# **Draft Regulations**

### **Draft Bylaw**

Hydro-Québec Act (R.S.Q., c. H-5)

#### Conditions governing the supply of electricity

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), that Bylaw No. 634 respecting the conditions governing the supply of electricity, the text of which appears below, may be submitted to the Government for approval upon the expiry of 45 days following this publication.

The proposed Bylaw is intended to prescribe the conditions governing the supply of electricity by Hydro-Québec in accordance with the following three objectives:

1. Fair charging of the cost of expenditures made by Hydro-Québec

A large part of the costs incurred by Hydro-Québec in meeting specific requirements of some of its customers is either assumed by Hydro-Québec or is subject to a contribution from the applicants according to terms and conditions that do not allow complete charging of the incurred costs.

Those costs or a part thereof, which were previously charged to all customers of Hydro-Québec even if they did not benefit in any way therefrom, will henceforth be assumed by the customers who generate them.

2. Updating of the conditions governing the supply of electricity

Some provisions of the current Bylaw present interpretation and application difficulties and must be revised so as to take into account the current context of Hydro-Québec's operations.

3. Updating of charges for the services provided

The amounts of some charges for services provided by Hydro-Québec and mentioned in this proposed Bylaw will be provided henceforth in Hydro-Québec's rates bylaw.

The proposed By-law includes the following modifications:

(1) Introduction of new service charges or charges for the opening of a file payable by the customers who generate them when moving;

(2) Clarification of the rules respecting the liability of a contract holder and an owner of an apartment building;

(3) Modification of the contribution for a new connection made upon request by a customer and introduction of user charges solely for a connection to an autonomous electrical system where the electricity is used for heating purposes;

(4) Modification of the method for computing the cost of work requested by a customer;

(5) Modification of the allocations granted by Hydro-Québec to applicants for an extension or a modification to the system upon request by a customer;

(6) Surface right and right of use of the subsoil conferred on Hydro-Québec for the installation and maintenance of its electrical system;

(7) Updating of the information required from the customers following the recommendations of the Commission d'accès à l'information du Québec;

(8) Technical updating, in particular, by eliminating the 25-hertz supply and the three-phase, 600 V, 3-wire supply;

(9) Inclusion in Hydro-Québec's rates bylaw of the amounts of the service costs.

For information purposes, the amounts for all the charges related to the supply of electricity that will be provided for henceforth in Hydro-Québec's rates bylaw shall be the following:

**Charges respecting the electricity service contract** (to be included in Hydro-Québec's rates bylaw)

• Service charges for file:

An amount of \$20.00.

New charges as provided for in section 6:

Charges exigible for a new request for electricity service from a current customer.

• Charges for the opening of a file:

An amount of \$50.00.

New charges as provided for in section 6:

Charges exigible for a request for electricity service from a new customer.

• Charges for the application of voltage following a request to discontinue service:

A minimum amount of \$130.00.

No increase of current charges as provided for in section 15.

#### Charges respecting the modes of supplying electricity

• Unit cost for a transformer with a second winding: An amount of \$2.00 per kilovoltampere of installed transforming capacity.

No increase of current charges as provided for in sections 36 and 38:

Compensation to customers where a two-winding transformer is required by Hydro-Québec.

#### Charges respecting the connection to electrical system

Charges related to service loop:

An amount of \$200.00;

New charges as provided for in section 42: Fixed charges exigible for new service loops.

• Special charges for service loop to autonomous electrical system:

An amount of \$5 000.00 for the first 20 kilowatts; the surplus amount, if any, shall be billed at \$250.00 per kilowatt.

New charges as provided for in section 42:

User charges solely for a service loop to an autonomous electrical system where electricity is used for heating purposes.

• Allocation for domestic use:

An amount of \$2 000.00 for each dwelling.

Current allocation reduced as provided for in sections 54 and 55:

Hydro-Québec's allocation making it possible to calculate the contribution for an installation intended for a domestic use following a request for an extension or a modification to the electrical system.

• Interest rate applicable to payments:

1.524 % bi-monthly, i.e., 9.5 % annually.

Current rate reduced as provided for in sections 54 and 57.

• Annual credit per dwelling:

An amount of \$520.00 per dwelling.

New credit as provided for in sections 54 and 57:

Amount used to calculate the customer's refund following the connection of a new installation for domestic use.

• Deferment factor:

A deferment factor of 0.26 over 5 years.

New factor as provided for in sections 54 and 57:

Multiplying factor that corresponds to the interest rate applicable to payments and allowing deferment over 5 years of the cost of work assumed by Hydro-Québec.

Annual credit according to power:

An amount of \$85.00 per kilowatt.

New credit as provided for in sections 54 and 57:

Amount used to calculate the customer's refund following the connection of a new installation for uses other than domestic for which the power is billed.

• Annual credit according to energy:

An amount of \$7.05 per kilowatthour.

New credit as provided for in sections 54 and 57:

Amount used to calculate the customer's refund following the connection of a new installation for uses other than domestic for which only the energy is billed.

• Allocation for use other than domestic:

An amount of \$325.00 per kilowatt.

No increase of current allocation as provided for in section 57:

Hydro-Québec's allocation making it possible to calculate the contribution for an installation intended for use other than domestic following a request for an extension or a modification to the electrical system.

• Charges for connecting service:

An amount of \$100.00.

Increase of current charges as provided for in section 58: Charges for connecting temporary service.

• Charges for disconnecting service at connection point:

An amount of \$100.00.

Increase of current charges as provided for in section 58: Charges for disconnecting temporary service.

• Annual rate for calculating the present value of the cost of operating and maintaining installations and reinvesting therein:

An annual rate of 9.50 %.

Decrease of current rate as provided for in section 58: Rate used to calculate the reserves for future works required on the electrical system when calculating the contribution for temporary service. • Administrative charges for extension or modification work to the system and the connection point:

Administrative charges of 30 %.

No increase of current charges as provided for in section 59.

#### Charges respecting the conditions for sale of electricity

• Rate applicable to deposits:

**Reference ranges of the** 

The rate applied is the rate fixed on 1 April of each year on 1-year guaranteed deposit certificates of the National Bank of Canada.

No increase of current rate as provided for in section 81.

· Administrative charges applicable to electricity bills:

Administrative charges will be applied at the rate indicated in the following table, with reference to the range in which the National Bank of Canada prime lending rate falls on that date.

No increase of current charges as provided for in section 90.

Administrative charges

applied
% per month
1.2 (15.38 %/year)
1.4 (18.16 %/year)
1.6 (20.98 %/year)
1.7 (22.42 %/year)
1.9 (25.34 %/year)
2.1 (28.32 %/year)
2.2 (29.84 %/year)

This rate is revised whenever, for a period of 60 consecutive days, the National Bank of Canada prime lending rate falls above or below the reference range used to establish the administrative charges applied up until that time. The new rate is applied as of the 61<sup>st</sup> day.

• Charges for a cheque returned by a financial institution because of insufficient funds:

An amount of \$10.00.

No increase of current charges as provided for in section 90.

• Charges resulting from an interruption in service: A minimum amount of \$50.00.

Increase of current charges as provided for in section 98: Minimum amount required from the customer to restore service following an interruption for one of the reasons mentioned in section 96.

Financial impacts will consist in additional income for Hydro-Québec obtained from the customers making service requests. The additional income will make it possible to avoid charging the costs pertaining to special requests to all customers.

Further information may be obtained by contacting Mrs. Marie Archambault, Vice-President Communications Hydro-Québec, 75, boulevard René-Lévesque Ouest, 19<sup>e</sup> étage (Montréal), H2Z 1A4; telephone: (514) 289-2221, fax: (514) 289-3658.

Any interested person having comments to make is asked to send them in writing, before the expiry of the 45-day period, to the Minister of Natural Resources, 5700, 4<sup>e</sup> Avenue Ouest, 3<sup>e</sup> étage, bureau A-308, Charlesbourg (Québec), G1H 6R1.

YVON MARTINEAU,

President of the Board of Directors of Hydro-Québec

# Bylaw No. 634 respecting the conditions governing the supply of electricity

Hydro-Québec Act (R.S.Q. c. H-5, s. 22.01)

#### **CHAPTER I**

GENERAL PROVISIONS

#### **DIVISION I**

FIELD OF APPLICATION

**L** Subject to the provisions of chapters III, IV and V applying only to the supply of electricity at low voltage and to the supply of electricity at medium voltage within the limits of Section 32, the provisions of this Bylaw establish the conditions governing the supply of electricity by Hydro-Québec.

**2.** However, these provisions do not apply to the supply of electricity exceeding 1000 kilovoltamperes from an autonomous electrical system.

