



**To:** Finance Committee

**Date:** September 20, 2022

**From:** Peter Russell, MCIP RPP  
Director, Sustainability and District Energy

**File:** 01-0060-20-  
LIEC1/2022-Vol 01

**Re:** **2023 District Energy Utility Rates**

**Staff Recommendation**

1. That the Alexandra District Energy Utility Bylaw No. 8641, Amendment Bylaw No. 10410 be introduced and given first, second and third readings;
2. That the Oval Village District Energy Utility Bylaw No. 9134, Amendment Bylaw No. 10411 be introduced and given first, second and third readings; and
3. That the City Centre District Energy Utility Bylaw No. 9895, Amendment Bylaw No. 10412 be introduced and given first, second and third readings.

Peter Russell, MCIP RPP  
Director, Sustainability and District Energy  
(604-276-4130)

Att. 7

REPORT CONCURRENCE		
<b>ROUTED TO:</b>	<b>CONCURRENCE</b>	<b>CONCURRENCE OF GENERAL MANAGER</b>
Finance Department	<input checked="" type="checkbox"/>	
Law	<input checked="" type="checkbox"/>	
<b>REVIEWED BY SMT</b>	<b>INITIALS:</b>	<b>APPROVED BY CAO</b>

## Staff Report

### Origin

The purpose of this report is to recommend the 2023 Alexandra District Energy Utility (ADEU), Oval Village District Energy Utility (OVDEU), and City Centre District Energy Utility (CCDEU) district energy utility rates. This report supports Council's Strategic Plan 2018-2022 Strategy #2: A Sustainable and Environmentally Conscious City:

*Environmentally conscious decision-making that demonstrates leadership in implementing innovative, sustainable practices and supports the City's unique biodiversity and island ecology.*

*2.1 Continued leadership in addressing climate change and promoting circular economic principles.*

*2.2 Policies and practices that support Richmond's sustainability goals.*

This report supports Council's Strategic Plan 2018-2022 Strategy #5 Sound Financial Management:

*Accountable, transparent, and responsible financial management that supports the needs of the community into the future.*

*5.1 Maintain a strong and robust financial position.*

### Background

Richmond's 2041 Official Community Plan (OCP) establishes a target to reduce greenhouse gas (GHG) emissions 50 per cent below 2007 levels by 2020 and 100 per cent by 2050. The City identified district energy utilities (DEUs) as a leading strategy to achieve the City's GHG reduction goals and incorporated Lulu Island Energy Company Ltd. (LIEC) in 2013 for the purposes of carrying out the City's district energy initiatives on the basis of the following guiding principles:

1. The DEU will provide end users with energy costs that are competitive with conventional energy costs, based on the same level of service; and
2. Council will retain the authority of setting customer rates, fees and charges for DEU services.

The City established three DEU service areas: ADEU, OVDEU, and CCDEU. Table 1 below provides a summary of the developments connected under the DEU service areas to-date.

Table 1 – DEU Service Areas - Current and Projected Connected Space

	<b>Buildings To-Date</b>	<b>Residential Units To-Date</b>	<b>Floor Area</b>	
			<b>To-Date</b>	<b>Build-out</b>
Alexandra District Energy Utility	13	2,200	2.4M ft <sup>2</sup>	4.4M ft <sup>2</sup>
Oval Village District Energy Utility	12	2,541	2.9M ft <sup>2</sup>	6.4M ft <sup>2</sup>
City Centre District Energy Utility	2	727	1.2M ft <sup>2</sup>	48.0M ft <sup>2</sup>
<b>Total</b>	<b>27</b>	<b>5,468</b>	<b>6.5M ft<sup>2</sup></b>	<b>58.8M ft<sup>2</sup></b>

The ADEU provides heating and cooling services to ten residential buildings, the large commercial development at “Central at Garden City”, the Richmond Jamatkhana temple and Fire Hall No. 3, comprising over 2,200 residential units and over 2.4 million square feet of floor area. While some electricity is consumed for pumping and equipment operations, most of this energy is currently produced locally from the geo-exchange fields in the greenway corridor and West Cambie Park, and highly efficient air source heat pumps.

The OVDEU services 12 buildings, containing 2,541 residential units. Energy is currently supplied from the two interim energy centres with natural gas boilers which provide 11 MW of heating capacity. LIEC received a \$6.2 million grant from the CleanBC Communities Fund for the design and construction of the sewer heat recovery technology and a permanent energy centre for the area. Once completed (estimated 2025/26), the system will be able to produce up to 80% of low-carbon energy from the Gilbert Trunk sanitary force main sewer.

LIEC executed agreements with Corix Utilities Inc. and Canada Infrastructure Bank to design, build, finance, operate and maintain CCDEU infrastructure providing heating and cooling services to over 170 new residential and mixed-use commercial developments by 2050. The first development in the CCDEU service area comprising of approximately 630,000 square feet and over 550 residential units was connected in January 2022. The project is expected to reduce GHG emissions by one million tonnes by 2050.

