Hydro Québec

Conditions of Service

2026

Hydro-Québec's conditions of service for its electricity distribution activities, effective October 1st, 2026.

Approved by the Régie de l'énergie in decision D-2026-078.

The Régie de l'énergie has exclusive jurisdiction to establish or modify Hydro-Québec's conditions of service following public hearings. For more information about its role and mission, please see its website at **www.regie-energie.qc.ca/fr**. The *Act respecting the Régie de l'énergie* can also be consulted at **www.legisquebec.gouv.qc.ca/en/document/cs/R-6.01**.

This edition of the *Conditions of Service* replaces the *Conditions of Service* effective April 1st, 2019, under Régie de l'énergie decision D-2019-037 and modify by decisions D-2020-019, D-2021-026, D-2021-160, D-2022-079 and D-2023-002.

Use of the word "you" to designate the customer is solely meant to facilitate the reading of this text.

If you disagree with the application of the provisions in this document, you may file a complaint with Hydro-Québec by following the procedures established by Hydro-Québec and approved by the Régie de l'énergie in decision D-2018-172 of November 26, 2018, docket R-3964-2016. If you disagree with Hydro-Québec's decision regarding your complaint, you may ask the Régie de l'énergie for a review under Chapter 7 of the *Act respecting the Régie de l'énergie* (sections 86 to 101).

The complaint examination procedures are enclosed with these *Conditions of Service*.

In this document, all costs and charges are shown in quotation marks and explained in Chapter 20, while terms in italics are defined in Chapter 21. A PDF version of this document and the complaint examination procedures can be found on the Hydro-Québec website at **www.hydroquebec.com/conditions-of-service**.

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Table of Contents

PART I – GENERAL PROVISIONS

CHAPTER 1

Scope of Application 9

1.1 Scope of application 9

1.2 Request for cryptographic use applied to blockchains submitted under the process for allocating the balance of the dedicated block 9

PART II – ELECTRICITY SERVICE CONTRACT

CHAPTER 2

Electricity Service Request 11

2.1 Electricity service request 11

2.2 Start of contract 12

2.3 No use of electricity without contract 12

2.4 Multiple customers responsible for a single contract 12

CHAPTER 3

Metering of Electricity 13

3.1 Metering equipment supplied by Hydro-Québec 13

3.2 Metering by a non-communicating meter 13

3.2.1 Request for a *non-communicating meter* 13

3.2.2 Installation of a *communicating meter* during the term of the *contract* 14

3.2.3 Request for a *communicating meter* 15

CHAPTER 4

Billing 15

4.1 Consumption data used to establish your bill 15

4.1.1 Collection of consumption data 15

4.1.2 Billing based on an estimate of consumption 16

4.2 Sending of bills 16

4.2.1 Frequency 16

4.2.2 Late billing 16

4.3 Bill payment and charges for non-payment or insufficient funds 17

4.3.1 Amount payable and due date 17

4.3.2 Responsibility for bill payment 17

4.3.3 Accepted payment methods 17

4.3.4 *Non-payment* ... 18
4.3.5 Insufficient funds ... 18
4.4 Billing under the Equalized Payments Plan ... 18
4.5 Correction of billing errors ... 20

CHAPTER 5
Termination of Contract ... 22
5.1 Terms and conditions of contract termination ... 22
5.1.1 Termination by the person responsible for the *contract* ... 22
5.1.2 Termination of *contract* by Hydro-Québec ... 23
5.2 Terms and conditions for continuous electricity service ... 23
5.2.1 Continuation or interruption of *electricity service* at a rental property *service address* by request of the owner ... 23
5.3 Interruption of electricity service at the owner's request ... 25

CHAPTER 6
Security Deposit ... 25
6.1 Situations in which Hydro-Québec may require a deposit ... 25
6.1.1 Deposit for *domestic-use contracts* ... 25
6.1.2 Deposit for non-domestic-use *contracts* ... 26
6.1.3 Deposit required if service is interrupted for *non-payment* ... 27
6.1.4 Mandatory information to be provided when Hydro-Québec requires a deposit ... 27
6.2 Deposit amount and payment method ... 27
6.3 Interest on deposit ... 28
6.4 Use of deposit by Hydro-Québec ... 28
6.5 Holding and reimbursement of deposit ... 28

CHAPTER 7
Service Interruption and Restoration ... 29
7.1 Refusal or interruption of service by Hydro-Québec ... 29
7.1.1 Interruption of service without notice ... 29
7.1.2 Service interruption with notice ... 29
7.1.3 Continuation or restoration of service during *winter period* ... 30
7.2 Notices given prior to interruption of electricity service ... 30
7.2.1 Overdue notice ... 30
7.2.2 Notice of interruption of *electricity service* ... 31
7.2.3 Notice given where access to Hydro-Québec's equipment is controlled by a third party or if the interruption affects other *customers* scheduled to undergo a voltage conversion ... 31
7.3 Charges arising from electricity service interruption ... 31

PART III – CONNECTION REQUESTS

CHAPTER 8

Submission of Connection Request and Determination of Work Included in Basic Service 33

8.1 Connection request 33
8.1.1 *Connection request* 33
8.1.2 Work included in *basic service* 34
8.2 Criteria for application of basic service to distribution service loop 36
8.2.1 Cases in which *basic service* is applicable to the *distribution service loop* 36
8.2.2 Items included in *basic service* for a *distribution service loop* 36
8.2.3 Method for determining the length of the *distribution service loop* 37
8.2.4 Cases in which the distribution service loop is not provided 37
8.2.5 Cases in which the connection is provided by the customer (service entrance) 37
8.3 Criteria for application of basic service to a distribution line extension 38
8.3.1 Extension of an overhead *distribution line* (request for supply of less than 5 MW, including *installed load*) 38
8.3.2 Extension of an underground *distribution line* (request for supply of less than 5 MW, including *installed load*) 38
8.4 Criteria for application of basic service to a distribution line modification 39
8.4.1 Modification of an overhead *distribution line* (request for supply of less than 5 MW, including *installed load*) 39
8.4.2 Modification of an underground *distribution line* (request for supply of less than 5 MW, including *installed load*) 40
8.5 Securing of the power distribution system 40

CHAPTER 9

Calculation of the Amount to Be Paid for Work Not Included in Basic Service 40

9.1 Methods for calculating the cost of work 40
9.1.1 Additional costs and charges 41
9.1.2 Application of the *detailed cost-of-work calculation* 41
9.2 Calculation of amount to pay for work on a distribution service loop 42
9.2.1 Overhead *distribution service loop* 42
9.2.2 Underground *distribution service loop* 42
9.3 Calculation of amount to pay for modification of a *distribution service loop* 43
9.3.1 Modification, relocation or replacement of an overhead *distribution service loop* 43
9.3.2 Modification, relocation or replacement of an underground *distribution service loop* 44
9.4 Calculation of amount to pay for distribution line extension 44
9.4.1 Overhead *distribution line* extension 44
9.4.2 Extension of an underground *distribution line* for a *residential project* where transformers and disconnect switches are not underground 45
9.4.3 Underground *distribution line* extension for any other project 46

9.5 Calculation of amount to pay for distribution line modification ... 47
9.5.1 Overhead *distribution line* modification ... 47
9.5.2 Underground *distribution line* modification ... 47
9.6 Calculation of amount to pay for distribution line relocation ... 47
9.7 Other amounts to pay ... 47
9.7.1 Cost of *medium-voltage metering equipment* for a single-phase *small-power* installation ... 47
9.7.2 Optional equipment and backup line ... 48
9.7.3 Service for power demand less than 2 kW ... 48
9.7.3.1 Billing demand less than 2 kW ... 49
9.7.4 *Temporary supply* ... 49
9.7.5 Special charge for connecting to an *off-grid system* ... 49
9.7.6 Securing of the *power distribution system* ... 50
9.7.7 *Electrical installation* for *cryptographic use applied to blockchains* ... 50
9.7.8 Work required as a result of customer activities following initial energizing ... 50

CHAPTER 10

Processing of Connection Requests ... 50

10.1 Processing of a connection request according to the work to be done ... 50
10.1.1 *Flat-fee work* ... 50
10.1.2 *Minor work* ... 51
10.1.3 *Major work* ... 52
10.1.4 Prices applicable ... 53
10.1.5 Terms of payment ... 53
10.1.6 Withdrawal of a *connection request* ... 54
10.2 Customer's commitments for a connection request for available power of less than 5 MW, including installed load ... 56
10.3 Financial guarantee for an electrical installation of 1,000 kW or more ... 56
10.4 Refund for addition of an electrical installation on a distribution line ... 57
10.5 Joint-use credit ... 59

PART IV – RIGHTS AND OBLIGATIONS OF HYDRO-QUÉBEC AND ITS CUSTOMERS

CHAPTER 11

Communication of Information ... 61

11.1 Information on conditions of service ... 61
11.2 Means of communication between Hydro-Québec and its customers ... 61
11.3 Contract and billing information ... 61
11.4 Notification in the event of technical malfunction ... 62
11.5 Medium- or high-voltage supply ... 62
11.6 Hydro-Québec obligation regarding promotional activities ... 62

CHAPTER 12

Quality and Continuity of Service 63

12.1 Operation of the power distribution system 63
12.2 Limited liability of Hydro-Québec 63
12.3 Protection against electrical incidents 63
12.4 No guarantee 63

CHAPTER 13

Use of Electricity and Connection of Equipment and Appliances 64

13.1 Resale of electricity 64
13.2 Inappropriate use of electricity 64
13.3 Interfering with Hydro-Québec equipment 64
13.4 Tampering with the electrical installation or metering equipment 64
13.5 Hydro-Québec use of customer telecommunications circuits 64
13.6 Metering points 65
13.6.1 Separate *service contract* and metering for each *delivery point* 65
13.6.2 Overall metering in a *building* 65
13.6.3 Metering of electricity in apartment *buildings*, *community residences* and *rooming houses* 65
13.7 Metering equipment supplied by Hydro-Québec 65
13.8 Customer's instrument transformers 66
13.9 Actions requiring prior authorization 66

CHAPTER 14

Ownership of Facilities and Equipment and Right of Access 67

14.1 Ownership of facilities and equipment 67
14.2 Installation of equipment 67
14.3 Hydro-Québec access to its equipment 68
14.4 Compliance with clearance standards 69
14.5 Safety of persons and property 69

PART V – TECHNICAL SPECIFICATIONS

CHAPTER 15

Modes of Supply 71

15.1 Delivery of electricity by Hydro-Québec 71
15.1.1 Frequency and voltage 71
15.1.2 Limitations and conditions of supply 71
15.1.3 Supply directly from the *distribution line* or from a *distributing substation* 71
15.1.4 Use of *distributing substation* 71

15.2 Technical requirements 72
15.2.1 Customer's electrical installation 72
15.2.2 Review of *available power* authorized 72
15.2.3 Supply from more than one *distribution line* 73
15.2.4 Supply from a *medium-voltage* underground *distribution line* 73
15.2.5 Protection for backup generator 73
15.2.6 Connection of generating equipment 73
15.2.7 Coordination of protective equipment 73
15.2.8 *Customer* obligations regarding *power factor* 73
15.2.9 *Customer* obligations regarding inrush current 74
15.3 Excessive current demand 74

CHAPTER 16
Supply Voltages 75
16.1 Low voltage 75
16.1.1 Supply voltages available 75
16.1.2 Conversion of 3-wire 600 V 75
16.2 Medium-voltage supply 76
16.2.1 Maximum allowed current for three-phase supply at *medium voltage* 76
16.2.2 Equipment installed for conversion to 25-k V supply 76
16.2.3 Conversion of supply voltage to 25 kV 76

PART VI – LARGE-POWER CUSTOMERS

CHAPTER 17
Credit Risk for Large-Power Customers 79
17.1 Application 79
17.2 Establishment of customer's credit risk 79
17.2.1 Risk level based on credit ratings 79
17.2.2 Risk level based on score assigned by Hydro-Québec 79
17.2.3 Review of score assigned by Hydro-Québec 80
17.3 Particular terms and conditions for risky or high-risk contracts 81
17.3.1 Notice to *customer* 81
17.3.2 Payment period for a *risky contract* 81
17.3.3 Deposit or payment guarantee 81
17.3.4 Payment frequency for a *high-risk contract* 82
17.3.5 Termination of special terms and conditions 82

CHAPTER 18

Hydro-Québec Credit Risk Assessment Criteria 82

18.1 Method used by Hydro-Québec to determine credit score 82

18.1.1 Scorecard used by Hydro-Québec to establish the credit score 82

18.1.2 Definitions of assessment criteria 84

CHAPTER 19

Types of Supply for Connection Requests for Available Power of 5 MW or more, including installed load 86

19.1 Connection request for 5 MW or more, including installed load 86

19.1.1 Overhead service 86

19.1.2 Underground service 86

19.2 Customer commitments for a connection request for available power of 5 MW or more, including installed load 87

19.2.1 *Customer* commitments related to cost of work 87

19.2.2 *Customer* commitments related to *energy efficiency* 87

19.2.3 *Customer* commitments related to demand response 87

PART VII – COSTS AND CHARGES RELATED TO ELECTRICITY SERVICE

CHAPTER 20

Costs and Charges 89

20.1 General charges, flat-fee work prices and special metering charges 89

20.1.1 General charges 89

20.1.2 Prices for *flat-fee work* 90

20.1.3 Special Metering Charges 91

20.2 Prices for major and minor work – System extension and modification 92

20.2.1 Prices for overhead *service loops* 92

20.2.2 Price per metre for overhead line extension 93

20.2.3 Prices for overhead works 94

20.2.4 Prices for overhead equipment 95

20.2.5 Unit prices for underground service for *residential projects* 97

20.2.6 Prices for cable work 99

20.2.7 Prices for risers 99

20.2.8 Prices for assembly of an underground *cable section* 100

20.2.9 Price per metre of underground cable 101

20.2.10 Price for underground transformers 101

20.2.11 Prices for underground switchgear 103

20.2.12 Prices for *temporary supply* 104

20.2.13 Allowances, rates and prospective cost of capital 105

PART VIII – TERMINOLOGY AND APPLICABLE UNITS OF MEASUREMENT

CHAPTER 21
Definitions, Interpretation and Units of Measurement 107
21.1 Definitions and interpretation 107
21.2 Units of measurement 114

SCHEDULES AND ILLUSTRATION

Schedule I
Information Required from the Customer 115

Schedule II
Public Bodies and Financial Institutions 117

Schedule III
Supply Voltage Conversion 118

Schedule IV
Calculation of Cost of Work 120

Schedule V
Calculation of Prices for Extension or
Modification of an Underground Distribution Line 123

Illustration
Components of the Power Distribution System 127

I

General Provisions

CHAPTER 1

Scope of Application

1.1 Scope of application

The provisions contained herein establish Hydro-Québec's *Conditions of Service*.

These conditions apply to all *customers* of Hydro-Québec. However, they do not apply to *electricity service* exceeding 1,000 kilovoltamperes (kVA) from an *off-grid system*.

Unless explicitly stated otherwise, these conditions of service apply to:

a) any *contract* in effect as at October 1, 2026, or entered into on or after October 1, 2026; and

b) any request for modification or other work on Hydro-Québec equipment received on or after October 1, 2026; and

c) any *connection request* where the *contribution agreement*, the *proposal for minor work* or the *agreement for major work* was signed after September 31, 2026.

In the case of *connection requests* for *available power* of 5 megawatts (MW) or more, including the *installed load*, these *Conditions of Service* apply with the necessary adjustments.

Before the work begins, you must enter into a *written* agreement with Hydro-Québec that states the applicable conditions, in particular:

a) the anticipated date on which service to your *electrical installation* will first be established;

b) a description of the work to be done by Hydro-Québec and the related options;

c) your financial contribution and the terms of payment;

d) your power commitment;

e) the financial guarantees you will provide;

f) conditions regarding postponement or withdrawal of your *connection request*;

g) if Hydro-Québec must request authorization from the Ministère de l'Économie, de l'Innovation et de l'Énergie to deliver electricity to you, your demand response commitments;

h) if Hydro-Québec must request authorization from the Ministère de l'Économie, de l'Innovation et de l'Énergie to deliver electricity to you, your *energy efficiency* commitments.

1.2 Request for cryptographic use applied to blockchains submitted under the process for allocating the balance of the dedicated block

This section is temporarily suspended.

~~The provisions of these *Conditions of Service* apply to *service requests*, requests for modification of an existing *service contract*, and *connection requests* for an *electrical installation* where at least 50 kilowatts (kW) of *installed capacity* will be dedicated to *cryptographic use applied to blockchains*.~~

Any quantity of power and associated *energy* in connection with the *dedicated block* that is released by the withdrawal of a *service request* or by the termination of an existing *contract* will be added to the balance of the *dedicated block*.

Posting of the balance of the *dedicated block*	A single request may be made per project. If the request is incomplete, contains incorrect information or does not cover the entire quantity of power eligible for reallocation, it will be denied. A separate request must be made for each new posting of a quantity of power and associated *energy* eligible for reallocation.
Request processing	Once you submit your request, Hydro-Québec must obtain authorization from the competent authorities to distribute electricity to you or to allocate a quantity of power for *cryptographic use applied to blockchains* to you, as applicable. If Hydro-Québec obtains such authorization from the competent authorities, it will continue to process your request based on the terms and conditions of these *Conditions of Service*, making any adjustments necessary to comply with the conditions of the authorization, if applicable.

Electricity Service Contract

CHAPTER 2

Electricity Service Request

2.1 Electricity service request

To receive *electricity service*, you must submit a *service request* to Hydro-Québec. This request, which may also be submitted by your duly authorized representative, will establish the characteristics of the *contract* for which you will be responsible. Here are the steps to follow:

Request *in writing* or by telephone	a) In all cases, you may send your request *in writing*. b) You may also apply by phone if all of the following conditions are met: • the *service contract* is at a *domestic rate* or the *small-power rate*; • the *service contract* is for an existing *electrical installation*.

Mandatory information	Your *service request* must include the mandatory information prescribed in Schedule I. If you do not provide this information or if you provide incorrect information, Hydro-Québec may deny your request. Hydro-Québec reserves the right to demand that you provide all supporting documents to demonstrate how electricity will be used.

Applicable charges	a) If you submit your *service request* using one of Hydro-Québec's *self-service* options, you will not be charged any fees. a) If you submit your *service request* by any other means, the "contract administration charge – for request submitted by other means," indicated in Table A.1, Chapter 20, will be charged to you once your *service request* has been accepted.

Acceptance of your request	If your request is accepted: a) Hydro-Québec sends you *written* confirmation of the principal characteristics of your *contract*. You must check this information and immediately notify Hydro-Québec of any corrections needed under Section 11.3. b) Hydro-Québec informs you of the *energy efficiency* and demand response measures that your *contract* could be eligible for, if any. c) You must fulfill the obligations set out in these *Conditions of Service* and in the *Rates*. Hydro-Québec may deny your *service request* in the following cases: a) A *customer* owes money to Hydro-Québec and continues to receive *electricity service* at the *service address* wich is the subject of your *service request*; b) The purpose of your request is to avoid having a condition provided for in the *Rates* or in these *Conditions of Service* from being applied to you or to another *customer*.

When you submit a *service request*, Hydro-Québec may require you to provide a deposit. The criteria for application of a deposit are presented in Chapter 6.

2.2 Start of contract

Electricity consumed is billed to you from the start of your *contract*, that is:

a) the date you agreed on with Hydro-Québec; or

b) the date on which service is first established, in the case of a new *electrical installation*.

2.3 No use of electricity without contract

Whether you are the occupant, tenant, owner or administrator of the *service address*, you may not use the electricity delivered to that address without a *contract*. If you do, you have the same obligations as a *customer*, which means that you must comply with the obligations set out in these *Conditions of Service* and in the *Rates*, and that Hydro-Québec may require that you pay the cost of electricity consumed, in addition to any applicable charges.

2.4 Multiple customers responsible for a single contract

Multiple *customers* may be responsible for a single *contract*, subject to the following conditions:

a) To add an additional *customer* to an existing *contract*, you must submit a new *service request*.

b) If one of the *customers* wishes to withdraw from the *contract*, Hydro-Québec must be notified. The *contract* then continues, with the necessary adjustments, for the other *customer(s)* responsible, and Hydro-Québec sends each of them a *written* notice to that effect.

CHAPTER 3

Metering of Electricity

3.1 Metering equipment supplied by Hydro-Québec

Electricity delivered to you is metered by *metering equipment* chosen, supplied and installed by Hydro-Québec. The *communicating meter* is Hydro-Québec's standard metering option.

3.2 Metering by a non-communicating meter

3.2.1 Request for a *non-communicating meter*

You may submit a request for a *non-communicating meter* at any time, whether at the time of submitting your *service request* or later during the term of your *contract*. Such *meters* require manual reading, for which the conditions are described in Section 4.1.

Conditions	Your request for a *non-communicating meter* will be accepted if all of the following prior conditions are met: a) The *electrical installation* at the *service address* must be single-phase and rated 400 amperes (A) or less. b) There must have been no billing of demand for the *contract* in the previous 12 monthly periods. c) You must have taken the necessary steps and obtained the necessary authorizations enabling Hydro-Québec to access the property for the reasons and under the conditions stated in Section 14.3. d) If an interruption of service notice under any of paragraphs a) to d) of Section 7.1.2 was sent to you in the 45 *days* preceding your request, you must have entered into a *payment arrangement* with Hydro-Québec or have entirely remedied the situation that led to the notice, as the case may be. e) Hydro-Québec must not have interrupted your service during the past 24 *months* under any of paragraphs a) to d) of Section 7.1.2 for any of your *contracts*. f) There must not have been any tampering with *metering equipment* or any other Hydro-Québec equipment and *electricity service* must not have been impeded in the past 24 *months* for any of your *contracts*. g) There must not have been any *cryptographic use applied to blockchains* in the past 24 *months* for any of your *contracts*.

Initial installation charge	You will be billed the "initial installation charge" indicated in Table A.1, Chapter 20, for installation of the requested *non-communicating meter*. This charge applies for each *non-communicating meter* to be installed. If a *non-communicating meter* is already in place at the time of your request, you do not have to pay the "initial installation charge" and Hydro-Québec will maintain the *non-communicating meter* until the end of your *contract* unless, during the term of your *contract*, you submit a request for a *communicating meter.*

Subsequent monthly charge	Once the *non-communicating meter* is installed, you must pay the "monthly *meter* reading charge prorated according to billing cycle," as indicated in Table A.1, Chapter 20, until such time as the *meter* is replaced by a *communicating meter*.

3.2.2 Installation of a *communicating meter* during the term of the *contract*

During the term of the *contract*, Hydro-Québec may install a *communicating meter* in the following situations:

Interruption of *electricity service*	If Hydro-Québec has interrupted your *electricity service* in the past 24 *months* under any of paragraphs a) to d) of Section 7.1.2 for a *contract* for which you are responsible, Hydro-Québec may, with no further notice, install *communicating meters* at all *delivery points* covered by your *contracts*.

***Meter* tampering**	If the *metering equipment* or any other Hydro-Québec equipment has been tampered with or if *electricity service* has been impeded in the past 24 *months* for a *contract* for which you are responsible, Hydro-Québec may, with no further notice, install a *communicating meter* at all *delivery points* covered by your *contracts*.

Billing of demand	If there is billing of demand according to the threshold stipulated in the *Rates* during a given *consumption period*, Hydro-Québec will notify you *in writing* that you are no longer eligible for the *non-communicating meter*. Hydro-Québec may then, without further notice, install a *communicating meter* at the *delivery point* in question.

Cryptographic use applied to blockchains	If Hydro-Québec becomes aware that, under a *contract* for which you are responsible, the electricity is being used for *cryptographic use applied to blockchains*, or was used for that purpose in the past 24 *months*, Hydro-Québec may, with no further notice, install a *communicating meter* at the relevant *delivery point*.

In all of these situations, the "monthly *meter* reading charge prorated according to billing cycle" no longer applies.

3.2.3 Request for a *communicating meter*

If your *service address* is equipped with a *non-communicating meter*, you may at any time ask Hydro-Québec to install a *communicating meter* at no charge. The "monthly *meter* reading charge prorated according to billing cycle," as indicated in Table A.1 of Chapter 20, then no longer applies.

