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Terms and Conditions for Electric Service – Members

Tomahawk REA Ltd.

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ARTICLE 1 – PREAMBLE

In accordance with the provisions of the *Electric Utilities Act* (“EUA”) and the Regulations made thereto (“Regulations”), the Tomahawk REA Ltd., (“TREA”) in its role as a wire owner has retained Battle River Power Coop Ltd. (“BRPC”) to be its Wire Services Provider (WSP). As TREA’s WSP, BRPC will carry out the functions necessary to furnish Electric Distribution Service to the Association’s Members, wishing to connect to the Association’s Facilities in the areas serviced by TREA, such functions include: the maintenance and operation of the TREA’s Electric Distribution System; services needed to enable each Association Member to purchase electricity for that Person’s own use from a Retailer; and any other specific services as may be included in the Association’s Electric Distribution System Operator Contract with BRPC.

These Terms and Conditions are intended to govern the relationship between TREA, its WSP and its Member(s) that require a Service Connection to TREA’s electric distribution system. These Terms and Conditions will also govern the relationship between TREA, its WSP and Retailer(s) or any other person whom the Member has assigned to act on its behalf in its dealings with TREA, regarding the interconnection to its electric distribution system.

These Terms and Conditions serve as a companion to the Terms and Conditions for Distribution Access - Retailer that is intended to enable Retailers to acquire access to TREA’s electric distribution system for the purposes of allowing them to sell electricity directly to TREA’s Members.

These Terms and Conditions serve as a companion to the Terms and Conditions for Distribution Access – Micro-Generators that is intended to enable power producers to acquire access to TREA’s electric distribution system.

The service provided by the Association and its WSP hereunder is governed by the Board of Directors of TREA, and parties having any inquiries or complaints regarding these Terms and Conditions may direct such inquiries or complaints directly to TREA or to the Alberta Utilities Commission (“AUC”).

The Board of Directors of TREA has approved these Terms and Conditions.

ARTICLE 2 – DEFINITIONS AND INTERPRETATION

2.1 Definitions

The following words and phrases, whenever used in these Terms and Conditions, an Electric Service Contract, or an application, contract or agreement for service, shall have the meanings set forth below:

“Act” means the *Electric Utilities Act*;

“AUC” means the Alberta Utilities Commission;

“Association” means the Rural Electrification Association or its successor;

“Billing Demand” means the demand (expressed in kilovolt Amp (kVA), kiloWatt (kW), or other suitable unit), upon which billing to a Member is based;

“Board” means the Board of Directors of TREA;

“Business Day” means a business day is any day other than Saturday, Sunday or a statutory holiday in the Province of Alberta;

“Customer” means a person enrolled with the Retailer;

“Demand” means the maximum rate at which electric energy is delivered (expressed in kilovolt Amp (kVA), kiloWatt (kW), or other suitable unit);

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

“Distribution Contribution” means the amount that a Member must pay to have a new service installed;

“Distribution Extension Costs” means the costs to extend service to a Member and include the costs of materials, labor, expenses, allocated overhead, and any other costs incurred by TREA in extending service to a Member, related to distribution voltages of 25 kV and lower;

“Distribution Tariff” means a distribution tariff prepared by TREA in accordance with the *Distribution Tariff Regulation, A.R. 162/2003*, as amended from time to time;

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“Electric Service Contract” means an agreement for the provision of a Service Connection pursuant to these Terms and Conditions, between TREA and a Member;

“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;

“Energy” means electric energy (expressed in kiloWatt hours (kWh) or other suitable units);

“Energy Contract” means a contract between TREA and a Member that sets out the price that the Member will pay for Electricity Services over a specified period of time;

“Facilities” means a physical plant (including, without limitation, distribution lines, transformers, meters, equipment and machinery);

“Force Majeure” means circumstances not reasonably within the control of TREA or its 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;

“Generating Member” means a Member with on-site generating equipment that is interconnected with TREA’s distribution facilities;

“In-service Date” means the date on which the Member specifies service is to be available or the date the service is actually available, whichever is later;

“Interconnected System” means those portions of TREA’s facilities which are connected with the electrical systems of other electric utilities in the Province of Alberta commonly known as the Alberta Interconnected Electric System (AIES);

“Load” means the demand and energy delivered to or required at any Point of Service;

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“Member” means the Member of TREA;

“Point of Service” means the point at which TREA’s service conductors are connected to the conductors or apparatus of a Member;

“Power Factor” means the ratio of the highest metered kiloWatt demand in a billing period to the highest metered kiloVolt Amp demand in that same billing period;

“Power Pool” means the scheme operated by the persons appointed under the Act (as may be amended) 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. 169/2003*, as amended from time to time;

“Rate Schedules” means the schedules of TREA’s prices, rates, tolls and charges associated with providing electric distribution service as approved from time to time by the board of directors of TREA pursuant to Section 102(2)(c) of the Act.

“Regulated Default Supply Tariff” means a tariff established for default supply service pursuant to the Act and applicable regulations.

“Regulated Rate Option” means the new RRO rate, as defined in Section 1(f) of the *Regulated Rate Option Regulation, AR 262/2005* or such other regulations made by the Minister under section 108 of the Act.

