

Fred James

Chief Regulatory Officer

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June 22, 2020

Ms. Marija Tresoglavic
Acting Commission Secretary and Manager
Regulatory Support
British Columbia Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC V6Z 2N3

Dear Ms. Tresoglavic:

**RE: British Columbia Utilities Commission (BCUC or Commission)
British Columbia Hydro and Power Authority (BC Hydro)
COVID-19 Customer Relief Program Extension Application (Application)**

BC Hydro writes with respect to the Direction to the British Columbia Utilities Commission Respecting COVID-19 Relief (British Columbia Order in Council No. 159 issued on April 2, 2020), as amended by the British Columbia Order in Council No. 319 issued on June 19, 2020 (together, the **Direction**), both issued pursuant to section 3 of the *Utilities Commission Act* (**UCA**).

As described in section 6 of the Direction and pursuant to sections 59 to 61 of the *UCA*, BC Hydro is seeking approval of amendments to:

- (a) Tariff Supplement No. 97 - RS 1823 and RS 1828 Customer Payment Plan (**TS 97**);
- (b) Tariff Supplement No. 98 - Coal Mining Customer Payment Plan (**TS 98**); and
- (c) Tariff Supplement No. 99 - Copper Mining Customer Payment Plan (**TS 99**).

The Direction requires that the Commission issue a final order on this application within five days of it being filed with the BCUC. However, BC Hydro respectfully requests an earlier order if possible, to facilitate the Customer application and billing process. As further described below, the amendments enable Customers to apply to participate in TS 97 and TS 99 until June 30. Further, BC Hydro's normal billing cycle would involve billing customers who may participate in the above listed tariff supplements during the week of June 22.

The Application includes the following appendices:

- **Appendix A** provides a draft order for the approvals sought in this Application, as required by the Direction;
- **Appendix B** provides a copy of the Direction;

- **Appendix C** provides a black lined and a clean copy of TS 97 for approval in accordance with the Direction. The source document is attached to the electronic version of this submission for stamping by the Commission and return to BC Hydro;
- **Appendix D** provides a black lined and a clean copy of TS 98 for approval in accordance with the Direction. The source document is attached to the electronic version of this submission for stamping by the Commission and return to BC Hydro; and
- **Appendix E** provides a blacklined and a clean copy of TS 99 for approval in accordance with the Direction. The source document is attached to the electronic version of this submission for stamping by the Commission and return to BC Hydro.

Further information on each of the above is provided in the following sections:

1 Amendments to Electric Tariff Supplement No. 97 - RS 1823 and RS 1828 Customer Payment Plan

TS 97 allows industrial customers taking service under RS 1823 or RS 1828 to defer 50 per cent of their electricity bill payments for the period from March 22, 2020 to the closing date. The amendments have the effect of:

- Referring to the amendment to the Direction in the recitals and definition;
- As per section 6(b) of the Direction - Extending the closing date from June 21, 2020 to September 21, 2020;
- As per section 6(a) of the Direction - Extending the period during which customers may make an application to participate in the TS 97 Payment Plan from April 30 to June 30, 2020; and
- As per section 6(d) of the Direction - Replacing the start of repayment of the Account Balance from the bill issued in September 2020 to the bill issued in December 2020.

TS 97 is included as Appendix C.

2 Amendments to Electric Tariff Supplement No. 98 - Coal Mining Customer Payment Plan

TS 98 allows eligible customers to defer 50 per cent of their electricity bill payments for the period from April 2, 2020 to the specified "Closing Date 1" (as defined in TS 98), and up to 75 per cent of bill payments depending on commodity prices, in a subsequent period. The amendments have the effect of:

- Referring to the amendment to the Direction in the recitals and definition; and
- As per section 6(c) of the Direction - Extending the Closing Date 1 by three months to the earlier of September 30, 2020 or the date immediately before the day on which BC Hydro issues to the participating customer a seventh monthly bill.

TS 98 is included as Appendix D.

3 Amendments to Electric Tariff Supplement No. 99 - Copper Mining Customer Payment Plan

TS 99 provides the terms under which specified copper mines may enter into a payment plan for the period from March 22, 2020 to the Closing Date. The amendments have the effect of:

- Referring to the amendment to the Direction in the recitals and definition;
- As per section 6(b) of the Direction - extending the Closing Date from June 21, 2020 to September 21, 2020; and
- As per section 6(a) of the Direction - extending the period during which customers may make an application to participate in the TS 99 Payment Plan from April 30 to June 30, 2020.

TS 99 is included as Appendix E.

Summary

As each of the amendments to TS 97, TS 98 and TS 99 are in accordance with section 6 of the Direction, the BCUC is required to approve the amendments within five days. As noted above, BC Hydro respectfully requests an expedited approval.

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

Yours sincerely,



(for) Fred James
Chief Regulatory Officer

aj/rh

Enclosure

BC Hydro Covid-19 Customer Relief Program

Appendix A

Draft Order



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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)
COVID-19 Customer Relief Program Extension Application

BEFORE:

Commissioner
Commissioner
Commissioner

on Date

ORDER

WHEREAS:

- A. As a result of the coronavirus 2019 (COVID-19) Pandemic, in March 2020 the Government of B.C. declared a state of emergency and a public health emergency. COVID-19 has had financial impacts on BC Hydro customers due to changes in employment and businesses closures, shutdowns and curtailments. On April 1, 2020, the Government of B.C. announced that rate relief is to be provided to BC Hydro's residential, small business and large industrial and mining customers impacted by the COVID-19 Pandemic;
- B. On April 2, 2020 the Lieutenant Governor in Council issued a Direction to the British Columbia Utilities Commission Respecting COVID-19 Relief (British Columbia Order in Council No. 159);
- C. On April 3, 2020, BC Hydro filed the COVID-19 Customer Relief Program Application with the BCUC, requesting approvals related to the implementation of the relief described in Order in Council No. 159. The BCUC approved the requested relief under Commission Order No. G-79-20;
- D. On June 19, 2020, British Columbia Order in Council No. 159 was amended by the British Columbia Order in Council No. 319 (together, the Direction), both issued pursuant to section 3 of the *Utilities Commission Act* (UCA), in respect of an extension for relief required by BC Hydro to allow for it to provide relief to certain industrial customers impacted by COVID-19;
- E. On June 22, 2020, the British Columbia Hydro and Power Authority (BC Hydro) filed an application with the Commission for its COVID-19 Customer Relief Program Extension Application (Application), pursuant to the Direction;

F. Approval of the following Electric Tariff Supplements in order to implement extension of BC Hydro's COVID-19 relief measures for eligible industrial customers is required by section 3(1)(b) of the Direction and pursuant to sections 59-61 of the *UCA*:

- (i) Amendments to Tariff Supplement No. 97 - RS 1823 and RS 1828 Customer Payment Plan (TS 97);
- (ii) Amendments to Tariff Supplement No. 98 - Coal Mining Customer Payment Plan (TS 98); and
- (iii) Amendments to Tariff Supplement No. 99 - Copper Mining Customer Payment Plan (TS 99).

G. The Commission has considered the Application and the Direction and determined that approval is warranted;

H. Terms used in this Order have the meanings given to them in the Direction where applicable.

NOW THEREFORE pursuant to the Direction to the British Columbia Utilities Commission Respecting COVID-19 Relief, the Commission orders as follows:

1. Electric Tariff Supplement No. 97 - RS 1823 and RS 1828 Customer Payment Plan, included with the Application as Appendix C, is approved effective June __, 2020.
2. Electric Tariff Supplement No. 98 - Coal Mining Customer Payment Plan, included with the Application as Appendix D, is approved effective June __, 2020.
3. Electric Tariff Supplement No. 99 - Copper Mining Customer Payment Plan, included with the Application as Appendix E, is approved effective June __, 2020.

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

BC Hydro Covid-19 Customer Relief Program

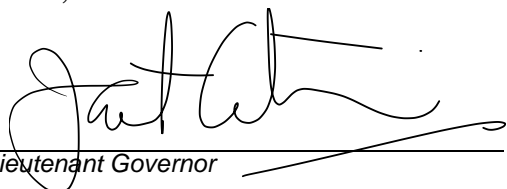
Appendix B

**Government of B.C. Order in Council No. 319 -
Direction to BCUC Respecting COVID-19 Relief**

PROVINCE OF BRITISH COLUMBIA
ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL

Order in Council No. 319

, Approved and Ordered June 19, 2020


Lieutenant Governor

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that Direction to the British Columbia Utilities Commission Respecting COVID-19 Relief, B.C. Reg. 76/2020, is amended as set out in the attached Schedule.



Minister of Energy, Mines and Petroleum Resources



Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section: *Utilities Commission Act*, R.S.B.C. 1996, c. 473, s. 3

Other: OIC 159/2020

R10425216

SCHEDULE

1 Direction to the British Columbia Utilities Commission Respecting COVID-19 Relief, B.C. Reg. 76/2020, is amended by adding the following section:

Extension of emergency program for eligible industrial customers

- 6** Within 5 days of the date of an application by the authority for the purposes of this section, the commission must issue a final order so that the emergency program for eligible industrial customers is extended by 3 months, including by
- (a) extending by 2 months the date by which a customer of the authority may make a request to apply Tariff Supplement No. 97 or Tariff Supplement No. 99 in relation to amounts payable to the authority,
 - (b) extending by 3 months the “Closing Date”, as defined in Tariff Supplement No. 97 and Tariff Supplement No. 99,
 - (c) in section 2.6 of Tariff Supplement No. 97, striking out “September” wherever it appears and substituting “December”, and
 - (d) in the definition of “Closing Date 1” in Tariff Supplement No. 98,
 - (i) striking out “June” and substituting “September”, and
 - (ii) striking out “fourth” and substituting “seventh”.

BC Hydro Covid-19 Customer Relief Program

Appendix C

Tariff Supplement No. 97 Black-lined and Clean

BC Hydro

Electric Tariff Supplement No. 97
RS 1823 and RS 1828 Customer Payment Plan
Effective: ~~April 7, 2020~~
Original First Revision of Page 1

RS 1823 AND RS 1828 CUSTOMER PAYMENT PLAN

- A. The Lieutenant Governor in Council issued a Direction to the British Columbia Utilities Commission Respecting COVID-19 Relief, pursuant to section 3 of the *Utilities Commission Act* (British Columbia), dated effective April 2, 2020, as amended by Order in Council No. 319 dated June 19, 2020 (collectively, the “**Direction**”);
- B. Pursuant to the Direction, BC Hydro customers taking electricity service pursuant to Rate Schedule 1823 or Rate Schedule 1828 shall be permitted, upon admission to the RS 1823 and RS 1828 Customer Payment Plan, to defer payment of a portion of their account with BC Hydro for electricity service, to support the stability/liquidity of the Eligible Customer in respect of the Customer’s Plant operations due to the COVID-19 pandemic; and
- C. The terms and conditions of participation in the RS 1823 and RS 1828 Customer Payment Plan are incorporated into this Supplement to Electric Tariff Supplement No. 5 or Electric Tariff Supplement No. 87, as applicable.

1.0 INTERPRETATION

1.1 Definitions

In this Supplement:

- (a) “**Account Balance**” means, in relation to a Participating Customer, an amount determined by BC Hydro prior to issuing each bill during the Application Period, as follows:

$$\text{Account Balance} = (\text{TSA} + \text{I}) - (\text{TAA} + \text{A})$$

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 97
RS 1823 and RS 1828 Customer Payment Plan
Effective: ~~April 7, 2020~~
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Where:

- (i) **"TSA"** means the total amount that would have been payable by the Participating Customer under Rate Schedule 1823 or Rate Schedule 1828, as applicable, but for the application of this Supplement, during the period beginning on the date the Supplement begins to apply to the Participating Customer and ending on the date BC Hydro makes a determination of the Account Balance;
- (ii) **"I"** means the interest accumulated on the Account Balance as of the last day of the most recent Billing Period prior to the determination of the Account Balance, calculated in accordance with section 2.5;
- (iii) **"TAA"** means the sum of all Adjusted Amounts paid by the Participating Customer; and
- (iv) **"A"** means any payments made by the Participating Customer in addition to an Adjusted Amount, including payments made on account of the Account Balance, in accordance with section 2.4;
- (b) **"Act"** means the *Utilities Commission Act* (British Columbia);
- (c) **"Adjusted Amount"** has the meaning given to that term in section 2.2;
- (d) **"Application Period"** means, in respect of a Participating Customer, the period that begins on March 22, 2020, and ends on the Closing Date or such earlier date on which the Payment Plan Agreement for the Participating Customer is terminated pursuant to section 3.2;
- (e) **"Billing Period"** means a Participating Customer's billing period determined pursuant to the Electricity Supply Agreement for electricity service;

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 97
RS 1823 and RS 1828 Customer Payment Plan
Effective: ~~April 7, 2020~~
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- (f) “**Closing Date**” means ~~June~~September 21, 2020;
- (g) “**Commission**” means the British Columbia Utilities Commission;
- (h) “**Copper Mining Customer Payment Plan Agreement**” means a Copper Mining Customer Payment Plan Agreement attached as Appendix 1 to Tariff Supplement No. 99;
- (i) “**Customer’s Plant**” has the same meaning as in the Electricity Supply Agreement;
- (j) “**Direction**” means the Direction to the British Columbia Utilities Commission Respecting COVID-19 Relief issued by the Lieutenant Governor in Council pursuant to section 3 of the *Act* and dated effective April 2, 2020, as amended by Order in Council No. 319 dated June 19, 2020;
- (k) “**Electricity Supply Agreement**” means the Electricity Supply Agreement (Electric Tariff Supplement No. 5 or Electric Tariff Supplement No. 87, as applicable) between a Participating Customer and BC Hydro for the supply of electricity to the Customer’s Plant;
- (l) “**Eligible Customer**” means a customer of BC Hydro who, immediately before the Direction comes into force, was receiving electricity service from BC Hydro pursuant to Rate Schedule 1823 or Rate Schedule 1828;
- (m) “**Floating Interest Rate 1**” means a nominal annual interest rate calculated as follows:

$$\text{Floating Interest Rate} = (12 \times [(1+i)^{1/12} - 1]) \times 100$$

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 97
RS 1823 and RS 1828 Customer Payment Plan
Effective: ~~April 7, 2020~~
~~Original~~First Revision of Page 4

Where:

- (i) “**i**” means the sum of Prime + 2.5 per cent; and
- (ii) “**Prime**” has the meaning given to that term in section 1.1(r);
- (n) “**Floating Interest Rate 2**” means a nominal annual interest rate calculated in accordance with the formula set out in Floating Interest Rate 1, except that
 - (i) “**i**” means the sum of Prime + 5.0 per cent;
- (o) “**MCPP Agreement**” means a Mining Customer Payment Plan Agreement attached as Appendix 1 to Tariff Supplement No. 90;
- (p) “**Participating Customer**” means an Eligible Customer whose request referred to in section 2.1(a)(i) has been accepted and to whom this Supplement applies;
- (q) “**Party**” means either BC Hydro or a Participating Customer and “**Parties**” means both BC Hydro and the Participating Customer;
- (r) “**Prime**” means the published per annum prime lending rate on loans denominated in Canadian Dollars made in Canada charged by the principal banker of BC Hydro as at the date the interest is calculated in accordance with section 2.5;
- (s) “**Rate Schedule 1823**” means Rate Schedule 1823 – Transmission Service – Stepped Rate, as amended, supplemented or replaced from time to time;
- (t) “**Rate Schedule 1828**” means Rate Schedule 1828 – Transmission Service – Biomass Energy Program, as amended, supplemented or replaced from time to time;
- (u) “**Supplement**” means this supplement and includes the form of Payment Plan Agreement attached as Appendix 1; and

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 97
RS 1823 and RS 1828 Customer Payment Plan
Effective: ~~April 7, 2020~~
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- (v) “**Term**” has the meaning given to that term in section 3.1.

