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1. INTRODUCTION

Naka Power Utilities (NWT) Ltd.'s (Taltson and Thermal Zone) (hereinafter referred to as the "Company") Electric Service Tariff is comprised of Rate Schedules and these Terms and Conditions of Service , which are filed with the Public Utilities Board for the Northwest Territories (herein referred to as the "Board"), pursuant to the Public Utilities Act. The Company conducts its business activities in compliance with these Terms and Conditions.

These Terms and Conditions may not be changed without the approval of the Board. Parties having any inquiries or complaints regarding these Terms and Conditions may direct them directly to the Company or the Board.

The Company's Electric Service Tariff is available to the public during normal business hours at the business offices of the Company and at the offices of the Board and can be accessed on the Company's website at: www.nakapower.com.

2. INTERPRETATION

2.1 Definitions

The following words or phrases, when used in these terms and conditions, the Electric Service Tariff, or an application, contract or agreement for service, shall have the meaning set forth below:

"Billing Demand" – the Demand upon which billing to a Customer is based as specified in a rate schedule or contract. Demand may be estimated or measured by an approved demand meter.

"Board" – the Public Utilities Board for the Northwest Territories.

"Cancellation Costs" – means the aggregate of all actual costs and expenses incurred by the Company related to the work and all costs incurred by the Company in connection with the termination thereof including, but not limited to:

- (a) the cost of all equipment and material, inclusive of any deposit, restocking and cancellation charges;
- (b) the amount payable to any contractor for the supply of labour and miscellaneous materials;
- (c) the cost of engineering studies, surveying and drafting;
- (d) the fees of any consultant or professional retained by the Company;
- (e) the costs incurred in the process of obtaining easements, rights-of-way and regulatory approvals;
- (f) the expense of wages and benefits paid for services performed by the Company's employees;
- (g) the carrying costs incurred; and
- (h) the costs incurred to salvage equipment and materials (net of any credit to the Company for reusable equipment and material), and the reclamation of any property used by the Company.

"Capital Cost" the cost of materials, labour, equipment, expenses and other applicable direct or indirect costs incurred by the Company in extending Service to a Point of Service.

"Capital Recovery Stream" – the series of payments designed to recover the invested capital over the life of the Service.

"Company" – Naka Power Utilities (NWT) Ltd. (Taltson and Thermal Zone).

"Connected Load" – the sum of the capacities or ratings of the electric Energy consuming apparatus connected to a supplying system or any part of such system.

"Construction Contribution" – a specific payment by a Customer to offset Company costs incurred in providing Service that will primarily benefit that Customer or group of Customers only and not the other ratepayers in the distribution system. The contribution will be the difference between the cost of extending the Company's Facilities to serve a Customer and the Maximum Available Company Investment specified in Schedule "A".

"Cost Sharing" – refers to the procedure of having a new Customer or group of Customers who connect to an existing facility for which another Customer or group of Customers has paid a contribution, assessed their share of that cost, and then is refunded to the existing Customer(s).

"Current Limiting Device" – a device that limits the amount of Demand available to a specific Customer.

"Customer" – a person, firm, partnership, corporation, association or organization (including, without limitation, individual members of any unincorporated entity) to whom the Company provides any service hereunder or who receives any service hereunder. This would include joint tenants, whether or not their name appears on the application for Service.

"Demand" – the rate at which electric Energy is delivered by the Company, expressed in kilowatts, kilovolt amperes or other suitable unit, at a given instant or averaged over any designated period of time.

"Dwelling" – means a private residence consisting of single family living quarters, having, in one self-contained unit, at least sleeping quarters, a kitchen for domestic use and a bathroom.

"Energy" – electricity consumed expressed in kilowatt hours.

"Facilities" – a physical plant (including, without limitation, generating plants, transmission and distribution lines, transformers, meters, equipment and machinery).

"Force Majeure" – circumstances not reasonably within the control of the Company, including acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, pandemics, 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, territorial, or local government; or from any of their agencies or boards excluding Decisions and/or Orders made by the Board in the normal course of it exercising its authority to establish the revenue requirement of the parties to this

agreement, the order or direction of any court, and any other cause, whether of the kind herein enumerated or otherwise.

"In-Service Date" – means the date on which the Company specifies the Service Connection is to be available.

"Intermittent Renewable Generation" – Customer owned generation which generates power from solar, wind or other renewable sources of energy.

"Joint and Several" – means the Company may pursue an obligation against any one party as if they were jointly liable and it becomes the responsibility of the parties to sort out their respective proportions of liability and payment.