LIEC owns and operates DEU infrastructure within the service areas. All capital and operating costs are recovered through revenues from user fees, ensuring that the business is financially sustainable. City Council is the regulator and thus sets customer rates as noted in the principles above.

## Analysis

LIEC staff have assessed the following factors when developing the 2023 rate recommendation:

- Financially self-sustainable:** All LIEC service areas were established on the basis that all capital and operating costs would be recovered through revenues from user fees. Expenditures required to provide utility service include capital, operations, utilities, financing and administration costs. These costs are susceptible to non-discretionary increases due to material and equipment cost increases, rises in electricity and natural gas rates and general inflation. These costs were significantly impacted in 2022 due to economic events, policy decisions, unprecedented inflation and natural gas costs escalation and are projected to increase an additional 6.5% in 2023.
- Competitive Rate:** Council's objective is to provide end users with annual energy costs that are competitive to conventional system energy costs, based on the same level of service. For a residential customer, BC Hydro's rates are expected to increase by 2.0% in 2023. While current projections show that natural gas commodity prices will remain stable in 2023, Fortis BC customers will see a 6.3% increase in their rates due to an increase in delivery charges and the escalation of the Provincial carbon tax. It is estimated that customers using energy from a conventional utility system in a business as usual (BAU) scenario would see a blended Fortis BC and BC Hydro rate increase of at least 4.0% in 2023, while the eight-year average blended BAU rate increase is estimated to be at 4.6% (see Table 2). When compared to CCDEU, the four-year average blended BAU rate increase is estimated to be at 4.9%.

Table 2: Annual Percent Increase and Comparison of Blended Fortis BC and BC Hydro (BAU) Rates

	2016	2017	2018	2019	2020	2021	2022	2023 Proposed	8 Year Avg.
<b>ADEU Rate (Residential)</b>	4.0%	4.0%	4.0%	4.0%	4.0%	0.0%	1.0%	1.0%	2.7%
<b>ADEU Rate (Commercial)</b>	4.0%	4.0%	4.0%	4.0%	4.0%	2.5%	4.0%	6.5%	4.1%
<b>OVDEU Rate</b>	4.0%	4.0%	4.0%	4.0%	4.0%	2.5%	4.0%	6.5%	4.1%
<b>CCDEU Rate</b>	-	-	-	-	4.0%	2.5%	4.0%	6.5%	4.3%
<b>Blended BAU Rate</b>	4.5%	7.1%	2.4%	3.3%	2.5%	5.0%	8.0%	4.0%	4.6%

### 2023 Recommended Customer Rates

LIEC's three district energy utilities are at different stages of their operational life; as such, each of their capital and operating costs affect rates differently. ADEU is a more mature system with most of the capital required to produce low carbon energy already been invested. Due to the

efficient operation of the system and higher than originally projected energy efficiency of the residential buildings, more customers can be serviced by the two existing geo-exchange fields. This makes the system less sensitive to changes in electricity and natural gas price, and allows for postponed capital investments for new low carbon energy sources. Taking into account these factors, ADEU's residential rate could increase by 1.0% in 2023 without significantly impacting its overall financial performance.

ADEU's commercial area (Area A) is serviced by a system which is more sensitive to changes in electricity and natural gas prices, while the OVDEU and CCDEU systems are earlier in their operational life and still require significant capital investments in low carbon energy sources to connect more customers and ensure low carbon objectives are achieved. Additionally, due to the nature of their current energy sources, the costs to run these utilities are more sensitive to changes in electricity and natural gas prices as well. Once all costs are considered, the costs for these utilities are projected to increase 6.5% in 2023. Due to these reasons, a 6.5% rate increase would ensure all capital and operating costs are sufficiently recovered while still ensuring rates remain competitive with customers using energy from a conventional utility system.

#### Other Amendments to ADEU, OVDEU and CCDEU Bylaws

In addition to the rates, additional amendments are being proposed for ADEU, OVDEU and CCDEU. The proposed rate structure amendment included in Alexandra District Energy Utility Bylaw No. 8641, Amendment Bylaw No. 10410 is intended to increase the energy use portion of the rate while decreasing the fixed portion to incentivize energy conservation while ensuring the change remains cost neutral to customers.

The proposed housekeeping amendments included in Centre District Energy Utility Bylaw No. 9895, Amendment Bylaw No. 10412 and Oval Village District Energy Utility Bylaw No. 9134, Amendment Bylaw No. 10411, as well as the service area expansion included in Centre District Energy Utility Bylaw No. 9895, Amendment Bylaw No. 10412 align the bylaws with the current Energy Services Agreements used with customers, and align the service area with the expansion of the utility system endorsed by Council and to be developed in partnership with Corix Utilities and the Canada Infrastructure Bank.

#### **Financial Impact**

None.