#### **DIVISION II**

DEFINITIONS AND INTERPRETATION

**3.** In this Bylaw, the following terms and expressions have the meanings hereinafter described:

**Annex:** any civil engineering work attached to or incorporated into a building by means of a common wall, so that it constitutes a separate building designed for the installation of a transforming station;

**Applicant:** anyone requesting the supply of electricity, whether or not holding a contract, when it is necessary to extend or modify the system to supply such electricity;

**Autonomous electrical system:** any system for the production and distribution of electricity, independent of the main system;

**Base:** any structure designed to support electrical apparatus;

**Building:** any structure not in contact with any other structure or, if in contact with any other structure, separated from such structure by a complete fire-resistant wall or with openings protected by fire-resistant doors that have been approved in accordance with the National Building Code of Canada, as enacted by the Regulation respecting the application of a Building Code - 1990, enacted by Order in Council 1440-93 of October 13, 1993, in force at the time;

**Canalization:** the series of hollow components, usually with circular cross-sections, designed to contain cables;

**Connection point:** the point where the electrical installation of the premises receiving electricity is connected to Hydro-Québec's system;

**Consumption period:** the period during which electricity is delivered to the customer and which is included between the two dates used for calculating the bill;

**Contract:** any agreement concluded between a customer and Hydro-Québec for the supply and delivery of electricity, or any other service contract in connection with the supply of electricity;

**Customer's service entrance:** any part of the customer's electrical installation from the service box up to the connection point inclusively;

**Delivery of electricity:** the application and maintenance of voltage at the delivery point, with or without the use of electricity;

**Delivery point:** any point located immediately on the load side of Hydro-Québec's metering equipment from which electricity is put at the disposal of the customer. In cases where Hydro-Québec does not install metering equipment, or where it is on the line side of the connection point, the delivery point is the connection point;

**Domestic rate:** the rate at which the electricity delivered for domestic use is billed under the conditions established by the rates bylaw;

**Domestic use:** domestic use as stipulated in the rates bylaw;

**Dual-energy system:** any system that can be used for the heating of water, of space or for any other heating process that uses electricity and a fuel as sources of energy;

**Dwelling:** any private living quarters equipped with lodging and eating facilities, including at least a kitchen or kitchenette, in which the inhabitants have free access to all rooms;

**Farm:** land, buildings and equipment used for crop or animal farming, excluding any dwelling and any installations used for commercial or industrial purposes;

**Flat-rate sale:** the sale of electricity at a fixed rate, when the consumption of energy is not metered;

**Highway accessible by flatbed trailer:** any public highway within the meaning of section 4 of the Highway Safety Code (R.S.Q. c. C-24.2);

**Hydro-Québec's service loop:** the circuit extending Hydro-Québec's system from its distribution or transmission line to the connection point;

**Metering equipment:** the current transformer, voltage transformer, meter, indicator, auxiliary recording device, auxiliary control unit, terminal testing box, cabling and any other device used exclusively by Hydro-Québec for metering electricity;

**Month:** the period between a date in one calendar month and the corresponding date of the following month;

**Neutral voltage:** the voltage measured between the neutral conductor in the system and a reference electrode located at least 10 metres from any other ground or metal object;

**Nominal intensity:** the intensity of the electrical current indicated on the customer's service box;

**Operation of indeterminate duration:** any operation in which the duration of activities cannot be anticipated with certainty, such as a mine, a quarry, a sawmill and a campground; Outbuilding: all premises appurtenant to a building;

#### **Power:**

(1) small power: a minimum billing demand of less than 100 kilowatts;

(2) medium power: a minimum billing demand of 100 kilowatts or more, but less than 5,000 kilowatts;

(3) large power: a minimum billing demand of 5,000 kilowatts or more;

**Power factor:** the ratio between real power demand, expressed in kilowatts, and apparent power demand, expressed in kilovoltamperes;

**Rate:** the several conditions determining the elements taken into account, as well as the calculation methods, for establishing the amounts the customer owes Hydro-Québec for the delivery of electricity and the supply of services under a contract;

**Rates bylaw:** any Hydro-Québec bylaw governing electricity rates and their conditions of application in force at the time;

Service box: the metallic box containing fuses and the service switch or the circuit breaker, constructed in such a way that the switch or circuit breaker can be operated when the service box is closed and the switch or circuit breaker can be locked or sealed;

**Short-term contract:** any short-term contract within the meaning of the rates bylaw;

**Special substation:** any transforming station supplied by Hydro-Québec's service loop and located on the customer's property;

**Structure:** any civil engineering work, including the necessary material, on or in which electrical equipment is installed or attached;

**Supply of electricity:** the application and maintenance of voltage at the connection point at a frequency of approximately 60 hertz;

**System:** any portion of a Hydro-Québec power line supplying more than one connection point, when these connection points are located on plots or portions of plots treated as being separate in deeds registered in the registry office, except in the case of contiguous plots or portions of plots when the connection points connect the Hydro-Québec power line to electrical installations operated for the purposes of a single commercial, agricultural or industrial enterprise or an association constituted as a legal person that does not aim to make pecuniary profits or a social trust; **Temporary service:** electrical service for the electrical installation of an operation whose activities in a given place are of limited duration, such as a building site, a dredging site and a traveling circus;

**Transforming station:** the structures and equipment required to transform electricity;

**Underground chamber:** any underground civil engineering work located outside a building and designed for the installation of a transforming station;

#### Voltage:

(1) low voltage: the nominal voltage between phases not exceeding 750 volts;

(2) medium voltage: the nominal voltage between phases of more than 750 volts, up to and including 50,000 volts;

(3) high voltage: the nominal voltage between phases greater than 50,000 volts;

**Winter period:** the period from December 1 of each year up to and including March 31 of the next year.

**4.** For purposes of application of this Bylaw:

(1) nominal intensity is expressed in amperes (A);

(2) voltage is expressed in volts (V) or kilovolts (kV);

(3) power is expressed in watts (W) or kilowatts (kW);

(4) apparent power is expressed in voltamperes (VA) or kilovoltamperes (kVA);

(5) energy is expressed in watthours (Wh) or kilowatthours (kWh).

#### CHAPTER II

ELECTRICITY SERVICE CONTRACT

#### **DIVISION I**

REQUEST FOR ELECTRICITY SERVICE

**5.** Subject to section 7, a request for the supply of electricity must be made to Hydro-Québec in writing by the prospective contractholder or the latter's duly authorized representative.

**6.** Where the requestor has been a customer of Hydro-Québec during the three years preceding the date of the request for electricity service, the file administration charges stipulated in the rates bylaw must be paid.

Where the requestor has not been a customer of Hydro-Québec during the three years preceding the date of the request for electricity service, the new file charges stipulated in the rates bylaw must be paid. These charges are due at the date fixed in the first paragraph of Section 16. **7.** The request for electricity service at single-phase voltage, 120/240 V, may be made verbally with respect to:

(1) an electrical installation with a nominal intensity of 400 A or less used for domestic use;

(2) an electrical installation with a nominal intensity of 200 A or less used for other than domestic use.

**8.** All requests must contain the information listed in Appendix I.

**9.** The contract is concluded upon Hydro-Québec granting its consent to the requestor with regard to the conditions under which electricity will be supplied and delivered, and, if need be, the limit of available power and the technical characteristics of the installations required.

The contract is concluded in writing where required by the requestor or Hydro-Québec.

#### **DIVISION II** OBLIGATIONS OF THE CUSTOMER

**10.** The holder of a contract is a customer of Hydro-Québec and must fulfill the obligations set out in this Bylaw and in the rates bylaw.

A customer of Hydro-Québec may hold one or more contracts.

Where several customers hold a single contract, each of them is responsible for the payment in full of the electricity bill.

**11.** The customer remains bound to Hydro-Québec with respect to electricity covered by the contract as long as the contract has not been terminated.

Notwithstanding Section 16, a contract may not be terminated if the customer owes amounts to Hydro-Québec and the termination of the contract has the effect of depriving Hydro-Québec of the exercise of the powers conferred on it under this Bylaw.

**12.** Every delivery point is covered by a separate contract, except when:

(1) on February 1, 1984, the electricity delivered for a dwelling was covered by a single contract although it was metered by more than one set of metering equipment, if this situation still prevails on (*insert here the date this Bylaw comes into force*), until such time as the customer's electrical installation is modified;

(2) the electricity delivered to the customer can also be delivered to a delivery point located on a backup line;

(3) the electricity is delivered to the customer by more than one line because of the limited capacity of Hydro-Québec's lines;

(4) the electricity is sold at a flat rate or for purposes of public or Sentinel lighting defined in the rates bylaw.

**13.** The customer must make a new request should he wish to modify his contract. Where Hydro-Québec accepts the new request, a new contract replaces the one in effect.

**14.** As soon as the occupant, tenant, administrator or owner of a dwelling or a building may use or uses electricity without holding a contract, he is considered to have concluded a contract in accordance with Section 10 and he must pay to Hydro-Québec any sum owing under the provisions of this Bylaw and the rates bylaw.

This Section must not be interpreted as authorizing anyone using electricity in a given place as occupant, tenant, administrator or owner to use the electricity without concluding a contract.

**15.** Notwithstanding any agreement to the contrary between the landlord and the tenant and subject to Section 94, only the owner of a building may request the delivery or the termination of delivery of electricity and must repay Hydro-Québec the costs for discontinuing and establishing service where fewer than 12 months have elapsed between the termination and the commencement of the delivery of electricity.

Under no circumstances may this reimbursement be less than the amount stipulated in the rates bylaw for the cost of establishing service following a request for termination of service.

The owner of a building who agrees to become the holder of a contract for a dwelling or premises left vacant is exempted from the payment of the charges stipulated in Section 6; if he does not agree, his refusal is equivalent to a request for termination of delivery of electricity, which is covered by the first paragraph.

#### **DIVISION III** TERM OF THE CONTRACT

**16.** The contract begins on the date stipulated for the commencement of the delivery of electricity, and where delivery begins earlier, on the effective date of the commencement of delivery.

Subject to the categories of use stipulated in the third, fourth, fifth and sixth paragraphs:

(1) the contract for domestic use is concluded for an initial term of at least one week and continues until either the customer or Hydro-Québec terminates it by giving at least 7 clear days' notice to this effect;

(2) the contract for other than domestic use is concluded for an initial term of at least one year and continues according to the term agreed upon between the customer and Hydro-Québec, or, where no such term has been agreed upon, from one month to another until the customer or Hydro-Québec terminates it by giving at least 30 clear days' notice in writing to this effect prior to the end of the initial term or the term of renewal;

The short-term contract is concluded for an initial term of at least one month and continues until the customer or Hydro-Québec terminates it by giving at least 30 clear days' notice in writing to this effect.

