximize participation, particularly among customers with regulatory obligations.

STRATEGIC SEGMENTATION

To ensure appropriate targeting and analysis, customers were divided into three distinct groups throughout the consultation.

Table 1: Customer Segmentation for RNG FCAC Consultation

SEGMENT DESIGNATION	DESCRIPTION
RNG-01	Customers subject to the 2026 GHGi by-law. This segment was prioritized due to their immediate regulatory needs and the potential alignment between the RNG FCAC program and their compliance requirements.
RNG-02	Customers who had previously expressed interest in low-carbon solutions. This segment was targeted based on their demonstrated commitment to sustainability initiatives.
RNG-03	Other existing customers who might benefit from the program but did not fall into the above two categories.

Distinct survey collector links were used for each segment across both phases, enabling Creative Energy to track engagement patterns and analyze responses according to these customer groups.

IMPLEMENTATION APPROACH

Phase 1 Outreach

Ahead of the RNG FCAC consultation, we conducted a comprehensive exercise to update our customer database for the Core TES. Our goal was to ensure we had contact information for at least one individual responsible for or involved in the management of each building served by Creative Energy. This objective was achieved through a series of personalized emails and phone calls. We believe this effort has resulted in meaningful engagement with customers during the RNG FCAC consultation process.

Across the three email rounds, our emails were successfully delivered to 99% of contacts. In total, at least 2 email reminders were successfully received to over 230 representatives of the 208 buildings served by Creative Energy. Additionally, personalized follow-up emails were sent to all organizations within RNG-01 and RNG-02 that hadn't accessed the survey.

Phase 2 Approach

Our approach to the Phase 2 survey differed slightly from Phase 1. In Round 2, reminder emails were sent to all customers, not just those who had not opened the Round 1 email. This change was based on a review of Phase 1 data and intended to drive higher engagement by sending an additional reminder to those individuals who opened the original email but didn't open the survey. We also sent personalized follow-up emails to all customers, regardless of survey access status. In total, 3 email reminders were successfully delivered to 232 representatives of the 208 buildings served by Creative Energy, as well as personal follow up emails to all individuals within groups RNG-01 and RNG-02.

OUTREACH EFFECTIVENESS

SEGMENT DESIGNATION	SURVEY 1	SURVEY 2		
	# RESPONSES	EFFECTIVENESS	NO. OF RESPONSES	EFFECTIVENESS
RNG-01	12	81-94%	9	75-81%
RNG-02	9	37%	5	26%
RNG-03	16	9%	6	6%
Total	37		20	

RNG-01:

16 buildings were identified as needing low carbon heat to comply with the 2026 GHG by-law. Creative Energy received 12 positive responses that confirmed their organization's intention to participate in our voluntary, opt-in Low Carbon RNG FCAC program. Based on the data collected and the information disclosed by respondents, we know that 10 of these responses came from 7 distinct organizations that represent 13 out of the 16 affected buildings (81% known participation rate). However, it is unclear whether the other 2 responses are from the same or separate organizations. Conservatively assuming that the two responses are from the same organization representing one additional building, the likely participation rate is 88% (14 buildings) but could conceivably be as high as 94% (15 buildings).

However, two individuals did not complete the full survey. As a result, we received 10 responses to the blend selection question from 6 distinct organizations, covering 11 of the 16 affected buildings. This equates to a 69% response rate for this specific question but could conceivably be as high as 81% if the two unknown responses are from different organizations.

Our Phase 2 survey received similar levels of engagement with a total of 9 responses. These responses are from 8 individual organizations, of which 6 are known and represent 12 out of the 16 affected buildings. The known representation rate is 75% but again, this could be as high as 81%.

Creative Energy received multiple responses from individuals at the same organization. In all cases, these organizations are large property management companies with multiple buildings in their portfolios. Interestingly, they often provided different responses to the survey questions. We believe all the responses are valid, highlighting once more the diversity of opinion across our customer base and even within organizations.

Overall, there was participation from the majority of the customers in this segment across all phases of the RNG FCAC consultation, allowing for meaningful input from this important customer group. The feedback from this segment contained detailed comments focused on regulatory compliance considerations that will directly inform program design.

RNG-02:

This segment included 19 organizations, with 7 respondents providing specific blend preferences in the first phase (approximately 37% response rate). These customers offered comprehensive feedback on how the RNG FCAC could integrate with their broader sustainability strategies, providing important context for understanding how the program would be utilized as part of larger decarbonization efforts.