1.2 Appendices

Appendix 1 – form of Payment Plan Agreement attached to this Supplement is incorporated into and forms part of this Supplement.

1.3 Interpretation

In this Supplement, except where otherwise expressly provided or the context otherwise requires:

- (a) Words importing the singular include the plural and vice versa, “or” is not exclusive, “including” is not limiting, whether or not non-limiting language (such as “without limitation”) is used with reference to it, a grammatical variation of a defined term shall have a corresponding meaning, and reference to any person includes such person’s successors and assigns but, if applicable, only if the succession or assignment is permitted under this Supplement;
- (b) The inclusion of headings in this Supplement is for convenience only and shall not affect the construction or interpretation of this Supplement;
- (c) Any reference to a specific section, subsection or other subdivision is to the designated section, subsection or other subdivision of this Supplement, unless the context otherwise requires; and
- (d) All monetary amounts referred to in this Supplement are stated and shall be paid in Canadian currency.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 97
RS 1823 and RS 1828 Customer Payment Plan
Effective: ~~April 7, 2020~~
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1.4 Obligations Supplemental

- (a) BC Hydro's and a Participating Customer's obligations under this Supplement are supplemental to their respective obligations under the Electricity Supply Agreement.
- (b) Except as specifically supplemented by this Supplement, the Electricity Supply Agreement of a Participating Customer shall continue in full force and effect and, in particular, shall govern billing and payment for electricity service supplied by BC Hydro. Nothing in this Supplement shall release a Participating Customer from liability for payment of any amounts owing pursuant to the Electricity Supply Agreement.

2.0 PAYMENT PLAN

2.1 Application to Participate in the Payment Plan

- (a) As a condition of participating in the RS 1823 and RS 1828 Customer Payment Plan:
 - (i) An Eligible Customer shall, by ~~April~~June 30, 2020 or such later date agreed to by BC Hydro, make a request to BC Hydro that this Supplement apply respecting amounts that will be payable by the Eligible Customer to BC Hydro for electricity service provided for the operation of the Customer's Plant by completing, executing and delivering to BC Hydro an agreement in the form attached as Appendix 1;
 - (ii) The Customer's Plant of the Eligible Customer must be an operating facility and not in long-term care and maintenance;

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 97
RS 1823 and RS 1828 Customer Payment Plan
Effective: ~~April 7, 2020~~
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- (iii) The Eligible Customer must have no overdue bills with BC Hydro on the date of the request, unless otherwise agreed to by BC Hydro; and
 - (iv) The Eligible Customer must not have an MCPP Agreement or a Copper Mining Customer Payment Plan Agreement in effect with BC Hydro.
- (b) BC Hydro shall, as soon as practicable after receipt of a request referred to in paragraph 2.1(a)(i), if the Eligible Customer meets the requirements for participation in the RS 1823 and RS 1828 Customer Payment Plan, accept the request and notify the Eligible Customer.

2.2 Payment of Adjusted Amount

The Participating Customer shall pay on account of each bill issued by BC Hydro during the Application Period, an adjusted amount for electricity service respecting the Customer's Plant (the "**Adjusted Amount**"), in Canadian dollars, equal to 50% of the amount that would have been payable by the Participating Customer under Rate Schedule 1823 or Rate Schedule 1828, as applicable, on account of that bill but for the application of this Supplement.

2.3 Deferral of Payment

The difference between the Adjusted Amount calculated in accordance with section 2.2 and the amount that would have been payable by the Participating Customer under Rate Schedule 1823 or Rate Schedule 1828, as applicable, but for the application of this Supplement, shall be deferred in accordance with this Supplement and such difference shall be added to the Account Balance in accordance with section 1.1(a) upon BC Hydro issuing the bill in respect of such Adjusted Amount.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 97
RS 1823 and RS 1828 Customer Payment Plan
Effective: ~~April 7, 2020~~
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2.4 Additional Amount

The Participating Customer may, on account of the Account Balance, pay any amount in addition to an Adjusted Amount at any time without notice, interest or penalty and all such amounts paid in excess of the Adjusted Amount shall be reflected in the Account Balance as of the date the payment was made.

2.5 Interest

- (a) Interest, calculated and compounded monthly, not in advance both before and after demand, default and judgment, shall accrue on the daily Account Balance, based on the number of days elapsed in a 365-day year, at the Floating Interest Rate 1 or Floating Interest Rate 2, as applicable, and such interest shall be added to the Account Balance on the last day of each Billing Period, or in the case of the Closing Date on the day prior to the Closing Date, and bear interest at the same rate:
 - (i) Floating Interest Rate 1 shall apply until the Closing Date and
 - (ii) Floating Interest Rate 2 shall apply thereafter until the Account Balance is zero.
- (b) The Participating Customer acknowledges that Prime was 2.45 per cent per annum on April 2, 2020. A certificate of a Managing Director of the principal banker of BC Hydro, which on the date this Supplement came into effect is the Bank of Montreal, shall be conclusive evidence as to the rate of Prime in effect from time to time.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 97
RS 1823 and RS 1828 Customer Payment Plan
Effective: ~~April 7, 2020~~
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2.6 Repayment of Account Balance

On or before the Closing Date, the Participating Customer shall pay the Account Balance. If unpaid by the Closing Date, beginning with the bill BC Hydro issues to the Participating Customer in ~~September~~December 2020 for electricity service in accordance with the Electricity Supply Agreement, and on each monthly bill thereafter until the Account Balance is zero, BC Hydro shall include on the bill an amount equal to 1/9 of the Account Balance as at the date of the ~~September~~December 2020 bill plus interest calculated and accrued in accordance with section 2.5(a)(ii), and the bill shall become due and payable in accordance with the Electricity Supply Agreement. Any such bill unpaid by the Participating Customer shall become overdue in accordance with the Electricity Supply Agreement except that the interest rate specified in section 2.5(a)(ii) shall continue to apply.

2.7 Taxes and Levies

Amounts calculated under this Supplement do not include the Goods and Services Tax, the Provincial Sales Tax and any other tax or levy which BC Hydro may be lawfully authorized or required to collect from the Participating Customer.

3.0 TERM OF PAYMENT PLAN AGREEMENT

3.1 Term of Payment Plan Agreement

The term of a Payment Plan Agreement (the “**Term**”) commences on the date the Application Period commences and continues until the later of the Closing Date or the date following the Closing Date at which the Account Balance is zero unless terminated earlier pursuant to and in accordance with section 3.2.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 97
RS 1823 and RS 1828 Customer Payment Plan
Effective: ~~April 7, 2020~~
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3.2 Termination

- (a) A Payment Plan Agreement may be terminated in any of the following events:
- (i) Immediately by the Participating Customer upon request to BC Hydro if at the time of the request the Account Balance is zero;
 - (ii) Immediately by BC Hydro if the Participating Customer sells, transfers or assigns all or substantially all of its interest in the Customer's Plant, at which time all unpaid amounts, including the Account Balance, shall become due and payable pursuant to the Electricity Supply Agreement;
 - (iii) Immediately by BC Hydro if the Participating Customer commits an act of bankruptcy, becomes insolvent, proposes a compromise or arrangement to its creditors generally, has any petition for a receiving order in bankruptcy filed against it, makes a voluntary assignment in bankruptcy and/or fails to make any payment required under the Electricity Supply Agreement as supplemented by this Supplement, and all amounts owing by the Participating Customer to BC Hydro, including the Account Balance, shall, immediately upon such notice being given, become due and payable pursuant to the Electricity Supply Agreement; and
 - (iv) Immediately by BC Hydro upon any person or group of persons acting in concert acquiring, in a single transaction or a series of transactions, more than 50 per cent of the issued and outstanding shares in the capital of the Participating Customer resulting in a change of control of the Participating Customer, at which time all unpaid amounts, including the Account Balance, shall become due and payable pursuant to the Electricity Supply Agreement.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 97
RS 1823 and RS 1828 Customer Payment Plan
Effective: ~~April 7, 2020~~
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4.0 DISPUTE RESOLUTION

4.1 Disputes

If any dispute, question or difference of opinion between the Parties arises out of or under this Supplement ("**Dispute**"), then a Party may give to the other Party a notice ("**Dispute Notice**") specifying the Dispute and requiring its resolution under this section 4.0. All Disputes shall be resolved in accordance with the provisions of this section 4.0, provided however, that either Party may apply to a court of competent jurisdiction for any interim relief by way of restraining order, injunction or other equitable remedy.

4.2 Contract Representatives to Seek Resolution

If a Dispute Notice is given to a Party, each Party shall appoint a contract representative within five business days of a Party notifying the other Party of a Dispute and cause its contract representative to negotiate in good faith to attain a resolution of the Dispute.

4.3 Referral to Senior Executives

If a Dispute is not resolved within five business days of the Dispute being referred to the contract representatives, the Parties shall seek to resolve the Dispute through their respective senior executives (at the vice president level or higher) before proceeding to resolve the Dispute through arbitration in accordance with section 4.4. Each Party shall appoint a senior executive to undertake such informal process within 10 business days of a Party notifying the other Party of a Dispute and the Parties shall use commercially reasonable efforts to resolve the Dispute through their appointed senior executives within 30 days after notification.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 97
RS 1823 and RS 1828 Customer Payment Plan
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4.4 Referral to Arbitration

If the Dispute is not resolved within 30 days of the Dispute being referred to the senior executives (or either party fails to timely appoint a contract representative or senior executive pursuant to sections 4.2 and 4.3), then either Party may submit the Dispute to arbitration under the *Arbitration Act* (British Columbia). The following rules shall apply to arbitration under this Agreement:

- (a) The arbitration shall be conducted before one arbitrator mutually agreed to by the Parties or if the Parties are unable to agree to an arbitrator within 15 days after a demand for arbitration has been given, either Party may apply to the court pursuant to the *Arbitration Act* (British Columbia) for the appointment of a single arbitrator;
- (b) The arbitrator shall be authorized only to interpret and apply the provisions of this Agreement and shall have no power to modify or change any of the above in any manner;
- (c) The arbitration shall be dealt with on an expeditious basis with both Parties using commercially reasonable efforts to obtain and implement a timely decision of the arbitrator; specifically, the arbitrator shall be instructed to impose time limits on the arbitration process such that a decision may be rendered within 45 days of appointment of the arbitrator;
- (d) The arbitrator shall determine the Dispute in accordance with the laws of the Province of British Columbia and applicable Canadian federal law; and
- (e) The Parties shall bear the costs of the arbitration equally and each Party shall bear its own costs.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 97
RS 1823 and RS 1828 Customer Payment Plan
Effective: ~~April 7, 2020~~
~~Original~~First Revision of Page 13

4.5 Arbitration Decisions

The decision of the arbitrator shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator may be appealed solely on the grounds that the conduct of the arbitrator, or the decision itself, violated the standards of the *Arbitration Act* (British Columbia) or the rules set out in section 4.4. The final decision of the arbitrator shall also be filed with the Commission.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 97
RS 1823 and RS 1828 Customer Payment Plan
Effective:
First Revision of Page 1

RS 1823 AND RS 1828 CUSTOMER PAYMENT PLAN

- A. The Lieutenant Governor in Council issued a Direction to the British Columbia Utilities Commission Respecting COVID-19 Relief, pursuant to section 3 of the *Utilities Commission Act* (British Columbia), dated effective April 2, 2020, as amended by Order in Council No. 319 dated June 19, 2020 (collectively, the “**Direction**”);
- B. Pursuant to the Direction, BC Hydro customers taking electricity service pursuant to Rate Schedule 1823 or Rate Schedule 1828 shall be permitted, upon admission to the RS 1823 and RS 1828 Customer Payment Plan, to defer payment of a portion of their account with BC Hydro for electricity service, to support the stability/liquidity of the Eligible Customer in respect of the Customer’s Plant operations due to the COVID-19 pandemic; and
- C. The terms and conditions of participation in the RS 1823 and RS 1828 Customer Payment Plan are incorporated into this Supplement to Electric Tariff Supplement No. 5 or Electric Tariff Supplement No. 87, as applicable.

