

CREATIVEENERGY

August 8, 2025

Via E-filing

Commission Secretary
BC 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)
Application for Cooling Rates for the District Cooling System (DCS) at South
Downtown (2026-2027 Rates Application for SODO DCS)**

Creative Energy writes to file the enclosed rates application for the DCS at South Downtown (the **Application**) for the rate setting period 2026 to 2027.

Attached to the Application are:

1. Appendix A: Draft Order;
2. Appendix B: Proposed Tariff Pages; and
3. A working MS Excel workbook for the Rates Model.

For any questions, please contact the undersigned.

Sincerely,



Amr Ayad
Director, Regulatory Affairs

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1. Introduction

Creative Energy applies to the Commission for approval of permanent rates for the provision of cooling services under its ownership and operation of the South Downtown District Cooling System (**SODO DCS**) for a two-year period effective from January 1, 2026, through December 31, 2027 (the **Application**). The specific approvals sought are detailed in **Section 3.1** of the Application.

Creative Energy is seeking a two-year Test Period for this rates application due to uncertainties in forecasting maintenance, operations, and capital costs. This period allows for needed capital work and evaluation of ongoing requirements, balancing risk for both Creative Energy and its customers.

Creative Energy has attached to this Application an MS Excel workbook for the SODO DCS Rates Model, which sets out the forecast revenue requirements and the determination of levelized capacity charges over contract duration.

2. Context

The SODO DCS provides cooling services to the following four customer buildings in Vancouver, BC as listed in **Table 1** below. This is the same group of customers served under the current rates.

Table 1: SODO DCS Customers

| Customer Building | Civic Address |
|-------------------|-----------------------|
| Building 1 | 1480 Howe Street |
| Building 2 Tower | 1480 Howe Street |
| Building 3 | 1461 Granville Street |
| Building 4 | 1462 Granville Street |

The SODO DCS consists of three chillers, a two-module cooling tower, associated pumps, equipment, valves, instrumentation, electrical infrastructure, and equipment in the plant, along with a distribution piping system which provides chilled water to each building from the plant. The SODO DCS started its operations in 2020.

On July 22, 2021, the Commission approved the recovery of the SODO DCS's levelized capacity charge rate design and charges per kilowatt of design peak cooling demand on a permanent basis, effective November 23, 2020 through December 31, 2025, as set out in Order G-222-21¹.

¹ BCUC, Order G-222-21, July 22, 2021.

In the same Decision, the Commission approved the establishment of the following deferral accounts:

- **Revenue Deficiency Deferral Account (RDDA):** To record annual revenue deficiencies or surpluses resulting from the difference between annual revenue at the approved capacity charge and the approved annual forecast cost of service, excluding fuel costs attracting Weighted Average Cost of Capital (**WACC**); and,
- **Regulatory Cost Variance Deferral Account (RCVDA):** To record the allocated variance between forecast and actual regulatory costs attracting Weighted Average Cost of Debt (**WACD**).

On November 29, 2024, the Commission directed Creative Energy to establish a **Generic Cost of Capital (GCOC) Deferral Account** to record the variance between previously approved rates and the rates that would reflect the new cost of capital, as determined by the revised deemed equity and allowed return set out in Order G-321-24².

On March 17, 2025, the Commission issued Order G-68-25, which approved a permanent capacity charge of \$10.81 per kilowatt per month. This new rate replaced the previously approved 2025 rate under Order G-222-21 and is effective from January 1, 2025 to December 31, 2025. The Order also authorized the establishment of the GCOC Variance Deferral Account to capture revenue differences resulting from the updated cost of capital³.

In accordance with Directive No. 3 of Order G-68-25, Creative Energy SODO DCS amortized the GCOC Variance Deferral Account balance over a nine-month period, starting in March 2025 billing cycle.⁴

In accordance with Directive No. 5 of the same order⁵, Creative Energy now submits the Application to establish permanent rates for the SODO DCS for the period commencing January 1, 2026 through December 31, 2027, and to request the termination of the GCOC Variance Deferral Account, among other things.