The contract for temporary service continues on a day-to-day basis until the customer terminates it by giving Hydro-Québec at least one clear day's notice to this effect.

The contract for complete public lighting service defined in the rates bylaw is concluded for an initial term of at least one year and continues according to the term agreed upon by the customer and Hydro-Québec or, where no such term has been agreed upon, from year to year until the customer or Hydro-Québec terminates it by giving at least 30 clear days' notice in writing to this effect prior to the end of the initial term or the term of renewal.

The contract for general public lighting service defined in the rates bylaw is concluded for an initial term of at least one month, where the contract comprises only the supply of electricity, and for an initial term of at least one year in other cases. In all cases, it continues until the customer or Hydro-Québec terminates it by giving at least 30 clear days' notice in writing to this effect prior to the end of the initial term or the term of renewal.

**17.** When Hydro-Québec is ready to deliver electricity on the date stipulated in the contract but the customer refuses or is unable to take delivery of it, the minimum amounts stipulated for this contract in the rates bylaw are due for each consumption period included between the date of the refusal or hindrance and the date of expiry of the initial term of the contract.

When the customer refuses or is unable to continue to take delivery of the electricity covered by the contract, the minimum amounts stipulated for the customer's contract in the rates bylaw are immediately due for each consumption period included between the date of the refusal or hindrance and the date of expiry of the term then in effect.

#### **CHAPTER III**

MODES OF SUPPLYING ELECTRICITY

#### DIVISION I

SUPPLY OF ELECTRICITY

**18.** Electricity is supplied at the connection point at a frequency of approximately 60 hertz.

It is supplied according to the provisions of this chapter and in compliance with the standard n° CAN3-C235-83 prepared by the Canadian Standards Association approved by the Canadian Standards Council, the English version of which was published in September 1983 under the title "Preferred Voltage Levels for AC Systems 0 to 50 000 V: Electric Power Transmission and Distribution", and the French version of which was published in July 1984 under the title "Tensions recommandées pour les réseaux à courant alternatif de 0 à 50 000 V", in force at the time.

#### DIVISION II

SUPPLY AT LOW VOLTAGE

**19.** Electricity is available at low voltage provided the nominal intensity of the customer's electrical installation is 6000 A or less. It is supplied at one of the following voltages, under conditions outlined in this Division:

- (1) single-phase, 120/240 V;
- (2) three-phase, 347/600 V, star, grounded neutral.

When electricity is supplied at low voltage directly from the system, the customer may not, without Hydro-Québec's written authorization, connect a load likely to cause an abrupt current demand of 100 A or more.

#### §1. Single-phase voltage, 120/240 V

**20.** Single-phase voltage, 120/240 V, is supplied directly from the system where the nominal intensity is 600 A or less.

This voltage is also available directly from the system when nominal intensity or the sum of the nominal intensities of each service box exceeds 600 A, provided the customer undertakes in writing that current demand will not exceed 500 A and subject to the following conditions: (1) where current demand exceeds 500 A, the customer must install, at his expense and within the six months following receipt of written notice from Hydro-Québec to that effect, the structures, canalizations and equipment necessary for supply through a special substation;

(2) where current demand exceeds 500 A in the course of the five years following the date stipulated in the contract for the commencement of delivery of electricity, the customer must repay Hydro-Québec, upon receipt of written notice from the latter, the total cost of installing and removing equipment and material necessary for supplying electricity directly from the system, less the depreciated value when Hydro-Québec can use such equipment and material elsewhere on its system.

This voltage is also available directly from the system when nominal intensity exceeds 600 A, to supply a dualenergy system, but only during the winter period and provided current demand does not exceed 600 A.

**21.** Single-phase voltage, 120/240 V, is supplied through a special substation, subject to the second and third paragraphs of Section 20, when nominal intensity or the sum of the nominal intensities of each service box exceeds 600 A but does not exceed 1200 A.

Subject to the provisions of Subdivision 3 of this Division, it is supplied from a transforming station installed, at the customer's discretion, on a base, on a pole or in an underground chamber.

# **§2.** Three-phase voltage, 347/600 V, star, grounded neutral

**22.** Three-phase voltage, 347/600 V, star, grounded neutral, is supplied directly from the system when nominal intensity is 600 A or less and the system is either underground (at voltages of 14.4/24.94 kV or 7.2/12.47 kV) or overhead.

It is also available directly from the system, under the same conditions as those outlined in the second and third paragraphs of Section 20, when nominal intensity exceeds 600 A and the system is either underground (at voltages of 14.4/24.94 kV or 7.2/12.47 kV) or overhead.

**23.** Three-phase voltage, 347/600 V, star, grounded neutral, is supplied through a special substation when nominal intensity exceeds 600 A.

Subject to the conditions stipulated in Subdivision 3 of this Division, it is supplied from a transforming station installed, at the customer's discretion:

(1) on one or more bases,

a) when the voltage of the system is 14.4/24.94 kV,

*b*) when the voltage of the system is 7.2/12.47 kV, 7.6/13.2 kV or 8.0/13.8 kV and the nominal intensity is 2000 A or less;

(2) in an annex;

(3) on a pole, subject to the provisions of Section 30;

(4) in an underground chamber, when nominal intensity is 1600 A or less;

(5) on a platform, when nominal intensity is 2000 A or less.

# **§3.** General conditions of supply through a special substation

**24.** Hydro-Québec and the customer agree in writing on the characteristics of structures, canalizations and equipment necessary to supply electricity through a special substation and their location.

**25.** The customer must proceed, at his expense, with the installation, alteration and upkeep of structures, canalizations and equipment other than Hydro-Québec's electrical equipment located on his property and necessary for the installation of Hydro-Québec's electrical equipment to be used to supply the customer with electricity, except where the supply is effected from a transforming station installed on a pole or platform.

Such structures, canalizations and equipment must be designed and built in such a way that they allow Hydro-Québec to install, operate and maintain its electrical equipment in complete safety.

**26.** The transforming station must always be accessible from the outside by flatbed trailer. The customer must first obtain Hydro-Québec's authorization before making any alteration to this access.

**27.** Access is prohibited to the inside of the premises where a special substation is installed, unless Hydro-Québec provides specific authorization to that effect.

**28.** The supply of electricity by Hydro-Québec from a special substation is undertaken taking into consideration that Hydro-Québec supplies electricity service from such substation, to the electrical installations of other customers, insofar as the current demand of each such installation does not exceed 500 A or, in the case of a dual-energy system, 600 A.

**29.** The supply of electricity from a special substation installed on a platform is available only when the customer's electrical installation is located, at the time of the installation of the platform, in a place not visible from a public thoroughfare or a neighbouring establishment.

**30.** The supply of electricity through a special substation installed on a pole is available, when such supply is at three-phase voltage, 347/600 V, star, grounded neutral, provided the customer undertakes, in writing, that current demand will not exceed 600 A, subject to the following conditions:

(1) where current demand exceeds 600 A, the customer must install, at his expense and within the six months following receipt of written notice from Hydro-Québec to that effect, the structures, canalizations and equipment, other than Hydro-Québec's electrical equipment, required for electricity to be supplied from a substation installed according to one of the other modes of supply through a special substation available under the conditions stipulated in this chapter;

(2) where current demand exceeds 600 A in the course of the five years following the date stipulated in the contract for the commencement of delivery of electricity, the customer must repay Hydro-Québec, upon receipt of written notice from the latter, the total cost of installing and removing equipment and material necessary for supplying electricity from a substation installed on a pole, less the depreciated value when Hydro-Québec can use such equipment and material elsewhere on its system.

**31.** The supply of electricity from a substation installed in an underground chamber is available only when the customer pays Hydro-Québec a sum equal to the difference between the cost of Hydro-Québec's electrical equipment needed to supply electricity from a substation installed in an underground chamber, where this cost is higher, and the cost of Hydro-Québec's electrical equipment which would have been needed to supply electricity from a substation installed on a base on the customer's property.

Where the space available is insufficient for the installation of a substation installed on a base, the sum paid by the customer is calculated based on the cost of Hydro-Québec's electrical equipment needed to supply electricity from an annex.

## DIVISION III

SUPPLY AT MEDIUM VOLTAGE

**32.** Electricity at medium voltage is available according to the following limits:

(1) up to current demand of 400 A if the customer's electrical installation is supplied by a double line feeder;

(2) up to current demand of 260 A if the customer's electrical installation is supplied by a single line feeder.

**33.** Electricity is supplied directly from Hydro-Québec's system in accordance with Sections 34 to 38, at one of the following voltages:

2.4/4.16 kV;
7.2/12.47 kV;
7.6/13.2 kV;
8.0/13.8 kV;
14.4/24.94 kV;
20.0/34.5 kV;
44 kV;
49.2 kV.

**34.** When Hydro-Québec changes the voltage of supply of electricity to the customer's electrical installation in order to adopt 14.4/24.94 kV voltage, it informs the customer in writing at least 24 months prior to the date of conversion of the voltage on the system and termination of service at the existing voltage.

The customer must then modify his electrical installation such that the supply of electricity at a voltage of 14.4/24.94 kV is possible when the voltage is converted on Hydro-Québec's system or, with the agreement of Hydro-Québec, install a temporary step-down substation for a maximum of 3 years from the date of the conversion of the voltage on the system.

However, the customer may opt for one of the low voltages specified in Section 19, subject to conditions outlined in Division I.

