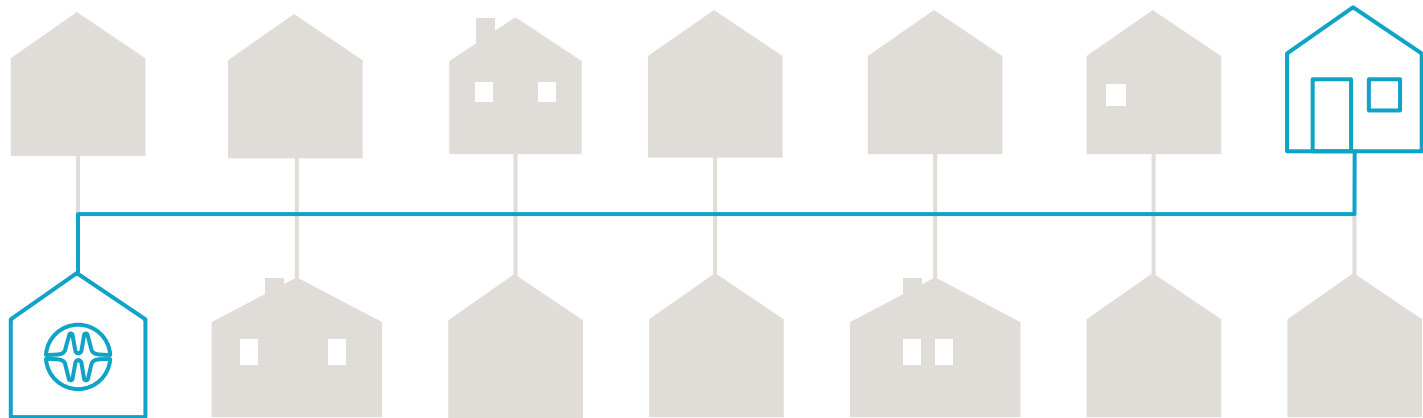


BC Hydro Net Metering Program Webinar Presentation



March 18, 2019

Purpose of Webinar

1. Provide an overview of the current Net Metering program
2. Identify and review proposed changes to the Net Metering program
3. Seek your input on proposed changes to inform BC Hydro's April 30, 2019 application
4. Explain next steps including a follow-up survey