² BCUC, Order G-321-24, November 29, 2024.

³ BCUC, Order G-68-25, March 17, 2025.

⁴ *Ibid.*

⁵ *Ibid.*

3. Requested Approvals, Proposed Regulatory Process, and Timetable

3.1. Approvals Sought

Creative Energy is requesting a two-year Test Period for this rates application, primarily due to uncertainties in forecasting long-term maintenance, operations, and capital costs. These uncertainties arise from both the historical data related to maintenance and operational work completed during the previous test period, as well as the need for additional capital investments to maintain a safe and reliable plant.

By implementing a two-year Test Period, Creative Energy aims to undertake significant capital work necessary for continued safe and reliable service, while also evaluating ongoing maintenance and future capital requirements. This approach is intended to strike a balance between minimizing risk to Creative Energy and its customers while recognizing the regulatory burden that would result from shorter test periods.

A Draft Order is provided at Appendix A to this Application while Appendix B provides the corresponding proposed tariff pages for approval.

The following is a list of the requested approvals:

1. Approval, effective January 1, 2026 and pursuant to sections 58 to 60 and 90 of the *Utilities Commission Act* (the **Act**) and section 15 of the *Administrative Tribunals Act* of the levelized capacity charge rate per kilowatt (kW) of design peak cooling demand (i.e., \$/kW/month) to customers connected to the SODO DCS as set forth in Appendix B;
2. Approval to continue to charge the Variable Charge methodology (i.e., \$/MWh) on a flow-through basis to customers;
3. Approval to continue to use the RDDA; and
4. Approval to terminate both the RCVDA and the GCOC Variance Deferral Account by end of 2025.

3.2. Proposed Regulatory Process Timetable

Creative Energy proposes the following Timetable for this proceeding.

Table 2: CE's Proposed Regulatory Timetable

| Action | Date |
|--|--------------------|
| Application submitted to the Commission | August 8, 2025 |
| BCUC Procedural Order | August 25, 2025 |
| Creative Energy to provide public notice of the Application | August 29, 2025 |
| Intervener registration deadline | September 15, 2025 |
| Creative Energy confirmation of compliance with public notice requirements | September 22, 2025 |
| BCUC Information Request (IR) No. 1 to Creative Energy | October 6, 2025 |
| Intervener IR No. 1 to Creative Energy | October 13, 2025 |
| Creative Energy Responses to BCUC and Intervener IR No. 1 | October 20, 2025 |
| Creative Energy Final Argument | November 3, 2025 |
| Intervener Final Argument | November 17, 2025 |
| Creative Energy Reply Argument | November 28, 2025 |
| BCUC Final Decision | Before Mid-January |

Creative Energy requests an interim approval of the rates by early December 2025 to ensure Creative Energy is able to update the billing systems and prepare to charge the customers for the January 2026 billing cycle.

4. Rate Design

Similar to the prior test period, Creative Energy is seeking approval to recover the cost of service for the SODO DCS through the following two-part rate structure:

1. A **fixed capacity charge** (\$/kW), based on each customer's design peak cooling demand; and
2. A **variable charge** (\$/MWh), representing a flow-through fuel costs.

4.1. Fixed Capacity Charge

The capacity charge recovers the capital and fixed operating costs of the SODO DCS on a \$/kW basis, determined by the design peak demand of each building. The capacity charge will recover all costs that do not vary with energy consumption — that is, the cost of service excepting variable fuel costs. In that regard, these costs are considered 'fixed' and therefore are recovered on a \$/kW basis. The capacity charge level is equal to the total capital and fixed operating costs of service divided by the total design peak demand of the SODO DCS.

Correspondingly, the billing determinants for the allocation of capital and fixed operating costs to each building are the individual total design peak demand in kW of each building as shown in **Table 3** below.

