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# RATES AND BILLS

DOMESTIC RATES Residential and Agricultural	GENERAL RATES Business	PUBLIC LIGHTING [In French only]	<a href="#">Electricity concepts</a>
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<b>Other rates and options</b>	<a href="#">Rate DT</a> <a href="#">Net metering option (Self-generation)</a> <a href="#">"Time It Right" rate project</a>		

## A carefully designed rate structure

With a view to sustainable development, Hydro-Québec is constantly seeking ways to optimize the operation of its power system and make the best possible use of the electricity it generates. We use a variety of means, including our rate structure, to encourage the wise use of electricity.

## Why different rates?

Hydro-Québec uses different rates to ensure customer electricity consumption billing is fair. This means that customers with comparable electricity consumption profiles and costs of providing service are billed based on similar rates.

The company has 2.8 million customers responsible for 4.01 million residential, commercial, institutional and industrial service contracts. A base rate is applied to the electricity consumption of each customer. Some rates are designed for domestic electrical use and are available only to residential and agricultural customers. The other rates are suited for general use by business customers and are broken down by the customer's power demand.

## Rate Options

Some customers have consumption profiles that do not correspond to any base rate. Rate options tailored to specific situations and their respective costs are therefore available to customers who have requirements not covered by the base rates.

You can also consult the [Distribution Tariff](#) to find out more about Hydro-Québec's rates and rate options.

## Rate DT – Domestic dual-energy rate (residential)

Thinking about upgrading your heating system and opting for electricity as an alternate source of energy?  
Good idea!

Hydro-Québec would like to remind you that the rate applicable to homes with dual-energy systems (Rate DT) is very worthwhile when it comes to heating.

The rate has become so popular that the high volume of applications has resulted, unfortunately, in unavoidable delays. Please rest assured that we are doing everything within our power to process your application as quickly as possible.

Hydro-Québec's dual-energy concept involves using electricity as the principal energy source and a fossil fuel (oil, natural gas) as an auxiliary source. It is particularly suited to the conditions described below.

Electricity is used for most of the heating season (i.e. outside temperatures above or equal to -12°C or -15°C, depending on the region) and the auxiliary source takes over when temperatures are very cold (below -12°C or -15°C). The switch from electricity to the auxiliary source is done automatically by an automatic switching device within the heating system that obeys signals received from a temperature sensor placed outside the home. (Note that the switch-over temperature is generally higher when the electrical component of the system consists of a heat pump).

The main dual-energy combinations are:

- a heat pump with a fuel furnace
- an integrated dual-energy furnace (an electrical and a fuel component).

### Residential dual-energy rate structure

<b>Fixed charge per day</b>	<b>40.64¢</b>
<b>Energy charge</b>	
- Energy consumed when the temperature is equal to or higher than -12°C or -15°C, depending on the climatic zones defined by Hydro-Québec	4.30¢

Customer guide

Residential dual energy

[Download PDF](#)

[Control equipment connection diagram](#) [PDF]

[Certificate of eligibility](#) [PDF]

Dual energy refers to the alternating use of two energy sources for heating a home.



depending on the climatic zones defined by Hydro-Québec	
- Energy consumed when the temperature is below -12°C or -15°C, as the case may be	18.32¢
<b><i>Consumption exceeding 50 kW (or 4 kW times the multiplier)</i></b>	
- Winter period (December 1 to March 31)	\$6.21/kW
<b><i>New measure</i></b> - Summer period (April 1 to November 30)	\$1.26/kW

Rates effective April 1, 2011. Under no circumstances may this table be used to replace the *Distribution Tariff*.

#### Dual energy offers a more advantageous differential rate



With dual energy, customers can better control their energy consumption because:

- Fuel is used at temperatures when it is most effective
- Customers who choose a dual-energy system conforming to Hydro-Québec standards can take advantage of the DT rate, which enables appreciable savings on their overall energy bill. This rate is based on a differential temperature-based structure.

