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March 4, 2020

Mr. Patrick Wruck
Commission Secretary and Manager
Regulatory Support
British Columbia Utilities Commission
Sixth Floor – 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 (2020) (the Application)**

BC Hydro writes to seek BCUC 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 three Customer sites served under Rate Schedule (**RS**) 1823 – Transmission Service Stepped Rate and one Customer site served under RS 1828 Transmission Service – Biomass Energy Program who have elected to participate in RS 1893 – Transmission Service Incremental Energy Rate (**IER**) Pilot. The IER Pilot was approved pursuant to BCUC Order No. G-300-19, effective January 1, 2020, on an interim and non-refundable basis until further order by the BCUC. The alternative RS 1893 Baselines for the four specified Customer sites for which BC Hydro seeks approval are contained in Appendix C of this application.

BC Hydro acknowledges the delay in filing with the BCUC for approval of these alternative RS 1893 Baselines. This delay was due to the time required for BC Hydro to complete an Engineering Review of the alternative RS 1893 Baselines consistent with section 6.0 of Tariff Supplement No. 74 (**TS 74**). In addition, one of the alternative RS 1893 Baselines was conditional on the execution of a new Electricity Purchase Agreement (**EPA**) under the Biomass Energy Program.

BC Hydro respectfully requests that the BCUC grant approval of the attached alternative RS 1893 Baselines by Wednesday, April 15, 2020. BC Hydro has billed 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, until their alternative RS 1893 Baselines have been approved by the BCUC.

BC Hydro has included comprehensive information with this application to facilitate the BCUC's review process and timely approval.

The Application includes the following appendices:

- **Appendix A** contains the draft of the BCUC Order;
- **Appendix B** contains a copy of RS 1893;
- **Appendix C** contains the following information for each of the four 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; and
 - ▶ A copy of the RS 1893 Baselines Statement, signed by the Customer to confirm their agreement, and which shows the Customer's unadjusted RS 1893 Baselines and alternative RS 1893 Baselines.

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

1 Background

In accordance with Special Condition 3b(ii) of RS 1893, a total of 15 transmission service Customer sites provided written notice to BC Hydro, within 30 days of the effective date of RS 1893, of their intent to participate in the IER Pilot for the period starting January 1, 2020 and ending March 31, 2020. BC Hydro confirms that each of these Customer sites had at least two years of historical electricity consumption in accordance with Special Condition 7 of RS 1893.

After providing such notice, and prior to January 1, 2020, two Customer sites advised BC Hydro that they were rescinding their notice as they no longer wished to participate. Accordingly, a total of 13 Customer sites were eligible to take RS 1893 service as of January 1, 2020. For each of these Customer sites, the RS 1893 Baselines were determined using Fiscal 2019 electricity consumption in accordance with RS 1893.

Subsequently, in accordance with Special Condition 8 of RS 1893, BC Hydro and the four specified Customer sites 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 specified Customer sites have agreed to alternative RS 1893 Baselines, which are hereby filed with the BCUC for approval in this application.

2 Relevant RS 1893 Provisions

Special Condition 8 of RS 1893 provides that, if BC Hydro and the Customer agree that the RS 1893 Baselines for Fiscal 2019 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. The RS 1893 Baselines are used to determine the amounts of energy and demand to be charged to participating Customers under RS 1823 or RS 1828, as applicable, and RS 1893.

A complete copy of RS 1893 is provided in Appendix B. The RS 1893 provisions used in determining the Customer's RS 1893 Baselines are repeated 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 Condition 8 of RS 1893:

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.

Special Condition 9 of RS 1893:

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.

3 Summary of Alternative RS 1893 Baselines

In accordance with Special Condition 8 of RS 1893, three 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 following summarizes the nature and rationale of the adjustments agreed to by BC Hydro and the Customer for each of the four sites. 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. The four Customers have been informed that the agreed-to alternative RS 1893 Baselines remain subject to BCUC approval.