"Load" – the Demand and Energy delivered or required at any Point of Service.

"Load Factor" – the ratio of the average Demand (in kilowatts) supplied during a designated period to the peak or maximum Demand (in kilowatts) occurring in the period. To express Load Factor as a percentage:

- (a) multiply the Energy used in the period by 100;
- (b) multiply the maximum Demand by the number of hours in the period; and
- (c) divide (a) by (b).

"Maximum Available Company Investment" – the maximum investment in dollars which the Company will incur to extend Service to a Point of Service as set forth in Schedule A hereto.

"Multiple Dwelling" – a residential building containing more than one Dwelling unit which shares all or part of a Service Connection.

"Net Metering Customer" – a Customer with on-site Intermittent Renewable Generation.

"Point of Common Coupling (PCC)" – where the Company's Facilities are connected to the Net Metering Customer's Intermittent Renewable Generation and where any transfer of Load between the Company and the Net Metering Customer takes place.

"Point of Service" – the point at which the Company's service conductors are connected to the wires or apparatus of a Customer.

"Power Factor" – the ratio of the highest metered kilowatt Demand in a billing period to the highest metered kilovolt-ampere Demand in that same billing period.

"Satisfactory Credit Rating" – means that credit rating determined at the discretion of the Company, and may include the Customer having paid all bills on an existing Company account in full on or before the due date of the said bill for twelve consecutive months, or a similar payment record as established with another utility service provider within the past twelve months.

"Security Deposit" – an amount determined in accordance with Article 4.6.

"Service" – the providing of Energy and delivery by the Company to the Point of Service at the maximum Demand level required by the Customer.

"Service Connection" – the Facilities required to physically connect the Customer's facilities to the Company's system.

"Single Family Dwelling" – a Dwelling that is not part of a Multiple Dwelling.

2.2 Conflicts

- (a) If there is any conflict between a provision expressly set out in an Order of the Board and these Terms and Conditions, the Order of the Board 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 any contract or agreement for service, the express provision of these Terms and Conditions shall govern, as of their effective date.

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 - Maximum Company Investment
- Schedule B - Standard Supply Specifications
- Schedule C - Conditions for Underground Subdivisions
- Schedule D - Fees and Service Charge Summary

3. GENERAL PROVISIONS

3.1 Board Approval

These Terms and Conditions have been approved by the Board. The Company may amend these Terms and Conditions by filing a notice of amendment with the Board. Included in the notice shall be notification of which Customer groups are affected by the amendment and an explanation of how affected Customers will be notified of the amendments. If the Board approves the notice of the amendment, the amendment will take effect upon the date set by the Board. If no specific date is set by the Board then the amendment will take effect on the date of the Board's Order approving the notice of amendment.

3.2 Effective Date

These Terms and Conditions are in effect as of the indicated effective date. Whenever the Company 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.

3.3 Terms and Conditions Prevail

- (a) These Terms and Conditions, as amended from time to time, apply to the Company and to every Customer to which the Company provides a Service Connection.
- (b) The application for a Service Connection (whether verbal or written), the use by the Customer of a Service Connection or the payment by the Customer of an account rendered by the Company in relation to a Service Connection shall constitute acceptance by the Customer 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 by the Board.

3.4 Ownership of Facilities

- (a) The Company remains the owner of all Facilities necessary to provide a Service Connection to the Customer, whether or not affixed to the Customer's facilities or land, unless an agreement between the Company and Customer specifically provides otherwise.
- (b) Payment made by the Customers for costs incurred by the Company in installing Facilities does not entitle Customers to ownership of any such Facilities, unless an agreement between the Company and the Customer specifically provides otherwise.

3.5 Use of Energy

Service is provided for a Customer's sole use and only for the purposes specified by contract or by the rate schedule applicable to such Service. A Customer shall not re-sell Energy.

3.6 Customer Extensions

A Customer shall not extend service Facilities beyond property owned or occupied by the Customer.

3.7 Customer Generation

A Customer must sign an agreement with the Company if the Customer wishes to have Service:

- in parallel operation with; or
- as supplementary, auxiliary or standby Service to any other source of electric Energy.