CHAPTER 4

Billing

4.1 Consumption data used to establish your bill

4.1.1 Collection of consumption data

To calculate your bill, Hydro-Québec collects consumption data from your *meter* as follows:

a) If your *service address* is equipped with a *communicating meter*, the data are obtained according to the billing frequency indicated in Section 4.2.1, unless you are enrolled in the Equalized Payments Plan described in Section 4.4.

b) If your *service address* is equipped with a *communicating meter* and you are enrolled in the Equalized Payments Plan described in Section 4.4, the consumption data are obtained as follows:
   - about once every 60 *days* if your *contract* is at a rate under which only *energy* consumption is billed;
   - about every 30 *days* if your *contract* is at a rate under which both *energy* consumption and power demand are billed.

c) If the *meter* at your *service address* requires an employee to go to your premises to read the *meter*, the minimum travel frequency is as follows:
   - at least once a year if only *energy* is billed;
   - about every 30 *days* if both *energy* consumption and power demand are billed;
   - at least once a year if the *electrical installation* is remote or difficult to access;
   - there is no minimum frequency if the *meter* is inaccessible or Hydro-Québec does not have the accesses provided for in Section 14.3.

If your *contract* is at a rate where only *energy* is billed, you may take the *meter* reading yourself and send it to Hydro-Québec for use in preparing your bill. A Hydro-Québec employee will nevertheless come to your location at least once a year to read the *meter*.

4.1.2 Billing based on an estimate of consumption

Actual consumption data unavailable	If your actual consumption data are not available on the billing *day*, Hydro-Québec prepares your bill based on an estimate. It then applies any necessary adjustments to a subsequent bill after obtaining your actual consumption data.

***Meter* inaccessible**	If Hydro-Québec does not have access to the *meter* in accordance with Section 14.3, billing will be based on an estimate until Hydro-Québec is able to obtain the consumption data by taking the *meter* reading.

How your consumption is estimated	If Hydro-Québec has to estimate your *energy* consumption or power demand, one of the following will be used: a) past consumption at that *service address*; b) an inventory of your electrical appliances and/or equipment, and estimates of their average use; c) data from metering tests conducted by Hydro-Québec; d) any other means or combination of means for establishing or estimating your *energy* consumption or power demand.

4.2 Sending of bills

4.2.1 Frequency

Hydro-Québec sends you bills as follows:

a) About once every 30 *days*:
- if you are enrolled in the Equalized Payments Plan described in Section 4.4; or
- if your *contract* is at a rate under which both *energy* consumption and power demand are billed; or
- if your *contract* is at a flat rate.

b) About once every 60 *days*:
- if your *contract* is at a rate under which only *energy* consumption is billed and you are not enrolled in the Equalized Payments Plan described in Section 4.4.

4.2.2 Late billing

If the interval between bills exceeds 90 *days* for a *contract* under which only *energy* consumption is billed, or 35 *days* for a *contract* under which both *energy* consumption and power demand are billed:

a) Hydro-Québec will accept payment in 2 installments, 21 *days* apart, without charging the "administration charge" provided for in Table A.2 of Chapter 20. The first installment is due no later than 21 *days* after the billing date, and the second 21 *days* after the due date of the first installment; or

b) Hydro-Québec may work out a *payment arrangement* with you, without charging the "administration charge" provided for in Table A.2 of Chapter 20.

4.3 Bill payment and charges for non-payment or insufficient funds

4.3.1 Amount payable and due date

When Hydro-Québec sends you a bill, the amount due must be paid in full, in Canadian dollars, no later than 21 *days* after the billing date.

You may not deduct from your bill an amount owed to you by Hydro-Québec or related to a claim which you have presented to or which you allege against Hydro-Québec.

4.3.2 Responsibility for bill payment

Every customer is responsible for paying the bills that Hydro-Québec sends them.

Where multiple persons are responsible for a single *contract*, each *customer* is responsible for payment of the bill in full. In the event of *non-payment*, Hydro-Québec may claim the amount due from any of the persons responsible for the *contract*.

4.3.3 Accepted payment methods

Payment methods	You must pay your bill in one of the following ways: a) by mail directly to Hydro-Québec; b) online directly to Hydro-Québec; c) through one of the following authorized agents: • Canadian Imperial Bank of Commerce (CIBC); • Bank of Montreal (BMO); • Laurentian Bank of Canada; • National Bank; • Royal Bank of Canada (RBC); • Bank of Nova Scotia (Scotiabank); • Toronto-Dominion Bank (TD-Canada Trust); • Fédération des Caisses Desjardins du Québec. Payment through a third party must be made by one of the methods mentioned above and must not give rise to any expense for Hydro-Québec.

Receipt of payment	Your payment is considered made on the date on which it is received by Hydro-Québec or by one of the authorized agents listed in this section, as the case may be.

4.3.4 *Non-payment*

Applicable administration charge	If you do not pay a bill by its due date by one of the methods described in Section 4.3.1, your account is *in default*. An "administration charge" will then be applied to the unpaid balance at the applicable rate indicated in Table I-A, Chapter 20, and in effect on the due date of your bill.

Deposit requirement	If your account is *in default*, Hydro-Québec may ask you for a deposit. For more information on this topic, see Chapter 6.

Possible interruption of *electricity service*	If your account is *in default*, Hydro-Québec may send you notices and your *electricity service* could be interrupted. For more information on this topic, see Chapter 7.

4.3.5 Insufficient funds

If Hydro-Québec is advised that payment cannot be made because of insufficient funds, the "charge for insufficient funds per rejected transaction" provided for in Table A.1, Chapter 20, will be applied. Such a circumstance can put your account *in default*.

4.4 Billing under the Equalized Payments Plan

You may apply to enroll in the Equalized Payments Plan (EPP), which spreads your anticipated electricity costs over a year.

Eligibility	Except *large-power contracts*, any *contract* is eligible for the Equalized Payments Plan if your account does not have a balance owing.

Calculation of monthly installment	Hydro-Québec estimates your electricity cost for the following year and divides it into 12 equal monthly installments, the amount of which is reviewed annually. a) Installment calculated at the time of enrollment in the Equalized Payments Plan: If you enroll between two annual reviews, your monthly installment will be based on the number of *months* remaining until the next annual review by Hydro-Québec. b) Annual review of your installment by Hydro-Québec: After each period of 12 consecutive *months*, Hydro-Québec reviews your annual electricity cost based on your actual consumption. It uses this revision to determine the amount of the installments you will pay for the following 12 *months*. c) Interim review by Hydro-Québec: If Hydro-Québec expects a substantial discrepancy between the monthly installments billed to you and the cost of your actual consumption, as a result of a rate adjustment, for example, it may perform an interim review between annual reviews, especially in cases where no consumption history is available. d) Installment adjustment by the *customer*: You can track your electricity consumption and adjust your installment from your Customer Space at any time. You can also call to request an adjustment. By doing so, you can avoid having a balance to pay following your annual review.

Payment of a balance owed to Hydro-Québec	If you have a balance to pay following the annual review, Hydro-Québec: a) will agree to spread the balance out over 12 *months,* with no "administration charge"; b) may also work out a *payment arrangement* with you.

Cancellation	Your enrollment in the Equalized Payments Plan will be cancelled: a) at any time when you so request; or b) when your *contract* ends. In either case, when your enrollment in the Equalized Payments Plan is cancelled, you may have a balance payable or receivable. Hydro-Québec may terminate your participation in the Equalized Payments Plan if you miss more than one installment.

4.5 Correction of billing errors

If your electricity bill has to be corrected, the correction is applied retroactively from the date on which you report the situation or on which it is noticed by Hydro-Québec. The following conditions apply to bill corrections:

Reimbursement by Hydro-Québec of an overbilled amount	Except in cases of crossed *meters*, impediment to metering or *meter* tampering with intent to alter metering data, if the correction leads to reimbursement by Hydro-Québec of an amount overbilled to you, the correction period is established in one of the following ways: a) If the period in question can be established: • all periods concerned, if the error is related to *metering equipment* or application of an erroneous multiplier (transformation ratio); • a maximum of 36 *months* in all other cases. b) If the period in question cannot be established: • a maximum of 6 *months*. The amount of the correction is credited to your account. Interest is also credited to your account. The interest is calculated by Hydro-Québec at the National Bank prime rate in effect on the first business *day* of the *month* in which the amount is refunded.

Billing of an additional amount owed to Hydro-Québec	Except in cases of crossed *meters*, impediment to metering or *meter* tampering with intent to alter metering data, if the correction results in payment of an additional amount to Hydro-Québec, the correction period is established in one of the following ways: a) If the period in question can be established: • all periods concerned, in the following cases: - it is determined that you were aware of the defect or error; - you have changed your electricity use without notifying Hydro-Québec, and consequently your *contract* is no longer eligible for the rate at which you were billed; • a maximum of 36 *months* if the error is related to *metering equipment* or the application of an erroneous multiplier (transformation ratio) and if both *energy* consumption and power demand are billed; • a maximum of 12 *months* if both power demand and *energy* are billed; • a maximum of 6 *months* if only *energy* is billed; b) If the period in question cannot be established: • a maximum of 6 *months*. The amount of the correction is charged to your account. Hydro-Québec may make a *payment arrangement* with you for the amount resulting from the correction, in which case you will not be charged the "administration charge" provided for in Table A.2 of Chapter 20.
Crossed *meters*	*Meters* are considered crossed when a *service address* is billed for electricity metered at a different address. In other words, a *customer* is billed for electricity used by another *customer*. In the case of crossed *meters*, Hydro-Québec will make the necessary corrections to the bills of the affected *customers* for a maximum of 36 *months*, regardless of who is at fault or who committed the error. The amount of the correction is charged or credited to the account, as the case may be. If the period concerned cannot be determined, it shall be set to a maximum of 6 *months*.
Impeding metering or *meter* tampering with intent to alter metering data	If Hydro-Québec notes that the *electrical installation* or *metering equipment* has been tampered with so as to alter or impede metering: a) the correction applies to all periods concerned; b) Hydro-Québec may work out a *payment arrangement* with you.

Exclusions	The following situations are not covered by this section: a) corrections resulting from estimates for billing purposes under Section 4.1.2, which provides for an adjustment to be made to a subsequent bill on the basis of actual consumption data; b) any review conducted under the Equalized Payments Plan (see Section 4.4); c) electricity consumption in the absence of a *contract*; d) absence of billing within the timeframes set out by Hydro-Québec.

CHAPTER 5

Termination of Contract

5.1 Terms and conditions of contract termination

Your *contract* ends when it is terminated at your request or following a decision by Hydro-Québec. The terms and conditions of termination are described in this section.

5.1.1 Termination by the person responsible for the *contract*

Request *in writing* or by telephone	a) To terminate a *contract* at a *domestic rate*, at a *small-power* rate, or for temporary service, you must submit your request *in writing* or by phone. In that case, your *contract* will end on the *day* your request is received, or on a later *day* that you choose and agree on with Hydro-Québec. b) For any other type of *contract*, you must submit your request to Hydro-Québec *in writing*. In that case, Hydro-Québec must be notified at least 30 *days* in advance.

Denial of request for *contract* termination	a) Hydro-Québec may deny your request for termination in the following cases: • You owe money to Hydro-Québec and continue to receive *electricity service* at a *service address* which is the subject of a *service request* or termination request. • The sole purpose of your request is to avoid application of a condition in the *Rates* or in these *Conditions of Service*.

5.1.2 Termination of contract by Hydro-Québec

Hydro-Québec may terminate your *contract* when your *electricity service* is interrupted for more than 30 *days* in the cases described in Section 7.1 regarding refusal or interruption of service, except for cases stipulated in paragraphs c) and d) of Section 7.1.1 and in Section 7.1.3. You will then be notified *in writing*.

If you wish to become a *customer* once again for the same *service address*, you must submit a new *service request* and pay any amount owed to Hydro-Québec before you can have *electricity service*. In addition, you must pay the "*contract* administration charge" mentioned in Section 2.1, where applicable.

5.2 Terms and conditions for continuous electricity service

If an existing *customer's contract* for a *service address* ends and is immediately followed by a new *contract* for the same *service address*, Hydro-Québec will continue *electricity service* to that *service address*.

If it is not immediately followed by a new *contract*, Hydro-Québec may cut off *electricity service* to that *service address* without notice.

5.2.1 Continuation or interruption of *electricity service* at a rental property *service address* by request of the owner

To take advantage of the provisions in this section, you must notify Hydro-Québec that you are the owner of one or more rental property *service addresses* and provide the following information:

a) the locations of the rental property *service addresses* that you own;

b) your contact information so that Hydro-Québec can communicate with you: name, address, main phone number and, if applicable, email address and other phone numbers.

If you do not inform Hydro-Québec that a *service address* owned by you is a rental property and do not provide this information, and if a *customer's contract* for a *service address* owned by you ends without being immediately followed by a new one, Hydro-Québec may cut off the *electricity service* without notice.

The information that you provide to Hydro-Québec is binding and you are responsible for updating it. If you are no longer the owner of a rental property *service address* but fail to notify Hydro-Québec, this section will continue to apply, subject to the conditions stated herein.

Any changes to your information made other than from your Customer Space will not take effect until they have been fully processed by Hydro-Québec.

This section also applies to rental property *buildings* and *service addresses* for which Hydro-Québec had the contact information provided by you, as the owner, as at April 1, 2018.

Continuous *electricity service* by default	If a tenant's *contract* is terminated, *electricity service* is maintained at the *service address* and the *contract* automatically reverts to you, without the "*contract* administration charge" indicated in Table A.1, Chapter 20. Hydro-Québec sends you *written* confirmation of the main characteristics of the *contract*, as provided for in Section 2.1, and of the fact that you are now the *customer*. If, following termination of the tenant's *contract*, you notify Hydro-Québec that you are no longer the owner of that *service address*, Hydro-Québec terminates your *contract* on a date agreed on with you. Failing such agreement, the *contract* is terminated as of the date on which you ceased to own the property. The new owner then becomes responsible for *electricity service* at that *service address* as of the *day* after the *contract* termination date, as provided for in Section 2.3, even if the new owner has not used the provisions of this section.

Refusal of continuous *electricity service*	You may, however, refuse continuous *electricity service* in advance at the *service address* when a tenant's *contract* is terminated. If you make this choice, Hydro-Québec may cut off service without notice.

Changing your choice	You may change your choice regarding continuous *electricity service* through your Customer Space or by telephone. You may at any time refuse continuous service in advance at all *service addresses* in a specific *building* or in all your *buildings*. If you have refused continuous *electricity service* in advance, you may change your choice and request that *electricity service* be maintained. You then automatically become the *customer* when the tenant's *contract* is terminated. If you choose this option before the end of the tenant's *contract*, no charges apply. If you request continuous *electricity service* and become the *customer* after termination of the tenant's *contract*, the "*contract* administration charge – for request submitted by other means," indicated in Table A.1 of Chapter 20, will apply unless you submit your *service request* through one of Hydro-Québec's *self-service* options.

Exceptions to the general rule of continuous *electricity service*	When a tenant's *contract* is terminated, *electricity service* is not maintained and you do not automatically become the *customer* in the following cases: a) The *service address* is in a *building* for which you have refused continuous *electricity service* in advance; or b) You have refused continuous *electricity service* in advance for all your *buildings*. In these two situations, Hydro-Québec may cut off the *electricity service* without notice.

5.3 Interruption of electricity service at the owner's request

You may ask Hydro-Québec to interrupt *electricity service* at a *service address* if the following two conditions are met:

a) You are the owner of the *service address* in question.

b) You are responsible for *electricity service* at the *service address* at the time of the request.

If these two conditions are not met, you may not request interruption of *electricity service*.

When you request to have *electricity service* restored, you will have to pay the applicable "charge for work" stipulated in Table A.1, Chapter 20. You must also submit a new *service request* and pay the "*contract* administration charge" referred to in Section 2.1.

CHAPTER 6

Security Deposit

6.1 Situations in which Hydro-Québec may require a deposit

6.1.1 Deposit for *domestic-use contracts*

Hydro-Québec may determine that you are a financial risk and require a deposit for each of your *contracts* in any of the following cases:

a) Hydro-Québec sent you an overdue notice under Section 7.2.1 because you were *in default* in the 24 *months* preceding the request for a deposit.

b) You sought protection under the provisions of the *Bankruptcy and Insolvency Act* (R.S.C. [1985], chapter B-3) in the 24 *months* preceding the request for a deposit.

6.1.2 Deposit for non-domestic-use *contracts*

At the time of the *service request* – Use other than *cryptographic use applied to blockchains*	Hydro-Québec may require a deposit for each of your *contracts* unless you meet the following two conditions: a) You have been responsible for one or more other *contracts* for at least 24 *months* at the time of the deposit request. b) You paid all bills for all said *contracts* by their due date throughout that 24-*month* period. No deposit is required if you are a government agency or a Schedule II financial institution, or if the *contract* is for a *building* covered by the *Act respecting the mode of payment for electric and gas service in certain buildings* (CQLR, chapter M-37).
During the term of the *contract* – Use other than *cryptographic use applied to blockchains*	At any time, Hydro-Québec may require a deposit for each of your *contracts* in any of the following cases: a) In the 24 *months* preceding the date of the deposit request, you failed at least once to pay the electricity bill for a *contract* for which you are or were responsible by the due date. b) For a period of at most 12 consecutive *months* in the last 24 *months*, the amount you were billed exceeded $500,000 for all of your non-domestic-use *contracts*, and these *contracts* are regarded as *risky* or *high-risk* based on the credit risk assessment procedure described in Section 6.1.2.1. Any deposit required by Hydro-Québec while a *contract* is in effect must be provided within 9 *days* of the date Hydro-Québec's *written* request was sent.
Cryptographic use applied to blockchains	Hydro-Québec may require a deposit for each of your *contracts* for *cryptographic use applied to blockchains*, as follows: a) If at least 50 kilowatts (kW) of *installed capacity* are dedicated to *cryptographic use applied to blockchains*: • either at the time of the *service request* or during the term of the *contract*. b) If less than 50 kW of *installed capacity* are dedicated to *cryptographic use applied to blockchains*: • in the 24 *months* preceding the date of the deposit request, if you have increased your electricity consumption to such an extent that you now represent a financial risk. Any deposit required by Hydro-Québec while a *contract* is in effect must be provided within 9 *days* of the date Hydro-Québec's *written* request was sent.

6.1.2.1 Credit risk assessment for non-domestic-use *contracts*

For your non-domestic-use *contracts*, credit risk is assessed as follows, in accordance with Section 6.1.2:

a) Hydro-Québec sends you a *written* request for the financial information it needs to assess the level of risk you represent. Subject to all applicable laws, Hydro-Québec undertakes to keep all such information confidential.

   You must provide this information within 30 *days* after Hydro-Québec's *written* request was sent; otherwise, all your *contracts* will be considered *high-risk contracts*.

b) Hydro-Québec will assess your file as indicated in paragraph b) of Article 17.2.2. If, in light of its assessment, Hydro-Québec considers that your *contracts* are *risky* or *high-risk*, then a deposit may be required.

If you disagree with Hydro-Québec's evaluation, you may request a review as provided for in Section 17.2.3.

6.1.3 Deposit required if service is interrupted for *non-payment*

If *electricity service* at your *service address* was interrupted because your account was *in default*, Hydro-Québec may require a deposit for each of your *contracts*, in accordance with Section 7.2.2.

In that case, you must provide the deposit before your *electricity service* is restored. You must also pay the applicable "charge for work" set out in Table A.1, Chapter 20.

6.1.4 Mandatory information to be provided when Hydro-Québec requires a deposit

If Hydro-Québec requires a deposit, you must provide the mandatory information listed in Schedule I.

6.2 Deposit amount and payment method

Hydro-Québec establishes the amount of the deposit to be paid for each *contract* as follows:

a) It estimates your probable consumption for the next 12 *months* based on one of the following:
   - past consumption at the *service address*;
   - an inventory of your electrical appliances and/or equipment and estimate of their average use;
   - data from metering tests conducted by Hydro-Québec;
   - any other means or combination of means for establishing or estimating your *energy* consumption or power demand.

b) Using this estimate, Hydro-Québec determines the period of 60 consecutive *days* during which the billing amount will be highest.

c) The amount of the deposit will not exceed the amount that would be billable for that 60-*day* period.

You may provide the deposit either in cash or in the form of an irrevocable letter of guarantee.

If Hydro-Québec notes, during the deposit holding period, that the estimate of your consumption, established according to paragraph a) of this section, is not representative of the billable amount for the 60-*day* period determined according to paragraph b), it may adjust the deposit amount upward or downward.

6.3 Interest on deposit

Cash deposits bear interest at the rate set on April 1 of each year for National Bank one-year guaranteed investment certificates.

Interest is calculated on March 31 of each year. It is payable by June 1 of each year.

6.4 Use of deposit by Hydro-Québec

Hydro-Québec may use your deposit and the accrued interest to recover any amount due in the following cases:

a) The *contract* for which you provided the deposit has ended.

b) *Electricity service* for the *contract* for which you provided the deposit has been interrupted for *non-payment*.

Hydro-Québec will then return the unused balance of your deposit to you.

6.5 Holding and reimbursement of deposit

Holding period	a) In the case of a *domestic-use contract*, Hydro-Québec may hold your deposit for 24 *months*. If you are late in paying your electricity bill at least once during that period, Hydro-Québec may defer reimbursement of your deposit and continue to hold it for another 24 *months*. b) In the case of a *contract* where at least 50 kW of *installed capacity* are used for *cryptographic use applied to blockchains*, Hydro-Québec may hold your deposit for the entire duration of the *contract*. c) In the case of a non-domestic-use *contract*, Hydro-Québec may hold your deposit for 48 *months*. Hydro-Québec may defer reimbursement of your deposit and hold it for another period of up to 48 *months* if, in the last 24 *months* of this period, one of the following situations occurs: • You are late in paying your electricity bill at least once. • Your *contract* is still considered *risky* or *high-risk* following a credit risk assessment made according to the provisions of Section 6.1.2.1.

Timeframe for refund	Your deposit will be refunded within 60 *days* following the end of the holding period.

Refund conditions	When your deposit is refunded, interest is calculated up to the date of the refund and is payable on that date. When Hydro-Québec refunds your deposit with accrued interest, it applies a credit to your account or, at your request, mails you a cheque.

CHAPTER 7

Service Interruption and Restoration

7.1 Refusal or interruption of service by Hydro-Québec

Hydro-Québec may refuse or interrupt *electricity service* to a *service address* for the reasons mentioned in sections 7.1.1 and 7.1.2, except in the cases provided for in Section 20 of the *Act respecting the mode of payment for electric and gas service in certain buildings* (CQLR, chapter M-37).

7.1.1 Interruption of service without notice

Hydro-Québec may refuse or interrupt *electricity service* in the following cases. No notice is sent before interruption.

a) The *service address* is receiving electricity with no *contract*.

b) The *electrical installation* has been connected to the *power distribution system* without Hydro-Québec's authorization.

c) The safety of persons or property is at risk.

d) A competent federal, provincial or municipal authority, including a police force or fire department, has requested or ordered interruption.

e) The *metering equipment* or other Hydro-Québec equipment has been tampered with, or *electricity service* has been impeded, or Section 13.4 has been violated.

7.1.2 Service interruption with notice

Hydro-Québec may refuse or interrupt *electricity service* in the following cases. A notice is sent before interruption.

a) Your account is *in default*.

b) Hydro-Québec's representatives are unable to access the company's equipment (Section 14.3).

c) You have not provided the deposit or other guarantee required by Hydro-Québec.

d) You have not provided Hydro-Québec with the mandatory information under these *Conditions of Service* or have provided wrong information.

e) The *electrical installation* has not been approved or authorized by a competent authority pursuant to any applicable legislative or regulatory provision.

f) Hydro-Québec is not authorized to install its equipment, including *metering equipment* and control apparatus, on the property serviced, or the rights and accesses required for sealing, metering and control have not been granted to Hydro-Québec.

g) Your electricity use is non-compliant in terms of:

- electricity resale (Section 13.1);
- connection of appliances or equipment on the *line side* of Hydro-Québec's *metering equipment* (Section 13.8);

- technical specifications of the *electrical installation* (Section 15.2.1);
- *available power* (Section 15.2.2).

h) The *electrical installation*, which includes any generating equipment connected and operated in parallel to the *power distribution system,* does not comply with the *technical requirements* set out in these *Conditions of Service*, or, despite Hydro-Québec's request, the causes of system disturbances have not been eliminated.

i) The preliminary work required on your *electrical installation* to allow it to receive electricity in accordance with Section 8.2.5 or the voltage conversion on the scheduled date has not been carried out in accordance with sections 16.1.2 and 16.2.3.

j) The work required to ensure compliance with clearance standards for *buildings* or installations has not been carried out in accordance with Section 14.4.

