

Chris Sandve

Chief Regulatory Officer

Phone: 604-623-3918

Fax: 604-623-4407

bchydroregulatorygroup@bchydro.com

May 7, 2021

Mr. Patrick Wruck
Commission Secretary and Manager
Regulatory Support
British Columbia Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC V6Z 2N3

Dear Mr. Wruck:

**RE: British Columbia Utilities Commission (BCUC or Commission)
British Columbia Hydro and Power Authority (BC Hydro)
Rate Schedule (RS) 1893 – Transmission Service Incremental Energy Rate
Alternative Baselines Application (2021) (the Application)**

BC Hydro writes to the BCUC to apply for approval, pursuant to sections 58 to 61 of the *Utilities Commission Act*, of alternative High Load Hour (**HLH**) Baselines, Low Load Hour (**LLH**) Baselines and Monthly Reference Demands (collectively, **RS 1893 Baselines**) for six Customer sites that have elected to participate in Rate Schedule (**RS**) 1893 – Transmission Service Incremental Energy Rate (**IER**) Pilot for the Billing Year commencing April 1, 2021. The IER Pilot was approved pursuant to BCUC Order No. G-256-20, effective January 1, 2020, and it is currently available until March 31, 2024.

The alternative RS 1893 Baselines for the six specified Customer sites for which BC Hydro seeks approval are contained in Appendix C of the Application. Five of the Customer sites are served under RS 1823 – Transmission Service Stepped Rate, and one Customer site is served under RS 1828 Transmission Service – Biomass Energy Program.

BC Hydro acknowledges the delay in filing these alternative RS 1893 Baselines with the BCUC for approval. This delay was due to the time required for BC Hydro to complete an Engineering Review and tariff assessment of the alternative RS 1893 Baselines for all of the Customer sites consistent with section 6.0 of Tariff Supplement No. 74 (**TS 74**).

BC Hydro respectfully requests that the BCUC grant approval of the alternative RS 1893 Baselines by Wednesday, June 2, 2021. BC Hydro will bill these specific Customer sites using the agreed-to alternative RS 1893 Baselines on an interim basis and will continue to bill these Customers on an interim basis, pending BCUC's review of the alternative RS 1893 Baselines.

BC Hydro has included comprehensive information with the Application to facilitate the BCUC's review process and timely approval. The Application includes the following appendices:

- **Appendix A** contains the draft BCUC Order;
- **Appendix B** contains a copy of RS 1893;
- **Appendix C** contains the following information for each of the six Customer sites for which BC Hydro is requesting approval of alternative RS 1893 Baselines:
 - ▶ A copy of BC Hydro's letter to explain how the alternative RS 1893 Baselines proposed were determined for each customer site; and includes
 - ▶ A copy of the RS 1893 Baseline Statement, signed by the Customer to confirm their agreement with the alternative RS 1893 Baselines proposed for them.

Appendix C contains confidential customer information and is filed on a confidential basis with the BCUC only. A public version of the Application is filed under separate cover.

1 Background

In accordance with Special Condition 3b(ii) of RS 1893, a total of 16¹ eligible transmission service Customer sites provided written notice to BC Hydro and have met the RS 1893 criteria to participate in the IER Pilot for the Billing Year starting April 1, 2021 and ending March 31, 2022. BC Hydro confirms that all participating Customers have satisfied the eligibility criteria set out in Special Conditions 3 and 7 of RS 1893.

For each Customer site, the RS 1893 Baselines were initially determined using electricity consumption for BC Hydro's fiscal year 2019 (April 1, 2018 to March 31, 2019) in accordance with RS 1893.

Subsequently, in accordance with Special Condition 8 of RS 1893, BC Hydro and the six specified Customer sites identified in the Application agreed that the RS 1893 Baselines determined using unadjusted fiscal 2019 electricity consumption are not representative of their normal expected electricity consumption. BC Hydro and the six Customer sites have therefore agreed to alternative RS 1893 Baselines, which are filed with the BCUC for approval in the Application.

Although the details of each Customer's alternative RS 1893 Baselines are confidential, BC Hydro has summarized below the baseline adjustment and determination process that was applied in accordance with RS 1893 and TS 74.

¹ One customer site has since rescinded their notice of intent to participate as the site is undergoing a substation rebuild.

