

25 March 2021

Via E-filing

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

Dear Mr. Wruck:

**Re: British Columbia Utilities Commission (BCUC, Commission)  
Creative Energy Vancouver Platforms Inc. (Creative Energy)  
2021 Long-term Resource Plan (LTRP)**

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Creative Energy writes to submit its response to BC Old Age Pensioners' Organization, Active Support Against Poverty, Council of Senior Citizens' Organizations of BC, Disability Alliance BC, and Tenant Resource and Advisory Centre (**BCOAPO**) Information Request (**IR**) No. 1 in the above noted proceeding.

For further information, please contact the undersigned.

Sincerely,



Rob Gorter  
Director, Regulatory Affairs and Customer Relations

Enclosure.

**CREATIVE ENERGY RESPONSE TO BCOAPO IR No. 1**

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**A. INTRODUCTION**

- 1.0 Reference: Exhibit B-1, Creative Energy 2021 LTRP, Section 1 - Introduction  
Section 1.3 – Creative Energy’s Long Term Resource Planning Objectives, page 3  
Policy Drivers for LTRP**

Preamble: On the referenced page, Creative Energy states:

Creative Energy continues to pursue initiatives to add customers and extend the system to serve them. A further and interrelated objective of Creative Energy’s long term resource planning is to maintain existing customers.

- 1.1. Please explain if Creative Energy’s dominant policy driver related to the Decarbonization Project is maintaining of existing customers/load or adding new customers?

**RESPONSE:**

**Please refer to the responses to BCUC IR 1.2 and CEC IR 18.1. Both objectives are important to Creative Energy. We have not scaled their relative importance within the imperatives of the longer-term policy and planning context set out in the LTRP.**

- 1.2 Section 4 – Planning and Policy Environment is almost exclusively focused on energy emissions policy considerations. Please explain whether there are any other significant policy considerations driving Creative Energy’s 2021 LTRP?

**RESPONSE:**

**The 2021 LTRP addresses Creative Energy’s planning for energy resources – that is, future steam generation resource additions, fuel options, and also DSM. Government emissions policies are the major limiting factor for Creative Energy’s steam generation options. Such policies are also a major consideration for identifying any opportunities for cost-effective DSM. There are no other significant and current policy imperatives that underpin the LTRP outside of the legislative requirements reviewed in Section 2 – Regulatory Context and Section 4 – Planning and Policy Environment.**

## **B. REGULATORY CONTEXT**

- 2.0 Reference: Exhibit B-1, Creative Energy 2021 LTRP, Section 2 - Regulatory Context  
Section 2.1.3 – BCUC Resource Planning Guidelines,  
Table 3 - Commission Resource Planning Guidelines, pages 9-10  
Resource Planning Guidelines**

Preamble: In Table 3, Creative Energy states that the following components of the BCUC Resource Planning Guidelines are not applicable to its operations:

5. Development of multiple resource portfolios
6. Evaluation and selection of resource portfolios

- 2.1 Please explain why Creative Energy believes that components 5 and 6 of the BCUC Resource Planning Guidelines are not applicable to its operations?

### **RESPONSE:**

**Table 3 of the LTRP indicates that components 5 and 6 of the Commission’s Resource Planning Guidelines are not applicable to this LTRP. This is because when Creative Energy has completed the Expo and Beatty projects, which have already been approved by the Commission, Creative Energy will have sufficient safe and reliable boiler capacity to serve load for about 20 years, subject to possible replacement of Boiler #3. As has been discussed, Boiler #3 is retained for the time being, and can be replaced in future if/when necessary.**

**The regulatory and policy environment clearly establishes the imperative that for Creative Energy to attract new developments in its service area and also retain existing customers, Creative Energy must move toward low carbon energy. The LTRP is therefore focused on the plans to continue to evaluate a low carbon energy project and to evaluate the option of purchasing RNG from FEI, and also to investigate opportunities for cost-effective DSM.**

- 2.1.1 Are there circumstances under which Creative Energy could see that components 5 and 6 of the BCUC Resource Planning Guidelines would be applicable to its operations? If so, please discuss in detail.

### **RESPONSE:**

**Please see the response to BCOAPO IR 2.1.**

- 2.2 Please confirm whether Creative Energy is of the view that its 2021 LTRP is complete and complies with all aspects of the BCUC resource planning guidelines? If not, please list all ways in which the Utility’s LTRP is not fully compliant and explain why.