7.1.3 Continuation or restoration of service during *winter period*

From December 1 to March 31 inclusive, for a principal residence that you occupy and whose heating system requires electricity, if any of paragraphs 7.1.2 a) to d) apply to your situation, Hydro-Québec:

a) does not interrupt *electricity service* or refuse to provide it;

b) restores *electricity service* at your request. The charges provided for in Section 7.3 are assessed where applicable.

7.2 Notices given prior to interruption of electricity service

Before interrupting service at a *service address* in the situations listed in Section 7.1.2, Hydro-Québec must send you the required notices.

7.2.1 Overdue notice

If you fail to pay your bill by the due date and Hydro-Québec plans to interrupt your *electricity service*, you receive an overdue notice informing you of the possibility of interruption, as follows:

Domestic-use contract	The overdue notice is sent at least 16 *days* before the interruption notice provided for in Section 7.2.2.

Non-domestic-use *contract*	The overdue notice is sent at least 9 *days* before the interruption notice provided for in Section 7.2.2. However, no overdue notice is required in the following cases: • a *high-risk large-power contract*; • a contract for *cryptographic use applied to blockchains* where at least 50 kW of *installed capacity* are dedicated to that use.

7.2.2 Notice of interruption of *electricity service*

When Hydro-Québec decides to interrupt *electricity service* in one of the situations listed in Section 7.1.2, it must send you an interruption notice. If you do not pay your bill by the due date, this notice is sent to you after the time specified in Section 7.2.1 has lapsed.

Interruption notice	Hydro-Québec must send you an interruption notice *in writing* at least 9 *days* before interrupting service.

Validity of the interruption notice	The interruption notice is valid for 45 *days* from the date on which it is sent. Hydro-Québec is then authorized to interrupt your *electricity service* after the above-mentioned 9-*day* period has lapsed and up to 45 *days* after the date on which the notice is sent.

Before interrupting your *electricity service* for *non-payment*, Hydro-Québec offers you a *payment arrangement,* if you so request.

If your account is *in default*, Hydro-Québec may interrupt *electricity service* for all of your *contracts*.

7.2.3 Notice given where access to Hydro-Québec's equipment is controlled by a third party or if the interruption affects other *customers* scheduled to undergo a voltage conversion

If Hydro-Québec decides to interrupt your *electricity service* but cannot access its equipment in violation of Section 14.3, and access is controlled by a third party, it sends that third party a 30-*day* notice *in writing*, with a true copy to you, of its intention to interrupt your *electricity service*.

If Hydro-Québec decides to interrupt your *electricity service* because the work required on your *electrical installation* to allow it to receive electricity according to the agreed mode of supply and to allow the voltage conversion on the scheduled date has not been carried out in accordance with sections 15.2.1 and 16.2.3, and if this interruption would also affect other *customers*, Hydro-Québec sends these *customers* a notice *in writing* of at least 60 *days*, with a true copy to you, of its intention to interrupt *electricity service*.

In either case, after the notice period has elapsed, Hydro-Québec may send you the *electricity service* interruption notice provided for in Section 7.2.2 and subsequently interrupt service.

7.3 Charges arising from electricity service interruption

For *electricity service* interruption	*Electricity service* is restored once you have remedied the situation that led to the interruption, and Hydro-Québec bills you the applicable "charge for work" stipulated in Table A.1, Chapter 20, in all cases provided for in Section 7.1, except the following: a) The *service address* is receiving electricity with no *contract*. b) The safety of persons or property is at risk. c) The interruption has been requested by a competent federal, provincial or municipal authority, for example a police force or fire department.

For restoration of *electricity service* outside *regular working hours*	If the restoration of *electricity service* necessitates travel and you require that the work be done outside Hydro-Québec's *regular working hours*, Hydro-Québec bills you for the cost of restoration according to the *detailed cost-of-work calculation*, minus the "charge for work" if already billed.

III

Connection Requests

CHAPTER 8

Submission of Connection Request and Determination of Work Included in Basic Service

8.1 Connection request

8.1.1 *Connection request*

To receive electricity at a new or existing *electrical installation* requiring work, you must submit a *connection request*.

Who can submit a *connection request*	To submit a *connection request*, you must be someone mandated or authorized by the owner of the *electrical installation* to be served or, in some cases, be the owner of the *electrical installation*.

Required information	Your *connection request* must include all the mandatory information specified in Schedule I. If you fail to provide this information or if you provide incorrect information, Hydro-Québec may refuse your request.

Transitional provision	If Hydro-Québec had sent you *written* confirmation of the *available capacity* for *cryptographic use applied to blockchains* at the *connection point* and you had agreed to it prior to June 7, 2018, you had until March 3, 2022, to submit at least one *connection request* to avail yourself of all or part of this capacity, in which case your request will be processed according to the provisions in the *Conditions of Service* in effect prior to December 9, 2021. Any *connection request* for *cryptographic use applied to blockchains* submitted on or after March 4, 2022, will be processed according to the provisions of the current *Conditions of Service*. If you are a *customer* selected through *Request for Proposals A/P 2019-01*, the connection of your *electrical installation* is conditional on the signing of a *draft-design agreement* and a *connection agreement* with Hydro-Québec.

8.1.2 Work included in *basic service*

Work required to meet the *connection request*	Hydro-Québec establishes the layout of the *power distribution system* and determines the work needed to meet your *connection request*, favouring the technical solution it considers optimal.

Work included in *basic service*	The work required to meet your *connection request* is included in *basic service*, in whole or in part, if it meets the criteria specified in sections 8.2 to 8.4 of these *Conditions of Service*, as well as the following conditions: a) It is performed during *regular working hours*. b) It is not for *temporary supply*. c) It is not for an *electrical installation* with an *anticipated power demand* of less than 2 kW. d) It is not for an *electrical installation* where at least 50 kW of *installed capacity* will be dedicated to *cryptographic use applied to blockchains*. If the work must be carried out in an *inaccessible location*, the amount you must pay is established in accordance with the provisions of Chapter 9 of these *Conditions of Service*.

Charges applicable if the work is included in *basic service*	The "charge for work – on the system" indicated in Table A.1, Chapter 20, will be billed to you if the work needed to meet your *connection request* is included, in whole or in part, in *basic service*.

Amount to be paid for work not included in *basic service*	You must also pay any costs related to the work required to meet your *connection request* that exceed the costs covered in *basic service*. These costs are calculated according to the provisions of Chapter 9 of these *Conditions of Service*.

Amount to be paid for options	Work not included in the optimal technical solution determined by Hydro-Québec constitutes an option for the *customer* and is conditional on Hydro-Québec's acceptance. You must pay the additional costs arising from such work in accordance with the provisions of Chapter 9 of these *Conditions of Service*.

Charge for travel without work	If Hydro-Québec dispatches one or more workers to your location and discovers on site that the work planned to meet your *connection request* cannot be carried out, you will be billed the "charge for travel without work" indicated in Table A.1, Chapter 20.

***Servitudes* required on private property**	Before the work begins, you must obtain, at your expense, any and all *servitudes* required by Hydro-Québec to extend, modify or relocate a *distribution line* on private property. If you do not supply the necessary *servitude(s)*, Hydro-Québec will not do the work but will provide you instead with a *connection point* on a *distribution line*. You will then have to extend your *customer's service entrance* up to the *connection point*, at your expense.

Vegetation clearing	You must assume the cost of any vegetation clearing required.

***Civil works* for underground connection**	You must assume the cost of all *civil works* required to meet your *connection request* when such work is carried out outside the property served or to be served, except if the cost is covered in *basic service* or if the *minimum load density* at the *connection point* has been reached. In addition, you must provide, at your expense, the *civil works* on the property served or to be served, including those needed for an underground *distribution service loop*, whether the *service loop* is being replaced or installed for the first time. You must provide the *civil works* located outside the property served or to be served in accordance with the following provisions: a) *Civil works* by *customer* or Hydro-Québec: You may provide the *civil works* required for the *distribution line* at your expense or ask Hydro-Québec to build them. In the latter case, as Hydro-Québec does not build the *civil works* itself but has them built by a third party, it will not provide you with an estimate of their cost; you must therefore pay an advance determined by Hydro-Québec for the *civil works* and undertake to pay the actual cost of the work according to the agreement reached with Hydro-Québec. b) Municipal requirements: If municipal bylaws require that *civil works* be built exclusively by the municipality, the cost will be estimated and billed to you by the municipality. c) Maintenance and upgrading to code: You are responsible for the work needed for upgrading to code, maintenance, and the addition and replacement of the necessary *civil works* located on the property to be served. The *civil works* must be built in such a way that Hydro-Québec can safely install, connect, operate and maintain its electrical equipment.

Advance for the relocation of an existing *distribution line*	If your *connection request* requires work to relocate an existing overhead or underground *distribution line*, you must pay an advance equal to the "charge for *distribution line* relocation" indicated in Table A.1, Chapter 20.

Connection request* for the conversion of a natural gas heating system to a *dual-energy system	If you are already a *customer* of Hydro-Québec and Énergir, or Hydro-Québec and Gazifère Inc., and your *connection request*: a) involves the conversion of a natural gas heating system to a *dual-energy system* that uses electricity and natural gas as energy sources; and b) requires electrical work related to the *distribution service loop* or the *distribution line*, all the work required for the conversion is carried out free of charge, except for any work that is considered an option. Moreover, the "charge for work – on the system" indicated in Table A.1, Chapter 20, will not be billed to you.

8.2 Criteria for application of basic service to distribution service loop

8.2.1 Cases in which *basic service* is applicable to the *distribution service loop*

Except in the cases mentioned in Section 8.2.4, if your *connection request* requires work on the *distribution service loop*, *basic service* will apply in the following cases:

a) a new *electrical installation*;

b) replacement, modification or relocation of the *distribution service loop* following an increase in the *current rating* of the main *service box*, addition of a main *service box* or *customer substation*, or an increase in the supply voltage of your *electrical installation*.

If all or some of the work necessary to meet your *connection request* is not included in *basic service*, please see Chapter 9.

8.2.2 Items included in basic service for a *distribution service loop*

Except in the cases mentioned in Section 8.2.4, Hydro-Québec provides and installs a *distribution service loop* up to the *connection point*, which must be in a location directly accessible from the *distribution line*.

The *distribution service loop* provided by Hydro-Québec is overhead if the *distribution line* is overhead at the *supply point on the distribution line*, or underground if the *distribution line* is underground at the *supply point on the distribution line*.

Depending on the type of *distribution service loop*, the following items are included in *basic service*:

Overhead *distribution service loop*	A *distribution service loop* of up to 30 metres (m), including all necessary *support structures* and equipment.

Underground *distribution service loop*	A *distribution service loop* including: a) conductors of up to 30 m; and b) installation of the first *cable section*; and c) a riser, if required; and d) all the equipment required. You must provide the necessary *civil works* at your expense.

The cost of items not included in *basic service* is calculated according to the provisions of Section 9.2.

8.2.3 Method for determining the length of the *distribution service loop*

For billing purposes, the length of the *distribution service loop* is the length of a line established by Hydro-Québec based on one of the following distances, whichever is more advantageous:

a) the distance from the lot line between the property to be served and a *public road*, or from a *distribution line*, to the *connection point*; or

b) the distance from the *supply point on the distribution line* to the *connection point*.

8.2.4 Cases in which the *distribution service loop* is not provided

Hydro-Québec does not provide or build a *distribution service loop* in the following cases:

a) Your *connection request* requires a *service loop* wholly or partially located on private property other than your own, and you do not provide the *servitude* required by Hydro-Québec.

b) Your *connection request* is for *temporary supply* and requires an overhead *service loop*.

c) Your *connection request* is for an *electrical installation* with an *anticipated power demand* of less than 2 kW and requires an overhead *service loop*.

d) The *distribution line* is overhead and you request an underground *service loop*.

e) You choose to provide a *service entrance* extending up to the *distribution line*.

8.2.5 Cases in which the connection is provided by the *customer* (*service entrance*)

If Hydro-Québec does not provide a *distribution service loop*, you must provide a *service entrance* up to the *distribution line*, at your own expense.

Overhead *service entrance*	Hydro-Québec provides a *connection point* on the *distribution line* only.

Underground *service entrance*	If you opt for an underground *service entrance* and the *distribution line* is overhead, Hydro-Québec may, where technically feasible, provide you with a *connection point* on a pole in the *power distribution system*, subject to an agreement. If Hydro-Québec replaces, moves or removes the pole to which a *service entrance* is connected or adds equipment to it, the necessary work on the *electrical installation* must be performed and paid for by its owner.

8.3 Criteria for application of basic service to a distribution line extension

8.3.1 Extension of an overhead *distribution line* (request for supply of less than 5 MW, including *installed load*)

If your *connection request* is for *available power* of less than 5 MW, including *installed load,* and requires the extension of an overhead *distribution line* located in a public right-of-way, the items included in *basic service* are determined as follows:

If there is a *municipal water supply or sewer system*	The number of metres of *distribution line* required to meet your *connection request*.

If there is no *municipal water supply or sewer system*	One of the following will apply: a) up to 100 m of overhead *distribution line* for each main *service box* or *customer substation* to be supplied, if the *anticipated power demand* is between 2 and 50 kW; or b) 2 m of overhead *distribution line* per kW of *anticipated power demand* if greater than 50 kW and less than 5 MW, up to a maximum of 1,000 m for each main *service box* or *customer substation* to be supplied.

If your *connection request* necessitates the extension of an overhead *distribution line* through a back lot, or the extension of such a line located in an *inaccessible location*, you are billed an extra charge calculated according to Section 9.4.1.

If, for technical reasons, Hydro-Québec chooses to extend an underground rather than overhead *distribution line*, all or part of the extension could be included in *basic service*.

8.3.2 Extension of an underground *distribution line* (request for supply of less than 5 MW, including *installed load*)

If your *connection request* is for *available power* of less than 5 MW, including *installed load*, and requires the extension of an underground *distribution line*, the extension is included in *basic service* in the following cases:

a) Your *connection point* is located within an underground network that has reached the *minimum load density*.

b) Your *connection point* is located on the periphery of an underground network that has reached the *minimum load density*, and all the following conditions are met:

- Your *connection request* requires the extension of an existing underground *distribution line* over a distance of no more than 333 m.
- This extension complies with the *minimum load density* criteria.
- The extension is done from a location where the *minimum load density* has been reached.

c) Your *connection point* is in a location targeted by a municipal development plan agreed on with Hydro-Québec and all the following conditions are met:

- The development plan provides for public infrastructure work and includes a plan and timeline for deployment of the *power distribution system*.
- Through the municipal development project, the *minimum load density* will be achieved within 10 years.
- The underground *distribution line* extension needed to meet your *connection request* complies with the *minimum load density* criteria over a distance of at least 333 m.

Basic service covers transformers and disconnect switches that are not underground. If you request underground equipment, the work required is considered an option and you must pay the additional costs involved.

8.4 Criteria for application of basic service to a distribution line modification

8.4.1 Modification of an overhead *distribution line* (request for supply of less than 5 MW, including *installed load*)

If your *connection request* is for *available power* of less than 5 MW, including *installed load,* and requires modification of an existing overhead *distribution line*, the work required is included in *basic service* if all the following conditions are met:

a) The single-phase or three-phase voltage needed to meet your *connection request* is available on the existing *distribution line* to which your *electrical installation* will be connected.

b) A main *service box* or *customer substation* is added, or the *current rating* of the existing main *service box* is increased.

c) Your *connection request* is not for *temporary supply*.

d) Your *connection request* is for an *electrical installation* with an *anticipated power demand* of 2 kW or more.

e) The increase in *available power* is less than 5 MW, including any *installed load* that was energized less than 5 years before the date of your *connection request*.

If your *connection request* is for *power requirements* that necessitate replacing a single-phase overhead *distribution line* with a three-phase overhead *distribution line* or adding three-phase voltage, your request will be processed as though it were for an overhead *distribution line* extension.

8.4.2 Modification of an underground *distribution line* (request for supply of less than 5 MW, including *installed load*)

If your *connection request* is for *available power* of less than 5 MW, including *installed load,* and requires modification of an existing underground *distribution line*, the work required is included in *basic service* if all the following conditions are met:

a) The single-phase or three-phase voltage needed to meet your *connection request* is available on the existing *distribution line* to which your *electrical installation* will be connected.

b) A main *service box* or *customer substation* is added, or the *current rating* of the existing main *service box* is increased.

c) Your *connection request* is not for *temporary supply*.

d) Your *connection request* is for an *electrical installation* with an *anticipated power demand* of 2 kW or more.

e) The increase in *available power* is less than 5 MW, including any *installed load* that was energized less than 5 years before the date of your *connection request*;

Basic service covers transformers and disconnect switches that are not underground. If you request underground equipment, the work required is considered an option and you must pay the additional costs involved.

8.5 Securing of the power distribution system

If you request temporary work to secure the *power distribution system*, if the work is for a *building* containing no more than 4 *dwellings*, and if the work is done during *regular working hours*, the securing of the system is included in *basic service*. As indicated in Table B.5, Chapter 20, no charge will be billed to you.

The method used to calculate the amount you pay for items not included in *basic service* is explained in Section 9.7.6.

CHAPTER 9

Calculation of the Amount to Be Paid for Work Not Included in Basic Service

9.1 Methods for calculating the cost of work

To determine the amount you must pay for work not included in *basic service*, Hydro-Québec applies one of the following methods or a combination of these, depending on the nature of the work:

a) Method based on prices specified in the section in question;

b) Method based on prices specified in Chapter 20;

c) *Detailed cost-of-work calculation*, explained in Section 9.1.2, if it is not possible to use the prices indicated in Chapter 20 or if your *connection request* is for work involving particular conditions such as the crossing of a waterbody or watercourse.

9.1.1 Additional costs and charges

Where applicable, the following costs and charges are added to the amount you must pay for work not included in *basic service*.

Charge for work on the system	The "charge for work – on the system" indicated in Table A.1, Chapter 20.
Vegetation clearing, *servitudes*, *civil works* and goods and services provided by third parties	Costs arising from vegetation clearing, required *servitudes*, *civil works*, and goods and services provided by third parties that are necessary to carry out the work.
Work requested by the *customer* outside *regular working hours*	For any type of work done outside *regular working hours*, the amount you have to pay is based on the *detailed cost-of-work calculation*. This amount is adjusted at the end of the work based on the hours actually worked, if applicable. However, if you ask that interruption and restoration work be done outside *regular working hours*, Hydro-Québec will bill you the applicable amount for "scheduled interruptions and preventive maintenance" indicated in Table B.3, Chapter 20.

9.1.2 Application of the *detailed cost-of-work calculation*

If the amount you have to pay is determined according to the *detailed cost-of-work calculation*, Hydro-Québec will refer to the calculation table in Schedule IV. The amount to be paid is the sum of the following items:

a) cost of labor and equipment (line 1 of the table), i.e., the number of hours required for travel by the work crew(s) and for the work itself, multiplied by the applicable hourly rate;

b) cost of procuring goods and services supplied by third parties (line 2 of the table), plus the "acquisition fee" (line 3) and "contract management fee" (line 4);

c) cost of materials (line 6 of the table), plus the "acquisition fee" (line 7), "materials management fee" (line 8) and "minor materials fee" (line 9);

d) provision for end-of-asset-life reinvestment (line 12 of the table), applied to the sum of paragraphs a) to c) above for underground work, or for overhead work if Hydro-Québec deploys the *power distribution system* in a back lot;

e) engineering and request management fee (line 13 of the table), applied to the sum of paragraphs a) to d) above for underground work or to the sum of paragraphs a) to c) above for overhead work if Hydro-Québec deploys the *power distribution system* in a back lot;

f) provision for future operation and maintenance (line 14 of the table), applied to the sum of paragraphs a) to c) above;

g) cost of acquiring any *servitude* (line 16 of the table) required by Hydro-Québec.

9.2 Calculation of amount to pay for work on a distribution service loop

If your *connection request* requires an overhead or underground *distribution service loop* beyond the length included in *basic service* (Section 8.2), you must pay an additional amount to cover this part of the work, as follows.

9.2.1 Overhead *distribution service loop*

To calculate the amount you have to pay for an overhead *distribution service loop* beyond the length included in *basic service*, Hydro-Québec uses the "price for overhead *service loops*" indicated in the tables in Section 20.2.1, according to the length of the *service loop*.

Service loop **longer than 30 m and shorter or equal to 60 m**	The "price for overhead *service loops*," according to the *current rating* of the main *service box*, indicated in the tables in Section 20.2.1.

Service loop **longer than 60 m**	The "price for overhead *service loops*," according to the *current rating* of the main *service box*, indicated in the tables in Section 20.2.1.

9.2.2 Underground *distribution service loop*

To calculate the amount you have to pay for an underground *distribution service loop* beyond the length included in *basic service*, Hydro-Québec uses the following data:

Type of cable or installation	Calculation
Underground cables beyond the length included in *basic service*	**Formula: A x B** where A = the number of metres exceeding the length included in *basic service*; B = the "price per metre of underground cable," according to type of cable, indicated in Table L.1, Chapter 20.
Installation of underground *cable sections* beyond the first section included in *basic service*	**Formula: A x B** where A = the number of underground *cable sections* beyond the first section included in *basic service*; B = the "price for assembly of an underground *cable section* – cable pulling and splicing," according to the type of supply, indicated in Table K.1, Chapter 20.

If your *connection request* requires an underground *distribution service loop* for a new *electrical installation*, you must pay an additional amount if the following two conditions apply:

a) The *building* you wish to connect is part of a *residential project* for which the extension of the underground *distribution line* was billed in accordance with Section 9.4.2.

b) The type of *building* you wish to connect is different from the one provided for in the *connection request* related to the extension of the underground *distribution line* for the *residential project*.

To calculate the amount you have to pay, Hydro-Québec uses the following formula:

Amount to pay	**Formula: A - B** where A = the price per *building* applicable to your *connection request* based on the type of *building*, as indicated in the tables in Section 20.2.5; B = the price per *building* used to calculate the amount to pay for the extension of the underground *distribution line* of the *residential project* based on the type of *building*, as indicated in the tables in Section 20.2.5.

9.3 Calculation of amount to pay for modification of a distribution service loop

If your *connection request* requires the modification, relocation or replacement of an overhead or underground *distribution service loop*, without increase in the *current rating* of your main *service box* or addition of a main *service box* or *customer substation*, the amount you must pay for the work is as follows.

9.3.1 Modification, relocation or replacement of an overhead *distribution service loop*

To calculate the amount you have to pay, Hydro-Québec uses one of the following methods:

a) Hydro-Québec uses the "*service loop* replacement or relocation" price according to the *current rating* of the main *service box*, as indicated in Table B.1, Chapter 20, if all the following conditions in are met:
   - The *distribution service loop* is modified, moved or replaced over a distance of 30 m or less.
   - No poles or anchors are added or removed.
   - No more than 120 m of *low-voltage* conductor is added to the overhead *distribution line*, if applicable.
   - If an overhead transformer is added, its capacity does not exceed 25 kVA.
   - Your electrical installation is supplied at low voltage.

b) If all the conditions in a) are met and there are clearance constraints due to a *swimming pool*, Hydro-Québec uses the "*service loop* relocation due to constraints related to a *swimming pool*" price according to the *current rating* of the main *service box*, as indicated in Table B.1, Chapter 20.

c) If the intervention requires only the relocation of the existing *low-voltage distribution service loop* for a same-length or shorter *service loop* and, if applicable, the relocation of the *supply point on the distribution line* or of the *connection point*, Hydro-Québec applies the "charge for work – on the system" indicated in table A.1, Chapter 20.

d) In all other cases, Hydro-Québec calculates the sum of the prices applicable for each item needed to meet your *connection request*, as indicated in sections 20.2.3 and 20.2.4.

9.3.2 Modification, relocation or replacement of an underground *distribution service loop*

To determine the amount you must pay for the underground *distribution service loop*, Hydro-Québec calculates the sum of the prices applicable to each item needed to meet your *connection request*, as indicated in in sections 20.2.6 to 20.2.11.

9.4 Calculation of amount to pay for distribution line extension

If your *connection request* requires an overhead or underground *distribution line* extension that is not included in *basic service*, you must pay for the work as follows.