**§1.** Supply of electricity to electrical installations connected after (insert here the date this Bylaw comes into force)

**35.** The electrical installation of a customer requesting the supply of electricity at medium voltage from (*insert here the date this Bylaw comes into force*) is supplied at a voltage of 14.4/24.94 kV.

However, where the medium voltage of Hydro-Québec's system near the premises to be supplied is not 14.4/24.94 kV, Hydro-Québec supplies electricity to the customer's electrical installation at one of the other voltages mentioned in Section 33.

**36.** When the voltage of supply of electricity to the installation covered by Section 35 is not 14.4/24.94 kV, this installation must be designed to receive electricity

at a voltage of 14.4/24.94 kV and at the other voltage, except when Hydro-Québec notifies the customer in writing to the contrary.

In this case, Hydro-Québec pays the customer the following compensation:

(1) at the customer's request, once his electrical installation has been connected to Hydro-Québec's system:

(a) an amount equal to the difference between the cost of the transformer designed to receive electricity at a voltage of 14.4/24.94 kV and at the other voltage and the cost of a transformer designed to receive electricity solely at a voltage of 14.4/24.94 kV;

(b) a lump sum equal to the product of the installed transforming capacity and the unit amount for a transformer with a second winding stipulated in the rates bylaw, when the voltage at which electricity is supplied is lower than 14.4/24.94 kV.

(2) at the customer's request, once his electrical installation is supplied at a voltage of 14.4/24.94 kV, an amount equal to the cost of material and labour paid by the customer to connect his installation to the 14.4/24.94 kV voltage.

Hydro-Québec informs the customer in writing, before the start of the work, of the amount of compensation payable to him.

**§2.** Supply of electricity to electrical installations already connected on (insert here the date this Bylaw comes into force)

**37.** A customer whose electrical installation is supplied on (*insert here the date this Bylaw comes into force*), at one of the voltages specified in Section 33, continues, subject to Section 34, to receive electricity at this voltage.

**38.** When electricity is supplied to the installation covered by Section 37 at a voltage other than 14.4/24.94 kV, any electrical equipment added or replaced in the customer's transforming station after April 15, 1987 must be designed so that it can receive electricity at a voltage of 14.4/24.94 kV, except where the customer receives written notice to the contrary from Hydro-Québec and in the case of customers whose electrical installation receives electricity at a voltage of 20.0/34.5 kV in the Town of Fermont or the Manouane region.

In this case, Hydro-Québec pays the customer the following compensation:

(1) at the customer's request, once the equipment can receive electricity at a voltage of 14.4/24.94 kV and at the other voltage:

(a) an amount equal to the difference between the cost of the transformer designed to receive electricity at a voltage of 14.4/24.94 kV and at the other voltage and the cost of a transformer designed to receive electricity solely at a voltage of 14.4/24.94 kV;

(b) a lump sum equal to the product of the installed transforming capacity of the added or replacement transformer and the unit amount for a transformer with a second winding stipulated in the rates bylaw, when the voltage at which electricity is supplied is lower than 14.4/24.94 kV;

(2) at the customer's request, when, having received from Hydro-Québec the notice stipulated in Section 34, the customer has effected work necessary to permit his electrical installation to receive electricity at a voltage of 14.4/24.94 kV, or at low voltage: an amount calculated according to the method outlined in Appendix III and equal to the depreciated replacement value of the customer's electrical installation existing on (*insert here the date this Bylaw comes into force*) which cannot be used to supply electricity at a voltage of 14.4/24.94 kV, with the exception of electrical equipment added or installed as a replacement since the aforesaid date;

(3) at the customer's request, once the installation has been connected to the 14.4/24.94 kV voltage under Section 34: an amount equal to the cost of the material and labour paid by the customer to connect his installation to the 14.4/24.94 kV voltage.

Hydro-Québec informs the customer in writing, before the start of the work, of the amount of compensation payable to him.

#### **CHAPTER IV** CONNECTION TO THE SYSTEM

CONNECTION TO THE STSTEM

#### DIVISION I SERVICE LOOP AND SYSTEM

**39.** Hydro-Québec supplies and installs the service loop to the connection point for the customer's electrical installation, subject to conditions stipulated in this chapter.

The connection point must be located so that it is directly accessible from the system.

**40.** The customer must allow Hydro-Québec to install, free of charge, on the customer's property, in locations that are readily accessible and safe, circuits, poles

and equipment belonging to Hydro-Québec that are necessary for the service loop and the system or any part thereof that is to be used to supply the said customer.

The customer must also grant Hydro-Québec, free of charge, the right to use the subsoil for the installation, upkeep, connection and maintenance of such circuits, poles and equipment.

**41.** When the customer installs a swimming pool, outbuilding, platform or rostrum above, below or beside Hydro-Québec's service loop or system, he must ensure that clearances comply with the following standards, prepared by the Canadian Standards Association and approved by the Canadian Standards Council, in force at the time:

(1) Standard No. CAN3-C22.3 No. 1-M85, published in July 1985 under the title "Overhead Systems";

(2) Standard No. CAN3-C22.3 No. 7-M94, published in December 1994 under the title "Underground Systems."

For the purposes of this Section, an outbuilding of less than  $13m^2$  is excluded provided it can be moved by the customer at any time at the request of Hydro-Québec.

The costs of modifications to Hydro-Québec's service loop and system required to correct non-compliance with the standards referred to in the second paragraph applicable at the time of installation of the swimming pool, outbuilding, platform or rostrum are borne by the customer.

**42.** When a service loop is first installed by Hydro-Québec, the customer must pay Hydro-Québec the costs relating to the service loop stipulated in the rates bylaw as well as the cost of the portion of the service loop exceeding 30 metres of conductor measured according to the distance covered, to the customer's advantage, according to one of the following options:

(1) from a line separating the customer's property from the public thoroughfare;

(2) from the system.

In the case of an autonomous electrical system, if the new service loop carries a space or water heating load, the costs of the service loop payable under the first paragraph are the special service loop costs for autonomous electrical systems stipulated in the rates bylaw. These costs also apply in the case of conversion to electricity of a space or water heating system. When modification or displacement of the service loop is effected at the request of the customer or caused by the customer, the customer must pay the cost of such work to Hydro-Québec.

Such costs are calculated in accordance with Section 59.

**43.** Subject to Section 47, Hydro-Québec's service loop is overhead where Hydro-Québec's system is overhead at the point at which it is connected, and is underground where the system at that point is underground.

**44.** In the case of an overhead service loop, Hydro-Québec does not supply a service loop when the loop would overhang a building or outbuilding belonging to the customer.

In the case of an underground service loop, Hydro-Québec does not supply a service loop when the loop would be underneath or inside a building or outbuilding belonging to the customer, unless the following three conditions are met:

(1) the service loop is considered to be outside the building according to the Resolution of the Board of Examiners concerning the approval of the Canadian Electrical Code Part I, 16<sup>th</sup> Edition approved by Order in Council 1674-91 dated 4 December 1991;

(2) the service loop consists of a single span of cable between Hydro-Québec's manhole or splicing chamber and the connection point;

(3) where the sum of the curves in the canalization exceeds 180 degrees, excluding the curve located underneath the customer's connection equipment, and the customer has obtained Hydro-Québec's prior approval for the proposed route and Hydro-Québec determines the feasibility of the installation after calculating the cable pulling.

**45.** When electricity is supplied at medium voltage from a station of 4 MW and over and Hydro-Québec's system is underground, the customer's electrical installation must be designed and installed in such a way that it can receive electricity through a main line and a backup line, each comprising three single-phase cables with a neutral concentric conductor.

**46.** When electricity is supplied and delivered at low voltage directly from the system and Hydro-Québec's system is underground, the customer's electrical installation must be designed and installed in such a way that it is compatible with Hydro-Québec's service loop.

**47.** Subject to the standards set out in the first paragraph of Section 41, when electricity is supplied from an overhead system from a special substation, the portion of the service loop at medium voltage located on the customer's property up to the substation is underground, provided the length of this portion, measured according to the distance covered, to the customer's advantage, as stipulated in Subparagraphs 1 and 2 of the first paragraph of Section 41, is equal to or less than 60 metres. Where the length of the aforesaid portion exceeds 60 metres, this portion, at the customer's discretion, is either underground, or partly underground and partly overhead.

The customer's service entrance at low voltage must be underground.

**48.** In the cases stipulated in Sections 45 to 47, the customer must undertake, at his expense, civil engineering work needed to ensure the supply of electricity in such a way that Hydro-Québec power lines can be installed, connected, operated and maintained in complete safety.

#### **DIVISION II**

#### EXTENSION OR MODIFICATION OF THE SYSTEM

**49.** An applicant who requests the supply of electricity must pay, in accordance with the provisions of this Division, the cost of the work required to extend or modify the system to ensure such supply of electricity.

**50.** Any extension to, or modification of the system covered in Section 49 must be covered by a written agreement signed by the applicant and Hydro-Québec prior to the commencement of work, except where the applicant has nothing to pay under the provisions of this chapter.

**51.** Even if the applicant contributes to the cost of the work under the provisions of this chapter, Hydro-Québec remains the owner of the installation and the materials necessary for the extension or modification of the system covered by Section 49.

**52.** When work covered by Section 49 is effected with a view to supplying electricity for domestic use, the applicant pays the cost of work established according to Division IV, in accordance with Sections 53 to 55.

**53.** Where there is a municipal water supply system at the place where electricity is to be supplied and the work is done exclusively on the overhead system, the applicant does not contribute to the cost of the work.