“Regulated Rate Customer” means an eligible customer who is not receiving electricity services from a retailer;

“Regulated Rate Tariff” means a regulated tariff for the purposes of recovering the prudent costs of providing electricity services to eligible customers, as approved by the board of directors of TREA pursuant to Section 103 of the Act.

“Retailer” means a person who sells or provides Electricity Services directly to Members and who is entitled to enroll Members for Distribution Access Service under TREA’s Terms and Conditions for Distribution Access Service - Retailer;

“Service Connection” means TREA’s distribution system Facilities required to physically connect to the Member’s facilities;

“Settlement System Code” means the rules governing the roles, standard practices and process of the various organizations involved in load settlement in Alberta, made by the AUC pursuant to Section 24 of the Act;

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“Site” means a site as defined in accordance with ISO rules for load settlement;

“System Controller” means the person(s) appointed by the Power Pool Council under the Act to carry out the system control function of the Power Pool;

“Terms and Conditions” means these Terms and Conditions for Electric Service – Members.

“Transmission Administrator” means the person(s) appointed by the Lieutenant Governor in Council under the Act.

2.2 Conflicts

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 an Electric Service Agreement, the express provision of these Terms and Conditions 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:

- i) Appendix A – Miscellaneous Service Charges
- ii) Appendix B – Schedule of Rates

ARTICLE 3 – GENERAL PROVISIONS

3.1 Board Approval

The Board of Directors of TREA has approved these Terms and Conditions. TREA may amend these Terms and Conditions from time to time and will subsequently file the new Terms and Conditions for information with the AUC.

3.2 Distribution Tariff

These Terms and Conditions, together with its Rates, form part of the Distribution Tariff and are established pursuant to Section 2 of the Distribution Tariff Regulation, as amended or replaced from time to time.

TREA's Distribution Tariff is available for public inspection during normal business hours at the business offices of TREA and at the offices of the AUC.

3.3 Effective Date

These Terms and Conditions are effective as of the indicated effective date. Whenever TREA files amended Terms and Conditions for information with the AUC, the effective date of the amended Terms and Conditions will be indicated thereon.

3.4 Terms and Conditions Prevail

(a) These Terms and Conditions, as amended from time to time, apply to TREA, its WSP and to every Member to which TREA provides a Service Connection. These Terms and Conditions also govern the relationship between TREA, its WSP and Retailer or any other person for whom the Member has assigned to act on its behalf in its dealings with TREA regarding the provision of an interconnection to its electric distributionsystem.

(b) The application for a Service Connection, the entering into an Electric Service Contract, the use by the Member of a Service Connection to obtain Distribution Access Service or the payment by the Member of an account rendered by TREA in relation to a Service Connection shall constitute acceptance by the Member of these Terms and Conditions.

(c) 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 in writing by the Board.

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3.5 Ownership of Facilities

(a) TREA remains the owner of all Facilities necessary to provide a Service Connection to the Member.

(b) Payment made by Members for costs incurred by TREA in installing Facilities does not entitle Members to ownership of any such Facilities.

3.6 Fees and Other Charges

TREA and its WSP will provide all standard services hereunder pursuant to the Distribution Tariff and the Regulated Default Supply Tariff. All additional, supplementary or other miscellaneous services provided by TREA or its WSP to a Member (or Retailer) will be charged a separate rate or fee, such as those included, without limitation, in Appendix A herein. Payment for these services shall be in accordance with the provisions of these Terms and Conditions.

Fees for Electricity Services shall be set out in an Energy Contract if the Member has signed one. Alternately, if the Member has not signed an Energy Contract, fees for Electricity Services shall be determined in accordance with the Regulated Default Supply Tariff.

ARTICLE 4 – ESTABLISHMENT OF SERVICE

4.1 Application for Service Connection

(a) To enable TREA and its WSP to provide the requested service, applicants for service shall supply information regarding the location of the premises to be served, the Member's connected load and preferred supply conditions and the manner in which the Service Connection will be utilized, credit information or reference and any other information that may be required by TREA or its WSP. The Member shall refer to the WSP, BRPC's Member Guide to New Extensions for customary information requirements.

(b) Upon receipt of the required information, TREA or its WSP will advise the applicant of the type and character of the Service Connection it will furnish to the Member, and any special conditions that must be satisfied.

4.2 Method of Application

4.2.1 Form and Acceptance of Application

(a) All Members must be of legal age to contract for service with TREA. TREA reserves the right to verify the identity of the Member and the accuracy of the information provided and to require the Member to sign an application in writing on forms provided by TREA or its WSP.

(b) A Member shall be required to sign TREA's Electric Service Contract before construction of the service will proceed.

4.2.2 Application by Retailer or Other Person

A Retailer or any other person acting as an agent of a Member cannot apply for a Service Connection on behalf of the Member.

4.3 Establishment and Re-establishment of Credit or Prepayments

4.3.1 Establishment of Credit

TREA's WSP may grant credit to a Member who is able to meet any of the following requirements:

- i) Letter of Credit from a recognized financial institution,
- ii) Approved loan from the TD Bank or other financial institution.

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When credit cannot be established to the satisfaction of TREA's WSP, the applicant will be required to pay for service in advance.

4.3.2 Prepayments

(a) Current Member in Arrears

TREA's WSP may require a Member to post a pre-payment if the Member becomes delinquent in the payment of 3 or more bills within a twelve (12) consecutive month period or has been disconnected from service during the last twelve (12) months.