1.0 INTERPRETATION

1.1 Definitions

In this Supplement:

- (a) “**Account Balance**” means, in relation to a Participating Customer, an amount determined by BC Hydro prior to issuing each bill during the Application Period, as follows:

$$\text{Account Balance} = (\text{TSA} + \text{I}) - (\text{TAA} + \text{A})$$

ACCEPTED: _____

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BC Hydro

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Where:

- (i) **"TSA"** means the total amount that would have been payable by the Participating Customer under Rate Schedule 1823 or Rate Schedule 1828, as applicable, but for the application of this Supplement, during the period beginning on the date the Supplement begins to apply to the Participating Customer and ending on the date BC Hydro makes a determination of the Account Balance;
- (ii) **"I"** means the interest accumulated on the Account Balance as of the last day of the most recent Billing Period prior to the determination of the Account Balance, calculated in accordance with section 2.5;
- (iii) **"TAA"** means the sum of all Adjusted Amounts paid by the Participating Customer; and
- (iv) **"A"** means any payments made by the Participating Customer in addition to an Adjusted Amount, including payments made on account of the Account Balance, in accordance with section 2.4;
- (b) **"Act"** means the *Utilities Commission Act* (British Columbia);
- (c) **"Adjusted Amount"** has the meaning given to that term in section 2.2;
- (d) **"Application Period"** means, in respect of a Participating Customer, the period that begins on March 22, 2020, and ends on the Closing Date or such earlier date on which the Payment Plan Agreement for the Participating Customer is terminated pursuant to section 3.2;
- (e) **"Billing Period"** means a Participating Customer's billing period determined pursuant to the Electricity Supply Agreement for electricity service;

ACCEPTED: _____

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- (f) **“Closing Date”** means September 21, 2020;
- (g) **“Commission”** means the British Columbia Utilities Commission;
- (h) **“Copper Mining Customer Payment Plan Agreement”** means a Copper Mining Customer Payment Plan Agreement attached as Appendix 1 to Tariff Supplement No. 99;
- (i) **“Customer’s Plant”** has the same meaning as in the Electricity Supply Agreement;
- (j) **“Direction”** means the Direction to the British Columbia Utilities Commission Respecting COVID-19 Relief issued by the Lieutenant Governor in Council pursuant to section 3 of the *Act* and dated effective April 2, 2020, as amended by Order in Council No. 319 dated June 19, 2020;
- (k) **“Electricity Supply Agreement”** means the Electricity Supply Agreement (Electric Tariff Supplement No. 5 or Electric Tariff Supplement No. 87, as applicable) between a Participating Customer and BC Hydro for the supply of electricity to the Customer’s Plant;
- (l) **“Eligible Customer”** means a customer of BC Hydro who, immediately before the Direction comes into force, was receiving electricity service from BC Hydro pursuant to Rate Schedule 1823 or Rate Schedule 1828;
- (m) **“Floating Interest Rate 1”** means a nominal annual interest rate calculated as follows:

$$\text{Floating Interest Rate} = (12 \times [(1+i)^{1/12} - 1]) \times 100$$

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

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RS 1823 and RS 1828 Customer Payment Plan
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Where:

- (i) “**i**” means the sum of Prime + 2.5 per cent; and
- (ii) “**Prime**” has the meaning given to that term in section 1.1(r);
- (n) “**Floating Interest Rate 2**” means a nominal annual interest rate calculated in accordance with the formula set out in Floating Interest Rate 1, except that
 - (i) “**i**” means the sum of Prime + 5.0 per cent;
- (o) “**MCPP Agreement**” means a Mining Customer Payment Plan Agreement attached as Appendix 1 to Tariff Supplement No. 90;
- (p) “**Participating Customer**” means an Eligible Customer whose request referred to in section 2.1(a)(i) has been accepted and to whom this Supplement applies;
- (q) “**Party**” means either BC Hydro or a Participating Customer and “**Parties**” means both BC Hydro and the Participating Customer;
- (r) “**Prime**” means the published per annum prime lending rate on loans denominated in Canadian Dollars made in Canada charged by the principal banker of BC Hydro as at the date the interest is calculated in accordance with section 2.5;
- (s) “**Rate Schedule 1823**” means Rate Schedule 1823 – Transmission Service – Stepped Rate, as amended, supplemented or replaced from time to time;
- (t) “**Rate Schedule 1828**” means Rate Schedule 1828 – Transmission Service – Biomass Energy Program, as amended, supplemented or replaced from time to time;
- (u) “**Supplement**” means this supplement and includes the form of Payment Plan Agreement attached as Appendix 1; and

ACCEPTED: _____

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- (v) “**Term**” has the meaning given to that term in section 3.1.

1.2 Appendices

Appendix 1 – form of Payment Plan Agreement attached to this Supplement is incorporated into and forms part of this Supplement.

1.3 Interpretation

In this Supplement, except where otherwise expressly provided or the context otherwise requires:

- (a) Words importing the singular include the plural and vice versa, “or” is not exclusive, “including” is not limiting, whether or not non-limiting language (such as “without limitation”) is used with reference to it, a grammatical variation of a defined term shall have a corresponding meaning, and reference to any person includes such person’s successors and assigns but, if applicable, only if the succession or assignment is permitted under this Supplement;
- (b) The inclusion of headings in this Supplement is for convenience only and shall not affect the construction or interpretation of this Supplement;
- (c) Any reference to a specific section, subsection or other subdivision is to the designated section, subsection or other subdivision of this Supplement, unless the context otherwise requires; and
- (d) All monetary amounts referred to in this Supplement are stated and shall be paid in Canadian currency.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 97
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1.4 Obligations Supplemental

- (a) BC Hydro's and a Participating Customer's obligations under this Supplement are supplemental to their respective obligations under the Electricity Supply Agreement.
- (b) Except as specifically supplemented by this Supplement, the Electricity Supply Agreement of a Participating Customer shall continue in full force and effect and, in particular, shall govern billing and payment for electricity service supplied by BC Hydro. Nothing in this Supplement shall release a Participating Customer from liability for payment of any amounts owing pursuant to the Electricity Supply Agreement.

2.0 PAYMENT PLAN

2.1 Application to Participate in the Payment Plan

- (a) As a condition of participating in the RS 1823 and RS 1828 Customer Payment Plan:
 - (i) An Eligible Customer shall, by June 30, 2020 or such later date agreed to by BC Hydro, make a request to BC Hydro that this Supplement apply respecting amounts that will be payable by the Eligible Customer to BC Hydro for electricity service provided for the operation of the Customer's Plant by completing, executing and delivering to BC Hydro an agreement in the form attached as Appendix 1;
 - (ii) The Customer's Plant of the Eligible Customer must be an operating facility and not in long-term care and maintenance;

ACCEPTED: _____

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- (iii) The Eligible Customer must have no overdue bills with BC Hydro on the date of the request, unless otherwise agreed to by BC Hydro; and
 - (iv) The Eligible Customer must not have an MCPP Agreement or a Copper Mining Customer Payment Plan Agreement in effect with BC Hydro.
- (b) BC Hydro shall, as soon as practicable after receipt of a request referred to in paragraph 2.1(a)(i), if the Eligible Customer meets the requirements for participation in the RS 1823 and RS 1828 Customer Payment Plan, accept the request and notify the Eligible Customer.

2.2 Payment of Adjusted Amount

The Participating Customer shall pay on account of each bill issued by BC Hydro during the Application Period, an adjusted amount for electricity service respecting the Customer's Plant (the "**Adjusted Amount**"), in Canadian dollars, equal to 50% of the amount that would have been payable by the Participating Customer under Rate Schedule 1823 or Rate Schedule 1828, as applicable, on account of that bill but for the application of this Supplement.

2.3 Deferral of Payment

The difference between the Adjusted Amount calculated in accordance with section 2.2 and the amount that would have been payable by the Participating Customer under Rate Schedule 1823 or Rate Schedule 1828, as applicable, but for the application of this Supplement, shall be deferred in accordance with this Supplement and such difference shall be added to the Account Balance in accordance with section 1.1(a) upon BC Hydro issuing the bill in respect of such Adjusted Amount.

ACCEPTED: _____

ORDER NO. _____

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2.4 Additional Amount

The Participating Customer may, on account of the Account Balance, pay any amount in addition to an Adjusted Amount at any time without notice, interest or penalty and all such amounts paid in excess of the Adjusted Amount shall be reflected in the Account Balance as of the date the payment was made.

2.5 Interest

- (a) Interest, calculated and compounded monthly, not in advance both before and after demand, default and judgment, shall accrue on the daily Account Balance, based on the number of days elapsed in a 365-day year, at the Floating Interest Rate 1 or Floating Interest Rate 2, as applicable, and such interest shall be added to the Account Balance on the last day of each Billing Period, or in the case of the Closing Date on the day prior to the Closing Date, and bear interest at the same rate:
 - (i) Floating Interest Rate 1 shall apply until the Closing Date and
 - (ii) Floating Interest Rate 2 shall apply thereafter until the Account Balance is zero.
- (b) The Participating Customer acknowledges that Prime was 2.45 per cent per annum on April 2, 2020. A certificate of a Managing Director of the principal banker of BC Hydro, which on the date this Supplement came into effect is the Bank of Montreal, shall be conclusive evidence as to the rate of Prime in effect from time to time.

ACCEPTED: _____

ORDER NO. _____

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2.6 Repayment of Account Balance

On or before the Closing Date, the Participating Customer shall pay the Account Balance. If unpaid by the Closing Date, beginning with the bill BC Hydro issues to the Participating Customer in December 2020 for electricity service in accordance with the Electricity Supply Agreement, and on each monthly bill thereafter until the Account Balance is zero, BC Hydro shall include on the bill an amount equal to 1/9 of the Account Balance as at the date of the December 2020 bill plus interest calculated and accrued in accordance with section 2.5(a)(ii), and the bill shall become due and payable in accordance with the Electricity Supply Agreement. Any such bill unpaid by the Participating Customer shall become overdue in accordance with the Electricity Supply Agreement except that the interest rate specified in section 2.5(a)(ii) shall continue to apply.

2.7 Taxes and Levies

Amounts calculated under this Supplement do not include the Goods and Services Tax, the Provincial Sales Tax and any other tax or levy which BC Hydro may be lawfully authorized or required to collect from the Participating Customer.

3.0 TERM OF PAYMENT PLAN AGREEMENT

3.1 Term of Payment Plan Agreement

The term of a Payment Plan Agreement (the “**Term**”) commences on the date the Application Period commences and continues until the later of the Closing Date or the date following the Closing Date at which the Account Balance is zero unless terminated earlier pursuant to and in accordance with section 3.2.

ACCEPTED: _____

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BC Hydro

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RS 1823 and RS 1828 Customer Payment Plan
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3.2 Termination

- (a) A Payment Plan Agreement may be terminated in any of the following events:
- (i) Immediately by the Participating Customer upon request to BC Hydro if at the time of the request the Account Balance is zero;
 - (ii) Immediately by BC Hydro if the Participating Customer sells, transfers or assigns all or substantially all of its interest in the Customer's Plant, at which time all unpaid amounts, including the Account Balance, shall become due and payable pursuant to the Electricity Supply Agreement;
 - (iii) Immediately by BC Hydro if the Participating Customer commits an act of bankruptcy, becomes insolvent, proposes a compromise or arrangement to its creditors generally, has any petition for a receiving order in bankruptcy filed against it, makes a voluntary assignment in bankruptcy and/or fails to make any payment required under the Electricity Supply Agreement as supplemented by this Supplement, and all amounts owing by the Participating Customer to BC Hydro, including the Account Balance, shall, immediately upon such notice being given, become due and payable pursuant to the Electricity Supply Agreement; and
 - (iv) Immediately by BC Hydro upon any person or group of persons acting in concert acquiring, in a single transaction or a series of transactions, more than 50 per cent of the issued and outstanding shares in the capital of the Participating Customer resulting in a change of control of the Participating Customer, at which time all unpaid amounts, including the Account Balance, shall become due and payable pursuant to the Electricity Supply Agreement.

ACCEPTED: _____

ORDER NO. _____

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BC Hydro

Electric Tariff Supplement No. 97
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4.0 DISPUTE RESOLUTION

4.1 Disputes

If any dispute, question or difference of opinion between the Parties arises out of or under this Supplement (“**Dispute**”), then a Party may give to the other Party a notice (“**Dispute Notice**”) specifying the Dispute and requiring its resolution under this section 4.0. All Disputes shall be resolved in accordance with the provisions of this section 4.0, provided however, that either Party may apply to a court of competent jurisdiction for any interim relief by way of restraining order, injunction or other equitable remedy.

4.2 Contract Representatives to Seek Resolution

If a Dispute Notice is given to a Party, each Party shall appoint a contract representative within five business days of a Party notifying the other Party of a Dispute and cause its contract representative to negotiate in good faith to attain a resolution of the Dispute.

4.3 Referral to Senior Executives

If a Dispute is not resolved within five business days of the Dispute being referred to the contract representatives, the Parties shall seek to resolve the Dispute through their respective senior executives (at the vice president level or higher) before proceeding to resolve the Dispute through arbitration in accordance with section 4.4. Each Party shall appoint a senior executive to undertake such informal process within 10 business days of a Party notifying the other Party of a Dispute and the Parties shall use commercially reasonable efforts to resolve the Dispute through their appointed senior executives within 30 days after notification.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

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RS 1823 and RS 1828 Customer Payment Plan
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4.4 Referral to Arbitration

If the Dispute is not resolved within 30 days of the Dispute being referred to the senior executives (or either party fails to timely appoint a contract representative or senior executive pursuant to sections 4.2 and 4.3), then either Party may submit the Dispute to arbitration under the *Arbitration Act* (British Columbia). The following rules shall apply to arbitration under this Agreement:

- (a) The arbitration shall be conducted before one arbitrator mutually agreed to by the Parties or if the Parties are unable to agree to an arbitrator within 15 days after a demand for arbitration has been given, either Party may apply to the court pursuant to the *Arbitration Act* (British Columbia) for the appointment of a single arbitrator;
- (b) The arbitrator shall be authorized only to interpret and apply the provisions of this Agreement and shall have no power to modify or change any of the above in any manner;
- (c) The arbitration shall be dealt with on an expeditious basis with both Parties using commercially reasonable efforts to obtain and implement a timely decision of the arbitrator; specifically, the arbitrator shall be instructed to impose time limits on the arbitration process such that a decision may be rendered within 45 days of appointment of the arbitrator;
- (d) The arbitrator shall determine the Dispute in accordance with the laws of the Province of British Columbia and applicable Canadian federal law; and
- (e) The Parties shall bear the costs of the arbitration equally and each Party shall bear its own costs.