If work is done on the underground system, the applicant chooses:

(1) either to pay a contribution equal to the difference between the total cost of the work determined in accordance with Section 59, and the cost of the work, determined in accordance with the said section, which would be required if the work were done on an overhead system; in this case, the applicant is not in any case entitled to the refund of his contribution;

(2) or to pay the cost of the work in accordance with Sections 54 and 55; in this case, the applicant is entitled to the refund of the contribution stipulated in the said sections.

**54.** Where there is no municipal water supply system at the place where electricity is to be supplied, the applicant must pay Hydro-Québec a contribution determined in accordance with Section 59, corresponding to the excess of the cost of work over the amount allocated for domestic use in the rates bylaw for each dwelling unit.

When the contribution is \$1,000 or less, the applicant pays it in a single payment at the date the agreement is signed.

When the contribution exceeds \$1,000, the applicant chooses to pay it:

(1) in a single payment at the date the agreement is signed;

(2) in 30 two-monthly payments, including interest calculated on the basis of the rate of interest applicable to instalment payments stipulated in the rates bylaw, the first payment being payable at the date the agreement is signed.

The applicant is entitled to an annual refund by Hydro-Québec. Such refund is for five consecutive years.

The first refund is payable after the end of the first year following the date the agreement is signed at a fixed date agreed upon with Hydro-Québec and indicated in the agreement.

For each refund, Hydro-Québec establishes, for all the new permanent installations connected without the payment of a contribution from the date the agreement is signed, to the part of the system for which the applicant has paid a contribution, and still connected, a total annual credit equal to the sum of the following amounts:

(1) for each electrical installation that is for domestic use, the product of the annual credit per dwelling unit stipulated in the rates bylaw and the number of dwelling units covered by the installation; when a modification is necessary to supply electricity to the new electrical installation, the product of the deferral factor stipulated in the rates bylaw and the cost assumed by Hydro-Québec for the said modification is deducted from the amount of the said credit;

(2) for each installation that is for uses other than domestic use and that is subject to a rate allowing billing of power, the product of the annual credit based on the power stipulated in the rates bylaw and the average number of kilowatts of power billed during the past year with respect to the new electrical installation; when a modification is necessary to supply electricity to the new electrical installation, the product of the deferral factor stipulated in the rates bylaw and the cost assumed by Hydro-Québec for the said modification is deducted from the amount of the said credit;

(3) for each installation that is for uses other than domestic use and that is not subject to a rate allowing billing of power, including an installation for farm use subject to the domestic rate, the product of the annual credit based on the energy stipulated in the rates bylaw and the daily average number of kilowatthours of energy billed during the past year with respect to the new electrical installation; when a modification is necessary to supply electricity to the new electrical installation, the product of the deferral factor stipulated in the rates bylaw and the cost assumed by Hydro-Québec for the said modification is deducted from the amount of the said credit.

If the applicant has paid the contribution in full at the date the agreement is signed or if there are no more instalments to be paid, the amount of the total annual credit is paid to him by Hydro-Québec.

If he still has instalments to pay, the said credit is applied against the balance still owing and the amount of the instalments is adjusted accordingly. If the balance owing is less than the credit, Hydro-Québec pays the applicant the difference between the two amounts and the applicant has no further instalments to make.

The total refund by Hydro-Québec may in no case exceed the applicant's contribution.

**55.** When there is no municipal water supply system at the place where electricity is to be supplied and the applicant is a residential property developer, he must pay Hydro-Québec, in a single payment at the date the agreement is signed, a contribution equal to the total cost of work.

Hydro-Québec repays the applicant, at the latter's request, the amount allocated for domestic use stipulated in the rates bylaw, for each dwelling connected in

the course of the five-year period following the date the agreement is signed to the portion of the system for which he paid a contribution.

The total refund by Hydro-Québec may in no case exceed the applicant's contribution.

**56.** When work covered by Section 49 is effected with a view to supplying electricity at single-phase voltage, 120/240 V, for farm use subject to the domestic rate, the applicant must pay Hydro-Québec the contribution stipulated in Section 57.

**57.** When the work covered by Section 49 is effected with a view to supplying electricity for purposes other than domestic use, the applicant must pay Hydro-Québec a contribution equal to the cost of the work determined in accordance with Section 59.

When work is effected with a view to supplying electricity to a permanent electrical installation, the applicant chooses:

(1) either to pay for it in a single payment at the date the agreement is signed;

(2) or to pay for it in two parts:

(a) the first instalment is payable at the date the agreement is signed and corresponds to the amount by which the cost of the work exceeds the product of the amount allocated for non-domestic use in the rates by-law and the average number of kilowatts of average power demand anticipated by Hydro-Québec and agreed upon by the applicant for the electrical installation or the modification of the electrical installation;

(b) the balance is payable in five annual instalments including interest calculated at the rate of interest applicable to instalment payments stipulated in the rates bylaw, the first instalment being payable after the end of the first year following the date the agreement is signed, at a fixed date agreed upon with Hydro-Québec and indicated in the agreement.

However, if the work is effected with a view to supplying electricity to the electrical installation of an operation of indeterminate duration, the contribution is payable in a single payment at the date the agreement is signed.

The applicant is entitled to an annual refund by Hydro-Québec for five consecutive years.

The first refund is payable after the end of the first year following the date the agreement is signed, at a

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fixed date agreed upon with Hydro-Québec and indicated in the agreement.

For each refund, Hydro-Québec establishes, for the electrical installation covered by the request and for all the new permanent installations connected without a contribution from the date the agreement is signed to the part of the system for which the applicant has paid a contribution, and still connected, a total annual credit equal to the sum of the following amounts:

(1) for each electrical installation that is for domestic use, the product of the annual credit per dwelling unit stipulated in the rates bylaw and the number of dwelling units covered by the installation; when a modification is necessary to supply electricity to the new electrical installation, the product of the deferral factor stipulated in the rates bylaw and the cost assumed by Hydro-Québec for the said modification is deducted from the amount of the said credit;

(2) for each installation that is for uses other than domestic use and that is subject to a rate allowing billing of power, the product of the annual credit based on the power stipulated in the rates bylaw and the average number of kilowatts of power billed during the past year with respect to the new electrical installation; when a modification is necessary to supply electricity to the new electrical installation, the product of the deferral factor stipulated in the rates bylaw and the cost assumed by Hydro-Québec for the said modification is deducted from the amount of the said credit;

(3) for each installation that is for uses other than domestic use and that is not subject to a rate allowing billing of power, including an installation for farm use subject to the domestic rate, the product of the annual credit based on the energy stipulated in the rates bylaw and the daily average number of kilowatthours of energy billed during the past year with respect to the new electrical installation; when a modification is necessary to supply electricity to the new electrical installation, the product of the deferral factor stipulated in the rates bylaw and the cost assumed by Hydro-Québec for the said modification is deducted from the amount of the said credit.

If the applicant has paid the contribution in full at the date when the agreement is signed or if there are no more instalments to be paid, the amount of the total annual credit is paid to him by Hydro-Québec.

If he still has instalments to pay, the said credit is applied against the instalments due and payable and if the said credit exceeds the instalments due and payable, the difference is applied against the balance still owing to Hydro-Québec and the amount of the subsequent instalments is reduced accordingly. If the balance owing to Hydro-Québec is less than the amount to be credited, the applicant receives from Hydro-Québec the difference between the two amounts and has no further instalments to make.

The total refund by Hydro-Québec may in no case exceed the applicant's contribution.

### DIVISION III

TEMPORARY SERVICE

**58.** When the supply of electricity is requested with regard to temporary service, the applicant supplies the service loop at his expense.

The applicant must also pay Hydro-Québec, upon receipt of a bill, within the time stipulated in the first paragraph of Section 90, the following amounts:

(1) connection costs stipulated in the rates bylaw;

(2) disconnection costs at the connection point stipulated in the rates bylaw, except when Hydro-Québec anticipates connecting an electrical installation at the same location when the disconnection takes place;

(3) the cost estimated by Hydro-Québec for dismantling the installations it plans to remove when temporary service ends.

When work to extend or modify the system is necessary, the applicant must also pay Hydro-Québec upon receipt of a bill, within the term stipulated in the first paragraph of Section 90, the cost of such work, calculated according to Section 59, and subject to the following conditions:

(1) the salvage value at the date of dismantling the installation, according to a present value calculated at the annual rate stipulated in the rates bylaw for calculating the present value of the cost of operations, upkeep of the installations and reinvestment in the equipment, must be deducted from such cost;

(2) notwithstanding the last paragraph of Section 59, the cost of installing metering equipment, current transformers, circuit breakers and lightning arresters necessary for the operation of transformers to be used to supply electricity to the electrical installation covered by the request is taken into account for the purpose of Subparagraphs 2 and 3 of the first paragraph of Section 59.

### **DIVISION IV**

COST OF WORK

**59.** For the purpose of this chapter, the cost of work is the sum of the following elements:

(1) the cost of materials determined by Hydro-Québec needed to carry out the work;

(2) the cost of labour, determined by Hydro-Québec, based on the time necessary to effect the work, including the time allotted for transportation of labour;

(3) the cost of the equipment, determined by Hydro-Québec, required to effect the work, calculated according to the utilization time, including anticipated time for transportation of such equipment;

(4) the cost estimated by Hydro-Québec of acquiring rights of way and other servitudes and purchasing goods and services supplied by third parties needed to carry out the work;

(5) a provision estimated by Hydro-Québec for the future cost of operation and upkeep required to supply the electricity service requested;

(6) when the system is underground, a provision estimated by Hydro-Québec for the reinvestment costs at the end of the useful life of the system for an underground system;

(7) administration charges stipulated in the rates bylaw for work to extend or modify the system and the service loop, applied to the sum of the amounts established under Subparagraphs 1 to 6.

