



Extension fee refunds

Overview

In order to connect new customers we sometimes need to install poles, lines, transformers and other infrastructure or upgrade our existing electrical distribution system. If, after July 5, 2025 you pay an extension fee¹ to connect, you may be eligible for a future refund if additional customers connect to that extension².

Who is eligible for a refund

You are eligible for a refund if:

- your extension fee was greater than \$25,000,
- you did not receive assistance from the Uneconomic Extension Fund,
- you did not already receive BC Hydro contribution for new residential subdivision connections, and
- new customers connect to your extension within the refund period.

You may receive a refund if the new customer(s) that connected have excess BC Hydro contributions from their connection projects.

Residential subdivision exception. If you received BC Hydro contribution based on forecasted connections, you are not eligible for future refunds. See section 8.6.2 of our Electric Tariff for more details.

Extension fee	Refund period	Review frequency (after energization)
< \$25,000	Not eligible for refunds	
\$25,000–\$999,999	5 years	End of 5 th year
\$1,000,000–\$4,999,999	10 years	End of 5 th and 10 th year
> \$5,000,000	15 years	End of 5 th , 10 th , and 15 th year

1 Extension fee: a contribution-in-aid of construction of an extension from the customer.
2 Extension: an addition to or the increased capacity of BC Hydro's electric distribution system required to serve a new customer load or an addition to existing customer load, but not including a service connection.

When and how are refunds calculated

There is no need to apply. If eligible, BC Hydro will automatically review your connection project every 5 years until the end of the refund period. If additional customers have connected to your extension and those connections had excess BC Hydro contribution, the excess contributions will be refunded to you up to the full amount of your original extension fee.

BC Hydro's contribution for each rate class is set in our Electric Tariff and recognizes the incremental revenue of the connecting load. It is first used to offset the construction cost of connecting to our system and in cases where the contribution exceeds the cost of connection, these excess contributions can be refunded to the previous extension.

BC Hydro contributions for new service extensions

Rate class	Maximum BC Hydro contribution <small>*Subject to annual adjustments approved by the BCUC</small>
Residential	\$2,690 per single family dwelling
General service	\$501 per kW of estimated billing demand
Street lighting	\$174 per fixture
Irrigation	\$479 per kW of estimated billing demand

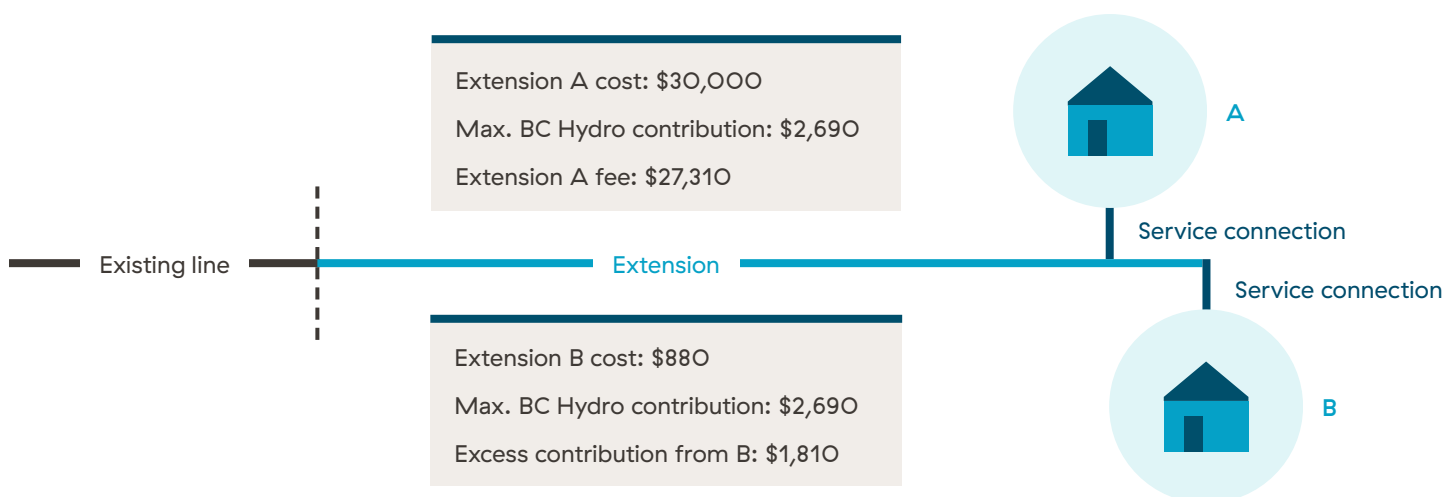
To receive a refund:

- Your extension fee was greater than \$25,000,
- New customer(s) connect to the extension within the refund period, and
- Those customer connections had excess BC Hydro contributions.

EXAMPLE 1: A NEW CUSTOMER CONNECTS DIRECTLY TO YOUR EXTENSION, GENERATING A REFUND.

It cost \$30,000 to connect your home to our electrical system. With the BC Hydro contribution of \$2,690, your extension fee was \$27,310. A neighbour (B) connects a new single family dwelling to the same extension within five years and only requires an overhead service connection (\$880) to connect. BC Hydro's maximum contribution of \$2,690 for a residential service first offsets neighbour B's service connection cost of \$880 and the excess contribution of \$1,810 (\$2,690 - \$880) can be applied towards your extension fee.

You get a \$1,810 refund.

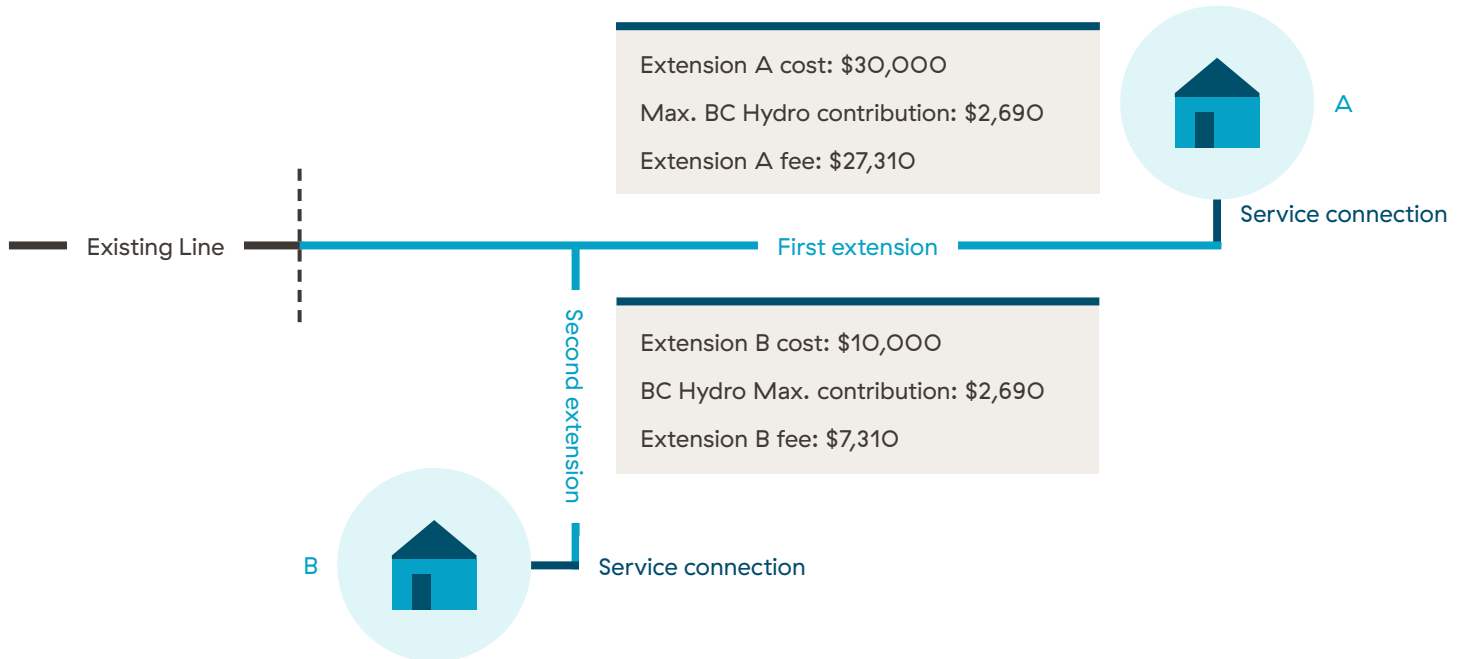


EXAMPLE 2: A NEW EXTENSION CONNECTS TO YOUR EXTENSION, WITH NO REFUND.

