



# *Electric Tariff*

Effective April 1, 2004

## **Hydro-Québec electricity rates effective April 1, 2004 and their conditions of application**

Approved by the Régie de l'énergie  
in Decision D-2004-124

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### **To the reader**

This *Electric Tariff* supersedes the former *Rates Bylaw*  
and has the same legal effect.

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## Interpretative Provisions

### Definitions

1

In this Tariff, the following terms and expressions have the meanings hereinafter described, unless the context indicates otherwise:

***“Act Respecting Health Services”***: An Act Respecting Health Services and Social Services (R.S.Q., chapter S-4.2).

***“annual contract”***: A contract the term of which is at least twelve consecutive monthly periods.

***“apartment building”***: All or part of a building comprising more than one dwelling.

***“autonomous electrical system”***: A system for the generation and distribution of electricity, independent of the main system, in which the electricity is generated by one or more generating units driven by fossil fuel, gas turbines or wind power.

***“available power”***: Amount of power which the customer may not exceed for a given contract without the authorization of Hydro-Québec.

***“commercial activity”***: All actions involved in the marketing or sale of products or services.

***“common parts and collective services”***: Areas and services of an apartment building or community residence that are used exclusively by the occupants of this apartment building or community residence.

***“community residence”***: A private building or part of a private building devoted to living purposes which contains dwellings or rooms, or both, that are rented or allocated to different occupants, and has common parts and collective services. Also considered community residences, for purposes of this Tariff, are intermediate resources that meet the criteria stated in this Paragraph.

***“connected load”***: That part of the installed capacity connected to the Hydro-Québec system.

**“connection point”**: Point where the electrical installation of the premises receiving electricity is connected to the Hydro-Québec system.

**“consumption period”**: Period during which electricity is delivered to the customer and which is included between the two dates used for calculation of the bill.

**“contract”**: An agreement concluded between the customer and Hydro-Québec for the supply and delivery of electricity, or of electricity and services.

**“contract power”**: The minimum billing demand for which the customer must pay under the terms of a contract under this Tariff.

**“customer”**: Any individual, partnership, corporation or organization having one or more contracts.

**“delivery of electricity”**: Application and maintaining of voltage at the delivery point, with or without the use of electricity.

**“delivery point”**: Point located immediately on the load side of Hydro-Québec’s equipment for metering electricity and from which electricity is put at the disposal of the customer. In cases where Hydro-Québec does not install metering equipment, or where the metering equipment is on the line side of the connection point, the delivery point is the connection point.

**“demand charge”**: An amount to be paid, according to the rate, per kilowatt of billing demand.

**“Distributor”**: Hydro-Québec

**“domestic rate”**: A rate at which the electricity delivered for domestic use is billed at the conditions set forth in this Tariff.

**“domestic use”**: Use of electricity exclusively for living purposes in a dwelling.

**“dwelling”**: Private living quarters equipped with lodging and eating facilities, including a kitchen or kitchenette, in which the inhabitants have free access to all rooms.

**“electricity”**: The electricity supplied by Hydro-Québec.

**“farm”**: Land, buildings and equipment used for crop or animal farming, excluding any dwelling, as well as any facility used for commercial or industrial activity.

**“fixed charge”**: A set sum of money to be paid per contract for a fixed period regardless of the amount of electricity consumed.

**“flat rate”**: A rate comprising only a fixed amount to be paid for a fixed period, independent of the amount of energy consumed.

**“general rate”**: A rate at which the electricity delivered for general use is billed, except in cases where another rate is explicitly provided for in this Tariff.

**“general use”**: Use of electricity for all purposes other than those explicitly provided for in this Tariff.

**“Hydro-Québec’s service loop”**: A circuit extending Hydro-Québec’s system from its distribution or transmission line to the connection point.

**“independent producer”**: A producer of electrical power who either consumes for its own needs or sells, to third parties or to Hydro-Québec, all or part of the electrical power it produces.

**“industrial activity”**: All actions involved in the manufacture, assembly or processing of goods or foodstuffs, or the extraction of raw materials.

**“industrial customer”**: A customer who uses the electricity delivered under a contract mainly for manufacturing, assembling or processing merchandise or food products or for extracting raw materials.

**“installed capacity”**: The total rated capacity of the customer’s electrical equipment.

**“lumen”**: Unit of measurement for the average luminous flux of a bulb, to within 15%, during its useful life, as specified by the manufacturer.

**“luminaire”**: An outside lighting installation fitted to a pole and comprising, unless otherwise indicated, a support no longer than two and a half metres, a reflector inside a metal case, a bulb and a refractor, and including in some instances a photoelectric cell.

**“maximum power demand”**: A value which, for application of the rates of this Tariff, is expressed in kilowatts and corresponds to:

- for domestic contracts, the highest real power demand;
- for contracts other than domestic whose real power demand always equals or is less than 50 kilowatts, the highest real power demand;
- for contracts other than domestic whose real power demand has exceeded 50 kilowatts at least once during the last twelve consecutive monthly periods, the higher of the following values:
  - a) the highest real power demand; or
  - b) 90% of the highest apparent power demand in kilovoltamperes for small and medium power contracts, or 95% for large power contracts.

These power demands are determined for integration periods of 15 minutes, by one or more maximum demand meters of a type approved by the competent authorities.

If the characteristics of the customer's load so justify, only maximum demand meters required for billing are maintained in service.

**“mixed use”**: Use of electricity both for living and other purposes under a single contract.

**“monthly”**: Refers to an exact period of 30 consecutive days.

**“optimization charge”**: An additional amount, to be paid per kilowatt in excess of the limits determined by the applicable general rate; this amount is added to the demand charge.

**“power”**:

- 1- Small power: a minimum billing demand of less than 100 kilowatts;
- 2- Medium power: a minimum billing demand of 100 kilowatts or more, but less than 5,000 kilowatts;
- 3- Large power: a minimum billing demand of 5,000 kilowatts or more.

**“public lighting”**: Lighting of streets, lanes, highways, expressways, bridges, wharves, bicycle paths, pedestrian walkways, and other public thoroughfares, but excluding parking lots, playgrounds and similar places.

**“rate”**: The several specifications setting the elements taken into account, as well as the calculation methods, for determining the amounts the customer owes Hydro-Québec for the delivery of electricity and the supply of services under a contract.

**“regular meter reading”**: A reading of the meter(s) taken for billing purposes at fairly regular intervals and on approximately fixed dates, according to a schedule determined by Hydro-Québec.

**“residential outbuildings”**: All premises or installations appurtenant to a building serving for living purposes; farms are excluded from this definition.

**“rooming house”**: A building or part of a building devoted exclusively to living purposes in which lodgings of no more than two rooms, with no kitchen, are let to different inhabitants.

**“short-term contract”**: A contract whose term is less than twelve consecutive monthly periods.

**“summer period”**: Period from April 1 to and including November 30.

**“supply of electricity”**: The application and maintaining of voltage at the connection point, at a frequency of approximately 60 hertz.

**“Tourist Establishments Act”:** The Tourist Establishments Act (R.S.Q., chapter E-15.1).

**“voltage”:**

- 1- Low voltage: nominal phase-to-phase voltage not exceeding 750 volts;
- 2- Medium voltage: nominal phase-to-phase voltage of more than 750 volts, but not exceeding 50,000 volts;
- 3- High voltage: nominal phase-to-phase voltage over 50,000 volts.

**“winter period”:** Period from December 1 of one year up to and including March 31 of the next year.

## Units of measurement 2

For application of this Tariff, power and real power are expressed in kilowatts (kW); apparent power and energy (consumption) are expressed respectively in kilovoltamperes (kVA) and kilowatthours (kWh).

When the unit of power is not given, power expressed in kilowatts is understood.

## Domestic Rates

### Subdivision 1 - General

#### Application of domestic rates 3

The domestic rates apply only to contracts under which electricity is delivered for domestic use, except for the cases provided for in this Division.

#### Metering of electricity in apartment buildings 4

In apartment buildings, the electricity may be metered separately or in bulk, at the choice of the owner or collectively the co-owners, as the case may be.

#### Customer's choice 5

Customers qualifying for this Division may choose among the domestic rates they are entitled to, subject to their conditions of application, and the applicable general rate.

#### Definition 6

In this Division, the following term is defined as follows:

**“multiplier”:** The factor used to multiply the fixed charge for Rates DM and DT, as well as to multiply the number of kilowatthours for the first part of Rate DM.

### Subdivision 2 - Rate D

#### Application 7

Rate D applies to a contract for domestic use in a dwelling whose electricity is metered separately.

Barring provisions to the contrary, it does not apply:

- to hotels, motels, inns or other establishments covered in the *Tourist Establishments Act*;
- to hospitals, clinics, pavillons d'accueil, long-term care facilities, or other establishments covered in the *Act Respecting Health Services*.



Structure of Rate D

8

The structure of Rate D is as follows:

- 40.64¢    fixed charge per day, plus
- 4.95¢    per kilowatthour for the first 30 kilowatthours per day;
- 6.24¢    per kilowatthour for the remaining consumption.

During the winter period, when the maximum power demand exceeds 50 kilowatts, the excess is billed at the monthly price of \$3.21 per kilowatt. When a consumption period to which this monthly demand charge applies overlaps the beginning or end of the winter period, this charge is prorated to the number of days in the consumption period that belong to the winter period.

If applicable, the discounts for supply at medium or high voltage described in Section 21 apply.

Apartment building and community residence with dwellings - separate metering

9

When the owner or collectively the co-owners, as the case may be, of an apartment building or community residence with dwellings have chosen separate metering, the electricity delivered to each dwelling is billed at Rate D.

The electricity destined for the common parts and collective services, metered separately, is covered by a contract and is billed at Rate D, provided that:

- it is used exclusively for living purposes;
- or
- when the electricity delivered is not used exclusively for living purposes, the total installed capacity for the common parts and collective services used for purposes other than living is less than or equal to 10 kilowatts.

If either one of the above conditions is not met, the appropriate general rate applies.

When determining the installed capacity used for purposes other than living, central equipment devoted to the heating of water or space or to air conditioning, and used for both living and other purposes, is not considered.

Rooming house and community residence with 9 rooms or less

10

Rate D applies to a contract covering electricity delivered to a rooming house with up to 9 rooms for rent or a community residence with 9 rooms or less.

Bed and breakfast

11

Rate D applies to a contract covering electricity delivered to a bed and breakfast with up to 9 rooms for rent, located in the dwelling occupied by the lessor.

If the bed and breakfast does not meet these conditions, it is subject to the appropriate general rate.

Accommodations in a foster family or a foster home

12

Rate D applies to a contract covering electricity delivered to a dwelling where up to 9 persons are accommodated in a “foster family” or a “foster home” as defined in the *Act Respecting Health Services*.

Residential outbuildings

13

Rate D applies to a contract covering electricity delivered to one or more residential outbuildings provided that each meets the two following conditions:

- a) the outbuilding is used exclusively by the persons occupying the dwelling or apartment building;
- b) it is used exclusively for purposes related to the occupancy of the dwelling or apartment building.

In any other circumstances, the electricity delivered for a residential outbuilding is subject to the appropriate general rate.

**Mixed use** 14

When the electricity delivered is not used exclusively for living purposes, Rate D applies on condition that the installed capacity for purposes other than living is less than or equal to 10 kilowatts. If the installed capacity used for purposes other than living is greater than 10 kilowatts, the appropriate general rate applies.

When determining the installed capacity used for purposes other than living, central equipment devoted to the heating of water or space or to air conditioning, and used for both living and other purposes, is not considered.

**Farms** 15

Electricity supplied to a farm is subject to the domestic rate.

Electricity not directly used for the dwelling, the residential outbuildings or the farm is measured by an additional meter and billed at the appropriate general rate.

If there is no additional meter, Rate D applies only when the installed capacity of the premises, other than the dwelling, the residential outbuildings or the farm, is less than or equal to 10 kilowatts. If the installed capacity of the premises is greater than 10 kilowatts, the appropriate general rate applies.

**Metering of electricity and contract** 16

In cases where, at February 1, 1984, the electricity delivered to a dwelling was measured by more than one meter and has continued to be so measured since, all the electricity thus delivered is considered to be part of a single contract.

Subdivision 3 - Rate DM

**Application** 17

Rate DM applies to a contract covering electricity delivered to an apartment building or community residence with dwellings, for which its owner or collectively its co-owners, as the case may be, have chosen bulk metering.

Barring provisions to the contrary, it does not apply:

- to hotels, motels, inns or other establishments covered in the *Tourist Establishments Act*;
- to hospitals, clinics, pavillons d'accueil, long-term care facilities, or other establishments covered in the *Act Respecting Health Services*.

**Community residence with both dwellings and rooms, community residence or rooming house with 10 rooms or more - bulk metering** 18

On the condition that the electricity is used exclusively for living purposes, including the electricity for common parts and collective services, Rate DM also applies when the electricity is delivered to:

- a community residence with both dwellings and rooms;
- a rooming house or community residence with 10 rooms or more.

When the electricity delivered is not used exclusively for living purposes, Rate DM applies in accordance with the conditions set forth in Section 22.

**Structure of Rate DM** 19

The structure of Rate DM is as follows:

- 40.64¢ fixed charge per day, times the multiplier, plus
- 4.95¢ per kilowatthour for the first 30 kilowatthours per day, times the multiplier;
- 6.24¢ per kilowatthour for the remaining consumption.

During the winter period, when the maximum power demand exceeds 50 kilowatts, the excess is billed at the monthly price of \$0.81 per kilowatt. When a consumption period to which this monthly demand charge applies overlaps the beginning or end of the winter period, this charge is prorated to the number of days in the consumption period that belong to the winter period.

If applicable, the discounts for supply at medium or high voltage described in Section 21 apply.

**Multiplier** 20

The multiplier is determined as follows:

**a) Apartment building and community residence with dwellings:**

Number of dwellings in the apartment building or community residence.

**b) Community residence with both dwellings and rooms:**

- Number of dwellings in the community residence, plus
- 1 for the first 9 rooms or less, plus
- 1 for each additional room.

**c) Rooming house and community residence with 10 rooms or more:**

- 1 for the first 9 rooms or less, plus
- 1 for each additional room.

**Discount for supply at medium or high voltage** 21

When Hydro-Québec supplies electricity at medium or high voltage for a contract at Rate DM and the customer uses it at this voltage or transforms it at no cost to Hydro-Québec, this customer is entitled, for this contract, to a discount in cents per kilowatthour on the price of all energy billed; this discount is determined as follows, according to the supply voltage:

Nominal voltage between phases equal to or greater than	Discount ¢/kWh
5 kV, but less than 50 kV	0.207¢
50 kV, but less than 170 kV	0.260¢
170 kV	0.354¢

**Mixed use** 22

When the electricity delivered is not used exclusively for living purposes, Rate DM applies on the condition that the installed capacity used for purposes other than living is less than or equal to 10 kilowatts. In such cases, an additional multiplier is added to calculate the fixed charge and the number of kilowatthours to which the first part of Rate DM applies.

If the installed capacity used for purposes other than living exceeds 10 kilowatts, the appropriate general rate applies.

When determining the installed capacity used for purposes other than living, central equipment devoted to the heating of water or space or to air conditioning, and used for both living and other purposes, is not considered.

Subdivision 4 - Rate DT

Application23

A customer whose contract is eligible for Rate D or Rate DM and who uses, principally for domestic purposes, a dual-energy system which is in accordance with the provisions stipulated in Section 25, may opt for Rate DT.

Definition24

In this Subdivision, the following term is defined as follows:

“Dual-energy system”: A system used for the heating of space, or space and water, designed in such a way that, for the heating, electricity can be used as the main source of energy and a fuel as an auxiliary source.

Characteristics of the dual-energy system25

The dual-energy system must meet all the following conditions:

- a) the capacity of the dual-energy system, in the fuel mode as well as in the electrical mode, must be sufficient to heat the premises concerned. The energy sources for heating must not be used simultaneously;
- b) the dual-energy system must be equipped with an automatic switch permitting the transfer from one source of energy to the other. For this purpose, the automatic switch must be connected to a temperature gauge in accordance with the provisions of Subparagraph c) hereinafter;
- c) the temperature gauge is supplied and installed by Hydro-Québec in a location and under conditions which Hydro-Québec determines. The gauge indicates to the automatic switch when a change of operating mode is required in view of the exterior temperature. The fuel mode is used when the exterior temperature is below -12°C or -15°C, according to the climatic zones defined by Hydro-Québec;
- d) the customer may also use a manual switch to change from one source of energy to the other.

Recovery after a power failure26

The dual-energy system may be equipped with a device that, after a power failure, makes it possible for the dual-energy system to operate, for a certain period, on the auxiliary energy source only, regardless of the exterior temperature. The device must meet Hydro-Québec’s requirements.

Structure of Rate DT27

The structure of Rate DT is as follows:

- 40.64¢ fixed charge per day, plus
- 3.62¢ per kilowatthour for energy consumed when the temperature is equal to or higher than -12°C or -15°C, depending upon the climatic zones defined by Hydro-Québec;
- 16.24¢ per kilowatthour for energy consumed when the temperature is below -12°C or -15°C, as the case may be.

If applicable, the discounts for supply at medium or high voltage described in Section 21 apply.

Apartment building or community residence with a dual-energy system - separate metering28

For an apartment building or community residence with dwellings with separate metering, the customer who uses a dual-energy system conforming to the provisions of Section 25 may opt for Rate DT. Rate DT applies in accordance with the following conditions:

- a) when the electricity destined for a dwelling is metered separately and the meter records the consumption of a dual-energy system, the contract for such dwelling is subject to Rate DT;

b) the electricity destined for the common parts and collective services, metered separately, is billed at Rate DT, on the condition that it supplies a dual-energy system and:

- is used exclusively for living purposes;
- or
- when the electricity delivered is not used exclusively for living purposes, the total installed capacity for the common parts and collective services used for purposes other than living is less than or equal to 10 kilowatts.

When determining the installed capacity used for purposes other than living, central equipment devoted to the heating of water or space or to air conditioning, and used for both living and other purposes, is not considered.

**Apartment building, community residence or rooming house with a dual-energy system - bulk metering** **29**

For an apartment building, community residence or rooming house with bulk metering, the customer who uses a dual-energy system conforming to the provisions of Section 25 may opt for Rate DT. If the electricity delivered is used exclusively for living purposes, Rate DT applies according to the following conditions:

- a) when there is bulk metering and it records the consumption of a dual-energy system, the electricity is billed at Rate DT, except that:
- the fixed charge is multiplied by the number of dwellings in the apartment building or community residence with dwellings;
- for a rooming house or community residence with 10 rooms or more, the applicable multiplier for calculation of the fixed charge is the sum of:
  - 1 for the first 9 rooms or less, plus
  - 1 for each additional room.

- for a community residence with both dwellings and rooms, the applicable multiplier for calculation of the fixed charge is the sum of:

- the number of dwellings in the community residence, plus
- 1 for the first 9 rooms or less, plus
- 1 for each additional room;

b) when there is bulk metering but the consumption of a dual-energy system is measured separately, this consumption is covered by a separate contract, eligible for Rate DT. In such cases, the fixed charge is not multiplied by the number of dwellings or rooms in the building.

If the electricity delivered is not used exclusively for living purposes, Rate DT applies on the condition that the installed capacity used for purposes other than living is less than or equal to 10 kilowatts. In such cases, an additional multiplier is added to calculate the fixed charge of Rate DT.

When determining the installed capacity used for purposes other than living, central equipment devoted to the heating of water or space or to air conditioning, and used for both living and other purposes, is not considered.

**Farm** **30**

For Rate DT to apply to a farm, the following conditions must be met:

- a) the dual-energy system must be in accordance with the provisions set forth in Subparagraphs b) c) and d) of Section 25;
- b) the capacity of the dual-energy system, in fuel mode as well as in electrical mode, must be sufficient to supply all the energy necessary for heating the dwelling. The energy sources for heating must not be used simultaneously;

- c) the installed capacity used for the farm and for any premises other than the dwelling must be less than or equal to 10 kilowatts;
- d) a single Hydro-Québec service loop serves both the farm and a dwelling.

**Duration of rate application 31**

Rate DT applies as of the date the appropriate meter is installed. The customer who opts for Rate DT for the first time may modify the option and choose another rate for which the contract is eligible at any time. Afterwards, any rate opted for must apply for a minimum of 12 consecutive monthly periods. The new rate comes into effect at the beginning of the consumption period following the date of the customer's request, provided the appropriate meter has been installed.