ACCEPTED: _____

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4.5 Arbitration Decisions

The decision of the arbitrator shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator may be appealed solely on the grounds that the conduct of the arbitrator, or the decision itself, violated the standards of the *Arbitration Act* (British Columbia) or the rules set out in section 4.4. The final decision of the arbitrator shall also be filed with the Commission.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro Covid-19 Customer Relief Program

Appendix D

Tariff Supplement No. 98 Black-lined and Clean

BC Hydro

Electric Tariff Supplement No. 98
Coal Mining Customer Payment Plan
Effective: ~~April 7, 2020~~
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COAL MINING CUSTOMER PAYMENT PLAN

- A. The Lieutenant Governor in Council issued a Direction to the British Columbia Utilities Commission Respecting COVID-19 Relief, pursuant to section 3 of the *Utilities Commission Act* (British Columbia), dated effective April 2, 2020, as amended by Order in Council No. 319 dated June 19, 2020 (collectively, the “**Direction**”);
- B. Pursuant to the Direction, Eligible Customers (as defined below) shall be permitted, upon admission to the Coal Mining Customer Payment Plan, to defer payment of a portion of their account with BC Hydro for electricity service, to support the stability/liquidity of the Eligible Customer in respect of mining operations due to the COVID-19 pandemic; and
- C. The terms and conditions of participation in the Coal Mining Customer Payment Plan are incorporated into this Supplement to the Electric Tariff.

1.0 INTERPRETATION

1.1 Definitions

In this Supplement:

- (a) “**Account Balance**” means, in relation to a Participating Customer, an amount determined by BC Hydro prior to issuing each bill during the Application Period, as follows:

$$\text{Account Balance} = (\text{TSA} + \text{I}) - (\text{TAA} + \text{A})$$

Where:

ACCEPTED: _____

ORDER NO. _____

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BC Hydro

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Coal Mining Customer Payment Plan
Effective: ~~April 7, 2020~~
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- (i) “**TSA**” means the total amount that would have been payable by the Participating Customer under Rate Schedule 1611 but for the application of this Supplement, during the period beginning on the date the Supplement begins to apply to the Participating Customer and ending on the date BC Hydro makes a determination of the Account Balance;
 - (ii) “**I**” means the interest accumulated on the Account Balance as of the last day of the most recent Billing Period prior to the determination of the Account Balance, calculated in accordance with section 2.6;
 - (iii) “**TAA**” means the sum of all Adjusted Amounts paid by the Participating Customer; and
 - (iv) “**A**” means any payments made by the Participating Customer in addition to an Adjusted Amount, including payments made on account of the Account Balance, in accordance with section 2.5;
- (b) “**Act**” means the *Utilities Commission Act* (British Columbia);
- (c) “**Adjusted Amount**” has the meaning given to that term in section 2.2 or 2.3, as applicable;
- (d) “**Applicable Mine**” means any of the following mines:
- (i) Willow Creek; and
 - (ii) Wolverine;

ACCEPTED: _____

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- (e) **“Application Period 1”** means, in respect of a Participating Customer, the period that begins on April 2, 2020, and ends on Closing Date 1 or such earlier date on which the Coal Mining Payment Plan Agreement for the Participating Customer is terminated pursuant to section 3.2;
- (f) **“Application Period 2”** means, in respect of a Participating Customer, the period that begins on Closing Date 1 or such later date the Supplement begins to apply to the Participating Customer, and ends on Closing Date 2 or such earlier date on which the Coal Mining Payment Plan Agreement for the Participating Customer is terminated pursuant to section 3.2;
- (g) **“Billing Month”** means a month in which BC Hydro issues a bill to a Participating Customer for electricity service respecting an Applicable Mine;
- (h) **“Billing Period”** means a Participating Customer’s billing period determined pursuant to Rate Schedule 1611;
- (i) **“Closing Date 1”** means the earlier of ~~June-September~~ 30, 2020 or the date immediately before the day on which BC Hydro issues to the Participating Customer a ~~fourth-seventh~~ monthly bill pursuant to this Supplement;
- (j) **“Closing Date 2”** means March 14, 2021;
- (k) **“Coal Mining Customer Payment Plan”** means the Coal Mining Customer Payment Plan offered by BC Hydro to Eligible Customers pursuant to this Supplement;
- (l) **“Coal Mining Customer Payment Plan Agreement”** means the Coal Mining Customer Payment Plan Agreement attached as Appendix 1 to this Supplement;
- (m) **“Commission”** means the British Columbia Utilities Commission;

ACCEPTED: _____

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ACTING COMMISSION SECRETARY

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Coal Mining Customer Payment Plan
Effective: ~~April 7, 2020~~
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- (n) **“Direction”** means the Direction to the British Columbia Utilities Commission Respecting COVID-19 Relief issued by the Lieutenant Governor in Council pursuant to section 3 of the *Act* and dated effective April 2, 2020, as amended by Order in Council No. 319 dated June 19, 2020;
- (o) **“Eligible Customer”** means a customer of BC Hydro who, immediately before the Direction comes into force, was receiving electricity service from BC Hydro respecting an Applicable Mine;
- (p) **“Floating Interest Rate 1”** means a nominal annual interest rate calculated as follows:
- $$\text{Floating Interest Rate} = (12 \times [(1+i)^{1/12} - 1]) \times 100$$
- Where:
- (i) **“i”** means the sum of Prime + 2.5 per cent; and
- (ii) **“Prime”** has the meaning given to that term in section 1.1(t);
- (q) **“Floating Interest Rate 2”** means a nominal annual interest rate calculated in accordance with the formula set out in Floating Interest Rate 1, except that
- (i) **“i”** means the sum of Prime + 5.0 per cent;
- (r) **“Participating Customer”** means an Eligible Customer whose request referred to in section 2.1(a)(i) has been accepted and to whom this Supplement applies;
- (s) **“Party”** means either BC Hydro or a Participating Customer and **“Parties”** means both BC Hydro and the Participating Customer;

ACCEPTED: _____

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- (t) **“Prime”** means the published per annum prime lending rate on loans denominated in Canadian Dollars made in Canada charged by the principal banker of BC Hydro as at the date the interest is calculated in accordance with section 2.6;
- (u) **“Rate Schedule 1611”** means Rate Schedule 1611 – Large General Service (150 kW and Over), as amended, supplemented or replaced from time to time;
- (v) **“Settlement Price Period”** means, in relation to a Participating Customer, a period that
 - (i) Begins 30 days before the day referred to in paragraph 1.1(v)(ii)(A) or (B), as applicable; and
 - (ii) Ends on a day that is either:
 - A. The 15th day of the month that immediately precedes the Billing Month, if BC Hydro issues the bill on or before the 15th day of the Billing Month; or
 - B. The 15th day of the Billing Month, if BC Hydro issues the bill after that day;
- (w) **“Supplement”** means this supplement and includes the form of Coal Mining Customer Payment Plan Agreement attached as Appendix 1; and
- (x) **“Term”** has the meaning given to that term in section 3.1.

1.2 Appendices

Appendix 1 – form of Coal Mining Customer Payment Plan Agreement attached to this Supplement is incorporated into and forms part of this Supplement.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 98
Coal Mining Customer Payment Plan
Effective: ~~April 7, 2020~~
~~Original~~First Revision of Page 6

1.3 Interpretation

In this Supplement, except where otherwise expressly provided or the context otherwise requires:

- (a) Words importing the singular include the plural and vice versa, “or” is not exclusive, “including” is not limiting, whether or not non-limiting language (such as “without limitation”) is used with reference to it, a grammatical variation of a defined term shall have a corresponding meaning, and reference to any person includes such person’s successors and assigns but, if applicable, only if the succession or assignment is permitted under this Supplement;
- (b) The inclusion of headings in this Supplement is for convenience only and shall not affect the construction or interpretation of this Supplement;
- (c) Any reference to a specific section, subsection or other subdivision is to the designated section, subsection or other subdivision of this Supplement, unless the context otherwise requires; and
- (d) All monetary amounts referred to in this Supplement are stated and shall be paid in Canadian currency.

1.4 Obligations Supplemental

- (a) BC Hydro’s and a Participating Customer’s obligations under this Supplement are supplemental to their respective obligations under the Electric Tariff.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 98
Coal Mining Customer Payment Plan
Effective: ~~April 7, 2020~~
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- (b) Except as specifically supplemented by this Supplement, the Electric Tariff shall continue to apply to BC Hydro and the Participating Customer in full force and effect and, in particular, shall govern billing and payment for electricity service supplied by BC Hydro. Nothing in this Supplement shall release a Participating Customer from liability for payment of any amounts owing pursuant to the Electric Tariff and Rate Schedule 1611.

2.0 COAL MINING CUSTOMER PAYMENT PLAN

2.1 Application to Participate

- (a) As a condition of participating in the Coal Mining Customer Payment Plan:
- (i) An Eligible Customer shall, by April 30, 2020 or such later date agreed to by BC Hydro, make a request to BC Hydro that this Supplement apply respecting amounts that will be payable by the Eligible Customer to BC Hydro for electricity service provided for the operation of an Applicable Mine by completing, executing and delivering to BC Hydro an agreement in the form attached as Appendix 1;
 - (ii) The Applicable Mine must be operating and must not be in long-term care and maintenance; and
 - (iii) The Eligible Customer must have no overdue bills with BC Hydro on the date of the request, unless otherwise agreed to by BC Hydro.
- (b) BC Hydro shall, as soon as practicable after receipt of a request referred to in paragraph 2.1(a)(i), if the Eligible Customer meets the requirements for participation in the Coal Mining Customer Payment Plan, accept the request and notify the Eligible Customer.

ACCEPTED: _____

ORDER NO. _____

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BC Hydro

Electric Tariff Supplement No. 98
Coal Mining Customer Payment Plan
Effective: ~~April 7, 2020~~
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2.2 Payment of Adjusted Amount During Application Period 1

The Participating Customer shall pay on account of each bill issued by BC Hydro during the Application Period 1, an adjusted amount for electricity service respecting the Applicable Mine (the “**Adjusted Amount**”), in Canadian dollars, equal to 50 per cent of the amount that would have been payable by the Participating Customer under Rate Schedule 1611, as applicable, on account of that bill but for the application of this Supplement.

2.3 Payment of Adjusted Amount During Application Period 2

The Participating Customer shall pay on account of each bill issued by BC Hydro during the Application Period 2, an Adjusted Amount for electricity service respecting an Applicable Mine, in Canadian dollars, calculated by BC Hydro as follows:

$$\text{Adjusted Amount} = \text{SA} + (\text{SA} \times \text{AP})$$

Where:

- (a) “**SA**” means the amount that would have been payable by the Participating Customer under Rate Schedule 1611 on account of that bill but for the application of this Supplement;
- (b) “**AP**” means $[(\text{settlement price} - 134) \times 5]/100$;

Where the settlement price is the average of the daily settlement prices per metric tonne of Hard Coking Coal (Premium Low Vol) FOB Australia, as reported by Platts (Coal Trader International), for the most recent Settlement Price Period, converted into Canadian currency by using the average Bank of Canada daily exchange rate over that same period;

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

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Provided that:

- (i) If an AP is calculated to be more than 0.75, the Adjusted Amount for that bill shall be calculated using an AP of 0.75; and
- (ii) If an AP is calculated to be less than -0.75, the Adjusted Amount for that bill shall be calculated using an AP of -0.75.

2.4 Deferral of Payment

The difference between the Adjusted Amount calculated in accordance with section 2.2 or 2.3, as applicable, and the amount that would have been payable by the Participating Customer under Rate Schedule 1611, but for the application of this Supplement, shall be deferred in accordance with this Supplement and such difference shall be added to the Account Balance in accordance with section 1.1(a) upon BC Hydro issuing the bill in respect of such Adjusted Amount.

2.5 Additional Amount

The Participating Customer may, on account of the Account Balance, pay any amount in addition to an Adjusted Amount at any time without notice, interest or penalty and all such amounts paid in excess of the Adjusted Amount shall be reflected in the Account Balance as of the date the payment was made.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 98
Coal Mining Customer Payment Plan
Effective: ~~April 7, 2020~~
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2.6 Interest

- (a) Interest, calculated and compounded monthly, not in advance both before and after demand, default and judgment, shall accrue on the daily Account Balance, based on the number of days elapsed in a 365-day year, at the Floating Interest Rate 1 or Floating Interest Rate 2, as applicable, and such interest shall be added to the Account Balance on the last day of each Billing Period, or in the case of the Closing Date 1 on the day prior to Closing Date 1, and bear interest at the same rate:
- (i) Floating Interest Rate 1 shall apply until the Closing Date 1; and
 - (ii) Floating Interest Rate 2 shall apply thereafter until the Account Balance is zero.
- (b) The Participating Customer acknowledges that Prime was 2.45 per cent per annum on April 2, 2020. A certificate of a Managing Director of the principal banker of BC Hydro, which on the date this Supplement came into effect is the Bank of Montreal, shall be conclusive evidence as to the rate of Prime in effect from time to time.

2.7 Final Payment

On or before the Closing Date 2, the Participating Customer shall pay the Account Balance. If unpaid by the Closing Date 2, the Participating Customer shall pay the Account Balance, plus interest at the rates specified in section 2.6(a)(ii), as follows:

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

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- (a) BC Hydro shall add to the next bill issued to the Participating Customer for electricity service to the Applicable Mine, and to each monthly bill thereafter until the Account Balance is zero, an amount equal to 1/9 of the Account Balance as at the Closing Date 2 plus interest calculated and accrued in accordance with section 2.6(a)(ii). BC Hydro and the Participating Customer may agree in writing to a different period of repayment, but BC Hydro is not obligated to do so.
- (b) Any bill issued in accordance with section 2.7(a) unpaid by the Participating Customer shall become overdue in accordance with the Electric Tariff.

2.8 Taxes and Levies

Amounts calculated under this Supplement do not include the Goods and Services Tax, the Provincial Sales Tax and any other tax or levy which BC Hydro may be lawfully authorized or required to collect from the Participating Customer.

3.0 TERM OF PAYMENT PLAN AGREEMENT

3.1 Term of Payment Plan Agreement

The term of a Coal Mining Customer Payment Plan Agreement (the “**Term**”) commences on the date the Application Period 1 commences and continues until the later of the Closing Date 2 or the date following the Closing Date 2 at which the Account Balance is zero unless terminated earlier pursuant to and in accordance with section 3.2.