9.4.1 Overhead *distribution line* extension

To calculate the amount you have to pay for the extension of an overhead *distribution line*, Hydro-Québec uses one of the following methods.

If there is a *municipal water supply* or *sewer system*

Type of work	Calculation
In a public right-of-way	The length of the extension is entirely included in *basic service*.
In a back lot	**Formula: A x B** where A = the number of metres of *distribution line* extension included in *basic service*; B = the "price per metre for overhead line extension – supplement for line in a back lot," according to the type of supply, indicated in Section 20.2.2.
In an *inaccessible location*	**Formula: A x B** where A = the number of metres of *distribution line* extension included in *basic service*; B = the "price per metre for overhead line extension – supplement for inaccessible line," according to the type of supply, indicated in Section 20.2.2.

If there is no *municipal water supply* or *sewer system*

Type of work	Calculation
In a public right-of-way	**Formula: A x B** where A = the number of metres exceeding the length included in *basic service*; B = the "price per metre for overhead line extension – line in a public right-of-way," according to the type of supply, indicated in Section 20.2.2.
In a back lot	**Formula: (A x B) + (C x D)** where A = the number of metres included in *basic service*; B = the "price per metre for overhead line extension – supplement for line in a back lot," according to the type of supply, indicated in Section 20.2.2; C = the number of metres exceeding the length included in *basic service*; D = the "price per metre for overhead line extension – line in a back lot," according to the type of supply, indicated in Section 20.2.2.
In an *inaccessible location*	**Formula: A x B** where A = the number of metres of *distribution line* extension located in an *inaccessible location*; B = the "price per metre for overhead line extension – inaccessible line," according to the type of supply, indicated in Section 20.2.2.

9.4.2 Extension of an underground *distribution line* for a *residential project* where transformers and disconnect switches are not underground

To calculate the amount you have to pay if your *connection request* necessitates extension of an underground *distribution line* for a *residential project* where transformers and disconnect switches are not underground, Hydro-Québec uses the following calculation method.

Amount to pay for single-phase supply	**Formula: A x B** where A = the number of *buildings* supplied with single-phase electricity; B = the price per *building* according to *building* type, indicated in tables H.1 and H.3, Chapter 20.

Amount to pay for three-phase supply	**Formula: A x B** where A = the number of *dwellings* supplied with three-phase electricity; B = the price per *dwelling*, indicated in Table H.4, Chapter 20.

Amount to pay for single-phase AND three-phase supply	**Formula: (A x B) + (C x D)** where A = the number of *buildings* supplied with single-phase electricity; B = the price per *building* according to *building* type, indicated in tables H.1 and H.3, Chapter 20; C = the number of *dwellings* supplied with three-phase electricity; D = the price per *dwelling*, indicated in Table H.4, Chapter 20.

Additional charges applicable to single-family homes	If the average facade of a single-family home in the *residential project* is wider than 30 m, you must pay an amount calculated as follows: **Formula: A - (B x C) x D** where A = the sum of the facade widths of all single-family homes in the *residential project*; B = the number of single-family homes in the *residential project*; C = 30 m; D = the "price per additional metre," indicated in Table H.4, Chapter 20.

Work at *customer*'s expense	The cost of the option is increased by the costs of any vegetation clearing, *servitudes* and *civil works* required. You must provide, at your expense, the *civil works* needed for the *local underground line* and the *service loops*.

If a *distribution line* must be extended from the existing line to the *residential project*, the amount you have to pay is calculated according to the terms and conditions set out in chapters 8 and 9 of these *Conditions of Service*.

9.4.3 Underground *distribution line* extension for any other project

To calculate the amount you have to pay if your *connection request* necessitates extension of an underground *distribution line* for a project other than that covered in Section 9.4.2, Hydro-Québec uses the following three-step method, explained in Schedule V.

Step 1: Determine the cost of extending the underground *distribution line*, taking into account the particular specifications of your *connection request*.

Step 2: Calculate the value of the applicable *basic service*.

Step 3: Subtract the amount calculated in Step 2 from the amount in Step 1 to obtain the amount to pay.

9.5 Calculation of amount to pay for distribution line modification

If your *connection request* requires *distribution line* modifications that are not included in *basic service*, you must pay for the work.

9.5.1 Overhead *distribution line* modification

To determine the amount you have to pay, Hydro-Québec calculates the sum of the prices applicable to each item needed to meet your *connection request*, as indicated in sections 20.2.3 and 20.2.4.

9.5.2 Underground *distribution line* modification

To determine the amount you have to pay if your *connection request* necessitates modification of an underground *distribution line*, Hydro-Québec uses the following three-step method, explained in Schedule V.

Step 1: Determine the cost of modifying the underground *distribution line*, taking into account the particular specifications of your *connection request*.

Step 2: Calculate the value of the applicable *basic service*.

Step 3: Subtract the amount calculated in Step 2 from the amount in Step 1 to obtain the amount to pay.

9.6 Calculation of amount to pay for distribution line relocation

If your *connection request* necessitates relocation of an existing overhead or underground *distribution line*, the amount you have to pay for the work is determined according to the prices indicated in Chapter 20, if applicable; otherwise the amount is based on the *detailed cost-of-work calculation*.

If only a pole has to be moved and no conductors need to be added, the amount you pay for work is determined according to the price for "pole relocation" indicated in Table B.2, Chapter 20.

The advance you provided to Hydro-Québec in accordance with Section 8.1.2 will be deducted from the amount you have to pay.

9.7 Other amounts to pay

9.7.1 Cost of *medium-voltage metering equipment* for a single-phase *small-power* installation

If your request requires *medium-voltage* metering for a single-phase *small-power electrical installation*, you must pay the "*medium-voltage* metering for a *small-power electrical installation*" charge indicated in Table C.2, Chapter 20, if the following two conditions are met:

a) The electricity delivered is used at *low voltage*; and

b) The maximum current of your *electrical installation* does not exceed 500 A per *building*.

The amount is payable before the start of the work and is not refundable.

9.7.2 Optional equipment and backup line

Equipment not needed to meet your *connection request* will be provided and installed at your expense. The amount you pay for the work required is determined by the prices indicated in Chapter 20, if applicable; otherwise, it is based on the *detailed cost-of-work calculation*. This amount is not subject to any allocation, and the refund provided for in Section 10.4 does not apply.

If you request a backup line, the amount you have to pay for this line is the sum of the applicable overhead prices indicated in sections 20.2.2 to 20.2.4, and/or the sum of the applicable underground prices indicated in sections 20.2.6 to 20.2.11, as the case may be.

If your request requires *medium-voltage* metering for an option, you must also pay the price for "*medium-voltage* metering for an option" based on the type of supply, as indicated in Table C.1, Chapter 20.

Hydro-Québec will inform you *in writing* of the conditions governing use of the backup line. The fact that Hydro-Québec agrees to provide a backup line does not guarantee exclusive electricity supply, nor service continuity, nor delivery of electricity.

9.7.3 Service for power demand less than 2 kW

If your *connection request* necessitates work for an *electrical installation* with an *anticipated power demand* less than 2 kW, the work is not included in *basic service*. The amount you must pay for the work required is calculated as follows:

Overhead *service entrance*	Since Hydro-Québec does not provide or build a *distribution service loop*, you must provide a *service entrance* up to the *distribution line*, at your own expense. Hydro-Québec provides a *connection point* on the *distribution line* only.

Underground *service entrance*	The amount you pay for the work required is determined by the prices indicated in sections 20.2.6 to 20.2.9, if applicable; otherwise, it is based on the *detailed cost-of work calculation*.

Overhead *distribution line* extension	**Formula: A x B** where A = the number of metres required; B = the "price per metre for overhead line extension," according to the type of supply, indicated in Section 20.2.2.

Overhead *distribution line* modification	The sum of the "prices for overhead work" and the "prices for overhead equipment" indicated in sections 20.2.3 and 20.2.4, for all applicable components.

Underground *distribution line* extension or modification	The sum of the prices for underground work and equipment, indicated in tables sections 20.2.6 to 20.2.11, for all applicable components.

Addition of overhead transformers and disconnect switches	If the work requires the addition of a transformer or disconnect switch so that Hydro-Québec can meet your *connection request*, you must pay the sum of the "prices for overhead equipment" indicated in Section 20.2.4, for all applicable components.

9.7.3.1 Billing demand less than 2 kW

If your *connection request* is for an *anticipated power demand* of 2 kW or more but Hydro-Québec notes that the billing demand determined in accordance with the *Rates* is less than 2 kW for any *consumption period* within the 5 years following the initial energizing date, Hydro-Québec may bill you for the cost of the work that would have been billable.

9.7.4 *Temporary supply*

If your *connection request* is for *temporary supply* and necessitates work, the work is not included in *basic service*.

The amount that you must pay for the required work and temporary metering is calculated according to the "prices for *temporary supply*" for each of the components indicated in Section 20.2.12, if applicable, or according to the *detailed cost-of-work calculation*.

The value of equipment and material that Hydro-Québec expects to recover for reuse is deducted from the cost of the work.

9.7.5 Special charge for connecting to an *off-grid system*

If your *connection request* concerns an *off-grid system* located north of the 53rd parallel, and is for electricity for space heating or water heating, you must pay the applicable "special charge for connecting to an *off-grid system*" indicated in Table A.1, Chapter 20, instead of the "charge for work – on the system."

This charge also applies in the case when a space or water heating system is converted to electricity.

It does not apply if your *connection request*:

a) concerns the Schefferville system;

b) is for temporary use of electric heating devices to dry joints and paint during construction work;

c) is for a *service contract* eligible for the Dual-Energy Domestic Rate – Inukjuak System.

9.7.6 Securing of the *power distribution system*

If you request temporary work to secure the *power distribution system* and the work is done during *regular working hours*, the amount you have to pay corresponds to the "price for *flat-fee work*" for securing of the system at the *customer*'s request, according to the type of work, as indicated in Section 20.1.2. If more than one system-securing measure is required at the same site, Hydro-Québec charges you for the highest-priced applicable measure.

The price for "de-energizing" indicated in Table B.5, Chapter 20, will apply for any measure not provided for in this table.

9.7.7 *Electrical installation* for *cryptographic use applied to blockchains*

If your *connection request* is for an *electrical installation* where at least 50 kW of *installed capacity* will be dedicated to *cryptographic use applied to blockchains*, regardless of whether the request is for *available power* of 5 MW or more, you must assume the entire cost of the work required to make the connection. None of the work is included in *basic service* and no allowance to reduce the amount you have to pay will be applied.

If the amount you have to pay for the work required cannot be determined using the prices indicated in Chapter 20, it will be based on the *detailed cost-of-work calculation*.

If your *connection request* is for another type of use but Hydro-Québec notes, during the 5 years following the initial energizing, that you are using it for *cryptographic use applied to blockchains*, you must pay the cost of all the work required to make the connection.

9.7.8 Work required as a result of *customer* activities following initial energizing

Before the start of the work, you must assume the cost of any work required on Hydro-Québec equipment as a result of your activities following the initial energizing of your *electrical installation*.

CHAPTER 10

Processing of Connection Requests

10.1 Processing of a connection request according to the work to be done

10.1.1 *Flat-fee work*

The amount you must pay for *flat-fee work* is predetermined according to the nature of the work and corresponds either to the "charge for work – on the system" indicated in Table A.1, Chapter 20, and/or to the "price for *flat-fee work*" indicated in Section 20.1.2, as the case may be.

***Written* confirmation from Hydro-Québec**	If your *connection request* necessitates work included as *flat-fee work*, Hydro-Québec sends you a confirmation *in writing* containing the following items based on the information you provided: a) information about the completion schedule; b) a description of the work to be done; c) information as to any *servitude* required; d) the amount you have to pay for the work.

Start of work	Before the *flat-fee work* can begin, you must confirm to Hydro-Québec by telephone that you agree to pay the estimated cost of the work. Payment is not due until the start of the work.

10.1.2 *Minor work*

If your *connection request* necessitates *minor work*, Hydro-Québec proceeds as follows:

Proposal for minor work	Hydro-Québec sends you a *written proposal for minor work* containing the following items based on the information you provided: a) information about the completion schedule; b) a description of the work to be done; c) information as to any *servitude* required; d) the *technical requirement*s applicable to the work to be done by you, if any; e) the total cost of the work; f) the amount you have to pay for the work; g) the amount of the financial guarantee provided for in Section 10.3, if applicable; h) the amount of the advance required by Hydro-Québec for construction of the *civil works*, if applicable; i) the terms of payment, if applicable; j) the amount of *anticipated power demand* to be added, if applicable.

Start of work	Before starting the work, Hydro-Québec must have received: a) your *written* acceptance of the *proposal for minor work*; b) the financial guarantee provided for in Section 10.3, if applicable; c) the amount you have to pay for the work; d) the advance required by Hydro-Québec for construction of the *civil works*, if applicable.

10.1.3 *Major work*

If your *connection request* requires *major work* or is for an *electrical installation* where at least 50 kW of *installed capacity* will be dedicated to *cryptographic use applied to blockchains*, Hydro-Québec proceeds as follows:

Estimate for major work	Hydro-Québec sends you a *written estimate for major work* containing the following items based on the information you provided: a) a description of the work to be done; b) information as to any *servitude* required; c) the *technical requirements* applicable to the work to be done by you, if any; d) an estimate of the total cost of the work; e) the estimated amount you must pay for the work; f) the amount of the financial guarantee provided for in Section 10.3, if applicable; g) the amount of *anticipated power demand* to be added, if applicable.

Agreement for major work	When you send in your *written* acceptance of the *estimate for major work*, you must pay the financial guarantee provided for in Section 10.3, if applicable. Hydro-Québec then completes the engineering and sends you, for your signature, an *agreement for major work* containing the following: a) a description of the work to be done; b) information as to any *servitude* required; c) the *technical requirements* applicable to the work to be done by you, if any; d) the schedule for completion of the work; e) the total cost of the work, including engineering; f) the amount you have to pay for the work; g) the amount of the advance required by Hydro-Québec for construction of the *civil works*, if applicable; h) the amount of *anticipated power demand* to be added, if applicable.

Start of work	Before starting the work, Hydro-Québec must have received: a) your *written* acceptance of the *agreement for major work*; b) bthe financial guarantee provided for in Section 10.3, if applicable; c) the amount you have to pay for the work; d) the advance required by Hydro-Québec for construction of the *civil works*, if applicable.

10.1.4 Prices applicable

The amounts charged to you are based on the prices in effect on the applicable date indicated below.

Flat-fee work	The date on which Hydro-Québec received your *connection request*.

Minor work	The date on which you signed the *proposal for minor work*.

Major work	The date on which you signed the *agreement for major work*.

10.1.5 Terms of payment

If Hydro-Québec does not require payment before beginning the work, the terms indicated in Section 4.3 apply.

If your *connection request* is for a single *building* in which all the *service contracts* are eligible for a *domestic rate*, you may choose to pay for the work in one of the following ways:

a) in a single payment; or

b) in 30 payments every two *months*, including interest as follows:

- Interest is calculated according to the "prospective cost of capital" indicated in Section 20.2.13, in effect on the date of signing of the *proposal for minor work* or the *agreement for major work*, as the case may be. The rate is fixed for the term of the *payment arrangement*.
- The first payment is due on the date of signing of the *proposal for minor work* or the a*greement for major work*, as the case may be.
- If you miss more than one payment, Hydro-Québec may terminate the *payment arrangement* and claim the entire balance owing plus accrued interest.

10.1.6 Withdrawal of a *connection request*

If you make a *connection request* and later withdraw it, the following terms apply:

Withdrawal	Hydro-Québec considers that you have withdrawn your *connection request* in the following cases: a) You notify Hydro-Québec *in writing* that you are withdrawing your *connection request*. b) You change your *connection request*. In that case, only the portion of the work that was originally planned during the engineering phase and that will not be used in the modified *connection request* is considered withdrawn. c) You did not provide the financial guarantee provided for in Section 10.3, if applicable, when you accepted the *proposal for minor work* or the *estimate for major work*. d) You ask Hydro-Québec to postpone the date for which *electricity service* is requested by more than 12 *months*, except in cases where this postponement has been agreed on. e) If, within 3 *months*, unless a postponement has been agreed on: • You have not returned the signed *proposal for minor work* to Hydro-Québec; • You have not returned the signed *estimate for major work* to Hydro-Québec; • You have not returned the signed *agreement for major work* to Hydro-Québec; • After Hydro-Québec has sent you the *agreement for major work*, you have not paid the amount for the work or the advance required by Hydro-Québec for the *civil works*; • The connection was not energized on the date indicated in the *proposal for minor work* or the *agreement for major work* for a reason other than a delay attributable to Hydro-Québec. f) If, within 45 *days*, unless a postponement has been agreed on: • You did not reply to a *written* notice sent by Hydro-Québec asking you to provide additional details required for the work.

Cost of withdrawal	If you withdraw your *connection request* after accepting the *proposal for minor work* or the *estimate for major work in writing*, you must pay the cost of withdrawal based on the sum of the following: a) costs incurred for purchases and *service contracts,* as well as compensation to be paid; b) cost of work done; c) cost of work made necessary by the withdrawal of the *connection request*, including dismantling of facilities if applicable; d) actual cost of engineering and request management; less e) the value of equipment and materials recovered for reuse by Hydro-Québec. f) the amount of the advance paid for the relocation of an existing *distribution line*, if applicable. The cost of withdrawal that you have to pay cannot be lower than the "minimum charge in case of a withdrawal" indicated in Table A.1, Chapter 20.

New *connection request*	In all cases where Hydro-Québec charges you for withdrawal costs, you must pay these before Hydro-Québec will agree to study a new *connection request* from you.

Refund	Any amount you have paid in excess of the amount billed for withdrawal will be refunded to you.

Transitional provision	If you submitted your *connection request* before April 1, 2018, and the connection was not energized within 12 *months* of the scheduled date of connection, Hydro-Québec will deem that you have withdrawn *your connection request*.

10.2 Customer's commitments for a connection request for available power of less than 5 MW, including installed load

If your *connection request* is for *available power demand* of less than 5 MW, including *installed load*, Hydro-Québec will monitor your billing demand for each of the 5 years following the date on which your *electrical installation* was first energized, up to 500 kW. Depending on the result of this monitoring, the following conditions apply.

If, in each of the 5 years of monitoring, the average billing demand is equal to or greater than the *anticipated power demand*, you will have no additional amount to pay.

Otherwise, for each year of monitoring in which the average billing demand is less than the *anticipated power demand*, Hydro-Québec will bill you an amount calculated as follows:

AB = 2 x (PD – ABD) x 1/5 x applicable "price per metre for overhead line extension" indicated in Section 20.2.2 and in effect on the date the addition was connected :

where:

AB = amount billed

PD = *anticipated power demand*

ABD = average billing demand for the year in question

If you signed a *contribution agreement* before April 1, 2018, it remains subject to the *Conditions of Electricity Service* effective April 1, 2015, until its expiry.

10.3 Financial guarantee for an electrical installation of 1,000 kW or more

If your *connection request* is for an *anticipated power demand* of 1,000 kW or more, you must provide a financial guarantee to cover the costs incurred by Hydro-Québec.

Payment date	You must pay the financial guarantee when you send in your *written* acceptance of the *proposal for minor work* (see Section 10.1.2) or the *estimate for major work* (see Section 10.1.3), as the case may be.

Terms and conditions of financial guarantee	The financial guarantee must cover the part of the cost of work included in *basic service* or in the amount allocated as a reduction of the amount to pay, plus an amount equal to the taxes. The financial guarantee must be valid from the date of acceptance of the *proposal for minor* work or the *estimate for major work*, and remain valid for a period of 63 *months* from the date of energizing. The financial guarantee must take the form of an irrevocable and unconditional standby letter of credit issued by a financial institution and meeting Hydro-Québec's requirements. For government agencies and financial institutions referred to in Schedule II, the financial guarantee may take the form of a letter of undertaking from the Board of Directors or its equivalent. If you fulfill the commitments set out in Section 10.2 or Section 19.2, as the case may be, one fifth of the value of the guarantee will be reimbursed annually.

Use by Hydro-Québec of the financial guarantee	Hydro-Québec may use the financial guarantee you have provided, without notice or delay, and keep the entire amount guaranteed as payment against the power commitment, with no possibility of reimbursement, in any of the following cases: a) A bill remains unpaid after its due date, so that Hydro-Québec can collect any unpaid amount. b) Your electricity consumption ceases definitively. c) You terminate your *service contract*. d) You are in a situation of insolvency under an applicable law.

10.4 Refund for addition of an electrical installation on a distribution line

If you paid an amount for extension or modification of a *distribution line* (see Chapter 9), you are entitled to a partial or full refund of this amount when a new *electrical installation* is added on this *distribution line*, under the following conditions:

Eligibility	The new *electrical installation* must be added no later than 5 years after the date of energizing your *electrical installation* and must not be for: a) *temporary supply*; b) *cryptographic use applied to blockchains*; c) *anticipated power demand* less than 2 kW.

Amount of refund	The amount of your refund is based on the *anticipated power demand* of the *electrical installation* added. a) For an *electrical installation* with *anticipated power demand* between 2 and 50 kW: **Formula: A x B** where A = 100 m fixed length; B = the applicable "price per metre for overhead line extension" indicated in Section 20.2.2. b) For an *electrical installation* with *anticipated power demand* of over 50 kW, but with *available power* under 5 MW: **Formula: A x B** where A = 2 m per kW of *anticipated power demand*, up to a maximum of 1,000 m; B = the applicable "price per metre for overhead line extension" indicated in Section 20.2.2. c) For an *electrical installation* with *available power* equal to or above 5 MW: the allocated amount calculated in accordance with Section 19.1.1 or 19.1.2, as the case may be. An amount corresponding to the cost of the *distribution line* extension or modification work needed to supply the new *electrical installation*, if applicable, is then subtracted from the amount calculated above.

Refund limit	The refund may not exceed the amount you paid. Costs for vegetation clearing, *servitudes*, *civil works*, options, optional equipment and *medium-voltage* metering for a *small-power electrical installation* are not refundable.

Refund priority	The refund is granted first to the *customer* who paid for the extension or modification of the *distribution line* to which the new *electrical installation* is connected. Once the amount paid by that *customer* has been refunded in full, the refundable balance is granted to the *customer* who paid for the part located immediately on the *line side* of that part of the *distribution line*, and so on until the entire refundable balance has been paid out.

10.5 Joint-use credit

Any non-joint-use agreement signed before April 1, 2018, remains subject to the *Conditions of Electricity Service* effective April 1, 2015, until its expiry.

IV

Rights and Obligations of Hydro-Québec and Its Customers

CHAPTER 11

Communication of Information

11.1 Information on conditions of service

Hydro-Québec informs its *customers* of these conditions of service in effect, in particular on its website at **www.hydroquebec.com/conditions-of-service**.

11.2 Means of communication between Hydro-Québec and its customers

In these *Conditions of Service*, some provisions specify the means you may use to communicate with Hydro-Québec. The means of communication are grouped into two categories:

In writing	Any *written* communication transmitted as follows: a) through Hydro-Québec's website, in particular from your Customer Space; b) by email; c) by mail; d) by fax.

By telephone	Any telephone conversation, including through the interactive voice response system.

When Hydro-Québec sends you a notice, it uses a means of communication providing proof of transmission, including by e-mail if you have supplied your e-mail address and consented to Hydro-Québec's using it to communicate with you.

You can use your Customer Space on Hydro-Québec's website (**www.hydroquebec.com/residential/customer-space/**) at any time to:

a) submit a *service request*;

b) obtain and update information about your *service contract*;

c) sign up for Online Billing, the Equalized Payments Plan and Pre-Authorized Debit;

d) pay bills;

e) update the information on rental units that you own;

f) terminate a *service contract*.

11.3 Contract and billing information

You must provide Hydro-Québec with the information it needs to issue your electricity bill as well as manage its *power distribution* system and ensure system security. You must ensure that the information in your file is up to date.

Changes to your *service contract*	During the term of the *service contract*, you must notify Hydro-Québec immediately: a) of any change in the characteristics of your *service contract*; b) of any change in the information you provided about your use of electricity; c) of any change in the information in Schedule I; d) of any change in the technical specifications of the *electrical installation* served; e) of any modification to your *dual-energy system*.

Error notification	You must notify Hydro-Québec immediately upon becoming aware of any error, particularly any error concerning: a) the confirmation of the characteristics of your *contract* sent to you by Hydro-Québec in accordance with Section 2.1; b) any bill you receive from Hydro-Québec.