**Non-compliance with conditions 32**

If a dual-energy system covered by this Subdivision no longer meets one of the conditions of application of Rate DT, the customer must correct the situation within a maximum of 10 working days. Rate DT, described in Section 27, will continue to apply during this period. If the situation is not corrected within the prescribed period, the customer shall no longer be entitled to Rate DT. The contract then becomes subject, at the customer's choice, to one of the rates for which it is eligible according to the Tariff then in effect. If the customer fails to make this choice, the contract becomes subject, as the case may be, to Rate D or Rate DM, if it is eligible for them, or to the appropriate general rate (G, M or L).

**Fraud 33**

If the customer commits fraud, manipulates or hinders the functioning of the dual-energy system or uses it for purposes other than those provided for under this Tariff, Hydro-Québec shall terminate the contract at Rate DT. The contract shall become subject to Rate D or Rate DM, if it is eligible for such rates, or to the appropriate general rate (G, M or L). Rate DT cannot apply again to the same contract for at least 365 days.

*Subdivision 5 - Rate DH*

**Application 34**

Rate DH is an experimental time-of-use rate. It applies to contracts that meet the eligibility conditions in Section 35 and selected by Hydro-Québec, on condition that the customer accepts Hydro-Québec's proposal within the stipulated time.

**Eligibility 35**

- To be eligible for Rate DH, a contract must meet the following conditions:
- a) the contract has been subject to Rate D for at least 365 days;
  - b) the capacity of the electrical entrance is equal to or less than 200 amps;
  - c) the customer's consumption during the winter period(s) included in the 365-day period preceding subscribing to Rate DH equals at least 50% of his yearly consumption and was a minimum of 80 kWh per day;
  - d) the metering equipment under the contract is not part of Hydro-Québec's automatic meter-reading project.

**Metering 36**

Any electricity delivered must be covered under a single contract and measured by a single meter which records consumption separately for each period to which Rate DH applies.

Structure of Rate DH37

The structure of Rate DH is as follows:

- 40.64¢ fixed charge per day, plus
- 3.67¢ per kilowatthour for energy consumed:
- in the summer period,

- in the winter period, on Saturday and on Sunday,

- in the winter period, between 2200 and 0600 hours and between 1100 and 1500 hours, Monday to Friday inclusive,

- on December 25 and January 1;
- 13.54¢ per kilowatthour for energy consumed in the winter period, between 0600 and 1100 hours and between 1500 and 2200 hours, Monday to Friday inclusive.

Beginning of application of Rate DH38

Rate DH will apply as of the date of installation of the appropriate metering equipment.

Duration of commitment39

A customer who agrees to be subject to Rate DH undertakes to retain this rate for a minimum duration of 12 consecutive monthly periods.

If the customer terminates the contract before the end of the 12 consecutive monthly periods, Rate D is applied retroactively to the customer’s contract, starting on the date on which Rate DH became effective.

General Rates for Small Power

Subdivision 1 - Rate G

Application40

General Rate G applies to a contract whose minimum billing demand is less than 100 kilowatts.

Structure of Rate G41

The structure of monthly Rate G for an annual contract is as follows:

- \$12.18 fixed charge, plus
- \$14.19 per kilowatt of billing demand in excess of 40 kilowatts,
- plus
- 7.74¢ per kilowatthour for the first 11,700 kilowatthours,
- 3.90¢ per kilowatthour for the remaining consumption.

The minimum monthly bill is \$36.54 when polyphase electricity is delivered.

If applicable, the discounts for supply at medium or high voltage and adjustment for transformation losses described in Sections 300 and 301 apply.

Billing demand42

The billing demand at Rate G is equal to the maximum power demand during the consumption period concerned, but it cannot be less than the minimum billing demand as defined in Section 43.

**Minimum billing demand 43**

The minimum billing demand for each consumption period shall be equal to 65% of the maximum power demand during a consumption period that falls wholly in the winter period included in the 12 consecutive monthly periods ending with the consumption period concerned.

When the minimum billing demand is 100 kilowatts or more, the contract ceases to be eligible for Rate G and becomes subject to Rate M.

Rate M applies from the start of the consumption period during which the minimum billing demand reached 100 kilowatts or more.

When a customer terminates an annual contract and subscribes for another for the delivery of electricity at the same location and for similar purposes within the following 12 consecutive monthly periods, these two contracts are considered to be a single contract for calculation of the minimum billing demand.

**Increase in minimum billing demand to 100 kilowatts or more 44**

The minimum billing demand for an annual contract subject to Rate G may be increased to 100 kilowatts or more, at any time, upon written request from customer.

Following such increase, the contract is no longer eligible for Rate G and becomes subject to Rate M or L. The contract power and Rate M or L come into effect, at the customer's choice, either at the beginning of the consumption period during which Hydro-Québec receives the written request for revision or at the beginning of one of the three preceding consumption periods.

In the event the customer does not specify the date the revision of the contract power is to take effect, it shall take effect at the beginning of the consumption period during which Hydro-Québec receives the written request for revision.

**Revision of the minimum billing demand at the beginning of the contract to 100 kilowatts or more 45**

Once within the first 12 monthly periods of the contract, the customer may retroactively change his minimum billing demand to 100 kilowatts or more, provided that the following conditions are met:

- a) the customer's current contract is an annual one;
- b) it is the customer's first annual contract at that location;
- c) the installation supplied under this contract is:
  - a new installation, or
  - an installation which, under the current contract, is used for purposes other than those of the previous contract, or whose functioning has been significantly modified.

The revised minimum billing demand and the appropriate general rate, M or L, come into effect either at the beginning of the contract or at the beginning of any consumption period, as the customer chooses.

To obtain this revision, the customer must make the request in writing to Hydro-Québec before the end of the 14th monthly period following the date of the beginning of the contract.

**Short-term contract 46**

A short-term contract for general use of small power, where the electricity delivered is metered and the contract has a duration of at least one monthly period, is eligible for Rate G, except that the monthly fixed charge and minimum monthly bill are increased by \$12.18.

In the winter period, the monthly demand charge is increased by \$4.92.

When a consumption period to which the increased monthly demand charge applies overlaps the beginning or the end of the winter period, this increase is prorated to the number of days in the consumption period that belong to the winter period.



**Installation of maximum-demand meters** 47

In the case of contracts at Rate G, Hydro-Québec installs a maximum-demand meter when the customer's electrical installation, the connected apparatus and their utilization are such that the maximum power demand is likely to exceed 40 kilowatts.

**Winter activities** 48

The conditions of this Section apply only to contracts subject to them as of April 30, 1988.

The short-term contract characterized by a seasonal activity, repeated from year to year (excluding cottages, restaurants, hotels, motels or similar installations), covering at least the winter period and under which the greater part of the electricity is consumed during such period, is subject to the following conditions:

- a) all electricity whose consumption is noted between December 1 of one year and March 31, inclusive, of the following year is billed according to the conditions for short-term contracts set out in Section 46;
- b) the dates taken into account for billing purposes must be between December 1 of one year and March 31, inclusive, of the following year, and the commencement of the first consumption period is set at December 1;
- c) the delivery point is permanently energized, but the electricity consumed between May 1 and September 30, inclusive, must be used exclusively for the maintenance of mechanical or electrical equipment supplied with electricity under the contract concerned;
- d) if Hydro-Québec notes that the customer uses the electricity delivered under this contract for purposes other than those set out in Subparagraph c), the conditions of application set out in Subparagraphs a) and b) shall no longer apply;
- e) the customer's before-tax bill is increased by 8%.

*Subdivision 2 - Rate G-9*

**Application** 49

General Rate G-9 is designed for contracts which are characterized by limited use of billing demand. It does not apply to contracts whose maximum power demand is always less than 55 kilowatts during 12 consecutive monthly periods ending with the consumption period concerned.

Rate G-9 does not apply to independent producers.

**Structure of Rate G-9** 50

The structure of monthly Rate G-9 for an annual contract is as follows:

\$3.66 per kilowatt of billing demand,  
  
plus  
  
8.01¢ per kilowatthour.

The minimum monthly bill is \$12.18 when single-phase electricity is delivered, or \$36.54 when polyphase electricity is delivered.

If applicable, the discounts for supply at medium or high voltage and adjustment for transformation losses described in Sections 300 and 301 apply.

**Billing demand** 51

The billing demand at Rate G-9 is equal to the maximum power demand during the consumption period concerned, but cannot be less than the minimum billing demand defined under Section 52.

**Minimum billing demand** 52

The minimum billing demand for a contract at Rate G-9 is the higher of the following values:

- a) 75% of the maximum power demand under such contract, noted during the winter period included in the 12 consecutive monthly periods ending with the consumption period concerned; or
- b) the contract power.

When a customer terminates an annual contract and subscribes for another for the delivery of electricity at the same location and for similar purposes within the following 12 consecutive monthly periods, these two contracts are considered to be a single contract for calculation of the minimum billing demand.

**Short-term contract** 53

A short-term contract for general use of small power, where the electricity delivered is metered and the contract has a duration of at least one monthly period, is eligible for Rate G-9, except that the minimum monthly bill is increased by \$12.18.

In the winter period, the monthly demand charge is increased by \$4.92.

When a consumption period to which the increased demand charge applies overlaps the beginning or the end of the winter period, this increase is prorated to the number of days in the consumption period that belong to the winter period.

**Winter activities** 54

The conditions of application of Rate G-9 to winter activities apply only to those contracts subject to them as at April 30, 1988. These conditions are those described in Section 48.

However, Rate G-9 for short-term contracts does not apply to contracts subject to the conditions of Section 48, except if this rate is already applied to such contracts on April 30, 1993.

In this case, the electricity consumed is billed according to the special conditions applying to short-term contracts described in Section 53.

**Installation of maximum-demand meters** 55

The maximum power demand is metered for all contracts subject to Rate G-9.

*Subdivision 3 - Rate GD*

**Application** 56

Rate GD applies to annual small-power contracts held by independent producers. It is offered as a back-up energy source for independent producers whose usual energy source is temporarily unavailable or under maintenance.

Rate GD does not apply if the only equipment used by the customer to produce electricity are emergency generators.

**Beginning of the application of Rate GD** 57

Rate GD applies as of the date on which the appropriate metering equipment is installed. All the electricity supplied under Rate GD must be covered by a separate contract.

**Structure of Rate GD** 58

The structure of monthly Rate GD is as follows:

- \$4.53 per kilowatt of billing demand,
- plus
- 4.71¢ per kilowatthour for the energy consumed in the summer period;
- 12.00¢ per kilowatthour for the energy consumed in the winter period.

If applicable, the discounts for supply at medium or high voltage and adjustment for transformation losses described in Sections 300 and 301 apply.

**Billing demand** 59

Billing demand at Rate GD corresponds to the maximum power demand during the consumption period concerned, but is never less than the minimum billing demand as defined in Section 60.

**Minimum billing demand** 60

For contracts under Rate GD, the minimum billing demand is the higher of the following amounts:

- a) the highest of the maximum power demands during the 24 consecutive monthly periods ending at the end of the consumption period concerned; or
- b) the contract power chosen by the customer, which cannot be less than 50 kilowatts.

When a customer terminates an annual contract and subscribes for another for the delivery of electricity at the same location and for similar purposes within the following 12 consecutive monthly periods, these two contracts are considered to be a single contract for calculation of the minimum billing demand.

*Subdivision 4 - Transitional Rate*

**Transitional rate** 61

The transitional rate, defined in Subdivision 4 of Division IV, also applies to small-power customers subject to a contract billed according to the off-peak price of energy at Rate BT which is about to expire, taking into account the provisions in Section 62.

**Adjustment of the customer's bill** 62

The adjustment of the customer's bill, described in Section 79, applies to small-power customers. However, the reference index must be raised by the average increase of Rate G, not Rate M.

**General Rates for Medium Power**

*Subdivision 1 - Rate M*

**Application** 63

General Rate M applies to a contract whose minimum billing demand is at least 100 kilowatts, but less than 5,000 kilowatts.

**Structure of Rate M** 64

The structure of monthly Rate M for an annual contract is as follows:

- \$12.48 per kilowatt of billing demand,
- plus
- 3.89¢ per kilowatthour for the first 210,000 kilowatthours,
- 2.53¢ per kilowatthour for the remaining consumption.

If applicable, the discounts for supply at medium or high voltage and adjustment for transformation losses described in Sections 300 and 301 apply.

**Contract power** 65

The contract power at Rate M cannot be less than 100 kilowatts.

When a customer terminates an annual contract and subscribes for another for the delivery of electricity at the same location and for similar purposes within the following 12 consecutive monthly periods, these two contracts are considered as one contract in regard to the contract power.

If the contract ceases to be eligible for Rate G because of a minimum billing demand of 100 kilowatts or more and becomes subject to Rate M, the contract power at Rate M is at least equal to the minimum billing demand at Rate G. This contract power takes effect at the beginning of the consumption period during which the minimum billing demand reaches 100 kilowatts or more.

**Billing demand** 66

The billing demand at Rate M is equal to the maximum power demand during the consumption period concerned, but cannot be less than the contract power, which becomes the minimum billing demand.

**Optimization charge** 67

When, for a consumption period that falls wholly or partly in the winter period, the billing demand exceeds 133 1/3% of the contract power, such excess is subject to a monthly optimization charge of \$13.35 per kilowatt.

This charge is prorated to the number of days in the consumption period that belong to the winter period.

However, a customer holding an annual contract may increase the contract power in accordance with Section 68; the customer is then exempt from the optimization charge up to 133 1/3% of the new contract power.

**Increase in contract power** 68

The contract power for an annual contract at Rate M may be increased at any time upon written request by the customer. The revision of the contract power takes effect, at the customer's choice, either at the beginning of the consumption period during which Hydro-Québec receives the written request for revision, or at the beginning of one of the three previous consumption periods.

If, because of an increase in contract power, the contract becomes eligible for Rate L, the revision of the contract power and Rate L take effect, at the customer's choice, at the beginning of the consumption period during which Hydro-Québec receives the written request for revision, or at any date during that consumption period, or at the beginning of one of the three previous consumption periods.

In the event the customer does not specify the date the revision of the contract power is to take effect, it shall take effect at the beginning of the consumption period during which Hydro-Québec receives the written request for revision.

**Decrease in contract power** 69

The contract power for an annual contract at Rate M can be decreased after 12 consecutive monthly periods from the last increase or decrease, unless the customer is bound by contract to maintain this power for a longer period. To this end, the customer must send a written request to Hydro-Québec.

Provided that the effective decrease in contract power takes place only after the 12 consecutive monthly periods required under the preceding Paragraph, the change in contract power may come into effect either:

- a) at the beginning of the consumption period during which Hydro-Québec receives the written request for revision; or
- b) at the beginning of the previous consumption period; or
- c) at the beginning of any subsequent consumption period,

whichever the customer prefers, and in accordance with the customer's written request.

If, because of a decrease in contract power in accordance with the first Paragraph of this Section, the contract ceases to be eligible for Rate M and becomes subject to Rate G, the revision of the contract power and Rate G take effect, at the customer's choice and in accordance with its written request, either at the beginning of the consumption period during which Hydro-Québec receives the written request for revision, or at the beginning of the previous consumption period, or at the beginning of any subsequent consumption period.

In the event the customer does not specify the date the revision of the contract power is to take effect, it shall take effect at the beginning of the consumption period during which Hydro-Québec receives the written request for revision.

**Revision of contract power early in contract** 70

Notwithstanding Sections 68 and 69, the customer may retroactively increase or decrease the contract power once within the first 12 monthly periods of the contract, provided that the following conditions are met:

- a) the customer’s current contract is an annual one;
- b) it is the customer’s first annual contract at that location;
- c) the installation supplied under this contract is:
  - a new installation; or
  - an installation which, under the current contract, is used for purposes other than those of the previous contract, or whose functioning has been significantly modified.

The revised contract power and the applicable general rate (G, M or L) come into effect either at the beginning of the contract or at the beginning of any consumption period, as the customer chooses. The revised contract power must not be less than that to which the customer is bound by contract to maintain, in consideration of the costs incurred by Hydro-Québec to provide service to that customer.

To obtain this revision, the customer must make the request in writing to Hydro-Québec before the end of the 14th monthly period following the date of the beginning of the contract.

**Short-term contract** 71

A short-term contract for general use of medium power, where the electricity delivered is metered and the contract has a duration of at least one monthly period, is eligible for Rate M, except that, in the winter period, the monthly demand charge is increased by \$4.92.

When a consumption period to which the increased demand charge applies overlaps the beginning or the end of the winter period, this increase is prorated to the number of days in the consumption period that belong to the winter period.

**Winter activities** 72

The conditions of application of Rate M to winter activities apply only to those contracts subject to them as of April 30, 1988. These conditions are those described in Section 48, except for the rate applied. For eligible contracts, Rate M for short-term contracts described in Section 71 applies.

*Subdivision 2 - Rate G-9*

**Rate G-9** 73

Rate G-9, defined in Subdivision 2 of Division III, also applies to medium power, both for annual contracts and short-term contracts.

*Subdivision 3 - Rate GD*

**Rate GD** 74

Rate GD, defined in Subdivision 3 of Division III, also applies to medium-power annual contracts.

*Subdivision 4 - Transitional Rate*

**Application** 75

This Subdivision applies to medium-power customers subject to a contract billed according to the off-peak price of energy at Rate BT. The transitional rate applies from the date the contract expires.

**Available power** 76

The transitional rate cannot apply to power higher than the available power stipulated in the contract.

**Restrictions regarding the use of the power** 77

Power subject to the transitional rate cannot be used for purposes other than those stipulated in the contract.

**Customer’s bill 78**

Starting the first day following the expiry date of the contract, the customer’s bill for each consumption period is determined as follows:

- 1) first, the bill is determined according to the price and billing conditions in effect immediately before the expiry of the contract;
- 2) the adjustment described in Section 79 is then applied;
- 3) if applicable, the discounts for supply at medium or high voltage described in Section 244 are then applied.

**Adjustment of the customer’s bill 79**

To determine the applicable adjustment, Hydro-Québec multiplies the customer’s bill by the reference index in effect.

The reference index is determined as follows:

- The reference index is set at 1.0 on April 30, 1996.
- It is increased by 8% on May 1 of each year, starting on May 1, 1996.
- It is also raised by the average increase of Rate M, each time such increase comes into effect.

These increases are cumulative.

**End of application 80**

The transitional rate shall cease to apply when it is more advantageous for the customer to be subject to the appropriate general rate.

*Subdivision 5 - Running-in for New Equipment*

**Application 81**

A customer with a contract subject to Rate M wishing to run-in one or more pieces of new equipment in order to operate it later on a regular basis may benefit from the conditions of application of Rate M for running-in use for a minimum of:

- one consumption period, and a maximum of six consecutive consumption periods, for customers to which Section 82 applies;
- one consumption period, and a maximum of 12 consecutive consumption periods, for customers to which Section 83 applies.

To benefit from these conditions, the customer must provide Hydro-Québec with a written notice, at the latest 30 days before the running-in period, indicating the approximate beginning of the running-in period and must submit the running-in equipment type and power to Hydro-Québec for written approval. The power of the running-in equipment must be equal to at least 10% of the contract power in effect during the consumption period preceding the customer’s written request. At the latest 10 days before the beginning of the running-in, the customer must advise Hydro-Québec, for written approval, of the exact date of the beginning of the running-in period.

**Contract whose billing record includes 12 or more consumption periods at Rate M during which there was no running-in under this Subdivision or Subdivision 6 82**

When all or part of the customer’s power demand is for the running-in of equipment and the billing record includes 12 or more consumption periods at Rate M during which there was no running-in, the electricity bill is determined as follows:

- An average price, expressed in ¢/kWh, is determined on the basis of the average billing demand and energy consumed during the last 12 consumption periods during which there was no running-in. Upon written request from the customer, days during which a strike is held at the customer's company are not taken into account when this average is determined. To determine this average price, Rate M in effect during the consumption period concerned of the running-in period is applied to this average, taking into account, if applicable, any discounts for supply at medium or high voltage and adjustment for transformation losses described in Sections 300 and 301.
- For each consumption period of the running-in period, the energy consumed is billed at the average price, determined according to the preceding Subparagraph, plus 4%. However, the minimum bill per consumption period corresponds to at least the average billing demand in effect during the last 12 consumption periods preceding the running-in period, multiplied by the demand charge in effect during the consumption period concerned of the running-in period. The demand charge is adjusted, if applicable, as a function of discounts for supply at medium or high voltage and adjustment for transformation losses described in Sections 300 and 301.

