

Comparison of BC Hydro's Distributed Generation Offers

**Draft for
feedback**

ISSUE	Net Metering – RS 1289 (proposed up to 100 kW)	Existing SOP (50 kW to 15 MW)	Proposed Micro-SOP (100 kW to 1 MW)
Application Process	2-page application form	27 pages of rules 23-page application	Simplify SOP application process; reduce amount of information required
Electricity Purchase Agreement (EPA)	None	68-page EPA (including appendices)	Simplified EPA of about 20 pages (with few appendices)
Contract Term	NA – customer can discontinue participation at any time	20 to 40 years	Consider a more flexible term of 5 to 20 years
Base Price	Price is periodically set at a fixed level based on the SOP price	Regional pricing, however BC Hydro is engaging on and evaluating the potential for a single price	Proposing a single price
Price Escalation	No escalation	50% of base price is escalated at CPI after signing of EPA	Same as SOP, but may allow developer a 100% escalation option (with lower price)
Delivery Requirements	Non-firm with no delivery requirements	Non-firm with no delivery requirements. COD must be within 3 years of EPA signing. If proponent doesn't deliver for 2 consecutive years, can terminate EPA.	Same as SOP
Technical Interconnection Requirements	Simplified - prescribed in Net Metering Interconnection Requirements (NMIR)	Use Distribution Interconnection Requirements for Power Generators 35 kV and Below	Will follow Distribution Interconnection Requirements, with some modifications for projects under 1 MW
Interconnection Studies	Engineering review and multiple screening tests may be required for more complex projects	Optional \$5,000 Screening Study followed by required interconnections study	Mandatory Screening Study. Where further studies are required (10% of offers), a reduced-scope interconnection study will be used
Network Upgrades	NU costs are typically minimal; for projects > 50 kW, system upgrade costs will be recovered from customer	BC Hydro is responsible for all upgrade costs up to a cap of \$150/kW installed capacity; developer provides security for NU costs	Similar to SOP, with BC Hydro paying for all upgrade costs up to a cap of \$150/kW and developer providing security for such costs

ISSUE	Net Metering – RS 1289 (proposed up to 100 kW)	Existing SOP (50 kW to 15 MW)	Proposed Micro-SOP (100 kW to 1 MW)
Metering	Most customers now have Smart Meters	IPP pays for installation of meter (\$25,000) and transformers plus monthly fee (\$250) for meter lease, telecom and e-metering	Use Smart Meters as revenue meters; developer pays one-time installation fee of \$3,000 with no monthly fees
Load vs. Generation	Customers must offset their load. Customer receives payment for generation in excess of load	Customer-owned generation that receives load displacement or DSM funding is not eligible for SOP.	Require customers to offset their load prior to selling any excess electricity to BC Hydro.
Regulatory	RS 1289 is subject to BCUC approval	Exempt per <i>Clean Energy Act</i>	Exempt per <i>Clean Energy Act</i>