2 Relevant RS 1893 Provisions

A complete copy of the approved RS 1893 is provided in Appendix B. The relevant RS 1893 provisions used in determining the Customer's alternative RS 1893 Baselines are provided below for convenience:

Definitions

3. HLH Baseline

"The Customer's average hourly energy consumption under Rate Schedule 1823 or Rate Schedule 1828, as applicable, during HLH for each calendar month of the BC Hydro fiscal year commencing April 1, 2018 and ending March 31, 2019 (fiscal 2019), or other period as determined in accordance with Special Condition 7, 8 and/or 9. For greater certainty, the HLH Baseline will represent the historical electricity consumption in HLH for the calendar month divided by the total number of HLH in that month."

8. LLH Baseline

"The Customer's average hourly energy consumption under Rate Schedule 1823 or Rate Schedule 1828 (as applicable) during LLH for each calendar month of the BC Hydro fiscal year commencing April 1, 2018 and ending March 31, 2019 (Fiscal 2019), or other period as determined in accordance with Special Condition 7, 8 and/or 9. For greater certainty, the LLH Baseline for each calendar month will represent the historical electricity consumption in LLH for the calendar month divided by the total number of LLH in that month."

12. Monthly Reference Demand

"The Monthly Reference Demand will be the actual Billing Demand (in kVA) during each Billing Period of Fiscal 2019, or other period as determined in accordance with Special Condition 7, 8 and/or 9, and which is used to determine the Customer's HLH and LLH Baselines."

Special Conditions

- Special Condition 7 of RS 1893 provides that, for customers that have been transferred to service under Rate Schedule 1828, the customer can apply for adjustments to their HLH and LLH Baseline and Monthly Reference Demand to reflect their expected Rate Schedule 1828 Electricity usage.
- Special Condition 8 of RS 1893 provides that, if BC Hydro and the Customer agree that the RS 1893 Baselines are not representative of the Customer's normal

expected electricity usage, and the parties agree to alternative RS 1893 Baselines, BC Hydro will file the alternative RS 1893 Baselines with the BCUC for approval.

- Special Condition 9 of RS 1893 provides that BC Hydro will file with the BCUC any adjustments to the RS 1893 Baselines that are requested by customers and which BC Hydro has determined are consistent with the principles and criteria set out in TS 74.
- Special Condition 10 of RS 1893 provides that, subject to direction from the BCUC, BC Hydro will use the RS 1893 Baselines filed in accordance with Special Condition 8 and/or 9 for the purposes of applying RS 1893 and RS 1823 or RS 1828, as applicable.

3 Summary of Alternative RS 1893 Baselines

In accordance with Special Condition 8 of RS 1893, the five RS 1823 Customer sites and one RS 1828 Customer site have reached agreement with BC Hydro on alternative RS 1893 Baselines as described below. The six Customer sites have been informed that the agreed-to alternative RS 1893 Baselines remain subject to BCUC approval.

The following summarizes the nature and rationale of the adjustments agreed to by BC Hydro and the Customer. Specific details of the adjustments are filed on a confidential basis in Appendix C. These adjustments have been incorporated into the agreed-to alternative RS 1893 Baselines.

(a) Catalyst Paper Corp. – Crofton site

Catalyst Crofton's original RS 1893 Baselines were determined using fiscal 2019 electricity consumption, adjusted to reflect the impact of verified CBL-related events. Catalyst subsequently requested that new RS 1893 Baselines be determined using fiscal 2021 electricity consumption.² Crofton now has a full 365 days of post-COVID electricity consumption data for fiscal 2021 (being the period April 1, 2020 to March 31, 2021).

In accordance with Special Condition 8 of RS 1893, BC Hydro and Catalyst agreed that its RS 1893 Baselines should be adjusted to reflect expected normal site operations. The Crofton site had various periods of abnormal operations in fiscal 2021 that had a direct impact on site mill load. Accordingly, Catalyst requested that adjustments be made to its RS 1893 HLH and LLH Baselines for fiscal 2021 that correspond to the Energy CBL adjustment requests made under TS 74.

² In May 2020, Catalyst applied to the Commission for interim adjustments to its RS 1893 Baselines for fiscal 2021 for Crofton using a single month of post-COVID electricity consumption (April 2020) to set adjusted RS 1893 Baselines. This request was not approved by the BCUC. See BCUC Order No. G-315-20.

Specifically, Catalyst provided BC Hydro with engineering information to verify the impact of three events of Non-Recurring Downtime due to COVID-19 as a result of weak paper markets. BC Hydro performed an Engineering Review of the submitted data and agrees that the information and assumptions provided are reasonable. Please refer to BC Hydro's letter in Appendix C for details of each event and the results of BC Hydro's Engineering Review. The agreed-to adjustments are shown in the Customer's signed RS 1893 Baselines Statement.