Little electricity is used during the few weeks of intense cold each year, when the home is heated by fossil fuel. A signal light indicates high-rate periods, so customers can choose to delay using certain electrical appliances and thereby achieve additional savings.

To qualify for the DT rate, the home must have a dual-counter meter installed by Hydro-Québec.

#### Subscribing to Rate DT



Customers wishing to subscribe to Rate DT should contact the Hydro-Québec office in their sector (the telephone number is on the electricity bill).

Customers must have a heating contractor of their choice fill out a form attesting that the dual-energy system complies with Hydro-Québec's tariff by-laws (particularly the sections concerning dual energy and the DT rate). Customers should also sign the form to confirm that they wish to subscribe to the DT rate. The high-rate signal light is supplied free of charge by Hydro-Québec. However, customers have to cover the costs of testing their system, installing the signal light and modifying the system to meet standards, where required. Customers and contractors requiring more information on this matter can contact the Hydro-Québec office in their sector.

#### Dual energy for wise management of our energy resources



Dual energy optimizes the management of Québec's hydroelectric network by reducing the level of demand during peak periods, usually during periods of intense cold.

Rate DT applies to customers who are eligible for Rate D or Rate DM and use a dual-energy system, primarily for living purposes. A dual-energy system heats space, or space and water, with electricity as the main energy source and fuel as an auxiliary source.

### Understanding rates

Rates have three main components that represent the cost categories of electrical service. In this way, rates reflect the cost of meeting customer electricity demand.

#### Fixed charge



The fixed charge is unaffected by electricity consumption. It is set in relation to the fixed costs of providing electrical service, such as: Installing and reading the meter, metering, billing, collections and certain distribution system costs.

The fixed charge is also determined by the number of contracts at each rate.

#### Energy



As the amount of energy consumed varies, the cost of energy varies as well.

#### Demand



Basing billing solely on kilowatthours used would not be fair, since it would not account for the differences in cost, which can vary by the amount and duration of power demand.

Hydro-Québec equipment must be able to meet each customer's yearly maximum power demand. Even if power demand is variable and consumption is sometimes minimal, Hydro-Québec must always cover the costs related to the proper operation and maintenance of the equipment it uses to supply its customers' installations.

## Calculation of billing demand

The demand charge is applied to the greater of the two following billing demand values:

- The maximum power demand, which corresponds to the greater of the two following values:
  - Real power
  - 90 % of apparent power

or

- The minimum billing demand

For rate DT, the minimum billing demand is set at 65% of the maximum power demand during a consumption period that falls wholly in the winter period included in the 12 consecutive monthly periods ending with the consumption period in question.

## Additional factors affecting electricity rates

### Credit for medium or high voltage supply

Hydro-Québec grants a supply credit of 0.226¢/kWh\* to domestic rate customers (residential and agricultural) to whom it supplies electricity at a voltage equal to or greater than 5 kV.

Rates D, DT and DM, like Hydro-Québec's other rates, assume that electricity will be supplied at low voltage. Customers who have equipment to step down the voltage of the electricity they are supplied or wish to use medium- or high-voltage electricity represent reduced costs for Hydro-Québec. In return, they are granted a monthly credit.

\*Rate effective April 1, 2011

## Rate D – Domestic rate (residential and farms)

### Application

Rate D generally applies to residential subscribers, in other words for household use. The electricity that is supplied is metered separately.

### Profile

Over 3,300,000 of Hydro-Québec's electrical service contracts are for residential or farm use, or 87% of its total number of contracts.

### Rate D Structure

<b>Fixed charge per day</b>	<b>40.64¢</b>
<b><u>Energy costs</u></b>	
- First 30 kWh per day	5.39¢/kWh
- Remaining energy consumption	7.51¢/kWh
<b><u>Price of power above 50 kW</u></b>	
- In <u>winter</u>	\$6.21/kW
<b><u>New measure</u></b> - In <u>summer</u>	\$1.26/kW

Rates effective April 1, 2011. Under no circumstances may this table be used to replace the *Distribution Tariff*.

