

Why Rate DP?

Up to April 1, 2017, Rate D applied to the vast majority of residential and farm customers, regardless of their electricity use.

April 1 saw the introduction of a new domestic rate—Rate DP—for residential and farm customers with larger loads. Rate DP is similar to Rate D, which, before April 1, 2017, provided for billing of power demand in excess of 50 kW. But its structure will change over the coming years so as to be better adapted to that customer profile.

This brochure will help you determine if Rate DP applies to you or if it could apply to you in the near future should your electricity consumption change.

This pamphlet is provided solely for information purposes. The *Electricity Rates* shall prevail at all times.

For more information, visit our Web site.
hydroquebec.com/rates

Hydro-Québec
Coordinated by Communication-marketing
for Vice-présidence – Clientèle



Rate DP

A new rate for residential and farm customers with a power demand of 50 kW or more

Eligibility for Rate DP

Your service contract is eligible for Rate DP if your maximum power demand reached **50 kilowatts (kW) or more** at least once over the past 12 months.

If your maximum power demand was **65 kW or more**, your contract has been **automatically switched to Rate DP**, since Rate D is now solely for customers with a maximum power demand of less than 65 kW.

If over the past 12 months your maximum power demand was 50 kW or more, but less than 65 kW, your contract is **eligible for either Rate D or Rate DP**.

- Hydro-Québec has switched your contract to Rate DP if it determined that this yields **potential savings** for you.
- Hydro-Québec will notify you by mail if switching from Rate D to Rate DP becomes more advantageous for you later on.

Maximum power demand	Domestic rate your contract is eligible for
Less than 50 kW	Rate D only
Between 50 and 65 kW	Rate D or DP
65 kW or more	Rate DP only

What is Rate DP?

Rate DP is similar to Rate D, which, before April 1, 2017, provided for billing of power demand in excess of 50 kW.

But the new rate has the following differences:

- The fixed charge, i.e., the amount you pay each month regardless of your consumption, has been reduced.
- The number of kilowatthours (kWh) billed at the lowest tier is expressed in kWh per month rather than per day.
- You're entitled to 300 kWh more per month at the lowest tier.
- You pay a monthly minimum if your consumption is very low or zero.
- You're entitled to a supply credit, expressed in \$/kW rather than ¢/kWh, if you have equipment for lowering the voltage of the electricity supplied to you, or if you use electricity at medium or high voltage.

Rate DP – Effective April 1, 2017	
Fixed charge	\$6.09/month
Billing demand in excess of 50 kW	\$6.21/kW (winter) \$4.59/kW (summer)
Energy 1,200 kWh per month (1st tier)	5.77¢/kWh
Remaining consumption	8.77¢/kWh
Minimum monthly bill if your consumption is very low or zero	\$12.18 (single-phase) or \$18.27 (three-phase)
Credit for supply at MV or HV	\$/kW depending on the voltage

A few handy reminders

Here are some important concepts to keep in mind about billing for power demand.

Why bill for power demand?

Power demand is the quantity of electricity needed to keep your equipment running properly. It's an important component of rates, which are based on the costs actually incurred by Hydro-Québec to provide electrical service.

For reasons of simplicity, the rate for customers whose demand is less than 50 kW is based solely on their energy consumption, expressed in kilowatthours (kWh).

In the interest of fairness, however, the rate paid by customers with larger loads should reflect the difference in the costs incurred to serve those loads, which can vary in size and duration. That's why power demand in excess of 50 kW is generally billed.

How is billing demand determined?

Billing demand is based on real power or apparent power. **Real power**, expressed in kilowatts (kW), is the power actually used to run equipment such as motors, lights or a heating system. **Apparent power**, expressed in kilovoltamperes (kVA), is the maximum quantity of electricity Hydro-Québec must provide to keep your equipment running properly.

Your **billing demand** is therefore the higher of the following two values:

- Your **maximum power demand**, i.e., the higher of the following two values:
 - Real power
 - 90% of apparent power
- Your **minimum billing demand**, i.e., 65% of the maximum power demand during the winter period