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**Revenue Requirement Application**  
**2004/05 and 2005/06**

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**Volume 2**

**Appendix D.**

**Electric Rates Comparison**

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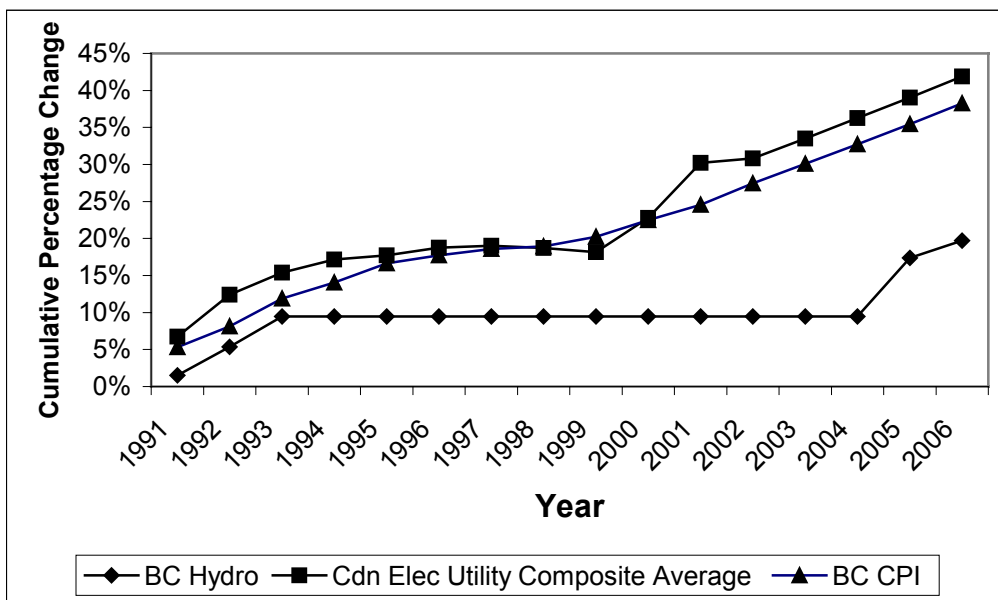
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None.

## 1 Consumer Price Index

2 BC Hydro rate increases are monitored against those of other utilities and against increases  
3 in the Consumer Price Index (CPI).

4 As shown in Figure 1, BC Hydro's rate increases over the past decade have been  
5 substantially below both the BC Consumer Price Index and a composite of twelve major  
6 Canadian utilities. Given inflation over the last ten years, real electricity rates for BC Hydro's  
7 domestic customers have declined by approximately 14 per cent.



8 Source: Canadian electric utility composite average is derived using data from the CEA Canadian electric utility  
9 rate database.

10 **Figure 1. BC Hydro and Canadian Electric Utility Rate Increases: 1991-2006**

## 2 Rates Comparison

As noted in Table 1A, Table 2A, and Table 3A, BC Hydro's residential and commercial rates, inclusive of taxes, are the lowest in North America, while industrial rates, inclusive of taxes, rank second only to those in Winnipeg. The tables also demonstrate that BC Hydro's rates will remain amongst the lowest following approval of this application.

**Table 1A. Comparison of 2003 Residential Rates: Hydro-Quebec Study (May 2003)**

	<b>cents/kWh</b>
New York	30.76
San Francisco	23.60
Boston	18.26
Detroit	14.51
Charlottetown	13.10
Miami	13.02
Houston	12.89
Edmonton	12.84
Chicago	12.47
Halifax	11.20
Regina	10.91
Moncton	10.83
Toronto	10.32
Seattle	10.30
St. John's	9.78
Portland	9.59
Nashville	9.51
Ottawa	9.40
Vancouver: post-increase	7.38
Montreal	6.94
Winnipeg	6.87
Vancouver: pre-increase	6.75
<b>Average</b>	<b>12.56</b>

Notes:

1. Based on 1,000 kWh/month consumption, inclusive of taxes, CAD \$1 = USD \$0.7048.
2. Source: Comparison of Electricity Prices in Major North American Cities. Hydro-Quebec.
3. Rates effective on May 1, 2003.
4. BC Hydro post-increase rate calculated using 9.37% cumulative increase in F2005 and F2006.