#### **Conclusion**

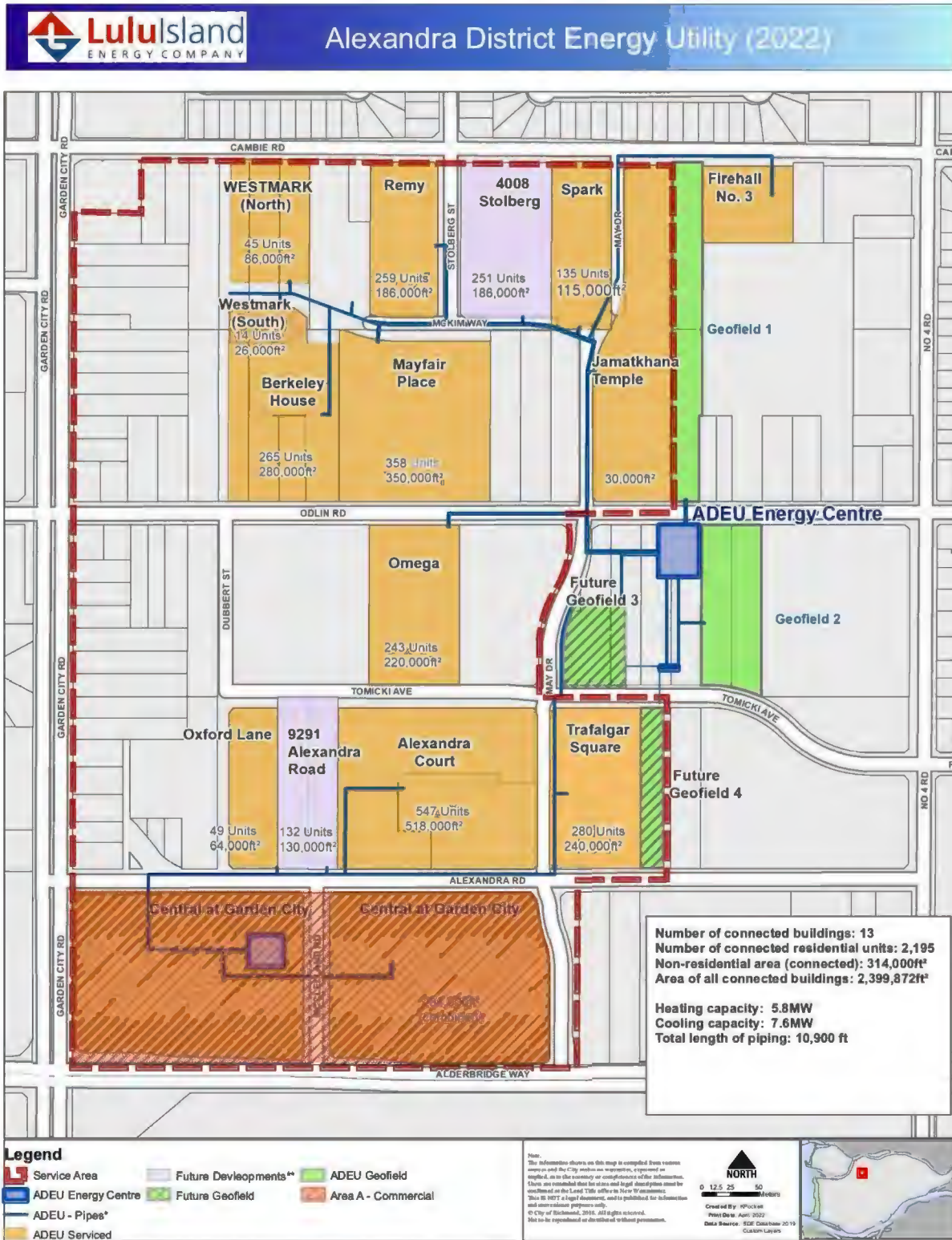
The recommended 6.5% increase for ADEU's commercial area (Area A), OVDEU and CCDEU 2023 service rates, and 1.0% for ADEU 2023 residential service rates supports Council's objective to keep the annual energy costs for LIEC customers competitive with conventional energy costs, based on the same level of service. This rate increase also ensures sufficient revenues to offset the capital investment and operating costs. Staff will continuously monitor energy costs and review the rate to ensure fairness for consumers and cost recovery for LIEC.



