

# **Rural Electrification Association**

## **Rural Electrification Association Limited TERMS AND CONDITIONS FOR DISTRIBUTION ACCESS SERVICE**

**Distribution Tariff Application**

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## ARTICLE 1 – PREAMBLE

In accordance with the Amendment and Renewal Agreement made between the Rural Electrification Association Limited and ATCO Electric Ltd. ("ATCO Electric"), the REA, as a wire owner, has retained ATCO Electric to act as its wire services provider ("WSP") after 31 December 2000, which will not be responsible for providing electricity directly to Members of the REA. Pursuant to the *Electric Utilities Act* ("EUA") and the Regulations made thereunder ("Regulations"), ATCO Electric shall continue to carry out the functions of a wire services provider, which includes (i) the delivery of electric service to the REA and its Members; (ii) the maintenance and operation of the REA's electric distribution system; and (iii) the performance of certain other services such as enabling Retailers to acquire access to the REA's electric distribution system for the purposes of allowing them to sell electricity directly to end-use REA Members.

These Terms and Conditions are intended to apply to the relationship between ATCO Electric, as a wire services provider, Retailers or any other party who will be acting as an Agent on behalf of the REA and its Member(s) for transactions, including, but not limited to, retail billing and load settlement. These Terms and Conditions serve as a companion to the Terms and Conditions for Distribution Service Connections which are intended to govern the relationship between ATCO Electric, Member(s) and the Association, or any other person whom the Member (or the Association) has assigned to act on its behalf in its dealings with ATCO Electric, regarding the provision of wire service on the REA's electric distribution system.

The service provided by ATCO Electric hereunder has been filed on behalf of the REA with the Alberta Energy and Utilities Board ("EUB") for information. Any parties having any inquiries or complaints regarding these Terms and Conditions may direct such inquiries or complaints directly to ATCO Electric, the Association or to the Alberta Energy and Utilities Board. These Terms and Conditions have been approved by the Board of Directors of the Association.

**ARTICLE 2 – DEFINITIONS AND INTERPRETATION**

**2.1 Definitions**

The following words and phrases, whenever used in these Terms and Conditions or a Retail Service Agreement, shall have the meanings set forth below:

"*Act*" means the *Electric Utilities Act*, S.A. 1995, c. E-5.5, as amended from time to time;

"*Agent*" means a person who deals and performs functions including, but not limited to, customer choice transactions with the WSP on behalf of a REA and its Member(s);

"*Agreement*" means the agreement between the Association and the WSP;

"*Association*" means the Rural Electrification Association or its successor;

"*Business Day*" means a business day is any day other than Saturday, Sunday or a holiday as defined in the *Interpretation Act*.

"*Board*" means the Board of Directors of the Association;

"*Customer*" means a person purchasing electricity for that person's own use from a Retailer;

"*Customer Choice Guide*" means the guide prepared by the WSP which describes the business processes for the transactions between the WSP and the Retailer in relation to the provision of Service under these Terms and Conditions;

"*Distribution Access Service*" means the service required to transport electricity to Members by means of an electric distribution system;

*"Distribution Tariff"* means a distribution tariff prepared by the WSP on behalf of the REA who has elected to have ATCO Electric act as its wire service provider in accordance with the *Distribution Tariff Regulation, A.R. 84/2000*, as amended from time to time;

*"Electricity Services"* means the services associated with the provision of electricity to Members, including the exchange of electricity through the power pool, making financial arrangements to manage financial risk associated with the pool price, distribution access service, system access service, system support services, billing, metering, maintaining information systems, and any other services specified in the regulations;

*"EUB"* means the Alberta Energy and Utilities Board established under the *Alberta Energy and Utilities Board Act, S.A., 1994, c. A-19.5*, as amended from time to time;

*"Facilities"* means a physical plant (including, without limitation, transmission and distribution lines, transformers, meters, equipment and machinery);

*"Force Majeure"* means circumstances not reasonably within the control of the WSP, including acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, high water, washouts, inclement weather, orders or acts of civil or military authorities, civil disturbances, explosions, breakdown or accident to equipment, mechanical breakdowns, the intervention of federal, provincial, state or local government or from any of their agencies or boards, the order or direction of any court, and any other cause, whether of the kind herein enumerated or otherwise;

*"Member"* means a person qualified for membership in the Service Area of the Association ;

*"Member Information"* means Member name, Member telephone number, Member mailing address, site contact name and site contact phone number;

*"Member Usage Information"* means information regarding the historical electricity consumption of a Member and includes:

- Site ID;
- Read Date;
- Net Measured Energy (kW.h); and if available
- Net Measured Demand (kW); and
- Net Measured Demand (kV.A)

*"Point of Service"* means the point at which the Association's service conductors are connected to the conductors or apparatus of a Member;

*"Power Pool"* means the scheme operated by the persons appointed under section 9(1)(b) and (c) of the Act for the dispatch and exchange of electric energy and financial settlement for the exchange of electric energy;

*"RRR"* means the *Roles, Relationships and Responsibilities Regulation, A.R. 86/2000*, as amended from time to time;

*"Regulated Rate Tariff"* means a regulated rate tariff prepared by the WSP pursuant to the *Regulated Rate Option Regulation, A.R. 45/2000*, as amended from time to time;

*"Retail Service Agreement"* means an agreement for the provision of Distribution Access Service pursuant to these Terms and Conditions between the WSP and a Retailer, in the form attached as Schedule A hereto;

*"Retailer"* means a person who sells or provides Electricity Services directly to Members of the Association;

*"Retailer Business Function Identification"* means the 2 character identification that describes the Retailer's business function as a regular Retailer, default Retailer or a Supplier of Last Resort.

*"Retailer Identification"* means the 10 digit number that uniquely represents each Retailer operating within Alberta. The Canada Customs and Revenue Agency business number will be used as the Retailer ID.

*"Retailer of Record"* means the Retailer who is listed in the WSP's records through the procedures outlined in these Terms and Conditions, and thereby recognized by the WSP and the Settlement System Code (SSC), as a particular Member's Retailer for a Point of Service at a particular time;

*"Service Area of the Association"* means the area within which the Association is entitled to provide electrical service to its Members, as designated by the Department of Resource Development pursuant to the Hydro and Electric Energy Act (Alberta);

*"Settlement System Code"* means the specifications, standards, methods, calculations and conventions established under section 20(1) of the RRR that govern load settlement in respect of the delivery and exchange of electricity in Alberta;

*"Site"* means a unique end-use Point of Service, being the finest level at which settlement recognizes retailer assignments, and receives consumption data;

*"Site ID"* means a unique identification number assigned by the WSP for each unique end-use Point of Service;

*"Supplier of Last Resort"* means a person appointed as a Retailer pursuant to section 12 of the RRR;

*"System Controller"* means the person(s) appointed by the Power Pool Council under section 9(1)(c) of the Act to carry out the system control function of the Power Pool;

*"Transmission Administrator"* means the person(s) appointed by the Lieutenant Governor in Council under section 21 of the Act;

“WSP” means ATCO Electric Ltd. in which the Rural Electrification Association has authorized to act on its behalf to perform the duties of the wire services provider as defined in the Electric Utilities Act and the regulations made thereunder.

## 2.2 Conflicts

- (a) If there is any conflict between a provision expressly set out in an Order of the EUB and these Terms and Conditions, the Order of the EUB shall govern.
- (b) If there is any conflict between a provision expressly set out in these Terms and Conditions, as may be amended from time to time, and a Retail Service Agreement, the express provision of these Terms and Conditions shall govern, as of their effective date.
- (c) If there is any conflict between a provision expressly set out in these Terms and Conditions, as may be amended from time to time, and the Agreement between the WSP and the REA, the express provision of the Agreement shall govern.

## 2.3 Headings

The division of these Terms and Conditions into sections, subsections and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of these Terms and Conditions.

## 2.4 Schedules and Appendices

The following schedules and appendices are attached to and form part of these Terms and Conditions:

- Schedule A - Retail Service Agreement
- Schedule B - Disconnect for Non Payment
- Schedule C - Prudential Requirements
- Schedule D - Non-Discretionary Service Charges

## ARTICLE 3 – GENERAL PROVISIONS

### 3.1 Approval

These Terms and Conditions have been approved by the Board of Directors of the REA and filed with the EUB for information. The WSP may amend these Terms and Conditions by filing a notice of amendment for approval with the Board. Included in the notice to the Board shall be notification of which Retailers are affected by the amendment and an explanation of how affected Retailers will be notified of the amendments.