3.8 Net Metering Service

- Government customers, with the exception of municipal governments in thermal communities, are not eligible for net metering.
- Customers who install Intermittent Renewable Generation may be eligible for net metering service provided:
 - the intent of the Net Metering Customer is to generate electricity primarily for its own use and sized to the customer's load or portion thereof, not exceeding 15kW unless approved by the Company; and
 - the 20% capacity limit in each isolated community within the thermal zones, or the established annual capacity limits for hydro communities within the Hydro Zones, has not been reached.
- Any connection of Intermittent Renewable Generation must adhere to the Distributed Resource Technical Interconnection Guideline which can be downloaded from the Company's website: www.nakapower.com

Net Metering Customer Responsibilities

- The Net Metering Customer is responsible for all costs incurred on the generation side of the Point of Common Coupling (PCC).
- The Net Metering Customer is responsible for paying any incremental costs to the transmission/distribution systems caused by their generation. In the event that more than one Net Metering customer is responsible for incremental costs to the transmission/distribution systems

caused by their generator, the incremental costs shall be allocated to all responsible Net Metering Customers.

Company Responsibility

- The Company will pay for, operate and maintain the metering equipment required for measuring Energy exported to the grid. These costs will be recovered through rates from all Customers served by the Company.
- The Company will ensure that Customers have easy and ready access to relevant technical and economic information to make informed decisions concerning Net Metering Service.

3.9 Frequency and Voltage Levels

The Company will make every reasonable effort to supply Energy at 60 Hertz alternating current. The voltage levels and variations will comply with the Canadian Standards Association standards and shall be in accordance with the Company's standard supply specifications as specified in Schedule B.

3.10 Fees and Other Charges

The Company will provide all standard services hereunder pursuant to the approved Electric Service Tariff. All additional and supplementary services provided by the Company to a Customer will be charged a separate rate or fee, such as those included, without limitation, in Schedule D herein. Payment for these services shall be in accordance with the provisions of these Terms and Conditions.

4. APPLICATION FOR AND CONDITIONS OF SERVICE

4.1 General Requirements

Any applicant for Service may be required to sign an application or a contract for Service, and shall supply information respecting Load, preferred supply conditions and the manner in which Energy will be utilized. An applicant may also be required to establish a Satisfactory Credit Rating with the Company prior to being connected for Service.

The Company reserves the right to verify the identity of the Customer and the accuracy of the information provided and to require the Customer to sign an application in writing on forms provided by the Company. If a Customer is not of legal age, a Security Deposit may be required in order to obtain Services and, in addition, a person of legal age may be required to accept responsibility for the Services on that Customer's behalf.

Contracts for Service are not transferable. Persons taking over premises, where Energy has been used previously, must make a new application for Service and pay the necessary Connection Fee defined in Schedule D, per Article 4.3 and Security Deposit per Article 4.6.

In the event that a Customer cancels a project the Customer shall pay all additional costs related to the cancellation of their project, including Cancellation Costs, incurred by the Company.

4.2 Conditions of Service

Upon receipt of an application or contract for Service, the Company shall notify the applicant of any conditions which must be satisfied before the application or contract will be accepted and Service may be commenced. The Company will provide notice that a copy of the Terms and Conditions are available.

4.3 Connection Fee

Whenever a connection is made, the Customer will pay a non-refundable Connection Fee as defined in Schedule D, which shall be included in the Customer's first billing, or paid with the application for Service (save and except that, where the Customer has paid a Construction Contribution for the Service, the Connection Fee shall be deemed to be included in the Construction Contribution).

4.4 Terms and Conditions and Rate Schedule Apply

Whether or not a Customer has signed an application or contract for Service, these Terms and Conditions and the Rate Schedule applicable to the Service supplied by the Company shall apply. In addition to payments for Service, the Customer is required to pay the Company the amount of any tax or assessment levied by any tax authority on Service delivered to the Customers.

4.5 Application of Rate Schedules

The Company will endeavor to apply the rate schedule which applies to the Service and is most favorable to the Customer.

Where the Customer's Service requirements change so that some other rate schedule(s) apply to the Service, the Company will change the Customer's billing accordingly.

A Customer may elect to have Service billed on any other rate schedule applicable to their Service requirements. 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 Customer's Service requirements change.

4.6 Security Deposit

(a) Security Deposit Requirements

The Company may require a Security Deposit from an applicant or Customer in the following circumstances:

- i. applicant has not established a Satisfactory Credit Rating with the Company;
- ii. the Customer's Service has been disconnected or restricted by a Current-Limiting Device; or
- iii. the Customer has not paid all past bills for Service.

If a Security Deposit is required and has not been provided prior to connection, it will be added to the bill for Service and due in full on the due date identified on the bill.