11.4 Notification in the event of technical malfunction

You must immediately notify Hydro-Québec of any electrical or mechanical malfunction of your *electrical installation* of which you are aware or cannot be unaware and which could:

a) disturb the Hydro-Québec power system;

b) hinder service to the *electrical installations* of other *customers*; or

c) endanger property or persons, including Hydro-Québec representatives.

11.5 Medium- or high-voltage supply

If your *electrical installation* is supplied at *medium voltage* or *high voltage*, you must designate one or more persons whom Hydro-Québec must be able to contact at all times in regard to the management and operation of its power system and to ensure its security.

You must ensure that any person so designated is authorized under the *Master Electricians Act* (CQLR, chapter M-3).

11.6 Hydro-Québec obligation regarding promotional activities

Hydro-Québec may conduct promotional activities regarding the terms and conditions set forth in chapters 2 and 4 of the *Conditions of Service*, provided such activities are temporary, apply to all *customers* or to various groups of *customers* and aim to reduce the amounts payable by *customers* under the above-mentioned chapters.

Hydro-Québec reports on these promotional activities to the Régie de l'énergie, as instructed by the Régie.

CHAPTER 12

Quality and Continuity of Service

12.1 Operation of the power distribution system

Hydro-Québec provides you with electricity subject to interruptions that may result from an emergency, accident, equipment failure or tripping of system protective devices.

Hydro-Québec may, at any time, interrupt *electricity service* for purposes of system maintenance, repair, modification or management, or for reasons of public utility or safety.

12.2 Limited liability of Hydro-Québec

Hydro-Québec does not guarantee a stable level of voltage and frequency, nor continuity of *electricity service* and delivery.

Hydro-Québec cannot be held liable for any material damage resulting from one or more voltage or frequency variations or losses, service interruptions in accordance with these *Conditions of Service*, or failure to deliver electricity, except in the case of intentional or gross fault.

Hydro-Québec cannot be held liable for damage resulting from a *steady-state voltage* not exceeding the following limits:

a) if electricity is supplied at *low voltage* or *medium voltage,* according to standard CAN3-C235-83 (R2015);

b) if electricity is supplied at *high voltage*, a difference of up to 10% above or below the nominal supply voltage.

12.3 Protection against electrical incidents

You are responsible for guarding against voltage fluctuations and losses, frequency fluctuations and accidental grounding, and in particular for ensuring that your *electrical installation* and the electrical appliances and equipment you use are protected against such incidents.

12.4 No guarantee

The following do not constitute and must not be interpreted as constituting an evaluation or a guarantee by Hydro-Québec of the functional value, efficiency or safety of the facilities serving the *customer*, including the *electrical installation* and protective devices, nor of their compliance with any applicable legislative or regulatory provision:

a) any *contract* entered into under these *Conditions of Service*;

b) any agreement entered into under these *Conditions of Service*;

c) any installation done by Hydro-Québec;

d) any connection of an *electrical installation* to the Hydro-Québec system;

e) any authorization given by Hydro-Québec;

f) any inspection or verification done by Hydro-Québec;

g) the *electricity service* provided by Hydro-Québec.

CHAPTER 13

Use of Electricity and Connection of Equipment and Appliances

13.1 Resale of electricity

You may not resell, rent, lend, exchange or give electricity supplied by Hydro-Québec, unless you are a power distribution undertaking covered by the *Act respecting municipal power systems* (CQLR, chapter S-41).

This prohibition does not apply to the rental of a *service address* in which the rent includes electricity, nor to the charging of an electric vehicle.

13.2 Inappropriate use of electricity

You are liable for any damage caused to other *customers* or to Hydro-Québec if your electricity use violates these *Conditions of Service* or exceeds the *available power*.

13.3 Interfering with Hydro-Québec equipment

Any interference with the functioning of Hydro-Québec facilities, apparatus and equipment is prohibited. It is also prohibited to use them or carry out any operation or work whatsoever on them, unless you have obtained approval from Hydro-Québec.

13.4 Tampering with the electrical installation or metering equipment

If Hydro-Québec finds that the *electrical installation* or *metering equipment* has been tampered with so as to falsify the metering of electricity, or if the metering of electricity is impeded, you must pay the "inspection fee" indicated in Table A.1, Chapter 20, as well as the cost of purchase and installation of *metering equipment* to replace the damaged *metering equipment*, unless you can demonstrate that such tampering or impediment took place without your knowledge.

13.5 Hydro-Québec use of customer telecommunications circuits

You have priority in the use of your telecommunications circuits, but must allow Hydro-Québec to use them free of charge for the purpose of electricity metering and control.

13.6 Metering points

13.6.1 Separate *service contract* and metering for each *delivery point*

Each *delivery point* must be covered by a separate *contract* and separate metering, except in the following cases:

a) The electricity can also be delivered to you at a *delivery point* located on a backup line.

b) The electricity is delivered to you by more than one *distribution line* because of the limited capacity of Hydro-Québec's power lines.

c) The electricity is for purposes of public lighting.

d) The electricity is delivered for a *dwelling* that has been covered by a single continuous *contract* since February 1, 1984, even if it is metered by more than one *meter*, as long as the *electrical installation* has not been modified.

e) The electricity has been continuously metered by a single *meter* since April 15, 1987, even if it is delivered to several *delivery points* serving the property, as long as the *customer's service entrance* has not been modified.

You may not request multiple *delivery points* for the sole purpose of avoiding the application of terms and conditions set forth in the *Rates* or in these *Conditions of Service*.

13.6.2 Overall metering in a *building*

If you own a *building* with several electricity *meters*, you must allow Hydro-Québec to perform overall metering of the electricity delivered to all or part of the *building*, for consumption analysis purposes.

13.6.3 Metering of electricity in *apartment buildings*, *community residences* and *rooming houses*

In *apartment buildings*, and in *community residences* containing *dwellings* or both *dwellings* and rooms, electricity may be metered separately or in bulk, at the discretion of the owner or all the co-owners, as the case may be.

In *community residences* containing rooms only and in *rooming houses*, electricity for all the rooms is metered by a single *meter*. Electricity for *common areas and collective services* may be metered separately.

13.7 Metering equipment supplied by Hydro-Québec

Electricity delivered to you is metered by *metering equipment* chosen, supplied and installed by Hydro-Québec. The following terms and conditions apply:

***Low-voltage* metering**	If Hydro-Québec's current transformers have to be installed in a shielded substation, you are responsible for installing them and connecting their primary windings.

***Medium-* or *high-voltage* metering**	You are responsible for installing Hydro-Québec's current and voltage transformers and connecting their primary windings.

***Customer* equipment or apparatus**	Any equipment or apparatus that you want to add to Hydro-Québec's *metering equipment* is entirely at your expense.

13.8 Customer's instrument transformers

You must obtain Hydro-Québec's permission before installing any transformer or any other equipment designed to protect your *electrical installation*, on the *line side* of Hydro-Québec's *metering equipment*.

Only transformers for protecting your *electrical installation* or indicating its voltage may be installed on the *line side* of Hydro-Québec's *metering equipment*.

In addition, the following provisions apply, depending on the supply voltage:

Low voltage	Any equipment that belongs to you and that is solely for purposes of load management and metering must be installed on the *load side* of Hydro-Québec's *metering equipment*. You may install only one voltage transformer and one current transformer per phase, and the cabinet containing them must have a mechanism for affixing a seal.

Medium* or *high voltage	Your *metering equipment* must be used solely to ensure electrical protection of the property, to display metering data and to emit load control signals. You may install only one voltage transformer and one current transformer per phase, on the *line side* of the *metering equipment*.

13.9 Actions requiring prior authorization

Hydro-Québec's prior authorization must be obtained for any modification of the *customer's service entrance* or electricity use, or for installation of load control equipment on the *line side* of the *metering equipment*.

If you already have a *service contract* and wish to modify it for *cryptographic use applied to blockchains* or to increase the *installed capacity* intended for this use as part of the reallocation of eligible quantities of power from the *dedicated block* in Section 1.2 of these *Conditions of Service*, you must submit a *written* request for *contract* modification to Hydro-Québec. If your request is accepted, Hydro-Québec will send you confirmation *in writing*.

CHAPTER 14

Ownership of Facilities and Equipment and Right of Access

14.1 Ownership of facilities and equipment

The *connection point* is the demarcation between your *electrical installation* and the facilities and equipment of Hydro-Québec. However, some equipment, including the *meter* and the current or voltage transformers for metering, belong to Hydro-Québec and can be installed on the *load side* of the *connection point*.

Hydro-Québec remains the owner of the facilities and equipment used on the *line side* of the *connection point*, even if you contribute to the cost of the work carried out by Hydro-Québec.

The *electrical installation* located on the *load side* of the *connection point* does not belong to Hydro-Québec.

You are responsible for the work needed to upgrade to code, maintain, add and replace your *electrical installation*.

14.2 Installation of equipment

Right to install, modify and maintain equipment	Hydro-Québec must be able to install free of charge, on the property served or to be served, in locations that are readily accessible, safe and agreed upon with you or the owner of the *electrical installation*, as the case may be, all equipment required for the provision of *electricity service* as well as control and metering, including *power distribution system* equipment if any part of the system is to be used to supply electricity to the said property. After initial energization, Hydro-Québec must also be able to install such equipment free of charge in locations that are readily accessible, safe and agreed upon with you or the owner of the *electrical installation*, as the case may be.

Right of sealing	Hydro-Québec has the right to seal, free of charge, any point where a connection could be made on the *line side* of the *metering equipment*.

Right of subsoil use	Hydro-Québec has the right to use the subsoil free of charge for the installation, maintenance, connection, operation, modification, extension and use of *power distribution system* equipment.

14.3 Hydro-Québec access to its equipment

Access to the *metering equipment* and installation of that equipment are prior conditions for the delivery of electricity to a *customer*.

In addition, the following conditions apply:

Reasons for access	Hydro-Québec and its representatives must be able to access the property served: a) to install, operate, inspect, maintain, repair, modify or remove all equipment belonging to it; b) to collect *meter* data; c) to check whether your electricity use complies with the *Rates* or these *Conditions of Service*. Hydro-Québec may also check documents or visually inspect your *electrical installation* or your devices and equipment; d) to interrupt or restore *electricity service*. Hydro-Québec may bill you the "charge for travel without work" indicated in Table A.1, Chapter 20, if you schedule an appointment and, when the worker arrives on site, they notice that they do not have the necessary access to carry out the work mentioned in paragraphs a) to d) above. Hydro-Québec may also replace the rate of your *contract* by an applicable rate when it cannot verify your use of electricity for the reasons stated above.

Access period	Hydro-Québec has the right to access the property served: a) at all times when necessary to ensure safety or the continuity of *electricity service*; b) between 8 a.m. and 9 p.m. every *day*, except Sundays and holidays, for any other reason.

Renovations	You must obtain Hydro-Québec's authorization before proceeding with any renovation or other work affecting the property supplied or your *electrical installation*, if the result of the work could prevent or hinder exercise of the access rights provided for in this section.

Access for replacement of the *meter* with a *communicating meter* and preliminary work	If your *electrical installation* is single-phase and rated 400 A or less and there has been no billing of demand for the *contract* in question during the 12 previous monthly periods; and: a) you refuse or neglect to give access to a *meter* other than a *communicating meter* so that Hydro-Québec can replace it; or: b) you do not perform the work required for *meter* replacement or to bring your *electrical installation* into compliance, the "m*eter* inaccessibility charge" and the "monthly *meter* reading charge prorated according to billing cycle" indicated in Table A.1, Chapter 20, become applicable 9 *days* after Hydro-Québec sends a notice to that effect, if you have not remedied the situation. The "monthly *meter* reading charge prorated according to billing cycle" ceases to apply when Hydro-Québec replaces the *meter* with a *communicating meter* or when service is interrupted under sections 7.1.1 and 7.1.2, whichever occurs first.

14.4 Compliance with clearance standards

Every *building* and every structure, including a *swimming pool* or *outbuilding*, in proximity to Hydro-Québec's *distribution line* or *metering equipment* must have the clearances prescribed in the *Québec Construction Code*, Chapter V – Electricity.

If you own a *building* or structure that contravenes the standards in force at the time of its construction or modification, you must correct this noncompliance at your expense or pay the cost of the work that Hydro-Québec has to carry out to correct it.

14.5 Safety of persons and property

As a *customer*, you are the custodian of all Hydro-Québec equipment on the property served, including the *metering equipment*, unless such equipment is in a location under the control of a third party. However, this provision does not apply to poles and overhead conductors.

You are also responsible for ensuring the safety of persons and the protection of property in places where Hydro-Québec supplies electricity.

V

Technical
Specifications

CHAPTER 15

Modes of Supply

15.1 Delivery of electricity by Hydro-Québec

15.1.1 Frequency and voltage

Hydro-Québec supplies electricity at the *connection point* at a frequency of approximately 60 hertz (Hz) in accordance with these *Conditions of Service*.

Steady-state voltage up to 44 kilovolts (kV) is supplied in accordance with the provisions of standard CAN3-C235-83 (R2015), in the edition in force at the time of application.

15.1.2 Limitations and conditions of supply

Hydro-Québec supplies electricity subject to the limitations and conditions described in these *Conditions of Service* and according to the applicable technical specifications, including the specifications for the *distributing substations*, *civil works* and equipment required for such supply.

15.1.3 Supply directly from the *distribution line* or from a *distributing substation*

Low-voltage supply is provided directly from the *distribution line* or from a *distributing substation*, depending on the sum of the *current ratings* of your *service box*.

Total rating under 600 A	Electricity is supplied directly from the *distribution line*.

Total rating of 600 A or more	Electricity is supplied directly from the *distribution line* if the maximum current demand on the *distribution service loop* does not exceed 500 A, or 600 A during the *winter period* in the case of a *dual-energy system*. In all other cases, electricity is supplied from a *distributing substation* located at the *service address* and installed on a pole, on a *pad* or in an *annex*.

If you and Hydro-Québec agree on a mode of *low-voltage* supply other than that offered as part of *basic service* as defined by Hydro-Québec, you must assume all additional costs.

15.1.4 Use of *distributing substation*

Subject to the *customer*'s priority use of the full capacity of the *distributing substation*, Hydro-Québec may use such substation to supply electricity to the *electrical installations* of other *customers*.

15.2 Technical requirements

15.2.1 Customer's electrical installation

You must ensure that your *electrical installation* meets the following requirements:

a) It must correspond to the information you provided to Hydro-Québec under Section 2.1.

b) It must be able to receive electricity according to the agreed mode of supply (see Chapter 16).

c) It must be approved or authorized by a competent authority under any applicable legislative or regulatory provision.

d) It must be designed, built, connected, protected, used and maintained in such a way that it

- allows Hydro-Québec to manage, operate and protect its system, including *metering equipment*;
- does not cause disturbances on the *power distribution system*;
- does not compromise *electricity service* to other *customers*;
- does not put Hydro-Québec's representatives or the public at risk.

You must submit a *connection request* dully filled out by a master electrician attesting that your *electrical installation* is compliant if Hydro-Québec requests that you do so for safety reasons or if supply to your *electrical installation* is interrupted for 12 *months* or longer. In the latter case, Hydro-Québec may require that you pay the applicable "charge for work" for service restoration.

15.2.2 Review of *available power* authorized

The *available power* is determined by Hydro-Québec for each *service contract* concerned.

Your electricity use must not exceed the *available power*.

Hydro-Québec may review the *available power* as follows:

Increase in *available power*	If you would like the *available power* to be increased, you must submit a request to Hydro-Québec, which will inform you *in writing* of whether or not your request is accepted.

Reduction of *available power*	Hydro-Québec may revise the *available power* downward if it notes that your *maximum power demand* is less than the *available power*. You may also submit a *written* request to have the *available power* reduced, provided that your request does not allow you to circumvent the application of a condition stipulated in the *Rates* or in these *Conditions of Service*. Hydro-Québec will inform you *in writing* of whether or not your request is accepted.

A discrepancy between the *maximum power demand* and the *available power* does not dispense you from having to submit a *written* application to Hydro-Québec for the addition of new *connected loads* or any increase in your existing loads, nor from the obligation to comply with the conditions set forth in articles 11.3 and 13.9.

15.2.3 Supply from more than one *distribution line*

When electricity is supplied at *medium* or *high voltage* from more than one *distribution line*, the lines must be used according to Hydro-Québec's instructions.

If one of these lines fails or has to be removed from service, you must, with Hydro-Québec's authorization or at its request, receive electricity from another *distribution line* indicated by Hydro-Québec. This use is limited to the duration of the work, unless Hydro-Québec indicates a longer usage period.

15.2.4 Supply from a *medium-voltage* underground *distribution line*

When electricity is supplied at *medium voltage* from an underground *distribution line*, the *electrical installation* must be designed and installed in such a way that it can receive electricity from more than one source.

15.2.5 Protection for backup generator

Hydro-Québec authorizes the connection to the *power distribution system* of a backup generator provided that it has a transfer switch with a mechanical interlock system making it impossible for the generator to couple with the *power distribution system* (open transition).

If the backup generator's transfer switch allows coupling of the generator with the *power distribution system* (closed transition), or if the transfer switch does not have a mechanical interlock system, you must obtain Hydro-Québec's *written* authorization before connecting the generator to the *power distribution system*. The connection and use of such equipment must at all times comply with the conditions set by Hydro-Québec and the standards in effect. In particular, you must provide documents attesting to the compliance of the *electrical installation*.

15.2.6 Connection of generating equipment

Before you can connect and use generating equipment along with your use of the *power distribution system* under your *service contract*, you must provide the documents attesting to the compliance of the *electrical installation* and obtain *written* authorization from Hydro-Québec.

The connection and use of this equipment must at all times comply with the conditions set by Hydro-Québec and the standards in effect.

15.2.7 Coordination of protective equipment

The technical specifications and settings of the protective equipment in your *electrical installation* must allow coordination with Hydro-Québec's protective equipment.

15.2.8 *Customer* obligations regarding *power factor*

You must maintain the *power factor* of your *electrical installation* as follows:

***Power factor* measurement**	The *power factor* is measured by Hydro-Québec at the *delivery point*.

Required minimum *power factor*	You must maintain a *power factor* of at least: a) 90% for a *small-power*, *medium-power* or *domestic-rate service contract*; or b) 95% for a *large-power service contract*.

Insufficient *power factor*	If the *power factor* of your *electrical installation* is usually less than the minimum required, Hydro-Québec may notify you *in writing*. You must then install correction equipment at your expense.

Correction equipment	Correction equipment must be designed and installed to meet the following requirements: a) It must not cause disturbances on the Hydro-Québec power system; b) It must allow complete or partial disconnection, at Hydro-Québec's request or according to variations in your power use, without the corrected *power factor* becoming capacitive.

15.2.9 *Customer* obligations regarding inrush current

If electricity is supplied to your *electrical installation* directly from the *distribution line* at *low voltage*, you must obtain Hydro-Québec's *written* authorization before connecting a load that could cause the following current inrush values:

Supply from the main system	100 A or more.

Supply from an *off-grid system*	The lower of the following values: a) 10 kW or more; or b) 20 kVA or more.

15.3 Excessive current demand

If your *electrical installation* is supplied directly from the *distribution line* or from a pole-mounted 347/600 V *distributing substation* and the sum of your *service box current ratings* exceeds 600 A, Hydro-Québec will notify you *in writing* if it notes that the maximum allowed current for your *electrical installation* is being exceeded.

If you receive such a notice, you must, within 6 *months* of the date of the notice,

- at your expense, install the *civil works* and equipment needed for supply from a non-pole-mounted *distributing substation*;
- pay the cost of the portion of the *distribution service loop* in excess of 30 m, if applicable;

- if the limit is exceeded within 5 years of initial energizing, reimburse all costs incurred by Hydro-Québec for installation and removal of the equipment required for supply directly from the *distribution line* or from a pole-mounted *distributing substation*, including the transformers. The depreciated value of the equipment recovered for reuse by Hydro-Québec is refunded to the *customer* who paid for it.

CHAPTER 16

Supply Voltages

16.1 Low voltage

16.1.1 Supply voltages available

Low-voltage supply is available as follows:

Single-phase 120/240 V	This supply voltage is available if the sum of the *service box current ratings* in your *electrical installation* does not exceed 1,000 A at 80% continuous service or 800 A at 100% continuous service at a voltage of 120/240 V.

Three-phase wye-connected 347/600 V, grounded neutral	This supply voltage is available if the sum of the *service box current ratings* in your *electrical installation* does not exceed 6,000 A at 80% continuous service or 5,000 A at 100% continuous service at a voltage of at 347/600 V.

Three-phase three-wire 600 V	*Electricity service* at three-phase 600 V, 3-wire, remains subject to sections 23 and 24 of *Bylaw No. 411*.

16.1.2 Conversion of 3-wire 600 V

Hydro-Québec may at any time convert the 3-wire 600 V supplied to your *electrical installation* to three-phase wye-connected 347/600 V with grounded neutral.

In such a case, Hydro-Québec must notify you *in writing* at least 30 *days* before the date of the voltage conversion and termination of service at the existing voltage. Within that 30-*day* period, you must upgrade your *electrical installation* at your expense to allow supply at the new voltage, and carry out all the work mentioned in Section 8.1, including the *civil works* located on your property, if applicable.

Hydro-Québec will pay you the financial compensation related to the dismantling and energizing of *electrical installations* provided for in paragraphs d) and h) of Schedule III. You will also be compensated the reasonable cost paid for electrical work carried out on your *electrical installation*.

16.2 Medium-voltage supply

16.2.1 Maximum allowed current for three-phase supply at *medium voltage*

Medium-voltage three-phase electricity is supplied up to a maximum of 260 A. Beyond that, Hydro-Québec determines if your *electrical installation* must be supplied at *medium voltage* or *high voltage*.

16.2.2 Equipment installed for conversion to 25-kV supply

If your *electrical installation* is supplied at a *medium voltage* other than 25 kV, Hydro-Québec may at any time convert it to 25 kV. In that case, the following conditions apply:

Addition or replacement of equipment	Any electrical equipment added or replaced in your *electrical installation* must be designed to receive electricity at 25 kV, unless Hydro-Québec sends you a *written* notice waiving this requirement.

New *electrical installation*	Any new *electrical installation* must be designed to receive electricity at both 25 kV and the other voltage, unless Hydro-Québec sends you a *written* notice waiving this requirement.

Compensation	Hydro-Québec will pay you the following compensation: a) at your request, and only once per transformer, an amount equal to the difference between the cost of a transformer designed to receive electricity at both 25 kV and the other voltage, and the cost of a transformer designed to receive electricity solely at 25 kV; b) the "credit for supply at *medium* or *high voltage*" specified in the *Rates* for 25 kV. This credit applies as of the first complete *consumption period* following the date on which the capacity of the transformer(s) installed by you and capable of receiving electricity at 25 kV allows you to use all of the *available power* you have agreed on with Hydro-Québec.

16.2.3 Conversion of supply voltage to 25 kV

If your *electrical installation* is supplied at a voltage other than 25 kV and Hydro-Québec decides to convert it to 25 kV as provided for in Section 16.2.2, the following conditions apply:

Notice of conversion	Hydro-Québec must notify you *in writing* at least 24 *months* before the scheduled date of the voltage conversion. You then have the choice of receiving *medium-voltage* supply at 25 kV or receiving electricity at *low voltage*.

Choice to receive electricity at *medium voltage*	If, after receiving the notice of conversion, you opt to get *medium-voltage* supply at 25 kV directly from the *distribution line*, you must carry out all the work needed so that your *electrical installation* can receive electricity at 25 kV. The work on your *electrical installation* must be completed at least 12 *months* prior to the planned conversion date.
Choice to receive electricity at *low voltage*	If, after receiving the notice of conversion, you opt for supply at *low voltage*, you must agree with Hydro-Québec on the mode of supply to your *electrical installation*: a) directly from the *distribution line* at low voltage; or b) from a *distributing substation* located on the property served or to be served and installed on a pole, on a *pad* or in an *annex*. You must carry out all the work required so that your *electrical installation* can receive electricity at *low voltage*. The work on your *electrical installation* must be completed at least 12 *months* prior to the planned conversion date.
Costs	Whatever option you choose, you assume the cost of the work related to your *electrical installation*.
Compensation	Compensation is set out in Schedule III. Hydro-Québec informs you *in writing* of the amounts to which you are entitled. At your request and following Hydro-Québec's approval, such compensation is paid at the time indicated in Schedule III. If, after receiving the notice of conversion, you opt for *low-voltage* supply, only the compensation set out in paragraphs a), d) and e) of Schedule III is paid, at your request, once your *electrical installation* is able to receive electricity at *low voltage*.
Service interruption	If the work required on your *electrical installation* to allow it to receive electricity according to the agreed mode of supply and to allow the voltage conversion on the scheduled date has not been carried out, Hydro-Québec sends you an interruption notice at least 9 *days* before interrupting service, in accordance with Section 7.1.2. After this period has elapsed, Hydro-Québec may perform the necessary work to convert the voltage of the *distribution line* supplying your *electrical installation*. Your *electricity service* is interrupted because your *electrical installation* is no longer compatible with the *distribution line* voltage and can no longer be powered according to the agreed mode of supply.