Responses to our second survey were more limited in number, with only 5 responses received. However, the responses showed strong engagement with the specific program refinements and rarely did the respondent have a neutral opinion. While these responses provided some validation of program refinements, the small sample size means these findings should be considered directional rather than conclusive.

RNG-03:

This segment consisted of 94 organizations, with more limited engagement observed across both phases of the consultation. In Phase 1, we received responses from 9 organizations (9% response rate) and responses from 6 organizations in Phase 2 (6% response rate). The responses themselves were also more muted and predominantly neutral. The limited engagement is consistent with our expectations as most of the customers in this segment are multi-family residential buildings. These buildings have no requirements to decarbonize at this time.

Despite limited engagement with segment RNG-03, our targeted approach successfully captured valuable input from customers most likely to participate in the program within segments RNG-01 and RNG-02.

KEY FINDINGS

PROGRAM INTEREST

The consultation revealed varied interest in the proposed RNG FCAC program, which aligns with our expectations given the diverse customer base served by Creative Energy's Core TES. However, the support for our proposed RNG FCAC program was overwhelmingly positive amongst respondents, with 36 out of 37 respondents (97%) indicating a willingness to participate in the voluntary opt-in service. One respondent declined interest and provided no feedback, while another expressed interest in the service but expressed a preference for alternative decarbonization methods, specifically electrification. 22 respondents voluntarily disclosed their personal information, and their organizations manage 41 of the total 208 buildings served by

Creative Energy (20%). Assuming the remaining 14 participants each represent one building, we have conservatively estimated representation of 55 buildings (26%).

BLEND PREFERENCES

Regarding preferred blend percentages, respondents demonstrated thoughtful consideration of the options available. Among the 25 respondents who specified a percentage blend of RNG, the average preferred blend was approximately 46% although choices ranged from 0% to 100%. This indicates that many customers are seeking a tailored approach that balances environmental benefits with cost considerations.

The distribution of preferences showed diversity across the spectrum as shown in Figure 1 below. However, this data should be interpreted with the following caveats. One individual who selected a 100% RNG blend stated that they manage multiple buildings connected to Creative Energy, with each building requiring a unique RNG blend. We also received two responses from the same individual who similarly represents multiple buildings, with different blends in each response. This supporting information illustrates how these decisions are made on a building-by-building basis and by no means invalidates the responses. We also noted a higher concentration of responses at 50%. The response slider default for this question was set at 50% as the mid-point, therefore it is not possible to tell whether the 50% responses are actively chosen or chosen by default to move on to the next question. It is, however, informative that the majority of these responses are from RNG-03 with the least expected interest in the RNG FCAC program.