### **RESPONSE:**

**We believe that the 2021 LTRP is appropriate for the unique circumstances of Creative Energy (as set out in the LTRP) for the planning period following completion of the Expo and Beatty projects. The 2021 LTRP is complete in that regard. To the extent the 2021 LTRP does not align to a component of the Commission’s**

**Resource Planning Guidelines, this would be because those guidelines are out of date and were not drafted in contemplation of the circumstances of Creative Energy or the present regulatory and policy environment.**

**3.0 Reference: Exhibit B-1, Creative Energy 2021 LTRP, Section 2 - Regulatory Context  
Section 2.2 – Approvals Sought, page 10  
Regulatory Approvals**

Preamble: On the referenced page, Creative Energy states:

Creative Energy submits this long-term resource plan pursuant to section 44.1(2) of the UCA for the Commission’s review and acceptance pursuant to section 44.1(6) of the UCA.

3.1 Please list and describe those specific elements of the LTRP that Creative Energy is requesting acceptance of by the BCUC in this proceeding?

**RESPONSE:**

**Creative Energy has provided the form of Commission order requested at Appendix B of the 2021 LTRP.**

3.2 Please explain if it is necessary for the BCUC to accept the 2021 LTRP for Creative Energy to continue with the feasibility study associated with its Decarbonization Project (assuming BCUC approval of this aspect of the LTRP)?

**RESPONSE:**

**Please refer to the response to BCUC Confidential IR 5.2.**

## C. STEAM PLANT AND SERVICES PROVIDED

- 4.0 Reference: Exhibit B-1, Creative Energy 2021 LTRP,  
Section 3 - Steam Plant and Services  
Section 3.1.1- Boiler Capacities, page 15  
Capacity Reserves

Preamble: On the referenced page, Creative Energy states:

Creative Energy has carried a capacity reserve of approximately 8 percent in recent years, though that has declined due to a decision by Creative Energy operations staff to reduce the functional capacities of Boilers #1 and #2, which are being decommissioned and removed in the Redevelopment Project.

Creative Energy's capacity reserve will increase under the Redevelopment Project to 29 percent assuming that Creative Energy can continue to rely on Boiler #3 to its current functional capacity. If Boiler #3 fails or its capability is substantially de-rated, Creative Energy's reserve margin would still be approximately 11.7 percent supported by overall much newer equipment following the Redevelopment Project.

- 4.1 Has Creative Energy conducted an analysis, industry survey, or study with respect to the appropriate capacity reserve level? If yes, please summarize the findings from this analysis, survey or study. If not, please explain why the utility has not engaged in this activity.

### RESPONSE:

**We refer to the review of reserve capacity in the response to RCIG IR Series 1.**

**We note that the Redevelopment Project (and the generation capacity Creative Energy will have as a result of it) was thoroughly reviewed in the CPCN proceeding and the CPCN Decision issued under Order C-1-20 includes the conditions and requirements that the Commission determined appropriate.**

- 4.2 Please specify the lowest level of capacity reserve that Creative Energy expects to operate under during the Redevelopment Project.

### RESPONSE:

**This information is presented in Figure 2 of the LTRP and further elaborated on in the response to RCIG Series 1.**

- 4.3 Please explain if Creative Energy has conducted analysis of the risks associated with capacity reserves in the event that the Redevelopment Project is significantly delayed beyond its expected in-service dates? If so, please file those on the evidentiary record along with a summary of the projected delays and the related risks/risk levels in a format allowing for easy visual comparison.

### RESPONSE:

**The Redevelopment Project (and the generation capacity Creative Energy will have as a result of it) was thoroughly reviewed in the CPCN proceeding and the CPCN Decision issued under Order C-1-20 includes the conditions and requirements that the Commission determined appropriate.**

**For further clarity, the increase in reserve capacity will be as a result of the commissioning of the Expo Plant. That plant is currently in detailed design, and the boilers have been ordered and are in fabrication. It is extremely unlikely that the project will experience significant delays at this stage.**

- 4.4 Please explain Creative Energy's capacity reserve contingency plans if its Redevelopment Project is significantly delayed and what the impact would be on its GHG emissions?