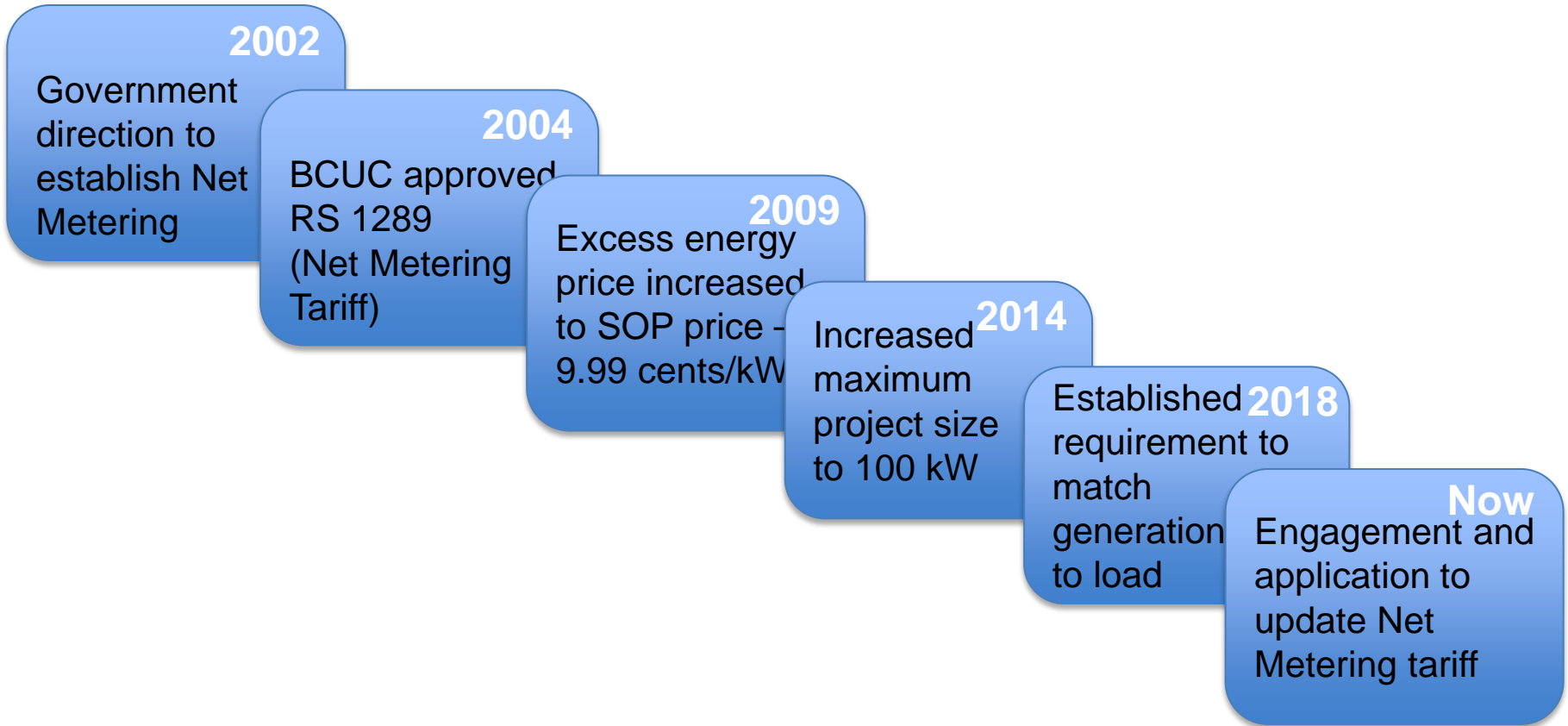
Net Metering Program Background

Net Metering Program Objectives

The intent of the Net Metering program was to be a load offset program that:

- allows customers to generate their own electricity to reduce their supply from BC Hydro;
- provides a safe process to connect to BC Hydro's system;
- is fair to participating and non-participating customers; and
- offers an accessible and streamlined process for participation.

Evolution of Net Metering Program



Net Metering by the Numbers

As of March 1, 2019

1,851 customers

13 MW installed capacity

1,817 solar PV (98%)