1 **Table 1B. Comparison of 2003 Residential Rates: Manitoba Hydro Study (May 2003)**

<b>Cities</b>	<b>750 kWh (\$)</b>	<b>cents/kWh</b>
Grand Prairie AB <i>(Note 1)</i>	\$110.33	14.71
Charlottetown PE	97.11	12.95
Edmonton AB <i>(Note 2)</i>	90.52	12.07
Englehart ON <i>(Note 3)</i>	84.59	11.28
Calgary AB <i>(Note 2)</i>	75.92	10.12
Toronto ON <i>(Note 3)</i>	75.91	10.12
Halifax NS	75.41	10.05
Moncton NB	74.68	9.96
Saskatoon SK	72.82	9.71
Regina SK	72.79	9.70
Kenora ON <i>(Note 2)</i>	68.93	9.19
St. John's NF	67.91	9.05
St. John NB	67.49	9.00
Medicine Hat AB	60.04	8.00
Montreal PQ	47.25	6.30
Vancouver BC	46.73	6.23
<b>Winnipeg MB</b>	<b>46.04</b>	<b>6.14</b>

2 Notes:

- 3 1. Average aggregated Flow Through price. Includes a 2000 Pool Rider.  
 4 2. Regulated Rate Option. Includes a 2000 Pool Rider.  
 5 3. Standard Service Supply fixed reference price of 4.3 cents / kWh. Includes a Debt Retirement  
 6 Charge.  
 7 4. All taxes excluded.  
 8 5. Source: Survey of Canadian Electricity Bills Effective May 1, 2003, Manitoba Hydro.

1 **Table 2A. Comparison of 2003 Commercial Rates: Hydro-Quebec Study (May 2003)**

	<b>cents/kWh</b>
San Francisco	28.72
New York	27.81
Boston	17.27
Detroit	13.83
Charlottetown	11.62
Chicago	11.45
Miami	11.10
Toronto	10.66
Houston	10.59
Edmonton	10.16
Halifax	9.70
Moncton	9.61
Nashville	9.19
Regina	8.92
Seattle	8.25
Ottawa	7.84
St. John's	7.23
Montreal	7.01
Portland	6.52
Vancouver: post-increase	5.71
Winnipeg	5.28
Vancouver: pre-increase	5.22
<b>Average</b>	<b>11.33</b>

2 **Notes:**

- 3 1. Based on 400,000 kWh per month, 1,000 kW peak demand, 56% load factor, Inclusive of taxes,  
 4 CAD \$1 = USD \$0.7048.  
 5 2. Source: Comparison of Electricity Prices in Major North American Cities. Hydro-Quebec.  
 6 3. Rates effective on May 1, 2003.  
 7 4. BC Hydro post-increase rate calculated using 9.37% cumulative increase in F2005 and F2006.

1 **Table 2B. Comparison of 2003 Commercial Rates: Manitoba Hydro Study (May 2003)**

	<b>1,000 kW (1,111 kVA) 400,000 kWh (\$)</b>	<b>cents/kWh</b>
Grande Prairie AB <i>(Note 1)</i>	\$41,203	10.30
Calgary AB <i>(Note 2)</i>	35,286	8.82
Toronto ON <i>(Note 3)</i>	35,114	8.78
Englehart ON <i>(Note 4)</i>	33,389	8.35
Charlottetown PE	30,660	7.66
Regina SK	27,745	6.94
Saskatoon SK	27,733	6.93
Halifax NS	26,435	6.61
Moncton NB	25,028	6.26
St. John's NF <i>(Note 5)</i>	24,720	6.18
Montreal PQ	23,444	5.86
St. John's NB	22,401	5.60
Medicine Hat AB	20,139	5.03
Vancouver BC	18,529	4.63
Winnipeg MB	15,916	3.98