**RESPONSE:**

**The Redevelopment Project (and the generation capacity Creative Energy will have as a result of it) was thoroughly reviewed in the CPCN proceeding the CPCN Decision issued under Order C-1-20 includes the conditions and requirements that the Commission determined appropriate, including in relation to contingency plans for the project. There would be effectively no impact on GHG emissions relative to the status quo if the project was delayed.**

**5.0 Reference: Exhibit B-1, Creative Energy 2021 LTRP**

**Section 3 - Steam Plant and Services Section 3.2 – Existing Customers Served by Steam Plant, Figure 2 – page 21**

**Section 4.2.3.2 – Current and Future City Initiatives Applicable to Customers, page 32**

**Section 4.2.4 - Conclusions, pages 36-37**

**Exhibit B-3, February 18, 2021 Compliance Letter - Order G-40-21 Directive 6, page 7**

**Required Level of Low Carbon Energy**

Preamble: On page 32 of its 2021 LTRP, Creative Energy states:

As outlined in section 3.2, Creative Energy's customers consist of buildings in downtown Vancouver. In order to maintain this customer base and also attract new customers, Creative Energy must be alive to the policies applicable to existing buildings and new construction.

On pages 36-37 of its 2021 LTRP, Creative Energy states:

Creative Energy must move toward low carbon energy in order to serve new developments in its service area of downtown Vancouver and also to retain existing customers. The City's Rezoning Policy requires new buildings to implement some form of renewable energy and the BC Provincial Step Code limits the carbon footprint of new buildings with limits ratchetting down over time. As a consequence, some large customers are looking to reduce emissions inventories and prospective customers are looking for low carbon sources of thermal energy. In time, customers will look to be net-zero carbon energy. New developments in Creative Energy's service area of downtown Vancouver will be limited in the options available to them for thermal energy for space heating and DHW heating. Such developments will not be able to obtain their thermal energy requirements from Creative Energy unless Creative Energy offers low carbon energy at least as an optional service.

On page 7 of February 18, 2021 Compliance Letter, Creative Energy states:

The LTRP establishes the policy imperative that doing nothing is not an option to achieve this outcome. The decision between doing nothing and a decarbonization project is a decision into the load to be served by Creative Energy.

- 5.1 In the above noted preamble (pages 36-37), Creative Energy concludes that some large customers are looking for low carbon sources of thermal energy. However, in its letter of February 18, 2021 (page 7), Creative Energy makes a much more assertive statement that “doing nothing is not an option”. Please reconcile the conclusion with Creative Energy’s February 18, 2021 assertion.

**RESPONSE:**

**The conclusions on pages 36-37 of the 2021 LTRP are with respect to the planning & policy environment as reviewed in section 4 of the LTRP. The assertion that “doing nothing is not an option” is made in consideration of all matters including the planning & policy environment and also the expectations and requirements of existing and potential new customers.**

- 5.2 Please confirm that the forecast Electric Capacity included in Figure 2 between 2023 and 2030 is the only planned no-carbon resource in Creative Energy’s supply portfolio as part of its 2021 LTRP? If not confirmed, please provide all no-carbon resources in the Utility’s portfolio for the LTRP.

**RESPONSE:**

**Confirmed.**

- 5.3 It appears from the scale provided in Figure 2 that forecast Electric Capacity would be serve less than 10% of the total supply requirements of Creative Energy’s system. Please explain if this magnitude of low-carbon energy (i.e. less than 10%) is sufficient to be a solution to the policy concern that Creative Energy is raising with respect to the need to offer low-carbon energy to its customers?

**RESPONSE:**

**The electric capacity is less than 10% of the total installed capacity, but due to base-loading produces well more than 10% of the annual energy. We do believe that this electric capacity will strike the right balance between meeting the demand for low carbon energy of existing and new customers while minimizing rate impacts to customers through cost-effective sizing of the requirements.**

## D. LONG TERM LOAD FORECAST

- 6.0 Reference: Exhibit B-1, Creative Energy 2021 LTRP  
Exhibit B-3, February 18, 2021 Compliance Letter with Order G-40-21 Directive 6,  
page 4  
Load Forecast Scenarios

Preamble: On page 4 of February 18, 2021 Compliance Letter, Creative Energy states:

The load forecast scenarios were developed in several steps, which are described below.

a. Creative Energy's billing data was extracted and used to generate a three-year average customer steam demand, the **Weather Normal Baseline**.

b. There are a handful of known upcoming customer connections and disconnections. Using energy estimates for these customer buildings and the expected year of connection/disconnection, a forecast was generated of future steam demand, the **Weather Normal Forecast**.

- 6.1 Please confirm if the Weather Normal Forecast and the Baseline Forecast (Figure 5) are the same scenario? If not, please explain how these two forecasts differ.