(b) Amount of Security Deposit

The amount to be deposited with the Company shall be determined by the Company at the time of the Service application and shall be based on an estimate of the total amount billed over a period of three months in which Energy consumption by the Customer is expected to be the highest. The Security Deposit required may be adjusted accordingly based on the Customer's actual use of the Service or other information made available to the Company.

(c) Interest on Security Deposit

The Company will pay simple interest on the Security Deposit from the date the deposit is paid, at the rate specified from time to time in the Residential Tenancy Act of the Government of the Northwest Territories and such interest will be credited to the Customer's account on the first bill following December 31 of each year or when the deposit is refunded.

(d) Refunds of Security Deposit

The Company may refund a Security Deposit or credit the Customer's account with interest when:

- i. the Customer's Service is disconnected, other than for default in payment of accounts, and the Customer has paid all amounts owing to the Company, or
- ii. the Customer has established a Satisfactory Credit Rating.

(e) Use of Security Deposit

If a Customer fails to pay any amount billed, and collection action has been initiated by the Company, the Company may apply all or any portion of that Customer's Security Deposit to the unpaid amount, including interest. Upon termination of a Service Connection, the Company may apply all or any portion of that Customer's Security Deposit to the unpaid amount, including interest. The Customer will then be required to fully restore the Security Deposit before Service is reconnected or continued.

4.7 Delay in Taking Service - Other than Subdivision

Except in the case of a Customer who requests service to a subdivision, if Service is not taken within 30 days of the In-Service Date, the Company may begin billing the Customer for the minimum amount specified in the appropriate rate schedule or as specified in the contract between the Company and the Customer, whichever is greater.

4.8 Extension of Service

(a) Customer Contribution to Construction Costs

If the Company's estimated costs of extending Facilities at the request of a Customer are less than the Maximum Available Company Investment specified in Schedule A for the type of Service provided, the Customer will not be required to make any contribution. In all other cases, an agreement for payment of the Construction Contribution must be made between the Customer and the Company before any work on the extension is commenced.

(b) Cost Sharing

If a new Customer shares a portion of an existing extension, the existing electrical Customer(s) may be entitled to cost sharing of the Construction Contribution based on the amount of extension shared. Cost sharing will be administered for a five year term commencing December 31 of the year of construction of the original extension. The Company will not administer refunds of less than \$50.00.

Non-metered, public Services, such as for street lights and heat tapes are not eligible for cost sharing.

4.9 Underground Facilities

In the event that the Company extends its Facilities underground, the extension shall be subject to the conditions set out in Schedule "C", Conditions of Underground Service attached hereto.

4.10 Conversion from Overhead to Underground Service

When a Customer requests that existing Company Facilities be converted from overhead to underground, the Customer may be charged for all costs incurred by the Company in connection with the conversion, including the following:

- (a) the present value of Capital Recovery Stream(s) associated with the existing Facilities which are being removed, plus
- (b) the actual cost of removing the existing Facilities, less the actual salvage value, plus
- (c) the actual cost for the installation of the new underground Facilities, less any Available Company Investment, as specified in Schedule A.

4.11 Temporary Service

Where the Company reasonably believes that a requested Service will be temporary, a Connection Fee as defined in Schedule D will be assessed and the Company may require the Customer requesting the Service to pay the Company's total estimated cost of installation and removal of the Facilities, plus the cost of unsalvageable material. The Company may require that such payment be made before the temporary Service is installed.

4.12 Mobile Homes

Service shall normally be provided to mobile homes through separate points of delivery, based on the applicable residential rate schedule.

Service provided to common use areas (e.g., laundry facilities) in a mobile home park shall be separately metered and billed at the applicable General Service rate.

In mobile home parks or trailer courts where the Company reasonably believes homes are temporary, the Company may elect to provide Service only through the Point of Service billed to the mobile home park or trailer court.

4.13 Multiple Dwellings

Each individual unit within a Multiple Dwelling (including apartment and condominium buildings) will be served as a separate Point of Service and metered and billed individually on the applicable residential Rate Schedule. The Company and a Customer may agree that one bill will be issued covering all individual units in a Multiple Dwelling. Where the Company and a Customer have agreed that service to a Multiple Dwelling shall be delivered through a single Point of Service, the applicable General Service (non-residential) rate schedule will apply to the Service. Service provided to common use areas (eg. laundry facilities, hallways, etc.) shall be separately metered and billed at the applicable General Service rate.

