

C1-20

[Home](#) > [News, Events & Media](#) > [News Archive](#) > [2008 News Archive](#)

News

Sep 4, 2008

BC Hydro's two-step rate designed to drive conservation

BC Hydro's new two-step conservation rate takes effect on October 1.

With the new conservation rate in place, 70% of BC Hydro's residential customers will pay the same or less than with the flat rate in place today.

The two-step conservation rate – approved in late August by the [British Columbia Utilities Commission \(BCUC\)](#) – is in keeping with what other utilities are doing. About 20 utilities in North America are already using a similar, stepped rate structure.

The conservation rate creates a financial incentive for residential customers to reduce electricity use and will help support the BC Energy Plan goal of meeting 50% of future resource needs through conservation by 2020.

How the conservation rate works

The two-step conservation rate structure, as outlined in the BCUC decision, breaks the current flat rate into two blocks:

- A first block of 1,350 kilowatt-hours (kWh) over a two-month billing period,
- A second block for all electricity used above that level during the two months.

The current rate for BC Hydro residential customers is 6.55 cents per kWh.

As of October 1, the Step 1 rate (up to 1,350 kWh) will be 5.98 cents per kWh. The Step 2 rate (above 1,350 kWh) will be 7.21 cents per kWh.

As of April 1, 2009, the Step 1 rate increases to 6.35 cents per kWh, and the Step 2 rate increases to 8.27 cents per kWh.

Customers can reduce consumption

Residents can take action to reduce their electricity consumption and lower their bills.

If customers reduce their consumption by 1,000 kWh or about 10% of the average user's annual consumption, they will save about \$80 per year. That saving will completely, or substantially, offset any bill increase.

How can a customer save energy and save money? Getting rid of a second fridge could save 1,200 kWh per year. Turning the thermostat down one degree would save 400 kWh per year. And washing clothes in cold water could save as much as 720 kWh per year.

The following table presents numerous examples of energy-saving measures that can significantly lower electricity bills. The tips are based on current customer averages and behaviours.

Please note:

- Savings calculations are based on current customer averages and behaviours.
- The 8.27 cents/kWh rate represents the higher, step 2 rate as of April 1, 2009

Conservation tip	Savings kWh/yr (approximate)	Cost to implement	Annual savings @ 8.27 cents/kWh (approximate)
Electronics			
Turn off computer when not in use	170	\$0	\$14
Turn off TV when not in use	170	\$0	\$14
Turn off a TV for one hour/ day	50	\$0	\$4
Turn off video game console when not in use	200	\$0	\$16.50
Electrical Appliances			
Hang clothes to dry 50% of the time	520	\$0	\$43
Wash clothes in cold water	480	\$0	\$40
Don't use heat dry feature on the dishwasher	110	\$0	\$9
Adjust fridge temperature to 4°C if set at 3°C	40	\$0	\$3.50
Remove second fridge and get incentive	1,200	\$30	\$100
Lighting			

Source: BC Hydro News

Turn off four 60W lights for one hour/ day	90	\$0	\$7.50
Turn off two 60W for one hour/ day	45	\$0	\$3.50
Install five CFLs in high-use locations	250	\$25	\$21
Install 10 strings of LED holiday lights	190	\$70	\$16
Heating/ whole home			
Turn heat down one degree Celsius	800	\$0	\$65
Install a programmable thermostat, and turn the heat down four to five degrees overnight and when you are not at home	240	\$50	\$20
Install water heater blanket	150	\$25	\$12
Upgrade attic insulation to R40	500	\$700	\$41
LiveSmart BC Efficiency Incentive Program	2,500	\$1,700*	\$200

**Estimated net cost after incentives*