Table 3: Design Peak Cooling Demand for SODO DCS Customers

| Customer Buildings | Design Peak Cooling Demand (kW) |
|--------------------|---------------------------------|
| Building 1 | 322 |
| Building 2 | 1,457 |
| Building 3 | 370 |
| Building 4 | 340 |

The structure of the capacity charge fairly and reasonably aligns with a cost causation rate setting principle under which rates ought to recover costs in a manner consistent with the factors that cause those costs.

4.2. Variable Charge

The Variable Charge will recover on a flow-through basis the actual electricity and water costs of the DCS, which are driven directly by cooling energy consumption.

- **Electricity costs** are calculated monthly. Creative Energy determines the \$/MWh variable charge by dividing the total BC Hydro invoice amount (\$) by the total metered energy consumption at the Cooling Plant for all buildings during that month (in MWh).
- **Water costs** are invoiced every four months by the City of Vancouver. The Cooling Plant is separately sub-metered for water consumption and is assigned its share of total water costs by the Strata Corporation.

5. Rates and Revenue Requirements

Creative Energy applies for approval of the following rates for 2026 and 2027, effective January 1, 2026. The proposed Capacity Charge and estimated indicative Variable Charge for this period are listed in **Table 4** below.

Table 4: SODO DCS 2023-2025 Approved Rates and 2026-2027 Proposed Rates⁶

| Description Year | 2023 | 2024 | 2025 | 2026 | 2027 |
|-------------------------------|-------|-------|-------|--------|--------|
| Capacity Charge (\$/kW/month) | 10.05 | 10.25 | 10.81 | 12.15 | 13.65 |
| Change (\$/month) | - | 498 | 1,394 | 3,329 | 3,740 |
| Change (%) | - | 2.00% | 5.50% | 12.37% | 12.37% |
| Variable Charge (\$/MWh) | 49 | 24 | 52 | 41 | 42 |

⁶ Actuals for 2023-2025 and indicative estimates for 2026 and 2027.

Table 5 below, represents a build-up of the 2026-2027 cost of service and revenue requirements for the SODO DCS, which are the applicable annual inputs to the calculation of rates effective on January 1, 2026.

Table 5: Annual Revenue Requirements 2026-2027

| Description Year | 2026 (\$,000) | 2027 (\$,000) |
|----------------------------------|---------------|---------------|
| Electricity Cost (indicative) | 77.33 | 79.27 |
| Water Cost (indicative) | 5.97 | 6.12 |
| Total Variable Costs | 83.30 | 85.39 |
| Maintenance Costs | 67.73 | 69.42 |
| Operator Costs | 55.97 | 57.36 |
| Insurance Costs | 3.37 | 3.45 |
| Municipal Access Fee | 5.58 | 6.16 |
| Lease Costs | 36.61 | 37.53 |
| Regulatory Costs | 15.38 | 4.20 |
| Administration | 46.15 | 47.30 |
| Depreciation | 103.22 | 113.41 |
| Cost of Equity | 128.30 | 135.59 |
| Cost of Debt | 67.41 | 71.24 |
| Income Tax | - | - |
| Total Fixed Costs | 529.71 | 545.68 |
| Total Revenue Requirement | 613.01 | 631.07 |

5.1. Capital Costs

Table 6 below provides the required capital costs for the SODO DCS during the Test Period. The inclusion of capital costs in the rates model is a significant driver of rate increases in the Test Period compared to prior period, as capital cost additions were not included in the previous model. Creative Energy has determined that incorporating capital cost additions to the rate model is both prudent and necessary to maintain the safe and reliable operation of the SODO DCS.

Creative Energy has considered and reviewed two approaches to capital cost additions over the remaining lifespan of SODO DCS assets:

- **Traditional Capital Plan Approach:** where the equipment gets replaced at the end of its useful lifespan, incurring significant cost to rate payers at that time; and,
- **Modified Capital Plan Approach:** which reflects Creative Energy's understanding of the impact of rate increases on customers, while managing the risks associated with deferring capital cost additions. This approach does not include replacement of the existing chillers, however, relies on continued maintenance to manage the safe and reliable operation of the cooling plant through the 30-year operating term.

