

2 May 2019

Via Email

Mr. Patrick Wruck
Commission Secretary
BC Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC V6Z 2N3

Dear Mr. Wruck:

**Re: Creative Energy Vancouver Platforms Inc. (Creative Energy)
British Columbia Utilities Commission (BCUC, Commission)
Application for a Fuel Cost Adjustment Charge (FCAC) Rate Rider (Application)**

Creative Energy writes in reply to Exhibit A-4, which seeks participant submissions on further process into review of the Application.

As per Exhibit A-4, the Commission Panel considers that additional process and information is required to address open issues regarding:

... among other things, the appropriateness of the proposed 18 month amortization period in light of the average billing impact for customers, the appropriateness of the inclusion of third party regulatory costs in the Fuel Stabilization Account, and the circumstances surrounding the high fuel costs incurred on days when natural gas prices were significantly higher than back-up fuel oil prices.

The Panel inquires with participants whether a Streamlined Review Process (SRP) is appropriate for this purpose and has suggested a draft timetable to include questions provided to Creative Energy on May 15 in advance of an SRP to be held on May 23, 2019. The Panel notes the intended benefits of an SRP are to expedite the flow of information by incorporating a workshop, information requests and an oral hearing into a single efficient process. The Panel's availability is somewhat limited and the next earliest potential date for an SRP would be late June; it therefore also seeks comment on the impact of extending the process further if need be.

CREATIVE ENERGY VANCOUVER
PLATFORMS INC.

Suite 1 - 720 Beatty Street
Vancouver, Canada
V6B 2M1

604 688 9584 TEL
604 688 2213 FAX
creativeenergycanada.com

Our comments below address first the possible timing of an SRP, followed by a discussion of some considerations for the Panel to inform its deliberation and decision on the remaining process options for review of the Application. We conclude with a suggested alternative approach in view of those considerations. To inform our comments and to place them in context overall, we highlight that the Commission designed the SRP “to review smaller applications with a limited number of issues brought forward by regulated entities”¹ and has outlined the circumstances in which the SRP is appropriate.²

Regarding the timing of an SRP, Creative Energy is of the view that the May 23rd date is problematic given that currently, three weeks prior to May 23rd, the breadth of issues to be addressed is potentially all matters arising directly or indirectly from the Application. Exhibit A-4 sets out a number of open issues but notes that the items raised are only a partial list, “among other things”. The proposed process step for the Commission and interveners to submit questions on May 15th may or may not focus the issues that the SRP would seek to target, but that would not be confirmed until one week prior to the SRP. Reasonable notice of a specific and limited number of issues would support the benefits of an SRP in so far as it would allow for the targeted preparation of information and witness testimony through a fair and accessible process, including by ensuring that appropriate individuals are present to participate as witnesses in the oral hearing in response to the specific identified scope.

Creative Energy acknowledges that the Panel seeks further information into the Application, and we would be pleased to provide further information into any remaining evidentiary and operational matters. We are of the view, however, that there is no urgency to resolve the Application under a process that includes an SRP to be held on May 23rd. Creative Energy notes that an interim rate is in place, effective March 1, 2019, and that indicated customer concern to date has been limited. Furthermore, while we acknowledge the constraints on the Panel’s availability between the end of May and the end of June, as noted above the May 23rd date for an SRP is problematic given that a specific issues list has not yet been confirmed.

Creative Energy also notes that some matters raised in Exhibit A-4 concern the appropriateness of certain proposals within this Application. Creative Energy respectfully notes that the appropriateness of a position is essentially a matter for arguments as to the reasonableness of the outcome given the evidence provided on the rationale and impact. It is not presently clear to Creative Energy what additional information or witness testimony it would prepare to address such matters.

Therefore, overall, Creative Energy considers that it would be timely and efficient to gather additional information through a second round of information requests and to thereby narrow a list of any outstanding issues prior to confirming final process steps. For example, the Panel has identified in Exhibit A-4 a remaining open issue as to the circumstances surrounding the high fuel costs incurred on days when natural gas prices were significantly higher than back-up

¹ Appendix A to Order G-37-12, page 4 of 8.

² Appendix A to Order G-37-12, pages 5 and 6 of 8.

fuel oil prices. With specific references provided for the 'high-cost' days that the Panel has in question, we would be able to provide information as to the underlying circumstances and any related operational matters.

Following Creative Energy's response to a second round of information requests, Creative Energy believes that the Panel could then consider the adequacy of the evidence and whether an SRP is needed and appropriate or whether the process ought to proceed to a final written arguments phase. If an SRP is deemed appropriate at that time, the Panel could establish a specific issues list for the SRP. If the process were to instead proceed to final arguments, the Panel could specify issues for parties to address in written argument. Importantly, this proposal would support an efficient process in that if either an SRP or written arguments phase is deemed appropriate, such would proceed with due preparation as to specific identified issues.

In summary then, Creative Energy would propose the following schedule for the Commission's consideration, respecting that the Panel has limited availability in June.

Item	Date
Information Request No. 2 to Creative Energy	May 17
Creative Energy Response to IR No. 2	May 31
Commission Decision on Process and Issues List	TBD: Subject to Panel availability
Subject to Commission Process Decision and Issues list: 1. Written Argument phase, or 2. SRP	TBD: Subject to Panel availability • propose timing 3-4 weeks after Issues list provided

For further information, please contact the undersigned.

Yours sincerely,



Rob Gorter
Director, Regulatory Affairs and Customer Relations

cc: Registered Interveners