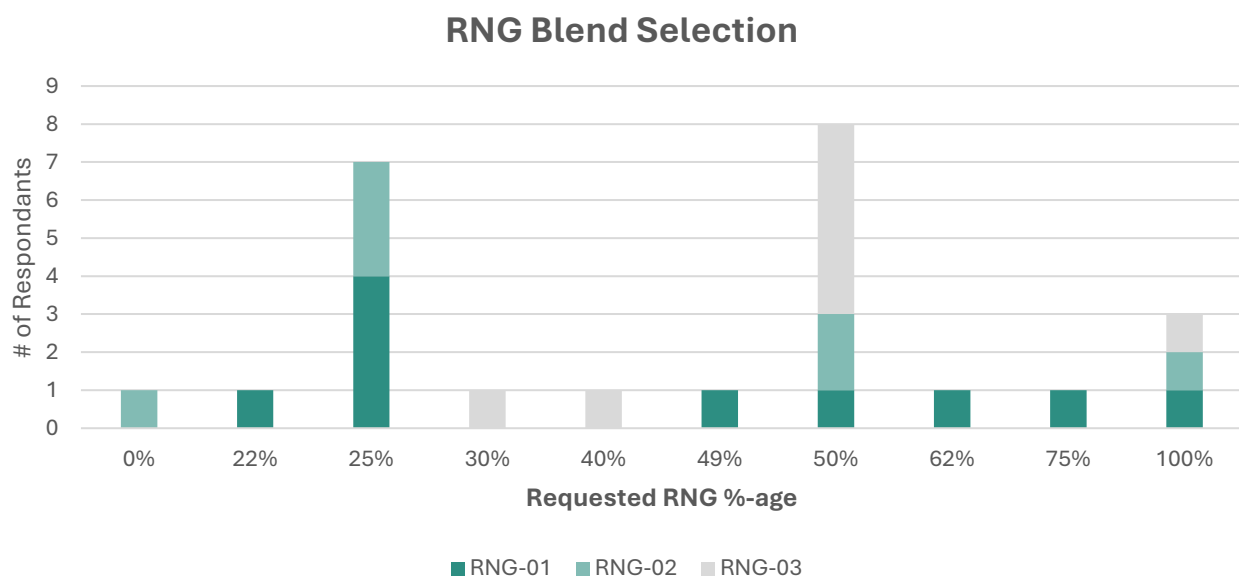


Figure 1: Distribution of blend preferences

OPEN-ENDED FEEDBACK

A major component of the Phase One consultation involved open-ended feedback and customers were encouraged to share any concerns with us regarding our proposed RNG FCAC offering. This feedback formed the foundation of our Phase Two consultation, which specifically addressed the themes and issues raised by respondents. The table below summarizes the general themes that we heard, and each theme is addressed in the subsequent sections.

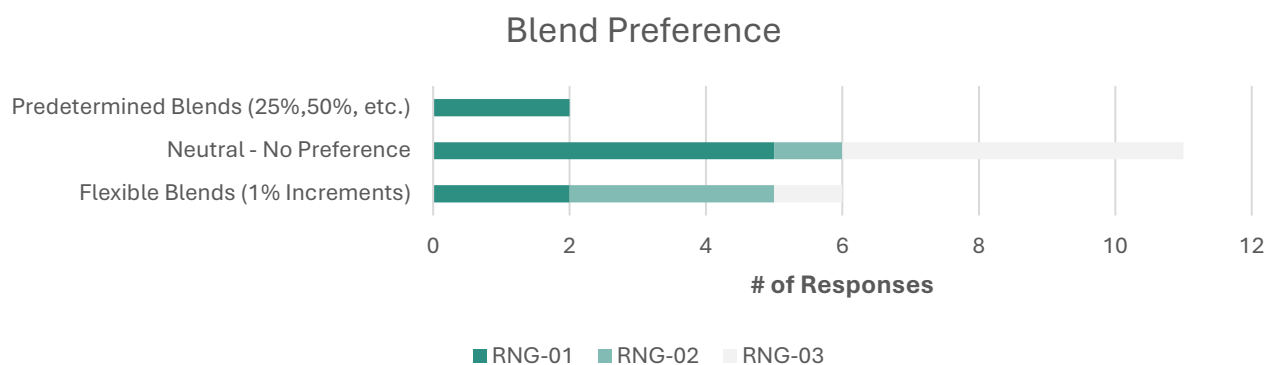
Customer Segment	Flexibility	Price Considerations	Integration W/ Decarb Strategies	Compliance Pathway	No Feedback	Total Open-Ended Responses

RNG-01	50%	75%	0%	25%	0%	4
RNG-02	67%	50%	50%	0%	0%	6
RNG-03	25%	25%	0%	0%	50%	4
Total	50%	50%	21%	7%	14%	14

FLEXIBILITY IN BLEND SELECTION

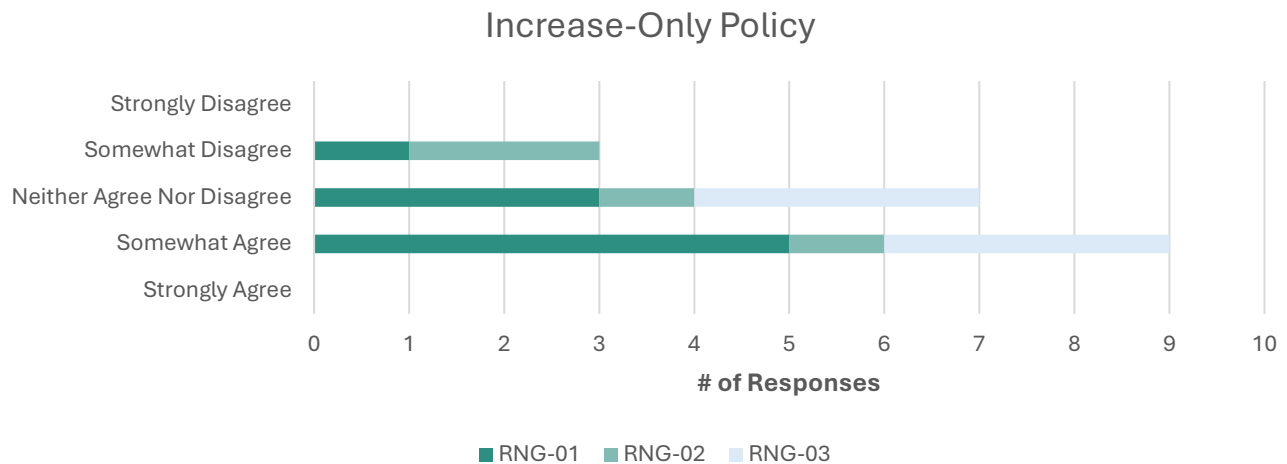
What We Heard: A prominent theme emerging from the consultation was the desire for greater flexibility in blend selection. In Phase One, customers expressed a strong preference for flexible blend choices rather than predetermined levels. This appeared evident both from the distribution of the specified RNG blends in Figure 1 as well as the open-ended responses, with one respondent specifically requesting options below the 25% baseline presented in the survey.