(b) Catalyst Paper Corp. – Port Alberni site

Catalyst Port Alberni's original RS 1893 Baselines were determined using fiscal 2019 electricity consumption, adjusted to reflect the impact of verified CBL-related events.

Catalyst requested that new RS 1893 Baselines be determined using fiscal 2021 electricity consumption,³ with adjustments to the RS 1893 HLH and LLH Baselines that correspond to the Energy CBL adjustment requests made under TS 74. Port Alberni now has a full 365 days of post-COVID electricity consumption data for fiscal 2021 (being the period April 1, 2020 to March 31, 2021).

The Port Alberni site had various periods of abnormal operations in fiscal 2021 that had a direct impact on site mill load. The impact of these events was reviewed and accepted by BC Hydro in accordance with TS 74. In accordance with Special Conditions 8 and 9 of RS 1893, BC Hydro and Catalyst agree that its RS 1893 Baselines should be adjusted to incorporate the adjustments made for these events so as to reflect expected normal site operations.

Specifically, Catalyst provided BC Hydro with engineering information to verify the impact of three events of Non-Recurring Downtime due to COVID-19 as a result of weak paper markets. BC Hydro performed an Engineering Review of the submitted data and agrees that the information and assumptions provided are reasonable. Please refer to BC Hydro's letter in Appendix C for details of each event and the results of BC Hydro's Engineering Review. The agreed-to adjustments are shown in the Customer's signed RS 1893 Baselines Statement.

(c) Catalyst Paper Corp. - Powell River site

Catalyst Powell River's original RS 1893 Baselines were determined using fiscal 2019 electricity consumption, adjusted to reflect the impact of verified CBL-related events.

³ In May 2020, Catalyst applied to the Commission for interim adjustments to its RS 1893 Baselines for Port Alberni for F2021 using a single month of post-COVID electricity consumption (April 2020) to set adjusted RS 1893 Baselines. This request was not approved by the BCUC. See BCUC Order No. G-315-20.

Catalyst has now requested that new RS 1893 Baselines be determined using fiscal 2021 electricity consumption with adjustments to the RS 1893 HLH and LLH Baselines that correspond to the Energy CBL adjustment requests made under TS 74. Powell River has a full 365 days of post-COVID electricity consumption data for fiscal 2021 (being the period April 1, 2020 to March 31, 2021).

The Powell River site had various periods of abnormal operations in fiscal 2021 that had a direct impact on site mill load. Due to fibre shortages and the COVID-19 pandemic, the site was temporarily shut down in April 2020. After 120 consecutive days, BC Hydro transferred the site to service under RS 1823A effective August 2020 in accordance with sections 4.1.11 and 4.6.2 of TS 74.

In accordance with section 4.4.1.5 of TS 74, the Final F2021 Energy CBL for Powell River incorporates verified events of Non-recurring Downtime that impacted the site prior to the transfer to RS 1823A. The impact of these Non-recurring Downtime events was reviewed and accepted by BC Hydro.

In accordance with Special Conditions 8 and 9 of RS 1893, BC Hydro and Catalyst have agreed that its RS 1893 Baselines should be adjusted to reflect expected normal site operations and to incorporate these verified adjustments.

BC Hydro performed an Engineering Review of the submitted data and agrees that the information and assumptions provided are reasonable. Please refer to BC Hydro's letter in Appendix C for details of each event and the results of BC Hydro's Engineering Review. The agreed-to adjustments are shown in the Customer's signed RS 1893 Baselines Statement.

(d) Copper Mountain Mine (BC) – Princeton site

Copper Mountain informed BC Hydro that, effective June 1, 2021, its Ingerbelle site will be shutdown to allow for site improvements. Electricity service to the Ingerbelle site will be disconnected and load associated with the pumping of fresh water will be transferred from the Ingerbelle site to its Princeton site. Accordingly, Copper Mountain has requested an adjustment to the RS 1893 Baselines for the Princeton site to include pumping load transferred from its Ingerbelle site.

In accordance with Special Conditions 8 and 9 of RS 1893, BC Hydro and Copper Mountain have agreed that its RS 1893 Baselines should be adjusted (increased) to reflect the impact of the additional load as follows:

- The proposed RS 1893 Baseline adjustments are to reflect the impact of the fresh water pumping load transferred from its Ingerbelle site effective June 1, 2021;
- BC Hydro notes that this adjustment will only apply to the RS 1893 HLH and LLH Energy Baselines for the June 2021 through March 2022 Billing Periods; and

- For completeness, BC Hydro has also included proposed adjustments to Copper Mountain's HLH and LLH Energy Baselines for the Billing Periods of April and May. If approved by the BCUC, these baselines would apply to any future period for which Copper Mountain might request RS 1893 service (e.g., fiscal 2023).