16 Hydro

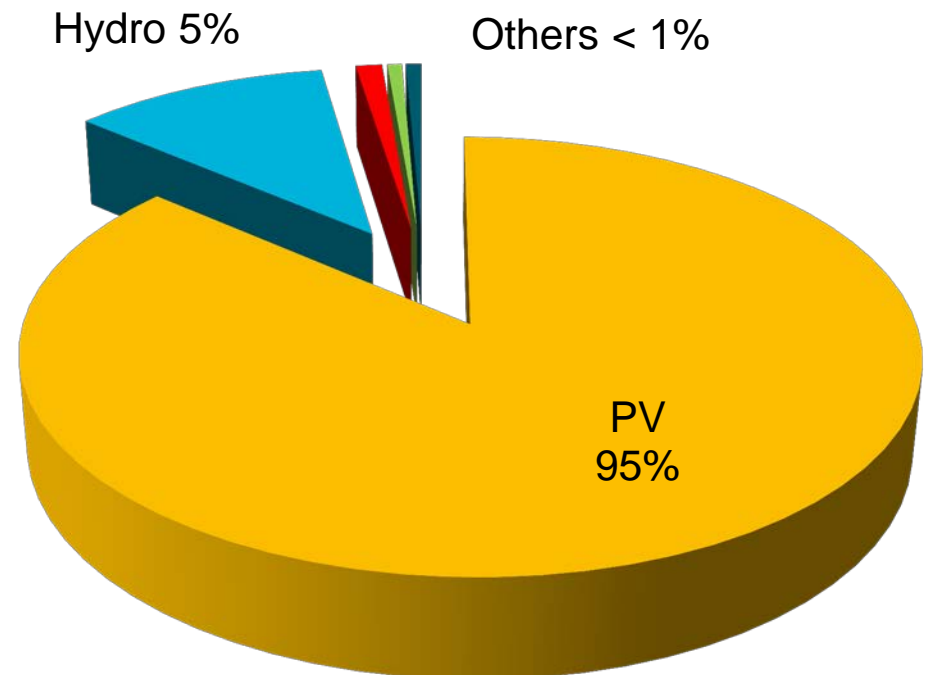
9 Wind

6 Wind & PV

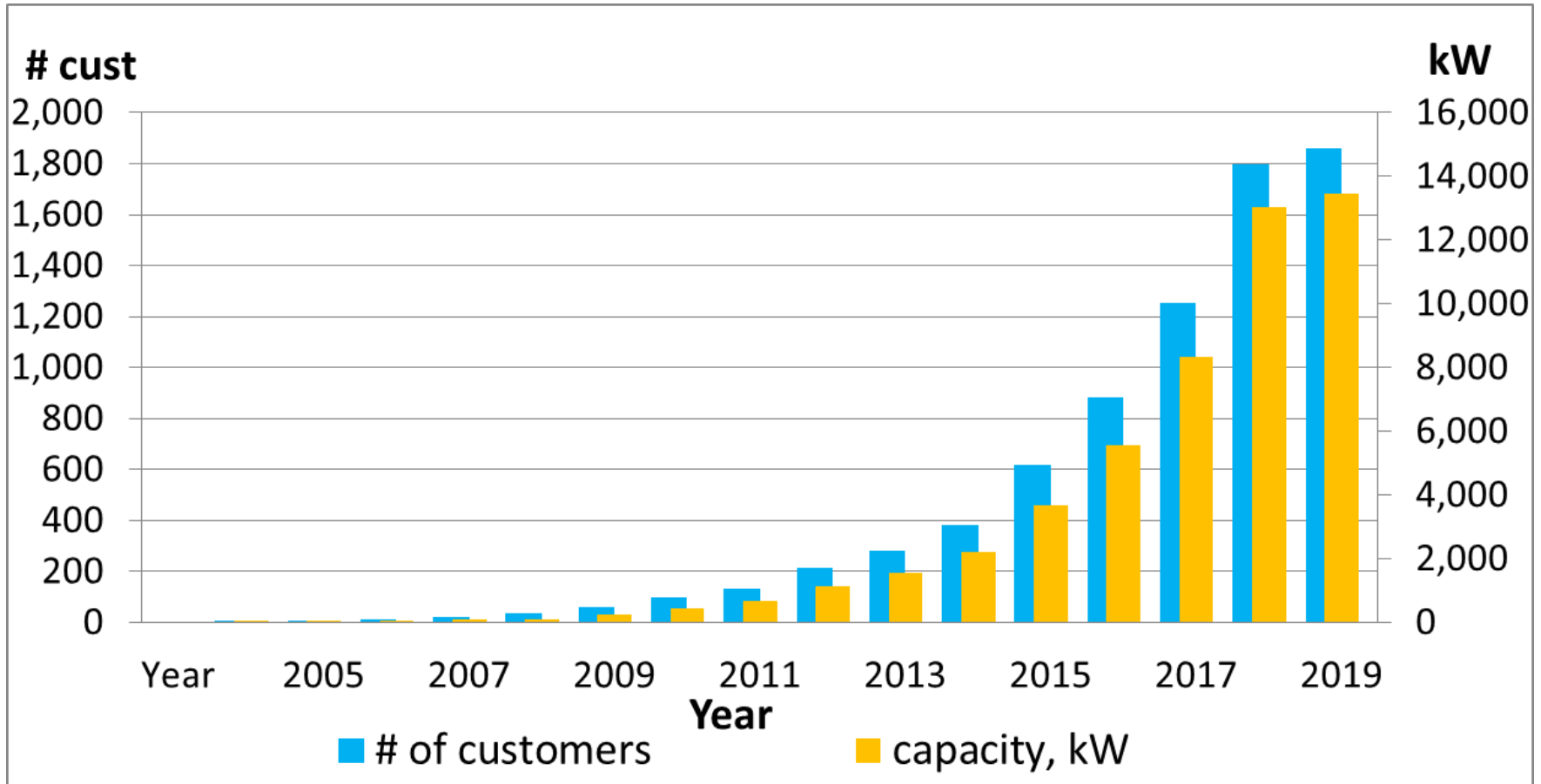
1 Biogas

2 Hydro & PV

By Installed Capacity



Net Metering Program Growth



as of March 1, 2019

Annual Payment for Excess Energy

Based on stats in F2018

Out of **1,300** Net Metering customers, BC Hydro purchased 3.2 GWh of energy from **250** customers (~19%).



Total annual payout was ~\$324K.