Our Response: We included a question in Phase Two that specifically asked customers if they would prefer pre-determined blends such as 25%, 50%, 75% and 100%, or prefer to select an RNG percentage in 1% increments, which would provide the most flexibility to customers. Overall, we received 19 responses to this question with 6 responses in favour of the flexible blends (1% increments) and 2 responses preferring predetermined blends. 11 out of the 19 responses had no preference on this item. Although the results are not overwhelmingly in favour of the flexible blend choices, it is clear that this greater precision matters to a significant minority of customers and the customers in favour of predetermined blends would be no worse off with additional flexibility over blend choices.

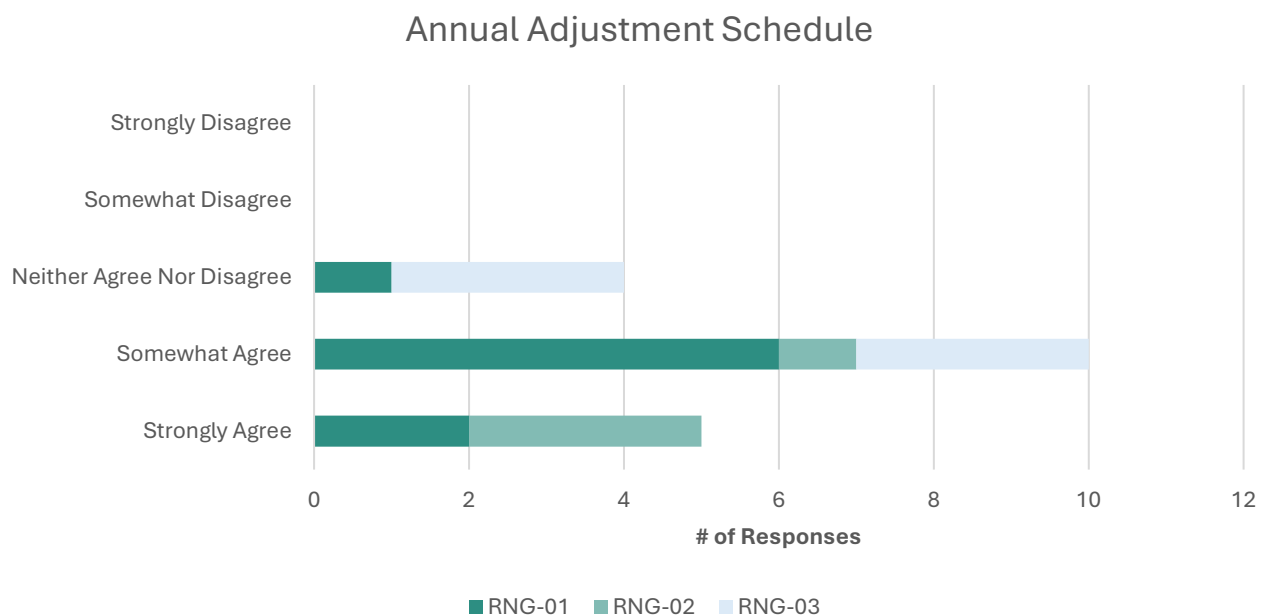


What We Heard: Respondents also emphasized the importance of being able to adjust blend percentages over time to meet evolving regulatory requirements and sustainability goals. Notably, 50% of the open-ended feedback highlighted the desire for flexibility in changing the percentage blend over time. This concern was most pronounced among respondents in RNG-01 and RNG-02, who are balancing budget constraints with decarbonization goals, whether organizational or compliance-driven. Two responses were especially noteworthy- A property management representative stated that they “manage multiple buildings so the percentage blend may vary depending on the need,” suggesting that program design should account for portfolio-level participation. Another representative specifically inquired about the ability to move from a higher to a lower blend.