**Contract whose billing record includes fewer than 12 consumption periods at Rate M during which there was no running-in under this Subdivision or Subdivision 6** 83

If all or part of the customer's power demand is used for the running-in of equipment and customer's billing record includes fewer than 12 consumption periods at Rate M during which there was no running-in, the electricity bill is determined as follows:

- The customer gives Hydro-Québec a written estimate of the power demand and energy that will be consumed, on average, under the contract after the running-in period. An average price, expressed in ¢/kWh, is determined based on this estimate, once it has been approved by Hydro-Québec, by applying Rate M in effect to the estimate, taking into account, if applicable, any discounts for supply at medium or high voltage and adjustment for transformation losses described in Sections 300 and 301.

- During the running-in period, the energy consumed is billed at this average price, plus 4%.

At the end of three monthly consumption periods following the end of the running-in period, the bills applying to the running-in period are adjusted if need be. An average price, expressed in ¢/kWh, is determined based on the power demand and energy consumed on average during these last three consumption periods and on Rate M in effect during the three consumption periods. If this price, increased by 4%, is different from the billing price, the bills applying to the running-in period will be adjusted accordingly.

**Termination of the running-in conditions** 84

If a customer no longer wishes to take advantage of the running-in conditions, it must advise Hydro-Québec in writing. These running-in conditions cease to apply, at the customer's discretion, either at the beginning of the consumption period in effect when Hydro-Québec receives the customer's written notice, at the beginning of either of the two preceding consumption periods or at the beginning of either of the two subsequent consumption periods.

**Renewal of the running-in conditions** 85

A customer who wishes once again to benefit from the running-in conditions must submit a new request to Hydro-Québec in accordance with the provisions described in Section 81.

*Subdivision 6 - Running-in  
within the Experimental Program  
for New Heating Technologies*

**Application**

**86**

A customer with a contract subject to Rate M wishing to run-in one or more pieces of new heating equipment in order to operate it later on a regular basis may benefit from the conditions of application of Rate M for running-in within Hydro-Québec's experimental program for new heating technologies, for a minimum of:

- one consumption period, and a maximum of 24 consecutive consumption periods.

The customer must have agreed to participate, at Hydro-Québec's request, in the experimental program for new heating technologies.

**Contract whose billing record includes  
12 or more consumption periods at Rate M  
during which there was no running-in  
under this Subdivision or Subdivision 5**

**87**

When all or part of the customer's power demand is for the running-in of equipment and the billing record includes 12 or more consumption periods at Rate M during which there was no running-in, the electricity bill is determined as follows:

- An average price, expressed in ¢/kWh, is determined on the basis of the average billing demand and energy consumed during the last 12 consumption periods during which there was no running-in. Upon written request from the customer, days during which a strike is held at the customer's company are not taken into account when this average is determined. To determine this average price, Rate M in effect during the consumption period concerned of the running-in period is applied to this average, taking into account, if applicable, any discounts for supply at medium or high voltage and adjustment for transformation losses described in Sections 300 and 301.

- For each consumption period of the running-in period, the energy consumed is billed at the average price, determined according to the preceding Subparagraph. However, the minimum bill per consumption period corresponds to at least the average billing demand in effect during the last 12 consumption periods preceding the running-in period, multiplied by the demand charge in effect during the consumption period concerned of the running-in period. The demand charge is adjusted, if applicable, as a function of discounts for supply at medium or high voltage and adjustment for transformation losses described in Sections 300 and 301.

**Contract whose billing record includes fewer  
than 12 consumption periods at Rate M  
during which there was no running-in under  
this Subdivision or Subdivision 5**

**88**

If all or part of the customer's power demand is used for the running-in of equipment and the customer's billing record includes fewer than 12 consumption periods at Rate M during which there was no running-in, the electricity bill is determined as follows:

- The customer gives Hydro-Québec a written estimate of the power demand and energy that will be consumed, on average, under the contract after the running-in period. An average price, expressed in ¢/kWh, is determined based on this estimate, once it has been approved by Hydro-Québec, by applying Rate M in effect to the estimate, taking into account, if applicable, any discount for supply at medium or high voltage and adjustment for transformation losses described in Sections 300 and 301.

**Termination of the running-in conditions  
within the Experimental Program  
for New Heating Technologies**

**89**

The conditions described in Section 84 apply.

**Renewal of the running-in conditions within  
the Experimental Program  
for New Heating Technologies**

**90**

The conditions described in Section 86 apply.



## Real-Time Pricing Rate Option - Rate MR

### Application

91

Rate MR is an experimental rate. In a general way, it applies to a medium-power customer who has accepted Hydro-Québec's invitation to participate in the pilot project.

### Definitions

92

In this Division, the following terms are defined as follows:

***"real energy"***: The real hourly consumption recorded during the consumption period concerned.

***"reference components"***: The reference components include: summer reference energy, winter reference energy, summer reference power, winter reference power and reference overrun. The reference components may include the adjustments necessary to reflect the customer's normal consumption level and profile under Rate M.

Upon renewal of the commitment to Rate MR, the reference components may be revised, to reflect the customer's normal consumption level and profile.

In all cases, the reference components shall be agreed upon in writing by the customer and Hydro-Québec.

***"reference overrun"***: The average, weighted according to the number of hours, of the overruns calculated according to the provisions relating to the optimization charge under Rate M during the winter periods included in the reference period.

***"reference period"***: 12 consecutive consumption periods prior to the beginning of the application of Rate MR.

***"summer reference energy"***: The hourly average consumption during the summer periods included in the reference period.

***"summer reference power"***: The average, weighted according to the number of hours, of the demands billed during the summer periods included in the reference period.

*“winter reference energy”*: The hourly average consumption during the winter periods included in the reference period.

*“winter reference power”*: The average, weighted according to the number of hours, of the demands billed during the winter periods included in the reference period.

**Beginning of the application of Rate MR 93**

Rate MR applies, at the earliest, at the beginning of the first consumption period following the installation of the appropriate metering equipment.

**Duration of commitment for the first application 94**

Rate MR applies to a contract for 12 consecutive monthly periods.

A customer may end his commitment upon written notice during the first 90 days of the first application of Rate MR. If the customer ends his commitment within this time, the rate to which his contract was fixed at the time of his adhesion to Rate MR is applied to his contract retroactively.

**Renewal of commitment 95**

A customer may renew a contract subject to Rate MR by sending Hydro-Québec a written request no later than 30 days before the end of the current contract. Rate MR shall then continue to apply to the same contract for a further 12 consecutive consumption periods, subject to Hydro-Québec’s approval.

**Determination of the hourly energy price 96**

The hourly energy price is established by taking into account the hydroelectric power station operating at the margin, the evolution in the demand for electricity, run-offs and the level of Hydro-Québec’s reservoirs, opportunities and prices for purchase or sale of electricity on internal and external markets, transmission losses, and a markup.

However, when Hydro-Québec plans to operate non-hydraulic and non-nuclear stations or to use load management measures such as the interruptible electricity option or power purchases from neighbouring power systems, the hourly energy price is established by taking into account the variable operating and maintenance costs of the last power station or the last load management measure used to maintain the balance between supply and demand, transmission losses, and a markup.

**Conditions of notification of the hourly energy prices under Rate MR 97**

Hydro-Québec shall notify the customer in the following manner:

**Summer period**

One week prior to the beginning of each calendar month, Hydro-Québec shall send the customer the hourly energy prices which will be set for the duration of the calendar month.

If, during this period, Hydro-Québec observes, in setting its hourly energy prices, that one of them differs by at least 10% from that previously set for the month, Hydro-Québec reserves the right to change the hourly prices for a period of at least 24 hours.

Hydro-Québec shall then notify the customer, before 1600 hours on the previous working day, of the revised hourly energy prices to take effect at midnight and remain in effect for the period specified in the notice. Afterwards, the hourly prices set at the beginning of the month will apply once again, unless there are subsequent changes in accordance with this Section.

Winter period

Every working day, before 1600 hours, Hydro-Québec shall advise the customer of the hourly energy prices which become effective at midnight for at least 24 hours.

If the customer does not receive the Rate MR hourly energy prices, he shall so advise Hydro-Québec before 1800 hours on the working day concerned. Otherwise, the customer shall be deemed to have received them.

Customer’s bill 98

Throughout the period in which Rate MR applies to a contract, the electricity bill for each consumption period is established as follows:

- a) the reference consumption, billed in accordance with Section 99;  
  
is added to
- b) the marginal consumption, billed in accordance with Section 100.

Reference consumption 99

To bill for the reference consumption for the consumption period concerned, the amounts obtained in Subparagraphs a), b) and c) below are added together:

- a) A first amount is calculated by multiplying the appropriate reference energy (summer and/or winter) by the number of hours in the consumption period concerned and then by billing according to the following monthly structure:  
  
3.89¢ per kilowatthour for the first 210,000 kilowatthours;  
  
2.53¢ per kilowatthour for the remaining consumption.

- b) A second amount is calculated by multiplying the appropriate reference power (summer and/or winter) by a monthly demand charge of \$12.48 per kilowatt.
- c) A third amount is calculated, during the winter period, by multiplying the reference overrun by a monthly optimization charge of \$13.35 per kilowatt.

If applicable, the discounts for supply at medium or high voltage and adjustment for transformation losses described in Sections 300 and 301 apply.

Marginal consumption 100

To bill for marginal consumption during the consumption period concerned, the amount obtained in Subparagraph b) is subtracted from the amount obtained in Subparagraph a):

- a) A first amount is calculated by multiplying the real consumption for the consumption period concerned by the Rate MR hourly energy prices.
- b) A second amount is calculated by multiplying the appropriate reference energy (summer and/or winter) by the number of hours in the consumption period concerned and by the average MR price for the period.

The average MR price for the consumption period concerned is calculated by dividing the total obtained in Subparagraph a) by the total real consumption during the consumption period concerned.

Conditions of transition at the end of the commitment 101

At the end of the commitment to Rate MR, the appropriate general rate shall apply immediately.

In the case of a contract to Rate M, the contract power equals:

- the contract power in effect on the date participation in Rate MR began, if the customer terminates its contract within the first 90 days of the application of Rate MR;
- or
- the contract power chosen by the customer, if the customer participates in Rate MR for at least 12 consecutive monthly consumption periods or if Hydro-Québec terminates the pilot project.

Conditions for adjustment of summer and/or winter reference energy and summer and/or winter reference power 102

If, during a continuous period of at least one hour,

- electricity was not supplied to the customer because Hydro-Québec interrupted the supply of electricity; or
- the customer was prevented from using electricity, wholly or in part, at the request of Hydro-Québec; or
- the customer was prevented from using electricity, wholly or in part, as a result of war, rebellion, riot, serious epidemic, fire or any other case of force majeure, excluding strikes or lockouts on the customer’s premises.

The summer and/or winter reference energy during that event is adjusted to equal the real energy, solely for that consumption period.

The summer and/or winter reference power associated with such summer and/or winter reference energy corresponds to the maximum power demand during the event.

General Rates for Large Power

Subdivision 1 - Rate L

Application 103

General Rate L applies to an annual contract whose minimum billing demand is 5,000 kilowatts or more.

Structure of Rate L 104

The structure of monthly Rate L is as follows:

\$11.40 per kilowatt of billing demand;

plus

2.53¢ per kilowatthour.

If applicable, the discounts for supply at medium or high voltage and adjustment for transformation losses described in Sections 300 and 301 apply.

Contract power 105

The contract power at Rate L must not be less than 5,000 kilowatts.

When a customer terminates an annual contract and subscribes for another for the delivery of electricity at the same location and for similar purposes within the following 12 consecutive monthly periods, these two contracts are considered as one contract in regard to the contract power.

Billing demand 106

The billing demand at Rate L is equal to the maximum power demand during the consumption period concerned, but cannot be less than the contract power, which becomes the minimum billing demand.

**Optimization charge** **107**

If at any point in a day during the winter period the maximum power demand exceeds 110% of the contract power, the overrun is subject to a daily optimization charge of \$6.66 per kilowatt. For each day during which such an overrun occurs, the charge will be applied to the number of kilowatts resulting from the highest overrun during the day.

For each consumption period, however, the amount calculated by applying the daily optimization charges is limited to the amount that would result from applying monthly optimization charge to the portion of the billing demand exceeding 110% of the contract power. This optimization charge is \$19.98 per kilowatt.

For purposes of this Section, a day is defined as the period from 0000 to 2400 hours.

**Increase of contract power** **108**

The contract power for a contract at Rate L may be increased at any time upon the written request of the customer, but not more than once per consumption period. The revision of the contract power takes effect, at the choice of the customer, either at the beginning of the consumption period during which Hydro-Québec receives the written request for revision, or at the beginning of one of the three previous consumption periods. If the customer wishes to increase the contract power at any date in a consumption period, Hydro-Québec must be so advised in writing and must receive the notice during the said consumption period or in the 20 days following it.

**Decrease in contract power** **109**

The contract power for a contract at Rate L may be reduced 12 consumption periods after its last increase or decrease, unless the customer is contractually bound to maintain the power for a longer period. To this end, the customer must send a written request to Hydro-Québec.

Provided that the effective decrease in contract power takes place only after the 12 consumption periods stipulated in the preceding Paragraph, the revision takes effect either:

- a) at any point during the consumption period during which Hydro-Québec receives the written request for revision; or
- b) at any point during the previous consumption period; or
- c) at any point during any subsequent consumption period,

whichever the customer prefers, in accordance with the customer's written request.

If, because of a decrease in contract power in accordance with the first Paragraph of this Section, the contract ceases to be eligible for Rate L, the revision of the contract power and the applicable general rate take effect, at the customer's choice and in accordance with the written request, at any date in the consumption period during which Hydro-Québec receives the request, or at any date in the preceding or any subsequent consumption period.

**Division of consumption period** **110**

When a consumption period overlaps the beginning or the end of the winter period, the billing demand is set separately for the summer period portion and the winter period portion, but it shall under no circumstances be less than the contract power.

When the revision of the contract power, carried out in accordance with Sections 108 or 109, does not take effect on a date coinciding with the beginning of a consumption period, the billing demand may be different for each part of the consumption period, provided that the revision entails a variation in the contract power equal to or greater than the higher of the following two values:

- a) 10% of the contract power,
- or
- b) 1,000 kilowatts.

However, for each part, the billing demand must not be less than the corresponding contract power.

**Revision of contract power early in contract 111**

Notwithstanding Sections 108 and 109, the customer may retroactively increase or decrease the contract power once within the first 12 monthly periods of the contract, provided that the following conditions are met:

- a) the customer’s current contract is an annual one;
- b) it is the customer’s first annual contract at that location;
- c) the installation supplied under this contract is:
  - a new installation; or
  - an installation which, under the current contract, is used for purposes other than those of the previous contract, or whose functioning has been significantly modified.

The revised contract power and the applicable general rate (G, M or L) come into effect either at the beginning of the contract or at the beginning of any consumption period, as the customer chooses. The revised contract power must not be less than that to which the customer is bound by contract to maintain, in consideration of the costs incurred by Hydro-Québec to provide service to that customer.

To obtain this revision, the customer must make the request in writing to Hydro-Québec before the end of the 14th monthly period following the date of the beginning of the contract.

**Power demand excluded for billing 112**

Power demand in recovery periods when part of the contract power is interruptible in accordance with Section 221 is not taken into account in setting the billing demand.

Apparent power demand in periods when, at Hydro-Québec’s request, the customer disconnects installations for correction of the power factor is also not taken into account in determining the billing demand.

**Credit for reduction in or interruption of supply 113**

The customer may obtain a credit on the amount payable for power when for a continuous period of at least one hour:

- a) electricity was not supplied to the customer because Hydro-Québec interrupted the supply of electricity;
- b) the customer was prevented from using electricity, wholly or in part, at the request of Hydro-Québec;
- c) the customer was prevented from using electricity, wholly or in part, as a result of war, rebellion, riot, serious epidemic, fire or any other case of force majeure, excluding strikes or lockouts on the customer’s premises.

The customer may also obtain a credit on the amount payable for power if Hydro-Québec has interrupted the supply of electricity twice or more in the same day for a combined total of at least one hour.

To obtain the credit, the customer must request it in writing from Hydro-Québec within 60 days following the end of the incident.

In the case of an interruption of supply, the credit equals the difference between the amount that would have been payable for the complete consumption period and the amount payable for that period with the number of hours of interruption subtracted. In the case of a reduction in supply, it equals the difference between the amount that would have been payable for the complete consumption period and the amount payable for that period, adjusted in accordance with the number of hours the supply was reduced and the quantity of power actually delivered to the customer during that number of hours.

This credit does not apply when the interruption is of a nature stipulated in Subdivisions 2 and 3 of this Division or in Division X of this Tariff, or is due to the customer’s non respect of the contract.

For purposes of this Section, a day is defined as the period from 0000 to 2400 hours.

Conditions applying to municipalities 114

One of the two following conditions applies to a contract held by a municipality that is a Hydro-Québec customer:

- a) Rate L and associated conditions of application, as set out in this Tariff; or
- b) Rate L as in effect April 30, 1990 and associated conditions of application at that date, except for the optimization charge, which must be adjusted to reflect conditions determined in this Tariff; the customer’s bill will be multiplied by 1.3953.

Option b) above is reserved for contracts to which it applies on April 30, 1998.

Option b) will continue to be offered as long as one or more municipalities make use of it. The applicable multiplier is revised annually.

When a municipality wishes to terminate option b), it must notify Hydro-Québec in writing and this decision is irrevocable. The change comes into effect at the beginning of the consumption period during which Hydro-Québec receives the written notice, or at the beginning of the subsequent consumption period or at the beginning of one of the three previous consumption periods, whichever the customer prefers.

No matter which option is chosen, if a municipality has one or more customers billed at Rate L, it is entitled to a refund of 15% of their bills if the maximum power demand during a given consumption period is equal to or greater than 5,000 kilowatts for each customer concerned. If the maximum power demand is between 4,300 and 5,000 kilowatts, the percentage of the refund is determined as follows:

$$\left( \frac{\text{Maximum power demand} - 4,300 \text{ kW}}{700 \text{ kW}} \right) \times 15 \%$$

For a municipality to be entitled to the 15% refund, the customer cannot be a former Hydro-Québec customer, unless it became the customer of the municipality with Hydro-Québec’s consent.

If the maximum power demand is less than 4,300 kilowatts, the municipality is not entitled to a refund.

To obtain a refund, the municipality must provide Hydro-Québec with vouchers for each consumption period to prove that it is entitled to a refund.

For the purpose of application of this Section, “municipality” designates a municipality which is a customer of Hydro-Québec and which operates its own distribution system.

Subdivision 2 - Rate LC

Application 115

Rate LC applies to a contract for large power under which intermittent secondary energy is delivered as auxiliary power for a boiler operated in the fuel mode.

Under a contract at Rate LC, the available power required by the customer must be at least 5,000 kilowatts, and the energy must be metered separately from that which is delivered under any contract subject to any other rate, except Rate LP.

Available power 116

The available power for a contract at Rate LC must be the subject of a written agreement between the customer and Hydro-Québec. It may be revised once a year, on the contract renewal date, taking into account the availability of Hydro-Québec’s system. If Rate LC and Rate LP apply to the same contract, the available power must be the same in both cases.

Hydro-Québec may, depending on its system-management needs and the availability of the system, refuse to deliver energy at this rate.

Definitions 117

In this Subdivision, the following terms are defined as follows:

“delivery period”: A period of varying duration during which the intermittent secondary energy that is the subject of an agreement in accordance with the provisions of this Subdivision is delivered.

*“intermittent secondary energy”*: Temporary surpluses of energy that Hydro-Québec sells in accordance with the provisions of this Subdivision.

**Structure of Rate LC** 118

The structure of Rate LC is as follows:

Annual fixed charge: \$1,000.

Price of energy: Determined in accordance with the procedure described in Sections 125 and 126.

**Date of application of Rate LC** 119

Rate LC applies as of May 1 of each year. Any contract subject to this rate shall remain in effect until the following April 30 inclusively, unless the customer decides to terminate it, in accordance with the provisions of Section 123.

If a contract at Rate LC takes effect on a date subsequent to May 1, it shall remain in effect until the following April 30, inclusive, unless the customer decides to terminate it. In such case, payment of the annual fixed charge must be made in accordance with the provisions of Section 121.