### 3.2 Distribution Tariff

The REA's Electric's Distribution Tariff is available for public inspection during normal business hours at the business offices of the WSP and at the offices of the EUB and can be accessed at the WSP's website at: [www.atcoelectric.com](http://www.atcoelectric.com). These Terms and Conditions form part of the REA Distribution Tariff and are established pursuant to Section 8 of the Distribution Tariff Regulation.

### 3.3 Effective Date

These Terms and Conditions come into force on July 1, 2001. Whenever the WSP files notice of an amendment to these Terms and Conditions, or when the Board approves an amendment to these Terms and Conditions, revisions will be issued, with the effective date of the amendments indicated thereon.

### 3.4 Terms and Conditions Prevail

(a) These Terms and Conditions, as amended from time to time, apply to the WSP and to each Retailer. These Terms and Conditions also govern the relationship between the WSP and Member(s) for whom the Retailer is acting as an agent in its dealings with the WSP.

- (b) No agreement can provide for the waiver or alteration of any part of these Terms and Conditions unless such agreement is first filed with and approved by the Board.

### **3.5 Customer Choice Guide**

The WSP has developed the Customer Choice Guide to help Retailers, Members and the Association understand the normal practices of the WSP. The Customer Choice Guide will be updated, from time to time, to reflect changes to the electric utility industry, or the changing needs of the Retailers or Members. The WSP is committed to follow practices in the Customer Choice Guide. However, as these practices will likely not cover every situation that arises, it may be necessary to deviate from the Customer Choice Guide in certain circumstances.

### **3.6 Ownership of Facilities**

- (a) The Association remains the owner of all Facilities necessary to provide Distribution Access Service, unless an agreement between the Association and the Retailer or Member specifically provides otherwise.
  
- (b) Payment made by Retailers or Members for costs incurred by the Association in installing Facilities does not entitle Retailers or Members to ownership of any such Facilities, unless an agreement between the Association and the Retailer or Member specifically provides otherwise.

### **3.7 New Facilities and Service Additions**

The WSP reserves the right to communicate directly with the Association or Members in respect of any requests made by the Association (or Member), or a party acting on its behalf, for the construction of new facilities or additional services as provided for in the *Billing Regulation, A.R. 290/99*, as may be amended from time to time. The WSP reserves the right to charge the Association (or the Member) directly for any amounts required to be provided by the Association under the Terms and Conditions for Distribution Service Connections. Retailers shall refer to the WSP's Customer Guide to

New Extensions for details of the requirements with respect to new facilities and service additions.

## **ARTICLE 4 – GENERAL OBLIGATIONS OF RETAILERS**

### **4.1 Timeliness, Due Diligence and Security Requirements**

- (a) The Retailer shall exercise due diligence and use reasonable efforts in meeting its obligations hereunder, and perform same in a timely manner.
- (b) The Retailer shall adhere to all credit, deposit and security requirements specified in these Terms and Conditions.
- (c) The Retailer shall make every effort to ensure that its REA Member Customers are aware of the provisions of these Terms and Conditions that may affect the Member(s).

### **4.2 Arrangements with Members**

Unless otherwise stated herein, the Retailer shall be solely responsible for having appropriate contractual or other arrangements with Member(s) necessary to provide service to Member(s). The WSP shall not be responsible for monitoring, reviewing or enforcing such contracts or arrangements and shall not be liable for any loss, damages, cost, injury, expense or other liability, whether direct, indirect, consequential or special in nature, howsoever caused, as a result of the Retailer's failure to perform its obligations to its Customer(s).

### **4.3 Responsibility for Electric Purchases**

The Retailer will be solely responsible for the purchase of electricity from the Power Pool and for arranging the delivery of such electricity to the Point of Service for Members, subject to these Terms and Conditions.

**4.4 Retailer Authorization**

The Retailer shall be responsible for obtaining authorization from each Member authorizing the enrollment of the Member for receipt of Distribution Access Service by such Retailer.

**4.5 Retailer Identification**

Any information exchange or communications between the Retailer and the WSP under these Terms and Conditions shall employ a Retailer Identification Number.

**4.6 Single Retailer for Member**

The WSP shall not be required to recognize and deal with more than one Retailer in respect of a Point of Service at any given time. Nothing in these Terms and Conditions shall prohibit a Member from entering into arrangements with multiple Retailers for a Distribution Point of Service, provided that a single Retailer is designated to be the Member's Retailer for the purposes of these Terms and Conditions

**4.7 Fees and Other Charges**

The WSP will provide all standard services hereunder pursuant to the Distribution Tariff. All additional, supplementary or extra non-discretionary services provided by the WSP to a Retailer will be charged a separate rate or fee, such as those included, without limitation, in Schedule D. Payment for these services shall be in accordance with the provisions of these Terms and Conditions.

**ARTICLE 5 – MEMBER INQUIRIES AND MEMBER INFORMATION**

**5.1 Member Inquiries**

For Members requesting information on Distribution Access Service, ATCO will make available the following information:

- (a) notification and informational materials to consumers about competition and consumer choices;
- (b) direct Members, on request, to a source where they may obtain the current list of licensed Retailers maintained in accordance with the *Fair Trading Act, S.A. 1998, c. F-1.05 ("Fair Trading Act")*. The WSP is under no obligation to assure the accuracy of this list.

## 5.2 Member Inquiries Related to Emergency Situations and Outages

Retailers shall make every effort to ensure Members contacting the Retailer regarding distribution emergency conditions, outages, safety or environment situations related to the WSP's or the Association's distribution system are referred directly to the WSP immediately. The WSP reserves the right, without providing notice to the Retailer, to test or audit the response time of the Retailer. The WSP will communicate any unacceptable patterns to the Retailer to be corrected.

## 5.3 Member Information

### 5.3.1 Provision of Member Information to a Retailer

- (a) The WSP shall provide standard Member Usage Information to a Retailer that has a Retail Service Agreement in place with the WSP upon request and upon receiving consent from the Member for:
  - (1) the 12-month period preceding the date of the request, or
  - (2) for any shorter period for which the WSP has collected that information.
- (b) A Retailer may request Member Usage Information prior to an application for enrollment by obtaining and submitting to the WSP the authorization from the Member in a form acceptable and agreed to by the WSP.

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- (c) The information referred to in part (a) above, with the exception of interval data, will be provided by the WSP at no additional cost.
  - (d) Members with interval metering will have its Member Usage Information posted to the WSP's secure web site for access. Requests for Member Usage Information that is above the information posted on the WSP's secure web site will be provided by the WSP at no additional costs for requests made once per year per account. The WSP reserves the right to assess a charge for additional Member Usage Information requests as set forth in Schedule D hereof.

*5.3.2 Provision of Member Information to the WSP*

The Retailer must notify the WSP as promptly as reasonably practical of any changes to Member Information. Such information shall be provided in a form acceptable to the WSP, as agreed to by the WSP and the Retailer.

**ARTICLE 6 – PROVISION OF SERVICE**

**6.1 Qualification for Service**

The Retailer must fulfill the following requirements to the satisfaction of the WSP before the WSP will provide Distribution Access Service to that Retailer:

- (a) submit to the WSP a fully completed, executed Retail Service Agreement;
- (b) submit to the WSP a fully completed, executed Web Site Use Agreement;
- (c) (1) for Retailers providing service to Members whose annual consumption is below 250,000 kWh, furnish a certified copy of the license issued to it and warrant in writing to the WSP that it is licensed pursuant to and will comply with the provisions of the *Fair Trading Act*, and any regulations or policies made thereunder;

- (2) for Retailers providing service to Members whose annual consumption exceeds 250,000 kWh, warrant in writing to the WSP that it will comply with the provisions of the *Fair Trading Act*, and any regulations or policies made thereunder;
- (d) satisfy the credit requirements of the WSP as set forth in Article 11 hereof;
- (e) warrant in writing to the WSP that it will comply with the guidelines established in the Settlement System Code;
- (f) meet the compliance testing protocol of the WSP in respect of information exchange, which protocol is set forth in the Customer Choice Guide;
- (g) warrant in writing to the WSP that it has been qualified by the Power Pool as a participant therein, and can receive electricity from the Power Pool; and
- (h) meet any other requirements that the WSP, acting reasonably, may impose in order to provide Distribution Access Service hereunder to the Retailer. If the WSP determines that a Retailer must satisfy additional requirements in order to qualify for Distribution Access Service, the following process will apply:
  - (i) where the WSP is confronted with a situation which would likely materially alter the risk to the WSP, or in order to comply with applicable legislation, the WSP may implement the additional requirement and then apply to the Board for approval of same; or,
  - (ii) where the WSP is not confronted with the circumstances outlined in (i), above, the WSP shall apply to the Board for approval of the proposed additional requirement prior to implementing same.