Our Response: Creative Energy put forward an increase-only policy to customers as part of the Phase Two survey. This policy was proposed to ensure a stable low carbon demand upon which future capital investment plans could be made. In total, 19 responses were received on this topic. No respondent felt strongly either way, and most respondents were either in favour of the increase-only policy or indifferent towards it. Only a small minority of 3 respondents (16%) somewhat disagreed.



We have also consulted our customers on the frequency of percentage blend changes. In the Phase Two survey, customers were asked about the appropriateness of an annual adjustment schedule, and 19 responses were received. Customers who responded were overwhelmingly in favour of the annual adjustment schedule and 15 out of 19 respondents positively agreed with our proposed approach. The remaining 4 respondents were indifferent, and no one disagreed.



PRICE CONSIDERATIONS

What We Heard: Price stability and predictability emerged as primary concerns for potential program participants across both consultation phases. Many customers indicated they would conduct detailed cost comparisons between participating in the Creative Energy's RNG program versus paying non-compliance penalties under the GHGi by-law. A property manager explicitly stated that "opt-in [to the RNG FCAC program] will depend on cost vs. the City of Vancouver (CoV) penalties. If it's cheaper to pay the penalty the property may prefer to just stay with the more economical existing gas", highlighting the economic decision-making that will

drive participation. The explicit feedback received here corroborates recent feedback received at a separate meeting with a large asset management firm with buildings connected to our Core TES.

Our Response: We recognize that economic decision-making will determine participation in the RNG FCAC program. In the validation phase, Creative Energy sought to understand our customers' appetite for blends in 1% increments rather than predetermined blends. By moving away from predetermined blends and giving customers greater flexibility over their percentage blends, it allows buildings to only pay for the exact low carbon heat they need to better balance affordability with their decarbonization goals.

What We Heard: Several respondents also requested clearer communication about pricing impacts. One hotel representative noted "I don't know how '\$/M#*' relates to our consumption so difficult to understand the financial impact," while a telecommunications company representative commented "The pricing chart above makes no sense to me, we currently pay \$16+ per M# of steam for commodity rate." Another property management representative mentioned "Tenant operating costs ability to take on this additional expense vs. CoV penalties" as a concern, emphasizing that "flexibility is necessary" for this reason.

Our Response: Based on this feedback, additional education about cost implications and billing determinants will be necessary during the program implementation phase.

What We Heard: In addition, we also received a notable comment in Phase Two, the validation phase, from a property management representative who suggested an alternative pricing approach: "I would prefer overall to see the lower carbon offerings priced lower than the high carbon to encourage more customers to purchase it. Penalize the customers who continue buying the higher carbon producing product instead".

Our Response: While this comment provides valuable perspective, it represents the viewpoint of a small sample rather than a broader theme across respondents.

REGULATORY COMPLIANCE ALIGNMENT

What We Heard: For customers subject to the 2026 GHGi by-law, understanding how the RNG FCAC would be recognized for compliance purposes was a critical consideration. A representative from a property management company expressed concern with "getting credit for using LC Steam for meeting CoV's GHGi targets since it will be using a blend," highlighting uncertainty about how blended products would be treated for compliance purposes.

The original survey materials in Phase One explicitly positioned the RNG FCAC as a service "designed to help building owners meet CoV compliance requirements for reducing greenhouse gas emissions," but customers sought more specific assurance about verification mechanisms and how different blend percentages would affect compliance calculations.

Our Response: This feedback emphasizes the importance of clear regulatory alignment in the program design. The RNG FCAC program fully meets the requirements established by the City of Vancouver. The program's low-carbon energy blend offerings qualify as an eligible compliance pathway for buildings subject to the GHGi by-law. Customers who subscribe to RNG blends that reduce their GHG emissions below the applicable intensity limits will satisfy their regulatory obligations under the bylaw. The program will align with the City's requirements for validating GHG emission factors, as we already do for reporting our current annual emissions factors. We will provide documentation to customers defining how their specific blend percentages translate to GHG emission factors for compliance reporting purposes.

INTEGRATION WITH OTHER DECARBONIZATION STRATEGIES

What We Heard: Many respondents viewed the RNG FCAC as one component of a comprehensive decarbonization strategy. Some expressed interest in understanding how this option would complement other approaches, with one respondent specifically asking "how does this plan affect the electrification plan? Is that still moving forward?"