3.2 Termination

- (a) A Coal Mining Customer Payment Plan Agreement may be terminated in any of the following events:

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

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- (i) Immediately by the Participating Customer upon request to BC Hydro if at the time of the request the Account Balance is zero;
- (ii) Immediately by BC Hydro if the Participating Customer sells, transfers or assigns all or substantially all of its interest in the Applicable Mine, at which time all unpaid amounts, including the Account Balance, shall become due and payable pursuant to the Electric Tariff;
- (iii) Immediately by BC Hydro if the Participating Customer commits an act of bankruptcy, becomes insolvent, proposes a compromise or arrangement to its creditors generally, has any petition for a receiving order in bankruptcy filed against it, makes a voluntary assignment in bankruptcy and/or fails to make any payment required under the Electric Tariff as supplemented by this Supplement, and all amounts owing by the Participating Customer to BC Hydro, including the Account Balance, shall, immediately upon such notice being given, become due and payable pursuant to the Electric Tariff; and
- (iv) Immediately by BC Hydro upon any person or group of persons acting in concert acquiring, in a single transaction or a series of transactions, more than 50 per cent of the issued and outstanding shares in the capital of the Participating Customer resulting in a change of control of the Participating Customer, at which time all unpaid amounts, including the Account Balance, shall become due and payable pursuant to the Electric Tariff.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 98
Coal Mining Customer Payment Plan
Effective: ~~April 7, 2020~~
~~Original~~First Revision of Page 13

4.0 DISPUTE RESOLUTION

4.1 Disputes

If any dispute, question or difference of opinion between the Parties arises out of or under this Supplement (“**Dispute**”), then a Party may give to the other Party a notice (“**Dispute Notice**”) specifying the Dispute and requiring its resolution under this section 4.0. All Disputes shall be resolved in accordance with the provisions of this section 4.0, provided however, that either Party may apply to a court of competent jurisdiction for any interim relief by way of restraining order, injunction or other equitable remedy.

4.2 Contract Representatives to Seek Resolution

If a Dispute Notice is given to a Party, each Party shall appoint a contract representative within five business days of a Party notifying the other Party of a Dispute and cause its contract representative to negotiate in good faith to attain a resolution of the Dispute.

4.3 Referral to Senior Executives

If a Dispute is not resolved within five business days of the Dispute being referred to the contract representatives, the Parties shall seek to resolve the Dispute through their respective senior executives (at the vice president level or higher) before proceeding to resolve the Dispute through arbitration in accordance with section 4.4. Each Party shall appoint a senior executive to undertake such informal process within 10 business days of a Party notifying the other Party of a Dispute and the Parties shall use commercially reasonable efforts to resolve the Dispute through their appointed senior executives within 30 days after notification.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 98
Coal Mining Customer Payment Plan
Effective: ~~April 7, 2020~~
~~Original~~First Revision of Page 14

4.4 Referral to Arbitration

If the Dispute is not resolved within 30 days of the Dispute being referred to the senior executives (or either party fails to timely appoint a contract representative or senior executive pursuant to sections 4.2 and 4.3), then either Party may submit the Dispute to arbitration under the *Arbitration Act* (British Columbia). The following rules shall apply to arbitration under this Agreement:

- (a) The arbitration shall be conducted before one arbitrator mutually agreed to by the Parties or if the Parties are unable to agree to an arbitrator within 15 days after a demand for arbitration has been given, either Party may apply to the court pursuant to the *Arbitration Act* (British Columbia) for the appointment of a single arbitrator;
- (b) The arbitrator shall be authorized only to interpret and apply the provisions of this Agreement and shall have no power to modify or change any of the above in any manner;
- (c) The arbitration shall be dealt with on an expeditious basis with both Parties using commercially reasonable efforts to obtain and implement a timely decision of the arbitrator; specifically, the arbitrator shall be instructed to impose time limits on the arbitration process such that a decision may be rendered within 45 days of appointment of the arbitrator;
- (d) The arbitrator shall determine the Dispute in accordance with the laws of the Province of British Columbia and applicable Canadian federal law; and
- (e) The Parties shall bear the costs of the arbitration equally and each Party shall bear its own costs.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 98
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Effective: ~~April 7, 2020~~
~~Original~~First Revision of Page 15

4.5 Arbitration Decisions

The decision of the arbitrator shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator may be appealed solely on the grounds that the conduct of the arbitrator, or the decision itself, violated the standards of the *Arbitration Act* (British Columbia) or the rules set out in section 4.4. The final decision of the arbitrator shall also be filed with the Commission.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 98
Coal Mining Customer Payment Plan
Effective:
First Revision of Page 1

COAL MINING CUSTOMER PAYMENT PLAN

- A. The Lieutenant Governor in Council issued a Direction to the British Columbia Utilities Commission Respecting COVID-19 Relief, pursuant to section 3 of the *Utilities Commission Act* (British Columbia), dated effective April 2, 2020, as amended by Order in Council No. 319 dated June 19, 2020 (collectively, the “**Direction**”);
- B. Pursuant to the Direction, Eligible Customers (as defined below) shall be permitted, upon admission to the Coal Mining Customer Payment Plan, to defer payment of a portion of their account with BC Hydro for electricity service, to support the stability/liquidity of the Eligible Customer in respect of mining operations due to the COVID-19 pandemic; and
- C. The terms and conditions of participation in the Coal Mining Customer Payment Plan are incorporated into this Supplement to the Electric Tariff.

1.0 INTERPRETATION

1.1 Definitions

In this Supplement:

- (a) “**Account Balance**” means, in relation to a Participating Customer, an amount determined by BC Hydro prior to issuing each bill during the Application Period, as follows:

$$\text{Account Balance} = (\text{TSA} + \text{I}) - (\text{TAA} + \text{A})$$

Where:

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 98
Coal Mining Customer Payment Plan
Effective:
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- (i) “**TSA**” means the total amount that would have been payable by the Participating Customer under Rate Schedule 1611 but for the application of this Supplement, during the period beginning on the date the Supplement begins to apply to the Participating Customer and ending on the date BC Hydro makes a determination of the Account Balance;
 - (ii) “**I**” means the interest accumulated on the Account Balance as of the last day of the most recent Billing Period prior to the determination of the Account Balance, calculated in accordance with section 2.6;
 - (iii) “**TAA**” means the sum of all Adjusted Amounts paid by the Participating Customer; and
 - (iv) “**A**” means any payments made by the Participating Customer in addition to an Adjusted Amount, including payments made on account of the Account Balance, in accordance with section 2.5;
- (b) “**Act**” means the *Utilities Commission Act* (British Columbia);
- (c) “**Adjusted Amount**” has the meaning given to that term in section 2.2 or 2.3, as applicable;
- (d) “**Applicable Mine**” means any of the following mines:
- (i) Willow Creek; and
 - (ii) Wolverine;

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 98
Coal Mining Customer Payment Plan
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- (e) **“Application Period 1”** means, in respect of a Participating Customer, the period that begins on April 2, 2020, and ends on Closing Date 1 or such earlier date on which the Coal Mining Payment Plan Agreement for the Participating Customer is terminated pursuant to section 3.2;
- (f) **“Application Period 2”** means, in respect of a Participating Customer, the period that begins on Closing Date 1 or such later date the Supplement begins to apply to the Participating Customer, and ends on Closing Date 2 or such earlier date on which the Coal Mining Payment Plan Agreement for the Participating Customer is terminated pursuant to section 3.2;
- (g) **“Billing Month”** means a month in which BC Hydro issues a bill to a Participating Customer for electricity service respecting an Applicable Mine;
- (h) **“Billing Period”** means a Participating Customer’s billing period determined pursuant to Rate Schedule 1611;
- (i) **“Closing Date 1”** means the earlier of September 30, 2020 or the date immediately before the day on which BC Hydro issues to the Participating Customer a seventh monthly bill pursuant to this Supplement;
- (j) **“Closing Date 2”** means March 14, 2021;
- (k) **“Coal Mining Customer Payment Plan”** means the Coal Mining Customer Payment Plan offered by BC Hydro to Eligible Customers pursuant to this Supplement;
- (l) **“Coal Mining Customer Payment Plan Agreement”** means the Coal Mining Customer Payment Plan Agreement attached as Appendix 1 to this Supplement;
- (m) **“Commission”** means the British Columbia Utilities Commission;

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 98
Coal Mining Customer Payment Plan
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- (n) **“Direction”** means the Direction to the British Columbia Utilities Commission Respecting COVID-19 Relief issued by the Lieutenant Governor in Council pursuant to section 3 of the *Act* and dated effective April 2, 2020, as amended by Order in Council No. 319 dated June 19, 2020;
- (o) **“Eligible Customer”** means a customer of BC Hydro who, immediately before the Direction comes into force, was receiving electricity service from BC Hydro respecting an Applicable Mine;
- (p) **“Floating Interest Rate 1”** means a nominal annual interest rate calculated as follows:
- $$\text{Floating Interest Rate} = (12 \times [(1+i)^{1/12} - 1]) \times 100$$
- Where:
- (i) **“i”** means the sum of Prime + 2.5 per cent; and
- (ii) **“Prime”** has the meaning given to that term in section 1.1(t);
- (q) **“Floating Interest Rate 2”** means a nominal annual interest rate calculated in accordance with the formula set out in Floating Interest Rate 1, except that
- (i) **“i”** means the sum of Prime + 5.0 per cent;
- (r) **“Participating Customer”** means an Eligible Customer whose request referred to in section 2.1(a)(i) has been accepted and to whom this Supplement applies;
- (s) **“Party”** means either BC Hydro or a Participating Customer and **“Parties”** means both BC Hydro and the Participating Customer;

ACCEPTED: _____

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ACTING COMMISSION SECRETARY

BC Hydro

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- (t) **“Prime”** means the published per annum prime lending rate on loans denominated in Canadian Dollars made in Canada charged by the principal banker of BC Hydro as at the date the interest is calculated in accordance with section 2.6;
- (u) **“Rate Schedule 1611”** means Rate Schedule 1611 – Large General Service (150 kW and Over), as amended, supplemented or replaced from time to time;
- (v) **“Settlement Price Period”** means, in relation to a Participating Customer, a period that
 - (i) Begins 30 days before the day referred to in paragraph 1.1(v)(ii)(A) or (B), as applicable; and
 - (ii) Ends on a day that is either:
 - A. The 15th day of the month that immediately precedes the Billing Month, if BC Hydro issues the bill on or before the 15th day of the Billing Month; or
 - B. The 15th day of the Billing Month, if BC Hydro issues the bill after that day;
- (w) **“Supplement”** means this supplement and includes the form of Coal Mining Customer Payment Plan Agreement attached as Appendix 1; and
- (x) **“Term”** has the meaning given to that term in section 3.1.

1.2 Appendices

Appendix 1 – form of Coal Mining Customer Payment Plan Agreement attached to this Supplement is incorporated into and forms part of this Supplement.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

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1.3 Interpretation

In this Supplement, except where otherwise expressly provided or the context otherwise requires:

- (a) Words importing the singular include the plural and vice versa, “or” is not exclusive, “including” is not limiting, whether or not non-limiting language (such as “without limitation”) is used with reference to it, a grammatical variation of a defined term shall have a corresponding meaning, and reference to any person includes such person’s successors and assigns but, if applicable, only if the succession or assignment is permitted under this Supplement;
- (b) The inclusion of headings in this Supplement is for convenience only and shall not affect the construction or interpretation of this Supplement;
- (c) Any reference to a specific section, subsection or other subdivision is to the designated section, subsection or other subdivision of this Supplement, unless the context otherwise requires; and
- (d) All monetary amounts referred to in this Supplement are stated and shall be paid in Canadian currency.

1.4 Obligations Supplemental

- (a) BC Hydro’s and a Participating Customer’s obligations under this Supplement are supplemental to their respective obligations under the Electric Tariff.

ACCEPTED: _____

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BC Hydro

Electric Tariff Supplement No. 98
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- (b) Except as specifically supplemented by this Supplement, the Electric Tariff shall continue to apply to BC Hydro and the Participating Customer in full force and effect and, in particular, shall govern billing and payment for electricity service supplied by BC Hydro. Nothing in this Supplement shall release a Participating Customer from liability for payment of any amounts owing pursuant to the Electric Tariff and Rate Schedule 1611.

2.0 COAL MINING CUSTOMER PAYMENT PLAN

2.1 Application to Participate

- (a) As a condition of participating in the Coal Mining Customer Payment Plan:
- (i) An Eligible Customer shall, by April 30, 2020 or such later date agreed to by BC Hydro, make a request to BC Hydro that this Supplement apply respecting amounts that will be payable by the Eligible Customer to BC Hydro for electricity service provided for the operation of an Applicable Mine by completing, executing and delivering to BC Hydro an agreement in the form attached as Appendix 1;
 - (ii) The Applicable Mine must be operating and must not be in long-term care and maintenance; and
 - (iii) The Eligible Customer must have no overdue bills with BC Hydro on the date of the request, unless otherwise agreed to by BC Hydro.
- (b) BC Hydro shall, as soon as practicable after receipt of a request referred to in paragraph 2.1(a)(i), if the Eligible Customer meets the requirements for participation in the Coal Mining Customer Payment Plan, accept the request and notify the Eligible Customer.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

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2.2 Payment of Adjusted Amount During Application Period 1

The Participating Customer shall pay on account of each bill issued by BC Hydro during the Application Period 1, an adjusted amount for electricity service respecting the Applicable Mine (the “**Adjusted Amount**”), in Canadian dollars, equal to 50 per cent of the amount that would have been payable by the Participating Customer under Rate Schedule 1611, as applicable, on account of that bill but for the application of this Supplement.

2.3 Payment of Adjusted Amount During Application Period 2

The Participating Customer shall pay on account of each bill issued by BC Hydro during the Application Period 2, an Adjusted Amount for electricity service respecting an Applicable Mine, in Canadian dollars, calculated by BC Hydro as follows:

$$\text{Adjusted Amount} = \text{SA} + (\text{SA} \times \text{AP})$$

Where:

- (a) “**SA**” means the amount that would have been payable by the Participating Customer under Rate Schedule 1611 on account of that bill but for the application of this Supplement;
- (b) “**AP**” means $[(\text{settlement price} - 134) \times 5]/100$;

Where the settlement price is the average of the daily settlement prices per metric tonne of Hard Coking Coal (Premium Low Vol) FOB Australia, as reported by Platts (Coal Trader International), for the most recent Settlement Price Period, converted into Canadian currency by using the average Bank of Canada daily exchange rate over that same period;

ACCEPTED: _____

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Provided that:

- (i) If an AP is calculated to be more than 0.75, the Adjusted Amount for that bill shall be calculated using an AP of 0.75; and
- (ii) If an AP is calculated to be less than -0.75, the Adjusted Amount for that bill shall be calculated using an AP of -0.75.