When Hydro-Québec can travel to the worksite by a highway accessible by flatbed trailer, the costs covered by Subparagraphs 1 to 3 of the first paragraph are determined according to the unit costs set by Hydro-Québec as at March 31 of every year for the entire territory it serves and are available at Hydro-Québec's customer service offices.

When Hydro-Québec cannot travel to the worksite by a highway accessible by flatbed trailer or when the work is related to an autonomous electrical system, the costs covered by Subparagraphs 1 to 3 of the first paragraph are the costs estimated by Hydro-Québec and agreed upon with the applicant.

When work includes crossing a lake or river, the costs related to the crossing covered by Subparagraphs 1 to 3 of the first paragraph are the costs estimated by Hydro-Québec and agreed upon with the applicant; the costs determined in Subparagraphs 1 to 3 of the first paragraph for the portion of work which is not related to the crossing are added to these costs;

The cost of purchasing and installing metering equipment, current transformers, circuit breakers and lightning arresters necessary for the operation of overhead transformers used for the supply of electricity to the electrical installation is excluded from the cost of work. However, when the system is underground, the difference in cost for the purchase and installation of transformers and the necessary equipment to operate the transformers is included in the cost of work.

#### CHAPTER V

INSTALLATIONS, EQUIPMENTS AND RIGHTS ON CUSTOMER'S PROPERTY

#### **DIVISION I**

HYDRO-QUÉBEC'S INSTALLATIONS

**60.** The customer must make available to Hydro-Québec appropriate installations and allow Hydro-Québec to install, free of charge, on the customer's property, in locations that are readily accessible, safe and agreed upon with Hydro-Québec, including connection and delivery points, equipment belonging to Hydro-Québec required to supply, deliver, control and meter electricity.

The customer must also grant Hydro-Québec, free of charge, the right to use the subsoil for the installation, maintenance, connection, operation, use and upkeep of Hydro-Québec's equipment and the right to seal any point where a connection may be made on the line side of the metering equipment.

**61.** Unless the customer's equipment is protected by a metal substation, no metering equipment may be installed:

(1) inside the premises where a transforming station covered by Sections 21 and 23 is located;

(2) inside the premises where a transforming station belonging to a customer is located;

(3) in the vicinity of exposed and accessible medium voltage equipment to which electricity at medium voltage is supplied;

The metering equipment must be installed on a wall free of vibrations.

**62.** Subject to the customer's priority use of his telecommunication systems, the customer must allow Hydro-Québec to use the said systems free of charge for purposes of metering and controlling electricity. **63.** The electrical installation located on the customer's side from the connection point belongs to the customer.

When the electricity is supplied at medium voltage according to Division III of chapter III, the customer's electrical installation includes the transforming station.

**64.** The customer's electrical installation must correspond to information supplied by him to Hydro-Québec in accordance with Section 76 and must allow connection at the voltage supplied by Hydro-Québec.

The installation must be approved or authorized by an authority having jurisdiction in this realm pursuant to any applicable legislative or regulatory provision and must be built, connected, protected, utilized and kept up in such a way that it does not disturb the system, jeopardize the quality of the supply of electricity to the installations of other customers or put Hydro-Québec's representatives at risk.

**65.** When the system is overhead and the customer's service entrance is underground, the service entrance may be installed, at the customer's discretion, on Hydro-Québec's pole located on the system provided the following conditions are met:

(1) there is sufficient room for this purpose on the pole;

(2) the customer's service entrance can be installed there without jeopardizing technical, safety or operating imperatives;

(3) when the service entrance is at medium voltage, Hydro-Québec installs on the pole, at the customer's expense, the latter's cables, potheads and lightning arresters and all equipment must be compatible with Hydro-Québec's;

(4) the service entrance and necessary civil engineering work are at the customer's expense; however, when the crossing of a public thoroughfare is required under an applicable legislative or regulatory provision, the crossing is undertaken at Hydro-Québec's expense and the connection point is located, at Hydro-Québec's discretion, on the pole or in the access well located on the customer's property.

If Hydro-Québec replaces, moves or removes the pole and the equipment installed on it, the customer must pay the cost of handling his electrical installation and, as the case may be, of connecting it.

**66.** The customer must ensure the protection of property and the safety of persons wherever electricity is

supplied or delivered and is responsible for protecting himself from the consequences of any interruption in the supply or delivery of electricity and protecting his electrical installation and apparatus from voltage variations and losses, frequency variations and accidental groundings.

**67.** The type, characteristics and adjustment of the customer's protective equipment must allow for coordination of the customer's protection with that of Hydro-Québec.

**68.** When electricity is supplied at medium voltage by several power lines, the customer must use it through the lines Hydro-Québec indicates to him.

Where one of the designated lines fails or requires an outage, the customer must, with Hydro-Québec's authorization or at its request, use the electricity through another line indicated by Hydro-Québec, solely for the duration of work, unless Hydro-Québec indicates a longer period to him.

**69.** The customer may not use electrical generating equipment in parallel to Hydro-Québec's system, unless he obtains Hydro-Québec's written authorization to do so.

**70.** When the customer installs an emergency generator set, the latter must be equipped with a manual or automatic switching device authorized by Hydro-Québec.

**71.** The customer must immediately inform Hydro-Québec of any electrical or mechanical defect in his electrical installation likely to disturb Hydro-Québec's system, jeopardize the supply of electricity to other customers or put property or persons at risk.

**72.** When electricity is supplied at medium voltage, the customer must designate authorized persons, pursuant to the Master Electricians Act (R.S.Q., c. M-3), in force at the time.

Hydro-Québec must be able to communicate at all times with the aforesaid persons in order to manage its system.

The customer must immediately inform Hydro-Québec of the replacement of the aforesaid persons.

**73.** When the power factor, measured at the delivery point, is usually less than 90 % for a small and medium power contract, or less than 95 % for a large power contract, the customer must install, at his expense, corrective equipment, when Hydro-Québec asks him to do so in writing; however, the corrected power factor must not exceed 100 % capacity.

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The corrective equipment must be designed and installed in such a way that it does not disturb Hydro-Québec's system and that it can be disconnected, entirely or partly, at Hydro-Québec's request or on the basis of the variation of the power used by the customer.

#### **CHAPTER VI**

#### CONDITIONS FOR SUPPLY OF ELECTRICITY

#### **DIVISION I**

USE OF ELECTRICITY

**74.** The customer must use electricity according to the available power limit in such a way that he does not disturb Hydro-Québec's system, hinder the supply of electricity to other customers or put Hydro-Québec's representatives at risk.

**75.** The customer must obtain Hydro-Québec's prior authorization to modify his service entrance, change the use to which electricity is put or install load control equipment on the line side of the metering equipment; in the latter case, the current transformer must already have been installed by the manufacturer and be used to supply the protective relays of the customer's installation.

**76.** The customer provides Hydro-Québec with information respecting the use to which electricity is put and the characteristics of his electrical apparatus, as required for the management or safety of the system and must notify Hydro-Québec immediately of any change in the information supplied.

**77.** The customer may not resell, rent, lend, exchange or give away electricity supplied or delivered by Hydro-Québec, unless he is an electricity distributor within the meaning of the Act respecting municipal and private electric power systems (R.S.Q. c. S-41).

This section may not be interpreted as prohibiting the rental of any premises or building for a rent that includes the cost of electricity.

#### **DIVISION II**

### DEPOSITS AND GUARANTEES OF PAYMENT

**78.** Subject to section 20 of the Act respecting the mode of payment for electric and gas service in certain buildings (R.S.Q., c. M-37), Hydro-Québec may require a cash deposit or a guarantee from a customer who, in the 48 months preceding the date of his last bill, did not pay an electricity bill by the due date for the contract he holds (or held).

**79.** A cash deposit or a guarantee is required for any new contract covering use other than domestic use except in the following cases:

(1) a contract where the customer is a public agency covered by Appendix II;

(2) a contract where the customer is a financial institution covered by Appendix II;

(3) a large-power contract;

(4) a contract for a building covered by the Act respecting the mode of payment for electric and gas service in certain buildings;

(5) a contract relating to a request for a temporary connection for a construction site;

(6) a contract relating to flat-rate sale of electricity where there is low electricity consumption, such as telephone boxes and cable television equipment directly connected to Hydro-Québec's system;

(7) a contract where a request for a modification affects only the customer's address for service;

(8) the contract of a customer who, in the 48 months preceding the request, has paid by the due date the electricity bills for his other contracts for uses other than domestic use.

**80.** Any deposit or guarantee under Section 78 may not exceed a sum equal to the highest estimated billing for power and energy, including all taxes, for two consecutive months within the twelve-month period following the date on which the deposit or guarantee is established.

**81.** Any cash deposit bears interest, for the 12 months following April 1 in a given year, at the rate applicable to deposits specified in the rates bylaw.

Interest is calculated as at March 31 of every year and is payable prior to June 1 of the year; where the deposit is refunded, interest is calculated until the date of the refund and is payable on that date.

**82.** Hydro-Québec applies all or part of the deposit and accrued interest or the guarantee to the balance due in the customer's overdue account in the following cases:

(1) the contract covered by the deposit or the guarantee is terminated;

(2) the delivery of electricity is interrupted under Subparagraph 1 of Section 96 for the contract covered by the deposit or the guarantee.

Any balance of the deposit or guarantee not used is then returned to the customer.

**83.** A customer who has made a cash deposit or supplied a guarantee of payment is entitled to the refund of the deposit or the return of the guarantee in the following cases:

(1) for a contract covering domestic use, the customer has paid his electricity bills by the due date during the 24 months following the payment of the deposit or the supplying of the guarantee;

(2) in the case of a contract covering use other than domestic use, the customer has paid his bills by the due date during the 48 months following the payment of the deposit or the supplying of the guarantee.