A representative from a property investment company explicitly stated they were "more interested potentially in the electrified steam/[hot water] over RNG", indicating that customers are evaluating multiple pathways to achieve their sustainability objectives. An energy utility representative noted that their decision would depend on "terms and conditions, budget availability, mid term GHG target, existing CE Decarb projects on intensity, and a corporate decision by senior managers," reflecting the complex decision frameworks that organizations apply to sustainability investments.

Our Response: This feedback indicates customers are considering the RNG FCAC alongside other decarbonization approaches. Clear communication about how the program complements rather than competes with electrification and other low-carbon initiatives is important for program implementation.

SEGMENT-SPECIFIC INSIGHTS

Insights from the consultation highlighted key differences in how various customer segments viewed the proposed program, offering crucial guidance for implementing solutions tailored to their specific needs.

RNG-01 (GHGI BY-LAW AFFECTED)

Customers facing regulatory obligations and higher operating permit costs under the 2026 GHGi by-law were primarily concerned with compliance recognition and cost competitiveness. Their comments focused heavily on the relationship between program costs and regulatory requirements, with explicit mentions of the City of Vancouver's GHGi targets.

It is clear from the open-ended feedback that participation in the RNG FCAC program will be driven mainly by economic decision-making, with property managers looking to meet the regulatory requirements in the most cost effective way. The majority of these customers are expected to conduct detailed cost-benefit analysis comparing program participation with potential non-compliance penalties and hence are seeking specific implementation details to inform their compliance planning. In follow-up validation, this segment continued to focus on program design elements that would impact customer adoption and implementation, particularly related to balancing flexibility with stability. The data obtained across the consultation process indicates that these customers value price stability and expressed broad support for the increase-only policy and annual adjustment schedule. Surprisingly, most respondents did not have a strong preference regarding predetermined or flexible blends and the open-ended feedback suggested customers will require assurances from the City of Vancouver that our RNG FCAC program is an eligible compliance pathway for them before opting-in for the program.

RNG-02 (LOW-CARBON INTEREST)

Customers with previously expressed interest in low-carbon solutions approached the RNG FCAC as part of a comprehensive sustainability strategy. Their feedback included more detailed questions about technical flexibility and integration with other initiatives.

One respondent noted their decision would depend on a myriad of factors, reflecting the complex decision-making frameworks these organizations apply to sustainability investments. A property investment company respondent stated they were "more interested potentially in the electrified steam/HW over RNG," while a telecommunications representative asked about how the RNG plan would affect "the electrification plan" and whether that was "still moving forward."

Another respondent inquired about greater flexibility, asking "would there be RNG blends below 25%, would it be possible to change from a higher to a lower blend," indicating interest in more customizable options. In the validation phase, 3 out of 4 responses (75%) indicated a preference for precise 1% increments and the annual adjustment schedule, with the other respondent having no preference either way. Conversely, the increase-only policy split opinion. However, the small sample size limits the ability to draw definitive conclusions from this customer segment.

RNG-03 (ALL OTHER CUSTOMERS)

The general customer base demonstrated lower engagement with specific blend selections, with 7 out of the 15 respondents willing to participate in the RNG FCAC program not providing percentage preferences in the initial phase. Of the 8 blends that were selected, 5 (63%) were for the default 50% option. When comments were provided, they were typically less detailed, with one respondent from a hotel simply responding "No" to the question about additional comments.

A hotel representative noted difficulty understanding pricing impacts, stating "I don't know how '\$/M#*' relates to our consumption so difficult to understand the financial impact," which suggests a need for more basic education about program mechanics.

This segment provided more general feedback with less specific detail on blend preferences. Limited participation from this segment in the validation phase mirrored the lower engagement observed in the first phase. That said, customers that did engage showed broad support for all of the proposals brought forward in the validation phase. Prior to implementation, additional information about how the RNG FCAC could advance sustainability goals may be relevant for this customer group.

ANALYSIS OF FINDINGS

The consultation process provided valuable insights into customer preferences and priorities for the RNG FCAC program design. Three key themes emerged that will help inform the final program structure:

First, there is evidence of demand for flexibility in blend percentage selection, with customers expressing preference for precise percentage increments that allow for customization to their specific regulatory and sustainability needs. Phase One revealed diverse blend preferences across the customer base, while the validation phase highlighted that the proposed 1% increment approach is valuable to a significant minority of customers.