### RESPONSE:

**The baseline forecast has been normalized over 3 years and is the same as the Weather Normal Forecast.**

- 6.2 Please elaborate on what the intended purpose is of the Baseline Forecast in the LTRP.

### RESPONSE:

**The baseline forecast is intended to represent the future loads of the customers if there are no new connections or disconnections beyond those which have already been confirmed.**

- 6.3 Please discuss the likelihood of the Baseline Forecast materializing (similar to the assessment of the other three scenarios provided in Creative Energy's letter of February 18, 2021)?

### RESPONSE:

**Please refer to the response to BCUC IR 7.7.**

## **E. DEMAND SIDE MEASURES**

- 7.0 Reference: Exhibit B-1, Creative Energy 2021 LTRP  
Section 7- Demand Side Measures  
Section 7.1 – Introduction, page 42  
DSM Program Development**

Preamble: On the referenced page 42, Creative Energy states:

It is important to note at the outset that Creative Energy has not historically undertaken any DSM programs. Going forward, Creative Energy is investigating cost-effective DSM opportunities with its customers. The challenge is to identify the DSM opportunities and, in particular, those that are cost-effective for Creative Energy to support.

- 7.1 Please explain why Creative Energy historically has not undertaken any DSM programs? In particular, in Creative Energy's view, what are the barriers to the Utility undertaking DSM initiatives?

### **RESPONSE:**

**Creative Energy's service (steam heat) is used by customers primarily for space heating of medium and large buildings. Projects to improve the efficiency of energy use for space heating of buildings tend to be large in scale, disruptive to the use of the space, and expensive (e.g., a project to upgrade the entire building envelope). Additionally, some Creative Energy customers operate businesses where investment is prioritized to customer experience rather than energy efficiency, for example. In other cases, the customer might already have a strong focus on energy efficiency and not require any DSM support.**

**The LTRP action plan in respect of DSM is to develop a deeper understanding of how customers use Creative Energy's service and identify opportunities for cost-effective DSM in coordination with the City's requirements and initiatives.**

- 7.2 Please explain Creative Energy's views on which regulatory mechanisms (i.e. such as the funding of DSM initiatives through rates of all customers) are required or which impediments need to be removed to facilitate cost-effective DSM opportunities?

### **RESPONSE:**

**Creative Energy does not have sufficient information at this time to answer this question. The LTRP action plan in respect of DSM is to develop a deeper understanding of how customers use Creative Energy's service and identify opportunities for cost-effective DSM in coordination with the City's requirements and initiatives.**

- 7.3 Please explain what Creative Energy means by "cost-effective" DSM opportunities? That is, does cost-effectiveness in this context relate to Creative Energy, its customers, or both? Please explain.

**RESPONSE:**

The LTRP uses the term “cost-effective DSM” in reference to cost-effectiveness pursuant to the Demand-Side Measures Regulation.

Preamble: On the referenced page 42, Creative Energy states:

In the overall context of the service Creative Energy provides, the customer base and how customers use the service, the strong focus on energy efficiency in the City of Vancouver already, the relatively low marginal cost of natural gas to produce steam and Creative Energy’s rate structure, we consider that there are some but likely not many opportunities for cost effective DSM.

7.4 Please elaborate on each factor listed in the above noted preamble and how each factor impacts Creative Energy’s ability to pursue cost-effective DSM?

**RESPONSE:**

**Broadly speaking, the utility undertakes demand-side measures if and to the extent the customers are not improving their efficiency of energy use without the utility’s measure, subject to cost-effectiveness.**