**Peter Russell, BAsC MSc MCIP RPP  
Director, Sustainability & District Energy  
(604-276-4130)**

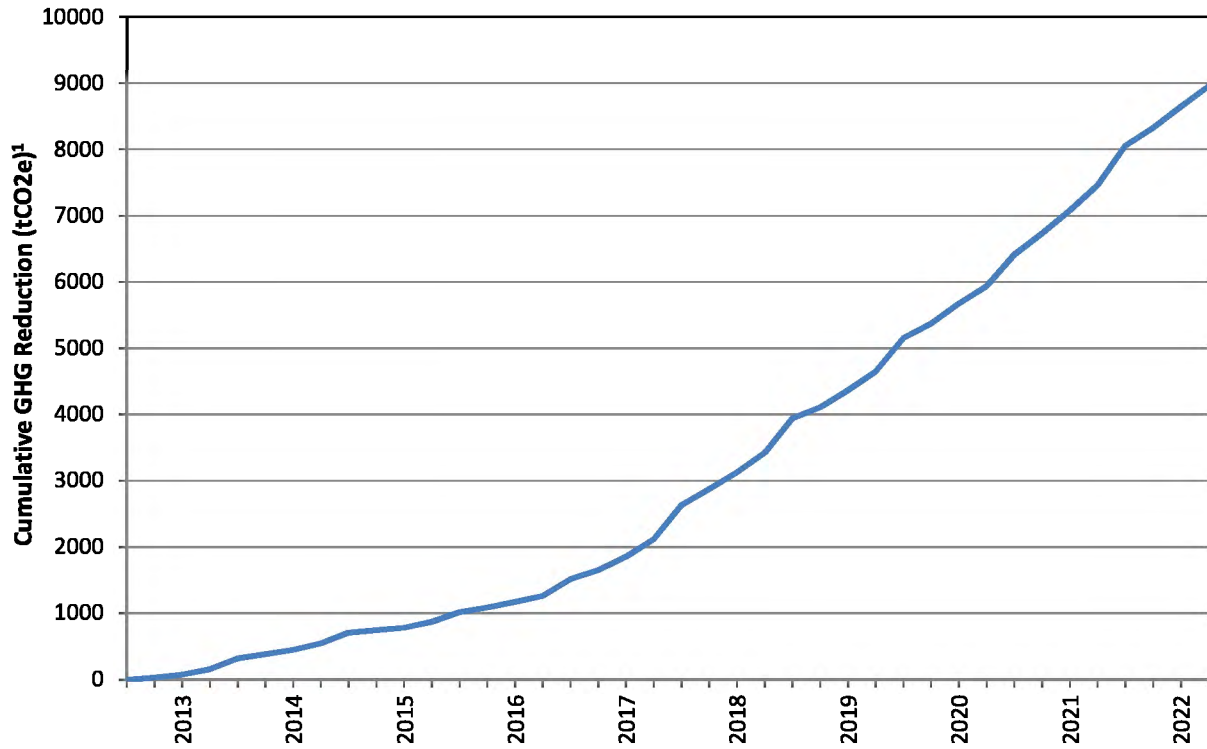
- Att.1: Alexandra Neighbourhood and ADEU Service Area**
- Att.2: ADEU Green House Gas (GHG) Emissions Reduction Graph**
- Att.3: Oval Village Neighbourhood and OVDEU Service Area**
- Att.4: City Centre and Proposed CCDEU Service Area**
- Att.5: ADEU Proposed 2023 Rates for Services**
- Att.6: OVDEU Proposed 2023 Rates for Services**
- Att.7: CCDEU Proposed 2023 Rates for Services**

# Attachment 1 – Alexandra Neighbourhood and ADEU Service Area



**Attachment 2 – ADEU Green House Gas (GHG) Emission Reduction Graph**

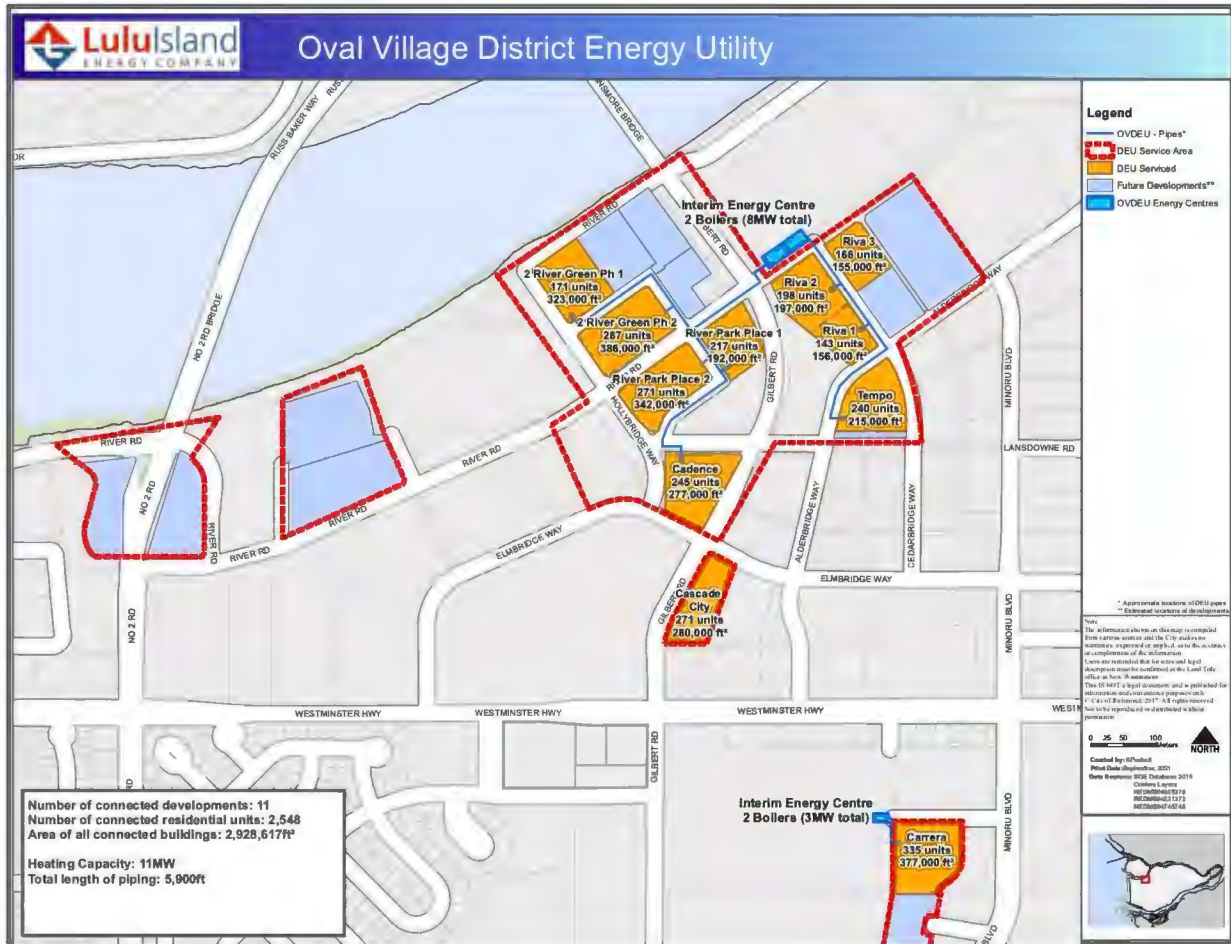
**ADEU Cumulative GHG Emissions Reductions**