### Regular bill



If you are billed **every two months**.

### Equalized Payments Plan (EPP)



If you are billed **every month**.

### EPP with billing demand

Contracts under which billing demand is generally equal to or higher than 50 kW.

## Understanding rates

Rates have three main components that represent the cost categories of electrical service. In this way, rates reflect the cost of meeting customer electricity demand.

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electrical service, such as: installing and reading the meter, metering, billing, collections and certain distribution system costs.

The fixed charge is also determined by the number of contracts at each rate.

### Energy



As the amount of [energy](#) consumed varies, the cost of energy varies as well.

### Demand



Basing billing solely on kilowatthours used would not be fair, since it would not account for the differences in cost, which can vary by the amount and duration of power [demand](#).

Hydro-Québec equipment must be able to meet each customer's yearly maximum power demand. Even if power demand is variable and consumption is sometimes minimal, Hydro-Québec must always cover the costs related to the proper operation and maintenance of the equipment it uses to supply its customers' installations.

### Calculating billing demand



The demand charge is applied to the greater of the two following billing demand values:

- The maximum power demand corresponding to the greater of the two following values:
  - [Real power](#)
  - 90% of [apparent power](#)

or

- The [minimum billing demand](#)

For rate D, the minimum billing demand is set at 65% of the [maximum power demand](#) during a consumption period that falls wholly in the [winter](#) period included in the 12 consecutive monthly periods ending with the consumption period in question.

## Additional factors affecting electricity rates

### Credit for medium or high voltage supply



Hydro-Québec grants a supply credit of 0.226¢/kWh\* to domestic rate customers (residential and agricultural) to whom it supplies electricity at a voltage equal to or greater than 5 kV.

Rates D, DT and DM, like Hydro-Québec's other rates, assume that electricity will be supplied at low [voltage](#). Customers who have equipment to step down the voltage of the electricity they are supplied or wish to use medium- or high-voltage electricity represent reduced costs for Hydro-Québec. In return, they are granted a monthly credit.

\*Rate in effect on April 1, 2011

## Rate DM – Domestic rate for multiple-unit buildings (residential)

Rate DM applies to a contract for electricity delivered to an apartment building or community residence with dwellings, for which [bulk metering](#) has been chosen.

### Profile

Hydro-Québec has over 21,000 Rate DM electrical service contracts.

[See Frequently asked questions](#)

### Structure of Rate DM

<b>Fixed charge per day (times the <a href="#">multiplier</a>)</b>	<b>40.64¢</b>
<b><a href="#">Energy</a> charge</b>	
- First 30 kWh per day, times the multiplier	5.39¢/kWh
- Remaining energy consumption	7.51¢/kWh
<b><a href="#">Consumption</a> exceeding 50 kW (or 4 kW times the multiplier)</b>	
- Winter period (December 1 to March 31)	\$6.21/kW
<b>New measure</b> - Summer period (April 1 to November 30)	\$1.26/kW

### Regular bill



If you are billed **every two months**.

### Equalized Payments Plan (EPP)



If you are billed **every month**.

### EPP will billing demand

Contracts under which billing demand is generally equal to or higher than 50 kW

## Understanding rates

Rates have three main components that represent the cost categories of electrical service. In this way, rates reflect the cost of meeting customer electricity demand.

### Fixed charge

The fixed charge is unaffected by electricity consumption. It is set in relation to the fixed costs of providing electrical service, such as: Installing and reading the meter, metering, billing, collections and certain distribution system costs.

The fixed charge is also determined by the number of contracts at each rate.

### Energy

As the amount of energy consumed varies, the cost of energy varies as well.

### Demand

Basing billing solely on kilowatthours used would not be fair, since it would not account for the differences in cost, which can vary by the amount and duration of power demand.