The refund of the deposit or the return of the guarantee is effected within the 60 days following the expiry of the time referred to in Subparagraph 1 or 2, whichever is applicable.

Hydro-Québec refunds the deposit and accrued interest, either by crediting the amount to the customer's account, or by sending him the amount directly, at the customer's discretion.

### DIVISION III

METERING OF ELECTRICITY

**84.** Electricity delivered to a customer is metered using metering equipment supplied and installed by Hydro-Québec.

Any equipment or apparatus other than Hydro-Québec's metering equipment is supplied and installed by the customer at his expense.

When electricity is metered at low voltage, the customer must install Hydro-Québec's current transformers and connect their primary winding when they must be installed in a shielded substation.

When electricity is metered at medium voltage or at high voltage, the customer must install Hydro-Québec's voltage and current transformers and connect their primary winding.

**85.** Subject to the rates bylaw, electricity delivered is covered by separate metering for each delivery point at the customer's premises, except where:

(1) the electricity is sold at a flat rate;

(2) the electricity is supplied for the purpose of public lighting and Sentinel lighting defined in the rates bylaw;

(3) as at April 15, 1987, the electricity was metered by a single set of metering equipment and that is still the case on (*insert here the date this Bylaw comes into force*), although it is delivered to several delivery points on the customer's premises, as long as the customer's service entrance is not modified.

**86.** Even where there are several sets of metering equipment in a building, the customer must allow Hydro-Québec to effect an overall metering of electricity delivered throughout, or in a portion of, the building, for the purpose of analysing electricity consumption.

#### DIVISION IV BILLING AND PAYMENT

#### §1. Billing procedures

**87.** In the case of a contract under which only energy is metered, Hydro-Québec reads the meters for billing purposes at one of the following intervals:

(1) at least once a year for distant and inaccessible installations such as a weather station, a microwave tower, a radio antenna or a pump;

(2) at least once every 120 days in all other cases.

In the case of a contract under which power and energy are metered, Hydro-Québec reads the meters and resets the maximum demand meters for billing purposes at one of the following intervals:

(1) at least once every 60 days, with respect to contracts under which metered or calculated billing demand is usually below 50 kW;

(2) about once every 30 days, with respect to contracts under which metered or calculated billing demand is usually equal to or higher than 50 kW.

**88.** Hydro-Québec sends the customer a bill every time it reads a meter for billing purposes at one of the intervals set out in Section 87.

Notwithstanding Section 87, when Hydro-Québec is unable to read the meters, it establishes the bills based on an estimate of energy consumption or of power demand and energy consumption. It makes the readjustments on a subsequent bill established after a meter reading. Hydro-Québec also establishes the initial bill and the final bill based on an estimate of energy consumption or of power demand and energy consumption. However, the customer may supply his own meter reading and Hydro-Québec establishes the bill accordingly.

**89.** In cases where electricity metered by Hydro-Québec's metering equipment or billed does not correspond to electricity actually used or, in the absence of metering equipment, Hydro-Québec establishes energy consumption and billing demand on the basis of one or more of the following elements:

(1) data supplied by metering tests;

(2) inventory of connected apparatus and an estimate of its average use;

(3) values recorded during consumption periods immediately preceding or following the breakdown of metering equipment or during the same period of the preceding year;

(4) any other means used to establish or estimate energy consumption or power demand.

In the case of an autonomous electrical system whose electricity delivered to customers is not usually metered, Hydro-Québec may also establish the average consumption per contract within a single category of use.

#### §2. Payment procedures

**90.** The customer must pay all bills, in Canadian dollars, within 21 days of the billing date. If the twenty-first day falls on a day when Hydro-Québec's customer service offices are closed, the due date is deferred to the next following business day. Failure to pay by the due date results in administration charges applied to the unpaid balance at the rate applicable at the billing date, calculated in accordance with the administration charges applicable to electricity bills as established in the rates bylaw.

Each month thereafter, Hydro-Québec applies administration charges to the unpaid balance at the rate applicable at the previous billing date, calculated in accordance with the administration charges applicable to electricity bills as established in the rates bylaw, and compounded monthly.

If a cheque issued in settlement of an electricity bill is returned by a financial institution because of insufficient funds, the customer pays Hydro-Québec the charge for cheques returned by a financial institution because of insufficient funds as established in the rates bylaw. **91.** The customer may pay his bill at Hydro-Québec's customer service offices or through any authorized agent of Hydro-Québec.

**92.** The customer may not deduct from his bill an amount due to him from Hydro-Québec or a direct claim or counter-claim which he has, or claims to have, against Hydro-Québec.

**93.** The customer whose contract is subject to a domestic rate or a general small-power or medium-power rate under the rates bylaw may, upon reaching agreement with Hydro-Québec, benefit from the equalized instalments plan under which Hydro-Québec divides into 12 equal monthly instalments the anticipated cost of electricity.

The customer may subscribe to the equalized instalments plan at any time. Any equalized instalments agreement, however, ends on the date of the first meter reading occurring for the first billing after July 31 of each year.

Hydro-Québec revises the amount of the equal instalments during the agreement in the following cases:

(1) the electricity rate applicable to the contract is modified during the period;

(2) the customer moves during the period;

(3) if, upon referring to instalments already paid and electricity actually used by the customer during the months of consumption covered by such instalments, Hydro-Québec realizes that there will be a substantial discrepancy at the end of the last month of consumption between total instalments agreed upon and the anticipated cost of electricity.

The last instalment corresponds to the balance of the customer's account at the end of the last month covered by the agreement. The balance of the account is calculated by Hydro-Québec and is equal to the difference between the total cost of electricity actually used by the customer for the months of consumption covered by the agreement and the sum of instalments paid. However, when the balance is greater than the amount of the previous instalment, the customer may ask Hydro-Québec, within the time limit stipulated in Section 90, to break this additional amount down over the next six instalments.

At the end of the final month of consumption, Hydro-Québec reviews the amount of instalments anticipated for the following 12 months of consumption and the initial agreement concluded with the customer is renewed accordingly, subject to the conditions stipulated in second and third paragraphs, unless the customer advises Hydro-Québec that he wishes to terminate the agreement.

Hydro-Québec sends its customers on the equalized instalments plan either monthly bills for the instalment due or periodical statements of account if the customer pays by automatic debit.

Hydro-Québec may terminate the equalized instalments plan where a customer fails to pay on time.

#### DIVISION V

#### REFUSAL OR INTERRUPTION OF SERVICE

§ 1. Interruption related to the system

**94.** Hydro-Québec delivers and supplies electricity subject to interruptions which may arise from an emergency, an accident, equipment failure or the activating of protective equipment within the system.

**95.** Hydro-Québec may, at any time, interrupt the supply or delivery of electricity for the purpose of upkeep, repairs, modification or management of the system, or for reasons of public utility or safety.

# **§ 2.** Refusal to supply or deliver electricity, or interruption of supply or delivery

**96.** Subject to section 20 of the Act respecting the mode of payment for electric and gas service in certain buildings, Hydro-Québec refuses to supply or deliver electricity or interrupts such supply or delivery in the following cases:

(1) a federal, provincial or municipal agency with jurisdiction in this realm orders it to do so;

(2) public safety requires that it do so;

(3) the customer manipulates or tampers with metering equipment or any other Hydro-Québec equipment, impedes the supply or delivery of electricity or contravenes to the provisions of Section 101;

(4) the customer fails to make the modifications or adjustments necessary to ensure that his electrical installation complies with requirements stipulated in this Bylaw or, despite Hydro-Québec's request that he do so, fails to eliminate the causes of disturbances on the system;

(5) the customer does not use electricity in accordance with the provisions of Division I of this chapter; (6) the customer refuses to allow the installation on his property of Hydro-Québec's equipment, including metering and control equipment and refuses to make available to Hydro-Québec the rights and installations required to seal, meter and control;

(7) an electrical installation has been connected to Hydro-Québec's system without the latter's approval;

(8) the customer's electrical installation has not been approved or authorized by an authority having jurisdiction in this realm pursuant to any applicable legislative or regulatory provision;

(9) the occupant, tenant, administrator or owner covered by Section 15 uses or may use electricity without having concluded a contract.

Hydro-Québec may also refuse to supply or deliver electricity or may interrupt such supply or delivery in the following cases:

(1) the customer fails to pay his bill on time;

(2) the customer refuses to provide Hydro-Québec with information required under this Bylaw or supplies erroneous information;

(3) the customer refuses to make the deposit or supply any other guarantee required under this Bylaw;

(4) contrary to Section 100, the customer refuses Hydro-Québec's representatives access to his premises;

**97.** Where Hydro-Québec interrupts the supply or delivery of electricity under Section 96, except in cases stipulated in Subparagraphs 1 to 3 and 7, it gives the customer at least 8 clear days' notice of its intention to proceed with the interruption. This notice must be sent by any means making it possible to prove the notice was sent.

**98.** When the supply or delivery of electricity has been interrupted under Section 96, to be entitled to the re-establishment of the supply or delivery of electricity, the customer must remedy the situation which justified the interruption, pay Hydro-Québec actual costs incurred for the interruption and those stipulated for the re-establishment of the supply or delivery of electricity. In no case may such costs be lower than the costs in case of interruption of service stipulated in the rates bylaw.

The customer must also make a deposit or supply a guarantee according to Section 78 if the supply or delivery of electricity is interrupted pursuant to Subparagraph 1 of the second paragraph of Section 96.