(b) New Members

The WSP may require a new Member to post a pre-payment.

4.3.3 Amount of Pre-Payment

The amount of pre-payment required by TREA's WSP to establish or re-establish credit shall be determined by its WSP in its sole discretion.

4.3.4 Refunds of Pre-Payment

A pre-payment is refunded to the Member when the Member has paid all amounts owing to the WSP for a period of 36 consecutive months.

4.3.5 Use of Pre-Payment

If a Member fails to pay an amount billed when due, TREA's WSP may apply all or any portion of a Member's pre-payment toward settlement of the outstanding amounts. When the WSP has taken this step, the Member may be required to re-pay to the WSP the amount deducted to top up the pre-payment or such other amount as determined by the WSP. Upon termination of a Service Connection, TREA's WSP may apply all or any portion of a Member's pre-payment, toward payment of any amount due and owing by that Member.

4.4 Rejection of Application

TREA or its WSP may, without limitation, reject any applicant's request for a Service Connection when:



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- i) The Member does not have currently in force all permits or other authorization that may be required for the installation of the Service Connection as defined in Section 4.6;
- ii) TREA's WSP determines, in its sole discretion, that the Member is not creditworthy or a previous account held by the Member with TREA's WSP is in arrears; or
- iii) The Member fails to provide a pre-payment, pre-authorized withdrawal, or letter of credit from a suitable financial institution in form acceptable to the WSP; or
- iv) TREA or its WSP determines that the form of the Electric Service Contract is not appropriate for the Service Connection due to its unique nature and the Member refuses to enter into an alternate form of agreement acceptable to TREA or its WSP; or
- v) Any representation made by the applicant or the Member to TREA or its WSP for the purpose of obtaining a Service Connection is, in TREA's or its WSP's opinion, fraudulent, untruthful or misleading; or
- vi) The Member has not, when requested by TREA or its WSP to do so, provided a signed written application for a Service Connection, or an Electric Service Contract or;
- vii) The proposed loads, in TREA's or its WSP's, opinion have unusual characteristics that might adversely affect the quality of service supplied to other Members, the public safety, or the safety of TREA's or its WSP personnel or TREA's Facilities or equipment.

4.5 Electric Service Contract

(a) A Member shall be required by TREA to sign an Electric Service Contract in respect of a Service Connection. The Electric Service Contract must be signed by the Member and not by its Agents.

(b) In the absence of a signed Electric Service Contract, the supplying of a Service Connection by TREA and the acceptance thereof by the Member shall be deemed to constitute an Electric Service Contract by and between TREA and the Member for delivery, acceptance and payment for electric service under TREA's applicable Rate Schedules and Terms and Conditions.

(c) If any provision of the Member's Electric Service Contract, or the application thereof, is to any extent held invalid or unenforceable, the remainder of its Electric Service Contract 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 inequity.

4.6 Approvals

The Member for a Service Connection shall be responsible for obtaining all permits, certificates, licenses, inspections, reports, and other authorizations necessary for the installation and operation of the Service Connection. TREA's WSP shall not be required to commence or continue installation or operation of a Service Connection unless and until the Member has complied with the requirements of all permits, certificates, licenses, inspections, reports and other authorizations, and all right-of-way agreements, and all TREA's and its WSP's requirements applicable to the installation and operation of the Service Connection.

4.7 Temporary Service

(a) Where TREA or its WSP reasonably believes that a requested service will be temporary, it may require the Member requesting the service to pay TREA's WSP in advance of a Service Connection, the estimated cost of facilities plus the estimated cost of installation and removal of facilities necessary for the desired service, less the value of the salvaged material.

(b) Where duration of service is to be less than one month, the Member may be required to advance a sum of money equal to the estimated bill for service.

4.8 Information and Requirements for Service

4.8.1 Distribution Service Connections

Upon request, TREA or its WSP shall provide to the Member information on the method and manner of making Service Connections. Such information may include a copy of BRPC's Member Guide to New Extensions, a description of the Service Connection available, location of entrance facilities and metering equipment, and Member and Association responsibilities for installation of facilities.

4.8.2 Distribution Access Service

For Members requesting information on Distribution Access Service, the TREA or its WSP will make available the following information:

- i) Notification and informational materials to consumers about competition and consumer choices;
- ii) TREA's Terms and Conditions for Distribution Access Service;
- iii) 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*. TREA or its WSP is under no obligation to assure the accuracy of this list.

4.9 Application of Rate Schedules

(a) TREA or its WSP will make Members aware of the various Rate Schedules it can potentially receive under which TREA provides service to Member rate classes. TREA's WSP will endeavor to apply the Rate Schedule appropriate for the service requested by the Member, and on the basis that application of the requested Rate Schedule does not have an adverse impact on the public interest. TREA's WSP shall not be required to refund the difference in charges under different Rate Schedules for any past period during which the Member did not request service under an alternate Rate Schedule that may have been available to such Member.

(b) Where the Member's service requirements change so that some other Rate Schedule(s) apply to the service, subject to the above conditions, TREA or its WSP will advise the Member of its eligibility for service under the alternate Rate Schedule, and at the request of the Member, TREA's WSP will change the Member's billing accordingly.