**Conditions of admission to Rate LC** 120

To obtain Rate LC, customers must inform Hydro-Québec in writing of their intention to eventually purchase intermittent secondary energy in accordance with the conditions of this Subdivision. The customer’s contract becomes subject to Rate LC when the appropriate metering equipment has been installed.

**Payment of the annual fixed charge** 121

The annual fixed charge is included in the bill issued for the first consumption period ending after May 1, or in the bill issued for the first consumption period in which the contract at Rate LC takes effect, if such date is other than May 1. The fixed charge must be paid in full even if Rate LC takes effect after May 1. It shall not be reimbursed if the customer terminates the contract at Rate LC.

Payment of the annual fixed charge also entitles the customer to Rate LP, described in Subdivision 3 of this Division.

**Contract renewal** 122

A contract at Rate LC shall be automatically renewed on May 1 of each year, unless the customer advises Hydro-Québec, in writing, prior to April 1, of his intention to terminate the contract.

**Termination of contract during the year** 123

Customers may terminate their contract at Rate LC at any time other than a delivery period during which intermittent secondary energy is being delivered to them. They must advise Hydro-Québec of their decision, in writing, indicating the date upon which it shall take effect. Customers are not entitled to Rate LC again until 12 months after their previous contract at such rate is terminated.

Hydro-Québec may terminate Rate LC at any time, upon three months’ written notice.

**Change from Rate LC to another rate** 124

Should customers wish that the power under their contract at Rate LC be transferred to a contract they hold at Rate L, or any other rate for which they are eligible other than Rate LP, they must so advise Hydro-Québec, in writing, at least six months prior to the planned date of the change. Such change shall take effect at the end of this six-month period, or earlier, provided that the appropriate metering equipment has been installed. It must remain in effect for at least 12 consecutive monthly periods before customers are entitled to another contract at Rate LC.



**Tendering procedure** 125

Prior to the beginning of a delivery period, Hydro-Québec shall forward a call for tenders to customers whose contract is subject to Rate LC and whose facilities are located in geographically accessible sectors according to the relay possibilities of the network. The call for tenders shall specify, for the delivery period concerned, the total quantity of energy available, the duration of the period, the minimum price of the energy, the minimum quantity that may be the subject of a tender, the terms of delivery, and the date prior to which tenders must be forwarded to Hydro-Québec.

Customers must forward a written tender to Hydro-Québec specifying the quantity of energy they wish to purchase, the days and hours during which they wish such energy to be delivered, and the price they agree to pay. Customers must also specify whether they are willing to purchase only part of the quantity of energy specified in the tender, under the same conditions.

**Allocation of intermittent secondary energy** 126

The quantity of intermittent secondary energy that is the subject of the call for tenders shall be allocated to the tendering customers that offer the highest price and whose tenders are in accordance with the conditions specified in the call for tenders.

No intermittent secondary energy shall be awarded at prices below the minimum price set by Hydro-Québec. Furthermore, Hydro-Québec reserves the right to refuse any tenders whose conditions are not in accordance with those set out in its call for tenders, and tenders at an equal price that would obligate it to deliver a quantity of intermittent secondary energy in excess of the quantity offered.

Prior to the beginning of the delivery period, Hydro-Québec shall inform tendering customers of whether or not their tender has been accepted. Following such time, it shall confirm, in writing, to customers whose tenders have been accepted, the quantity of energy, duration of delivery, terms of delivery and the price stipulated in the contract.

**Commitment** 127

Hydro-Québec guarantees delivery of the quantity of energy that is the subject of the contract for the agreed-upon delivery period and under the agreed-upon terms.

Customers undertake to pay for the quantity of energy stipulated in the agreement, even if they do not take delivery of such during the agreed-upon delivery period. They may not take delivery of the unconsumed quantity of energy during a subsequent delivery period.

If the total quantity of energy consumed exceeds the amount agreed upon by less than 5%, customers shall be billed for the total quantity at the agreed-upon price.

If, as a result of one or several interruptions in supply not provided for under the terms of delivery specified in the call for tenders, customers are prevented from taking delivery of the quantity of energy agreed upon for the delivery period, they shall be billed only for the quantity of energy actually delivered.

**Unauthorized consumption of energy** 128

If, during a delivery period, customers consume a quantity of energy exceeding the quantity stipulated in the agreement by 5% or more, or if they consume energy during any period other than that stipulated in the agreement, or if customers do not comply with a request, on the part of Hydro-Québec, to interrupt their use of intermittent secondary energy, Hydro-Québec shall bill them for the unauthorized energy consumed or the quantity exceeding the agreed-upon quantity, at \$1.00 per kilowatthour.

This Section shall not be interpreted as permission to consume energy without authorization.

**Discounts** 129

No discounts are applicable to the rate in this Subdivision.

**Restrictions** 130

The provisions of this Subdivision shall not be interpreted as an obligation on the part of Hydro-Québec to assume charges incurred for connection or installation in order for customers to obtain a contract at Rate LC.

Notwithstanding the fact that, in accordance with Section 121, payment of the annual fixed charge entitles customers to Rate LC and Rate LP, the other elements of these rates cannot be applied simultaneously.

*Subdivision 3 - Rate LP*

**Application** 131

Rate LP applies to a contract for large power under which electricity is delivered as an auxiliary source of energy for a boiler operated in the fuel mode.

Under a contract at Rate LP, the available power required by the customer must be at least 5,000 kilowatts, and the energy must be metered separately from that which is delivered under any contract subject to any other rate, except Rate LC.

**Available power** 132

The available power for a contract at Rate LP must be the subject of a written agreement between the customer and Hydro-Québec. It may be revised once a year, on the contract renewal date, taking into account the availability of Hydro-Québec's system. If Rate LP and Rate LC apply to the same contract, the available power must be the same in both cases.

Hydro-Québec may, depending on its system-management needs and the availability of the system, refuse to deliver energy at this rate.

**Structure of Rate LP** 133

The structure of Rate LP is as follows:

Annual fixed charge: \$1,000.

**Price of energy:**

**a) Winter period:**

- supply at high voltage:  
  
7.62¢ per kilowatthour.
- supply at medium voltage:  
  
10.56¢ per kilowatthour.

**b) Summer period:**

- supply at high voltage:  
  
3.79¢ per kilowatthour for the first 300 hours of use of available power in the summer period;  
  
plus  
  
7.62¢ per kilowatthour for the remaining energy consumption.
- supply at medium voltage:  
  
3.79¢ per kilowatthour for the first 300 hours of use of available power in the summer period;  
  
plus  
  
10.56¢ per kilowatthour for the remaining energy consumption.

**Date of application of Rate LP** **134**

Rate LP applies as of May 1 of each year. Any contract subject to this rate shall remain in effect until the following April 30 inclusively, unless the customer decides to terminate it, in accordance with the provisions of Section 138.

If a contract at Rate LP takes effect on a date subsequent to May 1, it shall remain in effect until the following April 30 inclusively, unless the customer decides to terminate it. In such case, payment of the annual fixed charge must be made in accordance with the provisions of Section 136.

**Conditions of admission to Rate LP** **135**

To obtain Rate LP, customers must forward a written request to Hydro-Québec. Contracts at Rate LP shall take effect as of the beginning of the consumption period following the receipt of the request, provided that the appropriate metering equipment has been installed.

**Payment of the annual fixed charge** **136**

The annual fixed charge is included in the bill issued for the first consumption period ending after May 1, or in the bill for the first consumption period in which the contract at Rate LP takes effect, if such date is other than May 1. It shall not be reimbursed if the customer terminates the contract at Rate LP. The fixed charge must be paid in full even if Rate LP takes effect after May 1.

Payment of the annual fixed charge also entitles customers to Rate LC, described under Subdivision 2 of this Division.

**Contract renewal** **137**

A contract at Rate LP shall be automatically renewed on May 1 of each year, unless the customer advises Hydro-Québec, in writing, prior to April 1, of his intention to terminate the contract.

**Termination of contract during the year** **138**

Customers may terminate their contract at Rate LP at any time. They must advise Hydro-Québec of their decision, in writing, indicating the date at which it takes effect. Customers are not entitled to Rate LP again until 12 months after their previous contract at such rate is terminated.

Hydro-Québec may terminate Rate LP at any time, upon three months' written notice.

**Changes from Rate LP to another rate** **139**

Should customers wish that the power under their contract at Rate LP be transferred to a contract they hold at Rate L, or any rate for which they are eligible other than Rate LC, they must so advise Hydro-Québec, in writing, at least six months prior to the planned date of the change. Such change shall take effect at the end of this six-month period, or earlier, provided that the appropriate metering equipment has been installed. It must remain in effect for at least 12 consecutive monthly periods before customers are entitled to another contract at Rate LP.

**Conditions regarding the delivery of energy** **140**

To be able to use energy, customers whose contracts are already subject to Rate LP must request it from Hydro-Québec, specifying the period during which they need such energy. Hydro-Québec may accept or refuse the request depending on the availability of its system during the period indicated by the customer. Where applicable, Hydro-Québec shall confirm its acceptance, in writing, indicating the agreed-upon delivery period and terms.

If, during a period when energy is being delivered under a contract at Rate LP, customers wish to lengthen the period specified in their request, they must forward a further request to Hydro-Québec specifying the supplementary delivery period. Hydro-Québec shall deal with the request in accordance with the procedure described in the first Paragraph of this Section.

**Commitment** 141

If, during the summer period, Hydro-Québec accepts the customer’s request in accordance with Section 140, it shall guarantee delivery of the energy requested by the customer during the agreed-upon period and at the agreed-upon terms.

If, during the winter period, Hydro-Québec accepts the request in accordance with Section 140, it shall guarantee delivery of the energy requested by the customer during a 48-hour period or the requested period, whichever is shorter. Should customers wish to lengthen the period during which they use energy under their contract at Rate LP, they must again contact Hydro-Québec to request authorization.

**Unauthorized consumption of energy** 142

Should the customer consume energy during periods for which delivery was refused or without having made prior request, all energy consumed during such periods shall be billed at \$1.00 per kilowatthour.

This Section shall not be interpreted as permission to consume energy without authorization.

**Discount** 143

No discounts are applicable to the rate in this Subdivision.

**Restrictions** 144

The provisions of this Subdivision shall not be interpreted as an obligation on the part of Hydro-Québec to assume charges incurred for connection or installation in order for the customer to obtain a contract at Rate LP.

Notwithstanding the fact that, in accordance with Section 136, payment of the annual fixed charge entitles the customer to Rate LC and Rate LP, the other elements of these rates cannot be applied simultaneously.

*Subdivision 4 - Rate H*

**Application** 145

Rate H applies to large-power contracts characterized by utilization of power mainly outside winter weekdays.

Rate H does not apply to independent producers.

**Definition** 146

In this Subdivision, the following term is defined as follows:

*“winter weekday”*: The period between 6h and 22h inclusive during all working days in the winter period. The Distributor may, on verbal notice to the customer, consider winter Saturdays and Sundays from 6h to 22h inclusive as “winter weekdays”.

Working days in the winter period exclude December 24, 25, 26 and 31, January 1 and 2, as well as Good Friday, Holy Saturday, Easter Sunday and Easter Monday, when these days fall in the winter period.

**Structure of Rate H** 147

The structure of monthly Rate H is as follows:

- \$4.53 per kilowatt of billing demand;
- plus
- 4.05¢ per kilowatthour for the energy consumed outside winter weekdays;
- 15.35¢ per kilowatthour for the energy consumed on winter weekdays.

If applicable, the discounts for supply at medium or high voltage and the adjustment for transformation losses described in Sections 300 and 301 apply.

**Billing demand** 148

The billing demand at Rate H is equal to the higher of the two following amounts:

- the highest of the maximum power demand during the 24 monthly periods ending at the end of the consumption period concerned;
- or
- the contract power, which cannot be less than 5,000 kW.

*Subdivision 5 – Rate LD*

**Application** 149

Rate LD is offered for the delivery of emergency electricity (back-up power) to customers whose usual source of energy has temporarily failed and whose normal independent production plus minimum billing demand at the applicable general rate totals 5,000 kW or more.

The Rate LD non-firm option is offered only to independent producers whose energy supply is generated from forest biomass, or to customers who have a purchase contract for electricity with an independent producer located on an adjacent site and whose production is generated from forest biomass.

Rate LD may be combined with a general rate for the part of the load supplied by the Distributor at all times.

Rate LD does not apply if emergency generators are the only equipment used by the customer to produce electricity.

Rate LD may not be used for the re-sale of energy to a third party.

**Definitions** 150

In this Subdivision, the following terms are defined as follows:

**“winter weekday”**: The period between 6h and 22h inclusive during all working days in the winter period. The Distributor may, on verbal notice to the customer, consider winter Saturdays and Sundays from 6h to 22h inclusive as “winter weekdays.”

Working days in the winter period exclude December 24, 25, 26 and 31, and January 1 and 2, as well as Good Friday, Holy Saturday, Easter Sunday and Easter Monday, when these days fall in the winter period.

**“unplanned interruption”**: A period not planned by the customer during which all or part of the equipment used to produce electricity is temporarily out of service.

**“planned interruption”**: A period, planned by the customer and approved by the Distributor, during which all or part of the equipment used to produce electricity is temporarily out of service.

**“power demand from the Distributor”**: The power demand recorded by the metering equipment of the load supplied by the Distributor.

**“power generated by independent production”**: The power demand recorded by the metering equipment of the independent production.

**“Normal independent production”**: The production that reflects the normal utilization of independent production during the consumption period concerned. It must be the subject of a written agreement with the customer.

**“Normal power”**: The maximum power demand from the Distributor, aside from planned or unplanned interruptions in the consumption period concerned, which cannot be less than the billing demand at the general rate when applicable.

<b>Available power</b>	<b>151</b>
The available power for a contract at Rate LD must be the subject of a written agreement between the customer and the Distributor.	

<b>Structure of Rate LD</b>	<b>152</b>
<b>a) Firm option</b>	

The structure of the monthly firm Rate LD is as follows :

- \$4.53 per kilowatt of billing demand;
- plus
- 4.05 ¢ per kilowatthour for energy consumed outside winter weekdays;
- 15.35 ¢ per kilowatthour for energy consumed on winter weekdays.

**b) Non-firm option**

The structure of the non-firm Rate LD is as follows:

- \$0.46 per kilowatt of billing demand per day for planned interruptions;
- \$0.92 per kilowatt of billing demand per day for unplanned interruptions;
- plus
- 4.05 ¢ per kilowatthour.

Under the non-firm option, the amount billed as demand may not be higher than the product of the monthly rate of \$4.53 multiplied by the highest daily billing demand for the consumption period concerned.

If applicable, the discounts for supply at medium or high voltage and the adjustment for transformation losses described in Sections 300 and 301 apply to the firm and non-firm options. In the case of the non-firm option, the discounts and monthly adjustments applicable are adjusted on a daily basis by multiplying them by the ratio of the daily rate over the monthly rate.

<b>Billing demand</b>	<b>153</b>
<b>a) Determination of billing demand at the applicable general rate</b>	

If applicable, the billing demand at the applicable general rate is equal to the maximum power demand, but cannot be less than the minimum billing demand.

The power demand at the applicable general rate is determined according to the following formula:

$$PA_{reg} = PA_{dis} - PR;$$

where

$$PA_{reg} = \text{power demand at the applicable general rate;}$$

$$PA_{dis} = \text{power demand from the Distributor;}$$

$$PR = \text{back-up power, that is, the lesser of:}$$

$$\text{i) } PAN - PG$$

$$\text{ii) } PA_{dis} - PN$$

where

$$PAN = \text{normal independent production;}$$

$$PG = \text{power generated by independent production;}$$

$$PN = \text{normal power.}$$

The back-up power may not be less than 0.

b) **Determination of billing demand at firm and non-firm Rate LD**

If applicable, the billing demand at firm Rate LD is defined as the maximum power demand, but cannot be less than the highest power demand at Rate LD during the 24 preceding consumption periods ending at the end of the consumption period concerned.

If applicable, the daily billing demand at non-firm Rate LD is the maximum power demand at Rate LD for each day during which there has been an interruption.

The power demand at firm and non-firm Rate LD is determined according to the following formula:

$$PA_{LD} = PA_{dis} - PA_{reg}$$

where

$$PA_{LD} \quad = \text{power demand at Rate LD.}$$

**Metering** **154**

In the event that the load supplied by the independent production cannot be separated from that supplied by the Distributor, the customer must assume the cost of the metering equipment installed by the Distributor to record the independent production.

**Conditions regarding the delivery of electricity – Non-firm option** **155**

In order to be able to use electricity for planned interruptions, the customer whose contract is subject to non-firm Rate LD makes the request to the Distributor in writing at least 2 working days in advance in the summer months and at least 7 days in advance during the winter months, specifying the period when he needs it and the quantity required. The Distributor accepts or refuses the request, depending on system availability in the period indicated by the customer. The Distributor confirms his acceptance in writing to the customer. If the customer wants to change the date, he advises the Distributor within a reasonable time. The Distributor advises the customer as quickly as possible of his acceptance or refusal.

As far as possible, the Distributor agrees to advise the customer in advance of the hours during which consumption will not be allowed. However, based on load management needs and system availability, the Distributor may interrupt, at his discretion, within a 15-minute time limit, the delivery of back-up power for both a planned and an unplanned interruption in winter months, and for an unplanned interruption in summer months.

If the customer consumes during any period when delivery has been refused by the Distributor, he will be billed for all the electricity consumed as back-up power during those hours at the price of 50¢ per kilowatthour.

If, during a period when back-up power is delivered, the customer wishes to extend the period specified in his request, he submits a new request to the Distributor, indicating the additional duration of the delivery. The Distributor accepts or refuses the request, depending on system availability during the period indicated by the customer.

**Restrictions – Non-firm option** **156**

The provisions of the non-firm option shall not be interpreted as an obligation on the part of the Distributor to assume the additional charges for connection, installation, or reinforcement of the transmission or distribution system to serve such customers. The customer must assume all the costs associated with the delivery of electricity under the non-firm option.

Under the non-firm option, the Distributor will not construct any new facility, nor allocate existing equipment for non-firm back-up loads in order to guarantee the availability of the energy.

The customer may not terminate his contract at Rate LD during the first year of the contract. After the first year, the Distributor reserves the right to require a maximum of three years' notice before the customer may transfer the load associated with the back-up power to the applicable general rate, which would then apply to the contract for a minimum of 12 consecutive consumption periods.

**Changing from the firm to the non-firm option 157**

A customer subject to firm Rate LD may submit a written request to the Distributor asking that his contract be subject to non-firm Rate LD, as long as he meets the conditions of admission described in the second paragraph of Section 149. The conditions of the non-firm option will apply starting from the receipt of the written request from the customer.

Notwithstanding the above, for the 24 monthly consumption periods following the application of non-firm Rate LD, the billing demand for each monthly consumption period will correspond to the highest power demand at firm Rate LD during the 24 preceding monthly consumption periods.

**Changing from the non-firm to the firm option 158**

A customer subject to non-firm Rate LD may submit a written request to the Distributor asking that his contract be subject to non-firm Rate LD. The conditions of the firm option apply on receipt.

**Contract at Rate LD subject to Rates L or H at April 30, 1993 159**

The power and energy taken into account for the application of Rate LD are respectively the part of maximum demand power in excess of the billing demand under Rate L, as indicated by the customer, and the part of the energy consumed, during any such excess demand, that exceeds that resulting from the maximum utilization of this billing demand during the period of excess demand. The periods used to calculate the excess demand are the 15-minute integration periods recorded by the Distributor's metering equipment.

For consumption periods during which the contract power at Rate L is exceeded, the customer must advise the Distributor of the billing demand to be billed at Rate L. This billing demand cannot be less than the contract power at Rate L. This notice must reach the Distributor before the beginning of the third consumption period following the consumption period concerned. If no notice is given, the billing demand at Rate L will be the contract power. If the customer increases his contract power at Rate L, the minimum billing demand at Rate LD may be reduced by an equivalent amount.

The provisions of this Section apply only to a contract that was subject to Rates L and H on April 30, 1993.

*Subdivision 6 - Transitional Rate*

**Application 160**

This Subdivision applies to large-power industrial customers subject to a particular contract which is about to expire.

**Definition 161**

In this Subdivision, the following term is defined as follows:

*“reference period”*: The three consumption periods preceding the consumption period during which the particular contract expires.