On one hand, the total capital cost additions required under the traditional capital plan approach are estimated to be \$3.19 million (in 2025 \$) over the remaining life of the assets, with the rate increase due to these capital additions for 2026 would be 22 percent over 2025 rate alone.

Conversely, the modified approach proposed by Creative Energy reduces the capital cost to ratepayers over the 30-year asset lifespan by over \$1 million, which results in a significant reduction in rates. Under this approach, capital cost additions total \$1.94M (in 2025 \$) of capital expenditure over the remaining life of the assets, resulting in rate increases of approximately 12.4 percent in 2026 and 2027.

Creative Energy propose to proceed with the Modified Capital Plan Approach to reduce the rate increases to SODO DCS customers. While implementing this approach Creative Energy will continue to monitor the condition of assets at SODO DCS and will provide updates as necessary, should assets deteriorate faster than expected. As the assets age and condition monitoring continues, Creative Energy will manage these assets on an as-required basis, and ensures capital work is completed to manage the reliability and safety of the assets. Should Creative Energy experience premature failures that would require additional capital expenditures above what is allocated in the rates model, Creative Energy would explore the recovery of those costs through a separate regulatory process. Given the significant reduction in rate increases, Creative Energy believes this is the prudent approach for its capital plan for SODO DCS.

Table 6: Actual and Proposed Capital Costs in 2023-2027

| Description Year | 2023 (\$,000) | 2024 (\$,000) | Mid 2025 ⁷ (\$,000) | 2025 ⁸ (\$,000) | 2026 (\$,000) | 2027 (\$,000) | Notes and Assumptions |
|--------------------|------------------|------------------|--------------------------------------|-------------------------------|------------------|------------------|--|
| Capital Cost | - | 36 | - | 10 | 252 | 245 | See below description of work anticipated in the Test Period |

In 2024, Chiller 3 at SODO DCS required a re-build of some parts due to failures in equipment, which was not anticipated in the previous rates filing. To ensure the ongoing reliability of Chiller 1 and Chiller 2, Creative Energy is planning to complete their 10-year overhauls in 2026 and 2027. This will ensure the chillers are maintained in safe and reliable condition for the foreseeable future. The estimated cost of the 10-year chiller overhaul is approximately \$234,600 per chiller.

SODO DCS also experienced a failure of shut-off valves on the evaporator and condenser side of the chilled water system in 2025, which need to be replaced. The evaporator side valves were replaced earlier in 2025, and the condenser side valves will be replaced in 2026. The valve replacement costs are approximately \$10,000 per year.

⁷ 2025 Actual Capital Costs through June 30, 2025.

⁸ 2025 Actual Capital Costs and estimated through December 31, 2025.

The chiller safety relief valves are planned for replacement in 2026 and are required to be replaced every 5 years to maintain regulatory compliance. The safety relief valve replacement cost is approximately \$5,000 total for all chillers.

5.2. Operations, Maintenance and Other Costs

The following section provides the required operations, maintenance and the rest of the costs for the SODO DCS for the Test Period. These projections reflect Creative Energy's updated forecasting methodology. In the previous application, operating & maintenance costs were estimated using generic allocations based on a percentage of accumulated construction expenditures. The current methodology applied here in this Application, incorporates actual operational experience and historical system data, allowing for more accurate and representative forecasts.

5.2.1. Operations Costs

Table 7 below, provides the costs of operators required to operate and maintain the SODO DCS for the Test Period. These costs are estimated based on historical information and estimated time required for operators to undertake work required to maintain safe and reliable operation of SODO DCS and meet regulatory and operational requirements.

An average of 0.25 full-time equivalent (FTE) operator is assumed to be required at a blended total rate of \$105 per hour. This rate is an average of operator salaries, benefits, and overtime costs. The time assumption is based on historical time spent on operations at SODO DCS since 2020.