**99.** When Hydro-Québec has interrupted the supply or delivery of electricity under Section 96 for at least 30 consecutive clear days, it may immediately terminate the contract by sending the customer written notice to this effect.

Costs due under Section 15, the rates bylaw, amounts stipulated in the second paragraph of Section 17, and any other sum due from the customer in relation to the supply or delivery of electricity are immediately due and payable prior to connection.

#### **DIVISION VI**

ACCESS TO HYDRO-QUÉBEC'S INSTALLATIONS

**100.** The customer must allow Hydro-Québec and its representatives to enter upon his property in the following cases:

(1) to establish or interrupt the supply or delivery of electricity;

(2) to install, operate, inspect, keep up, repair, modify or remove its equipment;

(3) to verify whether the customer's use of electricity complies with the provisions of Division 1 of this chapter;

(4) to effect meter reading.

Hydro-Québec may enter upon the customer's property at any time, when the continuity of the supply and delivery of electricity or safety so require, and between 8:00 a.m. and 9:00 p.m. every day, except Sundays and holidays, for any other reason.

The customer must first obtain Hydro-Québec's authorization when he intends to proceed with any work on his property or his installations which may prevent or hinder exercise of the said right of access as stipulated under this section.

**101.** The customer may not hinder the smooth operation of Hydro-Québec's installations, apparatus and equipment and he is prohibited from using same and from effecting any manoeuvre or intervention whatsoever thereon, unless expressly authorized to do so by Hydro-Québec.

#### CHAPTER VII LIABILITY

#### **DIVISION I** LIABILITY

**102.** Hydro-Québec guarantees neither the maintenance of voltage and frequency at a stable level nor the continuity of the supply and delivery of electricity. In no case shall it be held contractually or extra-contractually liable for damage or losses caused to property resulting from the supply or delivery of electricity or failure to supply or deliver electricity, or resulting from accidental grounding, mechanical failure on its system, any interruption of service covered by Division V of chapter VI, frequency variations or supply voltage variations.

Hydro-Québec shall not be held liable for damage or losses resulting from a steady state supply voltage not exceeding the following limits:

(1) if the electricity is supplied at low or medium voltage: according to the standard mentioned in Section 18;

(2) if the electricity is supplied at high voltage: a difference of up to 10 % above or below the nominal supply voltage.

Hydro-Québec shall not be held liable for damage or losses resulting from fortuitous events or force majeure, even when such events or force majeure cause supply voltage variations exceeding the limits mentioned in the second paragraph.

**103.** The customer acts as custodian of Hydro-Québec's equipment installed on his property, with the exception of poles and overhead conductors.

**104.** Any contract and any agreement concluded under this Bylaw, any installation effected by Hydro-Québec and any connection between its system and the customer's electrical installation, any authorization given by Hydro-Québec, any inspection or verification effected by it, and the supply and delivery of electricity by it do not constitute and must not be interpreted as constituting an evaluation or a guarantee by Hydro-Québec of the functional value, efficiency or safety of the customer's installations, including his electrical installation and protective devices, nor of their compliance with any applicable legislative or regulatory provision.

When the customer does not use the electricity according to Section 74, he is liable for any damage or inconvenience caused to other customers or to Hydro-Québec.

#### **CHAPTER VIII**

#### TRANSITIONAL AND FINAL PROVISIONS

**105.** This Bylaw applies to any contract concluded as of (*insert here the date this Bylaw comes into force*).

It also applies to any contract concluded with Hydro-Québec or one of its subsidiaries before April 15, 1987 and still in effect on (*insert here the date this Bylaw comes into force*), without the customer's having to formulate the request provided for in Section 5.

The provisions of Section 16 apply for the continuation and renewal of any contract in effect on (*insert here the date this Bylaw comes into force*), according to the category of use for which the contract was concluded.

The contract for Sentinel lighting service in force on May 1<sup>st</sup> 1986, continues, if it is still in effect on (*insert here the date this Bylaw comes into force*) until the expiry of the term under way on (*insert here the date this Bylaw comes into force*) and subsequently continues according to the term agreed upon by the customer and Hydro-Québec or, in the absence of such agreement, from year to year until the customer or Hydro-Québec terminates it by giving at least 30 clear days' notice in writing to this effect prior to the end of the initial term or the term of renewal.

**106.** Notwithstanding Division I of chapter III, any customer receiving electricity at low voltage before April 15, 1987 and still receiving it at low voltage on (*insert here the date this Bylaw comes into force*) continues to receive it according to the mode of supply in effect on (*insert here the date this Bylaw comes into force*), until such time as the customer's service entrance is modified.

When the voltage at which electricity was supplied to the customer's electrical installation before April 15, 1987, was three-phase voltage, 600 V, 3-wire, and it is still the same on (*insert here the date this Bylaw comes into force*), Hydro-Québec may, at any time, at its expense, change this voltage in order to adopt three-phase voltage, 347/600 V, star, grounded neutral. In such a case, it informs the customer, by giving at least 30 clear days' notice in writing before the date of the system voltage conversion and of the termination of the supply at the existing voltage.

When the voltage at which electricity is supplied to the customer's electrical installation is, since April 15, 1987, three-phase voltage, 600 V, 3-wire, and it is still the same on (*insert here the date this Bylaw comes into force*), Hydro-Québec may, at any time, change this voltage to adopt three-phase voltage, 347/600 V, star, grounded neutral. In such a case, it informs the customer, by giving at least 30 clear days' notice in writing before the date of the system voltage conversion and of the termination of the supply at the existing voltage.

The supply of electricity at three-phase voltage, 600 V, 3-wire remains subject to Sections 23 and 24 of Bylaw n° 411 establishing the conditions governing the supply of electricity approved by Order in Council 477-87 of March 25, 1987, and amended by Bylaws n° 439, 475, 500 and 526 respectively approved by Orders in Council 354-89 of March 8, 1989, 1693-89 of November 1<sup>st</sup>, 1989, 1354-90 of September 19, 1990 and 429-92 of March 25, 1992.

**107.** Notwithstanding Division II of chapter IV, any written agreement concluded prior to (*insert here the date this Bylaw comes into force*) concerning a mode of supply or work to extend or modify Hydro-Québec's system remains in effect and is subject, when applicable, to the provisions of chapters 3 and 4 of Bylaw n° 411 establishing the conditions governing the supply of electricity approved by Order in Council 477-87 of March 25, 1987, and amended by Bylaws n° 439, 475, 500 and 526 respectively approved by Orders in Council 354-89 of March 8, 1989, 1693-89 of November 1<sup>st</sup>, 1989, 1354-90 of September 19, 1990 and 429-92 of March 25, 1992

**108.** This Bylaw comes into force on the fifteenth day following the date of its publication in the *Gazette* officielle du Québec.

#### APPENDIX I

(s. 8)

# INFORMATION REQUIRED IN THE REQUEST FOR A CONTRACT

Place to be served:

- 1. Name, Corporate name;
- 2. Use of facility;
- 3. Street address;
- 4. Billing address.

Contractholder:

- 1. Name;
- 2. Address:
- 3. Previous address;
- 4. Phone number at home;
- 5. Phone number at work:
- 6, Social security number.

#### Use of electricity

Connected loads:

- 1. Lighting;
- 2. Heating;
- 3. Ventilation;
- 4. Motive power
- 5. Processes;
- 6. Other.

Power requested

Date for which service is requested

#### **APPENDIX II**

(s. 79)

# FINANCIAL INSTITUTIONS AND PUBLIC AGENCIES

1. Financial institutions

 $1^{\circ}$  A bank governed by the Bank Act (R.S.C. 1985, c. B-1.01).

2° A savings and credit union governed by the Savings and Credit Unions Act (R.S.Q., c. C-4).

3° An insurance company within the meaning of the Act respecting insurance (R.S.Q., c. A-32).

4° A trust company according to the Act respecting trust companies and savings companies (R.S.Q., c. S-29.01).

2. Public Agencies

1° Health services and social services institutions

*a)* public institutions governed by the Act respecting health services and social services (R.S.Q., c. S-4.2);

*b)* regional health and social services boards established under the Act respecting health services and social services;

*c)* the Corporation d'hébergement du Québec governed by the Act respecting health services and social services.

2° Municipal agencies

*a)* the Communauté urbaine de Montréal, the Communauté urbaine de Québec, the Commission régionale de l'Outaouais, their transit corporations, the Société de transport de la Rive-sud de Montréal, municipal transit corporations and the Conseil métropolitain du Haut-Saguenay; b) municipalities, county municipalities and regional county municipalities and the agencies constituted as agent of any of such municipalities or otherwise subject to their authority.

3° School agencies

*a)* school boards and public schools, the Conseil scolaire de l'île de Montréal;

*b)* the general and vocational colleges governed by the General and Vocational Colleges Act (R.S.Q., c. C-29);

*c)* the bodies established under the Act respecting the Université du Québec (R.S.Q., c. U-1).

#### **APPENDIX III**

(s. 38)

#### METHOD FOR ESTABLISHING THE REPLACEMENT VALUE OF THE CUSTOMER'S ELECTRICAL EQUIPMENT

The value resulting from an annual depreciation of 4 % for each component installed in the customer's transforming station and which will no longer be used because of a voltage conversion, calculated according to the following formula:

$$c = \frac{a(100 - 4b)}{100}$$

where

a = the cost of the equivalent new material installed, including material, labour and general administrative costs.

b = the age of the component.

c = the depreciated replacement value.

In the case where a component is subject to a modification rather than replacement, e.g., a rewound transformer, the cost of the modification takes the place of the depreciated replacement value for this component; the cost must not exceed the component's depreciated replacement value.

The depreciated replacement value (c) may not be less than 20 % of (a).