The energy consumption impact for the Ingerbelle site pumping load has been reviewed and verified via BC Hydro Engineering Review using hourly metering and billing data.

Please refer to BC Hydro's letter in Appendix C for details of the proposed adjustments. The agreed-to adjustments are shown in the Customer's signed RS 1893 Baselines Statement.

(e) West Fraser Mills Ltd. – Westpine MDF site

Westpine MDF's RS 1893 Baselines were determined using fiscal 2019 electricity consumption in accordance with RS 1893. Westpine MDF has not previously participated in RS 1893. No adjustments were previously requested or made.

Westpine MDF requested an adjustment to its RS 1893 Baselines to consider the impact of three Demand Side Management (**DSM**) projects which were installed/commissioned in the months of July 2019, November 2019 and February 2020.

The energy consumption impact of these DSM projects was reviewed and verified by BC Hydro and incorporated into the Customer's Final F2020 and Interim F2021 Customer Baseline Load (**CBL**) determination in accordance with section 6.1.4 of TS 74.

In accordance with Special Conditions 8 and 9 of RS 1893, BC Hydro and Westpine MDF have agreed that its RS 1893 Baselines should be adjusted (decreased) to remove the impact of these DSM projects from its RS 1893 Energy Baselines, consistent with the principles and criteria set out in TS 74.

BC Hydro performed an Engineering Review of the submitted DSM project data and agrees that the information and assumptions provided are reasonable. Please refer to BC Hydro's letter in Appendix C for details of each event and the results of BC Hydro's Engineering Review. The agreed-to adjustments are shown in the Customer's signed RS 1893 Baselines Statement.

(f) Howe Sound Pulp and Paper Corp. – Port Mellon Pulp Mill site

RS 1828 (Biomass Energy Program) was approved pursuant to BCUC Order No. G-87-19 dated April 24, 2019. Howe Sound entered into a new Electricity Purchase Agreement (**EPA**) under the Biomass Energy Program for its Co-generation facility

effective February 1, 2021. Howe Sound was transferred to service under RS 1828 effective November 12, 2020.⁴

Under the new EPA, there is a material change in the treatment of self-generated energy and the determination of site electricity purchases using an hourly billing formula. Accordingly, Howe Sound's electricity purchases from fiscal 2019 are not reflective of current and future site electricity purchases under RS 1828.

In accordance with Special Condition 7 of RS 1893, Customers who have been transferred to service under RS 1828 can apply for adjustments to their RS 1893 Baselines where there is insufficient history of RS 1828 electricity purchases to determine expected future usage.

In accordance with Special Condition 8 of RS 1893, BC Hydro and Howe Sound have agreed that its RS 1893 Baselines should be adjusted to reflect expected normal site operations under RS 1828 consistent with the terms of its new EPA.

Howe Sound and BC Hydro reviewed prior years of site operating data and agreed that the annual period of April 1, 2020 to March 31, 2021 is representative of expected normal site operations.

Howe Sound applied the terms and billing formulas of its new EPA to hourly data from this period to determine expected RS 1828 electricity consumption for fiscal 2022. BC Hydro reviewed the Customer's billing model and agrees that the operating assumptions and billing formulas used are reasonable.

BC Hydro also reviewed Howe Sound's invoices for the Billing Periods of February and March 2021 to validate how the site is billed for electricity under RS 1828 with the new EPA in place.

Please refer to BC Hydro's letter in Appendix C for details of this determination. The agreed-to adjustments are shown in the Customer's signed RS 1893 Baselines Statement.

4 Request for Confidentiality of Customer Information

In accordance with section 18 of the BCUC's Rules of Practice and Procedure (attached to Order No. G-1-16), BC Hydro requests that the BCUC treat Appendix C as confidential.

Appendix C of this application provides the Customers' unadjusted RS 1893 Baselines and alternative RS 1893 Baselines for which BC Hydro is requesting approval. The

⁴ This transfer arose from the extension of Howe Sound's EPA under the Biomass Energy Program.

May 7, 2021
Mr. Patrick Wruck
Commission Secretary and Manager
Regulatory Support
British Columbia Utilities Commission
Rate Schedule (RS) 1893 – Transmission Service Incremental Energy Rate
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letters also contain confidential information about the Customers' operations and electricity consumption data that form the basis for adjustment.

