



**ORDER NUMBER  
G-269-24**

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

and

Creative Energy Vancouver Platforms Inc.  
New Plant Premises and Interconnection Infrastructure Capital Expenditures

**BEFORE:**

M. Jaccard, Panel Chair  
E. A. Brown, Commissioner  
E. B. Lockhart, Commissioner

on October 23, 2024

**ORDER**

**WHEREAS:**

- A. On September 25, 2024, Creative Energy Vancouver Platforms Inc. (Creative Energy) submitted an application to the British Columbia Utilities Commission (BCUC), pursuant to section 44.2(1)(b) of the *Utilities Commission Act*, for acceptance of a schedule of capital expenditures that Creative Energy anticipates making to complete the construction of the structure that will house its new steam plant at 720 Beatty Street in Vancouver (New Plant Premises) and to connect Creative Energy's future steam generating electric boilers and associated equipment (Decarbonization Project) to its existing steam plant (Interconnection Infrastructure) (Application);
- B. Creative Energy states that the cost to complete the New Plant Premises is approximately \$31.0 million and the cost to complete the Interconnection Infrastructure is approximately \$7.5 million. Creative Energy seeks acceptance of the following expenditures:
  - 1. \$5.2 million for New Plant Premises expenditures Creative Energy anticipates making during the period between December 2024 and January 2025; and
  - 2. \$33.3 million for New Plant Premises and Interconnection Infrastructure expenditures Creative Energy anticipates making during the period between February 2025 and the completion of the New Plant Premises and the Decarbonization Project;
- C. By letter dated October 3, 2024 (Exhibit B-2), Creative Energy informed the BCUC that it had provided an electronic copy of the Application to a list of parties that had previously registered as interveners in recent Creative Energy-related BCUC proceedings; and
- D. The BCUC has commenced review of the Application and determines that the establishment of a public hearing and a regulatory timetable is warranted.

**NOW THEREFORE** the BCUC orders as follows:

1. A public hearing is established for the review of the Application in accordance with the regulatory timetable as set out in Appendix A to this order.
2. Creative Energy is directed, as soon as practicable, but no later than Monday, October 28, 2024, to provide an electronic copy of this order to all parties listed in Exhibit B-2.
3. Creative Energy is directed, as soon as practicable, but not later than Monday, October 28, 2024, to provide an electronic copy of the Application and this order to all known affected or potentially affected parties, including, but not limited to:
  - a. the City of Vancouver;
  - b. the Ministry of Energy, Mines and Low Carbon Innovation;
  - c. Environment and Climate Change Canada; and
  - d. all current Creative Energy Core Steam System customers.
4. Creative Energy is directed, as soon as practicable, but no later than Monday, October 28, 2024, to make the Application and this order available on its website at <https://creative.energy/>.
5. Creative Energy is directed, as soon as practicable, but no later than Monday, October 28, 2024, to publish notice of the Application and this order, or post the public notice attached as Appendix B to this order, on its existing social media platforms. Weekly reminder posts must be published on each platform until the deadline for letters of comment on Tuesday, November 26, 2024.
6. Creative Energy is directed to provide to the BCUC by Thursday, October 31, 2024, confirmation of when the public notice has been posted, including a list of social media platforms on which the public notice was posted, as well as a list of all parties notified.
7. Creative Energy is directed, as soon as practicable, but no later than Friday, November 1, 2024, to provide the supplemental information listed in Appendix C to this order.
8. In accordance with the BCUC Rules of Practice and Procedure, parties who wish to actively participate in the proceeding must complete a Request to Intervene Form, available on the Get Involved in a Proceeding section of the BCUC's website at <https://www.bcuc.com/GetInvolved/GetInvolvedProceeding>, by the date established in Appendix A. Parties may also submit letters of comment by completing a [Letter of Comment Form](#) by the date established in Appendix A.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 23<sup>rd</sup> day of October 2024.

BY ORDER

*Original signed by:*

M. Jaccard  
Commissioner

Attachment

Creative Energy Vancouver Platforms Inc.  
New Plant Premises and Interconnection Infrastructure Capital Expenditures

**REGULATORY TIMETABLE**

Action	Date (2024)
Creative Energy to publish and provide notice of the Application	Monday, October 28
Creative Energy to provide confirmation of the public notice and a list of all parties notified	Thursday, October 31
Creative Energy to provide supplemental information	Friday, November, 1
Intervener registration deadline **	Friday, November 8
BCUC Information Request (IR) No. 1 to Creative Energy	Wednesday, November 13
Intervener IR No. 1 to Creative Energy	Friday, November 15
Creative Energy responses to BCUC and Intervener IR No. 1	Friday, November 22
Letters of comment deadline	Tuesday, November 26
Creative Energy final argument	Thursday, November 28
Intervener final argument	Thursday, December 5
Creative Energy reply argument	Thursday, December 12

\*\* Pursuant to Rule 10.03 of the BCUC Rules of Practice and Procedure: The BCUC encourages and may require an intervener to coordinate with other interveners who represent substantially similar interests.