Upon satisfaction of the above requirements, the WSP will provide Distribution Access Service to the Retailer, subject to these Terms and Conditions set out herein. Subject to complying with all applicable laws, and the directions or requirements of any of the entities mentioned above, the WSP reserves the right, upon giving the Retailer ten (10) Business Days notice, acting reasonably, to discontinue Distribution Access Service to the Retailer if at any time the Retailer fails to meet the above requirements.

## 6.2 Application for Enrollment

- (a) In order to initiate the provision of Distribution Access Service by the WSP, the Retailer shall complete and provide to the WSP an enrollment for Distribution Access Service in the form and manner set out in the Customer Choice Guide and in compliance with the Settlement System Code.
- (b) The WSP will, subject to the Retailer meeting the provisions of these Terms and Conditions, accept an enrollment by a Retailer for provision of Distribution Access Service hereunder. The WSP reserves the right to verify the identity of the Member and the accuracy of the Member Data. The Member may reject the enrollment if any information required in the application, including the Member Data and Retailer Business Function ID, provided by the Retailer is false, incomplete or inaccurate in any respect.
- (c) Upon receipt of a valid enrollment from a Retailer in the form and manner set out in the Customer Choice Guide, the WSP will accept the enrollment of the Retailer and will recognize the Retailer as the Retailer of Record for that particular Site. The Retailer must notify the REA of its enrollment.
- (d) Enrollments will be processed by the WSP on a first-come, first-served basis. Each enrollment will be time and date-stamped when received by the WSP.
- (e) Once the enrollment is submitted, the WSP will exercise reasonable efforts, to provide the Retailer, in electronic form, within two (2) business days, a status notification informing the Retailer whether the enrollment has been accepted or

rejected. If an enrollment is accepted, the effective date of the acceptance and the commencement of Distribution Access Service will be in accordance with the Settlement System Code and will be confirmed in the response to the Retailer. If an enrollment is rejected, the WSP will provide reasons for the rejection.

- (f) In accordance with Article 12 of these Terms and Conditions, the WSP will obtain meter reads from time to time. If the WSP does not schedule an actual read at the time of the enrollment, the WSP will estimate a meter read. At the request of the Retailer, or with the Retailer's consent, the WSP shall obtain an actual off-cycle meter read and assess a charge to the Retailer as set forth in Schedule D hereof.
- (g) If more than one enrollment is received for a Site while an earlier enrollment is pending, only the first valid enrollment received by the WSP shall be processed in that period.
- (h) If the WSP determines that the Site (Member) who has been enrolled with the Retailer is indebted to the WSP, the WSP reserves the right to disconnect electric service to that Member as set forth in Article 10 hereof. The WSP will meet with the REA before any service to one of its Member's is disconnected.
- (i) The Retailer will not be liable to the WSP for any outstanding indebtedness of the Member or the Association to the WSP, which accrued prior to the receipt by the Retailer of Distribution Access Service hereunder.
- (j) The WSP may assess a charge for processing an enrollment as set forth in Schedule D hereof.

## ARTICLE 7 – BILLING & PAYMENT

### 7.1 Retail Billing

The WSP will bill the Retailer for Distribution Access Services provided to the Retailer in accordance with the billing procedures set out as follows:

- (a) The WSP will invoice the Retailer each billing cycle for Distribution Access Service provided by the WSP for the period prior to the billing cycle.
- (b) The WSP will not assume any billing or collection obligations or responsibilities for or on behalf of the Retailer. The Retailer shall process Member payments and handle collection responsibilities. The WSP may, at its sole discretion and in addition to any other remedies available to it, terminate Distribution Access Service to the Retailer, if such Retailer does not pay all outstanding bills in accordance with these Terms and Conditions.
- (c) The WSP reserves the right to bill the Member or Association directly for any amounts required to be provided by the Member under the Terms and Conditions for Distribution Service Connections. The Retailer shall refer to the Customer Guide to New Extensions or the Terms and Conditions for Distribution Service Connections with respect to these services.

### 7.2 Payment and Collection Terms

- (a) The Retailer shall pay to the WSP by electronic means, on or before the 13th Business Day following the Business Day on which the Retailer was invoiced, the amount invoiced by the WSP for the preceding period.
- (b) The WSP will establish an electronic billing and payment procedure for the payment of services hereunder. Notwithstanding, the WSP will accept payment by cash or certified cheque if agreed to by the WSP.

- (c) The WSP has established two electronic billing options for Retailers electing to send and receive payments electronically. The Preauthorized Payment Agreement ("Authorization") and the Electronic Payment Transfer Agreement, as set out in the Customer Choice Guide, set forth the terms and conditions for making payments and providing remittance information electronically.
- (d) The Retailer shall pay all amounts owed to the WSP for any of the Distribution Access Services provided by the WSP whether or not the Member has paid the Retailer.
- (c) Failure to receive a bill does not release a Retailer from the obligation to pay the amount owing for any of the Distribution Access Services provided by the WSP.

### **7.3 Late or Unpaid Bills**

If a Retailer defaults or is late in paying charges, the WSP will provide the Retailer notice as required by section 19 of the *Distribution Tariff Regulation, A.R. 84/2000*, and will be entitled to draw on the credit facility of the Retailer if the Retailer's arrears are not paid within 3 business after the date of the notice. The WSP may require an additional deposit to replace the funds drawn down because of the default or late payment by the Retailer. The WSP shall charge interest on the late payment as set forth in Schedule D hereof.

### **7.4 Adjustment of Bills**

#### *7.4.1 Billing Error*

Should the Retailer dispute any amount owing, the Retailer shall nonetheless pay such disputed amount and subject the dispute for resolution in accordance with these Terms and Conditions. Following resolution of any such dispute, the WSP will return any amount found owing to the Retailer forthwith. The right or ability of either party to dispute a bill for service provided hereunder shall only apply to bills rendered during a period of two (2) years prior to the date of a written notice of such dispute. The WSP may assess a charge to the Retailer for reviewing

billing disputes, in circumstances where the WSP has not been responsible for any billing error, as established in Schedule D hereof.

*7.4.2 Unauthorized Use*

Where the WSP determines that there has been unauthorized use of electric service including, but not limited to, meter tampering, unauthorized connection or reconnection, theft or fraud whereby the WSP is denied full compensation for Distribution Access Services provided, the WSP will bill the Retailer for the WSP's estimate of such unauthorized use. Nothing in this section shall limit any other rights or remedies that the WSP may have in connection with such unauthorized use.

**ARTICLE 8 – DISTRIBUTION ACCESS SERVICE INTERRUPTION**

**8.1 Continuous Supply**

The WSP shall make all reasonable efforts to maintain a continuous electricity supply to the Retailer's Customers, but the WSP cannot guarantee an uninterrupted electricity supply.

**8.2 Interruption**

Without liability of any kind to the WSP, the WSP shall have the right to disconnect or otherwise curtail, interrupt or reduce service to the Retailer (and the Retailer's Customers):

- (a) whenever the WSP reasonably determines, or when the WSP is directed by the System Controller, that such a disconnection, curtailment, interruption or reduction is necessary to facilitate construction, installation, maintenance, repair, replacement or inspection of any of the Member's Facilities;
- (b) to maintain the safety and reliability of the WSP's and Association's distribution system; or,

- (c) due to any other reason related to dangerous or hazardous circumstances including emergencies, forced outages, potential overloading of the WSP's or Association's distribution system or Force Majeure.