Customers consider this information to be commercially sensitive and confidential because competitors could use it to estimate the Customers' production levels, cost of production and efficiency. BC Hydro consistently treats this Customer information as confidential.

The public version of the Application does not include redacted versions of Appendix C, because section [3](#) above provides non-confidential summaries of the confidential information.

Copies of the Application are being distributed to the Customers for whom BC Hydro is applying for approval of adjusted RS 1893 Baselines, but each Customer will be provided with only the information in Appendix C that relates to their account and not the information that relates to other Customer accounts.

For further information, please contact Anthea Jubb at 604-623-3545 or by email at bchydroregulatorygroup@bchydro.com.

Yours sincerely,



Chris Sandve
Chief Regulatory Officer

hr/rh

Enclosure

**BC Hydro RS 1893 Transmission Service
Incremental Energy Rate
Alternative Baselines Application**

Appendix A

Draft Order



Suite 410, 900 Howe Street
Vancouver, BC Canada V6Z 2N3
P: 604.660.4700
TF: 1.800.663.1385
F: 604.660.1102

ORDER NUMBER

G-xx-xx

IN THE MATTER OF

the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

British Columbia Hydro and Power Authority (BC Hydro)
Rate Schedule 1893 – Transmission Service
Incremental Energy Rate Alternative Baselines Application (2021)

BEFORE:

Commissioner
Commissioner
Commissioner

on Date

ORDER

WHEREAS:

- A. On May 7, 2021, the British Columbia Hydro and Power Authority (BC Hydro) filed with the British Columbia Utilities Commission (BCUC), pursuant to sections 58 to 61 of the *Utilities Commission Act* (UCA), an application (the Application) for approval of alternative High Load Hours Baselines, Low Load Hours Baselines and Monthly Reference Demands (collectively, RS 1893 Baselines) for the following six Transmission Service Rate (TSR) customers:
 - Catalyst Paper Corp.'s Crofton, Port Alberni and Powell River sites;
 - Copper Mountain Mine's Princeton site;
 - West Fraser Mills Ltd.'s Westpine MDF site; and
 - Howe Sound Pulp and Paper Corp.'s Port Mellon Pulp Mill site;
- B. Pursuant to RS 1893, Special Condition 8, alternative baselines are subject to final approval by the BCUC;
- C. Pursuant to RS 1893, Special Condition 9, BC Hydro will file with the BCUC adjustments to RS 1893 Baselines consistent with the principles and criteria set out in BC Hydro's Tariff Supplement No. 74 (TS 74);
- D. Pursuant to RS 1893, Special Condition 10, subject to direction from the BCUC, BC Hydro will use RS 1893 Baselines filed in accordance with Special Conditions 8 and 9 for the purposes of applying RS 1893 and RS 1823;
- E. BC Hydro filed a public and confidential version of the Application. BC Hydro requested that Appendix C of the Application be held in confidence as it contains commercially sensitive information;

.../2

F. The Commission has considered the Application and determined that approval is warranted.

NOW THEREFORE pursuant to sections 58 to 61 of the *Utilities Commission Act*, the Commission orders as follows:

1. The alternative RS 1893 Baselines, as contained in Appendix C of the Application, are approved effective April 1, 2021.
2. The BCUC will hold confidential Appendix C of the Application as it contains commercially sensitive information.

DATED at the City of Vancouver, in the Province of British Columbia, this (XX) day of (Month Year).

BY ORDER

(X. X. last name)
Commissioner

Attachment Options

**BC Hydro RS 1893 Transmission Service
Incremental Energy Rate
Alternative Baselines Application**

Appendix B

Rate Schedule 1893

BC Hydro

Rate Schedule 1893 – Revision 1

Effective: January 1, 2020

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5. TRANSMISSION SERVICE**RATE SCHEDULE 1893 – TRANSMISSION SERVICE – INCREMENTAL ENERGY RATE**

Availability	<p>For Customers supplied with Electricity under Rate Schedule 1823 (Transmission Service – Stepped Rate) or Rate Schedule 1828 (Transmission Service – Biomass Energy Program), as applicable, that increase their Electricity usage during each Billing Period, subject to the Special Conditions below.</p> <p>If a Customer is eligible to take service under this Rate Schedule and Rate Schedule 1892 (Freshet Energy Rate), the Customer may only take service under one of these Rate Schedules in any Billing Year.</p>
Applicable in	Rate Zone I excluding the Districts of Kingsgate-Yahk and Lardeau-Shutty Bench.
Termination Date	This Rate Schedule will terminate effective March 31, 2024.
Rate	<p>Energy Charge:</p> <p>The charge applied to energy supplied under this Rate Schedule 1893 during each HLH and LLH in the Billing Period is equal to:</p> <ol style="list-style-type: none"> The greater of: <ol style="list-style-type: none"> The Intercontinental Exchange (ICE) Mid-Columbia (Mid-C) Peak or Mid-C Off-Peak weighted average index price, as published by the ICE in the ICE Day Ahead Power Price Report, applicable to the hour on each day of the Billing Period; and \$0/kWh; plus An adder of \$3.00/MWh for the May, June and July Billing Periods and \$7.00/MWh for all other Billing Periods.