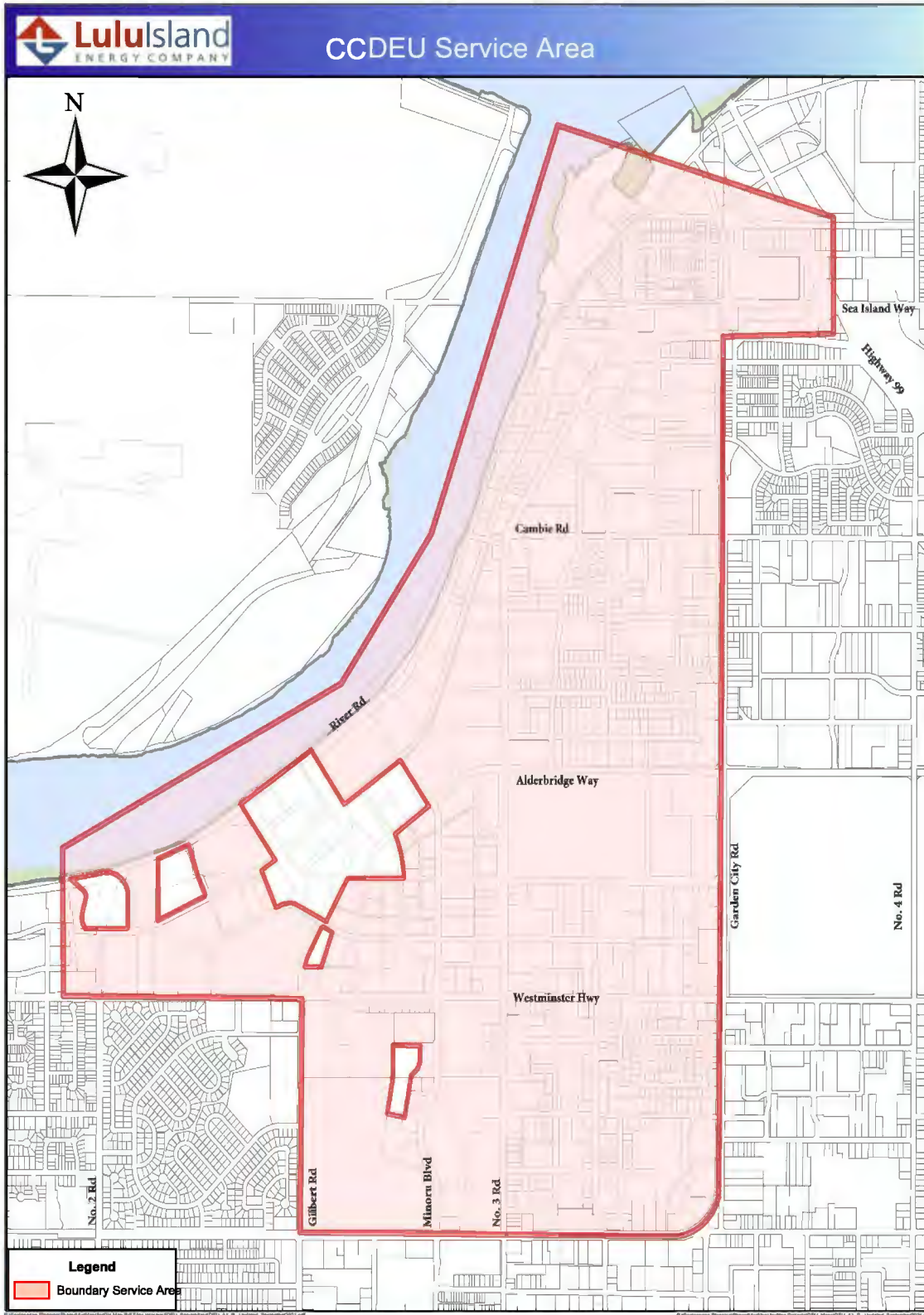
<sup>1</sup> Assumed that all energy was provided for heating. The business-as-usual (BAU) assumed that 40% of the building heating load would be provided from electricity and the remaining 60% would be from gas make-up air units.