2.4 Deferral of Payment

The difference between the Adjusted Amount calculated in accordance with section 2.2 or 2.3, as applicable, and the amount that would have been payable by the Participating Customer under Rate Schedule 1611, but for the application of this Supplement, shall be deferred in accordance with this Supplement and such difference shall be added to the Account Balance in accordance with section 1.1(a) upon BC Hydro issuing the bill in respect of such Adjusted Amount.

2.5 Additional Amount

The Participating Customer may, on account of the Account Balance, pay any amount in addition to an Adjusted Amount at any time without notice, interest or penalty and all such amounts paid in excess of the Adjusted Amount shall be reflected in the Account Balance as of the date the payment was made.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

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Coal Mining Customer Payment Plan
Effective:
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2.6 Interest

- (a) Interest, calculated and compounded monthly, not in advance both before and after demand, default and judgment, shall accrue on the daily Account Balance, based on the number of days elapsed in a 365-day year, at the Floating Interest Rate 1 or Floating Interest Rate 2, as applicable, and such interest shall be added to the Account Balance on the last day of each Billing Period, or in the case of the Closing Date 1 on the day prior to Closing Date 1, and bear interest at the same rate:
- (i) Floating Interest Rate 1 shall apply until the Closing Date 1; and
 - (ii) Floating Interest Rate 2 shall apply thereafter until the Account Balance is zero.
- (b) The Participating Customer acknowledges that Prime was 2.45 per cent per annum on April 2, 2020. A certificate of a Managing Director of the principal banker of BC Hydro, which on the date this Supplement came into effect is the Bank of Montreal, shall be conclusive evidence as to the rate of Prime in effect from time to time.

2.7 Final Payment

On or before the Closing Date 2, the Participating Customer shall pay the Account Balance. If unpaid by the Closing Date 2, the Participating Customer shall pay the Account Balance, plus interest at the rates specified in section 2.6(a)(ii), as follows:

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 98
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Effective:
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- (a) BC Hydro shall add to the next bill issued to the Participating Customer for electricity service to the Applicable Mine, and to each monthly bill thereafter until the Account Balance is zero, an amount equal to 1/9 of the Account Balance as at the Closing Date 2 plus interest calculated and accrued in accordance with section 2.6(a)(ii). BC Hydro and the Participating Customer may agree in writing to a different period of repayment, but BC Hydro is not obligated to do so.
- (b) Any bill issued in accordance with section 2.7(a) unpaid by the Participating Customer shall become overdue in accordance with the Electric Tariff.

2.8 Taxes and Levies

Amounts calculated under this Supplement do not include the Goods and Services Tax, the Provincial Sales Tax and any other tax or levy which BC Hydro may be lawfully authorized or required to collect from the Participating Customer.

3.0 TERM OF PAYMENT PLAN AGREEMENT

3.1 Term of Payment Plan Agreement

The term of a Coal Mining Customer Payment Plan Agreement (the “**Term**”) commences on the date the Application Period 1 commences and continues until the later of the Closing Date 2 or the date following the Closing Date 2 at which the Account Balance is zero unless terminated earlier pursuant to and in accordance with section 3.2.

3.2 Termination

- (a) A Coal Mining Customer Payment Plan Agreement may be terminated in any of the following events:

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

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- (i) Immediately by the Participating Customer upon request to BC Hydro if at the time of the request the Account Balance is zero;
- (ii) Immediately by BC Hydro if the Participating Customer sells, transfers or assigns all or substantially all of its interest in the Applicable Mine, at which time all unpaid amounts, including the Account Balance, shall become due and payable pursuant to the Electric Tariff;
- (iii) Immediately by BC Hydro if the Participating Customer commits an act of bankruptcy, becomes insolvent, proposes a compromise or arrangement to its creditors generally, has any petition for a receiving order in bankruptcy filed against it, makes a voluntary assignment in bankruptcy and/or fails to make any payment required under the Electric Tariff as supplemented by this Supplement, and all amounts owing by the Participating Customer to BC Hydro, including the Account Balance, shall, immediately upon such notice being given, become due and payable pursuant to the Electric Tariff; and
- (iv) Immediately by BC Hydro upon any person or group of persons acting in concert acquiring, in a single transaction or a series of transactions, more than 50 per cent of the issued and outstanding shares in the capital of the Participating Customer resulting in a change of control of the Participating Customer, at which time all unpaid amounts, including the Account Balance, shall become due and payable pursuant to the Electric Tariff.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 98
Coal Mining Customer Payment Plan
Effective:
First Revision of Page 13

4.0 DISPUTE RESOLUTION

4.1 Disputes

If any dispute, question or difference of opinion between the Parties arises out of or under this Supplement (“**Dispute**”), then a Party may give to the other Party a notice (“**Dispute Notice**”) specifying the Dispute and requiring its resolution under this section 4.0. All Disputes shall be resolved in accordance with the provisions of this section 4.0, provided however, that either Party may apply to a court of competent jurisdiction for any interim relief by way of restraining order, injunction or other equitable remedy.

4.2 Contract Representatives to Seek Resolution

If a Dispute Notice is given to a Party, each Party shall appoint a contract representative within five business days of a Party notifying the other Party of a Dispute and cause its contract representative to negotiate in good faith to attain a resolution of the Dispute.

4.3 Referral to Senior Executives

If a Dispute is not resolved within five business days of the Dispute being referred to the contract representatives, the Parties shall seek to resolve the Dispute through their respective senior executives (at the vice president level or higher) before proceeding to resolve the Dispute through arbitration in accordance with section 4.4. Each Party shall appoint a senior executive to undertake such informal process within 10 business days of a Party notifying the other Party of a Dispute and the Parties shall use commercially reasonable efforts to resolve the Dispute through their appointed senior executives within 30 days after notification.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 98
Coal Mining Customer Payment Plan
Effective:
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4.4 Referral to Arbitration

If the Dispute is not resolved within 30 days of the Dispute being referred to the senior executives (or either party fails to timely appoint a contract representative or senior executive pursuant to sections 4.2 and 4.3), then either Party may submit the Dispute to arbitration under the *Arbitration Act* (British Columbia). The following rules shall apply to arbitration under this Agreement:

- (a) The arbitration shall be conducted before one arbitrator mutually agreed to by the Parties or if the Parties are unable to agree to an arbitrator within 15 days after a demand for arbitration has been given, either Party may apply to the court pursuant to the *Arbitration Act* (British Columbia) for the appointment of a single arbitrator;
- (b) The arbitrator shall be authorized only to interpret and apply the provisions of this Agreement and shall have no power to modify or change any of the above in any manner;
- (c) The arbitration shall be dealt with on an expeditious basis with both Parties using commercially reasonable efforts to obtain and implement a timely decision of the arbitrator; specifically, the arbitrator shall be instructed to impose time limits on the arbitration process such that a decision may be rendered within 45 days of appointment of the arbitrator;
- (d) The arbitrator shall determine the Dispute in accordance with the laws of the Province of British Columbia and applicable Canadian federal law; and
- (e) The Parties shall bear the costs of the arbitration equally and each Party shall bear its own costs.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro

Electric Tariff Supplement No. 98
Coal Mining Customer Payment Plan
Effective:
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4.5 Arbitration Decisions

The decision of the arbitrator shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator may be appealed solely on the grounds that the conduct of the arbitrator, or the decision itself, violated the standards of the *Arbitration Act* (British Columbia) or the rules set out in section 4.4. The final decision of the arbitrator shall also be filed with the Commission.

ACCEPTED: _____

ORDER NO. _____

ACTING COMMISSION SECRETARY

BC Hydro Covid-19 Customer Relief Program

Appendix E

Tariff Supplement No. 99 Black-lined and Clean

BC Hydro

Electric Tariff Supplement No. 99
Copper Mining Customer Payment Plan
Effective: April 7, 2020
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COPPER MINING CUSTOMER PAYMENT PLAN

- A. The Lieutenant Governor in Council issued a Direction to the British Columbia Utilities Commission Respecting COVID-19 Relief, pursuant to section 3 of the *Utilities Commission Act* (British Columbia), dated effective April 2, 2020, as amended by Order in Council No. 319 dated June 19, 2020 (collectively, the “**Direction**”);
- B. Pursuant to the Direction, Eligible Customers (as defined below) shall be permitted, upon admission to the Copper Mining Customer Payment Plan, to defer payment of a portion of their account with BC Hydro for electricity service respecting an Applicable Mine (as defined below), to support the stability/liquidity of the Eligible Customer in respect of its mining operations due to the COVID-19 pandemic; and
- C. The terms and conditions of participation in the Copper Mining Customer Payment Plan, as provided in the Direction, are incorporated into this Supplement to Electric Tariff Supplement No. 5.

1.0 INTERPRETATION

1.1 Definitions

In this Supplement:

- (a) “**Account Balance**” means, in relation to an Applicable Mine of a Participating Customer, an amount determined by BC Hydro prior to issuing each bill during the Application Period, as follows:

$$\text{Account Balance} = (\text{TSA} + \text{I}) - (\text{TAA} + \text{A})$$

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Where:

- (i) “**TSA**” means the total amount that would have been payable by the Participating Customer under Rate Schedule 1823, but for the application of this Supplement, during the period beginning on the date the Supplement begins to apply to the Participating Customer and ending on the date BC Hydro makes a determination of the Account Balance;
 - (ii) “**I**” means the interest accumulated on the Account Balance as of the last day of the most recent Billing Period prior to the determination of the Account Balance, calculated in accordance with section 2.5;
 - (iii) “**TAA**” means the sum of all Adjusted Amounts paid by the Participating Customer; and
 - (iv) “**A**” means any payments made by the Participating Customer in addition to an Adjusted Amount, including payments made on account of the Account Balance, in accordance with section 2.4;
- (b) “**Act**” means the *Utilities Commission Act* (British Columbia);
- (c) “**Adjusted Amount**” has the meaning given to that term in section 2.2;
- (d) “**Applicable Mine**” means any of the following mines:
- (i) Copper Mountain;
 - (ii) Gibraltar;
 - (iii) Highland Valley;
 - (iv) Mount Milligan;
 - (v) New Afton; and

ACCEPTED: _____

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- (vi) Red Chris.
- (e) “**Application Period**” means, in respect of an Applicable Mine, the period that begins on March 22, 2020, and ends on the Closing Date or such earlier date on which the Copper Mining Customer Payment Plan Agreement for the Participating Customer is terminated pursuant to section 3.2;
- (f) “**Billing Month**” means a month in which BC Hydro issues a bill to a Participating Customer for electricity service respecting an Applicable Mine;
- (g) “**Billing Period**” means a Participating Customer’s billing period determined pursuant to the Electricity Supply Agreement for electricity service respecting an Applicable Mine;
- (h) “**Closing Date**” means ~~June~~September 21, 2020;
- (i) “**Commission**” means the British Columbia Utilities Commission;
- (j) “**Copper Mining Customer Payment Plan Agreement**” means a Copper Mining Customer Payment Plan Agreement attached as Appendix 1 to this Supplement;
- (k) “**Direction**” means the Direction to the British Columbia Utilities Commission Respecting COVID-19 Relief issued by the Lieutenant Governor in Council pursuant to section 3 of the *Act* and dated effective April 2, 2020, as amended by Order in Council No. 319 dated June 19, 2020;
- (l) “**Electricity Supply Agreement**” means the Electricity Supply Agreement (Electric Tariff Supplement No. 5) between a Participating Customer and BC Hydro for the supply of electricity to an Applicable Mine of the Participating Customer;

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(m) “**Eligible Customer**” means a customer of BC Hydro who, immediately before the Direction comes into force, was receiving electricity service from BC Hydro respecting an Applicable Mine;

(n) “**Floating Interest Rate**” means a nominal annual interest rate calculated as follows:

$$\text{Floating Interest Rate} = (12 \times [(1+i)^{1/12} - 1]) \times 100$$

Where:

(i) “**i**” means the sum of Prime + 2.5 per cent; and

(ii) “**Prime**” has the meaning given to that term in section 1.1(s);

(o) “**MCPP Agreement**” means a Mining Customer Payment Plan Agreement attached as Appendix 1 to Tariff Supplement No. 90;

(p) “**Participating Customer**” means an Eligible Customer whose request referred to in section 2.1(a)(i) has been accepted and to whom this Supplement applies;

(q) “**Party**” means either BC Hydro or a Participating Customer and “**Parties**” means both BC Hydro and the Participating Customer;

(r) “**Payment Plan Agreement**” means a Payment Plan Agreement attached as Appendix 1 to Tariff Supplement No. 97;

(s) “**Prime**” means the published per annum prime lending rate on loans denominated in Canadian Dollars made in Canada charged by the principal banker of BC Hydro as at the date the interest is calculated in accordance with section 2.5;

(t) “**Rate Schedule 1823**” means Rate Schedule 1823 – Transmission Service – Stepped Rate, as amended, supplemented or replaced from time to time;

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- (u) **“Settlement Price Period”** means, in relation to a Participating Customer, a period that:
- (i) Begins 30 days before the day referred to in paragraph 1.1(u)(ii)(A) or (B), as applicable; and
 - (ii) Ends on a day that is either:
 - A. The 15th day of the month that immediately precedes the Billing Month, if BC Hydro issues the bill on or before the 15th day of the Billing Month; or
 - B. The 15th day of the Billing Month, if BC Hydro issues the bill after that day;
- (v) **“Supplement”** means this supplement and includes the form of Copper Mining Customer Payment Plan Agreement attached as Appendix 1; and
- (w) **“Term”** has the meaning given to that term in section 3.1.

1.2 Appendices

Appendix 1 – form of Copper Mining Customer Payment Plan Agreement attached to this Supplement is incorporated into and forms part of this Supplement.