Hydro-Québec equipment must be able to meet each customer's yearly maximum power demand. Even if power demand is variable and consumption is sometimes minimal, Hydro-Québec must always cover the costs related to the proper operation and maintenance of the equipment it uses to supply its customers' installations.

## Calculation of billing demand

The demand charge is applied to the greater of the two following billing demand values:

- The maximum power demand corresponding to the greater of the two following values:
  - Real power
  - 90% of apparent power

or

- The minimum billing demand

For rate DM, the minimum billing demand is set at 65% of the maximum power demand during a consumption period that falls wholly in the winter period included in the 12 consecutive monthly periods ending with the consumption period in question.

## Additional factors affecting electricity rates

### Credit for medium or high voltage supply

Hydro-Québec grants a supply credit of 0.226¢/kWh\* to domestic rate customers (residential and agricultural) to whom it supplies electricity at a voltage equal to or greater than 5 kV.

Rates D, DT and DM, like Hydro-Québec's other rates, assume that electricity will be supplied at low voltage. Customers who have equipment to step down the voltage of the electricity they are supplied or wish to use medium- or high-voltage electricity represent reduced costs for Hydro-Québec. In return, they are granted a monthly credit.

\*Rate effective April 1, 2011

## Net metering option (Self-generation)

The net metering option allows you to inject the surplus of the power you produce onto the Hydro-Québec grid.



In exchange, you will receive kilowatt hour credits that will be applied to your bill.

If the power you generate is not enough to meet your needs, you can draw power from the Hydro-Québec grid and enjoy reliable, high-quality service.

Periodically, you will receive your bill along with a consumption statement in kWh detailing how much electricity was supplied by Hydro-Québec and how much you injected onto the grid.

#### For example

##### Billing period 1

Kilowatt hours supplied by Hydro-Québec	1,300 kWh
Kilowatt hours injected onto the Hydro-Québec system	- 300 kWh
Kilowatt hours billed	1,000 kWh

##### Billing period 2

Kilowatt hours supplied by Hydro-Québec	800 kWh
Kilowatt hours injected onto the Hydro-Québec system	- 1,000 kWh
Kilowatt hours billed	0 kWh
Kilowatt hours credited and applied to the balance of a future bill*	- 200 kWh

\*Accumulated credits must be used within a period of 24 months starting from the date of you signed up for the net metering option, otherwise they will be reversed.. Your bank of credits will be returned to zero every 24 months from that date. The net metering option does not allow a self-generator to systematically generate power surpluses.

To learn more about the net metering option, consult the current [Hydro-Québec Distribution Tariff](#).  
To learn more about self-generation, [click here](#).

## Time it Right rate project

The Time it Right rate project took place between December 1, 2008 and March 31, 2010.

More than 2,000 customers participated in this important project and Hydro-Québec would like to express its sincere appreciation for their commitment.



#### Reminder to participants

- Effective April 1<sup>st</sup>, 2010, the electricity consumption of the participants who tested the new rate structure will be billed at Rate D, as was the case before the project.
- The smart meters that were installed in the residences of all participants at the beginning of the pilot project will remain in place and continue to be read remotely.

## What was the goal of this project?

Initiated at the request of the Régie de l'énergie, the project's goal was to study the impact of a **rate structure that varies according to time of day and season** on the electricity consumption habits of Québec households.

With this type of rate structure, also known as time-of-use rate, electricity is more expensive during peak consumption periods—weekdays—and less expensive during off-peak periods—nights and weekends.

The project aimed to determine whether this type of rate structure would encourage customers to shift their electricity consumption to less expensive periods.

#### [View the information that was online throughout the pilot project](#)

#### **View the documents submitted to the Régie de l'énergie**

- [Application R-3644-2007 - Proposal regarding time-season ratemaking](#)
- [\[In French\] Demande R-3708-2009 - Suivi du projet tarifaire Heure juste](#)

#### **View the Régie's decision**

[Décision D-2011-028](#) [In French]