Table 7: Actual and Proposed Operations Costs 2023-2027

| Description Year | 2023 (\$,000) | 2024 (\$,000) | Mid 2025 ⁹ (\$,000) | 2025 ¹⁰ (\$,000) | 2026 (\$,000) | 2027 (\$,000) | Notes and Assumptions |
|-----------------------|------------------|------------------|--------------------------------------|--------------------------------|------------------|------------------|--|
| Operator Costs | 48 | 53 | 17 | 42 | 56 | 57 | Based on 0.25 FTE on average required to provide operations and maintenance to SODO DCS annually, at a rate of \$105/hr in 2026, increasing at 2.5% each year. |

⁹ 2025 Actual Operations Costs through June 30, 2025.

¹⁰ 2025 Actual Operations Costs and estimated through December 31, 2025.

5.2.2. Maintenance and Other Costs

Table 8 below outlines the previous three years of actual maintenance and administration costs and forecast maintenance and administration costs for the SODO DCS during the Test Period.

Table 8: Actual and Proposed Maintenance Costs 2023-2027¹¹

| Description Year | 2023 (\$,000) | 2024 (\$,000) | Mid 2025 ¹² (\$,000) | 2025 ¹³ (\$,000) | 2026 (\$,000) | 2027 (\$,000) | Notes and Assumptions |
|---|------------------|------------------|---------------------------------------|--------------------------------|------------------|------------------|--|
| Maintenance Costs | 111 | 57 | 28 | 58 | 68 | 69 | Based on the historical costs and current service agreements in place with vendors |
| Insurance Costs | - | - | - | 3 | 3 | 3 | |
| Municipal Access Fee | 5 | 5 | 3 | 5 | 6 | 6 | 1.25% of Capacity and Variable Charges, set by City of Vancouver |
| Lease Costs | ¹⁴ | ¹⁴ | ¹⁴ | 36 | 37 | 38 | Contribution Agreement per SF rates for 1,514 SF |
| Regulatory Costs | 21 | 8 | 1 | 1 | 15 | 4 | External costs and PACA costs related to regulatory filings |
| Administration and General Costs | 106 | 66 | 42 | 84 | 46 | 47 | Mass Allocation for SODO Cooling escalated at CPI assumption |
| Total | 243 | 137 | 73 | 186 | 175 | 168 | |

Maintenance and other costs are comprised of:

- Materials, tools, and supplies;
- Equipment maintenance contracts;
- Water treatment;
- Permits and licenses; and
- Safety supplies and training.

¹¹ Totals may not match the sum of individual items due to rounding.

¹² 2025 Actual Maintenance Costs through June 30, 2025.

¹³ 2025 Actual Maintenance Costs and estimated through December 31, 2025.

¹⁴ Billing has not been received from building owner for 2023, 2024, or 2025, however these are expected, and Creative Energy is obligated to make lease payments under its Statutory Right-of-Way agreement.

The forecast for Maintenance Costs for 2026 and 2027 is based on the historical costs and current service agreements in place with vendors. Standing service agreements with vendors are in place for chiller maintenance and repairs, cooling tower maintenance and repairs, and water treatment. Maintenance work required on other equipment by third party contractors is completed on an ad hoc basis.

5.3. Financing Costs

The basis for the projected financing cost is Creative Energy's deemed capital structure of 51 percent debt and 49 percent equity with a proposed return on equity (ROE) of 10.40 percent¹⁵. The total of these costs is therefore appropriately included in the revenue requirement for the determination of rates. **Table 9** below summarizes these drivers and costs.

Table 9: Proposed Financing Costs 2026-2027

| Description | 2026 (\$,000) | 2027 (\$,000) | Notes and Assumptions |
|------------------------------------|---------------|---------------|--|
| Proposed Rate Base Opening Balance | 2,329.0 | 2,477.3 | \$252,000 in capital additions in 2026 added to the 2026 opening balance |
| Cost of Equity | 128.3 | 135.6 | 49% Equity Ratio, ROE of 10.40% |
| Cost of Debt | 67.4 | 71.2 | 51% Debt Ratio, at 5.25% |

5.4. Variable Costs

The total annual revenue requirements of SODO DCS reflect indicative estimates of electricity and water costs based on the estimated demand for cooling energy and the applicable rates for electricity and water, which expenses will be directly flowed through based on actual invoiced amounts on variable usage.