**Conditions of admission 162**

To be subject to the transitional rate, the customer must so advise Hydro-Québec in writing no later than 30 days after the expiry date of the particular contract. Failure to advise Hydro-Québec within the prescribed time limit indicates that the customer does not wish to be subject to the transitional rate. Rate L will then apply in full, starting on the first day after the expiry date of the particular contract.

**Billing 163**

Starting the first day following the expiry date of the particular contract, the customer's bill for each consumption period is determined based on actual customer data in accordance with Rate L, taking into account, if applicable, the discounts for supply at medium or high voltage, the adjustment for transformation losses described in Sections 300 and 301 and the adjustment stipulated in Section 164.



**Adjustment of the customer's bill** 164

To determine the applicable adjustment, Hydro-Québec performs the following calculations:

- a) an initial amount is calculated based on the particular contract's prices and conditions in effect immediately prior to expiry, for the duration of the reference period;
- b) a second amount is calculated based on the Rate L prices and conditions in effect when the particular contract expires, taking into account, if applicable, the discounts for supply at medium or high voltage and adjustment for transformation losses described in Sections 300 and 301 for the duration of the reference period;
- c) a percentage is calculated as follows:
  - the difference between the amount determined in Subparagraph b) and the amount determined in Subparagraph a) is calculated,
  - the result is divided by the amount determined in Subparagraph b);
- d) the result calculated in Subparagraph c) is multiplied by:  
  
80% for the 12 months following expiry of the contract,  
  
60% for the next 12 months,  
  
40% for the next 12 months,  
  
20% for the next 12 months;
- e) the applicable adjustment is equal to the customer's bill calculated in accordance with Section 163, multiplied by the result obtained in Subparagraph d).

*Subdivision 7 - Running-in Conditions  
for Industrial Processes*

**Application** 165

A customer with a contract subject to Rate L wishing to run-in one or more pieces of new equipment in order to operate it later on a regular basis may benefit from the conditions of application of Rate L for running-in use for a minimum of:

- one consumption period, and a maximum of six consecutive consumption periods, for customers to which Section 166 applies;
- one consumption period, and a maximum of 12 consecutive consumption periods, for customers to which Section 167 applies.

To benefit from these conditions, the customer must provide Hydro-Québec with a written notice, at the latest 30 days before the running-in period, indicating the approximate beginning of the running-in period and must submit the running-in equipment type and power to Hydro-Québec for written approval. The power of the running-in equipment must be equal to at least 5% of the contract power in effect during the consumption period preceding the customer's written request, and not less than 500 kilowatts. At the latest 10 days before the beginning of the running-in, the customer must advise Hydro-Québec, for written approval, of the exact date of the beginning of the running-in period.

**Contract whose billing record includes 12 or more consumption periods at Rate L during which there was no running-in** 166

When all or part of the customer's power demand is for the running-in of equipment and the billing record includes 12 or more consumption periods at Rate L during which there was no running-in, the electricity bill is determined as follows:

- An average price, expressed in ¢/kWh, is determined on the basis of the average billing demand and energy consumed during the last 12 consumption periods during which there was no running-in. Upon written request from

the customer, days during which a strike is held at the customer's company are not taken into account when this average is determined. To determine this average price, Rate L in effect during the consumption period concerned of the running-in period is applied to this average, taking into account, if applicable, any discounts for supply at medium or high voltage and adjustment for transformation losses described in Sections 300 and 301.

- For each consumption period of the running-in period, the energy consumed is billed at the average price, determined according to the preceding Subparagraph, plus 4%. However, the minimum bill per consumption period corresponds to at least the average billing demand in effect during the last 12 consumption periods preceding the running-in period, multiplied by the demand charge in effect during the consumption period concerned of the running-in period. The demand charge is adjusted, if applicable, as a function of discounts for supply at medium or high voltage and adjustment for transformation losses described in Sections 300 and 301.

**Contract whose billing record includes fewer than 12 consumption periods at Rate L during which there was no running-in** **167**

If all or part of the customer's power demand is used for the running-in of equipment and the customer's billing record includes fewer than 12 consumption periods at Rate L during which there was no running-in, the electricity bill is determined as follows:

- The customer gives Hydro-Québec a written estimate of the power demand and energy that will be consumed, on average, under the contract after the running-in period. An average price, expressed in ¢/kWh, is determined based on this estimate, once it has been approved by Hydro-Québec, by applying Rate L in effect to the estimate, taking into account, if applicable, any discount for supply at medium or high voltage and adjustment for transformation losses described in Sections 300 and 301.
- During the running-in period, the energy consumed is billed at this average price, plus 4%.

At the end of three consumption periods following the end of the running-in period, the bills applying to the running-in period are adjusted if need be. An average price, expressed in ¢/kWh, is determined based on the power demand and energy consumed on average during these last three consumption periods and on Rate L in effect during the three consumption periods. If this price, increased by 4%, is different from the billing price, the bills applying to the running-in period will be adjusted accordingly.

**Termination of the running-in conditions** **168**

If a customer no longer wishes to take advantage of the running-in conditions, it must advise Hydro-Québec in writing. These running-in conditions cease to apply, at the customer's discretion, either at the beginning of the consumption period in effect when Hydro-Québec receives the customer's written notice, at the beginning of either of the two preceding consumption periods or at the beginning of either of the two subsequent consumption periods.

**Renewal of the running-in conditions** **169**

A customer who wishes once again to benefit from the running-in conditions must submit a new request to Hydro-Québec in accordance with the provisions described in Section 165.

*Subdivision 8 - Equipment Tests*

**Application** **170**

A customer with a contract subject to Rate L wishing to conduct equipment tests may benefit from the conditions of application relative to this Subdivision for a minimum of one hour and a maximum of one consumption period.

To benefit from these conditions, the customer must provide Hydro-Québec with a written notice before the test period, indicating its beginning and duration, subject to Hydro-Québec's written approval.

## Customer's bill

171

The customer's bill, for each consumption period, is established according to the following conditions:

- a) an initial amount is calculated as follows:
  - the billing demand noted outside of the test period(s) and the energy consumed during the consumption period are billed in accordance with Rate L in effect, taking into account, if applicable, any discounts for supply at medium or high voltage and adjustment for transformation losses described in Sections 300 and 301.
- b) a second amount is calculated as follows:
  - the billing demand of the consumption period minus the billing demand noted outside of the test period(s);

multiplied by:

10.00¢ per kilowatt of demand in the summer period;

30.00¢ per kilowatt of demand in the winter period;

multiplied by the number of hours of the test period(s).
- c) the customer's bill corresponds to the sum of the results obtained in Subparagraphs a) and b).

## Load Retention Rate

### *Subdivision 1 - Hydro-Québec's Large-Power Industrial Customers*

## Application

172

The Load Retention Rate applies to a contract belonging to an industrial customer which, in accordance with the Tariff in effect, is subject to Rate L as of the date when said customer obtains the Load Retention Rate or was subject to Rate L during the three years preceding the effective date of this Tariff.

## Definitions

173

In this Division, the following terms are defined as follows:

**"collaborator":** Any physical or moral person other than a supplier, including financial institutions, supplying items defined as being among the variable costs of an industrial customer having a Rate L contract.

**"reference period":** A period of 12 months for which data are available, preceding the month when Hydro-Québec receives the customer's written application.

**"supplier":** Any physical or moral person supplying goods or services defined as being among the variable costs of an industrial customer having a Rate L contract, excluding a company or corporation which is controlled by the customer, or which exercises full or shared control over said customer.

**"variable costs":** Production costs which vary proportionally with quantities produced. These costs include but are not limited to the cost of raw materials, labour and energy. They exclude all other costs which do not vary proportionally with quantities produced, such as fixed assets, amortization, financing costs and administrative overhead.

In applying the Load Retention Rate, electricity costs are not included in variable costs.

**Conditions of admission** **174**

A customer wishing to be subject to the Load Retention Rate must so advise Hydro-Québec in writing. The customer's application must contain the following information:

- a) financial statements covering the three years preceding the customer's written application, prepared and audited according to generally recognized accounting principles and auditing standards. These financial statements must include results, balance sheet and changes in financial position, with all related notes;
- b) interim financial statements for the period falling between the end of the audited fiscal year and the customer's written application;
- c) a detailed listing of variable costs regarding the product or products concerned by the load for which application is being made, the evolution of these costs over the reference period and a projection of costs over the next 12 months;
- d) the price at which the product or products concerned has or have been sold over the reference period and a projection of said price for the next 12 months.

**Eligibility** **175**

A customer, to be eligible for the Load Retention Rate, must meet the conditions stipulated in Section 174 as well as the following:

- a) the customer must demonstrate that it is experiencing financial difficulties entailing cessation of all or part of its operations;
- b) the customer must demonstrate, by invoices or other documents, that it has obtained non-reimbursable reductions from its other suppliers or collaborators over the duration of the commitment;
- c) the customer must demonstrate that steps will be taken to improve the firm's profitability.

Hydro-Québec reserves the right to audit all information provided by the customer.

Pending Hydro-Québec's written approval, the contract shall become subject to this Rate, at the option of the customer and according to its written application, either at the beginning of the consumption period in progress when said application is received by Hydro-Québec or upon one of the three succeeding consumption periods.

**Property of information** **176**

Subject to all applicable legislation, Hydro-Québec undertakes to keep confidential all information provided by the customer related to the present Rate and identified as confidential by said customer.

**Duration of commitment** **177**

The Load Retention Rate shall be applied to a contract for a maximum of 24 consumption periods, according to the following conditions:

- a) **First application**
  - The Load Retention Rate applies to a contract during 12 consumption periods.
- b) **Second and last application**
  - The Load Retention Rate may once again be applied to the same contract for another 12 consumption periods, consecutive or not to the first 12, but beginning no later than 12 months after the end of the first application.

The customer must submit a new written application to Hydro-Québec as provided in Section 174 and show that it is still eligible for the Load Retention Rate, in accordance with Section 175. The Rate shall apply again in accordance with Sections 179 and 180.

**Determination of the billing coefficient for first application** 178

The billing coefficient is determined as follows for the first application:

- a) the relative importance of each category of variable costs for the reference period according to the information obtained under Subparagraph c) of Section 174, shall be determined and expressed as a percentage;
- b) each percentage calculated according to Subparagraph a) shall be multiplied by the percentage of reduction granted by each supplier or collaborator, in accordance with Section 175, and weighted in accordance with Subparagraphs c) and d) below;
- c) each percentage obtained as per Subparagraph b) shall be multiplied by the number of days not exceeding 360 days during which each reduction applies and the result shall be divided by 360 days;
- d) each percentage obtained as per Subparagraph c) shall be multiplied by the number of units to which each reduction applies in relation to the total number of units stipulated for the duration of the commitment;
- e) percentages obtained for each cost category are added;
- f) the result obtained as per Subparagraph e) shall be subtracted from the number (1), and the result corresponds to the billing coefficient.

**Determination of the billing coefficient for second and last application** 179

The billing coefficient is determined as follows for the second and last application:

- a) the relative importance of each category of variable costs for the reference period according to the information obtained under Subparagraph c) of Section 174, shall be determined and expressed as a percentage;

- b) each percentage calculated according to Subparagraph a) shall be multiplied by the percentage of reduction granted by each supplier or collaborator, in accordance with Section 175, and weighted in accordance with Subparagraphs c) and d) below;
- c) each percentage obtained as per Subparagraph b) shall be multiplied by the number of days not exceeding 360 days during which each reduction applies and the result shall be divided by 360 days;
- d) each percentage obtained as per Subparagraph c) shall be multiplied by the number of units to which each reduction applies in relation to the total number of units stipulated for the duration of the commitment;
- e) percentages obtained for each cost category are added. The total of the percentages must not exceed the total for the first application;
- f) for each consumption period, the result obtained as per Subparagraph e) is multiplied by the number of consumption periods since the beginning of the second application, minus one consumption period. This result is divided by 12;
- g) the result obtained as per Subparagraph f) shall be subtracted from the result obtained as per Subparagraph e);
- h) the result obtained as per Subparagraph g) is subtracted from the number (1), and the result corresponds to the billing coefficient.

**Billing at the Load Retention Rate** **180**

For each consumption period, the Load Retention Rate, which is applied to the whole or to any eligible portion of a customer's bill, is applied according to the following calculations:

- a) a bill is determined according to the customer's actual consumption data and Rate L in effect, taking into account, if applicable, the discounts for supply at medium or high voltage and adjustment for transformation losses described in Sections 300 and 301. The bill is then multiplied by the billing coefficient determined as per Subparagraph f) of Section 178 in the case of a first application and as per Subparagraph h) of Section 179 in the case of a second and last application;
- b) on the other hand, another bill based only on the price of energy at Rate L in effect, increased by 10%, is established;
- c) the customer's bill is the highest of a) or b) above.

The Load Retention Rate may apply to the whole or to a portion of the customer's load. Such Rate is applied only to the portion of the load which qualifies. If the Load Retention Rate is applied only to a portion of the load, such portion shall be established by written agreement between the customer and Hydro-Québec.

*Subdivision 2 - Municipalities' Large-Power Industrial Customers*

**Application** **181**

This Subdivision applies to municipalities which apply the Load Retention Rate set forth in Subdivision 1 to their large-power industrial customers. In the present Subdivision, "municipality" designates a municipality which is a customer of Hydro-Québec and which operates its own distribution system.

**Object** **182**

Hydro-Québec shall reimburse the municipality the difference between the customer's normal Rate L bill and the bill resulting from the application of the Load Retention Rate set forth in Subdivision 1, for eligible contracts.

**Terms and conditions of application** **183**

The reimbursement mentioned in Section 182 shall be subject to the following conditions:

- a) the customer of the municipality shall advise the latter in writing as stipulated in Section 174 and provide all relevant supporting documents, as well as all required information in accordance with Section 175;
- b) the municipality shall submit to Hydro-Québec the customer's application and all relevant supporting documents as well as all information required in accordance with Section 175. Hydro-Québec shall determine the eligibility of the contract to the Load Retention Rate and advise the municipality in writing of its acceptance or rejection;
- c) Hydro-Québec shall reimburse the municipality the difference between the normal Rate L bill and the Load Retention Rate bill throughout the period during which the contract remains eligible for the Load Retention Rate; Hydro-Québec shall begin to apply the adjustment on the first electricity bill which it issues to the municipality after the 30 days following the end of the consumption period during which it has transmitted to the municipality the acceptance mentioned in Subparagraph b) above.

U.S. Dollar Payment Option

Subdivision 1 - Hydro-Québec's Large-Power Industrial Customers

Purpose 184

Under the option described in the present Division, eligible large-power industrial customers may pay their bills in dollars of the United States (U.S.) of America.

Definitions 185

In the present Division, the following terms are defined as follows:

*“discounted value of reference revenues”*: The sum of the annual values of reference revenues in U.S. dollars or reference revenues in Canadian dollars, divided by a discount index. The discount index has a value of 1.0 on the reference date and increases at a rate of 9.3% per year.

*“foreign exchange conversion rate”*: The foreign exchange rate established under the terms of Section 192, that is, the value of one Canadian dollar expressed in U.S. dollars, calculated to four places following the decimal point.

*“market value of U.S. dollars”*: Value in Canadian dollars obtained from foreign forward exchange rate market quotations for U.S. dollars sold by Hydro-Québec on a predetermined maturity date.

*“reference date”*: July 1 of the year during which the agreement is signed.

*“reference energy”*: Estimated monthly consumption for the duration of commitment to this option.

*“reference power”*: Estimated monthly maximum power demand for the duration of commitment to this option. Under no circumstances may this power exceed the available power which will be in effect following the start-up of the new enterprise.

*“reference revenue in Canadian dollars”*: The large-power rate in effect on the date on which the customer signs up for this option, revised on May 1 of every year at an annual rate of increase which equals 3%, applied to reference energy and reference power.

*“reference revenue in U.S. dollars”*: The reference revenue in Canadian dollars multiplied by the foreign exchange conversion rate before application of the factor of 1.035.

**Application** 186

The U.S. Dollar Payment Option applies to a large-power contract held by an industrial customer as provided by this Tariff.

**Eligibility provisions** 187

A customer, to be eligible for the U.S. Dollar Payment Option, must:

- 1) on the reception date of its written request by Hydro-Québec,
  - a) already be a customer holding a large-power contract,
  - or
  - b) undertake to establish a new industrial enterprise in Québec and to conclude, for this enterprise, a large-power contract within three years following signature of such commitment;
- 2) determine the percentage of sales in U.S. dollars at the time of the written request for a customer holding a large-power contract or estimated at the time of the written request for a customer which does not hold a large-power contract. Such sales in U.S. dollars must represent no less than 50% of total sales;
- 3) establish reference power and reference energy;
- 4) submit an application as provided by Section 188.

**Conditions of admission** 188

A customer wishing to be subject to the U.S. Dollar Payment Option must so advise Hydro-Québec in writing. Furthermore, the customer must sign a written agreement with Hydro-Québec under which it undertakes to maintain the option for at least two years but no more than 10 years, and to set up a new enterprise if it does not already have a large-power contract. The foreign exchange conversion rate must be set down in this written agreement.

In order for Hydro-Québec to determine if the conditions of admission are respected:

- 1) **a customer which holds a large-power contract on the date of reception by Hydro-Québec of its written application must include in its application the following information:**
  - written confirmation that the customer has earned no less than 50% of its total sales in U.S. dollars over the last three full years preceding its application for the contract covered by such application;
- 2) **a customer which does not hold a large-power contract on the date of reception by Hydro-Québec of its written application must include in its application the following information:**
  - written confirmation that the company will earn no less than 50% of its total sales in U.S. dollars in the first three years of operation ;
  - the start-up date of the new enterprise.

Hydro-Québec reserves the right to verify all information supplied by the customer.



**Date of admission** 189

Subject to signature of the agreement provided in Section 188, the contract becomes subject to the U.S. Dollar Payment Option as provided by this Tariff and with the following provisions:

- a) **for a customer which holds a large-power contract on the date of reception by Hydro-Québec of its written application:**

at the beginning of the first consumption period following signature of the written agreement;

- b) **for a customer which does not hold a large-power contract on the date of reception by Hydro-Québec of its written application:**

at the start-up of the new enterprise. Start-up shall take place no later than three years following signature of the written agreement described in Section 188.

**Duration of commitment** 190

The U.S. Dollar Payment Option applies to a contract as of the date of admission stipulated in Section 189, and remains in effect for the duration set forth in the written agreement. The commitment of both customer and Hydro-Québec is irrevocable.

**Non-respect of eligibility provisions** 191

If a customer which does not hold a large-power contract fails to take the actions necessary to comply with the commitment made under Subparagraph 1 b) of Section 187, such customer shall pay Hydro-Québec the equivalent of one monthly bill calculated at the large-power rate in effect based on the average estimated monthly reference power and reference energy. This amount is payable within 30 days following the expiration of the time limit of three years after signature of the written agreement described in Section 188.

**Establishment of the foreign exchange conversion rate applicable to the contract** 192

On a date agreed upon by the customer and Hydro-Québec, foreign forward exchange rate quotations are requested by Hydro-Québec from three Canadian chartered banks, for the same hour, for the sale of reference revenues in U.S. dollars against Canadian dollars.

The foreign exchange conversion rate is calculated in such a manner that the discounted value of reference revenues in U.S. dollars, when converted into Canadian dollars based on the market value of the U.S. dollars, be equal to the discounted value of reference revenues in Canadian dollars.

A foreign exchange conversion rate is then calculated for each of the three series of quotations obtained, based on the method established in the present Section. The series which produces the lowest foreign exchange conversion rate is chosen and such rate is then multiplied by a factor of 1.035. This result becomes the foreign exchange conversion rate applicable to the contract and is submitted to the customer for acceptance.

The customer must, within one hour, either accept or reject this rate by advising Hydro-Québec verbally. Within the following 24 hours, the customer must confirm acceptance in writing and this foreign exchange conversion rate appears in the written agreement, signed as provided by Section 188.