ACCEPTED: _____

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ACTING COMMISSION SECRETARY

BC Hydro

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Effective: ~~April 7, 2020~~
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1.3 Interpretation

In this Supplement, except where otherwise expressly provided or the context otherwise requires:

- (a) Words importing the singular include the plural and vice versa, “or” is not exclusive, “including” is not limiting, whether or not non-limiting language (such as “without limitation”) is used with reference to it, a grammatical variation of a defined term shall have a corresponding meaning, and reference to any person includes such person’s successors and assigns but, if applicable, only if the succession or assignment is permitted under this Supplement;
- (b) The inclusion of headings in this Supplement is for convenience only and shall not affect the construction or interpretation of this Supplement;
- (c) Any reference to a specific section, subsection or other subdivision is to the designated section, subsection or other subdivision of this Supplement, unless the context otherwise requires; and
- (d) All monetary amounts referred to in this Supplement are stated and shall be paid in Canadian currency.

1.4 Obligations Supplemental

- (a) BC Hydro’s and a Participating Customer’s obligations under this Supplement are supplemental to their respective obligations under the Electricity Supply Agreement.

ACCEPTED: _____

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- (b) Except as specifically supplemented by this Supplement, the Electricity Supply Agreement of a Participating Customer shall continue in full force and effect and, in particular, shall govern billing and payment for electricity service supplied by BC Hydro respecting an Applicable Mine. Nothing in this Supplement shall release a Participating Customer from liability for payment of any amounts owing pursuant to the Electricity Supply Agreement.

2.0 COPPER MINING CUSTOMER PAYMENT PLAN

2.1 Application to Participate in the Copper Mining Customer Payment Plan

- (a) As a condition of participating in the Copper Mining Customer Payment Plan in respect of an Applicable Mine:
- (i) An Eligible Customer shall, by ~~April~~June 30, 2020 or such later date agreed to by BC Hydro, make a request to BC Hydro that this Supplement apply respecting amounts that will be payable by the Eligible Customer to BC Hydro for electricity service provided for the operation of an Applicable Mine by completing, executing and delivering to BC Hydro an agreement in the form attached as Appendix 1;
 - (ii) The Applicable Mine must be, on the date of the request, a producing mine and not in long-term care and maintenance;
 - (iii) The Eligible Customer must have no overdue bills with BC Hydro on the date of the request, unless otherwise agreed to by BC Hydro; and
 - (iv) The Eligible Customer must not have an MCPP Agreement or a Payment Plan Agreement in effect with BC Hydro.

ACCEPTED: _____

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- (b) BC Hydro shall, as soon as practicable after receipt of a request referred to in paragraph 2.1(a)(i), if the Eligible Customer meets the requirements for participation in the Copper Mining Customer Payment Plan, accept the request and notify the Eligible Customer.

2.2 Payment of Adjusted Amount

The Participating Customer shall pay on account of each bill issued by BC Hydro during the Application Period, an adjusted amount for electricity service respecting an Applicable Mine (the “**Adjusted Amount**”), in Canadian dollars, calculated by BC Hydro as follows:

The Adjusted Amount is equal to the lower of:

- (a) 50 per cent of SA; and
- (b) $SA + (SA \times AP)$

Where:

- (i) “**SA**” means the amount that would have been payable by the Participating Customer under Rate Schedule 1823 on account of that bill but for the application of this Supplement;

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- (ii) “**AP**” means $[(\text{settlement price} - 3.40) \times 208]/100$;

Where:

The settlement price calculated for a Participating Customer is the average of the daily settlement prices per metric tonne of copper, as reported by the London Metal Exchange, for the most recent Settlement Price Period, converted into the average of the daily settlement prices per pound of copper, by using a metric tonne to pound ratio of 1:2204.62, and converted into Canadian currency by using the average Bank of Canada daily exchange rate over that same period, provided that if an AP is calculated to be more than 0.75, the AP shall be 0.75, and if an AP is calculated to be less than -0.75, the AP shall be -0.75.

2.3 Deferral of Payment

The difference between the Adjusted Amount calculated in accordance with section 2.2 and the amount that would have been payable by the Participating Customer under Rate Schedule 1823, but for the application of this Supplement, shall be deferred in accordance with this Supplement and such difference shall be added to the Account Balance in accordance with section 1.1(a) upon BC Hydro issuing the bill in respect of such Adjusted Amount.

2.4 Additional Amount

The Participating Customer may, on account of the Account Balance, pay any amount in addition to an Adjusted Amount at any time without notice, interest or penalty and all such amounts paid in excess of the Adjusted Amount shall be reflected in the Account Balance as of the date the payment was made.

ACCEPTED: _____

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2.5 Interest

- (a) Interest, calculated and compounded monthly, not in advance both before and after demand, default and judgment, shall accrue on the daily Account Balance, based on the number of days elapsed in a 365-day year, at the Floating Interest Rate and such interest shall be added to the Account Balance on the last day of each Billing Period, or in the case of the Closing Date on the day prior to the Closing Date, and bear interest at the same rate.
- (b) The Participating Customer acknowledges that Prime was 2.45 per cent per annum on April 2, 2020. A certificate of a Managing Director of the principal banker of BC Hydro, which on the date this Supplement came into effect is the Bank of Montreal, shall be conclusive evidence as to the rate of Prime in effect from time to time.

2.6 Final Payment or Transfer of Account Balance on Closing Date

- (a) On or before the Closing Date, the Participating Customer shall notify BC Hydro of the Participating Customer's election to either:
 - (i) Pay the Account Balance to BC Hydro by the Closing Date, in which case the Participating Customer shall pay the Account Balance to BC Hydro by the Closing Date and if unpaid by the Closing Date, the Account Balance shall become overdue pursuant to the Electricity Supply Agreement except that the interest rate applied to the overdue amount shall be Prime + 5.0 per cent; or

ACCEPTED: _____

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- (ii) Request BC Hydro to transfer the Account Balance to the Participating Customer's Account Balance pursuant to Tariff Supplement No. 90 subject to the Participating Customer entering into a MCPPE Agreement with BC Hydro, in which case the Account Balance pursuant to this Supplement shall be added to the Participating Customer's Account Balance pursuant to Tariff Supplement No. 90 effective on the Closing Date and payable in accordance with Tariff Supplement No. 90.
- (b) If the Participating Customer fails to notify BC Hydro of the Participating Customer's election, as required by section 2.6(a), the Participating Customer shall be deemed to have made the election pursuant to section 2.6(a)(i) effective on the Closing Date and the Account Balance shall then become overdue pursuant to the Electricity Supply Agreement except that the interest rate applied to the overdue amount shall be Prime + 5.0 per cent.

2.7 Taxes and Levies

Amounts calculated under this Supplement do not include the Goods and Services Tax, the Provincial Sales Tax and any other tax or levy which BC Hydro may be lawfully authorized or required to collect from the Participating Customer.

3.0 TERM OF COPPER MINING CUSTOMER PAYMENT PLAN AGREEMENT

3.1 Term of Agreement

The term of a Copper Mining Customer Payment Plan Agreement (the "Term") in respect of an Applicable Mine commences on the date the Application Period commences and continues until the Closing Date unless terminated earlier pursuant to and in accordance with section 3.2.

ACCEPTED: _____

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3.2 Termination

- (a) A Copper Mining Customer Payment Plan Agreement may be terminated in any of the following events:
- (i) Immediately by the Participating Customer upon request to BC Hydro if at the time of the request the Account Balance is zero;
 - (ii) Immediately by BC Hydro, if at any time the Participating Customer sells, transfers or assigns all or substantially all of its interest in the Applicable Mine, at which time all unpaid amounts, including the Account Balance, shall become due and payable pursuant to the Electricity Supply Agreement;
 - (iii) Immediately by BC Hydro if at any time the Participating Customer commits an act of bankruptcy, becomes insolvent, proposes a compromise or arrangement to its creditors generally, has any petition for a receiving order in bankruptcy filed against it, makes a voluntary assignment in bankruptcy and/or fails to make any payment required under the Electricity Supply Agreement as supplemented by this Supplement, and all amounts owing by the Participating Customer to BC Hydro, including the Account Balance, shall, immediately upon such notice being given, become due and payable pursuant to the Electricity Supply Agreement; and
 - (iv) Immediately by BC Hydro upon any person or group of persons acting in concert acquiring, in a single transaction or a series of transactions, more than 50 per cent of the issued and outstanding shares in the capital of the Participating Customer resulting in a change of control of the Participating Customer, at which time all unpaid amounts, including the Account Balance, shall become due and payable pursuant to the Electricity Supply Agreement.

ACCEPTED: _____

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BC Hydro

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4.0 DISPUTE RESOLUTION

4.1 Disputes

If any dispute, question or difference of opinion between the Parties arises out of or under this Supplement (“**Dispute**”), then a Party may give to the other Party a notice (“**Dispute Notice**”) specifying the Dispute and requiring its resolution under this section 4.0. All Disputes shall be resolved in accordance with the provisions of this section 4.0, provided however, that either Party may apply to a court of competent jurisdiction for any interim relief by way of restraining order, injunction or other equitable remedy.

4.2 Contract Representatives to Seek Resolution

If a Dispute Notice is given to a Party, each Party shall appoint a contract representative within five business days of a Party notifying the other Party of a Dispute and cause its contract representative to negotiate in good faith to attain a resolution of the Dispute.

4.3 Referral to Senior Executives

If a Dispute is not resolved within five business days of the Dispute being referred to the contract representatives, the Parties shall seek to resolve the Dispute through their respective senior executives (at the vice president level or higher) before proceeding to resolve the Dispute through arbitration in accordance with section 4.4. Each Party shall appoint a senior executive to undertake such informal process within 10 business days of a Party notifying the other Party of a Dispute and the Parties shall use commercially reasonable efforts to resolve the Dispute through their appointed senior executives within 30 days after notification.

ACCEPTED: _____

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4.4 Referral to Arbitration

If the Dispute is not resolved within 30 days of the Dispute being referred to the senior executives (or either party fails to timely appoint a contract representative or senior executive pursuant to sections 4.2 and 4.3), then either Party may submit the Dispute to arbitration under the *Arbitration Act* (British Columbia). The following rules shall apply to arbitration under this Agreement:

- (a) The arbitration shall be conducted before one arbitrator mutually agreed to by the Parties or if the Parties are unable to agree to an arbitrator within 15 days after a demand for arbitration has been given, either Party may apply to the court pursuant to the *Arbitration Act* (British Columbia) for the appointment of a single arbitrator;
- (b) The arbitrator shall be authorized only to interpret and apply the provisions of this Agreement and shall have no power to modify or change any of the above in any manner;
- (c) The arbitration shall be dealt with on an expeditious basis with both Parties using commercially reasonable efforts to obtain and implement a timely decision of the arbitrator; specifically, the arbitrator shall be instructed to impose time limits on the arbitration process such that a decision may be rendered within 45 days of appointment of the arbitrator;
- (d) The arbitrator shall determine the Dispute in accordance with the laws of the Province of British Columbia and applicable Canadian federal law; and
- (e) The Parties shall bear the costs of the arbitration equally and each Party shall bear its own costs.

ACCEPTED: _____

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4.5 Arbitration Decisions

The decision of the arbitrator shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator may be appealed solely on the grounds that the conduct of the arbitrator, or the decision itself, violated the standards of the *Arbitration Act* (British Columbia) or the rules set out in section 4.4. The final decision of the arbitrator shall also be filed with the Commission.

ACCEPTED: _____

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COPPER MINING CUSTOMER PAYMENT PLAN

- A. The Lieutenant Governor in Council issued a Direction to the British Columbia Utilities Commission Respecting COVID-19 Relief, pursuant to section 3 of the *Utilities Commission Act* (British Columbia), dated effective April 2, 2020, as amended by Order in Council No. 319 dated June 19, 2020 (collectively, the “**Direction**”);
- B. Pursuant to the Direction, Eligible Customers (as defined below) shall be permitted, upon admission to the Copper Mining Customer Payment Plan, to defer payment of a portion of their account with BC Hydro for electricity service respecting an Applicable Mine (as defined below), to support the stability/liquidity of the Eligible Customer in respect of its mining operations due to the COVID-19 pandemic; and
- C. The terms and conditions of participation in the Copper Mining Customer Payment Plan, as provided in the Direction, are incorporated into this Supplement to Electric Tariff Supplement No. 5.