ACCEPTED: November 30, 2020ORDER NO. G-256-20


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BC Hydro

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Definitions

Terms used in this Rate Schedule have the meanings given to them in Electric Tariff Supplement No. 5 or 87 (as applicable) and Rate Schedule 1823 or Rate Schedule 1828 (as applicable), unless otherwise defined. In addition, the following terms have the following meanings:

1. Billing Period

Each Billing Period is a calendar month, beginning on the first day of that calendar month and ending on the last day of that calendar month.

2. High Load Hours (**HLH**)

HLH is the period from 06:00 to 22:00 Monday to Saturday, except for Statutory Holidays (New Year's Day, Family Day, Good Friday, Victoria Day, Canada Day, B.C. Day, Labour Day, Thanksgiving Day, Remembrance Day and Christmas Day).

3. HLH Baseline


The Customer's average hourly energy consumption under Rate Schedule 1823 or Rate Schedule 1828, as applicable, during HLH for each calendar month of the BC Hydro fiscal year commencing April 1, 2018 and ending March 31, 2019 (**Fiscal 2019**), or other period as determined in accordance with Special Condition 7, 8 and/or 9. For greater certainty, the HLH Baseline will represent the historical electricity consumption in HLH for the calendar month divided by the total number of HLH in that month.

4. HLH Gross Incremental Energy

The hourly energy taken by the Customer during each HLH of the Billing Period in excess of the HLH Baseline, excluding all hours where the energy taken is less than the HLH Baseline.

ACCEPTED: November 30, 2020

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BC Hydro

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5.	<p>HLH Net Incremental Energy</p> <p>The total energy taken by the Customer during all HLH of the Billing Period in excess of the total energy taken by the Customer under Rate Schedule 1823 or Rate Schedule 1828 (as applicable) during all HLH of the Billing Period.</p>
6.	<p>Monthly HLH Net to Gross Ratio</p> <p>The ratio obtained by dividing HLH Net Incremental Energy by the sum of HLH Gross Incremental Energy for each Billing Period.</p>
7.	<p>Low Load Hours (LLH)</p> <p>LLH are all hours other than HLH.</p>
8.	<p>LLH Baseline</p> <p>The Customer's average hourly energy consumption under Rate Schedule 1823 or Rate Schedule 1828 (as applicable) during LLH for each calendar month of the BC Hydro fiscal year commencing April 1, 2018 and ending March 31, 2019 (Fiscal 2019), or other period as determined in accordance with Special Condition 7, 8 and/or 9. For greater certainty, the LLH Baseline for each calendar month will represent the historical electricity consumption in LLH for the calendar month divided by the total number of LLH in that month.</p>
9.	<p>LLH Gross Incremental Energy</p> <p>The hourly energy taken by the Customer during each LLH of the current Billing Period in excess of the LLH Baseline, excluding all hours where the energy taken is less than the LLH Baseline.</p>
10.	<p>LLH Net Incremental Energy</p> <p>The total energy taken by the Customer during all LLH of the current Billing Period in excess of the total energy taken by the Customer under Rate Schedule 1823 or Rate Schedule 1828 (as applicable) during all LLH of the Billing Period.</p>