- Actual electricity costs will be the amounts invoiced by BC Hydro each month for the electricity usage of the Cooling Plant under the rates for Medium General Service; and
- Actual water costs will be equal to the City of Vancouver's water rates for water consumption by the Vancouver House Development (as invoiced every four months) multiplied by the usage of water by the Cooling Plant, as measured by a sub-meter downstream of the City of Vancouver 'property line' water meter.

¹⁵ BCUC, Order G-321-24, November 29, 2024.

The rates for electricity and water consumption are externally set, and the volumes of electricity and water consumed by the DCS are driven directly by variable cooling usage. Creative Energy does not control or manage either of these factors and accordingly proposes a variable charge to flow-through these expenses on an actual as-incurred basis.

The Application includes indicative estimates of variable costs, i.e., electricity and water costs. These estimates have no material effect on the revenue requirements of the SODO DCS for the purpose of rate setting.

Table 10: Actual and Proposed Variable Electricity and Water Costs 2023-2027

| Description Year | 2023 (\$,000) | 2024 (\$,000) | Mid 2025 ¹⁶ (\$,000) | 2025 ¹⁷ (\$,000) | 2026 (\$,000) | 2027 (\$,000) |
|-----------------------------|------------------|------------------|---------------------------------------|--------------------------------|------------------|------------------|
| Total Variable Costs | 81.34 | 75.12 | 28.71 | 84.04 | 83.30 | 85.39 |

6. Proposed Levelized Capacity Charge

Similar to the previously approved application for SODO DCS rates for the prior test period, Creative Energy proposes that the capacity charge be determined on a levelized annual basis as compared to the alternative of setting rates annually based strictly on full recovery each year of the capital and fixed operating cost of service.

The levelized capacity charge will be determined such that the ROE over the 30-year term of analysis is equal to the allowed ROE of 10.4 percent under an annual cost of service - based rate structure over the same 30-year period.

Given that levelized rates under-recover costs during initial years following commencement of service, the Commission has also accepted the establishment of an accompanying RDDA, to track the balance of under-recovered costs to be recovered from customers in future years. This account has been established as part of the previous application for 2020 through 2025 and Creative Energy proposes to continue to use it for this Application as well.

Table 11: Proposed Capacity Charges 2026-2027

| Description | 2026 (\$,000) | 2027 (\$,000) |
|--|---------------|---------------|
| Annualized Capacity Charge (\$) | 363 | 408 |
| Billing Determinants (kW) | 2,489 | 2,489 |
| Capacity Charge (\$/kW/month) | 12.15 | 13.65 |

¹⁶ 2025 Actual Electricity and Water Costs through June 30, 2025.

¹⁷ 2025 Electricity and Water Costs are estimated through December 31, 2025.

7. Deferral Accounts

7.1. Revenue Deficiency Deferral Account (RDDA)

The RDDA captures variances between annual revenue at the approved rates and the annual cost of service. **Table 12** below provides the actual and forecast balances for the RDDA from 2023 to 2027.

Table 12: RDDA Balances in 2023-2027

| Description | 2023 (\$,000) | 2024 (\$,000) | 2025 (\$,000) | 2026 (\$,000) | 2027 (\$,000) |
|-----------------|-------------------|------------------|------------------|------------------|------------------|
| Opening Balance | 343 ¹⁸ | 509 | 683 | 716 | 942 |
| Closing Balance | 509 | 683 | 716 | 942 | 1,156 |

7.2. Regulatory Cost Variance Deferral Account (RCVDA)

The RCVDA recovers the difference between forecasted and actual regulatory costs. The account is expected to reach a zero balance by the end of 2025. Since it is no longer needed for the current Test Period, Creative Energy requests its closure.