(c) A Member may elect to have service billed on any other Rate Schedule applicable to that Member's service requirements subject to the above conditions. Any change shall not be effective until the next complete billing period. An election under this section may not be made more than once in any 12-month period, unless the Member's service requirements change, and will apply to all arrangements the Member has with TREA's WSP if the Service Connection is billed on more than one Rate Schedule.

(d) In addition to payments for electric service, the Member (or Retailer) is required to pay TREA's WSP the amount of any tax or assessment levied by any tax authority on electric service delivered to the Member.

4.10 Connection Fee

When a Member is connected for the first time at a service location, whether it is a new or existing service location, the Member will pay a membership fee as defined in Appendix A herein.

ARTICLE 5 – SERVICE REQUIREMENTS AND FACILITIES

After the Member has complied with TREA's application and it's WSP's prepayment requirements and has been accepted for service by TREA and obtained all required permits and/or inspections indicating that the Member's facilities comply with local construction, safety standards or regulations, TREAs WSP shall schedule that Member for Service Connection.

5.1 Member Provided Facilities and Requirements

5.1.1 Protection of TREA's Equipment

The Member shall furnish and maintain, at no cost to TREA, the necessary space, housing, fencing, barriers, and foundations for the protection of the facilities to be installed upon the Member's premises. If the Member refuses, TREA may at its option furnish and maintain, and charge the Member for furnishing and maintaining, the necessary protection. Such space, housing, fencing, barriers and foundations shall be in conformity with applicable laws and regulations and subject to TREA's and its WSP's specifications and approval.

5.1.2 Power Factor

A Member shall design, install and operate the Member's facilities in such a manner as to maintain a Power Factor of not less than 90%. TREA, or its WSP may require any Member not satisfying this Power Factor requirement to furnish, install, and maintain, at no cost to TREA such corrective equipment as TREA or its WSP may deem necessary under the circumstances.

5.1.3 Compliance with Requirements and Use of Service Connection

The Member will ensure that its facilities comply with the applicable requirements of the Canadian Electrical Code and with any other technical guidelines that may be issued from time to time by TREA. The Member shall not use its Service Connection or Distribution Access Service in a manner so as to cause interference with any other Member's use of a Service Connection or Distribution Access Service such as abnormal voltage levels, frequency levels and harmonic distortion. At TREA's or its WSP's request, the Member shall take whatever action is required to correct the interference or disturbance at the Member's expense.



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5.1.4 Extensions

A Member shall not extend or permit the extension of facilities connected to TREA's distribution beyond property owned or occupied by that Member for any Point of Service.

ARTICLE 6 – RIGHTS OF WAY AND ACCESS TO FACILITIES

6.1 Easements

In addition to the utility right-of-way granted by the Member to TREA pursuant to the terms of the Electric Service Contract, the Member shall grant, or cause to be granted, to TREA, without cost to TREA, such easements or rights-of-way over, upon or under the property owned or controlled by the Member as TREA or its WSP requires for the construction, installation, maintenance, repair, and operation of the facilities required for a Service Connection to the Member and the performance of all other obligations required to be performed by TREA's WSP hereunder.

6.2 Right of Entry

TREA and its WSP, their employees, agents and other representatives shall have the right to enter a Member's property at all reasonable times for the purpose of installing, maintaining, replacing, testing, monitoring, reading or removing TREA's Facilities and for any other purpose incidental to the provision of a Service Connection or Distribution Access Service and the Member shall not prevent or hinder TREA's or its WSP's entry.

6.3 Vegetation Management

The Member shall permit TREA's WSP to manage vegetation on the property owned or controlled by the Member to maintain proper clearances and reduce the risk of contact with TREA's facilities. TREA and its WSP shall make reasonable efforts to notify the Member before such work is performed.

The Member shall not plant any trees or vegetation that will interfere with the safe operation of TREA's Facilities. Any such trees or vegetation may be removed at the Member's expense.

6.4 Interference with Association's Facilities

The Member shall not install or allow to be installed on property owned or controlled by the Member any temporary or permanent structures that could interfere with the proper and safe operation of TREA's facilities or result in non-compliance with applicable statutes, regulations, standards and codes.

ARTICLE 7 – DISTRIBUTION EXTENSION

7.1 General Requirements

Upon an applicant's request for a Service Connection, TREA's WSP shall prepare a proposal outlining the estimated cost of the extension to be paid by the applicant.

All agreements requiring payment by the Member or investment by TREA shall be in writing and signed by each party.

The provisions of this section apply to those Members who, in TREA's judgment, will have a permanent Service Connection with TREA. Members with temporary service shall be governed by Section 4.7 concerning temporary service applications.

7.2 Determination of Distribution Extension Costs and Contributions

7.2.1 Distribution Extension Costs

The Distribution Extension Costs incurred by TREA in the construction of a new Service Connection to a Member may consist of the following:

- i) Local Extension Costs - The cost of local facilities required to construct a Service Connection for the sole purpose of an individual Member, plus
- ii) Shared Costs - Where a new extension uses infrastructure paid for by an existing Member, plus
- iii) Upgrading Costs - If the Member's Service Connection requires an upgrade to TREA's Facilities, the upgrade costs incurred by TREA form part of the Distribution Extension Cost, plus
- iv) Neighboring Distribution Utility Costs – If the Service Connection relies on a neighboring distribution utilities facilities and such utility requires payment to extend their distribution system to allow for the construction of a Service Connection, the payment required by the neighboring distribution utility forms part of the Distribution Extension Cost.