**Customer's bill** 193

Throughout the period in which the U.S. Dollar Payment Option applies to a contract, the electricity bill for each consumption period is established as follows:

- a) an initial amount is calculated based on the prices and conditions of Rate L or Rate LR in effect for the energy and power to be billed for the consumption period in question;
- b) a second amount is calculated based on the prices and conditions of Rate L in effect for reference power and reference energy adjusted for the number of days of the consumption period in question;

- c) a third amount is calculated by increasing by 10% the result obtained in Subparagraph b);
- d) the difference between the amount obtained in Subparagraph a) and the amount obtained in Subparagraph c) is calculated;
- e) the customer's total bill corresponds:

**if the bill established under Subparagraph a) is equal to or less than the bill established under Subparagraph c):**

- to the result obtained in Subparagraph a) converted at the foreign exchange conversion rate applicable payable in U.S. dollars;

**if the bill established under Subparagraph a) is higher than the bill established under Subparagraph c):**

- to the result obtained in Subparagraph c) converted at the foreign exchange conversion rate applicable and payable in U.S. dollars,
- plus
- the result obtained in Subparagraph d) and payable in Canadian dollars.

Subdivision 2 - Municipalities' Large-Power Industrial Customers

Application

The present Subdivision applies to municipalities which apply the U.S. Dollar Payment Option set forth in Subdivision 1 to their large-power industrial customers. In the present Subdivision, "municipality" designates a municipality which is a customer of Hydro-Québec and which operates its own distribution system.

194

Purpose

For each contract to which the U.S. Dollar Payment Option applies, Hydro-Québec pays to the municipality the bill of the customer established, as provided by this Tariff in effect, based on the applicable large-power rate, taking into account, as appropriate, all options, terms and conditions applicable to such contract except the provision applicable according to this Division.

195

Terms and conditions of application

The payment provided in the preceding Section is subject to the following terms and conditions:

- a) the customer of the municipality makes written application to said municipality as provided under Section 188, and furnishes all relevant supporting documents;
- b) the municipality submits to Hydro-Québec the customer's application and all relevant supporting documents, as well as all information required in Sections 187 and 188. Moreover, the customer of the municipality must sign, with said municipality, a written agreement in which it undertakes to maintain the option for at least two years but no more than 10 years, and to accept the foreign exchange conversion rate applicable established under the terms of Section 192. In the case of a customer without a large-power contract, the customer must also agree to establish a new enterprise;
- c) the municipality pays to Hydro-Québec the customer's bill established under the terms of Section 193.

196

## Real-Time Pricing Rate Option - Rate LR

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### Application 197

Rate LR is an experimental rate. It applies to a contract subject to Rate L with a customer who has accepted Hydro-Québec's invitation to participate in the pilot project.

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### Definitions 198

In this Division, the following terms are defined as follows:

***"historical consumption"***: The hourly consumptions recorded during the reference period.

***"real consumption"***: The real hourly consumptions recorded during the consumption period concerned.

***"reference consumption"***: The hourly consumptions for the entire duration of the commitment to the pilot project, established from the historical consumption. Adjustments may be made to the historical consumption to reflect the customer's normal consumption level and profile under Rate L.

Upon renewal of the commitment to Rate LR, the reference consumption may be revised to reflect customer's normal consumption level and profile.

In all cases, the reference consumption shall be agreed upon in writing by the customer and Hydro-Québec.

***"reference period"***: 12 consecutive consumption periods prior to the beginning of the application of Rate LR, as established in Section 199.

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### Beginning of the application of Rate LR 199

Rate LR applies, at the earliest, at the beginning of the first consumption period following installation of the appropriate metering equipment.

Duration of commitment

200

a) First application

- Rate LR applies to a contract for 12 consecutive monthly consumption periods.

b) Renewal

- A customer may renew a contract subject to Rate LR by sending Hydro-Québec a written request no later than 30 days before the end of the current contract. Rate LR shall then continue to apply to the same contract for a further 12 consecutive consumption periods, subject to Hydro-Québec's approval.

A customer may end his commitment upon written notice during the first 90 days of the first application of Rate LR. If the customer ends his commitment within this time, Rate L will be applied to his contract retroactively from the date on which Rate LR took effect.

Determination of the hourly energy price

201

The hourly energy price is established by taking into account the hydroelectric power station operating at the margin, the evolution in the demand for electricity, run-offs and the level of Hydro-Québec's reservoirs, opportunities and prices for purchase or sale of electricity on internal and external markets, transmission losses, and a markup.

However, when Hydro-Québec plans to operate non-hydraulic and non-nuclear stations or to use load management measures such as the interruptible electricity option or power purchases from neighbouring power systems, the hourly energy price is established by taking into account the variable operating and maintenance costs of the last power station or the last load management measure used to maintain the balance between supply and demand, and a markup.

Structure of Rate LR

202

The structure of Rate LR is as follows:

Hourly energy price determined in accordance with Section 201;

plus

fixed charge determined in accordance with Section 204;

plus

if applicable, an adjustment calculated in accordance with Section 205.

Conditions of notification of the hourly energy prices under Rate LR

203

Hydro-Québec shall notify the customer in the following manner:

Summer period

One week prior to the beginning of each calendar month, Hydro-Québec shall send the customer the hourly energy prices which will be set for the duration of the calendar month.

If, during this period, Hydro-Québec observes, in setting its hourly energy prices, that one of them differs by at least 10% from that previously set for the month, Hydro-Québec reserves the right to change the hourly prices for a period of at least 24 hours.

Hydro-Québec shall then notify the customer, before 1600 hours on the previous working day, of the revised hourly energy prices to take effect at midnight and remain in effect for the period specified in the notice. Afterwards, the hourly prices set at the beginning of the month will apply once again, unless there are subsequent changes in accordance with this Section.

Winter period

Every working day, before 1600 hours, Hydro-Québec shall advise the customer of the hourly energy prices which become effective at midnight for at least 24 hours.

If the customer does not receive the Rate LR hourly energy prices, he shall so advise Hydro-Québec before 1800 hours on the working day concerned. Otherwise, the customer shall be deemed to have received them.

Calculation of the fixed charge 204

The fixed charge for each consumption period shall be determined as follows:

- a) a first amount is calculated according to the Rate L prices and conditions in effect for the energy and billing demand associated with the reference consumption for the consumption period concerned considering, if applicable, the discounts for supply at medium or high voltage and adjustment for transformation losses described in Sections 300 and 301, Interruptible Electricity Option, Load Retention Rate and Transitional Rate;
- b) a second amount is calculated according to the Rate LR energy prices for the reference consumption in the consumption period concerned;
- c) the fixed charge is equal to the result obtained in Subparagraph a) minus the result obtained in Subparagraph b). The fixed charge may be positive or negative.

Adjustment of the customer's bill to take into account power-factor variation 205

An adjustment for each consumption period shall be made to the customer's bill to take into account power-factor variation observed between the real consumption and the reference consumption. The adjustment is determined using the following formula:

Adjustment =  $[(PMAre - PMRre) - (PMArf - PMRrf)] \times PEP$

where

PMAre = maximum power demand associated with the real consumption

PMRre = maximum real power demand associated with the real consumption

PMArf = maximum power demand associated with the reference consumption

PMRrf = maximum real power demand associated with the reference consumption

PEP = effective demand charge at Rate L in effect, considering, if applicable, the discounts for supply at medium or high voltage and adjustment for transformation losses described in Sections 300 and 301.

The adjustment may be positive or negative. If the power factor is equal to or greater than 95% during both the consumption period concerned and the reference consumption period, no adjustment will be made.

Customer's bill 206

Throughout the period in which Rate LR applies to a contract, the electricity bill for each consumption period is established as follows:

- a) a first amount is calculated according to the Rate LR hourly energy prices for the real consumption during the consumption period concerned;

- b) to the result obtained in Subparagraph a) is added the fixed charge calculated in accordance with Section 204;
- c) to the result obtained in Subparagraph b) is added, as the case may be, the adjustment calculated in accordance with Section 205. The result corresponds to the customer's total bill.

**Conditions of transition at the end of the commitment** 207

The commitment to Rate LR ends in accordance with Section 200. The appropriate general rate shall apply immediately and the contract power equals:

- the contract power in effect on the date participation in Rate LR began if the customer terminates its contract within the first 90 days of the first application of Rate LR;
- or
- the contract power chosen by the customer, if the customer participates in Rate LR for at least 12 consecutive consumption periods, or if Hydro-Québec terminates the pilot project.

The customer is then subject to Rate L and the conditions in Sections 108 and 109 apply.

**Billing conditions for customers simultaneously participating in Rate LR and in the Interruptible Electricity Option** 208

For customers simultaneously participating in Rate LR and in the Interruptible Electricity Option, the conditions described in Section 223 apply.

**Billing conditions for customers simultaneously participating in Rate LR and in the Transitional Rate and/or the Load Retention Rate** 209

For customers simultaneously participating in Rate LR and in the Transitional Rate and/or the Load Retention Rate, the terms in Divisions VI and/or VII shall apply, except for the following adjustments:

- the adjustment of the customer's bill for the Transitional Rate as provided in Section 164, and
- the billing coefficient for the Load Retention Rate determined in accordance with Section 178 or 179, whichever applies,

shall not apply to the hourly energy price determined in accordance with Section 201.

**Adjustment of the reference consumption to take into account a reduction in or interruption of supply, established in accordance with Section 113** 210

When there is a reduction in or interruption of supply, established in accordance with Section 113, the reference consumption for this event is adjusted, for this consumption period only, to be equal to the real consumption.

The billing demand associated with this reference consumption corresponds to the maximum power demand during the event.

## Interruptible Electricity Option

### Subdivision 1 - General

#### Application 211

The Interruptible Electricity option applies to a contract subject to Rate L where there is no contract for interruptible power under a special contract at the same delivery point.

#### Definitions 212

In this Division, the following terms are defined as follows:

***“base power”***: The difference between:

- a) the higher of the maximum contract power for the last 12 consumption periods terminating at the end of the consumption period concerned and the maximum power in the consumption period concerned, and
- b) the applicable interruptible power.

Base power cannot be negative.

***“captive interruptible power”***: A customer's interruptible power that, because of transmission system constraints, cannot be used in whole or in part by the Distributor to meet its needs.

***“contribution coefficient”***: A value, expressed as a percentage, which reflects the estimated proportion of interruptible power that is actually interrupted, on average, by the customer when the Distributor requires it.

***“effective hours”***: All hours in the consumption period concerned, without taking into account:

- December 24, 25, 26 and 31; January 1 and 2, Good Friday, Easter Saturday, Easter Sunday and Easter Monday; Victoria Day, St. Jean-Baptiste Day, Canada Day, Labour Day and Thanksgiving;

- days when the customer interrupts power in accordance with this Division;
- recovery periods in accordance with Section 221;
- days when there is an interruption or reduction in supply in accordance with Section 113;
- days when there is a strike at the customer's premises, at the customer's request, unless there has been at least one interruption period during the strike days.

***"effective interruptible power"***: An estimate, expressed in kilowatts, of the interruptible power that is, on average, interrupted by the customer when the Distributor requires it. This estimate corresponds to the product of the applicable interruptible power and the contribution coefficient for the consumption period concerned.

***"exchange rate conversion"***: The value at 1200 of one U.S. dollar expressed in Canadian dollars published by the Bank of Canada each weekday.

***"failure to interrupt"***: Any real power demand during an interruption period which is greater than the higher of :

- a) 105% of applicable base power; or
- b) the applicable base power, plus 5% of the applicable interruptible power.

***"interruptible power"***: An amount of real power the customer agrees not to use during certain periods, at the request of the Distributor.

***"interruption hour"***: Hour during which the customer is required to interrupt power in accordance with this Division;

***"interruption period"***: The block of hours of interruption indicated in the notice given by the Distributor to the customer in accordance with Section 220 (c).

***"load factor during effective hours"***: The ratio, expressed as a percentage, between consumption during the effective hours and the product of maximum power and the number of effective hours in the consumption period concerned.

***"maximum power"***: The highest real power demand during the effective hours in the consumption period concerned.

***"overrun"***: The difference, for each interruption hour, between:

- a) the highest real power demand; and
- b) 105% of applicable base power.

***"reference year"***: The 12-month period from December 1 of one year to November 30 of the following year.

***"trigger price"***: The minimum price at which customers agree to participate in the Interruptible Electricity option in accordance with the conditions outlined in this Division. This price, determined by customers, has been set at 30¢/kWh for the December 1, 2003 to November 30, 2004 reference year.

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### **Deadline for joining the program**

**213**

Customers must submit their request in writing to the Distributor before November 1, indicating the quantity of interruptible power they wish to contract. The Distributor then has 30 days to send its written decision as to whether or not it accepts the power proposed by the customer. The agreement shall come into effect December 1. In the event that the customer submits its request during the reference year, the Distributor has then a maximum of 30 days to send its decision to the customer and the agreement shall come into effect when the Distributor accepts the request.



Subdivision 2 – Credits and Conditions  
of Application

Commitment 214

The interruptible power per contract must not be less than the greater of 3,000 kilowatts or 20% of maximum contract power for the last 12 consumption periods terminating at the end of the consumption period that precedes the date of joining, but in no event must it be greater than that maximum contract power. The contractual commitment shall remain in effect for the reference year.

A customer may make just one modification to its interruptible power during the reference year. The new interruptible power must not be less than the greater of 3,000 kilowatts or 20% of maximum contract power for the last 12 consumption periods terminating at the end of the consumption period that precedes the date of receipt of the request for modification, but in no event must it be greater than that maximum contract power. The new interruptible power shall apply within a 30-day time limit. No retroactive modification is permitted.

Conditions applicable to interruptions 215

Interruptions made in accordance with this Division must respect the following conditions:

Advance notice (hours):	3
Maximum number of interruptions per day:	2
Minimum interval between two daily interruptions (hours):	4
Maximum number of interruptions per reference year:	20
Duration of an interruption (hours):	3 to 5
Maximum duration of interruptions per reference year (hours):	100

Setting the price 216

The price paid for each hour of interruption corresponds to the higher of the following:

- a) the trigger price; or
- b)  $(DAM_{HQ} + TSC_{NYPA-HQ} + NTAC + SC_{NYISO}) * T - E_L$

where:

$DAM_{HQ}$	= Day-Ahead Market price of the NYISO HQ zone for the interruption hour concerned;
$TSC_{NYPA-HQ}$	= Transmission Service Charge of NYISO applicable to export wheeling on the New York Power Authority-HQ interconnection for the current month;
$NTAC$	= New York Power Authority Transmission Adjustment Charge for the current month;
$SC_{NYISO}$	= cost of applicable NYISO ancillary services, that is, the sum of the cost of scheduling, system control and dispatch services for the current month, the cost of reactive supply and voltage control from generation service for the current year, and the cost of operating reserve service for the preceding month;
$T$	= exchange rate conversion published the date of the publication of the DAMHQ, when that corresponds to a weekday or, if not, published the preceding weekday; and
$E_L$	= price of energy at Rate L.

With the exception of the exchange rate conversion and the price of energy at Rate L, the data needed to establish the price paid are posted on the NYISO Internet site.

**Credits applicable to the contract** 217

The credit to which the customer is entitled for each hour of interruption in which it participates corresponds to the product of the price paid for the hour of interruption and the effective interruptible power for the consumption period concerned. The sum of the credits calculated for each hour of interruption is applied to the bill for the consumption period concerned.

No credit shall be granted for the hour for which the customer pays a penalty in accordance with Section 222.

**Calculation of contribution coefficient** 218

The contribution coefficient for a consumption period is calculated as follows:

$$C = [(P_{max} - P_{base}) * L_{Feh}] / I$$

where

C = contribution coefficient;

Pmax = maximum power;

Pbase = base power;

LFeh = load factor during effective hours;

I = applicable interruptible power.

The contribution coefficient cannot be negative.

**Contribution coefficient applicable to contracts during running-in periods** 219

If the customer is in a running-in period during the consumption period concerned, the contribution coefficient will be set on the basis of consumption data for the previous consumption period, excluding any running-in period. If the consumption data for the previous consumption period are not representative of normal operating conditions, the contribution coefficient will be set on the basis of consumption data for one or more consumption periods in the current, or previous reference year. The determination of the contribution coefficient will be the subject of a written agreement with the customer.

**Choice of quantity of interruptible power** 220

The Distributor chooses the quantity of interruptible power for each interruption period in the following manner:

- a) The Distributor randomly ranks customers' interruptible power.
- b) The Distributor excludes captive interruptible power.
- c) The Distributor selects non-captive interruptible power until all its needs are met. Priority is given to customers not chosen in preceding interruption periods.
- d) The Distributor advises verbally, by telephone, the employees designated by the customers selected, indicating the starting time and the end of the interruption period. If none of a selected customer's designated employees can be reached, the customer is deemed to have refused the interruption for this interruption period.

**Recovery periods** 221

Subject to agreement by the Distributor, the customer has the right to recovery periods. These periods may occur:

- a) between 2300 Friday and 0700 the following Monday, if one or more interruptions occurred in the 7-day period immediately preceding that weekend;
- b) between 2300 and 0700 Monday to Friday, as well as all day and night on Saturdays, Sundays and statutory holidays during one of the four consumption periods included in the reference year, or during the following year, starting either in April, May, September or October, if one or more interruption periods have occurred during the reference year.

The customer shall communicate with the Distributor by 1300 at the latest on the Thursday, or the day before the preceding workday, for the desired recovery period, in accordance with paragraph (a), and at the latest 7 days preceding the desired recovery period in accordance with paragraph (b), indicating the hourly consumption expected during the recovery period. If no notice is received, the Distributor shall consider that the customer does not wish to take advantage of this opportunity.

The Distributor shall communicate the authorization to consume to the customer by 1300 at the latest on the day of the recovery period when this starts on a weekday, or, if not, by 1300 on the preceding weekday.

The consumption during the recovery period is that which exceeds, for the consumption period concerned, the greater of the contract power in effect, or the maximum power demand recorded outside recovery periods during the consumption period concerned.

Consumption during recovery periods is billed at the hourly price of energy set in accordance with Section 201.

These recovery periods must in no case be interpreted as a limitation on the Distributor's right to use interruptible power at any time, according to the conditions set out in this Division.

**Failure to interrupt** 222

For each failure to interrupt, the Distributor shall apply a penalty on the overrun expressed in kilowatthours that is equal to twice the price offered during the interruption hour concerned, over and above the price of energy at Rate L billed in accordance with Subdivision 1, Division VI,

The Distributor reserves the right to terminate the customer's contract if at least 3 failures to interrupt occur in the course of the reference year.

**Billing conditions for customers participating simultaneously in the Interruptible Electricity option and in Rate LR** 223

For customers participating simultaneously in Rate LR and in the Interruptible Electricity option, the conditions described in Divisions IX and X apply, with the exception of the following adjustments:

- 1) in the first year of application of Rate LR, the reference consumption is increased to take into account the additional energy the customer would have consumed had there been no interruptions during the reference period;
- 2) in the first year of application of Rate LR, the reference consumption is reduced to take into account the additional energy the customer consumed during the recovery periods that occurred during the reference period;
- 3) the customer's base power corresponds to the difference between:
  - a) the higher of the maximum contract power for the last 12 consumption periods terminating at the end of the consumption period concerned and the billing demand associated with the reference consumption for the consumption period concerned; and
  - b) the applicable interruptible power.

Base power cannot be negative.

- 4) the reference consumption during the hours of interruption in which the customer participates corresponds to its base power;
- 5) the customer's maximum power corresponds to the billing demand associated with the reference consumption for the consumption period concerned;
- 6) the load factor during the effective hours corresponds to the ratio, expressed as a percentage, between the reference consumption during the effective hours and the product of maximum power and the number of effective hours in the consumption period concerned;
- 7) when a customer fails to interrupt, the Distributor shall apply a penalty on the overrun expressed in kilowatthours that is equal to twice the price offered during the interruption hour concerned, over and above the hourly energy price set in accordance with Section 201.
- 8) the recovery periods specified in Section 221 do not apply.

## Rate Insurance Option

### *Subdivision 1 - Hydro-Québec's New Large-Power Industrial Customers*

#### **Purpose**

224

The purpose of the option described in the present Division is to provide eligible new large-power industrial customers with insurance against electricity price increases during the years in which the Rate Insurance Option is in effect.

#### **Definitions**

225

In the present Division, the following terms are defined as follows:

**"average inflation rate"**: Average inflation rate expressed as a percentage and corresponding to the difference between, on the one hand, the average of the monthly consumer price index from the first publication of Statistics Canada for the months of October, November and December and, on the other hand, the average for the corresponding months of the preceding year.

**"cumulative inflation index"**: The inflation index has a value of 1.0 as of May 1, 1998, and is revised on May 1 of each subsequent year, on the basis of the average rate of inflation.