**With reference to the factors in the extract above, we offer the following elaboration:**

- **The service Creative Energy provides – Creative Energy provides thermal energy (heat) in the form of steam. It would not be cost-effective for Creative Energy to undertake any DSM that does not result in a reduction of steam consumption. Customers use Creative Energy’s service for limited purposes, limiting the scope of potential projects that reduce steam consumption.**
- **The customer base and how customers use the service – the customers are medium and large size buildings and the primary use of the energy Creative Energy supplies is space heating of entire buildings (see section 3.3 of the LTRP). Any DSM Creative Energy undertakes should be targeted to improving the efficiency of such energy uses. Customers use Creative Energy’s service for limited purposes, limiting the scope of potential projects that reduce steam consumption.**
- **The strong focus on energy efficiency in the City of Vancouver already – If the customer would undertake an energy efficiency project without DSM support by Creative Energy, due to an existing focus on energy efficiency, for example, it would not be cost-effective for Creative Energy to provide partial funding to such project. DSM funding for such a project is called free ridership.**
- **The relatively low marginal cost of natural gas to produce steam – where there is a need for DSM support by Creative Energy, Creative Energy should only provide partial funding to the extent cost-effective within the meaning of the Demand-Side Measures Regulation. Generally, cost-effectiveness is determined by the amount of energy conserved and the marginal cost of providing that energy which in Creative Energy’s case is the relatively low marginal cost of natural gas to produce steam. The value of energy savings to Creative Energy is relatively low, limiting the scope of cost-effective projects.**
- **Creative Energy’s rate structure – as has been discussed, under the existing declining block rate structure the last # of steam consumed by the customer has the lowest price. This means that the customer’s cost savings from projects that reduce steam consumption are relatively low. The value of energy savings to the customer is relatively low, limiting the scope of cost-effective projects.**

**8.0 Reference: Exhibit B-1, Creative Energy 2021 LTRP**

**Section 7- Demand Side Measures**

**Section 7.3.1 – Rate Design, page 43**

**Rate Design Changes**

8.1 Given the apparent contradictory nature of a declining rate structure in an energy conservation and GHG policy environment and the apparent price inelasticity of Creative Energy's customers, would it be fair to assume a change to Creative Energy's rate design will be necessary? Please explain.

**RESPONSE:**

**Creative Energy's view is that the existing rate design should be reviewed. The discussion in section 7.3.1 of the LTRP, however, is intended to caution against jumping to any conclusions at this time about what changes should be made to the rate design.**

8.2 As indicated on page 3 of 2021 LTRP, low rates for thermal energy have historically been Creative Energy's competitive advantage. Given Creative Energy's conclusion that its customer base is price inelastic, what does Creative Energy believe its competitive advantage will be in its longer-term planning horizon?

**RESPONSE:**

**Creative Energy expects that low rates will continue to be a competitive advantage, however, the carbon intensity of the service is increasingly critical also. Creative Energy will have a competitive advantage going forward if it can offer a service that customers need or want (including carbon intensity) at rates that are lower than the costs of equivalent alternatives (including carbon intensity) available to existing and potential new customers. Creative Energy has the economy of scale to deliver such an attractive service.**

**9.0 Reference: Exhibit B-1, Creative Energy 2021 LTRP**

**Section 7- Demand Side Measures**

**Section 7.3.2 – Data to Support DSM Program Development, page 43**

**DSM Customer Data**

9.1 Please specify what types of customer data that Creative Energy would require to design DSM programs that it does not already possess.

**RESPONSE:**

**Broadly, the following data are required and not presently known to Creative Energy:**

- **Better data on how the customers use the energy supplied by Creative Energy (refer to section 3.3 of the LTRP)**
- **Data on the baseline efficiency of the customer equipment and systems that use the energy supplied by Creative Energy – what is the equipment/system, how old is it, has it been properly maintained, when was it last upgraded, has the customer considered upgrading it (if so, why hasn't a project been undertaken, and if not, why not)**

- For those systems and equipment identified as having potential for efficiency improvement, estimates of the energy savings and cost of an improvement project

**10.0 Reference: Exhibit B-1, Creative Energy 2021 LTRP  
Section 7 – Demand Side Measures  
Section 7.3.3 DSM Initiatives, page 44  
DSM Funding**

Preamble: On the referenced page, Creative Energy states:

Creative Energy is looking into initiatives and programs to provide information to customers to that enables them to make informed choices about their energy consumption, and possibly partial funding to assist with implementing cost effective energy conservation opportunities.

10.1 Please elaborate on the potential sources of partial funding to assist with implementing cost-effective DSM initiatives.

**RESPONSE:**

**The partial funding referred to would be provided by Creative Energy.**

10.2 Please explain whether Creative Energy is aware of and pursuing any funding available through the three levels of government with respect to DSM initiatives.