4.14 Relocation of Company Facilities

Subject to any other provision of these Terms and Conditions of Service, the Company shall, at the request of the Customer, relocate the Facilities installed by the Company to provide Service to the Customer. The Customer requesting such relocation shall pay all costs incurred by the Company in so doing, and shall, if requested by the Company, pay, in advance of the Company undertaking such relocation, the estimated cost thereof. Following satisfactory completion of the work, the Customer will be invoiced or refunded the difference between the total estimated cost and the actual cost with applicable GST.

4.15 Reconnection

At such time as circumstances which resulted in disconnection of Service or restriction of Service through the installation of a Current Limiting Device (as provided by these Terms and Conditions) have been rectified to the satisfaction of the Company or the Customer has requested a reconnection after having requested a previous disconnection, the Company shall reconnect and continue the provision of Service to a Customer, whose Service was previously disconnected or restricted, upon payment by that Customer of:

- (a) any amount owing to the Company; and
- (b) a Reconnection Fee as defined in Schedule D, unless otherwise specifically provided in a contract with a Customer, and
- (c) the Security Deposit, if any, required under Section 4.6 hereof.

If Service is reconnected within 12 months of disconnection, with the exception of seasonal Service, the Company may request that the Customer pay the minimum monthly bill for each month of disconnection.

The Company may add an Overdue Account Fee as defined in Schedule D if a site visit is required to attempt collection of overdue accounts and Service is not disconnected or for delivery of a notice of pending disconnection.

This section does not apply when a Customer's Service was disconnected for safety reasons (see Article 11.2).

5. RIGHTS-OF-WAY AND ACCESS TO FACILITIES

5.1 Easements

The Customer shall grant, or cause to be granted, to the Company, without cost to the Company, such easements or rights-of-way over, upon or under the property owned and controlled by the Customer as the Company reasonably requires for the construction, installation, maintenance, repair, and operation of the Facilities required for a Service Connection to the Customer, and for vegetation management, emergency response and all other obligations required to be performed by the Company hereunder.

5.2 Right of Entry

The Company's employees or agents shall have the right to enter a Customer's property at all reasonable times for the purpose of installing, maintaining, repairing, replacing, testing, monitoring, reading, disconnecting or removing the Company's Facilities and for any other purpose incidental to the provision of Service, and the Customer shall not prevent or hinder the Company's entry. The Company will endeavor to provide reasonable notice to the Customer when the Company requires entry to the Customer's property for planned maintenance or repair to the Company's Facilities.

5.3 Vegetation Management

The Customer shall permit the Company to manage vegetation on the property owned or controlled by the Customer to maintain proper clearances and reduce the risk of contact with the Company's Facilities. The Company shall endeavor to provide reasonable notice to a Customer before such work is performed.

Vegetation management in the vicinity of the high voltage distribution Facilities (primary system) is the responsibility of the Company. Vegetation will be maintained to established standards to reduce contact with the energized Facilities.

Vegetation management in the vicinity of the low voltage (service drops or secondary system) distribution Facilities on the Customer's property is the responsibility of the Customer. Where the Company determines that vegetation management is required to maintain the integrity of the Company's low voltage overhead Facilities, the Company may, at the Customer's expense, perform the work that is the responsibility of the Customer as set out herein. With respect to the low voltage overhead distribution Facilities only, the Company shall make reasonable efforts to notify the Customer that such work is required, and shall provide the Customer a reasonable opportunity to undertake the work required, before such work is performed by the Company.

5.4 Interference with Company's Facilities

Customers shall not install, or allow to be installed, any temporary or permanent structures that could interfere with the proper operation of the Company's Facilities or result in non-compliance with applicable legislation, statutes, standards, codes or regulations.

5.5 Customer Brushing

Customers requesting Service that requires the extension of Facilities to the Customer's property shall be responsible for brushing on the Customer's property in accordance with the Company's specifications. In addition, unobstructed access to each structure requiring Service must be provided.

6. METERS

6.1 Installation

(a) Provision and Ownership

Unless otherwise specifically provided in a contract with a Customer, the Company shall provide, install and seal all meters necessary for measuring the Energy and Demand supplied to each Customer.

Current transformers, voltage transformers and metering test switches (if required) will be supplied to the Customer for installation by the Customer's qualified personnel or contractor. Transformers shall be installed in accordance with the Company's specifications and all codes, legislation and reference to applicable metering standards.

(b) Responsibility of Customer

Each Customer shall provide and install a CSA-approved meter receptacle or other CSA-approved Facilities acceptable to the Company for the installation of the Company's meter or metering equipment.

Metering equipment and installation specifications for each Customer's requirement will be made available upon request.