2 **Notes:**

- 3 1. Average aggregated Flow Through price. Includes a 2000 Pool Rider.
- 4 2. 12 month average Pool Price.
- 5 3. Average Spot Market prices from May 1, 2002 to April 30, 2003 less Market Power Mitigation
- 6 Rebate. Includes a Debt Retirement Charge.
- 7 4. Standard Service Supply fixed reference price of 4.3 cents / kWh. Includes a Debt Retirement
- 8 Charge. Does not include charges for distribution rate. Charges are being deferred until rate is
- 9 approved.
- 10 5. Summer / Winter average bill.
- 11 6. Customer-Owned Transformation, Service at Distribution Voltage less than 30 kV, 90% Power
- 12 Factor. All taxes excluded.
- 13 7. Source: Survey of Canadian Electricity Bills Effective May 1, 2003, Manitoba Hydro.

1 **Table 3A. Comparison of 2003 Industrial Rates: Hydro-Quebec Study (May 2003)**

	<b>cents/kWh</b>
New York	23.46
San Francisco	23.12
Boston	14.25
Toronto	9.42
Miami	8.53
Seattle	8.24
Edmonton	7.65
Detroit	7.54
Chicago	7.53
Ottawa	7.26
Charlottetown	7.05
Halifax	6.58
Houston	6.29
Nashville	6.23
Moncton	5.83
Portland	5.49
Regina	5.38
Montreal	4.40
St. John's	4.36
Vancouver: post-increase	4.20
Vancouver: pre-increase	3.84
Winnipeg	3.36
<b>Average</b>	<b>8.37</b>

2 **Notes:**

- 3 1. 30,600,000 kWh per month, 50,000 kW peak demand, 85% load factor. Inclusive of taxes,  
 4 CAD \$1 = USD \$0.7048.  
 5 2. Source: Comparison of Electricity Prices in Major North American Cities. Hydro-Quebec.  
 6 3. Rates effective on May 1, 2003.  
 7 4. BC Hydro post-increase rate calculated using 9.37% cumulative increase in F2005 and F2006.

1 **Table 3B. Comparison of 2003 Industrial Rates: Manitoba Hydro Study (May 2003)**

	<b>50,000 kW/ kVA 31,000,000 kWh (\$)</b>	<b>cents/kWh</b>
Grande Prairie AB <i>(Note 1)</i>	\$2,970,219	9.58
Toronto ON <i>(Note 2)</i>	2,350,721	7.58
Charlottetown PE	2,033,500	6.56
Englehart ON <i>(Note 3)</i>	1,924,700	6.21
Halifax NS	1,577,900	5.09
Moncton NB	1,564,000	5.05
Regina SK	1,332,935	4.30
Montreal PQ	1,181,450	3.81
Wabush NF	1,170,910	3.78
Vancouver BC	1,026,240	3.31
Winnipeg MB	899,800	2.90

2 **Notes:**

- 3 1. Average aggregated Flow Through price. Includes a 2000 Pool Rider.
- 4 2. Average Spot Market prices from May 1, 2002 to April 30, 2003 less Market Power Mitigation
- 5 Rebate. Includes a Debt Retirement Charge.
- 6 3. Standard Service Supply fixed reference price of 4.3 cents / kWh. Includes a Debt Retirement
- 7 Charge. Does not include charges for distribution rate. Charges are being deferred until rate is
- 8 approved.
- 9 4. Customer-Owned Transformation, Service at Transmission Voltage exceeding 100kV, 100%
- 10 Power Factor. All taxes excluded.
- 11 5. Source: Survey of Canadian Electricity Bills Effective May 1, 2003, Manitoba Hydro.