VI

Large-Power
Customers

CHAPTER 17

Credit Risk for Large-Power Customers

17.1 Application

The provisions set forth in this part apply to *large-power service contracts*. They have precedence over any incompatible provision in these *Conditions of Service* and any incompatible provision of a billing or payment arrangement between Hydro-Québec and a *customer*, including any cancellation period stipulated in such an arrangement.

17.2 Establishment of customer's credit risk

Regardless of any assessment made under sections 17.2.1 and 17.2.2, if you are *in default*, all your *large-power service contracts* are considered *high-risk contracts*.

If your *service contract* is for *cryptographic use applied to blockchains*, it is considered a *high-risk contract*.

17.2.1 Risk level based on credit ratings

Hydro-Québec bases the risk level of your *large-power service contracts* on the credit ratings assigned to you in the past 12 *months* by the rating agencies indicated below, and establishes the risk level using the scale below.

Risk level based on agencies' ratings

Rating agency	Very low risk	Low risk	Risky	High risk
S&P Global Ratings	AAA to A–	BBB+ to BB–	B+ to B–	CCC+ to D
Moody's	Aaa to A3	Baa1 to Ba3	B1 to B3	Caa1 to D
Morningstar DBRS	AAA to A low	BBB high to BB low	B high to B low	CCC to D
Fitch Ratings	AAA to A–	BBB+ to BB–	B+ to B–	CCC+ to D

If, due to discrepancies between credit ratings assigned in the last 12 *months* by these rating agencies, your *service contracts* are deemed to pose several different levels of risk, Hydro-Québec uses one of the following methods:

a) If at least two agencies have assigned you the same credit rating during that period, that rating will be used to establish the level of risk you represent.

b) If the ratings assigned to you by the agencies during that period are all different, Hydro-Québec assesses the risk level itself, using the method provided for in Section 17.2.2.

17.2.2 Risk level based on score assigned by Hydro-Québec

If the rating agencies identified in Section 17.2.1 have not assigned you any rating in the past 12 *months*, Hydro-Québec assesses the risk level itself, as follows:

a) Hydro-Québec sends you a *written* request for the financial information it needs to assess the level of risk you represent.

   Hydro-Québec preserves the confidentiality of all information thus transmitted and designated by you as confidential, unless a law requires Hydro-Québec to disclose this information.

   You must provide this information within 30 *days* of Hydro-Québec's request; otherwise, all your *large-power service contracts* will be considered *high-risk*.

b) Hydro-Québec assesses your file according to the chart in Section 18.1 and establishes your risk level according to the following scale:

Score assigned by Hydro-Québec based on risk level and in accordance with Section 18.1

Very low risk	Low risk	Risky	High risk
A	B	C	D

c) If you disagree with Hydro-Québec's assessment, you may request a review as provided for in Section 17.2.3.

17.2.3 Review of score assigned by Hydro-Québec

If you want Hydro-Québec to review the assessment performed under Section 17.2.2, you must submit a *written* request for review indicating in sufficient detail the reasons for your disagreement.

Review by Hydro-Québec	Hydro-Québec reviews its assessment. If Hydro-Québec's position remains unchanged after this new analysis, you may request a review by a third party.

Review by a third party	Hydro-Québec asks a recognized rating agency to produce its own assessment, which will be based on the financial information you already provided under Section 17.2.2. Assessment by the rating agency is at your expense, and you must pay the cost before it begins. Such a request neither suspends nor prevents the application of Section 17.3 based on the risk assessment performed by Hydro-Québec.

Reimbursement if review is in *customer's* favour	If the rating agency assigns a rating that improves your risk level, Hydro-Québec will refund the cost of the rating agency's assessment within 30 *days*.

17.3 Particular terms and conditions for risky or high-risk contracts

17.3.1 Notice to *customer*

If Hydro-Québec intends to apply the provisions of sections 17.3.2 to 17.3.4 to a *large-power service contract* for which you are responsible, it must notify you *in writing*, stating the terms and conditions that will apply.

Upon receipt of the notice, you must contact Hydro-Québec and agree on the date on which the new terms and conditions come into effect, as well as reasonable transitional measures.

If no agreement is reached, the new terms and conditions come into effect 8 *days* after the date on which the notice was sent.

17.3.2 Payment period for a *risky contract*

In the case of a *risky contract*, all bills must be paid in Canadian dollars within 7 *days* of the billing date.

If you do not pay a bill by its due date, you are *in default*. An "administration charge" calculated according to the applicable rate in Table A.2, Chapter 20, in effect on the due date of your bill, is then applied to the unpaid balance.

17.3.3 Deposit or payment guarantee

Hydro-Québec may require a deposit or a payment guarantee for any *high-risk contract*.

Calculation	The maximum amount of the deposit or payment guarantee is established as follows: a) Hydro-Québec estimates your probable bills for power demand and *energy*, taxes included, for the next 12 *months*. b) Based on this 12-*month* estimate, Hydro-Québec determines the period of 14 consecutive *days* during which the billing amount will be highest. c) The amount of the deposit or guarantee will not exceed the amount that would be billable for that 14-*day* period. If Hydro-Québec notes, during the deposit holding period, that the estimate of your consumption established according to paragraph a) of this section is not representative of the billable amount for the 14-*day* period determined according to paragraph b), it may adjust the deposit amount upward or downward.

Due date	The deposit or payment guarantee is payable within 8 *days* of Hydro-Québec's request.

Interest on deposit	Any cash deposit you pay to Hydro-Québec under this section bears interest under the terms and conditions set out in Section 6.3.

17.3.4 Payment frequency for a *high-risk contract*

In the case of a *high-risk contract*, Hydro-Québec sends you an estimate of the upcoming bill for the current *consumption period*. This amount is payable as follows:

a) The amount for the electricity already consumed is payable within 7 *days* after Hydro-Québec sends you the estimate.

b) Subsequently, you must make weekly installments according to the payment schedule sent to you by Hydro-Québec.

Failure to pay any of these installments constitutes a *non-payment*. An "administration charge" is then applied at the rate in effect on the due date of the payment and calculated according to the applicable "administration charge" indicated in Table A.2, Chapter 20.

Any difference between the amount of the weekly installments paid and the amount of your bill based on actual consumption data is indicated on your monthly bill. This amount is applied as a credit or debit, as the case may be, to your next weekly installment.

17.3.5 Termination of special terms and conditions

The provisions in Section 17.3 cease to apply when the *service contract* has no longer been *risky* or *high-risk*, as the case may be, for at least 2 consecutive quarters.

Hydro-Québec will send you *written* notice to that effect. The provisions cease to apply at the end of the monthly *consumption period* under way on the date of the notice. Any deposit or payment guarantee provided under Section 17.3.3 is then refunded as set out in Section 6.5, with the necessary adjustments.

CHAPTER 18

Hydro-Québec Credit Risk Assessment Criteria

18.1 Method used by Hydro-Québec to determine credit score

In the cases provided for in sections 6.1.2 and 17.2.2, Hydro-Québec uses the method presented in sections 18.1.1 and 18.1.2 to establish a *customer*'s credit score.

18.1.1 Scorecard used by Hydro-Québec to establish the credit score

The table below shows the number of points awarded to the *customer* for each criterion on the scorecard. The criteria are defined in Section 18.1.2.

Points awarded for operating efficiency ratios

Assessment criteria	1 point	2 points	3 points	4 points
(1) Profit margin ratio as a percentage of sales (TTM: Trailing twelve *months*)	13.00% or over	4.00%–12.99%	1.00%–3.99%	Under 1.00%
(2) Decline in market capitalization (%)	Under 25.00%	25.00%–49.99%	50.00%–74.99%	75.00% or over
(3) CRM (Credit Risk Monitor) rating or Z score	4.00 or over	2.60–3.99	1.10–2.59	Under 1.10
(4) CRM category	First quartile	Second quartile	Third quartile	Last quartile

Points awarded for liquidity ratios

Assessment criteria	1 point	2 points	3 points	4 points
(5) Working capital ratio	3.80:1 or more	2.00–3.79:1	1.40–1.99:1	Under 1.40:1
(6) Interest coverage ratio (TTM)	10.0:1 or more	2.50–9.99:1	1.50–2.49:1	Under 1.50:1

Points awarded for debt ratios

Evaluation criteria	1 point	2 points	3 points	4 points
(7) Total debt divided by tangible net worth	Under 0.16:1	0.16–0.50:1	0.51–1.50:1	Over 1.50:1
(8) Total debt divided by EBITDA (TTM)	Under 2.00:1	2.00–3.99:1	4.00–5.00:1	Over 5.00:1
(9) Total debt divided by the difference between cash flows from operations and cash flows from capital investments (TTM)	Under 5.00:1	5.00–9.99:1	10.00–14.99:1	15.00:1 or more
(10) Other considerations	0 to 5 points per qualitative element, according to severity of the situation			

Based on the total score obtained from the above table, Hydro-Québec assigns a rating according to the following scale. The score corresponding to each rating depends on whether the company is publicly or privately held, since criteria 2, 3 and 4 do not apply to privately held companies.

Hydro-Québec rating based on *customer*'s total score

Type of company	A	B	C	D
Public	9–19	20–28	29–33	34 or over
Private	6–13	14–19	20–22	23 or over

18.1.2 Definitions of assessment criteria

The following definitions apply to Section 18.1:

Operating efficiency ratios (quantitative)

Ratio	Definition
(1) Profit margin ratio as a percentage of sales (TTM: trailing twelve *months*)	Gross profit margin, less cost of sales, overhead and administration, divided by sales.
(2) Decline in market capitalization (%)	Percentage decrease (if applicable) in common share price in the 36 *months* preceding the assessment.
(3) CRM (Credit Risk Monitor) rating or Z score	Rating or score indicating a company's risk of bankruptcy and calculated on the basis of several accounting and financial ratios.
(4) CRM category	Category based on the CRM database, which compiles all financial statements for public companies internationally. Hydro-Québec uses the CRM category to rank the *customer* in relation to its competitors.

Liquidity ratios (quantitative)

Ratio	Definition
(5) Working capital ratio	Current assets divided by current liabilities. Used to assess a company's ability to meet its financial obligations over the next 12 *months*.
(6) Interest coverage ratio (TTM)	EBITDA divided by financial expenses: • EBITDA – Earnings before interest, taxes, depreciation and amortization; • Financial expenses – Interest on current and long-term debt.

Debt ratios (quantitative)

Ratio	Definition
(7) Total debt divided by tangible net worth	Total debt: all liabilities with the exception of • trade and other accounts payable • income taxes Tangible net worth: total assets less intangible assets, leasehold improvements and all liabilities.
(8) Total debt divided by EBITDA (TTM)	See above.
(9) Total debt divided by the difference between cash flows from operations and cash flows from capital investments (TTM)	Total debt: see above; Cash flow from operations: as presented in the statement of cash flows; Cash flow from capital investments: as presented in the statement of cash flows.

Other considerations

Ratio	Definition
(10) Qualitative elements	• Fulfillment of obligations under short- and long-term banking arrangements; • Legal suits, problems with regulatory authorities, commitments and contingencies; • Legal liens on *customer*'s assets; • Going-concern status of the *customer* or related entities; • Insolvency of the *customer* or related entities; • Life stage (startup, growth, decline); • Magnitude of actuarial deficit of pension plan; • Economic dependency; • Scope of related-party transactions; • Quality of management team; • Major change in dividend or distribution policy; • Quality of financial information.

CHAPTER 19

Types of Supply for Connection Requests for Available Power of 5 MW or more, including installed load

19.1 Connection request for 5 MW or more, including installed load

19.1.1 Overhead service

If you request an overhead connection for *available power* of 5 MW or more, including *installed load*, the amount you have to pay for the work is based on the *detailed cost-of-work calculation* when it is not possible to use the prices indicated in Chapter 20 or when your *connection request* is for work involving particular conditions such as an *inaccessible location* or the crossing of a waterbody or watercourse.

For modification or extension of an overhead *distribution line*, the amount you have to pay is reduced by the "allowance for overhead supply of 5 MW or more" in Table P.1, Chapter 20, up to the amount that would have been included in the optimal technical solution determined by Hydro-Québec. The following formula is used to calculate the reduction:

AR = AAD x ALL

where:

AR = amount of reduction

AAD = added anticipated *power demand*

ALL = amount on the "allowance" line in Table P.1

There is no allowance for an option.

19.1.2 Underground service

If you request an underground connection for *available power* of 5 MW or more, including *installed load*, the amount you have to pay for the work is based on the *detailed cost-of-work calculation* when it is not possible to use the prices indicated in Chapter 20 or when your *connection request* is for work involving particular conditions such as an *inaccessible location* or the crossing of a waterbody or watercourse.

For modification or extension of an underground *distribution line*, the amount you have to pay is reduced by the "allowance for overhead supply of 5 MW or more" in Table P.1, Chapter 20, up to the amount that would have been included in the optimal technical solution determined by Hydro-Québec.

There is no allowance for an option.

19.2 Customer commitments for a connection request for available power of 5 MW or more, including installed load

19.2.1 *Customer* commitments related to cost of work

If your *connection request* is for *available power* of 5 MW or more, including *installed load*, Hydro-Québec will monitor your billing demand for each of the 5 *years* following the date on which your *electrical installation* was energized. Depending on the result of this monitoring, the following conditions apply.

If, in each of the 5 years of monitoring, the average billing demand is equal to or greater than the *anticipated power demand*, you will have no additional amount to pay.

Otherwise, for each year of monitoring in which the average billing demand is less than the *anticipated power demand*, Hydro-Québec will bill you an amount calculated as follows:

AB = (APD – ABD) x "allowance adjustment charge" indicated in Table P.1, Chapter 20, in effect on the date the additional load was connected

where:

AB = amount billed

APD = *anticipated power demand*

ABD = average billing demand for the year in question

If you signed a *contribution agreement* before April 1, 2018, it remains subject to the *Conditions of Electricity Service* effective April 1, 2015, until its expiry.

19.2.2 *Customer* commitments related to *energy efficiency*

If Hydro-Québec must request authorization from the Ministère de l'Économie, de l'Innovation et de l'Énergie to deliver electricity to you, the written *agreement* provided for in Section 1.1 must include the *energy efficiency* commitments that you entered in the authorization form *Information required to assess the application* submitted in accordance with Section 76 of the *Act respecting the Régie de l'énergie* (CQLR, c. R-6.01.) as well as any duly identified measure in this regard that the Minister has declared to be subject to the authorization set out in that section.

19.2.3 *Customer* commitments related to demand response

If Hydro-Québec must request authorization from the Ministère de l'Économie, de l'Innovation et de l'Énergie to deliver electricity to you, the written agreement provided for in Section 1.1 must include the demand response option set out in the *Electricity Rates* you are enrolled in that corresponds to the commitment you entered in the authorization form *Information required to assess the application* submitted in accordance with Section 76 of the *Act respecting the Régie de l'énergie* (CQLR, c. R-6.01.) or, in the case of discrepancy, any duly identified option in this regard that the Minister has declared to be subject to the authorization set out in that section.

VII

Costs and Charges
Related to
Electricity Service

CHAPTER 20

Costs and Charges

20.1 General charges, flat-fee work prices and special metering charges

20.1.1 General charges

Table A.1 – Service Charges – Amount per Request or per Job

Type of charge	Amount
Contract administration charge – For request submitted through *self-service*	No charge
Contract administration charge – For request submitted by other means	$25
Charge for work – Remote	No charge
Charge for work – At the *meter*	$160
Charge for work – On the system	$470
Charge for travel without work	$220
Meter inaccessibility charge	$99
Monthly *meter* reading charge prorated according to billing cycle	$3
Initial installation charge	$99
Inspection fee	$1,360
Special charge for connecting to an *off-grid system* – First 20 kilowatts	$5,000
Special charge for connecting to an *off-grid system* – Each additional kilowatt	$250
Charge for insufficient funds per rejected transaction	$10
Minimum charge in case of withdrawal	$800
Charge for *distribution line* relocation	$800

Table A.2 – Administration Charges Applicable to Bill

National Bank prime rate range (% per year)	Monthly administration charge (%)
7.99 or less	1.2 (14.4% per year)
8 to 9.99	1.4 (16.8% per year)
10 to 11.99	1.6 (19.2% per year)
12 to 13.99	1.7 (20.4% per year)
14 to 15.99	1.9 (22.8% per year)
16 to 17.99	2.1 (25.2% per year)
18 or more	2.2 (26.4% per year)

The monthly administration charges in Table A.2 are revised whenever, for a period of 60 consecutive *days*, the National Bank prime lending rate is above or below the reference range used to establish these charges. The new charges are applied as of the 61st *day*.

20.1.2 Prices for *flat-fee work*

Table B.1 – Modification of *Low-Voltage* Overhead *Service Loop* – Price per Job Based on the *Current Rating* of the *Service Box*, in Amperes

Type of work	Price – 400 A or less	Price – 600 A or more
Service loop replacement or relocation (except when relocation is due to constraints related to a *swimming pool*)	$1,330	$2,950
Service loop relocation due to constraints related to a *swimming pool*	$470	$470

Table B.2 – Pole Relocation – Price per Pole

Type of work	Price – *Low voltage*	Price – *Medium voltage*
Pole relocation – single-phase	$2,520	$4,860
Pole relocation – three-phase	$2,520	$7,840

The prices listed in Table B.2 include the removal and installation of any *support structures*, transformers and cutouts.

Table B.3 – Scheduled Interruptions and Preventive Maintenance – Price per Job

Type of work	Price – Less than 5 hours	Price – Per additional 5 hours
Interruption and restoration of overhead or underground service outside Hydro-Québec's *regular working hours*	$1,090	$3,820

Table B.4 – Public Lighting – Price per Luminaire

Type of work	Price
Installation and energizing of new luminaire	$560
Replacement or relocation and energizing of luminaire	$820
Disconnection and removal of luminaire	$420
Installation of protector disconnect switch	$400

Table B.5 – Securing of *Power Distribution System* at *Customer*'s Request – Price per Job

Type of work	Price
Securing of *power distribution system* – 4 *dwellings* or less	No charge
Electrical isolation	$510
De-energizing	$770

20.1.3 Special Metering Charges

Table C.1 – *Medium-Voltage* Metering for an Option – Charge per *Meter*

Type of work	Charge
Single-phase with pole-mounted transformer	$16,500
Three-phase with transformer on a pole or in a metal-clad substation	$33,100

Table C.2 – *Medium-Voltage* Metering for a *Small-Power Electrical Installation* – Charge per Job

Type of work	Charge
Single-phase with transformer	$14,100

20.2 Prices for major and minor work – System extension and modification

20.2.1 Prices for overhead *service loops*

Table D.1 – New *Low-Voltage Service Loop* – Price per Job or per Metre Based on the *Current Rating* of the *Service Box*, in Amperes

Length of *service loop*	Price – 200 A or less	Price – 320 or 400 A	Price – 600 A or more
30 m or less	Included in *basic service*	Included in *basic service*	Included in *basic service*
Over 30 m but no more than 60 m **with additional pole(s)**	$2,660	$2,810	$5,030
Over 60 m **with additional pole(s)**: Fixed amount + price per metre applicable	$2,660 + $53 per metre	$2,810 + $63 per metre	$5,030 + $111 per metre
Price per metre applicable **without additional pole(s)**	$15 per metre	$25 per metre	$70 per metre

Table D.2 – New *Medium-Voltage Service Loop* – Price per Job or per Metre Based on Type of Supply

Length of *service loop*	Price – Single-phase supply	Price – Three-phase supply
30 m or less	Included in *basic service*	Included in *basic service*
Over 30 m but no more than 60 m	$4,990	$5,540
Over 60 m: Fixed amount + price per metre applicable	$4,990 + $86 per metre (price from Table E.1)	$5,540 + $111 per metre (price from Table E.1)

20.2.2 Price per metre for overhead line extension

Table E.1 – *Medium-Voltage* System – Price per Metre

Type of supply	Price – In a public right-of-way	Price – In a back lot	Supplement for line in a back lot	Price – Inaccessible line	Supplement for inaccessible line
Single-phase without *low-voltage*	$86	$97	$11	$129	$43
Single-phase including *low-voltage*	$121	$159	$38	$179	$58
Three-phase without *low-voltage*	$111	$124	$13	$169	$58
Three-phase including *low-voltage*	$150	$196	$46	$224	$74

The prices in Table E.1 include materials, labour, poles, guy wires and anchors.

Table E.2 – *Low-Voltage* System – Price per Metre

Type of supply	Price – In a public right-of-way	Price – In a back lot	Supplement for line in a back lot	Price – Inaccessible line	Supplement for inaccessible line
Single-phase or three-phase, 200 A	$53	$59	$6	$70	$17
Single-phase or three-phase, 320 or 400 A	$63	$70	$7	$83	$20
Single-phase or three-phase, 600 A	$111	$124	$13	$135	$24

The prices in Table E.2 include materials, labour, poles, guy wires and anchors.

20.2.3 Prices for overhead works

Table F.1 – Conductor Attachment System – Price per Pole

Type of supply	Price for installation – System accessible	Price for removal – System accessible	Price for installation – System inaccessible	Price for removal – System inaccessible
Low voltage, twisted conductors	$380	$290	$660	$530
Low voltage, separate conductors	$800	$580	$1,160	$780
Medium-voltage, single-phase	$960	$450	$2,030	$1,370
Medium-voltage, three-phase	$2,790	$1,050	$5,120	$2,140

The prices in Table F.1 include materials and labour for installation or removal of a pole-mounted conductor attachment system. *Medium-voltage* attachment includes *low-voltage* attachment.

Table F.2 – Conductor Spans – Price per Span

Type of supply	Price for installation – System accessible	Price for removal – System accessible	Price for installation – System inaccessible	Price for removal – System inaccessible
Low voltage, twisted conductors	$1,260	$820	$1,660	$1,170
Low voltage, separate conductors	$2,480	$1,640	$2,960	$2,060
Medium-voltage, single-phase	$2,510	$1,720	$3,240	$2,320
Medium-voltage, three-phase	$4,300	$2,520	$5,370	$3,340

The prices in Table F.2 include materials and labour for installation or removal of a conductor span, including the attachment system for one pole per span. *Medium-voltage* conductors include *low-voltage* conductors.

Table F.3 – Poles, Guy Wires and Anchors – Price per Component

Components	Price for installation – System accessible	Price for removal – System accessible	Price for installation – System inaccessible	Price for removal – System inaccessible
Low-voltage pole	$1,520	$600	$2,060	$1,360
Medium-voltage pole	$2,190	$600	$2,730	$1,360
Guy wire	$410	$220	$600	$220
Anchoring	$700	$240	$1,240	$240

The prices in Table F.3 are applicable to the installation or removal of a pole, guy wire or anchor, in all situations. They include the pole, guy wire or anchor, and labour.

20.2.4 Prices for overhead equipment

Table G.1 – Transformer, Labour Only – Price per Configuration

Type of supply	Price for installation – System accessible	Price for removal – System accessible	Price for installation – System inaccessible	Price for removal – System inaccessible
Single-phase	$2,400	$1,000	$4,740	$3,150
Three-phase	$4,950	$2,750	$8,240	$5,140

The prices in Table G.1 include labour for installation or removal of transformers (as applicable) and of cutouts and surge arresters required for transformer operation.

Table G.2 – Cutout, Labour Only – Price per Configuration

Type of supply	Price for installation – System accessible	Price for removal – System accessible	Price for installation – System inaccessible	Price for removal – System inaccessible
Single-phase	$680	$670	$1,080	$1,010
Three-phase	$1,690	$1,570	$3,030	$2,960

The prices in Table G.2 include labour for installation or removal of cutouts (as applicable).