# Attachment 3 – Oval Village Neighbourhood and OVDEU Service Area



# Attachment 4 – City Centre and Proposed CCDEU Service Area



**Attachment 5 – ADEU Proposed 2023 Rates for Services**

**Table 1: Proposed Rates for Services, excluding commercial area (Area A)**

ADEU	2022	2023
<b>Capacity Charge One:</b> Monthly charge per square foot of the building gross floor area	\$0.1002	\$0.0956
<b>Volumetric Charge:</b> Charge per megawatt hour of energy consumed by the building	\$15.967	\$24.190
<b>Excess Demand Fee -</b> for each watt per square foot of each of the estimated peak heat energy demand and the estimated peak cooling demand that exceeds 6 W/ft <sup>2</sup>	\$0.173	\$0.184

**Table 2: Proposed Rates for Services, commercial area (Area A)**

Area A	2022	2023
<b>Volumetric Charge:</b> Charge per megawatt hour of energy consumed	\$83.46	\$88.88

**Attachment 6 – OVDEU Proposed 2023 Rates for Services**

<b>OVDEU</b>		
	<b>2022</b>	<b>2023</b>
<b>Capacity Charge One:</b> Monthly charge per square foot of the building gross floor area	\$0.0594	\$0.0633
<b>Volumetric Charge:</b> Charge per megawatt hour of energy consumed by the building	\$36.575	\$38.952
<b>Excess Demand Fee -</b> for each watt per square foot of the aggregate of the estimated peak heat energy demand that exceeds 6 W/ft <sup>2</sup>	\$0.173	\$0.184

**Attachment 7 – CCDEU Proposed 2023 Rates for Services**

<b>CCDEU</b>		
	<b>2022</b>	<b>2023</b>
<b>Capacity Charge One:</b> Monthly charge per square foot of the building gross floor area	\$0.0693	\$0.0738
<b>Volumetric Charge:</b> Charge per megawatt hour of energy consumed by the building	\$42.573	\$45.340
<b>Excess Demand Fee -</b> for each watt per square foot of each of the estimated peak heat energy demand and the estimated peak cooling demand that exceeds 6 W/ft <sup>2</sup>	\$0.173	\$0.184



**Schedule A to Amendment Bylaw No. 10410*****SCHEDULE C to BYLAW NO. 8641******Rates and Charges*****PART 1 - RATES FOR SERVICES**

*The following charges, as amended from time to time, will constitute the Rates for Services for the Service Area excluding shaded Area A as shown in Schedule A to this Bylaw:*

- (a) Capacity charge – a monthly charge of \$0.0956 per square foot of Gross Floor Area; and*
- (b) Volumetric charge – a charge of \$24.190 per megawatt hour of Energy returned from the Energy Transfer Station at the Designated Property.*

**PART 2 - EXCESS DEMAND FEE**

Excess demand fee of \$0.184 for each watt per square foot of each of the estimated peak heat energy demand and estimated cooling demand referred to in section 21.1(e)(i), 21.1(e)(ii), and 21.1(e)(iii) that exceeds 6 watts per square foot.

**PART 3 - RATES FOR SERVICES APPLICABLE TO AREA A**

*The following charges will constitute the Rates for Services applicable only to the Designated Properties identified within the shaded area (Area A) shown in Schedule A to this bylaw:*

- (a) Volumetric charge – a charge of \$88.88 per megawatt hour of Energy returned from the Energy Transfer Station at the Designated Property calculated on each of (i) an energy use of 2644 MWh per annum (“Basic Supply Amount”), and (ii) any energy use in excess of the Basic Supply Amount.*



**Oval Village District Energy Utility Bylaw No. 9134  
Amendment Bylaw No. 10411**

The Council of the City of Richmond enacts as follows:

1. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended by deleting **Schedule D (Rates and Charges)** of the Bylaw in its entirety and replacing it with a new Schedule D as attached as Schedule A to this Amendment Bylaw.
2. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended by deleting the first sentence of section 4.4 of Schedule B and replacing it with the following:

“The Owner or Customer will, upon request of the Service Provider or City and at no cost to the Service Provider or City, at any time and from time to time, execute, acknowledge and deliver, or will cause to be done, executed, acknowledged and delivered, all such further acts, bills of sale, assignments, transfers, conveyances, powers of attorney and assurances as may be required by the Service Provider or City to evidence the transfer of legal and beneficial ownership of any Service Connections, Energy Transfer Stations, or any components thereof, procured, supplied or installed by the Customer, to the Service Provider or the City, in such form as requested by the Service Provider or the City.”
3. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended at section 15.1(h) of Schedule B by deleting the words “British Columbia Ministry of Water, Land and Air Protection” and replacing them with the words “British Columbia Ministry of Environment and Climate Change Strategy”.
4. The **Oval Village District Energy Utility Bylaw No. 9134**, as amended, is further amended by deleting sections 17.4(a) and 17.4(b) of Schedule B and replacing them with the following:

“(a) directly attributable to the negligence of the Service Provider, its employees, contractors or agents, provided the Customer proves such negligence;

(b) caused by or resulting from a defect in the equipment, provided the Customer proves the existence of such defect and the Customer did not provide, supply or install such equipment.”



5. This Bylaw is cited as **“Oval Village District Energy Utility Bylaw No. 9134, Amendment Bylaw No. 10411”**.

FIRST READING

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SECOND READING

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THIRD READING

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ADOPTED

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MAYOR

\_\_\_\_\_  
CORPORATE OFFICER

CITY OF RICHMOND
APPROVED for content by originating dept.
CR
APPROVED for legality by Solicitor
BRB

**Schedule A to Amendment Bylaw No. 10411****SCHEDULE D****Rates and Charges****PART 1 - RATES FOR SERVICES**

The following charges, as amended from time to time, will constitute the Rates for Services:

- (a) capacity charge - a monthly charge of \$0.0633 per square foot of gross floor area;  
and
- (b) volumetric charge – a monthly charge of \$38.952 per megawatt hour of Energy returned from the Energy Transfer Station at the Designated Property.

**PART 2 - EXCESS DEMAND FEE**

Excess demand fee of \$0.184 for each watt per square foot of the aggregate of the estimated peak heat energy demand referred to in section 19.1(e) (i), (ii), and (iii) that exceeds 6 watts per square foot.



**City Centre District Energy Utility Bylaw No. 9895  
Amendment Bylaw No. 10412**

The Council of the City of Richmond enacts as follows:

1. The **City Centre District Energy Utility Bylaw No. 9895** is amended by deleting **Schedule D (Rates and Charges)** of the Bylaw in its entirety and replacing it with a new Schedule D as attached as Schedule A to this Amendment Bylaw.
2. City Centre District Energy Utility Bylaw No. 9895, as amended, is further amended by deleting Section 5 and replacing it with the following:

“ **5. Mandatory Use of DEU.** Subject to the Service Provider providing Services pursuant to this Bylaw, each Owner of

  - (a) a building within the Service Area that is on a property that has a covenant registered on title requiring buildings constructed on the property to have the mechanical capability to connect to and receive annual space heating, domestic water, and space cooling through the DEU will, when available, connect to and utilise the DEU for internal space heating, domestic hot water, and space cooling in accordance with the terms and conditions of this Bylaw; or
  - (b) a new building proposed for construction or under construction within the Service Area after the date of enactment of this Bylaw, that is 10,000 ft<sup>2</sup> or larger in size, for which the City's Building Regulation Bylaw requires submission of a building permit application or issuance of final inspection notice permitting occupancy, to any one of which the Owner, as at the date of enactment of this Bylaw, is not yet entitled, will:
    - a. construct such building to have the mechanical capability to connect to and receive annual space heating, domestic water, and space cooling through the DEU; and
    - b. when available, connect to and utilise the DEU for internal space heating, domestic hot water, and space cooling, in accordance with the terms and conditions of this Bylaw.”
3. City Centre District Energy Utility Bylaw No. 9895, as amended, is further amended by deleting Section 7 and replacing it with the following:

“**7. Permissive Use of DEU.** An Owner of a new or existing building either located inside the Service Area that is not required to connect to and utilize the DEU pursuant to Section 5, or located outside the Service Area but within the City of Richmond, may apply to the City Engineer to utilize the DEU, and if:

- (a) the City Engineer is of the opinion that the DEU is capable of servicing the building that is the subject of the application;
  - (b) the City Engineer is of the opinion that servicing the building is necessary or desirable; and
  - (c) the Owner enters into an agreement with the City, in form and substance satisfactory to the City Engineer and City Solicitor, undertaking, among other matters, to wholly or partially, in the City's sole discretion, fund the capital cost of extending the DEU to the Owner's building in an amount and at a time determined by the City Engineer;
- then the City Engineer may approve the application, in which case the Owner must utilize the DEU in accordance with the terms and conditions of this Bylaw.”
4. City Centre District Energy Utility Bylaw No. 9895, as amended, is further amended by deleting Section 12 and replacing it with the following:
- “12. **Security.** The City authorizes its officers and employees and the officers and employees of the Service Provider to:
- (a) require persons applying for, connecting or connected to or using the Services to provide security with respect to the Services in an amount determined by the City or the Service Provider, in accordance with the General Terms and Conditions; and
  - (b) require Owners responsible for the installation of Energy Transfer Stations, Service Connections, or Energy Generation Plants to provide security with respect to the such Energy Transfer Station, Service Connection, or Energy Generation Plant in an amount determined by the Service Provider, in accordance with the General Terms and Conditions.”
5. City Centre District Energy Utility Bylaw No. 9895, as amended, is further amended by deleting Schedule A – Boundaries of Service Area and replacing it with Schedule B attached to and forming part of this bylaw as a new Schedule A – Boundaries of Service Area of Bylaw No. 9895.
6. City Centre District Energy Utility Bylaw No. 9895, as amended, is further amended at section 1.1 of Schedule B by:
- a) deleting the definition of “Energy Generation Plant” in subsection (q) and replacing it with the following:
 