7.2.2 Association Investment

TREA may, at its sole discretion, invest in Facilities when:

- i) The investment results in future savings for rebuilding Facilities, or
- ii) The investment results in an upgrade to existing Facilities for the benefit of other Members

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7.2.3 Distribution Contribution

The Distribution Contribution shall be equal to the Distribution Extension Costs less TREA Investment. If the total Distribution Extension Cost is less than TREA Investment, the Member will not be required to make any Distribution Contribution. Under no circumstances would TREA Investment exceed the Distribution Extension Cost.

7.3 Distribution Contribution Refund

When a Member provides a Distribution Contribution under section 7.2 to obtain service, TREA may refund a portion of the contribution (as determined in TREA's sole discretion) if a new Member interconnects to the Service Connection paid for by the original Member.

7.4 Conversion from Overhead to Underground Service

A Member may request that existing Association Facilities be converted from overhead to underground and TREA's WSP may convert the Facilities upon such request. The Member, or any other person who is acting on behalf of a Member and who provides TREA with verifiable authorization from the Member will be charged for all costs incurred by TREA in connection with the conversion.

7.5 Service Modifications

A Member may request that existing Association Facilities be moved or modified, and TREA's WSP may move or modify the Facilities upon such request. The Member, or any other person who is acting on behalf of a Member and who provides TREA with verifiable authorization from the Member will be charged for all costs incurred by TREA in connection with the modifications.

ARTICLE 8 – SERVICE CONNECTION

8.1 Association Responsibilities and Liability

8.1.1 Continuous Supply

TREA's WSP shall make all reasonable efforts to maintain continuity of service to its Members, but the WSP cannot guarantee uninterrupted service.

8.1.2 Interruption

Without liability of any kind to TREA, TREA shall have the right to disconnect or otherwise curtail, interrupt or reduce service to Members whenever TREA or its WSP reasonably determines, or when TREA or its 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 TREA's Facilities; to maintain the safety and reliability of TREA's distribution system; or due to any other reason, including emergencies, forced outages, potential overloading of TREA's distribution system or Force Majeure.

8.1.3 Reasonable Efforts

TREA's WSP shall use commercially reasonable efforts to minimize any scheduled curtailment, interruption or reduction to the extent reasonably practicable under the circumstances, to provide the Member with prior notification of any such curtailment, interruption or reduction to the extent reasonably practicable, and to resume the Member's Service Connection as promptly as reasonably practicable.

8.1.4 Association Liability

Notwithstanding anything to the contrary contained in these Terms and Conditions, TREA shall not be liable for any loss, injury, damage, expense, charge, cost or liability of any kind, whether of direct, indirect, special or consequential nature, (excepting only direct physical loss, injury or damage to a Member or a Member's property, resulting from the negligent acts or omissions of TREA, its WSP, or their employees or agents) arising out of or in any way connected with any failure, defect, fluctuation, reduction or interruption in the provision of service by TREA to its Members. For the purpose of the foregoing and without otherwise restricting the generality thereof, indirect, special or consequential loss, injury or damage includes loss of revenue, loss of profits, loss of earnings, loss of production, loss of contract, cost of purchased or replacement capacity and energy, cost of capital, and loss of use of any facilities or property, or any other similar damage or

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loss whatsoever, arising out of or in any way connected with the failure, defect, fluctuation, reduction or interruption in the provision of service to a Member.

8.1.5 Force Majeure

Should TREA's WSP be unable, because of an event of Force Majeure, to provide a continuous supply of energy to a Member, the WSP's responsibilities, so far as they are affected by the Force Majeure, shall be relieved and suspended during the duration of such circumstances and TREA or its WSP 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, an event of Force Majeure. Where practical, TREA or its WSP shall give notice to the affected Members of such Force Majeure.

8.2 Member Responsibilities and Liability

8.2.1 Member Responsibility for Facilities

The Member shall be responsible for the installation and condition of all facilities on the Member's side of the Point of Service, except Facilities owned by TREA. The Member shall be responsible for any destruction of or damage to TREA's Facilities located on the Member's premises where the destruction or damage is caused by a negligent act or omission or willful misconduct of the Member or anyone permitted by the Member to be on the premises.

8.2.2 Member Liability

(a) The Member assumes full responsibility for the proper use of the Service Connection provided by TREA and for the condition, suitability and safety of any and all wires, cables, devices or equipment energized on the Member's premises or on premises owned or controlled by the Member that are not the Member's property.

(b) The Member shall indemnify and save harmless TREA or its WSP from and against any claim or demand for injury to persons or damage to property arising out of or in any way connected with the use of the service so long as such injury or damage is not caused by the negligent acts or omissions or willful misconduct of TREA, its WSP, and their employees and agents.

8.2.3 Protective Devices

The Member shall be responsible for determining whether the Member needs any devices to protect the Member's facilities from damage that may result from the use of a Service Connection, such as surge protectors, generators, or any other protective devices. The Member shall provide and install any such devices.

8.2.4 Insurance

The Member shall be responsible for determining whether the Member needs any insurance in the event of an outage or reduction in electrical service.

8.2.5 Service Calls

TREA's WSP may require a Member to pay the actual costs of a Member requested service call if the source of the problem is the Member's facilities.