Table G.3 – Disconnect Switch, Labour Only – Price per Configuration

Type of supply	Price for installation – System accessible	Price for removal – System accessible	Price for installation – System inaccessible	Price for removal – System inaccessible
Single-phase	$1,050	$750	$1,770	$1,350
Three-phase	$4,270	$3,640	$4,940	$3,890

The prices in Table G.3 include labour for installation or removal of disconnect switches (as applicable).

Table G.4 – Single-Phase Supply – Equipment, Materials Only – Price per Equipment Unit

Type of equipment	Price – 10 kVA	Price – 25 kVA	Price – 50–100 kVA	Price – 167 kVA
Transformer	$3,690	$5,270	$8,770	$15,800
Cutout	$580	$580	$580	$580
Disconnect switch	$990	$990	$990	$990

The prices in Table G.4 include the equipment and their brackets and, in the case of transformers, the surge arresters, but do not include labour.

Table G.5 – Three-Phase Supply – Equipment, Materials Only – Price per Equipment Group

Type of equipment	Price – 75 kVA	Price – 150–300 kVA	Price – 500 kVA
Transformer	$14,400	$25,100	$43,700
Cutout	$2,390	$2,390	$2,390
Disconnect switch	$3,570	$3,570	$3,570

The prices in Table G.5 include the equipment and their brackets and, in the case of transformers, the surge arresters, but do not include labour.

20.2.5 Unit prices for underground service for *residential projects*

Table H.1 – Single-Phase Supply – *Local Underground Line* with Primary Line Option – Price per *Building* for a Detached House

Single-phase supply to a detached house based on the capacity of the *service box*, in amperes	**Price for a *primary overhead line***	**Price for a *primary underground line***	**Price for a *primary underground line*** (*civil works* done by *customer*)
Detached house with a *service box* of 401–600 A	$13,700	$30,800	$16,600
Detached house with a *service box* of 201–400 A	$4,380	$16,700	$6,510
Detached house with a *service box* of 200 A or less	$2,930	$13,200	$4,710

Table H.2 – Single-Phase Supply – *Local Underground Line* with Primary Line Option – Price per Additional Metre for a Detached House

Price per additional metre	
Per metre in excess of 30 m average per facade in the case of the detached houses listed in Table H.1 and included in the *residential project*	$40

Table H.3 – Single-Phase Supply – *Local Underground Line* with Primary Line Option – Price per *Building* for a All *Building* Types Other Than a Detached House

Single-phase supply to a *building*	**Price for a *primary overhead line***	**Price for a *primary underground line***	**Price for a *primary underground line*** (*civil works* done by *customer*)
Semidetached home	$2,700	$10,900	$4,120
Row house	$1,650	$8,490	$2,840
Duplex	$5,590	$16,500	$7,480
Triplex	$5,300	$19,600	$7,780
Fourplex	$6,580	$23,000	$9,420
Fiveplex	$11,400	$31,900	$15,000
Sixplex	$11,500	$32,000	$15,100
Sevenplex	$15,200	$39,200	$19,400
Multiplex with 8 or more *dwellings*	$15,300	$42,700	$20,100

Table H.4 – Three-Phase Supply – *Local Underground Line* with Primary Line Option – Price per *Dwelling*

Three-phase supply to a multi-unit *building*	**Price for a *primary overhead line***	**Price for a *primary underground line***	**Price for a *primary underground line*** (*civil works* done by *customer*)
Multiplex with 16 or more *dwellings*	$850	$4,260	$2,030

The prices in tables H.1, H.3 and H.4 cover labour and materials (cable, transformer and switchgear for the underground primary system). These prices apply only to *connection requests* for transformers and disconnect switches that are not underground. For all other cases, the cost is the difference between the applicable prices in Chapter 20 for underground equipment and the applicable prices in Chapter 20 for overhead equipment.

20.2.6 Prices for cable work

Table I.1 – *Low-Voltage* Underground *Service Loops* – Prices per *Cable Section*

Type of cable	Price for installation	Price for removal	Price for replacement
3/O Al cable	$4,140	$2,700	$5,000
350 kcmil cable	$5,620	$3,600	$6,670
500 kcmil or larger cable	$7,100	$4,500	$8,340

The prices in Table I.1 cover labour for installation, removal, replacement and connection of an underground *cable section*, but do not cover the cable.

20.2.7 Prices for risers

Table J.1 – Underground Portion – Price per Riser

Type of supply	Price for installation	Price for removal	Price for replacement
Low-voltage, single-phase	$1,600	$900	$7,230
Low-voltage, three-phase	$1,600	$900	$7,230
Medium-voltage, single-phase	$4,250	$1,830	$8,790$
Medium-voltage, three-phase	$8,600	$2,790	$13,500

The prices in Table J.1 cover labour and materials for installation, removal or replacement of equipment attaching the underground cables to the pole. They do not include the labour or materials related to poles and conductors; prices for these are given in the tables presented in sections 20.2.3 and 20.2.4. For electrical protection of underground cables, see the prices in Table J.2.

Table J.2 – Overhead Portion – Price per Riser

Type of supply	Price for installation	Price for removal	Price for replacement
Single-phase	$2,690	$1,090	N.A.
Three-phase	$8,130	$2,170	N.A.

The prices in Table J.2 cover labour and materials for the installation, removal or replacement of underground cable protection (cutouts or switchgear).

20.2.8 Prices for assembly of an underground *cable section*

Table K.1 – Cable Pulling and Splicing – Price per Section

Type of supply	Price for installation – Cable and joint	Price for removal – Cable and joint	Price for replacement – Cable and joint	Price for installation – Joint only	Price for removal – Joint only	Price for re-placement – Joint only
Low-voltage, single-phase	$8,320	$2,970	$9,540	$3,670	$670	$4,700
Low-voltage, three-phase	$8,650	$2,970	$9,850	$4,000	$670	$5,010
Medium-voltage, single-phase	$10,300	$4,360	$13,500	$4,070	$690	$4,640
Medium-voltage, three-phase	$15,500	$4,660	$18,400	$8,300	$920	$9,020
Low-voltage, three-phase – *parallel substation*	$3,270	N.A.	N.A.	N.A.	N.A.	N.A.

For all supply types except *low-voltage* three-phase supply – parallel substation, the prices in Table K.1 cover labour for the installation, removal or replacement of the cable and joint of a *cable section*. They also cover the joint or connector, but not the cable.

All the prices in Table K.1 cover labour and materials.

20.2.9 Price per metre of underground cable

Table L.1 – Cable – Price per Metre

Type of cable	Price – *Low-voltage*, single-phase	Price – *Low-voltage*, three-phase	Price – *Medium-voltage*, single-phase	Price – *Medium-voltage*, three-phase
3/0, Al	$21	$27	$36	$56
350/500/750 kcmil, Al	$48	$68	$59	$177
350/500 kcmil, Cu	$171	$249	N.A.	$281
750 kcmil, Cu	N.A.	$403	N.A.	N.A.
1000 kcmil, Al	$96	$115	N.A.	N.A.

The prices in Table L.1 apply to the extension or modification of a line or service loop and include materials only.

20.2.10 Price for underground transformers

Table M.1 – Joint Use – Price per Kilowatt of *Anticipated Power Demand*

Type of supply	Price for electrical work – *Pad*-mounted transformer	Price for civil structure – *Pad*-mounted transformer	Price for electrical work – Transformer in a manhole	Price for civil structure – Transformer in a manhole
Single-phase, underground	$408	$286	N.A.	N.A.
Single-phase, overhead	$200	N.A.	N.A.	N.A.
Three-phase, underground	$447	$117	$487	$301
Three-phase, overhead	$241	N.A.	$241	N.A.

The prices in Table M.1 cover labour and materials.

Table M.2 – Exclusive Use – *Pad*-Mounted Transformer – Price per Unit

Type of transformer	Price for installation	Price for removal	Price for replacement
Single-phase, 100 kVA	$29,200	$2,750	$25,300
Single-phase, 167 kVA	$37,200	$2,750	$32,800
Three-phase, 500 kVA	$102,600	$2,750	$86,800
Three-phase, 750 kVA	$107,600	$2,750	$91,500
Three-phase, 1500 kVA	$157,900	$2,750	$139,700
Three-phase, 2500 kVA	$176,200	$4,120	$154,700
Three-phase, 3000 kVA	$318,300	$11,500	N.A.
Three-phase, 4000 and 5000 kVA	$351,400	$11,500	N.A.

The prices in Table M.2 cover labour and materials.

Table M.3 – Exclusive Use –Transformer in an *Annex* – Price per Unit

Type of transformer	Price for installation	Price for removal	Price for replacement
Three-phase, 500 kVA	$113,500	$12,400	$72,600
Three-phase, 1000 kVA	$154,600	$12,400	$111,500
Three-phase, 2000 kVA	$197,900	$12,400	$149,600
Three-phase, 3000 kVA	$331,500	$24,700	$261,000
Three-phase, 4000 kVA	$365,600	$24,700	N.A.

The prices in Table M.3 cover labour and materials.

Table M.4 – Exclusive Use –Transformer in a Manhole – Price per Unit

Type of transformer	Price for installation	Price for removal	Price for replacement
Single-phase, 167 kVA	$72,500	$1,370	$51,600
Single-phase, 250 kVA	$54,900	$3,660	$45,500
Single-phase, 333 kVA	$70,700	$3,660	$56,000
Three-phase, 300 kVA	$77,500	$3,660	$64,400
Three-phase, 500 kVA	$111,500	$3,660	$96,500
Three-phase, 1000 kVA	$152,000	$4,120	N.A.

The prices in Table M.4 cover labour and materials.

20.2.11 Prices for underground switchgear

Table N.1 – Joint Use – Price per Kilowatt of *Anticipated Power Demand*

Type of supply	Price for electrical work – *Pad*-mounted transformer	Price for civil structure – *Pad*-mounted transformer	Price for electrical work – Transformer in a manhole	Price for civil structure – Transformer in a manhole
Underground	$35	$35	$35	$35
Overhead	$7	N.A.	$7	N.A.

The prices in Table N.1 cover the labour and materials for switchgear installation.

Table N.2 – Exclusive Use – Price per Equipment Unit or Group

Type of equipment	Price per unit in a load-bearing chamber	Price per unit in an *annex*	Price per unit in a manhole
1 device, 3-way	$138,500	$128,100	$144,800
1 device, 4-way	$159,000	N.A.	N.A.
2 devices; 3-way/2-way or 3-way/3-way	$324,500	$206,400	$216,600

The prices in Table N.2 cover the labour and materials for switchgear installation.

Table N.3 – Exclusive Use – Price per Protective Fuse or Fuse Set

Number of fuses	Price for fuse or fuse set in a load-bearing chamber	Price for fuse or fuse set in an *annex*	Price for fuse or fuse set in a manhole
1 fuse	$11,000	$11,000	N.A.
3 fuses	$28,000	$28,000	N.A.

The prices in Table N.3 cover labour and materials for installation of a protective fuse or fuse set.

20.2.12 Prices for *temporary supply*

Table O.1 – *Temporary* Overhead *Low-Voltage Supply* – Price per Job

Type of job	Price – Single-phase supply	Price – Three-phase supply
Addition of a maximum of 2 *low-voltage* spans	$1,530	$1,790
Addition of a transformer rated 25 kVA or less	$3,860	$12,300
Addition of a transformer rated 50 kVA or more	$5,840	$19,000
Addition of a maximum of 2 *low-voltage* spans and a transformer rated 25 kVA or less	$5,380	$14,000
Addition of a maximum of 2 *low-voltage* spans and a transformer rated 50 kVA or more	$7,700	$20,800

The prices in Table O.1 include dismantling.

Table O.2 – *Temporary* Underground *Low-Voltage Supply* – Price per Job Based on the *Current Rating* of the *Service Box*, in Amperes

Type of job	Price – 200 A	Price – 320 or 400 A	Price – 600 A or more
Temporary underground connection with no cable addition or line modification, and with or without installation of a cable pulling eye	$1,110	$1,110	$1,110
Addition of a maximum of 30 m of cable	$6,350	$8,550	$10,800

The prices in Table O.2 include dismantling.

Table O.3 – Temporary Metering – Price per Unit

Type of job	Price
Low-voltage, single-phase (120/240 V), self-contained metering	$330
Low-voltage, three-phase (347/600 V), self-contained metering	$520
Low-voltage, single-phase (120/240 V), instrument transformer metering	$830
Low-voltage, three-phase (347/600 V), instrument transformer metering	$1,430
Medium voltage	$3,670

20.2.13 Allowances, rates and prospective cost of capital

Table P.1 – Allowance for Overhead Supply of 5 MW or More

Type of allowance	Amount
Allowance	$397 per kilowatt
Allowance adjustment charge	$79 per kilowatt

Table P.2 – Rates and Provisions of *Detailed Cost-of-work Calculation*

Components	Overhead	Underground
Acquisition fee	3%	3%
Contract[JL1.1] management fee	3%	11%
Materials management fee	20%	16%
Minor materials fee	9%	7%
Engineering and management fee	22%	26%
Provision for future operation and maintenance	Overall: 21% In a public right-of-way: 18% In a back lot: 23%	12%
Provision for end-of-asset-life reinvestment	In a back lot: 12%	22%

Prospective cost of capital

Prospective cost of capital: 5.873%

VIII

Terminology and
Applicable Units
of Measurement

CHAPTER 21

Definitions, Interpretation and Units of Measurement

21.1 Definitions and interpretation

In these *Conditions of Service*, the following terms have the meanings given here:

agreement for major work: a document sent to the *customer* by Hydro-Québec in preparation for performing *major work* as provided for in Section 10.1.3, the *customer*'s *written* acceptance being required before Hydro-Québec will undertake the work;

annex: any *civil work* attached to or incorporated into a *building* by means of a common wall so that it constitutes a separate *building* designed for installation of a *distributing substation*;

anticipated apparent power demand: an estimate of the highest apparent power demand, expressed in kilovoltamperes (kVA), calculated by Hydro Québec on the basis of the *power requirement*;

anticipated power demand: an estimate of the average annual billing demand, expressed in kilowatts (kW), calculated by Hydro-Québec on the basis of the *power requirement*;

apartment building: all or part of a *building* comprising more than one *dwelling*;

available power: the maximum amount of power that the *customer* may not exceed for a given *service contract*, determined by Hydro-Québec based on factors including the *power requirement* and, if applicable, the *installed capacity*;

basic service: the portion of the work required to fulfill a *connection request* that is included in the optimal technical solution determined by Hydro-Québec and covered by Hydro-Québec in accordance with the criteria established in Chapter 8 of these *Conditions of Service*;

blockchain: a distributed and secure database, in its current and future versions, in which successive transactions between users are recorded in chronological order in the form of interlinked blocks going back to the first block in the chain;

building: any structure not in contact with any other structure, except a house or a place of business which is semidetached or attached, each one then being considered a building;

Bylaw No. 411: the bylaw establishing the conditions governing the supply of electricity [(1987) 119 G.O. II, 1918] and amended by Bylaws No. 439 [(1989) 12 G.O. II 1844], No. 475 [(1989) 121 G.O. II, 5667], No. 500 [(1990) 122 G.O. II, 3610] and No. 526 [(1992) 124 G.O. II, 2474];

cable section: a length of electric cable, usually less than 300 m, connecting two components (cable vault, *pad*, connection box or other) and having a splice at each end;

civil works: all civil engineering work required to complete a project, such as the digging of trenches, the laying of direct-buried duct banks, the construction of concrete-encased duct banks, the compacting of backfill materials and the erecting of structures;

common areas and collective services: areas and services of an *apartment building, community residence* or *rooming house* that are used exclusively by the occupants of such *apartment building*, *community residence* or *rooming house*;

communicating meter: a *meter* with two-way communication that can receive and send information by radio-frequency or through a telephone connection. This enables it to interact with an advanced metering infrastructure, in particular to collect electricity consumption data. A *meter* with one-way communication is considered a communicating meter in territories where the advanced metering infrastructure has not been deployed;

community residence: a private *building* or part of a private *building* which is for habitation purposes, contains *dwellings* or rooms, or both, that are rented or allocated to different occupants, and has *common areas and collective services*. Also considered to be community residences, for purposes of these *Conditions of Service*, are intermediate resources, as defined in the *Act respecting health services and social services*, that meet the criteria specified in this definition;

connection agreement: an agreement signed between Hydro-Québec and a *customer* regarding a *service contract* for *cryptographic use applied to blockchains* further to a request for proposals, that states, in particular, the costs the *customer* must assume for connection of the *electrical installation* to the transmission system or *power distribution system*;

connection point: the point where the *distribution service loop* meets the *customer's service entrance,* separating the equipment belonging to Hydro-Québec from that belonging to the *customer*, except for the *metering equipment* installed by Hydro-Québec. If there is no *distribution service loop*, the *supply point on the distribution line* is considered to be the connection point;

connection request: a request to supply electricity to a new *electrical installation* or to an existing one that requires work;

consumption period: a period during which electricity is delivered to the *customer* and which extends between the two dates used by Hydro-Québec for calculation of the bill;

contract: see *service contract*;

contribution agreement: an agreement signed by the applicant and Hydro-Québec including in particular a description of the work to be performed, the cost of the work and, if applicable, the allowance;

current rating: the electrical current (ampacity) indicated on the *service box*;

customer: an individual or body corporate, including a partnership, an agency acting through its agent or an organization, that is responsible for one or more *service contracts*, that requests the connection of an *electrical installation* or that requests or causes work to be done;

customer's service entrance: the portion of the *customer*'s *electrical installation* from the *service box* or *customer substation*, as the case may be, to the *connection point* on the *power distribution system;*

customer substation: a transformer substation that does not belong to Hydro-Québec, is located on the *load side* of the *connection point*, and supplies electricity to the *service address*;

cryptographic use applied to blockchains: the use of electricity for the purpose of operating computer equipment dedicated to cryptographic calculations which serve, in particular, to validate successive transactions made by users of a *blockchain*. For the purposes of these *Conditions of Service*, cryptographic use applied to blockchains covers *mining* or maintaining a cryptocurrency system in return for compensation;

day: any day in the year including holidays, that is, 365 days a year (366 for leap years). When a period of time is expressed in days, the day marking the starting point is not counted; the count begins the next day and stops at the end of the last day at 23:59. If the last day of the period falls on a Saturday, Sunday or holiday, the period is extended until the end of the next business day at 23:59;

dedicated block: a block of 32,600 kW of capacity and associated *energy* reserved exclusively for *cryptographic use applied to blockchains* and allocated among *customers* through:

- *Request for Proposals A/P 2019-01*,
- the process for reallocating eligible quantities from the balance of the dedicated block, as described in Section 1.2 of these *Conditions of Service*;

delivery point: the point to which Hydro-Québec delivers electricity and from which the *customer* may use such electricity. It is located immediately on the *load side* of Hydro-Québec's *metering equipment*. In cases where Hydro-Québec does not install *metering equipment*, or where it is on the *line side* of the *connection point*, the *connection point* is considered to be the delivery point;

detailed cost-of-work calculation: method for calculating the cost of work, presented in Section 9.1.2 and making use of the tables in Schedule IV;

distributing substation: a transformer substation that belongs to Hydro-Québec, except for the *civil works*, is located on the property of the *service address*, and supplies *low voltage* to a *service box* with a rating of more than 600 A;

distribution line: a part of the *power distribution system* that includes all the *support structures*, conductors, *civil works* and equipment required for the distribution of electricity at *medium voltage* and *low voltage*, located

- in a public right-of-way;
- on private property supplying more than one *building*; or
- on two or more adjacent lots;

distribution service loop: the portion of the *power distribution system* from the *supply point on the distribution line* to the *connection point* supplying a *single building*;

domestic rate: a rate under which electricity delivered for *domestic use* is billed according to the conditions set forth in the *Rates*;

domestic use: the use of electricity exclusively for habitation in a *dwelling*;

draft-design agreement: an agreement signed between Hydro-Québec and a *customer* regarding a *service contract* for *cryptographic use applied to blockchains* further to a request for proposals, that includes, in particular, an estimate of the cost of the work required to connect the *customer's electrical installation* to the transmission system or *power distribution system* and the planned date on which the installation will be energized;

dual-energy system: a central system for space heating, or space and water heating, designed in such a way that electricity can be used as the main heating source and a fuel as the auxiliary source;

dwelling: a private *service address* equipped with lodging and eating facilities, including in particular a kitchen or kitchenette, along with a private entrance and a complete sanitary facility, in which the occupants have free access to all rooms. A complete sanitary facility includes a sink, a toilet and a bath or shower;

electrical installation: any electrical equipment, which includes any generating equipment connected and operated in parallel to the *power distribution system*, and any *customer substation* to which Hydro-Québec supplies or is to supply electricity and which is located on the *load side* of the *connection point*. The electrical installation includes the *customer's service entrance*;

electricity service: the energizing of the *connection point* and the maintaining of voltage there, whether or not electricity is used;

energy: expressed in kilowatthours (kWh), the power used by an *electrical installation* over a given period of time. It corresponds to the product of power demand, expressed in kilowatts (kW), and the duration of use, expressed in hours (h): Energy (kWh) = power demand (kW) x duration of use (h);

energy efficiency: the improvement in the *energy* performance of a *building*, unit of equipment, process, production chain or system that leads to reduced electricity consumption;

estimate for major work: the determination by Hydro-Québec of the cost of *major work* as provided for in sections 10.1.3 and 10.1.4;

flat-fee work: work that is not technically complex, that does not require a *detailed cost-of-work calculation*, and to which a flat fee applies. Flat-fee work is work covered by the "charge for work – on the system" row in Table A.1, Chapter 20, or by the "prices for flat-fee work" indicated in Section 20.1.2;

high-risk contract: a *service contract* for non-domestic use held by a *customer* who has been assigned a credit rating in the "High risk" column of the tables in sections 17.2.1 and 17.2.2;

high voltage: nominal phase-to-phase voltage of 44 kV or more;

in default: a situation that occurs when the *customer* does not pay, by the due date, a bill sent under these *Conditions of Service*, does not comply with the conditions of a *payment arrangement,* or does not pay an installment provided for in Section 17.3.4;

in writing: any communication sent by the *customer* to Hydro-Québec through the Hydro-Québec website, in particular from the Customer Space, as well as by email, postal mail or fax, and by Hydro-Québec to the *customer* through the Customer Space, as well as by email, postal mail or fax;

inaccessible location: a site which Hydro-Québec cannot reach with the equipment it has, in order to do the work at the lowest cost;

installed capacity: see *installed load*;

installed load: the sum of the rated capacities of a *customer*'s electrical equipment;

large power: a minimum billing demand of 5,000 kW or more, as set out in the *Rates*;

line side: on an electric circuit, the side from which the power supplied by Hydro-Québec originates. For example, the *distribution line* is on the line side of the *service address*;

load side: on an electric circuit, the side toward which the power supplied by Hydro-Québec flows. For example, the *service address* is on the load side of the *distribution line*;

local underground line: that part of the ducts, cables and equipment in the *medium-voltage* or *low-voltage* underground *distribution line* that supplies electricity directly to *electrical installations* on either side of the *distribution line*;

low voltage: nominal phase-to-phase voltage not exceeding 750 V;

major work: work performed on the *power distribution system* that, based on complexity or cost, require an *estimate for major work* and the signing of an *agreement for major work*;

maximum power demand: the higher of the following values:

a) the highest real power demand in kilowatts, or

b) 90% of the highest apparent power demand in kilovoltamperes for domestic, *small-power* and *medium-power service contracts*, or 95% for *large-power service contracts*;

medium power: a minimum billing demand of less than 5,000 kW, as set out in the *Rates*;

medium voltage: nominal phase-to-phase voltage of more than 750 V, but less than 44,000 V. The term "25 kV" means three-phase voltage of 14.4/24.94 kV, wye, grounded neutral;

meter: see *metering equipment*;

metering equipment: the meter, current transformer, voltage transformer, indicator, auxiliary recording device, auxiliary control unit, terminal testing box, cabling, communication links and any other device belonging to Hydro-Québec and used for metering electricity;

minimum load density: the minimum ratio between the total transformer capacity of *electrical installations* and the number of kilometres of *distribution lines* beyond which *basic service* applies to the work carried out to extend or modify such lines, according to the criteria defined in sections 8.3 and 8.4. This ratio, based on a distance of at least 2 km of lines, must be at least 6 MVA/km;

mining: an operation based on a validation mechanism to add blocks of transactions to a cryptocurrency system, in exchange for miner fees;

minor work: work performed on the *power distribution system* that, based on complexity or cost, require the signing of a *proposal for minor work*;

month: the period between a date in one calendar month and the corresponding date in the following month;

municipal water supply or sewer system: a system of water or sewer lines and structures owned by a municipality and serving more than 100 properties;

non-communicating meter: an electricity *meter* that does not emit radio-frequencies and therefore must be read on site by a Hydro-Québec employee;

non-payment: see *in default*;

off-grid system: a system for the generation and distribution of electricity, independent of the main power system;

outbuilding: any structure or feature appurtenant to a *building*;

pad: any structure belonging to the *customer* or Hydro-Québec and designed to support above-ground electrical equipment;

payment arrangement: an agreement providing for amounts owed to Hydro-Québec to be paid in accordance with terms and conditions other than those in Section 4.3.1. The payment arrangement must allow repayment of the debt and may also cover the cost of anticipated electricity consumption over its duration;

power distribution system: "a network of installations for the transmission of electric power, including step-up transformers located at production sites, transmission lines at voltages of 44 kV or higher, transmission and transformation substations and any other connecting installation between production sites and the distribution system", according to Section 2 of the *Act respecting the Régie de l'énergie* (CQLR, chapter R-6.01);

power factor: the ratio, expressed as a percentage, of the highest real power demand, expressed in kW, to the highest apparent power demand, expressed in kVA;

power requirement: the sum of the kilowatt (kW) ratings of the *customer*'s electrical appliances and equipment to be connected, as declared on the *connection request* form or on the "Déclaration de travaux" (statement of work) form provided by the Régie du bâtiment du Québec;

primary overhead line: a *distribution line* that is installed on wood poles and does not include any *low-voltage* cable or transformer equipment.