“(q) **Energy Generation Plant**” means a discrete energy generation plant that generates energy from a low carbon energy source as acceptable to the City Engineer, that is capable of connecting to the Distribution System as soon as the Distribution System is extended to reach the building(s) serviced by the Energy Generation Plant, that provides space heating, space cooling and domestic hot water heating (or any portion thereof required by the City Engineer) to one or more building(s), and that is located On Site of one or more of the buildings it provides energy to;”
  - b) deleting the definition of “Service Area” in subsection (gg) and replacing it with the following:

“(gg) **“Service Area”** means the area in the City of Richmond as delineated in red in the boundaries map attached as Schedule A hereto or such portions thereof as may be designated by the Council and such other areas as may be added from time to time by Council;”

7. City Centre District Energy Utility Bylaw No. 9895, as amended, is further amended by deleting section 2.5 of Schedule B and replacing it with the following:

**“2.5 Refusal of Application**

The Service Provider may refuse to accept an application:

- (a) for any of the reasons listed in Part 15 below (Discontinuance of Services and Refusal of Services); or
- (b) if the DEU does not extend to the applicants property at the time their application is made.

8. City Centre District Energy Utility Bylaw No. 9895, as amended, is further amended by deleting the first sentence in section 4.6 of Schedule B and replacing it with the following:

“The Owner or Customer will, upon request of the Service Provider or the City and at no cost to the Service Provider or the City, at any time and from time to time, execute, acknowledge and deliver, or will cause to be done, executed, acknowledged and delivered, all such further acts, bills of sale, assignments, transfers, conveyances, powers of attorney and assurances as may be required by the Service Provider or the City to evidence the transfer of legal and beneficial ownership of any Service Connections, Energy Transfer Stations, Energy Generation Plant Works, or any components thereof, procured, supplied or installed by the Customer, to the Service Provider or the City, in such form as requested by the Service Provider or the City.”

9. City Centre District Energy Utility Bylaw No. 9895, as amended, is further amended at section 4.4 of Schedule B by deleting subsections (c) and (d) and replacing them with the following:

- “c) approve such application subject to the Service Provider being satisfied with the design, materials, equipment, location and installation of the Service Connection and Energy Transfer Station, and each component thereof;
- d) waive or reduce payment of the applicable ETS and Service Connection Installation Fee set out in Schedule C (Fees) to this Bylaw; and
- e) require the Owner or Customer to provide security in such form and amount acceptable to the Service Provider.”

10. City Centre District Energy Utility Bylaw No. 9895, as amended, is further amended at section 15.1(h) of Schedule B by deleting the words “British Columbia Ministry of Water,

Land and Air Protection” and replacing them with the words “British Columbia Ministry of Environment and Climate Change Strategy”.

11. City Centre District Energy Utility Bylaw No. 9895, as amended, is further amended by deleting sections 17.4(a) and 17.4(b) of Schedule B and replacing them with the following:

“(a) directly attributable to the negligence of the Service Provider, its employees, contractors or agents, provided the Customer proves such negligence;

(b) caused by or resulting from a defect in the equipment, provided the Customer proves the existence of such defect and the Customer did not provide, supply or install such equipment.”

12. This Bylaw is cited as “City Centre District Energy Utility Bylaw No. 9895, Amendment Bylaw No. 10412”.

FIRST READING

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SECOND READING

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MAYOR

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CORPORATE OFFICER

CITY OF RICHMOND
APPROVED for content by originating dept.
CR
APPROVED for legality by Solicitor
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**Schedule A to Amendment Bylaw No. 10412****SCHEDULE D****Rates and Charges****PART 1 - RATES FOR SERVICES**

The following charges, as amended from time to time, will constitute the Rates for Services:

- (a) capacity charge - a monthly charge of \$0.0738 per square foot of gross floor area;  
and
- (b) volumetric charge – a monthly charge of \$45.340 per megawatt hour of Energy returned from the Energy Transfer Station at the Designated Property.

**PART 2 - EXCESS DEMAND FEE**

Excess demand fee of \$0.184 for each watt per square foot of each of the estimated peak heat energy demand and estimated cooling demand referred to in section 19.1(f) (i), 19.1(f) (ii) and 19.1(f) (iii) that exceeds 6 watts per square foot.

**Schedule B to Amendment Bylaw No. 10412**

**SCHEDULE A to BYLAW NO. 9895**

**Boundaries of Service Area**