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BC Hydro

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	<p>11. Monthly LLH Net to Gross Ratio</p> <p>The ratio obtained by dividing LLH Net Incremental Energy by the sum of LLH Gross Incremental Energy for each Billing Period.</p> <p>12. Monthly Reference Demand</p> <p>The Monthly Reference Demand will be the actual Billing Demand (in kVA) during each Billing Period of Fiscal 2019, or other period as determined in accordance with Special Condition 7, 8 and/or 9, and which is used to determine the Customer's HLH and LLH Baselines.</p>
Highest kVA Demand for Rate Schedule 1823 or Rate Schedule 1828	<p>If the Customer is supplied with Electricity under this Rate Schedule, for the purposes of determining Billing Demand under Rate Schedule 1823 or Rate Schedule 1828 (as applicable), the highest kVA Demand during the High Load Hours in each Billing Period will be equal to the lesser of:</p> <ol style="list-style-type: none"> 1. The Monthly Reference Demand; or 2. The actual highest kVA Demand during the High Load Hours in the Billing Period.
Reference Energy for Rate Schedule 1823 or Rate Schedule 1828	<p>If the Customer is supplied with Electricity under this Rate Schedule, the energy supplied to the Customer under Rate Schedule 1823 or Rate Schedule 1828 (as applicable) in each Billing Period will be the total energy supplied to the Customer less HLH and LLH Net Incremental Energy.</p>
Rate Schedule 1893 Energy Determination	<ol style="list-style-type: none"> 1. If HLH Net Incremental Energy is greater than zero, the HLH Gross Incremental Energy for each HLH hour of the Billing Period will be multiplied by the Monthly HLH Net to Gross Ratio. The product will be the amount of energy supplied during that HLH hour under this Rate Schedule. 2. If LLH Net Incremental Energy is greater than zero, the LLH Gross Incremental Energy for each LLH hour of the Billing Period will be multiplied by the Monthly LLH Net to Gross Ratio. The product will be the amount of energy supplied during that LLH hour under this Rate Schedule.

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	3. All other energy supplied to the Customer during the current Billing Period will be energy supplied under Rate Schedule 1823 or Rate Schedule 1828 (as applicable).
Special Conditions	<p>1. Electricity is available under this Rate Schedule on a pilot basis only until March 31, 2024.</p> <p>2. BC Hydro agrees to provide Electricity under this Rate Schedule to the extent that it has energy and capacity to do so. BC Hydro may refuse Service under this Rate Schedule in circumstances where BC Hydro does not have sufficient energy or capacity. For greater certainty, BC Hydro will not be required to construct a System Reinforcement under Electric Tariff Supplement Nos. 6 or 88 to provide Service under this Rate Schedule.</p> <p>3. In order for a Customer to be eligible to take Electricity under this Rate Schedule:</p> <ul style="list-style-type: none"> (a) The Customer must satisfy BC Hydro that it can reduce its load to its Monthly Reference Demand within one hour of receiving notice to reduce its load from BC Hydro; and (b) The Customer must provide at least 30 days written notice to BC Hydro of its intention to take Electricity under this Rate Schedule as follows: <ul style="list-style-type: none"> (i) By March 1 for the upcoming Billing Year commencing April 1; or (ii) For the period prior to March 1, 2020, within 30 days of the effective date of this Rate Schedule; or (iii) Where a new RS 1823 Customer commences taking service during the Billing Year and still meets the eligibility criteria (such as by acquiring an existing site with the required consumption history), at least 30 days prior to the start of the next Billing Period; and

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	<p>(c) Any notice provided by a Customer under this subsection must include:</p> <ul style="list-style-type: none"> (i) An estimate of the amount of energy (in MWh) that the Customer expects to take under this Rate Schedule during each Billing Period; and (ii) A description of the operational and/or production changes, as applicable, that the Customer plans to make at its plant to take advantage of this pilot program.
4.	<p>If a Customer fails to reduce load to its Monthly Reference Demand in accordance with a notice received from BC Hydro: (a) the Customer will be charged 150% of the Energy Charge applicable to the hour for all RS 1893 Energy supplied during the period that the Customer failed to reduce its load as determined by BC Hydro; and (b) BC Hydro may, at its discretion, cancel the Customer's service under this Rate Schedule. If a Customer's service is cancelled under this subsection, BC Hydro may require the Customer to install load control relays and associated telecommunications equipment at its facilities, at the Customer's cost, and provide BC Hydro with real-time control of these relays before the Customer is again eligible to take service under this Rate Schedule.</p>
5.	<p>If a Customer has self-generation, Electricity may be taken by that Customer under this Rate Schedule on an instantaneous basis when all or part of the Customer's electrical generating plant is curtailed.</p>
6.	<p>If a Customer taking service under this Rate Schedule also has an Electricity Purchase Agreement (EPA) with BC Hydro, no HLH and LLH Net Incremental Energy will be determined in any Billing Period if this energy is directly associated with an event of generator turndown, in accordance with and as defined in the EPA, for which the Customer is entitled to financial payment from BC Hydro under the EPA.</p>

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7. Customers will require at least two years of historical Electricity usage, to be eligible for baseline determination. Customers who have been transferred to service under Rate Schedule 1828 can apply for adjustments to their HLH and LLH Baseline and Reference Demand to reflect their expected Rate Schedule 1828 Electricity usage.