**"cumulative rate increase"**: An increase established in the form of a cumulative index and resulting from the application of the revised large-power rate in relation to the application of the reference rate, calculated on the basis of historical consumption data, up to and including the 12 most recent consumption periods available when the rate is revised. This index is set at 1.0 as of May 1, 1998.

**"date of admission"**: Date on which Rate Insurance Option begins to apply to a contract.

**"reference index"**: Index by which the customer's bill, calculated at the reference rate, is multiplied. This index is set at 1.0 as of May 1, 1998.

**"reference rate"**: Large-power rate in effect as of May 1, 1998, except for the provisions related to billing demand.

**Eligibility provisions** 226

A customer, to be eligible for the Rate Insurance Option, must undertake to establish a new industrial enterprise in Québec and to acquire, for this enterprise, a large-power contract within three years following signature of such commitment, in accordance with Section 227.

Hydro-Québec may refuse access to the Rate Insurance Option.

**Conditions of admission** 227

A customer wishing to be subject to the Rate Insurance Option must so advise Hydro-Québec in writing no later than September 30, 2002. The request must be accompanied by the following information:

- a summary description of the new enterprise and a summary estimate of expenditures;
- the start-up date of the new enterprise.

Hydro-Québec reserves the right to verify all information supplied by the customer.

Moreover, within 30 days after Hydro-Québec’s written acceptance, the customer must sign a written agreement undertaking to maintain the option for at least two years but no more than 10, and to establish a new enterprise.

**Date of admission** 228

Conditional upon the signing of the agreement provided in Section 227, the contract becomes subject to the Rate Insurance Option as of the start-up date of the new installations. Start-up shall take place no later than three years after signature of the written agreement between the customer and Hydro-Québec.

**Duration of commitment** 229

The Rate Insurance Option applies to a contract from the date of admission stipulated in Section 228 and remains in effect for the duration set forth in the written agreement.

**Establishment of the reference index** 230

The reference index is revised annually on May 1 as of May 1, 1999, and on each revision of the applicable large-power rate, as follows:

- a) establishment of the cumulative rate increase;
- b) establishment of the cumulative inflation index;
- c) establishment of the reference index for billing purposes:

**if the cumulative rate increase established in Subparagraph a) is less than or equal to the cumulative inflation index:**

the reference index is equal to the result obtained in Subparagraph a);

**if the cumulative rate increase established in Subparagraph a) is greater than the cumulative inflation index:**

the reference index is equal to the result obtained in Subparagraph b).

**Billing demand** 231

For a contract subject to the Rate Insurance Option, the billing demand corresponds to the maximum power demand during the consumption period in question, but is never less than the minimum billing demand as defined in Section 232.

**Minimum billing demand** 232

For a contract subject to the Rate Insurance Option, the minimum billing demand is the higher of the two following amounts:

- a) 25% of the highest maximum power demand recorded over the last 12 monthly periods ending with the consumption period in question, except in the case of force majeure, strikes or lockouts at the customer’s premises; or
- b) the contract power.

<b>Customer's bill</b>	<b>233</b>
For the application period of the Rate Insurance Option the electricity bill, for each consumption period, is established according to the reference rate multiplied by the reference index established under Section 230.	

<b>Conditions of transition at the end of the commitment</b>	<b>234</b>
The commitment terminates as provided by Section 229. The appropriate general rate then in effect takes effect when the commitment terminates.	

*Subdivision 2 - Municipalities' New Large-Power Industrial Customers*

<b>Application</b>	<b>235</b>
The present Subdivision applies to municipalities which apply the Rate Insurance Option set forth in Subdivision 1 to their new industrial large-power customers. In the present Subdivision, "municipality" designates a municipality which is a customer of Hydro-Québec and which operates its own distribution system.	

<b>Purpose</b>	<b>236</b>
Hydro-Québec reimburses the municipality for any shortfalls resulting from the application of the Rate Insurance Option set forth in Subdivision 1 to its customers in the case of eligible contracts.	

<b>Terms and conditions of application</b>	<b>237</b>
The reimbursement of shortfalls is subject to the following terms and conditions:	

- a) the customer of the municipality gives the latter written notice provided for in Section 227;
- b) the municipality submits to Hydro-Québec the customer's application and all relevant supporting documents, as well as all information required under Sections 226 and 227. Furthermore, the municipality's customer must sign, with the municipality, a written agreement by which it undertakes to maintain the option for at least two years but no more than 10, as well as to establish a new enterprise;
- c) Hydro-Québec reimburses the municipality for an amount corresponding to the shortfall resulting from the application of the option under an eligible contract; Hydro-Québec makes this adjustment on the first electricity bill it issues to the municipality after the expiration of 30 days following the end of the month in which it has received the supporting documents relating to this contract.

However, the shortfall must in no case exceed the difference between the amount which results from application of Hydro-Québec's applicable general rate and that which results from application of the Rate Insurance Option by the municipality.

Dual-Energy Rate

Subdivision 1 - General

Application 238

This Division applies to annual contracts under which electricity is used in a dual-energy system.

Only the dual-energy systems for which a contract subject to rate BT described in this Division is in effect on May 1, 1996 may continue to benefit from these rates.

Definition 239

In this Division, the following term is defined as follows:

*“dual-energy system”*: A system used for the heating of water or space, or for any other heating process that uses electricity and a fuel as sources of energy.

Characteristics of the dual-energy system before the installation of remote control 240

For application of Rate BT until the appropriate remote-control equipment and meters are installed, the dual-energy system must meet all the following conditions:

- a) the dual-energy system must be equipped with an outdoor temperature gauge and an automatic switch and, if Hydro-Québec deems it appropriate, with a control unit which remains the property of Hydro-Québec;
- b) the temperature gauge must meet the requirements of Hydro-Québec and must be installed in a location approved by Hydro-Québec;
- c) the dual-energy system must meet the standards of Hydro-Québec;

- d) Hydro-Québec may remote control the dual-energy system; to that end, the dual-energy system must be designed in such a way that it can be remote-controlled;
- e) the maximum power demand under the contract must in no case exceed the installed capacity of the electric heat generators by more than 10%;
- f) the capacity of the dual-energy system in fuel mode must be sufficient to supply all the energy necessary for heating and other processes served by the dual-energy system.

**Characteristics of the dual-energy system after the installation of remote control** **241**

For the application of Rate BT in the remote control mode, the dual-energy system must meet all of the following conditions:

- a) the dual-energy system must be equipped with remote control equipment and meters that can be used to apply peak and off-peak rates;
- b) the dual-energy system must comply with Hydro-Québec’s standards;
- c) the maximum power demand for the contract must in no case exceed the installed capacity of the electric heat generators by more than 10%;
- d) the capacity of the dual-energy system in the fuel mode must be sufficient to provide all the heat required for heating and other processes covered by the dual-energy system.

**Metering** **242**

For application of Rate BT until the appropriate remote-control equipment and meters are installed, electricity delivered for dual-energy systems must be metered separately so as to indicate the energy consumed and the maximum power demand.

For the application of Rate BT in the remote control mode, electricity delivered for dual-energy systems must be metered separately so as to indicate:

- energy consumed during peak and off-peak periods;
- the maximum power demand during peak and off-peak periods.

**Scope of the expression “365 days”** **243**

For the purposes of Rate BT, the expression “365 days” is understood to mean “366 days” for a period of 12 months that includes February 29.

**Discounts for supply at medium or high voltage** **244**

When Hydro-Québec supplies electricity at medium or high voltage for a contract at Rate BT and the customer uses this energy at that voltage or transforms it without cost to Hydro-Québec, that customer has the right, for this contract, to a discount in cents per kilowatthour on the price of all the energy billed; this discount is determined as follows, according to the supply voltage:

Nominal voltage between phases equal to or greater than	Discount ¢/kWh
5 kV, but less than 50 kV	0.207¢
50 kV, but less than 170 kV	0.260¢
170 kV	0.354¢

**Non-compliance with conditions** **245**

If, in the winter period, a dual-energy system covered by this Division no longer meets one of the conditions under which Rate BT applies, Hydro-Québec shall advise the customer, in writing, that the customer must correct the situation within 10 working days.



Should the situation not be corrected before the deadline, Hydro-Québec shall, as of the date of the deadline, in addition to billing the customer for the energy consumed, bill the customer for the maximum power demand during each of the consumption periods in the winter period during which the dual-energy system does not meet such conditions, at the monthly price of \$13.35 per kilowatt.

If the situation is corrected during a consumption period, this monthly price is prorated to the number of days during which the dual-energy system does not meet the conditions.

Should the customer's dual-energy system not meet the conditions for a second time during the same winter period, Hydro-Québec shall, without notice, in addition to billing the customer for the energy consumed, bill the customer for the maximum power demand during each of the consumption periods during which the dual-energy system does not meet such conditions, at the monthly price of \$13.35 per kilowatt.

The conditions set out in the preceding Paragraphs of this Section also apply until the appropriate remote control and metering device installation, as per Section 258, has been put on line.

**Fraud** **246**

If the customer commits fraud, manipulates or hinders the functioning of the dual-energy system or the remote-control equipment or meters, or uses it for purposes other than those provided for under this Tariff, Hydro-Québec shall terminate the contract at Rate BT. The contract thus becomes subject to Rate D, if it is eligible for such rate, or to the appropriate general rate (G, M or L). Rate BT cannot apply again to the same contract for at least 365 days.

*Subdivision 2 - Rate BT*

**Application** **247**

Rate BT applies to an annual contract under which the electricity delivered for a dual-energy system is used for the heating of water or space, or any other heating process, subject to the provisions stipulated under this Subdivision.

**Definitions** **248**

In this Subdivision, the following terms are defined as follows:

**The following definitions are in effect until the appropriate remote control and metering devices have been installed:**

***“climatic zone”***: Part of the area served by Hydro-Québec, defined by the temperatures prevalent in winter and the duration of cold periods.

The map showing the various climatic zones may be consulted at Hydro-Québec’s customer service offices.

***“day”***: The period between 0630 and 2200 hours.

***“hourly range”***: A 6 1/2-hour period, at night.

***“night”***: The period between 2200 and 0630 hours.

***“off-peak period”***:

- any period of the day or night when the outdoor temperature is higher than the temperature transfer point, with the exception of any recovery period; and
- the period covered by the hourly range, with the exception of any recovery period.

***“peak period”***:

- any period of the day or night when the outdoor temperature is lower than the temperature transfer point, with the exception of the period covered by the hourly range; and
- any recovery period.

***“recovery period”***: Any period following an interruption of supply of 15 minutes or more, during the winter period; the recovery period is the equivalent of twice the duration of the interruption of supply, to a maximum of four hours.

**“temperature transfer point”:** The temperature that, when reached, sets off a change from an off-peak to a peak period, or vice versa. Such temperature may vary, depending on the climatic zone, between -20°C and -15°C, -17°C and -12°C, and -15°C and -10°C.

**The following definitions are applicable after the appropriate remote control and metering devices have been installed:**

**“recovery period”:** Any period following an interruption of supply of 15 minutes or more, during the winter period; the recovery period is the equivalent of twice the duration of the interruption of supply, to a maximum of four hours.

**“energy shortage period”:** A period no longer than 12 months designated by Hydro-Québec on the basis of its hydraulic reserves.

**“peak period”:** Any period determined by Hydro-Québec according to its system conditions, with the exception of recovery periods.

**“off-peak period”:** Any period other than a peak or a recovery period.

**“peak price”:** Price applicable to energy consumed during a peak period or a recovery period.

**“off-peak price”:** Price applicable to energy consumed during an off-peak period.

**Conditions applicable to contracts under Rate BT      249**  
**until remote control devices have been installed**

The following conditions apply until the appropriate remote control and metering devices have been installed:

- during off-peak periods, the dual-energy system can operate in the electrical mode;
- during peak periods and recovery periods, the dual-energy system must operate on fuel.

**Determination of hourly range and temperature transfer point      250**

Until the appropriate remote control and metering devices have been installed, the change from an off-peak to a peak period, or vice versa, is governed by hourly ranges and temperature transfer points. These hourly ranges and temperature transfer points are determined each year and may vary according to the climatic zones defined by Hydro-Québec.

Hydro-Québec shall notify the customer in writing, by September 1 of each year at the latest, of changes affecting temperature transfer points and hourly ranges. If notice has not been sent to the customer by that date, it is understood that no changes shall apply to these terms of application.

**Remote control      251**

Once the appropriate remote control and metering devices have been installed, Hydro-Québec changes the meter register and sends a signal to this effect, before and after any peak period, by remote control. The meter register is changed automatically before and after all recovery periods.

**Operation of the remote control device      252**

**a) During peak periods:**

During peak periods, the meter register is changed by remote control according to one of the two options described below. Customers wishing to select Option 2 must secure approval by advising Hydro-Québec in writing within 30 days following the installation of the appropriate remote control and metering devices. If a notice to this effect is not conveyed to Hydro-Québec within the prescribed time period, Option 1 applies.

Customers may modify their option selection by submitting a written notice to Hydro-Québec within 30 days preceding the end of a 365-day period covered by the contract.

	Option 1	Option 2
Period during which peak prices are applied in peak periods:	From December 1 to March 31 inclusively	From December 1 to March 31 inclusively
Maximum number of hours during which peak prices are applied during peak periods, per winter period:	400 hours	600 hours
Regular peak-price application schedule during peak periods:	From 0530 to 2330 hours, from Mondays to Sundays inclusively	From 0530 to 2330 hours, from Mondays to Sundays inclusively
Maximum number of hours during which peak prices are applied between 2330 and 0530 hours during peak periods, per winter period:	20 hours	20 hours
Maximum number of times peak prices are applied during peak periods, per day:	2	1
Minimum period during which peak prices are applied during peak periods:	2 hours	4 hours
Minimum period between peak price applications during peak periods:	2 hours	4 hours
Minimum prior notice before the peak price is applied during peak periods:	30 minutes	4 hours
Minimum prior notice before a change in the duration of the period during which the peak price is applied during peak periods:	30 minutes	4 hours
Times at which prior notices are given concerning application of peak prices during peak periods:	From 0500 to 2100 hours, Mondays to Sundays inclusively	From 0500 to 2100 hours, Mondays to Sundays inclusively

## b) During recovery periods:

Peak prices apply during all recovery periods. The meter register is changed before and after recovery periods regardless of the provisions stipulated under Subparagraph a) above.

## c) During the summer period:

If, exceptionally, the conditions of Hydro-Québec's system so require, peak prices may also apply during the summer period, provided that Hydro-Québec has informed the customer of this possibility prior to the end of the winter period.

## Duration of commitment

253

A customer whose contract is not already subject to a dual-energy rate and who subscribes to Rate BT undertakes to retain this rate for a period of 365 consecutive days. It is obliged to pay the fixed charge for the complete 365-day period, unless another customer immediately enters into a contract covering the same premises.

The customer whose contract has been subject to a dual-energy rate on a continuous basis for at least 365 consecutive days may terminate its contract at Rate BT at any time. If it terminates its contract at Rate BT before the end of a complete 365-day period, it may obtain Rate BT again during the same 365-day period provided that:

- it pays the fixed charges covering the period since the termination of its contract;
- the dual-energy system already installed complies with the requirements set forth in Section 240 or in Section 241.

**Contract power** **254**

In order to establish the monthly fixed charge, in accordance with Section 258, and the minimum consumption allowed, in accordance with Section 260, the customer must subscribe in writing a contract power which cannot be less than 50 kilowatts. This contract power must be at least equivalent to 85% of the available power, but cannot be higher than available power.

**Increase in contract power** **255**

Subject to Subparagraph c) of Section 241 and Sections 254 and 260, the contract power can be increased after a 365-day period as of the date on which it became effective, or as of the last change in contract power. To this effect, the customer must submit a written request to Hydro-Québec at least 30 days before the end of this 365-day period.

A customer who wishes to increase the contract power for a given 365-day period may do so, provided the fixed charge for the revised contract power is paid retroactively from the beginning of the current 365-day period. The customer's bill is then adjusted retroactively based on the revised contract power.

**Decrease in contract power** **256**

Subject to Subparagraph c) of Section 241 and Section 260, the contract power can be decreased after a 365-day period as of the date on which it became effective, or as of the last change in contract power. To this effect, the customer must submit a written request to Hydro-Québec at least 30 days before the end of this 365-day period.

**Maximum power demand greater than contract power** **257**

If the maximum power demand during a consumption period exceeds the contract power by more than 10%, Hydro-Québec will apply to the excess a monthly penalty of \$13.35 per kilowatt.

This penalty does not in any way relieve the customer of his responsibility for damage to Hydro-Québec equipment resulting from power demand in excess of the available power.

**Structure of Rate BT** **258**

The structure of Rate BT is as follows:

**a) When the appropriate remote control and metering devices have not been installed:**

**Monthly fixed charge:**

\$34.32 plus  
  
6.39¢ per kilowatt of contract power.

**Price of energy:**

3.47¢ per kilowatthour for all energy consumed in accordance with the conditions stipulated in this Subdivision.

**b) When the appropriate remote control and metering devices have been installed:**

**Monthly fixed charge:**

\$34.32 plus  
  
6.39¢ per kilowatt of contract power.

**Price of energy:**

3.47¢ per kilowatthour for all energy consumed during off-peak periods; plus  
  
7.74¢ per kilowatthour for the energy consumed during peak or recovery periods, during the first 25 hours of use of contract power per 365-day period, for Option 1, or during the first 40 hours of use of contract power per 365-day period, for Option 2;  
  
46.00¢ per kilowatthour for the rest of the energy consumed during peak or recovery periods.

If applicable, discounts for supply at medium or high voltage apply, in accordance with Section 244.

**Measures in case of successive interruptions of supply**

**259**

If, after an interruption of supply, another interruption of supply occurs during the recovery period, the duration of the recovery period following this other interruption of supply corresponds to the higher of:

- the duration of the recovery period determined by the duration of the other interruption of supply;
- the remainder of any previous recovery period that could not be used.

**Conditions applicable in case of an energy shortage**

**260**

In case of an energy shortage, Hydro-Québec may decree an energy shortage period. It notifies customers to this effect in writing, by September 1 at the latest. The beginning of the energy shortage period coincides with the beginning of the first consumption period beginning, at the earliest, 60 days after receipt of the notice. In its notice, Hydro-Québec shall specify the duration of the energy shortage period and the amount of energy that it undertakes to deliver to the customer in off-peak periods during the shortage, at the off-peak price. This quantity corresponds at the least to the greater of:

- 10% of the consumption, under the contract at Rate BT, during the last 12 consumption periods ending on June 30 preceding the sending of the notice; or
- 100 hours of use of the contract power in effect during the previous winter period.

The rest of the energy consumption during off-peak periods is billed at 7.74¢ per kilowatthour.

Energy consumption during peak periods is billed at peak price, that is, 46.00¢ per kilowatthour.

If Hydro-Québec does not decree an energy shortage period for a given contract more than one year out of three, the customer shall not receive any indemnity.

If Hydro-Québec decrees an energy shortage period for a given contract more than one year out of three, Hydro-Québec shall indemnify the customer for the additional fuel costs.

Autonomous Electrical Systems

Subdivision 1 - Conditions of Application  
for Domestic Rates for Customers  
of Autonomous Electrical Systems

**Rate D** **261**

When electricity is delivered from autonomous electrical systems located north of the 53rd parallel for domestic use in a single-family dwelling or an apartment building or community residence with separate metering, the contract is subject to Rate D, up to a total of 30 kilowatthours per day. Any additional consumption is billed at 27.68¢ per kilowatthour.

**Rate DM** **262**

When electricity is delivered from autonomous electrical systems located north of the 53rd parallel for domestic use in an apartment building, community residence or rooming house with 10 rooms or more with bulk metering, the contract is subject to Rate DM, up to a total of 30 kilowatthours per day, times the applicable multiplier, defined in Section 20.

Any additional consumption is billed at 27.68¢ per kilowatthour.

**Rate DT** **263**

Rate DT does not apply to a contract covering electricity supplied by autonomous electrical systems.

*Subdivision 2 - Conditions of Application  
for Small and Medium Power Rates for  
Customers of Autonomous Electrical Systems*

**Rates G, G-9 or M 264**

The electricity delivered by autonomous electrical systems located north of the 53rd parallel under a contract at Rate G, G-9 or M, cannot be used for space heating, heating of household water or any other heating application, with the exception of household appliances, industrial or commercial appliances used to cook and store food, and appliances used by light industry for manufacturing applications.