8.3 Interference with TREA's Property

No one other than an employee or authorized agent of TREA or its WSP shall be permitted to remove, operate, or maintain meters, electric equipment and other facilities owned by TREA. The Member shall not interfere with or alter the meter, seals, or other facilities or permit the same to be done by any person other than the authorized agents or employees of TREA and its WSP.

8.4 Unauthorized Use

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

8.5 Standard of Service

The standard frequency of the Alberta Interconnected Electric System is 60 Hertz.

TREA's standard supply specifications are listed below. TREA's voltage limits are in accordance with Canadian Standards Association standard.

Upon request by the Member, TREA may provide other than Standard Supply Voltages or supply arrangements. If this option is chosen, the Member will be responsible for all additional costs associated with provision of service using non-standard supply arrangement or voltages as determined by TREA's WSP.



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Standard Voltage Supply (Nominal Voltage)

- (a) 240/120 V – single phase, three wire, the Member supplies secondary conductors,
- (b) 208/120 V – three phase, four wire, the Member supplies secondary conductors,
- (c) 480/277 V – three phase, four wire, the Member supplies secondary conductors,

ARTICLE 9 – GENERATING MEMBERS

9.1 Service

TREA or its WSP shall make all reasonable efforts to enable a Generating Member to interconnect to TREAs Facilities subject to meeting the Transmission Administrators Technical Requirements for the Interconnection of Generators. The Generating Member must demonstrate that the generator will automatically disconnect in the event that TREAs distribution system becomes disconnected from the Alberta Interconnected Electrical system.

The Generating Member is responsible to pay for all costs associated with the interconnection of the generator. The charges and credits shall include, but are not limited to:

- a) The cost of upgrading the existing system required to accept the energy,
- b) Rebuild benefits associated with the upgrade of the existing system,
- c) The cost of engineering to interconnect to TREA's distribution system,
- d) The cost of constructing the Extension,
- e) The cost or credit associated with line share.

The Generating Member is responsible to procure, install, and pay for all costs associated with meters and associated systems to provide meter data pursuant to the System Settlement Code and any applicable legislation or regulation.

The Generating Member is responsible to pay for Distribution Access Service according to the Distribution Tariff approved by the Board of Directors and updated from time to time.

A Generating Member is required to enter into an Interconnection and Operating Agreement (less than 10 kw inverter based) and sign Form A – Generation Project (less than 1MW) notice with TREA and is bound by the Terms and Conditions of Service – Distribution Connected Generators (DG).

ARTICLE 10 – METERS

For Members with on-site generation, please refer to Article 9. For Members without on-site generation, the following shall apply.

10.1 Installation of Meters

10.1.1 Provision and Ownership

TREA's WSP shall provide, install, and seal one or more meters for the purpose of measuring the Energy delivered to a Member by way of a Service Connection. Time of use or interval meters and associated communication equipment 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 sole property of TREA.

10.1.2 Responsibility of Member

Each Member shall provide and install a CSA-approved meter receptacle or other CSA-approved facilities suitable for the installation of TREA's meter or metering equipment. TREA may supply the meter receptacle where the breaker panel and meter receptacle are one unit.

10.2 Location

Meter locations shall be approved by TREA's WSP based on type of service and convenience of access to the meter. Where a meter is installed on a Member-owned pole, the pole shall be provided and maintained by the Member as required by the Canadian Electric Code and any other applicable legislation.

10.3 Access to Meters

TREA's WSP may, at any reasonable time, read, inspect, remove and test a meter installed on property owned or controlled by the Member.

10.4 Meter Test and Adjustments

(a) TREA's WSP may inspect and test a meter at any reasonable time. At the request of a Member, 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.

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(b) If a test determines that the meter is not accurate within the limits set by Measurement Canada, the Member'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 on the date of the meter installation, whichever occurred later. TREA or its WSP shall not be liable to the Member for any additional costs that are associated with such metering or meter reading errors.

(c) TREA or its WSP reserves the right to assess a charge to the Member for a meter test, in circumstances where TREA or its WSP has not been responsible for any metering error, as set forth Appendix A.

10.5 Energy or Demand Diversion

(a) If under any circumstances, a person prevents a meter from accurately recording the total demand or energy supplied, TREA's WSP may disconnect the service, or take other appropriate actions.

(b) TREA's WSP may then estimate the demand and amount of energy supplied but not registered at the Point of Service. The Member shall pay the cost of the estimated demand and energy consumption plus all costs related to the investigation and resolution of the diversion.

10.6 Changes to Metering Equipment

(a) Should a Member or Retailer request new metering equipment beyond the basic service, TREA's WSP shall provide, install, test and maintain the required metering equipment. The metering equipment must be requested in writing by the Member or Retailer and meet TREA's WSP's requirements. The Member or Retailer shall bear the cost of providing and installing the metering equipment, and ongoing operating costs. The metering equipment shall become the property of TREA and will be maintained by TREA's WSP. TREA's WSP shall complete installation of the metering equipment within thirty (30) days of delivery from the supplier. TREA's WSP shall bill the Member or Retailer upon installation, and the Member or Retailer shall pay TREA's WSP in full within thirteen (13) Business Days of receipt thereof. If payment is not received within (13) Business Days, the WSP shall charge interest on the late payment as set forth in Appendix A hereof.