For Customers whose energy use is low or intermittent, the Customer may elect an unmetered option whereby the kW.h consumption shall be determined from the nameplate rating of the Customer's equipment and the bill shall be calculated on the available general service rate. To obtain this option, the Customer is required to pay 100% of the cost of providing service, including the service drop. Ownership of these facilities and responsibility for maintenance will remain with the Company. Should the required extension exceed 300 metres, an extra monthly flat rate amount as defined in Schedule D will apply.

6.2 Location

Meter locations shall be approved by the Company having regard to the type of service being provided and so as to permit safe and convenient access to the meter by the Company. In the event a meter is installed on a meter pole, the pole shall be provided and maintained by the Customer in accordance with the provisions of the Canadian Electric Code and any other applicable legislation.

Meter sockets for self-contained meters shall be mounted on the exterior of a building at an accessible location acceptable to the Company. The centerline of the meter socket must be 1.5 to 1.8 meters above the finished grade or permanent platform of the Customer's facility and in an appropriately lighted area.

Metering instrument transformer enclosures shall contain only the Company's metering auxiliary equipment and shall not be used as a raceway, splitter box or cabinet for any other purpose.

6.3 Meter Tests and Adjustments

Unless otherwise specifically provided in a contract with a Customer, a meter may be inspected by the Company at any reasonable time. At the request of a Customer, and upon payment of the Company's Meter Accuracy Test Handling Fee defined in Schedule D plus the meter testing fee payable to the Government of Canada, the Company shall arrange for a meter to be tested or calibrated by an official designated for that purpose by Industry Canada or such other accredited agency as may, from time to time, be assigned with that responsibility.

If a test determines that the meter is not accurate within the limits set by government standards, the Customer's bill will be adjusted back to the time that the error can reasonably be determined to have commenced. Where the commencement of the error cannot reasonably be determined, it shall be deemed to have commenced three months before the test or on the date of the meter installation, whichever occurred later.

In the event that the test of the meter discloses that it is not accurate within the limits prescribed from time to time by such department, then any meter handling and testing fees paid by the Customer shall be refunded to the Customer.

6.4 Access to Meters

The Company may, at any reasonable time, read, inspect, remove and test a meter installed on property owned or controlled by the Customer.

Where the Customer's Service address or location is generally locked during normal business hours, the Customer shall provide the Company with a key to permit access to the meter.

If the Company informs a Customer that reasonable access to metering equipment is not being provided, then the Customer must take immediate action to remedy the situation. If the Customer fails to remedy the situation within a reasonable time:

- (a) the Company, at its sole discretion, may estimate consumption until the situation has been remedied, in which case the Customer shall be billed on the basis of the Company's estimates; or
- (b) the Company will remedy the situation on behalf of the Customer and apply the costs to the Customer's next regular billing; or
- (c) both a) and b); or

- (d) the Company will discontinue Service in accordance with Section 11 of these Terms and Conditions of Service.

7. METER READING AND BILLING

7.1 Time of Reading and Billing

Unless otherwise specifically provided in a contract with a Customer, meters shall be read monthly or bi-monthly or at such other intervals as are practical in the circumstances. Customer's bills will be based upon meter readings or estimates, for those billing periods when the meter is not read, made by the Company. Whenever a bill is based on an estimate, an adjustment to reflect actual usage will be made after the meter is next read.

7.2 Calculation of Bills

The amount of any initial and final charges, other than Energy, may be prorated, based upon the ratio that the number of days that Service was provided to a Customer in the billing period to the total number of days in the billing period.

The Company may elect not to charge a Customer 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.

For all new accounts, the Company may add the charges for Service provided during the initial period to the bill for the following billing period.

The Company may elect to change a Customer's meter reading schedule. Where a meter reading schedule is changed, any charges 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 Customer in the billing period to the total number of days in the billing period.

The Company may add to the Customer's bill any charges due and owing to the Company (e.g. construction contribution, account receivable charges, former overdue accounts etc.).

7.3 Payment

Payment of a bill for Service is due and payable on the date indicated thereon. A Late Payment Charge, as defined in Schedule D, will be applied by the Company on any overdue amount.

Bills shall be deemed rendered and other notices duly given when delivered to the Customer at the mailing address provided by the Customer. Failure to receive a bill shall not release a Customer from the obligation to pay the amount for any Service provided by the Company, nor shall it entitle the Customer to any delay or to any extension of the date after which a Late Payment Charge becomes applicable.

Payment of a bill for Service may be requested by the Company from any or all of the Customers at a Service Connection, on a Joint and Several basis, even if the Customer no longer resides in the same premises when payment is due.