**8.3 Reasonable Efforts**

The WSP shall use reasonable efforts to minimize any scheduled curtailment, interruption or reduction to the extent reasonably practicable under the circumstances, to provide the Member (or Association) with prior notification of any such curtailment, interruption or reduction to the extent reasonably practicable, and to resume Distribution Access Service as promptly as reasonably practicable.

**ARTICLE 9 – DISCONTINUANCE OF DISTRIBUTION ACCESS SERVICE**

This Article, as amended from time to time, specifies the processes for the transactions between the WSP and the Retailer in relation to de-enrollment of a Site, which includes, without limitation, the circumstances when a Retailer chooses not to provide Distribution Access Service to the Member or when the WSP discontinues Distribution Access Service to the Retailer as set forth in section 9.2 herein.

**9.1 Discontinuance by the Retailer**

- (a) To discontinue Distribution Access Service, a Retailer shall complete and provide to the WSP a written notice of de-enrollment of service in the form and manner set out in the Customer Choice Guide and in compliance with the Settlement System Code. Such notice shall clearly specify the Retailer's reason(s) for seeking to de-enroll the Site (Member).
- (b) In accordance with Article 12 of these Terms and Conditions, the WSP will obtain meter reads from time to time. If the WSP does not schedule an actual read at the time of the de-enrollment, the WSP will estimate a meter read. At the request of the Retailer or with the Retailer's consent, the WSP shall obtain an actual off-

cycle meter read and assess a charge to the Retailer as set forth in Schedule D hereof.

- (c) The WSP will accept a notice of de-enrollment of a Member by a Retailer for discontinuance of Distribution Access Service hereunder, unless to do so is contrary to the Association's approved policies as reflected in Schedule B to these Terms and Conditions. The WSP reserves the right to verify the identity of the Member at the Site and the accuracy of the Member Information. The Member may reject the notice of de-enrollment if any information required in the application, including the Member Information, provided by the Retailer is false, incomplete or inaccurate in any respect.
- (d) The Retailer is responsible to ensure that its Member are provided notice of the de-enrollment, and the consequences thereof, and that the WSP will not be held liable for any Member (or Association) disputes with the Retailer.
- (e) Upon receipt of a valid notice of de-enrollment of Distribution Access Service from a Retailer in the form and manner set out in the Customer Choice Guide, the WSP will accept the de-enrollment of the Retailer and will process the de-enrollment by the fifteenth (15th) Business Day following receipt of such notice.
- (f) The Retailer shall remain responsible for service to the Member until a replacement Retailer is appointed and in place for the Member or until that Member is de-enrolled, whichever is earlier.

## 9.2 Discontinuance by the WSP

The WSP may discontinue Distribution Access Service to the Retailer and the Retailer's Customer(s) if any of the following occur:

- (a) the Retailer's license has been revoked by Alberta Government Services, or

- (b) the Retailer has failed to meet its obligations under these Terms and Conditions or the Retail Service Agreement with the WSP, or
- (c) the Retailer has failed to meet its credit requirements pursuant to Schedule C.

Notification of discontinuance will be made electronically to the Retailer and by mail to the Member. Upon discontinuance of Distribution Access Service pursuant to this Article, the provisions of the affected service(s) may be assumed by another eligible Retailer from which the Member elects to obtain the affected service(s).

## **ARTICLE 10 – SERVICE DISCONNECTS AND RECONNECT**

This Article, as amended from time to time, specifies the processes for the transactions between the WSP and the Retailer in relation to the physical disconnect of a Point of Service as requested by the WSP or Retailer.

### **10.1 Disconnection of Service**

#### *10.1.1 Disconnection by the WSP*

- (a) The WSP has the right to disconnect electric service to the Member in a number of circumstances, including but not limited to non-payment of the WSP's bills or any past due charges by the Member; evidence of safety violations or fraud by the Member; or the Member fails to meet its obligations under the Terms and Conditions for Distribution Service Connections. If a Member notifies the WSP to disconnect service, the WSP will complete the request and subsequently notify the Retailer.
- (b) If the disconnect is a result of a safety violation, the WSP will reconnect the service when the safety problem is resolved and when the Member has provided, or paid the WSP's costs of providing, such devices or equipment as may be necessary to resolve such safety problem and to prevent such damage, interference or disturbance.

*10.1.2 Disconnection at Request of Retailer*

- (a) In accordance with sub-section 7(2) of the RRR, the Retailer shall have the right to request that the WSP disconnect service to a particular Member, and the WSP shall comply with that request, unless such action is inconsistent with the Association's approved policies contained in Schedule B to these Terms and Conditions.
- (b) If a Retailer requests the WSP to disconnect service to a particular Member for idle service, the WSP reserves the right to charge the Retailer the Member's monthly idle service charges. If the Point of Service is not enrolled with a Retailer, or Supplier of Last Resort, the idle service charges will be charged directly to the Member.
- (c) The WSP reserves the right to assess charges to the Retailer to disconnect service to a Member as set forth in Schedule D hereof.

**10.2 Reconnect Service**

Before reconnecting or restoring service to a particular Member:

- (a) the Retailer must provide the WSP with sufficient notice to reconnect service;
- (b) the WSP reserves the right to charge the Retailer for each month of disconnection, if the service was previously on idle and is reconnected within 12 months of disconnection;
- (c) the WSP reserves the right to assess a reconnection charge as set forth in Schedule D hereof.

**ARTICLE 11 – PRUDENTIAL REQUIREMENTS**

**11.1 Setting of Prudential Requirements**

A Retailer shall meet and maintain such financial and other Prudential Requirements as the WSP deems appropriate to ensure that the Retailer is and remains of sufficient financial standing to meet its ongoing financial obligations. The Prudential Requirements are set out in detail in Schedule C hereto.

## **11.2 Review and Reassessment**

The WSP may review and reassess the adequacy of the financial security or credit rating provided by a Retailer from time to time and may direct the Retailer to provide new replacement or additional financial security in accordance with its new determination as to the adequacy of the Prudential Requirements for that Retailer.

## **11.3 Confidentiality**

All information provided by the Retailer in relation to its financial standing and designated by the Retailer as confidential will be treated as such under the Confidentiality Agreement between the Retailer and the WSP. The terms and conditions of the Confidentiality Agreement are set out in the Customer Choice Guide.

## **11.4 Costs**

All costs associated with obtaining financial security and meeting prudential requirements under this section are the responsibility of the Retailer.

# **ARTICLE 12 – METERING**

## **12.1 Provision and Ownership**

The meters used by the Association to assess the level of Distribution Access Service charges to the Retailer will be the same meters used to provide Member billing information to the Retailer. The WSP will provide, install and seal all meters for each Point of Service of a Customer of the Retailer in accordance with the WSP's Terms and Conditions for Distribution Service Connections. Time of use or interval meters shall be installed for a Member who has a connected load exceeding the threshold defined under the Settlement System Code. Each meter shall remain the property of the Association.

## 12.2 Meter Reading

- (a) Meter reads will be based on meter readings made by the WSP from time to time or on estimates for those billing periods when the meter is not read. The WSP reserves the right to assess a charge to the Retailer for additional reads above the WSP's standard practices as set forth in Schedule D hereof.
- (b) For small general service Member whose load requirements are small, consistent, and can be accurately predicted, the billing demand may be determined, at the sole discretion of the WSP, from the nameplate rating of the Member's equipment rather than being metered.

## 12.3 Meter Test and Adjustments

- (a) The WSP may inspect and test a meter at any reasonable time. At the request of a Retailer, the WSP shall arrange for on-site meter verification and if necessary, shall arrange for a meter to be tested by an official designated for that purpose by Measurement Canada or accredited agency as may, from time to time, be designated for this purpose.
- (b) If a test determines that the meter is not accurate within the limits set by government standards, the Retailer's bill will be adjusted accordingly. Where it is impossible to determine when the error commenced, it shall be deemed to have commenced three (3) months before the test or the date of the meter installation, whichever occurred later. The WSP shall not be liable to the Retailer for any additional costs that are associated with such metering or meter reading errors.
- (c) The WSP reserves the right to assess a charge to the Retailer for a meter test, in circumstances where the WSP has not been responsible for any metering error, with the exception when the meter has tested to be faulty, as set forth in Schedule D hereof.