# We want to hear from you

## CREATIVE ENERGY APPLICATION TO COMPLETE CONSTRUCTION OF NEW CORE STEAM PLANT PREMISES AT 720 BEATTY STREET IN VANCOUVER

On September 25, 2024, Creative Energy filed its New Plant Premises and Interconnection Infrastructure Application requesting approval for capital expenditures that Creative Energy anticipates making to complete the construction of the structure that will house its new steam plant at 720 Beatty Street in Vancouver (New Plant Premises) and to connect Creative Energy's future steam generating electric boilers (Decarbonization Project) to its existing steam plant (Interconnection Infrastructure). Creative Energy is seeking approval to incur approximately \$38.5 million to complete this work and to recover these costs through the rates charged to customers served by its core steam distribution system in Vancouver. Please visit the [Proceeding webpage](#) on bcuc.com under "Our Work" to learn more.

To participate in the proceeding, visit [www.bcuc.com/get-involved](http://www.bcuc.com/get-involved).

### GET INVOLVED

- **Submit a letter of comment**
- **Subscribe to the proceeding**
- **Request intervener status**

### IMPORTANT DATES

1. **Friday, November 8, 2024** – Deadline to request intervener status with the BCUC
2. **Tuesday, November 26, 2024** – Deadline to submit a letter of comment to share your views, opinions, and insights on the application

**Subscribe to this Proceeding** on bcuc.com under "Get Involved" to receive email notifications when public documents are added to the proceeding.

## CONTACT INFORMATION

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Creative Energy Vancouver Platforms Inc.  
New Plant Premises and Interconnection Infrastructure Capital Expenditures

**SUPPLEMENTAL INFORMATION REQUIRED FROM CREATIVE ENERGY**

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Capital expenditure need and justification

In the Application, Creative Energy states that the New Plant Premises and Interconnection Infrastructure capital expenditures are necessary “to ensure that Creative Energy’s Decarbonization Project can be completed and placed in service as soon as possible and can deliver its benefits to customers as planned.”<sup>1</sup> Creative Energy lists the following benefits of the Decarbonization Project:<sup>2</sup>

- Significant grant funding has been secured which reduces overall capital cost; and
- Provides low carbon energy to Creative Energy’s current and future customers.

Creative Energy states that a delay in completing the New Plant Premises and Interconnection Infrastructure risks “the full benefits of the grant funding for the Decarbonization Project” as the funding is time-constrained.<sup>3</sup> Further, such a delay would also delay Creative Energy’s ability to provide its customers with low carbon energy; as a result “existing customers may elect to disconnect from Creative Energy’s system and potential customers may pursue alternative solutions, both of which could lead to an increase in rates for remaining customers.”<sup>4</sup>

**The BCUC requires the following information:**

- A description of the funding time constraints and Creative Energy’s ability to extend funding deadlines for each source of grant funding with supporting documentation. Referenced supporting documentation includes at the minimum:
  - A copy of the current, executed grant funding agreement between Creative Energy and the Government of Canada, with respect to the Government of Canada’s award of the Low Carbon Economy Fund support for the Decarbonization Project.
  - A copy of the current, executed grant funding agreement between Creative Energy and BC Hydro, with respect to the award of the CleanBC Facilities Electrification Fund support for the Decarbonization Project.
- The status of any discussions with BC Hydro and the Government of Canada regarding extensions of deadlines.
- Assumptions and data to support the demand (MWh) for low carbon energy from existing customers over the next five years, including but not limited to:
  - City of Vancouver or BC Government Policies. Describe any relevant policies that may require existing Creative Energy supplied buildings to secure low carbon energy and their impact on Creative Energy’s customer groups. Also describe any related penalties for non-compliance.

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<sup>1</sup> Exhibit B-1, para 28.

<sup>2</sup> Ibid., para 56.

<sup>3</sup> Ibid., para 57.

<sup>4</sup> Ibid., para 67.