7.4 Late Payment Charge

The Company may add a Late Payment Charge as defined in Schedule D on any overdue account. An Overdue Account Fee as defined in Schedule D will be charged if a personal visit is required to collect an overdue amount.

7.5 Dishonoured Payments

The Company may add a Dishonoured Payment Fee, as defined in Schedule D, to a Customer's bill in respect of any cheque, or other form of payment tendered by the Customer as payment of a bill, that is returned by the Customer's bank for any reason.

Following the receipt of two (2) dishonoured payments from the Customer, the Company shall notify the Customer that only cash, a money order or certified cheque will be accepted for payment.

7.6 Remedies for Non-Payment

If a Customer fails to pay a bill for Service by the due date, the Company may use any legal remedy available to the Company to recover payment, including, without limiting the generality of the foregoing, recovery through the use of a collection agency. Reasonable costs incurred by the Company to recover payment may be added to the Customer's bill.

7.7 Totalized Metering

When Service is provided through multiple Points of Service to a Customer's plant site consisting of centralized processing facilities or product transportation facilities located on lands leased or owned by the Customer, where such multiple Points of Service are located within a radius of half a mile of each other, the Customer and Company may agree that the measured Demand and Energy at each Point of Service be totalized and only one bill issued for each billing period. The Customer shall pay the incremental metering cost associated with totalized metering.

7.8 Combined Service

A residential Customer shall notify the Company when the Customer receives Service at their premises for the purposes of operating a business or commercial undertaking. Subject to the discretion of the Company and in consultation with the Customer, the applicable General Service rate shall be applied in those cases in which Service for both residential and non-residential purposes is received by a Customer through a single meter.

7.9 Consolidated Billing

The Company will issue a separate bill for each Point of Service. However, the Customer and Company may agree that the Company will issue one bill totaling charges for service delivered at more than one Point of Service. The Customer may be billed for any program customization to accommodate a request for consolidated billing.

7.10 Unauthorized Use

Where the Company 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 the Company is denied full compensation for service provided, the Company may disconnect the Service, or take other appropriate actions. The Company will bill the Customer for the Company's estimate of such unauthorized use, plus all costs related to the investigation and resolution of the problem, including repairs of damage or reconstruction of Company Facilities. Nothing in this section shall limit any other rights or remedies that the Company may have in connection with such unauthorized use.

7.11 Billing Error

The Customer must provide written notice to the Company in order to dispute any or all amounts owing on a bill. In the event the Customer disputes an amount owing, the Customer shall nonetheless pay such disputed amount. Following resolution of any such dispute, the Company will return any amount found owing to the Customer forthwith. The right or ability of the Company to adjust a bill for service provided hereunder shall only apply to bills rendered during a period of 12 months prior to the date of the written notice of the dispute.

8. SERVICE CHANGES

8.1 Notice by Customer

A Customer shall give to the Company reasonable prior notice of any change in Service requirements, including any change in Connected Load, to enable the Company to determine whether or not it can supply such revised Service without changes to its Facilities. The Customer shall not change its Service requirements without the Company's written permission.

8.2 Responsibility for Damage

Each Customer shall bear responsibility for and shall pay for any damage caused to the Company's Facilities as the result of the Customer changing the Customer's Service requirements without the permission of the Company.

8.3 Changes to Company Facilities

If the Company must modify its Facilities to accommodate a change in Service requirements, the Customer shall pay for all costs in connection with such modification including the following costs:

- (a) the present value of Capital Recovery Stream(s) associated with the existing Facilities which are being removed, plus
- (b) the actual cost of removing the existing Facilities, less the actual salvage value, less
- (c) any Available Company Investment, as specified in Schedule A.

9. COMPANY RESPONSIBILITY AND LIABILITY

9.1 Continuous Supply

The Company shall make all reasonable efforts to maintain a continuous supply of Energy to its Customers, but the Company cannot guarantee an uninterrupted supply of Energy.

Whenever the Company reasonably determines, and without liability of any kind, the Company reserves the right to disconnect, curtail, interrupt, or reduce Service to Customers:

- (a) to facilitate construction, installation, maintenance, repairs, replacement or inspection of any of the Company's Facilities, or to permit the connection or disconnection of other Customers;
- (b) to maintain the safety and reliability of the Company's Facilities; or
- (c) for any other reason related to dangerous or hazardous circumstances including emergencies, forced outages, potential overloading of the Company's Facilities or Force Majeure.