(b) Should a Member request to return the metering equipment to its previous basic form, the Member shall bear the cost of removal and installation of the metering equipment.

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(c) Upon request by the Retailer or Member, TREA's WSP may provide other metering services, above standard metering service, in its discretion, acting reasonably, and may charge separate fees for such service.

10.7 Totalized Metering

TREA's WSP will consider each Site a Point of Service and will apply the applicable Rate Schedule to each Site.

ARTICLE 11 – RENDERING AND PAYMENT OF BILLS

11.1 Reading and Estimates

(a) Meter data will be based on meter readings made by the Member or TREA once every month whenever possible or on estimates for those billing periods when the meter is not read. TREA reserves the right to assess a charge to the Member or Retailer for reading the meter as defined in Appendix A.

(b) For Members whose load requirements are small, consistent, and can be accurately predicted, the billing demand may be determined, at the sole discretion of TREA or its WSP, by circuit breakers or from the nameplate rating of the Member's equipment, rather than being metered.

11.2 Prorating of Bills

(a) The amount of any initial and final charges, other than energy, may be prorated, based upon the ratio of the number of days that service was provided to a Member in the billing period to the total number of days in the billing period.

(b) TREA's WSP may elect to change a Member's meter reading schedule.

(c) Where a meter reading schedule is changed, any charges other than energy, during the transition period between the old and new meter reading schedule, may be prorated based upon the ratio of the number of days that service was provided to a Member in the transition period to the total number of days in a normal billing period (30)days.

(d) TREA's WSP may elect not to charge a Member for the billing period if, during that period, demand was five kilowatts or less, service was provided for five days or less and energy consumption was five kilowatt hours or less.

(e) For all new accounts, TREA's WSP may add the charges for service provided during the initial period to the bill for the following billing period.

11.3 Payment

The Member shall pay all amounts due to TREA or its WSP under these Terms and Conditions upon receipt of a bill for the amounts. Bills shall be deemed rendered, and other notices duly given when delivered to the Member. Failure to receive such bill from TREA or its WSP will not entitle the Member to any delay in the settlement of each account or to any extension of the date after which a late payment charge becomes applicable. Any bill rendered to a member for which valid payment has not been

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received by the date indicated on the bill shall be considered past due. TREA or its WSP reserves the right to assess a late payment charge as set forth in Appendix A.

11.4 Summary and Consolidated billing

TREA's WSP will issue a separate bill for each Point of Service. However, the Member and Association may agree that BRPC will issue one bill totaling charges for service billed and delivered at more than one Point of Service.

11.5 Returned Cheque Fee

TREA and its WSP reserves the right to assess a service charge in respect of any cheque returned by the Member's bank for any reason as defined in Appendix A.

11.6 Adjustment of Bills

11.6.1 Billing Error

TREA's WSP shall follow standards identified in the Regulated Rate Option Regulation AR 262/2005 and the Billing Regulation, 2003 AR 159/2003 to address any billing errors.

11.6.2 Unauthorized Use

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

11.7 Peak Metered Demand Waiver

TREA's WSP may forgive new peak demand incurred by the Member if such demand is as a result of acts or omissions of TREA's WSP, its servants or agents arising out of or in any way connected with failure, defect, fluctuation or interruption in the supply of electric energy or Distribution Access Service to the Member (or Retailer) or which resulted from catastrophic failure, which consequently required the simultaneous start of the Member's equipment. In this situation, the Member's normal demand will replace the new peak demand for billing purposes.

ARTICLE 12 – CHANGE IN SERVICE CONNECTION

12.1 Prior Notice by Member

(a) A Member shall give to TREA or its WSP reasonable prior written notice of any change in service requirements, including any change in load to enable TREA's WSP to determine whether or not it can supply such revised service without changes to its Facilities. A Retailer or any other person acting as agent for a Member and who provides TREA or its WSP with verifiable authorization from the Member may give such notice to TREA or its WSP on the Member's behalf. If TREA or its WSP receives such notice from a Retailer or other agent, TREA or its WSP may at its option require such notice directly from the Member.

(b) The Member shall not change its requirement for a Service Connection without TREA's written permission. The Member shall be responsible for all damage caused to TREA's distribution system as the result of the Member changing its requirements for a Service Connection without TREA's permission.

12.2 Relocation of Association Facilities

TREA may require a Member to pay all reasonable costs incurred by TREA in relocating any Association Facilities at the Member's request.

ARTICLE 13 – SERVICE DISCONNECTS AND RECONNECT

13.1 Disconnection and Idle Service

Upon the request of the Member, TREA's WSP shall temporarily disconnect any service being provided by TREA.

(a) The Member agrees to pay the idle service charge as determined by the Member's applicable Rate Schedule.

(b) Upon the request to restore service the Member will be responsible for and pay any applicable charges outlined under section 13.4.

(c) If the Member requests the Service Connection to be permanently disconnected, the Member billing for that service will be finalized. The facilities provided by TREA may be removed at the discretion of TREA.

13.2 Disconnection at Request of Retailer

In accordance with RRR, in some circumstances the Retailer shall have the right to request that TREA disconnect service to a particular Member, and TREA shall comply with that request, unless such action is inconsistent with TREA's approved policies contained as specified in the Terms and Conditions for Distribution Access Service - Retailer.