7.3. Generic Cost of Capital (GCOC) Variance Deferral Account

The GCOC Variance Deferral Account captures variances between revenue collected at the previously approved Cost of Capital and the new approved Cost of Capital following the GCOC Stage 2 decision. **Table 13** provides a detailed breakdown of the account balance as of June 30, 2025, as well as expected ending balance for 2025 calendar year.

In Order G-68-25, the Commission approved the amortization of the deferral account over a nine-month period beginning in March 2025. Creative Energy confirms that the GCOC Variance Deferral Account amortization, approved in Order G-68-25, is on track for completion by November 2025. No further additions are expected, and the account will be closed once it is fully recovered.

Table 13: GCOC Variance Deferral Account Balances 2023-2027

| Description | 2023 (\$,000) | 2024 (\$,000) | 2025 (\$,000) | 2026 (\$,000) | 2027 (\$,000) |
|-----------------|------------------|------------------|----------------------|------------------|------------------|
| Opening Balance | - | - | 12,271 ¹⁹ | - | - |
| Closing Balance | - | - | - | - | - |

¹⁸ Grey highlighted figures are actuals.

¹⁹ Principle amount per Order G-68-25

Appendix A

Draft Order

Order Number



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

and

Creative Energy Vancouver Platforms Inc.
Application for 2026-2027 Cooling Rates for the District Cooling System at South Downtown

ORDER

WHEREAS:

- A. On August 8, 2025, Creative Energy Vancouver Platforms Inc. (Creative Energy) applied to the British Columbia Utilities Commission (**BCUC**) for the approval of rates on an interim basis, effective January 1, 2026, for its provision of cooling energy service for the district cooling system (**DCS**) in the South Downtown area of Vancouver (**SODO DCS**) (the **Application**), as set out in Appendix B to the Application; and
- B. The BCUC has commenced review of the Application and determines that approving interim rates for the Cooling Thermal Energy System at South Downtown, as well as 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. Creative Energy is approved to charge the levelized capacity charge rate per kilowatt (kW) of design peak cooling demand to customers connected to the Cooling TES at South Downtown, as set forth in Appendix B to the Application, on an interim and refundable/recoverable basis, effective January 1, 2026.
- 2. Any variance between the interim and permanent rates as determined by the BCUC following its final determination of the Application, is subject to refund or recovery from ratepayers, with interest at Creative Energy's weighted average cost of debt.
- 3. A regulatory timetable for the review of the Application is established as set out in Appendix ____ to this order.

4. The scope of Information Request No. 1 is limited to the specific topics outlined in Appendix ____ to this order.
5. 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 Cooling Thermal Energy System at South Downtown and registered interveners in the previous rate application proceeding.

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

Appendix B

Proposed Tariff Pages

CREATIVE ENERGY VANCOUVER PLATFORMS INC.

1. RATE SCHEDULE

Applicability: SODO DCS served by the Utility.

Class of Service: Thermal energy for the provision of cooling to the four buildings in the Vancouver House Development (SODO), as indicated in the table below.

Rates for Service: **Capacity Charge per kilowatt (kW) per month for 2026 and 2027:**

| Year | 2026 | 2027 |
|-----------|-------|-------|
| \$/kW/mo. | 12.15 | 13.65 |

The applicable Capacity Charge billing determinants to the four buildings in the Vancouver House Development are as follows:

| Building Customer | Civic Address | Design Peak Cooling Demand (kW) |
|-------------------|-----------------------|---------------------------------|
| Building 1 | 1480 Howe Street | 322 |
| Building 2 Tower | 1480 Howe Street | 1,457 |
| Building 3 | 1461 Granville Street | 370 |
| Building 4 | 1462 Granville Street | 340 |

**Variable Charge per megawatt hour for all megawatt hours supplied during a month:
\$/MWh calculated monthly**

The Variable Charge is to be calculated each month equal to total monthly electricity and water costs of the DCS divided by the total metered energy supplied by the DCS to the customers during the month (in MWh).

| | |
|---|--|
| Issued by: | Accepted for Filing: |
| Steve Molnar | |
| 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 Order G-XXX-XX |