You paid for a new extension that cost \$30,000 to construct. With the BC Hydro contribution of \$2,690, your extension fee was \$27,310.

Three years later, a new customer (B) connects a new extension to that portion of the line. The new extension cost \$10,000 and has a BC Hydro contribution of \$2,690. There is no excess contribution towards construction of this project.

You do not get a refund.

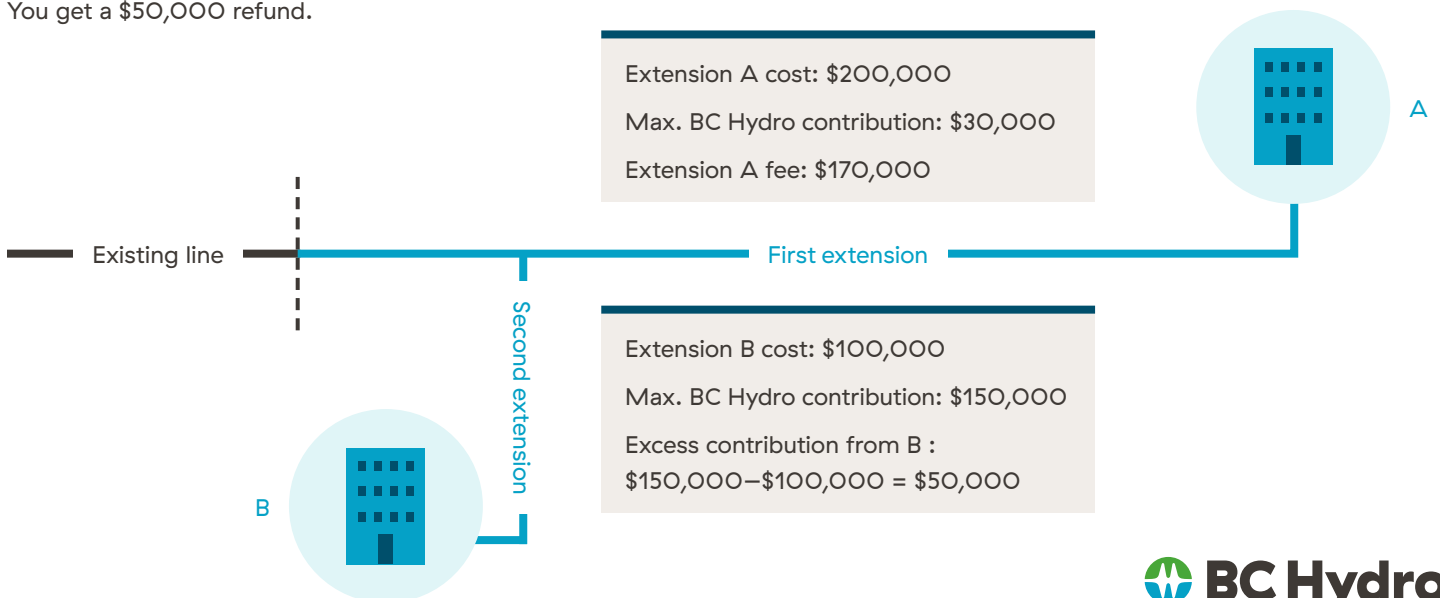


EXAMPLE 3: A NEW EXTENSION CONNECTS TO YOUR EXTENSION, GENERATING A REFUND.

You paid for a new extension that cost \$200,000 to construct. With the BC Hydro contribution of \$30,000 for the building that connected to your line at the time of construction, your extension fee was \$170,000.