13.3 Disconnection by TREA

(a) TREA has the right to disconnect electric service to the Member in a number of circumstances, including but not limited to non-payment of TREA or its WSP bills or any past due charges by the Member; or evidence of safety violations, energy theft, or fraud, by the Member; or the Member fails to meet its obligations under these Terms and Conditions or the Member's Electric Service Contract. If a Member notifies TREA or its WSP to disconnect service and is enrolled with a Retailer, TREA or its WSP will refer the member to their Retailer. The only exception is in the event that the member request is for safety reasons.

(b) If the disconnect is a result of a safety violation, TREA's 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.

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13.4 Reconnect Service

This section applies when TREA is asked to reconnect or restore service to a Member whose service was previously restricted by a current-limiting device or discontinued (whether at the request of the Member or not). Before reconnecting or restoring service, the Member shall pay:

- i) Any amount owing to TREA or its WSP including written off accounts,
- ii) A reconnection charge as defined in Appendix A
- iii) The security deposit or prepayment, if any, required under Section 4 herein, and
- iv) The minimum monthly charge for each month of disconnection, if service is reconnected within 12 months of disconnection.

13.5 Removal of Facilities

Upon termination of service, TREA shall be entitled to remove any of its Facilities located upon the property of the Member and for the WSP to enter upon the Member's property for that purpose.

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ARTICLE 14 – CONTRACT EXIT PROVISIONS

A Member may notify TREA's WSP to terminate its Service Connection on 5 Business Days written notice.

Upon receipt of such notice, the WSP shall read the Member's meter within a reasonable time and shall use its best efforts to read the Member's meter at the time requested by the Member. A Member shall pay for all service provided to the time of such reading.

14.1 Regulated Rate Option Exit Costs

As identified in the Regulated Rate Option Regulation, AR 262/2005 an Owner must not, either in its Regulated Rate Tariff or by other means,

- (a) collect fees related to the entry to, or exit from, the Regulated Rate Tariff by an eligible customer, or
- (b) require notice periods greater than 30 days for entry to, or exit from, the Regulated Rate Tariff.

Appendix A – MISCELLANEOUS SERVICE CHARGES

1.0 APPLICABILITY

Applicable to every Retailer participating in Distribution Access Service within TREA'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) MEMBERSHIP FEE

\$1.00

b) RECONNECTION AND DISCONNECTION OF SERVICE

*\$ Association's actual costs
(\$95.00 minimum for reconnect)
(\$95.00 minimum for disconnect)*

c) ON-CYCLE METER READS

\$35.00 per read per meter

d) OFF-CYCLE METER READS

\$50.00 per read per meter

e)) SET SERVICE TO IDLE/RE-ENERGIZE SERVICE IN LESS THAN A 12 MONTH PERIOD

\$50.00

f) DOORKNOCKER CHARGE

\$140.00 charge for notification and delivery of future disconnect



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g) REQUEST FOR INTERVAL METER

Member request for interval metering (for connected load under the threshold as defined in the Settlement System Code):

\$Capital and Installation Cost of meter, phone line or cell phone plus monthly phone line charges.

h) ADDITIONAL MEMBER USAGE INFORMATION

*\$ Association's Actual Cost
(\$25.00 minimum)*

i) METER DISPUTES

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

\$ Association's actual costs

j) LATE PAYMENT CHARGE

2% per month (26.8% per annum)

k) RETURNED CHEQUE FEE

\$20.00

l) COST ESTIMATE FOR A NEW SERVICE

\$200.00

m) OTHER MISCELLANEOUS FEES

ADHOC Reporting \$150.00 per hour (minimum 1 hour)

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APPENDIX B: SCHEDULE OF RATES

Rate 370 – Rural Service

Rate 370	<u>5 kVA</u>	<u>7.5 kVA</u>	<u>10 kVA</u>	<u>15 kVA</u>	<u>25 kVA</u>	<u>>25 kVA</u>
Monthly Operating	\$56.88	\$66.95	\$77.02	\$97.17	\$137.45	\$4.03

Minimum kVA billed on all services is 35 Amps or 5 kVA.

Demand services are billed at a minimum of 65% of the transformer capacity or 25 kVA – whichever is greater.

Rate 372 – Idle Service

Rate 372	<u>5 kVA</u>	<u>7.5 kVA</u>	<u>10 kVA</u>	<u>15 kVA</u>	<u>25 kVA</u>	<u>>25 kVA</u>
Monthly Operating	\$42.66	\$50.22	\$57.77	\$72.87	\$103.08	\$3.02

Idle Service is available to members that select to cease energy consumption for a period of time and request that the electric supply facilities are left in place.

Monthly service charges are based on the kVA of capacity.

Demand services are billed at a minimum of 65% of the transformer capacity or 25 kVA – whichever is greater.

Transmission (SYSA) Rate

Transmission (SYSA): The current FortisAlberta AUC approved rate, including all rate riders, which is applicable for REAs.

Miscellaneous Charges

Charge to Go On/Off Idle	\$ 50.00	Must be idle for 12-month period or priced at service call	\$250.00
Disconnect Fee	\$ 95.00	Reconnect Fee	\$ 95.00
Doorknocker Fee	\$140.00	On Site Meter Plater Test	\$250.00
Late Payment Fee	2%	Charged only at member request	

Distribution charges may include a component for capital cost recovery.