Second, there was recognition and general support for the need for program stability mechanisms, including the proposed "increase-only" adjustment policy and annual adjustment schedule. 79% of respondents agreed with the annual adjustment schedule and no one disagreed with it. After understanding the operational constraints and planning context, there was general support (47%) for the increase-only policy. The remaining respondents exhibited indifference (37%) and only a small minority (16%) 'somewhat disagreed'.

Third, regulatory alignment remains a primary consideration for potential program participants, particularly those subject to the 2026 GHGi by-law. The consultation confirmed that many customers view the RNG FCAC primarily through a compliance lens, evaluating the program based on how effectively it will help them meet their regulatory obligations. Clear communication about verification mechanisms and compliance recognition will be essential for program adoption among this key customer segment.

APPENDICES

CREATIVENERGY
YOUR COMMUNITY ENERGY PARTNER

Appendix 1:

Round One Survey



Low-Carbon RNG-FCAC Participation Survey

1. Background

Creative Energy is preparing to submit an application to the British Columbia Utilities Commission (BCUC) for a new low-carbon energy option and we need your feedback. We will be seeking approval for a Renewable Natural Gas Fuel Cost Adjustment Charge (RNG-FCAC).

What is the Renewable Natural Gas Fuel Cost Adjustment Charge (RNG-FCAC)?

The RNG-FCAC is a proposed charge designed to recover the cost of providing low-carbon thermal energy using Renewable Natural Gas. If approved, this charge will take effect on January 1, 2026, and will apply to customers who opt in for this service on the Core Thermal Energy System (Core TES). Please note that this new fuel rate is voluntary and customers may opt in at their discretion.

How will the RNG-FCAC Benefit You?

- **City of Vancouver Compliance:** Starting January 1, 2026, large office and retail buildings in Vancouver will need to reduce their greenhouse gas emissions. Our RNG-FCAC service will help owners of these buildings to meet these requirements and reduce carbon emissions.
- **Sustainability Goals:** This offering is also available to any customer who wishes to opt in to advance their sustainability goals. We aim to help our customers meet their sustainability goals while maintaining the same reliable service we have been proudly providing for many years.
- **Rate Stability:** To avoid introducing volatility in the pricing of this service, the RNG Fuel Cost Stabilization Account (FCSA) will manage differences between forecasted and actual RNG fuel costs, ensuring rate stability.
- **Flexible Options:** A range of percentage blends of low-carbon RNG will be available, allowing you to choose the blend that best meets your needs and sustainability goals.

Your Feedback Matters

We value your input. This survey is your opportunity to share your feedback on the proposed Renewable Natural Gas Fuel Cost Adjustment Charge and RNG Fuel Cost Stabilization Account before we submit it to the BCUC. Your feedback will be considered and included as part of our submission to the BCUC. We encourage you to share any thoughts, questions, or concerns you have regarding the proposed RNG service.

* **Would you participate in this voluntary opt-in Low-Carbon RNG-FCAC?**

☐ Yes

☐ No



Low-Carbon RNG-FCAC Participation Survey

2. Low-Carbon Blends

* A range of percentage blends will be available for selection by the customer. The table below shows the projected emissions factors and projected cost for different blends of Low-Carbon RNG-FCAC and our existing natural gas-based Fuel Cost Adjustment Charge.

Low-Carbon RNG-FCAC Blend	Projected Emissions Factor in kg CO2e/M#	Projected Blended FCAC Rate in \$/M#*
Natural Gas FCAC (0%)	89	\$ 8.71
25%	67	\$ 14.31
50%	45	\$ 19.92
75%	23	\$ 25.52
100%	< 1	\$ 31.13

* projected for 2025 based on current rates with carbon tax excluded

What percentage blend of low carbon do you think you would need?

0

50

100

Do you have any other comments you would like to share?

For example are you concerned in price stability, having the ability to change your percentage-blend over time, or interested in how often your selection of low-carbon blend could be changed?



Low-Carbon RNG-FCAC Participation Survey

3. Thank you for your feedback!

* Could you please provide your name and the organization you represent?

Name

Organization

If you'd like us to keep you informed about our future low-carbon consultations, please let us know the best email address to reach you.

Appendix 2:

Round Two Survey



RNG-FCAC Follow-Up Survey: Additional Features for Your Low-Carbon Energy Option

1. Background

Thank you for your participation in our ongoing consultation about Creative Energy's Renewable Natural Gas Fuel Cost Adjustment Charge (RNG-FCAC). As we continue preparing our application to the British Columbia Utilities Commission (BCUC), we're seeking additional feedback on specific aspects of this service based on what we heard in our initial consultation.