**ARTICLE 13 – LOAD SETTLEMENT**

**13.1 Request for Information**

A Retailer may request profiling and settlement information above the basic service provisions specified in the Settlement System Code providing:

- (a) the Retailer provides a written request to the WSP outlining the purpose for the additional settlement information; and
- (b) the additional settlement information applies only to the Customers of the Retailer.

Upon satisfaction of the above requirements, the WSP will advise the Retailer in a written proposal of the type of work, time of delivery and charges necessary to provide the additional settlement information to the Retailer.

**13.2 No Liability for Errors**

The WSP shall not be liable to any person for any damages, cost, expense, injury, loss or other liability of any kind whatsoever, or however caused, resulting directly or indirectly from its good faith performance of its responsibilities as a Load Settlement Agent, Meter Service Provider or Meter Data Manager. No express or implied warranties of any kind shall apply to information or services provided by the WSP to any person as part of such good faith performance, including without limitation implied warranties of fitness for a particular purpose.

**ARTICLE 14 – DEFAULT**

**14.1 Events of Default**

An event of default under these Terms and Conditions and the Retail Service Agreement will occur if either the WSP or the Retailer (“Defaulting Party”):

- (a) is the subject of a bankruptcy, insolvency or similar proceeding;

- (b) makes an assignment for the benefit of its creditors;
  
- (c) applies for, seeks, consents to, or acquiesces in the appointment of a receiver, custodian, trustee, liquidator or similar official to manage all or a substantial portion of its assets;
  
- (d) fails to pay the other party ("Non-Defaulting Party") when payment is due, or to satisfy any other material obligation under these Terms and Conditions or the Retail Service Agreement including, without limiting the generality of the foregoing, fulfilling the creditworthiness requirements as set forth in Article 11, in accordance with these Terms and Conditions, and fails to remedy the failure or satisfy the obligation, as the case may be, within ten (10) Business Days after receipt of written notice thereof from the Non-Defaulting Party.

**14.2 Rights Upon Default**

In an event of default, the Non-Defaulting Party shall, subject to these Terms and Conditions and any applicable regulatory requirements, be entitled to pursue any and all available legal and equitable remedies and terminate the Retail Service Agreement without any liability or responsibility whatsoever, except for obligations arising prior to the date of termination. The non-defaulting party shall provide written notice to the defaulting party of its intention to terminate Distribution Access Service hereunder.

**ARTICLE 15 – LIABILITY AND INDEMNITY**

**15.1 Indemnity**

- (a) Each party (as applicable, the "Indemnitor") will indemnify and hold harmless the other party and its directors, officers, employees, agents and representatives ("Indemnitee(s)") from and against any direct damages, injuries, losses and other liabilities claimed against the Indemnitee or any of them, and all related costs and expenses (including reasonable legal fees) suffered or incurred by any of them in relation to any claims, cause of action, action, suit or proceeding by a third party ("Claim") which arises from damage to property or injury to or death of persons

resulting from the Indemnitor's failure to perform its obligations under these Terms and Conditions which failure is caused by the negligence or willful act of the Indemnitor or any of its directors, officers, employees, agents or representatives acting within the scope of their authority or employment. The indemnity under this Section 15.1(a) will be limited to an amount in proportion to the degree to which the Indemnitor or its directors, officers, employees, agents or representatives acting within the scope of their authority or employment are at fault. For the purpose of this Section 15.1(a) "willful act" means any act or omission which is an intentional tort or an intentional breach of any obligations under these Terms and Conditions.

- (b) In the event that an Indemnitee is entitled to and desires to assert its right to indemnification from an Indemnitor under this Section 15.1 such Indemnitee will give the Indemnitor prompt notice of the Claim, which shall describe the Claim in reasonable detail and shall indicate the estimated amount, if practicable, of the indemnifiable loss that has been or may be sustained by the Indemnitee. The failure to promptly notify the Indemnitor hereunder shall not relieve the Indemnitor of its obligations hereunder, except to the extent that the Indemnitor is actually and materially prejudiced by the failure to so notify promptly.
  
- (c) Subject to Section 15.1(d) hereof, if the Indemnitor delivers to the Indemnitee a written acknowledgement of its unconditional and irrevocable obligation to indemnify the Indemnitee under Section 15.1(a) in respect of:
  - (1) all of the damages, injuries, losses, liabilities, costs and expenses that may be claimed against, or suffered or incurred by, the Indemnitee in respect of the Claim within 10 days following the Indemnitor's receipt of the Indemnitee's notice of such Claim and if the existence of such obligation to indemnify is made known by the Indemnitor to the third party claimant (and, if applicable, to the court or other tribunal determining the Claim), the Indemnitee shall make available to the Indemnitor all information in its possession or to which it has access, other than

information that has been designated as confidential by the provider of such information, which is or may be relevant to the particular Claim and the Indemnitor shall be entitled, at its option, to take carriage of the defense of the Claim by its own counsel and, if it elects to do so, the Indemnitee shall cooperate with the Indemnitor to the fullest reasonable extent in the defense, settlement or compromise of the Claim; or

- (2) some, but less than all, of the damages, injuries, losses, liabilities, costs and expenses that may be claimed against, or suffered or incurred by, the Indemnitee in respect of the Claim within 10 days following the Indemnitor's receipt of the Indemnitee's notice of such Claim and if the Indemnitee is of the opinion that the Indemnitor's interests are not in conflict with its own, the Indemnitee shall make available to the Indemnitor all information in its possession or to which it has access, other than information that has been designated as confidential by the provider of such information, which is or may be relevant to that portion of the Claim in respect of which the Indemnitor has an obligation to indemnify the Indemnitee and consult with the Indemnitor in respect thereof.

The Indemnitee shall not make any admission of the liability regarding, or settle or compromise, that portion of the Claim in respect of which the Indemnitor has acknowledged its obligation to indemnify the Indemnitee without the written consent of the Indemnitor, which consent shall not be unreasonably withheld.

- (d) The provisions of Section 15.1(a) hereof shall not apply in respect of any Claim to which the Indemnitor is, or may reasonably be expected to be, a party and where the Indemnitee is asserting legal defenses in relation to the Claim that conflict with legal defenses being asserted by the Indemnitor.

- (e) Except to the extent to which either party is required to indemnify the other party (and those other persons specified in this Article 15) by the express terms of Article 15, neither party, nor its directors, officers, agents, employees, and representatives, will be liable to the other party for any damages, costs, expenses, injuries, losses, or liabilities suffered or incurred by the other party, its directors, officers, employees, agents and representatives howsoever and whenever caused, and each party, for itself and as agent for its directors, officers, agents, employees and representatives hereby forever release the other party, its directors, officers, agents, employees and representatives from any liability or obligation in respect thereof. For greater certainty, neither party shall be limited in a claim against the other for specific performance or other equitable relief in relation thereto, or direct damages only and related costs and expenses (including reasonable legal fees), arising from a breach of these Terms and Conditions.

## 15.2 Consequential Loss

Notwithstanding anything to the contrary contained in these Terms and Conditions, neither party will be liable to the other party, and WSP shall not be liable to the Member or Association with respect to matters for which Retailer is acting as agent for the Member, for any damage, cost, expense, injury loss or other liability of an indirect, special or consequential nature suffered by the other party or claimed by any third party against the other party which arises due to such party's failure to perform its obligations under these Terms and Conditions or for any other reason (including negligence on its part or on the part of any person for whose acts it is responsible), howsoever and whensoever caused, and whether arising in contract, negligence or other tort liability, strict liability or otherwise; and without limiting the generality of the foregoing, damage, injury or loss of an indirect or consequential nature shall include loss of revenue, loss of profits, loss of production, loss of earnings, loss of contract, cost of purchased or replacement capacity and energy, cost of capital and loss of the use of any facilities or property owned, operated, leased or used by the other party.

## **ARTICLE 16 – FORCE MAJEURE**

### **16.1 Force Majeure Relief**

The WSP or Retailer, as the case may be, is relieved of its obligations hereunder, and shall not be liable for any failure to perform any term of these Terms and Conditions to the extent that and when such failure is due to, or is a consequence of, any event of Force Majeure.

### **16.2 Exclusions**

Notwithstanding the definition of Force Majeure, lack of funds shall not be an event of force majeure.

### **16.3 Notice**

The party claiming relief from liability under the provisions of this Article 16 shall promptly give the other party notice of the force majeure including full particulars thereof and shall promptly give the other party notice when the force majeure event ceases to prevent performance pursuant to these Terms and Conditions.