- Anticipated annual low carbon energy demand (MWh) from existing Creative Energy supplied customer buildings that require low carbon generated building heat, in aggregate or individually, including specific timing (year) of this demand.
- Assumptions and data to support the expected demand (MWh) for low carbon energy from new customers following completion of the Decarbonization Project, including but not limited to, the anticipated in-service year, the peak demand (MW) and annual energy demand (MWh) of the new customer building(s).

#### Alternatives to proceeding with the proposed capital expenditures

Creative Energy entered into a Trust and Development Agreement (TDA) with Westbank Holdings Ltd., the Developer<sup>5</sup> and Emanate Energy Solutions Inc. Pursuant to the TDA, the Developer is responsible at its own cost for the construction of the New Plant Premises.<sup>6</sup> The total cost to be borne by Creative Energy to complete the New Plant Premises, and to construct new steam plant facilities to be housed within the New Plant Premises, is limited to \$15 million.<sup>7</sup> Costs to complete the New Plant Premises in excess of \$15 million are the responsibility of the Developer pursuant to the terms of the TDA.<sup>8</sup>

Creative Energy seeks BCUC approval to incur expenditures which Creative Energy believes are the responsibility of the Developer, and intends to “address these amounts as part of future negotiations with the Developer regarding the TDA, or to otherwise seek to recover these costs from the Developer as appropriate.”<sup>9</sup>

Creative Energy states that it has held discussions with the Developer on these matters, however no agreement has been reached.<sup>10</sup> Further, the matter of “Creative Energy’s rights and remedies against the Developer under the TDA also remains outstanding.”<sup>11</sup> Creative Energy states that the filing of this Application cannot wait until these discussions have concluded.<sup>12</sup>

#### **The BCUC requires the following information:**

- A copy of the current, executed TDA, including all schedules.
- A summary of TDA terms that describe Creative Energy’s right and remedies relevant to the Developer’s inability to fulfill its obligations to construct the New Plant Premises.
- A summary of alternative funding options to complete the construction of the New Plant Premises considered by signatory parties to the TDA, and why these funding alternatives were not pursued.

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<sup>5</sup> Westbank Projects Corp.

<sup>6</sup> Exhibit B-1, para 10.

<sup>7</sup> As directed by BCUC Order C-1-20.

<sup>8</sup> Creative Energy Beatty-Expo Plants Redevelopment Project Final Design, Exhibit B-1, p. 12.

<sup>9</sup> Ibid., para 11.

<sup>10</sup> Ibid., para 22.

<sup>11</sup> Ibid., para 47.

<sup>12</sup> Ibid.

- Alternatives considered by Creative Energy to provide low carbon energy until such time that the Developer completes construction of the New Plant Premises and the rationale for not pursuing these alternatives.

Scope of work, cost estimate accuracy, indicative rates and risk analysis

If the BCUC approves the Application, Creative Energy plans to obtain the required funds to complete the construction of the New Plant Premises and Interconnection Infrastructure through a combination of debt and equity.<sup>13</sup> Creative Energy states that it has not yet reached an agreement with the Developer on the specific details of a commercial agreement for Creative Energy to provide these funds and for the necessary work for the completion of the New Plant Premises to be carried out.<sup>14</sup>

In the Application, Creative Energy lists the work that will be required to complete the New Plant Premises and the Interconnection Infrastructure.<sup>15</sup> Appendix A of the Application provides the cost estimate for this work.

**The BCUC requires the following information:**

- A description of the roles and responsibilities with respect to the completion of the New Plant Premises and the Interconnection Infrastructure for both Creative Energy and the Developer.
- A copy of any agreement between Creative Energy and the Developer with respect to the proposed construction of the New Plant Premises and payment by Creative Energy. If no agreement has been entered, please explain why not.
- A Basis of Estimate document which supports the cost estimate provided in Appendix A of the Application, including a summary of assumptions and inputs that informed the development of the cost estimate.
- A schedule of the revenue requirements of the New Plant Premises and Interconnection Infrastructure and the resulting impact on customer rates, under a scenario where these costs are recovered from Creative Energy's existing ratepayers. The analysis must include a list of all assumptions made, with rationale.
- A risk register identifying all significant risks to the successful completion and operation of the New Plant Premises and Interconnection Infrastructure and the proposed risk mitigation strategy for each identified risk.<sup>16</sup>

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<sup>13</sup> Exhibit B-1, para 43.

<sup>14</sup> Ibid., para 44.

<sup>15</sup> Ibid., paras 35 & 41.

<sup>16</sup> Please see BCUC CPCN Guidelines Part 4(v) for more information regarding BCUC expectations for capital project risk analysis.