

ADDENDUM

Electricity Rates Effective December 1, 2023

The Demand Response Option

In decision D-2023-131 [in French only], the Régie de l'énergie approved the new terms and conditions for Hydro-Québec's Demand Response (DR) Option.

This addendum to the *Electricity Rates* presents the articles of chapters 2, 3, 4 and 6 that took effect on December 1, 2023.



CHAPTER 4

RATES FOR MEDIUM POWER

SECTION 13

DEMAND RESPONSE OPTION

Application

4.73

The Demand Response Option described in this section applies to the medium-power contract of a customer who is able to reduce power demand during the winter period at Hydro-Québec's request.

Definitions

4.74

In this section, the following definitions apply:

"average temperature": The value in degrees Celsius of the average of the temperatures recorded at the weather station closest to the delivery point during peak hours.

"critical peak event": The sequence of peak hours indicated by Hydro-Québec in the critical peak event notification sent to the customer in accordance with Article 4.79.

"effective interruptible power": The value in kilowatts of the average power reductions over all the critical peak events. The effective interruptible power is calculated after the winter period.

"peak hours": All hours from 06:00 to 09:00 and from 16:00 to 20:00 during the winter period, excluding:

- a) Saturdays and Sundays;
- b) December 24, 25, 26 and 31, January 1 and 2, as well as Good Friday and Easter Monday when the latter fall within the winter period.

"power reduction": The value in kilowatts of the difference between reference power and real power during the critical peak event. This value cannot be negative.

"real power demand during critical peak event": The value in kilowatts of the service contract's average real power demand during the critical peak event.

"reference period": Depending on whether the critical peak event occurs in the morning or evening, the peak period between 06:00 and 09:00 or between 16:00 and 20:00 during which there was no critical peak event.

“reference power”: A value in kilowatts estimated from linear regressions of the service contract’s average real power demand based on the customer’s normal consumption profile and of the average temperature during the reference period. Hydro-Québec may adjust the reference power as needed to better reflect the customer’s normal consumption profile.

Sign-up procedure

4.75

To sign up for this option, the customer must submit a written request to Hydro-Québec by September 30. After analysis, Hydro-Québec may ask that modifications be made to the request.

Hydro-Québec notifies the customer in writing of its decision to accept or deny the request. If it is accepted, the parties must sign an agreement for the coming winter period, specifying the service contract covered and the weather station closest to the delivery point.

Eligibility

4.76

For the contract to be eligible for this option, the following conditions must be met:

- a) Metering must be done by a communicating meter installed by Hydro-Québec. However, this provision may not be interpreted as an obligation on the part of Hydro-Québec to install a communicating meter for a customer who does not have one. Hydro-Québec also reserves the right to terminate a customer’s enrollment in this option in the event of recurring problems in gathering hourly metering data;
- b) The customer must not be served by an off-grid system or a municipal system;
- c) The customer must not benefit, for the same service contract, from the rates or options described in sections 3, 6, 11 and 12 of this chapter, nor from Rate CB described in Chapter 7;
- d) The customer must not benefit, for the same service contract and during a winter period, from the conditions described in sections 4 and 5 of this chapter.

Limitation

4.77

Hydro-Québec reserves the right to limit the total amount of power it intends to avail itself of under this option, depending on its system management needs. If the power available exceeds its needs for a given period, it may restrict the number of new sign-up requests it accepts on a first-come, first-served basis.

Conditions applicable to critical peak events **4.78**

Critical peak events may occur at any time during peak hours. They must meet the following conditions:

Maximum number of events per day: 2

Minimum interval between 2 events (hours): 7

Event duration (hours): 3-4

Maximum total event duration per winter period (hours): 100

Critical peak event notifications **4.79**

Hydro-Québec notifies the customer's designated contact(s) in writing, informing them of the event start and end date and times.

Critical peak event notifications will be transmitted as follows:

- No later than 15:00 on the business day preceding any critical peak event scheduled for 06:00 to 09:00;
- No later than 12:00 on the day of any critical peak event scheduled for 16:00 to 20:00;
- No later than 15:00 on the business day preceding 2 critical peak events scheduled for 06:00 to 09:00 and 16:00 to 20:00 on the same day.

To check the proper transmission of critical peak event notifications, Hydro-Québec will send 2 test notifications to the email addresses provided by the customer on the first and third Tuesdays in November. For these tests, no demand reduction measures have to be implemented, and no credit will be granted.

Hydro-Québec cannot be held responsible for non-receipt of a critical peak event notification due to an erroneous email address provided by the customer or technical problems experienced by the customer or their telecommunications provider.

Credit **4.80**

The credit applicable for the winter period is as follows:

- \$75 per kilowatt of effective interruptible power for an average power demand reduction ranging from 10 kilowatts to 100 kilowatts;

- \$65 per kilowatt of effective interruptible power for an average power demand reduction ranging from more than 100 kilowatts to 400 kilowatts;
- \$60 per kilowatt of effective interruptible power for an average power demand reduction ranging from more than 400 kilowatts to 1,200 kilowatts;
- \$55 per kilowatt of effective interruptible power for a power demand reduction exceeding 1,200 kilowatts.