### **16.4 Obligation to Remedy**

The party claiming relief from liability under the provisions of this Article 16 shall promptly remedy the cause and effect of the force majeure insofar as it is reasonably able to do so.

### **16.5 Strikes and Lockouts**

Notwithstanding any other provision of these Terms and Conditions the settlement of any strike, lockout or other industrial disturbance shall be wholly in the discretion of the party claiming relief from liability and such party may settle such strike, lockout or industrial disturbance at such time and on such terms and conditions as it may deem appropriate and no failure or delay in settling such strike, lockout or industrial

disturbance shall constitute a cause or event within the control of such party or deprive such party of the benefits of this Article 16.

## **ARTICLE 17 – DISPUTE RESOLUTION**

### **17.1 Resolution by WSP and Retailer**

If any dispute between the WSP and a Retailer arises at any time in connection with these Terms and Conditions, the WSP and the Retailer acting reasonably and in good faith, shall use all reasonable efforts to resolve the dispute as soon as possible in an amicable manner. If the dispute cannot be otherwise resolved pursuant to this Article 17, the chief executive officers of the WSP and the Retailer shall meet to attempt to resolve the dispute.

### **17.2 Resolution by Arbitration**

If any dispute has not been resolved pursuant to Section 17.1 hereof within 30 days after notice from the WSP or the Retailer to the other of its desire to have the dispute resolved, then the dispute shall be resolved pursuant to Sections 17.3 to 17.11 hereof. The WSP and the Retailer shall abide by the terms of any award rendered by the arbitrator(s) appointed hereunder without delay.

### **17.3 Arbitrators**

All disputes or differences between the WSP and a Retailer in connection with these Terms and Conditions shall be referred (unless the WSP and the Retailer concur in the appointment of a single arbitrator) to a board of arbitrators consisting of one (1) arbitrator to be appointed by each of the WSP and the Retailer who shall, by instrument in writing, appoint a third arbitrator immediately after they are themselves appointed. Notwithstanding the foregoing, any disputed matters between the WSP and a Retailer relating to an order or direction made or approved by the Board or falling within the exclusive jurisdiction of the Board, shall be referred to the Board for resolution.

## **17.4 Failure to Concur**

The WSP and a Retailer shall be deemed to have failed to concur in the appointment of a single arbitrator if such an arbitrator shall not have been appointed within fifteen (15) days after the serving by either the WSP or the Retailer on the other of notice requesting it to concur in the appointment of such an arbitrator.

## **17.5 Refusal to Appoint an Arbitrator**

If either the WSP or the Retailer shall neglect or refuse to appoint an arbitrator within fifteen (15) days after the other party (provided such other party has appointed its arbitrator) has served the WSP or the Retailer, as the case may be, with notice to make the appointment, the party who has appointed its arbitrator shall be entitled to apply, upon notice to the other party, to a Justice of the Court of Queen's Bench of Alberta to appoint an arbitrator for the party in default.

## **17.6 Failure to Appoint a Third Arbitrator**

If the arbitrators appointed by the WSP and the Retailer have not, within fifteen (15) days after their appointment or the appointment of the arbitrator last appointed, as the case may be, appointed a third arbitrator, either the WSP or the Retailer shall be entitled to apply upon notice to the other party to a Justice of the Court of Queen's Bench of Alberta to appoint such an arbitrator.

## **17.7 Technical Competence**

Any arbitrator appointed under the provisions of this clause whether by concurrence of the WSP and the Retailer, by either party, by the arbitrators, or by a Justice of the Court of Queen's Bench of Alberta shall, in the opinion of the persons making such appointment, be possessed of such technical or other qualifications as may be reasonably necessary to enable him to properly adjudicate upon the dispute or difference.

## 17.8 Compensation of Arbitrators

Each party shall be responsible for the costs of the arbitrator appointed by it hereunder. The costs of the third arbitrator shall be divided evenly between the parties.

## 17.9 Application of the Arbitration Act (Alberta)

Except as herein modified, the provisions of the *Arbitration Act, S.A., 1991, c. A-43.1*, as amended from time to time, shall apply to any arbitration proceeding.

## 17.10 Decisions Binding

A decision of the single arbitrator or the majority of the three arbitrators named or appointed shall be final and binding upon each of the parties to the dispute or difference.

## 17.11 Continuity of Service

All performance required under these Terms and Conditions by the WSP and the Retailer and payment therefore shall continue during the dispute resolution proceedings contemplated by this Article 17, provided that in the case of any such proceedings pertaining to amounts payable under these Terms and Conditions, any payments or reimbursements required as a result of the proceedings shall be effective as of a date to be determined in such proceedings and interest shall be paid thereon by the party required to make the payment or reimbursement on the amount thereof at the rate specified from time to time in The Residential Tenancies Act, but not less than 2.5% from the date so determined until paid.

## ARTICLE 18 – MISCELLANEOUS

### 18.1 Compliance with Applicable Legal Authorities

The WSP and the Retailer are subject to, and shall comply with, all existing or future applicable federal, provincial and local laws, all existing or future orders or other actions of the System Controller or of governmental authorities having applicable jurisdiction. The WSP will not violate, directly or indirectly, or become a party to a violation of any

requirement of the System Controller or any applicable federal, provincial or local statute, regulation, bylaw, rule or order in order to provide Distribution Access Service to the Retailer (or a Customer of the Retailer). The WSP's obligation to provide Distribution Access Service is subject to the condition that all requisite governmental and regulatory approvals for the provision of such Distribution Access Service will have been obtained and will be maintained in force during such period of Distribution Access Service.

## **18.2 No Assignment**

Neither the WSP nor the Retailer shall assign any of its rights or obligations under these Terms and Conditions or the Retail Service Agreement without obtaining (a) any necessary regulatory approval(s); and (b) the prior written consent of the non-assigning party, which consent shall not be unreasonably withheld. No assignment shall relieve the assigning party of any of its obligations under these Terms and Conditions or the Retail Service Agreement until such obligations have been assumed by the assignee. Any assignment in violation of this Section shall be void. However, the WSP may assign any or all of its rights and obligations under these Terms and Conditions and the Retail Service Agreement, without the Retailer's consent, to any entity succeeding to all or substantially all of the assets of the WSP, if the assignee agrees, in writing, to be bound by all of the terms and conditions hereof and if any necessary regulatory approvals are obtained.

## **18.3 No Waiver**

The failure of either party to insist on any one or more instances upon strict performance of any provisions of these Terms and Conditions or a Retail Service Agreement, or to take advantage of any of its rights hereunder, shall not be construed as a waiver of any such provisions or the relinquishment of any such right or any other right hereunder, which shall remain in full force and effect. No term or condition of these Terms and Conditions or a Retail Service Agreement shall be deemed to have been waived and no breach excused unless such waiver or consent to excuse is in writing and signed by the party claimed to have waived or consented to excuse.

## 18.4 Law

These Terms and Conditions and the Retail Service Agreement between the WSP and the Retailer shall be governed by the laws of the Province of Alberta and the federal laws of Canada applicable in the Province of Alberta, without regard to principles of conflicts of law. Any lawsuit arising in connection with these Terms and Conditions and the Retail Service Agreement shall be brought in the courts of the Province of Alberta.

## ARTICLE 19 – NOTICE

Unless otherwise stated herein, all notices, demands or requests required or permitted under these Terms and Conditions or a Retail Service Agreement shall be in writing and shall be personally delivered or sent by courier-service or facsimile transmission (with the original transmitted by any of the other aforementioned delivery methods) addressed as follows:

- (a) If to the Retailer, to the address and the addressee set out in the Retail Service Agreement between the Retailer and the WSP.
  
- (b) If to the WSP to:       ATCO Electric Ltd.  
  10035 - 105 Street, Edmonton, Alberta, T5J 2V6  
  **Attention:** Vice President, Commercial

Notice received after the close of the Business Day shall be deemed received on the next Business Day.