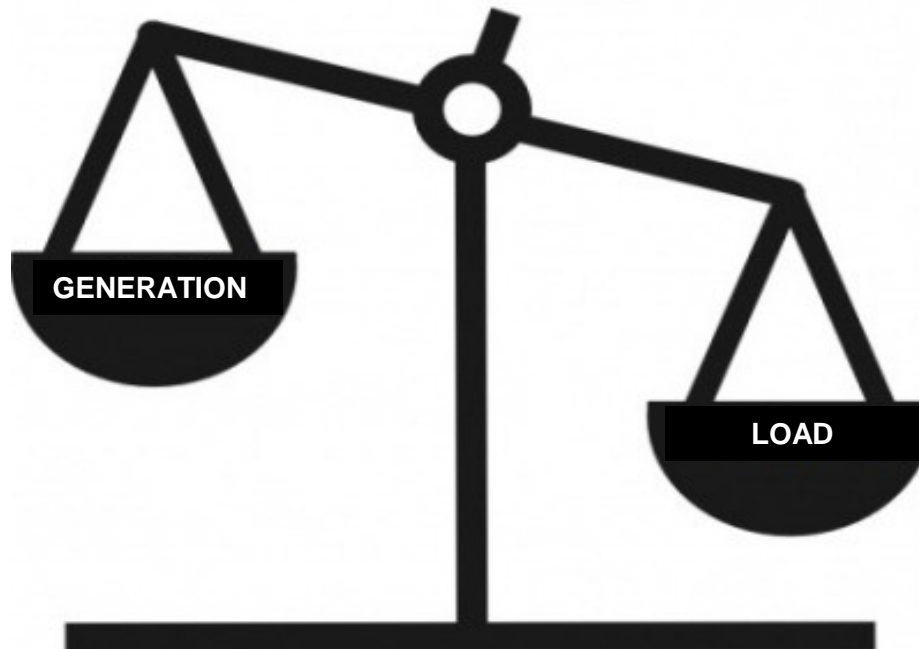
Out of **250** customers, **five** customers represented 2.4 GWh (~0.4% of total **1,300**)



Five customers were paid ~\$244K or 75% of the total annual payout.

April 2018 Interim Changes

- Require customers to size their generation to match their load requirements
- Aligns with the intent of providing an opportunity for customers to offset their own load



Post April 2018 Regulatory Activities

- **June 1, 2018** - BCUC approved these amendments on an interim basis with direction to file our application by **December 15, 2018**.
- **October 10, 2018** - BC Hydro applied to the BCUC for an extension until **July 31, 2019**.
- **January 7, 2019** - BCUC directed BC Hydro to file its application by **April 30, 2019**.

Proposed Scope of Application

1. Examine payout price for excess energy
2. Explore oversized generation solution
3. Consider various payment terms
4. Review grandfathering provisions

Objectives of the Proposed Changes

- Maintain the Net Meeting program as a load offset program
- Provide customers with increased opportunities to offset their load
- Review the price for excess energy to reflect the regional wholesale electricity market
- Update the tariff to reflect existing program practices
- Improve fairness between participating and non-participating customers

Topic 1: Excess Energy Price

Price for excess energy should reflect its value to BC Hydro's system

Options for consideration:

1. Revise the price for excess energy to reflect the price BC Hydro could sell the electricity for on the regional wholesale market, or
2. Allow customers to bank their credits for 5 year period, after which credits expire.

Topic 2: Interim Solution to Address Oversized Generation

Interim solution to limit excess generation had some unintended consequences

Options for consideration:

1. Keep interim solution with greater flexibility, or
2. No load-to-generation ratio (dependent on other program changes)

Topic 3A: Revise Payment Terms – Anniversary Date

Allowing customers to choose their anniversary date could provide increased opportunities to offset consumption

Options for consideration:

1. Set common anniversary date for all customers (e.g. March 1st); or
2. Allow customers to choose their anniversary date one time.

Topic 3B: Revise Payment Terms – True-up Period

Modifications to the true-up period could provide customers with increased opportunities to offset their consumption

Options for consideration:

1. Retain current 12 months true-up period; or
2. Extend true-up period from current 12 months to 24 months or longer

Topic 4: Grandfathering

The proposed changes discussed in topics 1-3 may have different impacts depending on customer type

Option for consideration:

- Grandfather existing customers for a period up to 5 years and commit to review the grandfathering provision after the selected term expires.

Next Steps

March 18, 2019

- Webinar for customers and interested parties
- Survey on proposed changes available

April 2, 2019

- Deadline to complete Net Metering survey

April 30, 2019

- Application filed with BCUC (with consideration of feedback from webinar/survey participants)
- BCUC directed process to follow