**RESPONSE:**

**For clarity, a project to improve energy efficiency and conservation would be undertaken by the customer to upgrade equipment or systems that are owned by the customer within the customer's building. The customer might be eligible for funding from government for the project. To the extent that Creative Energy can assist the customer with securing such finding, for example through provision of information, we could provide that assistance. Creative Energy might also provide partial funding for the project if cost-effective to do so.**

## F. ACTION PLAN

### 11.0 Reference: Exhibit B-1, Creative Energy 2021 LTRP, Section 9 – Action Plan, page 46 LTRP – Action Plan

Preamble: On the referenced page, Creative Energy states:

The following Action Plan therefore describes the resource planning activities that Creative Energy intends to pursue over the next four years, which timing integrates with the current priority and imperative to successfully deliver the Redevelopment Project:

1. Creative Energy will continue to evaluate a low carbon energy project, and seeks the Commission's acceptance of the expenditure schedule in respect of the project pursuant to section 44.2(1) of the UCA.
2. Creative Energy will continue to evaluate the option of purchasing RNG from FEI to displace natural gas use in Creative Energy's existing steam plant and support a low carbon steam service, noting however that availability of RNG is an issue, particularly over the long-term, with demand for RNG potentially exceeding supply.
3. Creative Energy will investigate opportunities for cost-effective DSM with customers, noting however that DSM does not change the carbon intensity of Creative Energy's steam and that such initiatives should coordinate with and support those of the City that might be designed to improve the energy efficiency of the very same buildings.

11.1 Please provide an update on the status of the implementation of the Redevelopment Project including expected in-service dates and all utility-generated cost estimates, specifying any relevant probabilities.

#### RESPONSE:

**The current expected in-service date for the Expo Plant is February 2022. The project is currently in detailed design and the boilers are in fabrication. Creative Energy's cost remains at \$15 million as specified in the CPCN application and as approved.**

11.2 With respect to Creative Energy's action plans to 1) evaluate the option for purchasing RNG from FEI and 2) investigating opportunities for cost-effective DSM with customers, please provide the following details:

- a. The scope and steps of the action plan;
- b. The timetable or milestones associated with each step of the action plan;
- c. A description and dollar amount of the associated expenditures, including the use of external service providers by Creative Energy;
- d. Details of the engagement plan;
- e. Project barriers and risks;

- f. The high-level target with respect to the amount of RNG purchases from FEI; and
- g. The high-level targets with respect to the amount of DSM energy reductions.

**RESPONSE:**

As noted in the 2021 LTRP, section 1.2, this LTRP addresses Creative Energy’s resource planning for the time period following completion of the Redevelopment Project, which is expected in 2024. Creative Energy is a small company, and it is important that staff prioritize their work on the Redevelopment Project through to its completion. For these reasons, the 2021 LTRP does not seek any Commission approvals of specific expenditures or timetables in relation to the action plan, other than the expenditure schedule submitted in Appendix A.

**RNG Service Option** - the opportunity, framework and potential barriers/issues for a low carbon steam offer supported by RNG are outlined in section 8 of the 2021 LTRP. Broadly, the action plan is to assess:

- availability of RNG supply from FEI – we understand that demand for RNG may exceed supply at this time, and known RNG supply additions may also be in high demand, and
- if RNG supply is available to Creative Energy, the level of interest among Creative Energy customers.

If there is alignment between RNG supply availability and demand for low carbon steam produced with RNG, the related service and rates will have to be designed and submitted to the BCUC for approval. There are no associated targets with respect to amount of RNG purchases from FEI at this time.

**Demand-side Measures** - the opportunity, framework and potential barriers/issues for Creative Energy to undertake DSM are outlined in section 7 of the 2021 LTRP.

As noted there, this initiative must start with developing a deeper understanding of how our customers use steam and their businesses, thereby to identify the opportunities for cost-effectively reducing overall steam consumption. Additionally, such initiatives are best implemented through coordination with the City of Vancouver to ensure Creative Energy’s efforts coordinate with and support those of the City that might be designed to improve the energy efficiency of the very same buildings. As discussed in section 4.2.3 of the 2021 LTRP, the City is in the process of developing the detailed elements of the City’s Retrofit Strategy, for example.

There are no associated targets with respect to the amount of DSM energy reductions at this time, nor does Creative Expect to use such targets for its DSM.

**Review of Rate Design** - The review of the existing declining block rate design and consideration of changes that improve the alignment of rate design to cost drivers, and also to encourage energy conservation and efficiency, is outlined in section 7.3.1 of the 2021 LTRP. Any proposed changes to the rate design will have to be submitted to the BCUC for approval.

- 11.3 With respect to the rate design aspects of the DSM initiatives, please also provide action plan details as requested in question 11.2 above (items a-e).

**RESPONSE:**

Please refer to the response to BCOAPO IR 11.2.