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**SCHEDULE A – RETAIL SERVICE AGREEMENT**

MEMORANDUM OF AGREEMENT made the (day) of (month), (year)

BETWEEN: **(RETAILER NAME)**

(address)

(hereinafter called the "Retailer")

- and -

**ATCO ELECTRIC LTD.**, a body corporate with its Head Office in the City of Edmonton in the Province of Alberta ("ATCO Electric" or "WSP"), and acting as a wire services provider on behalf of the REA,

WHEREAS the Retailer has requested the WSP to provide the Retailer with Distribution Access Service for the purpose of serving a REA and its electricity Member(s):

The Retailer and the WSP agree as follows:

1. The Retailer is solely responsible for the provision of accurate and timely Member data and Member Information to the WSP. The Retailer agrees to provide the following information by electronic form to the WSP, and represents and warrants that such information is true and accurate:

(a) Retailer Identification No.: \_\_\_\_\_.

(b) Member Information, in a form acceptable to the WSP, for each Member of the Retailer:

(1) Name:

- (2) Telephone No.:
- (3) Mailing Address:
- (4) Site I.D. No.:
- (5) Site Contact Name:
- (6) Site Telephone No.:

Should any of the above Member Information change during the term of this Retail Service Agreement, the Retailer shall advise the WSP of the change, by electronic means, as soon as is reasonably practicable in the circumstance, and in any event within five (5) Business Days of the Retailer becoming aware of the change.

2. This Retail Service Agreement is subject to the REA – Terms and Conditions for Distribution Access Service ("Terms and Conditions"), as amended from time to time, which are approved by the Board of Directors of the REA.
3. The Retailer shall enter into a Web Site Use Agreement in the form required by the WSP prior to obtaining access to any of the Member information using a secure web site provided by the WSP.
4. The Retailer acknowledges that it has been offered a copy of the Terms and Conditions, has reviewed and understands these Terms and Conditions and agrees to be bound by them, and any amendments thereto, in all transactions with the WSP or its Customers.
5. No person, whether an employee or agent of the WSP or otherwise, can agree to change, alter, vary or waive any provision of the Terms and Conditions without the express approval of the Board of Directors.
6. The Retailer acknowledges that it has been offered a copy of the WSP's Customer Choice Guide and is aware of the policies and business practices of the WSP detailed therein.

7. This Retail Service Agreement shall be effective on the date first noted herein, and thereafter shall remain in effect until terminated by either party in accordance with Article 9 or Article 10, as applicable, of the Terms and Conditions; or for the reasons set out in Article 14 of the Terms and Conditions.
8. The Retailer understands and agrees that the Distribution Access Service provided hereunder is provided solely for the Retailer's use at the locations and for the Members identified to the WSP in accordance with paragraph 1 hereof. The Retailer shall not use the Distribution Access Service provided by the WSP for any other purpose.
9. If the Retailer, at any time, becomes aware that any Member is using the service(s) provided by the Retailer or the WSP in a manner which is inconsistent with the Terms and Conditions, which could potentially create safety, health or environment concerns or damage the WSP's or the Association's Distribution System or facilities, the Retailer shall immediately notify the WSP of such circumstances.
10. In providing service to its Customers, the Retailer shall not, in any way, damage or interfere with or otherwise disturb, alter or tamper with the facilities of the WSP or the Association's. The Retailer shall notify the WSP immediately of any problem or defect relating to the WSP's or Association's facilities, which is discovered by or brought to the attention of the Retailer.
11. The Retailer agrees to pay all rates, charges, invoices or fees levied or billed to it by the WSP in accordance with Article 7 of the Terms and Conditions.
12. The Retailer acknowledges, understands and agrees that the WSP will not perform any billing or collection activities on its behalf. The Retailer agrees to pay all amounts due and owing to the WSP in accordance with Article 7 of the Terms and Conditions, regardless of any billing or collection disputes the Retailer may have with its Customer(s).

13. (a) The Retailer agrees to comply with the WSP's Prudential Requirements established pursuant to Article 11 of the Terms and Conditions and Section 18 of the *Distribution Tariff Regulation, A.R. 84/2000*, for purposes of enabling the WSP to assess the Retailer's credit risk and required security.  
  
(b) The WSP shall be entitled to access the financial security provided by the Retailer in the event of late payment or default on any invoices or bills of the WSP, in accordance with Articles 7 and 14 of the Terms and Conditions.
14. This Retail Service Agreement is subject to all applicable legislation, including the *Electric Utilities Act* and the Regulations made thereunder, and all applicable orders, rulings, regulations and decisions of the EUB or any other regulatory authority having jurisdiction over the WSP or the matters addressed herein.
15. This Retail Service Agreement shall enure to the benefit of and be binding and enforceable by the parties hereto and their respective executors, administrators, successors and, where permitted, assigns.
16. If any provision of this Retail Service Agreement, or the application thereof, is to any extent held invalid or unenforceable, the remainder of this Retail Service Agreement and the application thereof, other than those provisions which have been held invalid or unenforceable, shall not be affected and shall continue in full force and effect and shall be enforceable to the fullest extent permitted by law or in equity.
17. Neither Party may disclose any Confidential Information obtained pursuant to this Retailer Service Agreement to any third Party, without the express prior written consent of the other Party. As used herein, the term "Confidential Information" shall include all business, financial, and commercial information pertaining to the Parties, Customers of either Party, suppliers for either Party, personnel of either Party, any trade secrets and other information of a similar nature, whether written or otherwise that is marked "proprietary" or "confidential" with the appropriate owner's name.

Notwithstanding the preceding, a receiving Party may disclose Confidential Information to any governmental, judicial or regulatory authority requiring such Confidential Information pursuant to any applicable law, regulation, ruling or order, providing that:

- (a) such Confidential Information is submitted under any applicable provision, if any, for confidential treatment by such governmental, judicial or regulatory authority; and
- (b) prior to such disclosure, the other Party is given prompt notice of the disclosure requirement so that it may take whatever action it deems appropriate, including intervention in any proceeding and the seeking of any injunction to prohibit such disclosure.

18. Contacts or Notices required with respect to this Agreement shall be directed as follows:

- (a) with respect to the WSP's or the Association's facilities, including technical, safety, health or environment matters:

**ATCO Electric Ltd.**

10035 - 105 Street Edmonton, Alberta  
T5J 2V6

**Contact Name:** Vice President, Operations

**Alternate Contact Name:** Senior Manager, Customer Service

**Telephone No.:** (780) 420-7730      **Alternate:** (780) 420-5596

**Telecopier No.:** (780) 420-5410      **Alternate:** (780) 420-3111

**Retailer Name**

(address)

**Contact Name:**

**Alternate Contact name:**

**Telephone No.:**

**Alternate:**

**Telecopier No.:**

**Alternate:**

(b) with respect to commercial or business matters:

**ATCO Electric Ltd.**

10035 - 105 Street Edmonton, Alberta  
T5J 2V6

**Contact Name:** Vice President, Commercial

**Alternate Contact Name:** Manager, Industrial Sales

**Telephone No.:** (780) 420-7076

**Alternate:** (780) 420-7092

**Telecopier No.:** (780) 420-7222

**Alternate:** (780) 420-7222

**Retailer Name**

(address)

**Contact Name:**

**Alternate Contact name:**

**Telephone No.:**

**Alternate:**

**Telecopier No.:**

**Alternate:**

IN WITNESS WHEREOF the Parties have executed this Agreement as of the day first above mentioned.

**[RETAILER NAME]**

**ATCO ELECTRIC LTD.**

Per: \_\_\_\_\_

Per: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

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**SCHEDULE B – DISCONNECT FOR NON PAYMENT**

In accordance with subsection 7(2) of the Roles, Relationships and Responsibilities Regulation ("RRR") a Retailer shall have the right to request that the WSP disconnect service to a particular Member, and the WSP shall comply with that request, unless such action is inconsistent with the Association's approved Terms and Conditions. The same policies shall apply to the Supplier of Last Resort ("SLR"). The Association's policy (as approved in these Terms and Conditions) with respect to disconnecting Members is set out below and in Schedule D hereto.