1.0 INTERPRETATION

1.1 Definitions

In this Supplement:

- (a) “**Account Balance**” means, in relation to an Applicable Mine of a Participating Customer, an amount determined by BC Hydro prior to issuing each bill during the Application Period, as follows:

$$\text{Account Balance} = (\text{TSA} + \text{I}) - (\text{TAA} + \text{A})$$

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Where:

- (i) “**TSA**” means the total amount that would have been payable by the Participating Customer under Rate Schedule 1823, but for the application of this Supplement, during the period beginning on the date the Supplement begins to apply to the Participating Customer and ending on the date BC Hydro makes a determination of the Account Balance;
 - (ii) “**I**” means the interest accumulated on the Account Balance as of the last day of the most recent Billing Period prior to the determination of the Account Balance, calculated in accordance with section 2.5;
 - (iii) “**TAA**” means the sum of all Adjusted Amounts paid by the Participating Customer; and
 - (iv) “**A**” means any payments made by the Participating Customer in addition to an Adjusted Amount, including payments made on account of the Account Balance, in accordance with section 2.4;
- (b) “**Act**” means the *Utilities Commission Act* (British Columbia);
- (c) “**Adjusted Amount**” has the meaning given to that term in section 2.2;
- (d) “**Applicable Mine**” means any of the following mines:
- (i) Copper Mountain;
 - (ii) Gibraltar;
 - (iii) Highland Valley;
 - (iv) Mount Milligan;
 - (v) New Afton; and

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BC Hydro

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- (vi) Red Chris.
- (e) “**Application Period**” means, in respect of an Applicable Mine, the period that begins on March 22, 2020, and ends on the Closing Date or such earlier date on which the Copper Mining Customer Payment Plan Agreement for the Participating Customer is terminated pursuant to section 3.2;
- (f) “**Billing Month**” means a month in which BC Hydro issues a bill to a Participating Customer for electricity service respecting an Applicable Mine;
- (g) “**Billing Period**” means a Participating Customer’s billing period determined pursuant to the Electricity Supply Agreement for electricity service respecting an Applicable Mine;
- (h) “**Closing Date**” means September 21, 2020;
- (i) “**Commission**” means the British Columbia Utilities Commission;
- (j) “**Copper Mining Customer Payment Plan Agreement**” means a Copper Mining Customer Payment Plan Agreement attached as Appendix 1 to this Supplement;
- (k) “**Direction**” means the Direction to the British Columbia Utilities Commission Respecting COVID-19 Relief issued by the Lieutenant Governor in Council pursuant to section 3 of the *Act* and dated effective April 2, 2020, as amended by Order in Council No. 319 dated June 19, 2020;
- (l) “**Electricity Supply Agreement**” means the Electricity Supply Agreement (Electric Tariff Supplement No. 5) between a Participating Customer and BC Hydro for the supply of electricity to an Applicable Mine of the Participating Customer;

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(m) “**Eligible Customer**” means a customer of BC Hydro who, immediately before the Direction comes into force, was receiving electricity service from BC Hydro respecting an Applicable Mine;

(n) “**Floating Interest Rate**” means a nominal annual interest rate calculated as follows:

$$\text{Floating Interest Rate} = (12 \times [(1+i)^{1/12} - 1]) \times 100$$

Where:

(i) “**i**” means the sum of Prime + 2.5 per cent; and

(ii) “**Prime**” has the meaning given to that term in section 1.1(s);

(o) “**MCPP Agreement**” means a Mining Customer Payment Plan Agreement attached as Appendix 1 to Tariff Supplement No. 90;

(p) “**Participating Customer**” means an Eligible Customer whose request referred to in section 2.1(a)(i) has been accepted and to whom this Supplement applies;

(q) “**Party**” means either BC Hydro or a Participating Customer and “**Parties**” means both BC Hydro and the Participating Customer;

(r) “**Payment Plan Agreement**” means a Payment Plan Agreement attached as Appendix 1 to Tariff Supplement No. 97;

(s) “**Prime**” means the published per annum prime lending rate on loans denominated in Canadian Dollars made in Canada charged by the principal banker of BC Hydro as at the date the interest is calculated in accordance with section 2.5;

(t) “**Rate Schedule 1823**” means Rate Schedule 1823 – Transmission Service – Stepped Rate, as amended, supplemented or replaced from time to time;

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- (u) **“Settlement Price Period”** means, in relation to a Participating Customer, a period that:
- (i) Begins 30 days before the day referred to in paragraph 1.1(u)(ii)(A) or (B), as applicable; and
 - (ii) Ends on a day that is either:
 - A. The 15th day of the month that immediately precedes the Billing Month, if BC Hydro issues the bill on or before the 15th day of the Billing Month; or
 - B. The 15th day of the Billing Month, if BC Hydro issues the bill after that day;
- (v) **“Supplement”** means this supplement and includes the form of Copper Mining Customer Payment Plan Agreement attached as Appendix 1; and
- (w) **“Term”** has the meaning given to that term in section 3.1.

1.2 Appendices

Appendix 1 – form of Copper Mining Customer Payment Plan Agreement attached to this Supplement is incorporated into and forms part of this Supplement.

ACCEPTED: _____

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BC Hydro

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1.3 Interpretation

In this Supplement, except where otherwise expressly provided or the context otherwise requires:

- (a) Words importing the singular include the plural and vice versa, “or” is not exclusive, “including” is not limiting, whether or not non-limiting language (such as “without limitation”) is used with reference to it, a grammatical variation of a defined term shall have a corresponding meaning, and reference to any person includes such person’s successors and assigns but, if applicable, only if the succession or assignment is permitted under this Supplement;
- (b) The inclusion of headings in this Supplement is for convenience only and shall not affect the construction or interpretation of this Supplement;
- (c) Any reference to a specific section, subsection or other subdivision is to the designated section, subsection or other subdivision of this Supplement, unless the context otherwise requires; and
- (d) All monetary amounts referred to in this Supplement are stated and shall be paid in Canadian currency.

1.4 Obligations Supplemental

- (a) BC Hydro’s and a Participating Customer’s obligations under this Supplement are supplemental to their respective obligations under the Electricity Supply Agreement.

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- (b) Except as specifically supplemented by this Supplement, the Electricity Supply Agreement of a Participating Customer shall continue in full force and effect and, in particular, shall govern billing and payment for electricity service supplied by BC Hydro respecting an Applicable Mine. Nothing in this Supplement shall release a Participating Customer from liability for payment of any amounts owing pursuant to the Electricity Supply Agreement.

2.0 COPPER MINING CUSTOMER PAYMENT PLAN

2.1 Application to Participate in the Copper Mining Customer Payment Plan

- (a) As a condition of participating in the Copper Mining Customer Payment Plan in respect of an Applicable Mine:
- (i) An Eligible Customer shall, by June 30, 2020 or such later date agreed to by BC Hydro, make a request to BC Hydro that this Supplement apply respecting amounts that will be payable by the Eligible Customer to BC Hydro for electricity service provided for the operation of an Applicable Mine by completing, executing and delivering to BC Hydro an agreement in the form attached as Appendix 1;
 - (ii) The Applicable Mine must be, on the date of the request, a producing mine and not in long-term care and maintenance;
 - (iii) The Eligible Customer must have no overdue bills with BC Hydro on the date of the request, unless otherwise agreed to by BC Hydro; and
 - (iv) The Eligible Customer must not have an MCPP Agreement or a Payment Plan Agreement in effect with BC Hydro.

ACCEPTED: _____

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- (b) BC Hydro shall, as soon as practicable after receipt of a request referred to in paragraph 2.1(a)(i), if the Eligible Customer meets the requirements for participation in the Copper Mining Customer Payment Plan, accept the request and notify the Eligible Customer.

2.2 Payment of Adjusted Amount

The Participating Customer shall pay on account of each bill issued by BC Hydro during the Application Period, an adjusted amount for electricity service respecting an Applicable Mine (the “**Adjusted Amount**”), in Canadian dollars, calculated by BC Hydro as follows:

The Adjusted Amount is equal to the lower of:

- (a) 50 per cent of SA; and
- (b) $SA + (SA \times AP)$

Where:

- (i) “**SA**” means the amount that would have been payable by the Participating Customer under Rate Schedule 1823 on account of that bill but for the application of this Supplement;

ACCEPTED: _____

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- (ii) “**AP**” means $[(\text{settlement price} - 3.40) \times 208]/100$;

Where:

The settlement price calculated for a Participating Customer is the average of the daily settlement prices per metric tonne of copper, as reported by the London Metal Exchange, for the most recent Settlement Price Period, converted into the average of the daily settlement prices per pound of copper, by using a metric tonne to pound ratio of 1:2204.62, and converted into Canadian currency by using the average Bank of Canada daily exchange rate over that same period, provided that if an AP is calculated to be more than 0.75, the AP shall be 0.75, and if an AP is calculated to be less than -0.75, the AP shall be -0.75.

2.3 Deferral of Payment

The difference between the Adjusted Amount calculated in accordance with section 2.2 and the amount that would have been payable by the Participating Customer under Rate Schedule 1823, but for the application of this Supplement, shall be deferred in accordance with this Supplement and such difference shall be added to the Account Balance in accordance with section 1.1(a) upon BC Hydro issuing the bill in respect of such Adjusted Amount.

2.4 Additional Amount

The Participating Customer may, on account of the Account Balance, pay any amount in addition to an Adjusted Amount at any time without notice, interest or penalty and all such amounts paid in excess of the Adjusted Amount shall be reflected in the Account Balance as of the date the payment was made.

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2.5 Interest

- (a) Interest, calculated and compounded monthly, not in advance both before and after demand, default and judgment, shall accrue on the daily Account Balance, based on the number of days elapsed in a 365-day year, at the Floating Interest Rate and such interest shall be added to the Account Balance on the last day of each Billing Period, or in the case of the Closing Date on the day prior to the Closing Date, and bear interest at the same rate.
- (b) The Participating Customer acknowledges that Prime was 2.45 per cent per annum on April 2, 2020. A certificate of a Managing Director of the principal banker of BC Hydro, which on the date this Supplement came into effect is the Bank of Montreal, shall be conclusive evidence as to the rate of Prime in effect from time to time.

2.6 Final Payment or Transfer of Account Balance on Closing Date

- (a) On or before the Closing Date, the Participating Customer shall notify BC Hydro of the Participating Customer's election to either:
 - (i) Pay the Account Balance to BC Hydro by the Closing Date, in which case the Participating Customer shall pay the Account Balance to BC Hydro by the Closing Date and if unpaid by the Closing Date, the Account Balance shall become overdue pursuant to the Electricity Supply Agreement except that the interest rate applied to the overdue amount shall be Prime + 5.0 per cent; or

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- (ii) Request BC Hydro to transfer the Account Balance to the Participating Customer's Account Balance pursuant to Tariff Supplement No. 90 subject to the Participating Customer entering into a MCPPE Agreement with BC Hydro, in which case the Account Balance pursuant to this Supplement shall be added to the Participating Customer's Account Balance pursuant to Tariff Supplement No. 90 effective on the Closing Date and payable in accordance with Tariff Supplement No. 90.
- (b) If the Participating Customer fails to notify BC Hydro of the Participating Customer's election, as required by section 2.6(a), the Participating Customer shall be deemed to have made the election pursuant to section 2.6(a)(i) effective on the Closing Date and the Account Balance shall then become overdue pursuant to the Electricity Supply Agreement except that the interest rate applied to the overdue amount shall be Prime + 5.0 per cent.

2.7 Taxes and Levies

Amounts calculated under this Supplement do not include the Goods and Services Tax, the Provincial Sales Tax and any other tax or levy which BC Hydro may be lawfully authorized or required to collect from the Participating Customer.

3.0 TERM OF COPPER MINING CUSTOMER PAYMENT PLAN AGREEMENT

3.1 Term of Agreement

The term of a Copper Mining Customer Payment Plan Agreement (the "Term") in respect of an Applicable Mine commences on the date the Application Period commences and continues until the Closing Date unless terminated earlier pursuant to and in accordance with section 3.2.

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3.2 Termination

- (a) A Copper Mining Customer Payment Plan Agreement may be terminated in any of the following events:
- (i) Immediately by the Participating Customer upon request to BC Hydro if at the time of the request the Account Balance is zero;
 - (ii) Immediately by BC Hydro, if at any time the Participating Customer sells, transfers or assigns all or substantially all of its interest in the Applicable Mine, at which time all unpaid amounts, including the Account Balance, shall become due and payable pursuant to the Electricity Supply Agreement;
 - (iii) Immediately by BC Hydro if at any time the Participating Customer commits an act of bankruptcy, becomes insolvent, proposes a compromise or arrangement to its creditors generally, has any petition for a receiving order in bankruptcy filed against it, makes a voluntary assignment in bankruptcy and/or fails to make any payment required under the Electricity Supply Agreement as supplemented by this Supplement, and all amounts owing by the Participating Customer to BC Hydro, including the Account Balance, shall, immediately upon such notice being given, become due and payable pursuant to the Electricity Supply Agreement; and
 - (iv) Immediately by BC Hydro upon any person or group of persons acting in concert acquiring, in a single transaction or a series of transactions, more than 50 per cent of the issued and outstanding shares in the capital of the Participating Customer resulting in a change of control of the Participating Customer, at which time all unpaid amounts, including the Account Balance, shall become due and payable pursuant to the Electricity Supply Agreement.

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4.0 DISPUTE RESOLUTION

4.1 Disputes

If any dispute, question or difference of opinion between the Parties arises out of or under this Supplement ("**Dispute**"), then a Party may give to the other Party a notice ("**Dispute Notice**") specifying the Dispute and requiring its resolution under this section 4.0. All Disputes shall be resolved in accordance with the provisions of this section 4.0, provided however, that either Party may apply to a court of competent jurisdiction for any interim relief by way of restraining order, injunction or other equitable remedy.

4.2 Contract Representatives to Seek Resolution

If a Dispute Notice is given to a Party, each Party shall appoint a contract representative within five business days of a Party notifying the other Party of a Dispute and cause its contract representative to negotiate in good faith to attain a resolution of the Dispute.

4.3 Referral to Senior Executives

If a Dispute is not resolved within five business days of the Dispute being referred to the contract representatives, the Parties shall seek to resolve the Dispute through their respective senior executives (at the vice president level or higher) before proceeding to resolve the Dispute through arbitration in accordance with section 4.4. Each Party shall appoint a senior executive to undertake such informal process within 10 business days of a Party notifying the other Party of a Dispute and the Parties shall use commercially reasonable efforts to resolve the Dispute through their appointed senior executives within 30 days after notification.

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4.4 Referral to Arbitration

If the Dispute is not resolved within 30 days of the Dispute being referred to the senior executives (or either party fails to timely appoint a contract representative or senior executive pursuant to sections 4.2 and 4.3), then either Party may submit the Dispute to arbitration under the *Arbitration Act* (British Columbia). The following rules shall apply to arbitration under this Agreement:

- (a) The arbitration shall be conducted before one arbitrator mutually agreed to by the Parties or if the Parties are unable to agree to an arbitrator within 15 days after a demand for arbitration has been given, either Party may apply to the court pursuant to the *Arbitration Act* (British Columbia) for the appointment of a single arbitrator;
- (b) The arbitrator shall be authorized only to interpret and apply the provisions of this Agreement and shall have no power to modify or change any of the above in any manner;
- (c) The arbitration shall be dealt with on an expeditious basis with both Parties using commercially reasonable efforts to obtain and implement a timely decision of the arbitrator; specifically, the arbitrator shall be instructed to impose time limits on the arbitration process such that a decision may be rendered within 45 days of appointment of the arbitrator;
- (d) The arbitrator shall determine the Dispute in accordance with the laws of the Province of British Columbia and applicable Canadian federal law; and
- (e) The Parties shall bear the costs of the arbitration equally and each Party shall bear its own costs.

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4.5 Arbitration Decisions

The decision of the arbitrator shall be final and binding upon the Parties, and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator may be appealed solely on the grounds that the conduct of the arbitrator, or the decision itself, violated the standards of the *Arbitration Act* (British Columbia) or the rules set out in section 4.4. The final decision of the arbitrator shall also be filed with the Commission.

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