Where the customer does not have historical annual electricity consumption for Fiscal 2019, the most recent 12 Billing Periods will be used.
8. If BC Hydro and the Customer agree that the LLH and HLH Baselines and/or Monthly Reference Demand as defined above are not representative of the Customer's normal expected Rate Schedule 1823 or Rate Schedule 1828 Electricity usage, as applicable, during each Billing Period, and the parties agree to alternative LLH and HLH Baselines and/or Monthly Reference Demand, BC Hydro will file the agreed-to LLH and HLH Baselines and/or Monthly Reference Demand with the British Columbia Utilities Commission (**BCUC**) for approval. In cases where the Customer and BC Hydro cannot reach agreement, the BCUC will determine the final LLH and HLH Baselines and Monthly Reference Demand.
9. BC Hydro will file with the BCUC any adjustments to the HLH and LLH Baselines and/ or Monthly Reference Demands that are requested by customers and that BC Hydro has determined are consistent with the principles and criteria set out in BC Hydro's "Customer Baseline Load (**CBL**) Determination Guidelines" Electric Tariff Supplement No. 74.
10. Subject to direction from the BCUC, BC Hydro will use the LLH and HLH Baselines and Monthly Reference Demand filed in accordance with Special Condition 8 and/or 9 for the purposes of applying this Rate Schedule and Rate Schedule 1823 or Rate Schedule 1828, as applicable.

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| | <p>11. If an RS 1823 customer's highest kVA Demand in HLH of a Billing Period is greater than the Monthly Reference Demand applicable to that Billing Period multiplied by 2.0, then: (i) the Monthly Reference Demand for that Billing Period will be automatically adjusted to be equal to 50% of the highest kVA Demand in HLH during that Billing Period; and (ii) the HLH and LLH Baselines for that Billing Period will be automatically adjusted to be equal to 50% of the total energy volumes taken by the customer in the HLH and LLH of that Billing Period. For RS 1823 customers, the adjustments to the Monthly Reference Demand and the HLH and LLH Baselines made pursuant to this Special Condition will be effective as of the start of the Billing Period in which the excess electricity was used. The adjusted Monthly Reference Demand and the adjusted HLH and LLH Baselines will remain in effect for that calendar month in future years of the RS 1893 pilot.</p> <p>12. A Customer taking Electricity under this Rate Schedule may, by providing written notice to BC Hydro at any time, cancel supply under this Rate Schedule. In all cases of cancellation, BC Hydro will terminate RS 1893 service for the entire Billing Period in which the cancellation occurs. If supply under RS 1893 is cancelled, all electricity supplied will be billed under RS 1823 or RS 1828 and/or RS 1880, as applicable. BC Hydro will not rebill for any Electricity supplied under RS 1893 in a prior Billing Period. A Customer who cancels RS 1893 service will not be eligible to return to RS 1893 service during the Billing Year, but remains eligible to re-enrol for service under this Rate Schedule for any future Billing Year as long as all other eligibility requirements are met.</p> <p>13. If a Customer with self-generation taking Electricity under this Rate Schedule requests service under Rate Schedule 1880 (Standby and Maintenance Supply) during any current Billing Period, Electricity supply under this Rate Schedule will be automatically cancelled for the remainder of the Billing Year. The date the Customer's RS 1880 service request is validated by BC Hydro will be the effective date of cancellation.</p> |
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	14. All monetary amounts referred to in this Rate Schedule will be paid in Canadian currency. The ICE Day Ahead Power Price Report referenced in this Rate Schedule is published in US dollars, and the amounts in the report will be converted from U.S. dollars to Canadian dollars at the Bank of Canada daily exchange rate on the applicable day(s).
Taxes	The rates set out in this Rate Schedule are exclusive of goods and services and provincial sales taxes, as applicable.
Note	The terms and conditions under which Transmission Service is supplied are contained in Electric Tariff Supplement Nos. 5 and 6 or Electric Tariff Supplement Nos. 87 and 88 as applicable.
Rate Rider	The Deferral Account Rate Rider as set out in Rate Schedule 1901 applies to all charges payable under this Rate Schedule, before taxes and levies.
Rate	Rate Schedule 1893 is approved by BCUC Order No. G-256-20 as a pilot program effective January 1, 2020 to March 31, 2024.

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**BC Hydro RS 1893 Transmission Service
Incremental Energy Rate
Alternative Baselines Application**

Appendix C

Customer RS 1893 Baseline Information

PUBLIC

**CONFIDENTIAL
ATTACHMENT**

**FILED WITH BCUC
ONLY**