1. In circumstances where a Retailer requests the WSP to disconnect a Member for Non-Payment, a Retailer shall de-enroll the Site and provide updated Member Information to the WSP. Upon receipt of the de-enrollment, the WSP will provide the Member and the Association with a written notice advising of its options before the WSP will proceed with the de-enrollment. If the Member does not enroll with a Retailer other than the Supplier of Last Resort, or has not notified the Retailer or the WSP of its decision to accept the disconnect for non-payment request, or the Association does not decide to become liable for the Member's account, the WSP will forward the Site and Member Information to the Supplier of Last Resort for Members that are not eligible for the Regulated Rate Tariff.
2. A Member that is eligible for the Regulated Rate Tariff will be served by the WSP under the Terms and Conditions upon which the WSP will provide Electricity Services under the Regulated Rate Tariff.
3. A Member that is not eligible for the Regulated Rate Tariff, for whom a Supplier of Last Resort has requested a disconnect for non-payment, will be disconnected under the following conditions:
  - (a) If the Member is a small business owner (non-industrial), the WSP will only disconnect such Member between 8 AM and Noon. In certain remote areas where travel is difficult (e.g. fly-in only, winter roads only) this time frame may

extend until 2 PM. However, the WSP will not disconnect on Friday, Saturday, Sunday, a legal holiday, or a day before a legal holiday. As well, there may be circumstances where the community at large is under bereavement. In these cases, at the WSP's discretion, it will wait a day (subject to above) before effecting the disconnect.

- (b) The WSP will not disconnect a Member if the Supplier of Last Resort has not provided the WSP with a written notice at least 10 business days in advance of the proposed disconnect. The WSP must be provided with a copy of such notice.
- (c) The WSP will not disconnect if the Member produces a receipt showing it has paid the most current bill of the Supplier of Last Resort.

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**SCHEDULE C – PRUDENTIAL REQUIREMENTS**

Subject to review and reassessment of the Prudential Requirements of a Retailer by the WSP from time to time, the WSP has established the following minimum financial criteria for Retailers entering into a Retail Service Agreement with the WSP.

**1.0 PRUDENTIAL INSTRUMENTS**

Subject to section 4 below, a Retailer will be deemed to have met the Prudential Requirements if:

- (a) the Retailer, affiliate or person which guarantees the financial obligation of the Retailer in a manner acceptable to the WSP has at least an "A" rating from the Canadian Bond Rating Service or an equivalent rating from a major reputable bond rating service such as Standard and Poor's, Moody's Investment Service, and Standard and Poor's Income Trust ratings, or
- (b) the Retailer provides, in a manner as set out in the Customer Choice Guide, a bank guarantee or an irrevocable letter of credit drawn on a Canadian Chartered Bank, trust WSP, credit union or other lending institution acceptable to the WSP in or for an amount equal to and not less than the projected value of that Retailer's financial obligations over a 75 day period under the WSP's Distribution Tariff, as reasonably forecast by the WSP.

**2.0 CREDIT ASSESSMENT**

For Retailers to which 1(a) applies, the Retailer, affiliate or person which guarantees the financial obligation of the Retailer, shall provide the WSP with audited financial statements for the most recent past three (3) years and all other information reasonably required to conduct a credit risk assessment. The WSP, subject to review and reassessment, shall establish the Retailer's allowable credit limits in relation to its bond rating for each Retailer, affiliate or person who guarantees the financial obligations of the Retailer, based on the credit assessment and shall notify the Retailer of their credit limit.

**3.0 INITIAL FINANCIAL OBLIGATIONS FOR PRUDENTIAL LEVELS**

The initial financial obligation levels will be estimated on anticipated load and the formula as defined herein such that:

- (a) for each Retailer to which 1(a) applies, to set the upper limit of the initial credit limit assessed under section 2; and
- (b) for each Retailer to which 1(b) applies, to estimate the initial security deposit required by each Retailer.

**\$ Initial Prudential Levels =**

[Estimated load (MW) x 1000 x 720 hours x load factor x 2.5 (75 days)] x Rate Class Charges

**4.0 MAINTAINING PRUDENTIAL REQUIREMENTS**

- (a) The WSP will ensure for each Retailer to which 1 (a) or 1 (b) applies, that the expected financial obligations do not exceed the credit limit or level of financial security provided by each Retailer. If a Retailer's financial obligations for a period of at least 75 days are estimated by the WSP to exceed 80% of the credit limit established pursuant to section 2 and/or security provided pursuant to section 1 (b), the WSP will have the right to reevaluate the Retailer's credit limit and/or request additional security provided the WSP shall not request security in an amount that exceeds the projected value of the Retailer's financial obligations over a 75 day period. Such additional security will be due within 5 business days of the WSP's request. If security is not presented within that time frame, the WSP reserves the right to suspend the provision of additional Distribution Access Services to the Retailer.
- (b) For Retailers to which 1(a) applies, the WSP requires Retailers to report any downgrading of their corporate bond rating to the WSP within 2 Business Days of said rating revisions.

- (c) If a Retailer fails to pay any amount billed, the WSP will apply all or any portion of that Retailer's security deposit to the unpaid amount. The Retailer will then be required to replenish the security deposit as outlined above.

## **5.0 INTEREST ON SECURITY DEPOSIT**

Interest on each Retailer's cash security deposit held by the WSP will be calculated at the rate specified from time to time in The Residential Tenancies Act, but not less than 2.5% per annum. Interest will be credited to the Retailer's account annually.

## **6.0 RETAILER COSTS**

All costs associated with obtaining financial security and meeting prudential requirements are the responsibility of the Retailer.

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**SCHEDULE D – NON-DISCRETIONARY SERVICE CHARGES**

**1.0 APPLICABILITY**

Applicable to every Retailer participating in Distribution Access Service within the WSP's service area.

**2.0 SCHEDULE OF CHARGES**

All charges and provisions of the Member's applicable price schedule shall apply in addition to the following charges for the service being provided.

**(a) CONNECTION FEE (for Members served under the Regulated Rate Tariff)**

(1) Connection of electric service to any premises during the WSP's regular business hours:

**\$10.00**

(2) Connection of electric service to any premises after the WSP's regular business hours, if requested by the Member:

**\$ WSP's actual costs  
(\$10.00 minimum)**

**(b) CONNECTION FEE (for Members not served under the Regulated Rate Tariff)**

(1) Connection of electric service to any premises to new Members connecting to the existing service location during the WSP's regular business hours:

**\$10.00**

(2) Connection of electric service to any premises to new Members connecting to the existing service location after the WSP's regular business hours, if requested by the Member:

**\$ WSP's actual costs  
(\$10.00 minimum)**

**(c) SWITCHING FEE**

Member voluntary switch of Retailer:

***\$10.00 per Site***

**(d) RECONNECTION AND DISCONNECTION OF SERVICE**

(1) Reconnection of electric service to any premises during the WSP's normal business hours:

***\$45.00***

(2) Reconnection of electric service to any premises after the WSP's normal business hours, if requested by the Retailer (or Member):

***\$ WSP's actual costs  
(\$45.00 minimum)***

(3) Disconnection of electric service to any premises after the WSP's normal business hours, if requested by the Retailer (or Member):

***\$ WSP's actual costs  
(\$45.00 minimum)***

**(e) SUPPLEMENTARY METER READS <sup>1/</sup>**

(1) Conventional meter reads (AMR):

***\$6.00 per read per meter***

(2) Conventional meter reads (non AMR):

(i) Meter read to any premises during the WSP's normal business hours:

***\$45.00 per read per meter***

(ii) Meter read to any premises after the WSP's normal business hours:

***\$ WSP's actual costs  
(\$45.00 minimum)***

**(g) METER DISPUTES**

Review of meter disputes, which includes a meter test, in circumstances where the WSP has not been responsible for any error:

<i>Self Contained Metering</i>	<i>\$50.00 per evaluation</i>
<i>Instrument Transformer Metering</i>	<i>\$200.00 per evaluation</i>

**(h) MEMBER USAGE INFORMATION <sup>2/</sup>**

Interval meter usage data above what is posted on the WSP's web site:

<i>Monthly meter usage data</i>	<i>\$200.00 per request per meter</i>
<i>Hi Low Usage Report by day</i>	<i>\$120.00 per request per meter</i>

**(i) LATE PAYMENT CHARGE**

***1% per month (12.68% per annum)***

<sup>1/</sup> **Standard WSP Meter Reads:**

Interval meters.....	Daily
Conventional meters (AMR and non AMR type)....	Residential and Non Residential - Monthly or Bi-monthly WSP Farm and REA - Once per year

<sup>2/</sup> **Standard Usage Request**

Interval meters.....	12 months of 15 minute interval data once per year per meter
Conventional meters.....	12 months of data once per year per meter