Three years later, a new customer (B) connects a new extension to that portion of the line. The new extension costs \$100,000 and has a BC Hydro contribution of \$150,000, which results in an excess contribution towards construction. The excess contribution from customer B can be applied to your extension fee.

You get a \$50,000 refund.

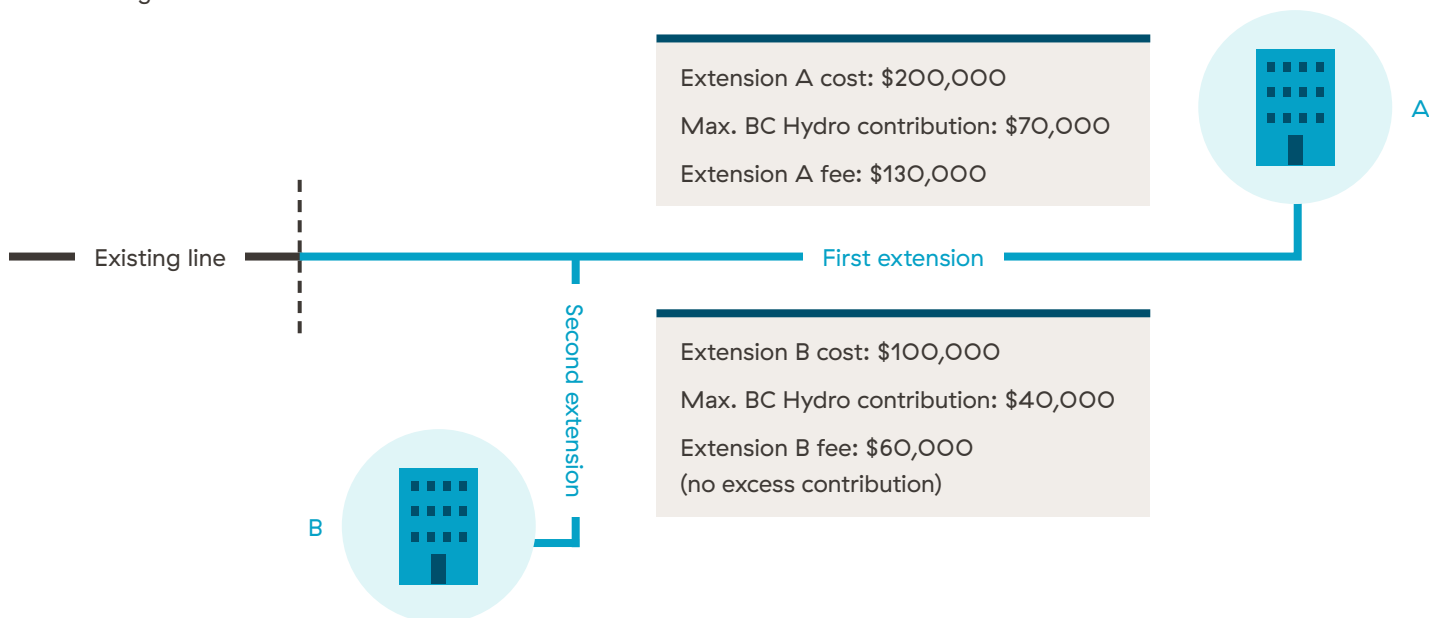


EXAMPLE 4: A NEW EXTENSION CONNECTS TO YOUR EXTENSION, WITH NO REFUND.

You paid for a new extension that cost \$200,000 to construct. With the BC Hydro contribution of \$70,000 for the building that connected to your line at the time of construction, your extension fee was \$130,000.

Three years later, a new customer (B) connects a new extension to that portion of the line. The new extension costs \$100,000 and has a BC Hydro contribution of \$40,000, resulting in an extension fee of \$60,000. There is no excess contribution.

You do not get a refund.



Payment

Refunds are paid by cheque to the customer who originally paid for the extension. Interest will not be paid on refunds, and amounts of \$100 or less will not be refunded.

Contact us

For more information on extension fee refunds contact us at PolicyProgramsCoordinator@bchydro.com, or visit our Electric Tariff section 8.5. at bchydro.com.