For the winter period of December 1, 2023, to March 31, 2024, the applicable credit corresponds to the higher of the amounts obtained by applying one of the following credit structures:

- \$75 per kilowatt of effective interruptible power for an average power demand reduction ranging from 10 kilowatts to 100 kilowatts;
- \$65 per kilowatt of effective interruptible power for an average power demand reduction ranging from more than 100 kilowatts to 400 kilowatts;
- \$60 per kilowatt of effective interruptible power for an average power demand reduction ranging from more than 400 kilowatts to 1,200 kilowatts;
- \$55 per kilowatt of effective interruptible power for a power demand reduction exceeding 1,200 kilowatts;

or

- \$71.025 per kilowatt of effective interruptible power for an average power demand reduction ranging from 10 kilowatts to 199 kilowatts;
- \$65.561 per kilowatt of effective interruptible power for an average power demand reduction ranging from more than 199 kilowatts to 599 kilowatts;
- \$60.098 per kilowatt of effective interruptible power for an average power demand reduction ranging from more than 599 kilowatts to 1,199 kilowatts;
- \$54.635 per kilowatt of effective interruptible power for an average power demand reduction ranging from more than 1,199 kilowatts to 1,799 kilowatts;
- \$49.171 per kilowatt of effective interruptible power for a power demand reduction exceeding 1,799 kilowatts.

No credit is granted if the effective interruptible power is less than 10 kilowatts.

If Hydro-Québec does not send any critical peak event notifications under Article 4.79 during the winter period, it will grant the customer an amount equal to the lesser of the following values:

- 15% of the contract's maximum power demand for the winter period multiplied by \$66 per kilowatt; or
- \$20,000.

If no power demand reduction is noted during more than 4 critical peak events in a given winter period while the service contract is active, Hydro-Québec reserves the right not to grant any credit to the customer.

The amount of the credit will be confirmed to the customer by the third billing cycle following the winter period in which the events took place.

For the winter period of December 1, 2023, to March 31, 2024, the amount of the credit will be confirmed to the customer by September 1, 2024.

The customer will have access to a report titled *Details of the credit applied to the bill* through their Customer space.

Hydro-Québec may deduct from the credit any amount owed to it by the customer.

Termination

4.81

A customer who no longer wishes to benefit from this option must notify Hydro-Québec by calling customer services.

The option ceases to apply the day after Hydro-Québec is notified by the customer, and no credit is granted.

This article does not, however, apply if the customer terminates the service contract during the winter period.

CHAPTER 2

DOMESTIC RATES

SECTION 10

DEMAND RESPONSE OPTION

Application	2.75
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The Demand Response Option described in Section 13 of Chapter 4 applies to the Rate DM or DP contract of a customer who is able to reduce power demand during the winter period at Hydro-Québec's request.

Termination	2.76
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A customer who no longer wishes to benefit from this option must notify Hydro-Québec by calling customer services.

The option ceases to apply the day after Hydro-Québec is notified by the customer, and no credit is granted.

This article does not, however, apply if the customer terminates the service contract during the winter period.

CHAPTER 3

RATES FOR SMALL POWER

SECTION 6

DEMAND RESPONSE OPTION

Application **3.33**

The Demand Response Option described in Section 13 of Chapter 4 applies to the Rate G contract of a customer who is able to reduce power demand during the winter period at Hydro-Québec's request.

The customer must not benefit, for the same service contract, from the Winter Credit Option for Rate G customers described in Section 3 of this chapter.

Termination **3.34**

A customer who no longer wishes to benefit from this option must notify Hydro-Québec by calling customer services.

The option ceases to apply the day after Hydro-Québec is notified by the customer, and no credit is granted.

This article does not, however, apply if the customer terminates the service contract during the winter period.

CHAPTER 6

LARGE-POWER OPTIONS

SECTION 8

DEMAND RESPONSE OPTION

Application **6.69**

The Demand Response Option described in Section 13 of Chapter 4 applies to the Rate LG or Rate H contract of a customer who is able to reduce power demand during the winter period at Hydro-Québec's request.

The customer must not benefit, for the same service contract, from any of the Interruptible Electricity Options described in Section 4 of this chapter, nor from Rate CB described in Chapter 7.

The customer must not benefit, for the same service contract and during the winter period, from the conditions described in sections 6 and 7 of Chapter 5.

Termination **6.70**

A customer who no longer wishes to benefit from this option must notify Hydro-Québec by calling customer services.

The option ceases to apply the day after Hydro-Québec is notified by the customer, and no credit is granted.

This article does not, however, apply if the customer terminates the service contract during the winter period.