(a) Catalyst Paper Corp. – Crofton site

The Crofton site had various periods of abnormal operations in Fiscal 2019 that had a direct impact on internal self-generation and site mill load. In accordance with Special Condition 8 of RS 1893, BC Hydro and Catalyst have agreed that its RS 1893 Baselines

should be adjusted to reflect expected normal site operations (i.e., with self-generation and mill load operating normally). Catalyst provided BC Hydro with engineering information to verify the impact of the events listed below:

- Specific to self-generation - BC Hydro reviewed and made adjustments for the following events: (i) a prolonged maintenance shutdown period in Fiscal 2019; (ii) restrictions imposed on natural gas availability due to the Enbridge pipeline explosion; and (iii) the impact of the Enbridge gas pipeline explosion on natural gas prices; and
- Specific to site load - BC Hydro reviewed and made adjustments for an event of Existing Equipment Shut-down due to fibre shortages.

BC Hydro Conservation Energy Management Engineers have reviewed the submitted data and agree 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. - Powell River site

The Powell River site had various periods of abnormal operations in F2019 that had a direct impact on internal self-generation and site mill load. The impact of these events was previously reviewed and accepted by BC Hydro in accordance with TS 74 and incorporated into Powell River's Final F2019 CBL determination.

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 the adjustments made consistent with the principles and criteria set out in TS 74 as summarized below:

- Powell River has a self-generation unit that has a Load Displacement Agreement (LDA) with BC Hydro. The RS 1823 Energy CBL was adjusted in proportion to the annual change in verified LDA Energy generated in the F2019 Billing Year. Catalyst submitted a request for this adjustment to be made to its RS 1893 HLH and LLH Baselines; and
- Catalyst also requested adjustment to its RS 1893 HLH and LLH Baselines for the following events that impacted electricity consumption: (i) two events of Non-recurring Downtime; (ii) one event of Force Majeure; and (iii) two events of Existing Equipment Shutdown.

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. – Port Alberni site

The Port Alberni site had various periods of abnormal operations in F2019 that had a direct impact on site mill load. The impact of these events was previously reviewed and

accepted by BC Hydro in accordance with TS 74 and incorporated into Port Alberni's Final F2019 CBL determination.

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 the adjustments made consistent with the principles and criteria set out in TS 74 as summarized below:

- Catalyst requested adjustment to its RS 1893 HLH and LLH Baselines for the following events that impacted electricity consumption: (i) two events of BC Hydro transmission system outage; (ii) one event of Non-recurring Downtime; and (iii) one event of Existing Equipment Shutdown.

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) Canfor Pulp Limited Partnership (Canfor)

Canfor has three pulp mills served from a common Point of Delivery under a single Electricity Supply Agreement. In total, there is approximately 160 MW of installed self-generation capacity at this Customer site across the three mill facilities.

Each mill facility has an EPA with BC Hydro that sets out the treatment of self-generated energy. As one of the mill facilities recently entered into a new EPA under the Biomass Energy Program, the Customer site has been transferred to service under RS 1828 pursuant to BCUC Order No. G-87-19 dated April 24, 2019. In accordance with this new EPA, there is a material change in the treatment of self-generated energy and the determination of site electricity purchases. With this change, Canfor's F2019 RS 1823 electricity purchases are no longer reflective of future site RS 1828 electricity purchases.

In accordance with Special Condition 8 of RS 1893, BC Hydro and Canfor have agreed that its RS 1893 Baselines should be adjusted to reflect expected normal site operations (i.e., with normal self-generation and mill load) pursuant to the combined terms of its three EPAs. Canfor provided BC Hydro with engineering information to support how the site is intended to operate, on a consolidated basis, to meet its EPA commitments. Canfor also provided BC Hydro with engineering information to adjust for the impact of non-normal generation operations during F2019. BC Hydro conducted an Engineering Review of this information and agrees that the information and operating assumptions provided are reasonable.