If the customer contravenes the provisions of the preceding Paragraph, Hydro-Québec applies Rate G, G-9 or M, as the case may be, to the fixed charge and billing demand, and all the energy consumed is billed at 61.18¢ per kilowatthour.

**Restrictions applicable to autonomous electrical systems 265**

The rates in effect do not apply to a delivery of electricity in excess of 1,000 kilovoltamperes by an autonomous electrical system.

*Subdivision 3 - Conditions of Application  
for Dual-Energy Rates in Division XII for  
Customers of Autonomous Electrical Systems*

**Dual-Energy Rates 266**

Dual-energy rates in Division XII do not apply to contracts under which electricity is supplied by autonomous electrical systems.

**Flat Rates for General Use**

**Application 267**

The flat rates established by this Division apply to contracts for general use whose electricity consumption is not metered.

**Structure of Rates T-1, T-2 and T-3 268**

The structure of the flat rates for general use is as follows:

**a) Rate T-1, daily contract:**

\$ 3.73 per kilowatt of billing demand per day or portion of a day, with a minimum of one day, up to \$11.20 per kilowatt of billing demand per week;

**b) Rate T-2, weekly contract:**

\$11.20 per kilowatt of billing demand per week, with a minimum of one week, up to \$33.57 per kilowatt of billing demand per monthly period;

**c) Rate T-3, contract for 30 days or more:**

\$33.57 per kilowatt of billing demand per monthly period, with a minimum of 30 consecutive days.

**Minimum monthly bill 269**

The minimum monthly bill per delivery point, for an annual contract or a short-term contract of a repetitive nature from year to year, is \$6.72 when single-phase electricity is delivered or \$20.19 when polyphase electricity is delivered.

**Billing demand 270**

For the application of Rates T-1, T-2 and T-3, the billing demand per delivery point is, at the option of Hydro-Québec, based on the installed capacity in kilowatts, or determined by metering tests or by an approved type of maximum-demand meter installed by Hydro-Québec.

When the billing demand is based on the installed capacity, it is determined as follows:

- a) if the energy delivered supplies emergency equipment such as fire pumps, surface-water pumps, national defence sirens, and other similar apparatus used only in case of disaster or fortuitous event, the billing demand is equal to 25% of the installed capacity in kilowatts, but cannot be less than one kilowatt;
- b) if the energy delivered supplies any other load, the billing demand is equal to the installed capacity in kilowatts, taking into account Subparagraph c) hereinafter, but in regard to short-term contracts that are not repeated year after year, it cannot be less than one kilowatt for single-phase delivery or four kilowatts for polyphase delivery;
- c) for systems with battery-recharging devices used only in case of outages on Hydro-Québec's electrical system, the power used for the battery rechargers is not taken into account in determining the billing demand.

If there is a maximum-demand meter, the billing demand is equal to the highest maximum power demand since the date of connection, but it cannot be less than the contract power.

## Public Lighting Rates

### Subdivision 1 - General

#### Application

271

This Division covers the rates and conditions for the supply by Hydro-Québec to the federal and provincial governments and municipalities, or to any person duly authorized by them, of electricity for public lighting and, where applicable, other related services.

#### Customer charged for unusual expenditures

272

When Hydro-Québec must incur the unusual expenditures mentioned in Sections 282 and 283, it requires full reimbursement of these expenditures from the customer and may impose any other condition it deems necessary before undertaking the work.

The additional operating and maintenance expenditures are determined in current dollars for a period of 15 years; the present value is calculated at the annual rate of 9.3%.

Reimbursement by the customer of these unusual expenditures gives the customer no right of ownership over the installations for which the unusual expenditures were incurred.

### Subdivision 2 - Rate for General Public Lighting Service

#### Description of service

273

The general public lighting service comprises the supply of electricity for public lighting installations as well as, in some cases, the rental of space on poles of Hydro-Québec's distribution system for the attachment of the customer's luminaires.



For municipalities with luminaires not equipped with individual control equipment, this service also comprises the furnishing and operation of supply and control circuits used solely for the operation of the luminaires. The rate for general public lighting service does not apply to signal lights unless they are connected to public lighting installations whose energy consumption is metered. In cases where it is not metered, the electricity used for the signal lights is subject to the provisions of this Tariff regarding flat rates for general use.

General public lighting service is available only to municipalities, and to the federal and provincial governments.

**Rate** 274  
The rate for general public lighting service is 7.74¢ per kilowatthour for electricity delivered.

**Determination of consumption** 275  
As a rule, the energy consumption is not metered. However, Hydro-Québec may meter the consumption if it deems this necessary.

When it is not metered, the energy consumption is the product of the connected load and 345 hours of monthly utilization.

In the case of tunnels or other facilities that remain lighted 24 hours a day, the energy consumption is the product of the connected load and 720 hours of monthly utilization.

To establish the connected load, Hydro-Québec takes into account the rated power of the bulb and accessories.

**Expenditures for related services** 276  
When Hydro-Québec incurs expenditures for installation, replacement or removal of a luminaire on a pole of its distribution system, or for any other service related to general public lighting service, it requires full reimbursement of those expenditures from the customer.

**Minimum duration of contract** 277  
In cases where the general public lighting service covers only the supply of electricity, the minimum duration of a contract is one month. In other cases, the minimum duration of a contract is one year.

*Subdivision 3 - Rate for Complete Public Lighting Service*

**Description of service** 278  
The complete public lighting service comprises the supply, operation and maintenance of public lighting installations that conform to Hydro-Québec's models and standards, and the supply of electricity to these installations. These installations are mounted on Hydro-Québec's distribution poles or, in the case of distribution lines not along roadways, on poles used exclusively for public lighting.

Only municipalities may obtain installation of new luminaires used for complete public lighting service; Hydro-Québec then installs standard luminaires. However, this Division must never be interpreted as obliging Hydro-Québec to supply this service.

Complete public lighting service for non-standard luminaires is maintained only for installations that date prior to May 1, 1986.

**Minimum duration of contract** 279  
Complete public lighting service is available only under annual contracts. Moreover, a new luminaire must remain in service for at least five years. A customer who asks Hydro-Québec to remove or replace a luminaire before the end of this period must pay the cost of this modification, unless it is occasioned by the malfunctioning of the luminaire.

**Rates for standard luminaires** **280**

The following monthly rates apply for standard luminaires used for complete public lighting service:

- **High-pressure sodium-vapour luminaires**

Rating of luminaire	Rate per luminaire
3,600 lumens	\$16.02
5,000 lumens	\$17.64
8,500 lumens	\$19.20
14,400 lumens	\$20.73
22,000 lumens	\$24.30

- **Mercury-vapour luminaires**

Rating of luminaire	Rate per luminaire
10,000 lumens	\$23.25
20,000 lumens	\$30.54

**Rates for non-standard luminaires** **281**

The following monthly rates apply for non-standard luminaires used for complete public lighting service:

- **Incandescent luminaires with reflector**

Rating of luminaire	Rate per luminaire
1,000 lumens	\$25.29
2,500 lumens	\$29.79
4,000 lumens	\$34.77

- **Incandescent luminaires with reflector and refractor**

Rating of luminaire	Rate per luminaire
2,500 lumens	\$29.79
4,000 lumens	\$34.77
6,000 lumens	\$39.36

- **Mercury-vapour luminaires**

Rating of luminaire	Rate per luminaire
7,000 lumens	\$20.88
50,000 lumens	\$62.49

For types of luminaires not mentioned in Section 280 or in this Section, the rate applied on March 31, 2004 is increased by 1.41 %.

**Poles** **282**

The rates for complete public lighting service apply to installations supplied by overhead circuits that are mounted on wood poles. Any other kind of installation is subject to the provisions of Section 272.

However, a customer holding a contract for complete service who was entitled, on March 31, 2004, to the formula stipulating an additional monthly charge for concrete or metal poles, may retain that formula. The additional monthly charge applied on March 31, 2004 continues to apply.

**Expenditures for installations and related services** **283**

When Hydro-Québec supplies, at the customer's request, special installations or services that are not included in the complete public lighting service, the customer must reimburse the total expenditure so incurred by Hydro-Québec. This expenditure, determined in accordance with Section 272, is payable on request.

Sentinel Lighting Rates

**Application** 284

Sentinel lighting service comprises the supply, operation and energizing of photoelectric-cell luminaires of the Sentinel type. These luminaires are the property of Hydro-Québec and are used to light outdoor areas, but they exclude public lighting.

**Sentinel lighting with poles supplied** 285

When Hydro-Québec installs a pole used exclusively for Sentinel lighting, or when it rents such a pole from a third party, the monthly rates are as follows:

Rating of luminaire	Rate per luminaire
7,000 lumens	\$32.61
20,000 lumens	\$42.96

**Sentinel lighting with no poles supplied** 286

When Hydro-Québec does not supply or rent poles exclusively for Sentinel lighting, the monthly rates are as follows:

Rating of luminaire	Rate per luminaire
7,000 lumens	\$25.62
20,000 lumens	\$36.93

Charges Related to the Supply of Electricity

Application 287

The charges established in this Division are applied in accordance with the provisions of the Bylaw respecting the conditions governing the supply of electricity.

Charges related to the electricity service contract 288

- File administration charges  
An amount of \$20.
- New file charges  
An amount of \$50.
- Cost of establishing service following a request for termination of service  
A minimum amount of \$130.

Charges related to the modes of supplying electricity 289

- Unit amount for a two-winding transformer  
An amount of \$2 per kilovoltampere of installed transforming capacity.

Charges related to the connection to the system 290

- Costs for the permanent connection of the service loop  
An amount of \$200.
- Special service loop costs for autonomous electrical systems  
An amount of \$5,000 for the first 20 kilowatts; the excess, if applicable, is billed at \$250 per kilowatt.

- **Amount allocated for domestic use**  
An amount of \$2,000 for each dwelling unit.
- **Rate of interest applicable to instalment payments**  
1.493% bi-monthly, i.e. 9.3% annually.
- **Annual credit per dwelling unit**  
An amount of \$520 per dwelling unit.
- **Deferral factor**  
A deferral factor of 0.26 over 5 years.
- **Annual credit based on power**  
An amount of \$85 per kilowatt.
- **Annual credit based on energy**  
An amount of \$7.05 per kilowatthour.
- **Amount allocated for non-domestic use**  
An amount of \$325 per kilowatt.
- **Temporary connection costs**  
An amount of \$100.
- **Disconnection costs at the connection point**  
An amount of \$100.
- **Annual rate for calculating the present value of the cost of operations, upkeep of the installations and reinvestment in the equipment**  
An annual rate of 9.3%.
- **Administration charges for work to extend or modify the system and the service loop**  
Administration charges of 30%.

Charges related to the conditions for the sale of electricity

291

- **Rate applicable to deposits**  
  
The rate applied is the rate fixed on April 1 of each year on 1-year guaranteed deposit certificates of the National Bank of Canada.
- **Administration charges applicable to electricity bills**  
  
Administration charges will be applied at the rate indicated in the following table, with reference to the range in which the National Bank of Canada prime lending rate falls on that date.

Reference ranges: National Bank of Canada prime lending rate	Administration charges
% per annum	% per month
7.99 or less	1.2 (15.38%/year)
8 to 9.99	1.4 (18.16%/year)
10 to 11.99	1.6 (20.98%/year)
12 to 13.99	1.7 (22.42%/year)
14 to 15.99	1.9 (25.34%/year)
16 to 17.99	2.1 (28.32%/year)
18 or more	2.2 (29.84%/year)

This rate is revised whenever, for a period of 60 consecutive days, the National Bank of Canada prime lending rate falls above or below the reference range used to establish the administration charges presently applied. The new rate is applied as of the 61st day.

- **Charge for cheques returned by a financial institution because of insufficient funds**  
  
An amount of \$10.
- **Costs of re-establishing service**  
  
A minimum amount of \$50.

**Rate for Visilec Service**

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**Application** **292**

This division describes the rate and conditions that apply to the Visilec service that the Distributor offers to small and medium power General Rates contracts.

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**Description of service** **293**

The service offers a customer, via the Internet, access to the load profiles of one or more of his delivery points, presented in the form of graphs and reports. The load profiles are based on consumption data recorded every 15 minutes. Graphs and reports based on daily consumption data are available from 0800 hours the following day.

The service also offers an estimate of the cost of consumption in progress, access to historical data and consumption costs for a maximum period of 24 months, as well as the possibility of downloading the data in a spreadsheet.

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**Rate** **294**

A monthly amount of \$89 per delivery point.

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**Eligibility provisions** **295**

In order to be eligible, a customer must satisfy the following conditions:

- a) the metering at each delivery point must be done by a networked meter installed by the Distributor. However, this provision may not be interpreted as an obligation on the part of the Distributor to install a networked meter for a customer who does not have one.
- b) a customer must have the appropriate computer equipment and an Internet link.

Conditions of admission296

To subscribe to the Visilec service, the customer must make a written request to the Distributor, specifying each delivery point.

The customer must also sign a written agreement with the Distributor in which he commits to subscribing to the service on a monthly basis for a minimum term of 6 consecutive months. If the customer has to end his commitment before the end of the minimum term of 6 months, he will be obliged to pay the rate for the duration of this initial term.

The service is offered until the customer or the Distributor ends it by written notice at least one consumption period in advance.

Date of admission297

Subject to the signing of a written agreement between the customer and the Distributor, the service is available and becomes subject to the rate effective the month following a period of 10 working days after the signing of the written agreement.

Responsibility298

The Distributor may under no circumstances be held responsible for the accuracy of the data and reports, for the availability of information, or for the decisions a customer may make based on the information provided by the service.

Supplementary Provisions

Subdivision 1 - General

Choice of rate299

Unless otherwise provided for in this Tariff:

- a) Customers eligible for different rates may, at the beginning of their contract, choose the rate they prefer. In the case of an annual contract, the customer may make a written request for a change during the contract;
- b) A change of rate provided for in foregoing Subparagraph a) cannot be made before expiration of one year after a previous change made in accordance with this Section. The change of rate becomes applicable, at the customer's discretion, either at the beginning of the consumption period during which Hydro-Québec receives the customer's written notice, or at the beginning of any subsequent consumption period;
- c) In the case of a new contract and only during the first 12 monthly periods, the customer may once opt for another rate for which he is eligible. The change of rate becomes applicable, at the customer's discretion, either at the beginning of the contract, at the beginning of any one of the consumption periods, or at the beginning of any subsequent consumption period.

To obtain this revision, the customer must make the request in writing to Hydro-Québec before the end of the 14th monthly period following the date of the beginning of the contract.

This provision applies only if the customer's current contract is an annual one.

The provisions of this Section do not apply to the following changes:

- Rate G to Rate M or vice versa;
- Rate M to Rate L or vice versa.

**Discount for supply at medium or high voltage** **300**

When Hydro-Québec supplies electricity at medium or high voltage and the customer utilizes it at this voltage or transforms it at no cost to Hydro-Québec, this customer, and this customer alone, is entitled to a monthly discount in dollars per kilowatt on the monthly demand charge applicable to the contract. The discounts, determined according to the supply voltage, are as follows:

Nominal voltage between phases equal to or greater than	Monthly discount \$/kW
5 kV, but less than 15 kV	\$0.522
15 kV, but less than 50 kV	\$0.837
50 kV, but less than 80 kV	\$1.860
80 kV, but less than 170 kV	\$2.280
170 kV	\$3.051

No discount is granted for short-term contracts with a duration of less than 30 days or on the minimum monthly bill under Rates G and G-9.

**Adjustment for transformation losses** **301**

To take account of transformation losses, the following adjustments apply:

- a) when the metering point of the electricity is at the supply voltage and the supply voltage is 5,000 volts or more, the discounts set forth in Section 300 are increased by 13.77¢;
- b) when the metering point is located on the line side of the Hydro-Québec equipment that transforms electricity from a voltage of 5,000 volts or more to the voltage used by the customer, in accordance with a contract, a monthly discount on the demand charge is granted for the contract. The amount of the discount is 13.77¢.

**Power-factor improvement** **302**

If the customer installs capacitors, synchronous motors or synchronous condensers that reduce the apparent power demand, Hydro-Québec may, upon the customer's request and in regard to the annual contract thereby affected, adjust the minimum billing demand or the contract power accordingly.

This adjustment takes effect as of the first consumption period in which the meter reading indicates a significant improvement in the ratio of the real-power demand to the apparent-power demand, or as of any subsequent consumption period, at the customer's option.

The adjustment is made by reducing the minimum billing demand by the number of kilowatts of billing demand corresponding to the effective improvement of the said ratio, without such reduction involving a decrease in the minimum billing demand based on the real-power demand during the last 12 monthly periods.

This adjustment does not alter the effective 12 monthly periods the customer has to reduce the minimum billing demand or the contract power of a medium-power or large-power contract.

**Conditions for supply of electricity at high voltage** **303**

In cases where Hydro-Québec supplies electricity at high voltage and the conditions of supply have not been specified in another Hydro-Québec Bylaw, such conditions of supply shall be stipulated in a written agreement between Hydro-Québec and the customer.

This Tariff does not oblige Hydro-Québec to grant contracts for contract power greater than 175,000 kilowatts.



### *Subdivision 2 - Restrictions*

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#### **Restrictions concerning short-term contracts 304**

This Tariff does not oblige Hydro-Québec to accept short-term contracts for a power demand of more than 100 kilowatts.

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#### **Adaptation of rates to length of contract 305**

- a) A customer holding an annual small-power or medium-power contract who leaves the premises covered by this contract before having taken delivery of electricity for at least 12 consecutive monthly periods must pay for all the electricity delivered in accordance with the provisions regarding rates for short-term contracts, unless the said customer assumes the financial obligations of the annual contract or another customer immediately enters into a contract covering the same premises.
- b) A customer holding a short-term small-power or medium-power contract which, since the beginning of the contract, is subject to the provisions regarding rates for short-term contracts may, if the contract is extended beyond 12 consecutive monthly periods, obtain from Hydro-Québec the applicable annual rate as of the beginning of the contract, notwithstanding Section 299.

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#### **Available power 306**

The provisions of this Tariff may in no case be interpreted as allowing the customer to exceed the available power stipulated in the contract.

### *Subdivision 3 - Billing Conditions*

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#### **Adjustment of rates to consumption periods 307**

The monthly rates described in this Tariff apply as such when the consumption period is 30 consecutive days.

For consumption periods with a different duration, the monthly rates are adjusted in proportion to the number of days in the consumption period as follows:

- a) by dividing each of the following elements of the monthly rate by 30: the fixed charge, the demand charge, the number of kilowatthours or hours of use included, if applicable, in each part of the rate, the minimum monthly bill, the optimization charge, the discounts provided for in Section 300 and the adjustment provided for in Section 301, as well as any increase in charges provided for under this Tariff;
- and
- b) by multiplying the resultant quantities by the number of days in the consumption period.

### *Subdivision 4 - Provisions Regarding Tariff*

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#### **Amendment of Tariff 308**

The provisions of this Tariff may be amended at any time with the approval of the Régie de l'énergie.

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#### **Abrogation 309**

Hydro-Québec Bylaw No. 663 is abrogated as of the effective date of this Tariff.

**Effective date 310**

This Tariff becomes effective on April 1, 2004. The rates and conditions established herein apply to electricity consumption and services provided as of that date, and afterwards, until they are modified or replaced.

For consumption periods that overlap April 1, 2004, consumption and services shall be billed according to the previous rates and the rates of this Tariff prorated to the number of days in the consumption period prior to April 1, 2004 and to the number of days in the period beginning after this date.

**Contracts entered into before the effective date of this Tariff 311**

Contracts entered into by Hydro-Québec or by one of its subsidiaries before the effective date of this Tariff remain in effect until the contracts expire, but no automatic renewal clause may be invoked unless the parties otherwise agree.

This Tariff, as of its effective date, applies to all contracts which give Hydro-Québec termination or modification rights or which allow the rates and conditions to be changed and approved by the Régie de l'énergie.

When notice must be given before Hydro-Québec can terminate a contract or modify the rate and conditions, this Tariff applies after the notice period has expired.

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Produced by Direction – Communication d'entreprise  
for Direction – Affaires réglementaires et tarifaires

Legal deposit -2nd quarter 2004  
Bibliothèque nationale du Québec  
National Library of Canada

ISBN 2-550-42404-2

*Ce document est également publié en français.*

2004G619A 3M