If you haven't participated in our first consultation, we welcome your input! You can still complete our original survey by following [this link](#) before responding to this follow-up.

Recap of Consultation to Date Proposal

In our previous consultation, we introduced the RNG-FCAC as a voluntary charge designed to help Core Thermal Energy System customers reduce carbon emissions starting January 1, 2026. This charge would be blended with the existing FCAC you currently pay for natural gas, which is separate from the steam tariff that also appears on your bill.

Key elements of that initial proposal included:

- A voluntary opt-in service allowing customers to select from predetermined percentage blends of Renewable Natural Gas (25%, 50%, 75%, 100%)
- Projected emissions factors ranging from 67 kg CO₂e/M# (25% blend) to less than 1 kg CO₂e/M# (100% blend)
- Projected cost estimates for each blend level (from \$14.31/M# for 25% blend to \$31.13/M# for 100% blend)
- A service designed to help building owners meet City of Vancouver compliance requirements for reducing greenhouse gas emissions
- A Fuel Cost Stabilization Account (FCSA) to manage differences between forecasted and actual RNG fuel costs, ensuring rate stability

Many respondents expressed interest in greater flexibility for selecting RNG percentages, which has prompted us to explore refinements to our original approach.

Refining Our Approach Based on Your Feedback

After reviewing the initial feedback, we're now exploring ways to make these options more customizable to better serve your specific needs while maintaining a stable and predictable program that supports long-term planning and investment decisions. This follow-up survey focuses on three key aspects of our proposed program:

- More flexible blend selection options
- Policies regarding changing your blend percentage

- Timing of when changes can be made

Your Continued Input Matters

Your feedback on these proposed enhancements will be included in our BCUC submission alongside your previous responses. We value your ongoing participation in shaping this important service offering.

*** 1. Did you participate in the in our first Low-Carbon RNG-FCAC survey?**

☐ Yes

☐ No



RNG-FCAC Follow-Up Survey: Additional Features for Your Low-Carbon Energy Option

2. Blend Selection & Adjustment

2. Low-Carbon Blend Selection

We're considering enhancing our low-carbon program by allowing customers to select their preferred blend percentage in 1% increments, rather than limiting choices to fixed predetermined levels (e.g., 25%, 50%, 75%, 100%).

How would you rate your interest in this more flexible approach to selecting your low-carbon blend percentage?

Interested - I prefer the ability to select a precise percentage	Neutral - I have no strong preference between predetermined options or 1% increments	Uninterested - I prefer simpler, predetermined options (e.g. 25%, 50%, 75%, 100%)
☐	☐	☐

3. Adjustment Policy

Important Context: To effectively manage our long-term low-carbon energy program, we need a stable understanding of customer demand for planning purposes. This predictability is essential for making informed low-carbon infrastructure investments. Without this stability, it would create uncertainty in our long-term forecasting and potentially compromise our ability to make sound investment decisions that benefit the entire customer base.

How much do you agree or disagree with this "increase-only" policy?

Strongly agree	Somewhat Agree	Neither agree nor disagree	Somewhat disagree	Strongly disagree
☐	☐	☐	☐	☐

4. **Adjustment Period**

Important Context: Our proposal is to allow changes once per year aligns with our annual RNG-FCAC planning and regulatory cycle. This approach ensures rate stability for all participating customers, which is particularly important during the early stages when the program may have fewer participants. By processing all blend adjustments at the beginning of the rate setting period, we can prevent mid-year rate fluctuations that might otherwise occur if individual customers were able to change their selections at various times throughout the year.

How much do you agree or disagree with this annual adjustment schedule?

Strongly agree	Somewhat Agree	Neither agree nor disagree	Somewhat disagree	Strongly disagree
☐	☐	☐	☐	☐

5. **Please share any additional thoughts or concerns about the proposed changes to our low-carbon program, including:**

- The flexible blend selection process (1% increments vs. predetermined options)
- The "increase-only" adjustment policy
- The annual adjustment schedule
- Any alternative approaches you would suggest that could still allow us to maintain predictable planning and investment for the low-carbon energy supply



RNG-FCAC Follow-Up Survey: Additional Features for Your Low-Carbon Energy Option

3. Thank you for your feedback!

6. Could you please provide your name and the organization you represent?

Name

Organization

7. If you'd like us to keep you informed about our future low-carbon consultations, please let us know the best email address to reach you.