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

March 4, 2020
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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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 letters also contain confidential information about the Customers' operations and electricity consumption data that form the basis for adjustment.

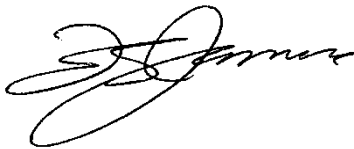
Customers consider this information to be commercially sensitive and confidential because competitors could use it to estimate the Customers' production levels, cost of production and efficiency. BC Hydro consistently treats this Customer information as confidential.

The public version of this application does not include redacted versions of Appendix C; instead, the section 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,



Fred James
Chief Regulatory Officer

ac/ma

Enclosure

**Rate Schedule (RS) 1893 – Transmission Service
Incremental Energy Baselines Application**

Appendix A

Draft Order



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 (2020)

BEFORE:

Commissioner
Commissioner
Commissioner

on Date

ORDER

WHEREAS:

- A. On October 31, 2019, the British Columbia Hydro and Power Authority (BC Hydro) filed an application with the British Columbia Utilities Commission (BCUC) seeking approval of an amended Freshet Rate (Rate Schedule 1892) and approval for a new optional rate, the Incremental Energy Rate (Rate Schedule 1893), pursuant to sections 58 to 61 of the *Utilities Commission Act*;
- B. By Order No. G-300-19 dated November 26, 2019, the Incremental Energy Rate was approved effective January 1, 2020 on an interim and non-refundable basis until further order by the BCUC;
- C. On March 4, 2020, BC Hydro filed with the BCUC, in accordance with Special Condition 8 of the Incremental Energy Rate, alternative High Load Hour (HLH) Baselines and Low load Hour (LLH) Baselines and Monthly Reference Demands (collectively, RS 1893 Baselines) for specified customers effective January 1, 2020 (Application). Specifically, the Application requests approval for the alternative RS 1893 Baselines contained in Appendix C of the Application for four customer sites;
- D. 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 information that is commercially sensitive to customers; and
- E. 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 RS 1893 Baselines contained in Appendix C of the Application are approved effective January 1, 2020; and
2. Appendix C of the Application will be held in confidence 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

DRAFT

**Rate Schedule (RS) 1893 – Transmission Service
Incremental Energy Baselines Application**

Appendix B

Current RS 1893

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"> 1. The greater of: <ol style="list-style-type: none"> (a) 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 (b) \$0/kWh; plus 2. An adder of \$3.00/MWh for the May, June and July Billing Periods and \$7.00/MWh for all other Billing Periods.

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Definitions	<p>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:</p> <ol style="list-style-type: none"> 1. Billing Period <p>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.</p> 2. High Load Hours (HLH) <p>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).</p> 3. HLH Baseline <p>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.</p> 4. HLH Gross Incremental Energy <p>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.</p>
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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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	<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>
<p>Highest kVA Demand for Rate Schedule 1823 or Rate Schedule 1828</p>	<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.
<p>Reference Energy for Rate Schedule 1823 or Rate Schedule 1828</p>	<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>
<p>Rate Schedule 1893 Energy Determination</p>	<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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	<p>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).</p>
<p>Special Conditions</p>	<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. <p>4. 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> <p>5. 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> <p>6. 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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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.
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.
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.

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	<p>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).</p>
Taxes	<p>The rates set out in this Rate Schedule are exclusive of goods and services and provincial sales taxes, as applicable.</p>
Note	<p>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.</p>
Rate Rider	<p>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.</p>
Interim Rate	<p>Effective January 1, 2020 this rate schedule is approved on an interim and non-refundable basis.</p>

ACCEPTED: December 11, 2019

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COMMISSION SECRETARY

**Rate Schedule (RS) 1893 – Transmission Service
Incremental Energy Baselines Application**

Appendix C

Customer RS 1893 Baseline Information

PUBLIC

CONFIDENTIAL ATTACHMENT

FILED WITH BCUC ONLY