primary underground line: that part of the ducts, cables and equipment in the *medium-voltage* underground *distribution line* that brings power from either a power corridor or an overhead *distribution line* up to the switching and protection devices on the local underground *distribution line* or up to the first load-splitting point;

proposal for minor work: a document sent to the *customer* by Hydro-Québec in preparation for performing *minor work* as provided for in Section 10.1.2, the *customer*'s written acceptance being required before Hydro-Québec will undertake the work;

public road: a surface of land or of a civil structure (such as a bridge or dam) on which have been constructed one or more roadways that are maintained, open to public use and accessible to heavy vehicles year-round;

ramp-up: a progressive increase in the power demand of the *electrical installation* of a *customer* who has signed a *service contract* for *cryptographic use applied to blockchains* further to a request for proposals, until it reaches the contract capacity provided for in the *customer's connection agreement* with Hydro-Québec. The ramp-up, expressed in kilowatts (kW) per month, takes place during the period indicated in the *connection agreement*;

Rates: the document that sets forth Hydro-Québec's electricity rates, established in accordance with Schedule 1 of the *Hydro-Québec Act*;

regular working hours: the hours between 8 a.m. and 5 p.m. from Monday to Friday, except holidays;

Request for Proposals A/P 2019-01: Hydro-Québec's Request for Proposals A/P 2019-01 regarding the allocation of a 300-megawatt block of power and associated *energy* to non-firm service for *cryptographic use applied to blockchains*;

residential project: a project whose scope is agreed on by the *customer* and Hydro-Québec and that includes at least 4 *buildings* in which each *dwelling* will be eligible for a *domestic rate*;

risky contract: a *service contract* for non-domestic use held by a *customer* who has been assigned a credit rating in the "Risky" column of the tables in sections 17.2.1 and 17.2.2;

rooming house: a *building* or part of a *building* devoted exclusively to habitation purposes in which lodgings, each of no more than two rooms and not constituting a *dwelling*, are let to different occupants;

self-service: a communication mode that does not require speaking with a Hydro-Québec customer services representative or in which information can be submitted *in writing* and processed without the assistance of such a representative;

service address: any location on the *load side* of the *connection point* served by Hydro-Québec;

service box: a metal box or cabinet housing the main breaker or switch and constructed so that it may be locked or sealed and the switch or circuit breaker may be manually operated when the service box is closed;

service contract: an agreement entered into between a *customer* and Hydro-Québec for *electricity service* delivered to a *service address*;

service entrance: see *customer's service entrance*;

service loop: see *distribution service loop*;

service request: a request submitted to Hydro-Québec for *electricity service* to supply a *service address*;

servitude: a right that is recorded in a deed of servitude published in the land register and that allows, in particular, the installation, operation, maintenance and replacement of a *distribution line*;

small power: a power demand that is billed only if it exceeds 50 kW, as set out in the *Rates*;

steady-state voltage: the effective value of the voltage, expressed in volts (V), evaluated over a 10-minute interval;

supply point on the distribution line: the point on the *distribution line* at which the *distribution service loop* begins. If there is no *distribution service loop*, the *connection point* is considered to be the supply point on the distribution line;

support structures: all equipment, such as poles, guy wires and anchors, needed to support overhead conductors;

swimming pool: a permanent artificial pond having any of various shapes and sizes, designed for activities such as swimming;

technical requirement: anything needed to make the *customer*'s *electrical installation* compatible with Hydro-Québec's system or to meet any other requirement related to the installation and operation of the system;

temporary supply: supply of electricity to an *electrical installation* which is expected to operate for 5 years or less and then to cease operations definitively. Supply to certain *electrical installations* such as construction sites, travelling circuses and containers or other mobile or transportable facilities used exclusively for *cryptographic use applied to blockchains* is always considered temporary, even if it lasts more than 5 years;

winter period: the period from December 1 through March 31 of the next year;

written: see *in writing*.

21.2 Units of measurement

For the purposes of these *Conditions of Service*,

a) *current rating* is expressed in amperes (A);

b) voltage is expressed in volts (V) or kilovolts (kV);

c) the symbol AI designates aluminum;

d) the symbol Cu designates copper;

e) the term ACSR means "aluminum conductor steel reinforced";

f) conductor gauge is expressed in thousands of circular mils (kcmil);

g) power and power demand are expressed in watts (W), kilowatts (kW) or megawatts (MW);

h) apparent power is expressed in voltamperes (VA), kilovoltamperes (kVA) or megavoltamperes (MVA);

i) *energy* is expressed in watthours (Wh) or kilowatthours (kWh).

Schedules and Illustration

SCHEDULE I

Information Required from the Customer

Mandatory information:

Service address:

a) type of use (domestic, commercial, industrial, institutional, agricultural or *cryptographic use applied to blockchains*);

b) main activities for which the electricity will be used, in the case of non-domestic use;

c) *service address*;

d) billing address.

Customer:

a) name;

b) current address;

c) previous address;

d) main telephone number;

e) NEQ (if a legal entity);

f) status (owner, tenant, co-tenant).

Electrical installation (if there is one):

a) *current rating*;

b) loads connected:
   - lighting;
   - heating;
   - ventilation;
   - motive power;
   - processes;
   - other.

c) generating equipment used alongside the *power distribution system*.

Power requested.

Date for which *electricity service* is requested.

Additional mandatory information when a deposit is required by Hydro-Québec:

- Social insurance number (if a physical person).

Additional mandatory information for a *connection request*:

- Type of *service loop* (overhead, underground or overhead-underground, i.e., using a riser);
- Cadastral plan, subdivision plan or layout plan of the *building* and desired location of the *connection point* (if requested by Hydro-Québec);
- Any other information requested by Hydro-Québec *in writing* when you submit your *connection request*.

Optional information (for all types of requests):

- e-mail address;
- other telephone numbers.

SCHEDULE II

Public Bodies and Financial Institutions

a) Public bodies:

- The governments of Canada and of Québec and their departments;
- Government agencies:
  - Bodies in which a majority of the members are appointed by the government or a minister, whose officials or employees are appointed or remunerated in accordance with the *Public Service Act* (CQLR, chapter F-3.1.1) or the *Public Service Employment Act* (S.C. 2003, chapter 22, sections 12 and 13), or at least half of whose share capital is provided from the Consolidated Revenue Fund;
- Health or social services institutions:
  - Public institutions within the meaning of the *Act respecting health services and social services* (CQLR, chapter S-4.2) or the *Act respecting health services and social services for Cree Native persons* (CQLR, chapter S-5), amended by Section 20 of Chapter 23 of the Statutes of 1994;
  - Regional health and social services bodies established under the *Act respecting health services and social services* and regional health and social services councils established under the *Act respecting health services and social services for Cree Native persons*;
  - The Corporation d'hébergement du Québec, governed by the *Act respecting health services and social services*;
- Municipal bodies:
  - The Communauté métropolitaine de Montréal, the Communauté métropolitaine de Québec, their transit corporations, the Réseau de transport de Longueuil, municipal transit corporations and the Municipalité régionale de comté du Fjord-du-Saguenay;
  - Municipalities, county municipalities, regional county municipalities and bodies constituted as agents of any of such municipal bodies or otherwise subject to their authority;
- Educational bodies:
  - School boards, public schools and the Comité de gestion de la taxe scolaire de l'île de Montréal;
  - General and vocational colleges governed by the *General and Vocational Colleges Act* (CQLR, chapter C-29);
  - Bodies incorporated under the *Act respecting the Université du Québec* (CQLR, chapter U-1).

b) Financial institutions:

- Banks under the *Bank Act* (R.S.C. [1985], chapter B-1.01);
- Financial services cooperatives governed by the *Act respecting financial services cooperatives* (CQLR, chapter C-67.3);
- Insurance companies within the meaning of the *Act respecting insurance* (CQLR, chapter A-32.1);
- Trust companies within the meaning of the *Act respecting trust companies and savings companies* (CQLR, chapter S-29.02).

SCHEDULE III

Supply Voltage Conversion

Compensation for voltage conversion

At the *customer*'s request, and after receiving supporting documents, Hydro-Québec may agree to pay the following compensation:

a) Compensation of up to $15,000, where applicable, for the cost, paid by the *customer*, of the feasibility study conducted to determine the most appropriate mode of supply after Hydro-Québec has issued a notice of supply conversion in accordance with Section 16.2.3. This compensation is paid once the feasibility study has been completed.

b) Compensation for the addition, modification or replacement of a transformer by a dual-primary transformer installed after the date of the conversion notice. This compensation applies only once per transformer and corresponds to the difference between:

   - the cost of the transformer designed to receive electricity at both 25 kV and the existing voltage; and
   - the cost of a transformer designed to receive electricity at 25 kV only.

   It is paid upon completion of the work required to allow the *electrical installation* to receive electricity at the new voltage.

c) Compensation of up to $95,000, where applicable, for the cost, paid by the *customer*, to install an integrated switchgear cabinet or chamber. This compensation is paid upon completion of the work required to allow the *electrical installation* to receive electricity at the new voltage.

d) Compensation for the reasonable cost paid by the *customer* to dismantle the *electrical installation(s)* and *civil works* that have to be dismantled for conversion purposes, excluding the cost of decontaminating and restoring the site, if the following conditions are met:

   - the *electrical installation(s)* and *civil works* to be dismantled are easily accessible; and
   - the new *electrical installation(s)* and new *civil works* will be situated at the same location as the *electrical installation(s)* and *civil works* to be dismantled.

   This compensation is paid upon completion of the work required to dismantle the *electrical installation(s)* and *civil works*.

e) Compensation for the replacement value of the electrical equipment replaced, calculated using the "Method for establishing the replacement value of the *customer*'s electrical equipment and *civil works*," set out hereafter, provided that the transformers:

   - were installed before April 15, 1987, or between April 1, 2008, and March 31, 2013, unless Hydro-Québec sent the *customer* a *written* notice specifying that the *electrical installation* was to be designed to receive 25 kV and another voltage; and
   - are not able to receive electricity at 25 kV;
   - are no longer used after the voltage conversion.

   This compensation is paid upon completion of the work required to allow the *electrical installation* to receive electricity at the new voltage.

f) Compensation for the replacement value of the *customer*'s *civil works* that will no longer be used due to the voltage conversion, calculated using the "Method for establishing the replacement value of the *customer*'s electrical equipment and *civil works*," set out hereafter, and that, based on what is most advantageous for the *customer*, are located at the site of the first voltage transformation between:

- the lot line between the property to be served and a *public road*, or between a *distribution line* and the *connection point*; or
- the *supply point* on the *distribution line* and the *connection point*.

This compensation is paid upon completion of the work required to allow the *electrical installation* to receive electricity at the new voltage.

g) The "credit for supply at *medium* or *high voltage*" specified in the *Rates* for 25 kV.

This credit applies as of the first complete *consumption period* in which the capacity of the transformers installed and capable of receiving 25-kV electricity allows the *customer* to use all of the agreed-on *available power*.

h) Compensation for the reasonable cost of materials and labour paid by the *customer* to energize the *electrical installation* at the time of conversion to 25 kV, and for the coordination study for the protection of the installations belonging to the *customer* and to Hydro-Québec, where required. This compensation is paid once the supply voltage of the *customer*'s *electrical installation* has been converted.

Method for establishing the replacement value of the *customer*'s electrical equipment and *civil works*

Replacement value is based on an annual depreciation of 4% for each *customer substation* component or for the *civil works* that will no longer be used because of the voltage conversion. It is calculated according to the following formula:

$C = A (100 - (4 \times B))/100$

where:

A = cost of equivalent new equipment or *civil works* installed, including materials, labour and overhead

B = age of the component

C = depreciated replacement value

The depreciated replacement value C cannot be less than 20% of A.

SCHEDULE IV

Calculation of Cost of Work

Labour and Equipment

Line	Cost component	Overhead	Underground – Electrical work	Underground – *Civil works*
1	Labour and equipment needed to carry out the work and access the site	Costs in effect	Costs in effect	N.A.

Goods and Services

Line	Cost component	Overhead	Underground – Electrical work	Underground – *Civil works*
2	Procurement of third-party goods and services needed to carry out the work	Costs in effect	N.A.	Estimated costs
3	Acquisition fee	Rate indicated in Table P.2, Chapter 20, multiplied by line 2	N.A.	Rate indicated in Table P.2, Chapter 20, multiplied by line 2
4	Contract management fee	Rate indicated in Table P.2, Chapter 20, multiplied by line 2	N.A.	Rate indicated in Table P.2, Chapter 20, multiplied by line 2
5	**Total labour, equipment, goods and services**	**Sum of lines 1 to 4**	**Sum of lines 1 to 4**	**Sum of lines 1 to 4**

Materials

Line	Cost component	Overhead	Underground – Electrical work	Underground – *Civil works*
6	Materials needed for power line construction	Costs in effect	Costs in effect	Costs in effect
7	Acquisition fee	Rate indicated in Table P.2, Chapter 20, multiplied by line 6	Rate indicated in Table P.2, Chapter 20, multiplied by line 6	Rate indicated in Table P.2, Chapter 20, multiplied by line 6
8	Materials management fee	Rate indicated in Table P.2, Chapter 20, multiplied by line 6	Rate indicated in Table P.2, Chapter 20, multiplied by line 6	Rate indicated in Table P.2, Chapter 20, multiplied by line 6
9	Minor materials fee	Rate indicated in Table P.2, Chapter 20, multiplied by line 6	Rate indicated in Table P.2, Chapter 20, multiplied by line 6	Rate indicated in Table P.2, Chapter 20, multiplied by line 6
10	**Total materials**	**Sum of lines 6 to 9**	**Sum of lines 6 to 9**	**Sum of lines 6 to 9**
11	**Total labour, equipment, goods, services and materials**	**Sum of lines 5 and 10**	**Sum of lines 5 and 10**	**Sum of lines 5 and 10**
12	Provision for end-of-asset-life reinvestment	Rate indicated in Table P.2, Chapter 20, multiplied by line 11, if applicable	Rate indicated in Table P.2, Chapter 20, multiplied by line 11, if applicable	N.A.
13	Engineering and request management fee	Rate indicated in Table P.2, Chapter 20, multiplied by line 11	Rate indicated in Table P.2, Chapter 20, multiplied by the sum of lines 11 and 12	Rate indicated in Table P.2, Chapter 20, multiplied by line 11
14	Provision for future operation and maintenance	Rate indicated in Table P.2, Chapter 20, multiplied by line 11	Rate indicated in Table P.2, Chapter 20, multiplied by line 11	N.A.
15	**Subtotal: Cost of work**	**Sum of lines 11 to 14**	**Sum of lines 11 to 14**	**Sum of lines 11 to 14**

Servitudes

Line	Cost component	Overhead	Underground – Electrical work	Underground – *Civil works*
16	Acquisition of *servitudes*	Estimated costs	Estimated costs	Estimated costs
17	**Total cost of work**	**Sum of lines 15 and 16**	**Sum of lines 15 and 16**	**Sum of lines 15 and 16**

SCHEDULE V

Calculation of Prices for Extension or Modification of an Underground Distribution Line

If your *connection request* requires the extension or modification of an underground *distribution line*, Hydro-Québec uses the following three-step method to calculate the amount you have to pay:

Step 1: Determine the cost of extending or modifying the underground *distribution line*.

Hydro-Québec adds up the cost of the cable, transformers and switchgear, taking into account the particular specifications of your *connection request*.

Cost component	Calculation
Cable	**Formula: (A x B) + (C x D) + E** where A = the number of sections of underground cable; B = the "price for assembly of an underground *cable section*," according to the type of supply, as indicated in Section 20.2.8; C = the number of metres of underground cable; D = the "price per metre of underground cable," according to type of cable, as indicated in Section 20.2.9; E = the "price for risers," according to the type of supply, as indicated in Section 20.2.7.
Transformers – Joint use	**Formula: A x B** where A = the number of kW of *anticipated power demand* in the *customer*'s *connection request*; B = the "price for underground transformers," according to the type of supply, as indicated in Table M.1, Chapter 20.
Transformers – Exclusive use	The "price for underground transformers," according to the type of transformer installed, as indicated in Section 20.2.10.
Switchgear – Joint use	**Formula: A x B** where A = The number of kW of *anticipated power demand* in the *customer*'s *connection request*; B = the "price for underground switchgear" indicated in Table N.1, Chapte 20.

Cost component	Calculation
Switchgear – Exclusive use	The "price for underground switchgear," according to the type of apparatus installed, and, if applicable, the price per protective fuse or fuse set installed, as indicated in Section 20.2.11.

Step 2: Calculate the value of the applicable *basic service*.

Overhead line

Hydro-Québec adds up the cost of the components below, taking into account the particular specifications of your *connection request*.

Cost component	Calculation
Number of metres of line – Request without the extension of an overhead *distribution line*	The sum of the "price for overhead work" and the "price for overhead equipment" indicated in sections 20.2.3 and 20.2.4, for all applicable components.
Number of metres of line – Request with the extension of an overhead *distribution line*	**Formula: (A x B) + C** where A = the number of metres included in *basic service* for extension of an overhead *distribution line*; B = the "price per metre for overhead line extension – in a public right-of-way" for a *medium*-voltage system, according to the type of supply, as indicated in Table E.1, Chapter 20; C = the sum of the "price for overhead work" and the "price for overhead equipment" indicated in sections 20.2.3 and 20.2.4, for all applicable components.
Transformers – Joint use	**Formula: A x B** where A = the number of kW of *anticipated power demand* in the *connection request*; B = the "price for underground transformers," according to the type of supply, as indicated in Table M.1, Chapter 20.
Transformers – Exclusive use	The "price for overhead equipment" indicated in section 20.2.4, for all applicable components (materials and labour).

Cost component	Calculation
Switchgear – Joint use	**Formula: A x B** where A = the number of kW of *anticipated power demand* in the *connection request*; B = the "price for underground switchgear" indicated in Table N.1, Chapter 20.
Switchgear – Exclusive use	The "price for overhead equipment" indicated in section 20.2.4, for all applicable components (materials and labour).

AND/OR

Underground line

Hydro-Québec adds up the cost of the cable, transformers and switchgear, taking into account the particular specifications of your *connection request*.

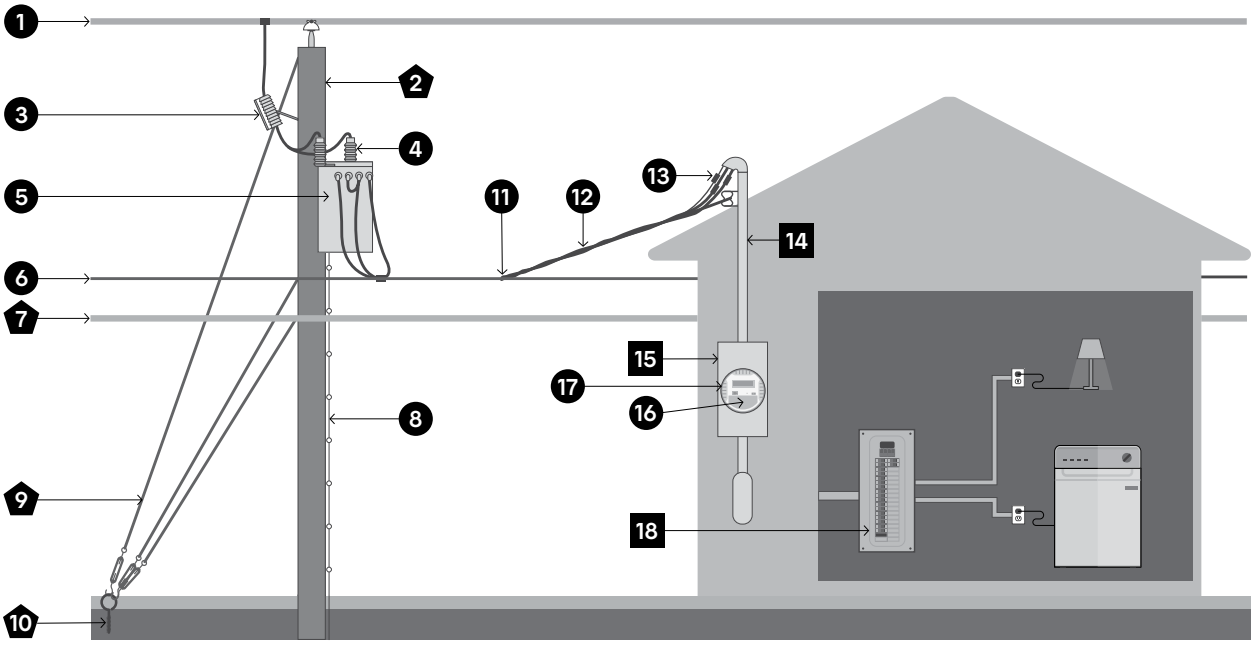
Cost component	Calculation
Cable	**Formula: (A x B) + (C x D) + E** where A = the number of underground *cable sections*; B = the "price for assembly of an underground *cable section*," according to the type of supply, as indicated in Section 20.2.8; C = the number of metres of underground cable; D = the "price per metre of underground cable," according to type of cable, as indicated in Section 20.2.9; E = the "price for risers," according to the type of supply, indicated in Section 20.2.7.

Cost component	Calculation
Transformers – Joint use	**Formula: A x B** where A = the number of kW of *anticipated power demand* in the *connection request*; B = the "price for underground transformers," according to the type of supply, as indicated in Section 20.2.10.
Transformers – Exclusive use	The "price for underground transformers," according to the type of transformer installed, as indicated in Section 20.2.10.
Switchgear – Joint use	**Formula: A x B** where A = the number of kW of *anticipated power demand* in the *connection request*; B = the "price for underground switchgear" indicated in Section 20.2.11.
Switchgear – Exclusive use	The "price for underground switchgear," according to the type of apparatus installed, and, if applicable, the price per protective fuse or fuse set installed, as indicated in Table N.3, Chapter 20.

Step 3: Determine the amount to pay.

To determine the amount you must pay, Hydro-Québec calculates the difference between the amounts established in steps 1 and 2:
Formula: A - B where A = the amount determined in Step 1 for the underground *distribution line*; B = the amount calculated in Step 2 for the value of the applicable *basic service*. If you paid an amount for extension or modification of a *distribution line*, you are entitled to a partial or full refund as provided for in Section 10.4.

Components of the Power Distribution System



Owned by

Hydro-Québec	Hydro-Québec or telecommunications company	Customer
1 Medium-voltage distribution line	2 Pole	14 Customer's service entrance
3 Single-phase cutout	7 Telecommunications line	15 Meter socket
4 Surge arrester	9 Guy wire	18 Service box
5 Transformer	10 Anchor	
6 Low-voltage distribution line		
8 Ground wire		
11 Supply point on the line		
12 Distribution service loop		
13 Connection point		
16 Meter (a component of the metering equipment)		
17 Delivery point		

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