

Schedule 08

Operating Reserve (OR) – Supplemental Reserve Service

Preamble	Supplemental Reserve Service is needed to serve load in the event of a system contingency; however, it is not available immediately to serve load but rather within a short period of time. Supplemental Reserve Service may be provided by generating units that are on-line but unloaded, by quick-start generation or by interruptible load or other non-generation resources capable of providing this service. BC Hydro must offer this service when the transmission service is used to serve load within its Control Area. The Transmission Customer must either purchase this service from BC Hydro or make alternative comparable arrangements to satisfy its Supplemental Reserve Service obligation. The amount of and charges for Supplemental Reserve Service are set forth below.
Availability	In support of Network Integration Transmission Service, Long and Short-Term Firm Point-to-Point Transmission Service, and Non-Firm Point to Point Transmission Service.
Rate	<p>\$6.27 per MW per hour of generating Capacity requested for OR - Supplemental.</p> <p>The required amount of Supplemental Reserve Service, for a Customer's load located in BC Hydro's control area, depends upon the type of generation serving the load. When the load is served by hydro generation, the required amount of Supplemental Reserve Service is a minimum of 2.5% of the Customer's load. When the load is served by thermal generation, the required amount of Supplemental Reserve Service is a minimum of 3.5% of the Customer's load. The minimum supplemental reserve requirement, determined in accordance with applicable reliability standards adopted by the Commission, equals to the sum of:</p> <ul style="list-style-type: none"> (i) <u>One and one half percent (1.5 per cent) of hourly integrated load, plus</u> (ii) <u>One and one half percent (1.5 per cent) of hourly integrated generation.</u>
Taxes	The Rate and Charges contained herein are exclusive of applicable taxes.

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Note	A description of the methodology for discounting Operating Reserve (OR) - Supplemental Reserve Services provided under this Schedule is contained in Section 3 of the BC Hydro OATT.

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