The Company shall use reasonable efforts to minimize any scheduled curtailment, interruption or reduction in supply to the extent reasonably practicable under the circumstances, to provide the Customer with prior notification of any such curtailment, interruption or reduction to the extent reasonably practicable, and to resume the Customer's Service Connection as promptly as reasonably practicable.

9.2 Company Liability

Notwithstanding anything to the contrary contained in these Terms and Conditions, the Company 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 Customer or a Customer's property, resulting from the negligent acts or omissions of the Company, its employees or agents) arising out of or in any way connected with the provision of service by the Company to its Customers including, but not limited to, any failure, defect, fluctuation, reduction or interruption in the provision of Service by the Company to its Customers or the Company's failure to meet an In-Service Date provided that the Company has made reasonable efforts to meet the said In-Service Date. For the purposes of the foregoing and without otherwise restricting the generality thereof, "direct physical loss, injury or damage" shall not include 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 loss whatsoever.

9.3 Force Majeure

Should the Company be unable, because of Force Majeure, to provide a continuous supply of Energy to a Customer, the Company's responsibilities, so far as they are affected by the Force Majeure, shall be

relieved and suspended during the duration of such circumstances and the Company shall not be liable for any failure to perform any terms 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, the Company shall give notice to the affected Customers of such Force Majeure.

10. CUSTOMER RESPONSIBILITY AND LIABILITY

10.1 Approvals

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

10.2 Customer Responsibility

The Customer shall be solely responsible for the use, installation, condition and maintenance of all facilities, including but not limited to wiring, equipment and apparatus on the Customer's side of the Point of Service, except Facilities owned by the Company.

Where a Customer uses its Service Connection in a manner that causes interference with the operation of the Company's Facilities or with any Customer's use of a Service Connection, such as abnormal voltage levels, frequency levels, flicker levels, or harmonic and interharmonic levels, at the Company's request, and at the Customer's own expense, the Customer shall take whatever action is required to correct the interference or disturbance. Alternatively, the Company may elect to correct the interference or disturbance at the Customer's expense.

10.3 Customer Liability

The Customer assumes full responsibility for the proper use of Facilities and for the condition, suitability and safety of any and all wires, cables, devices or equipment energized on the Customer's premises or on premises owned or controlled by the Customer that are not the Customer's property.

The Customer shall be responsible for and shall pay for any damage to the Company's Facilities located upon the Customer's premises which is caused by the negligent acts or omissions or willful misconduct of the Customer or of anyone permitted by the Customer to be on the Customer's premises.

The Customer shall indemnify and save harmless the Company from and against any claim or demand for injury to persons or damage to property (including loss of use thereof and of any other property affected by the 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 the Company, its employees or agents.

The Customer releases the Company and its agents, directors, officers, employees, independent contractors, representatives, successors and assigns from any and all claims and liabilities whatsoever

relating to or arising as a result of the Customer, or its agents, directors, officers, employees, independent contractors, representatives, successors and assigns carrying out any acts required by these Terms and Conditions for the provision of Service, maintenance of Service, or any other act whatsoever arising out of or in any way connected with the existence or use of the Service so long as such injury or damage is not caused by the negligent acts or omissions or willful misconduct of the Company, its employees or agents.

10.4 Service Calls

The Company may require a Customer to pay the actual costs of a Customer-requested service call if the source of the problem is the Customer's facilities.

10.5 Protective Devices

The Customer shall be responsible for determining whether any devices are required to protect their equipment from damage that may result from the provision of Service by the Company. The Customer shall provide and install any such devices.

11. TERMINATION OF SERVICE

11.1 Termination By Customer

Except where otherwise provided in a written agreement between the Company and a Customer, a Customer may, at any time, give the Company reasonable written or verbal notice to terminate service. Upon receipt of such notice, the Company shall read the Customer's meter within a reasonable time, and, shall use its best efforts to read the Customer's meter at the time requested by the Customer. A Customer shall pay for all Service provided to the time of such reading.

11.2 Company Termination for Safety Reasons

The Company may, without notice, terminate a Customer's Service where, in the Company's opinion:

- (a) the Customer has permitted the wiring of their facilities to become hazardous;
- (b) the wiring of the Customer's facilities fails to comply with applicable law; or
- (c) the use of the Service may cause damage to the Company's Facilities or interfere with or disturb Service to any other Customer.

The Company will reconnect the Service when the safety problem is resolved and when the Customer has provided, or paid the Company'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. The Company may assess a Reconnection Fee, as defined in Schedule D.

11.3 Company Termination Other Than for Safety

The Company, or anyone acting under its authority, may, upon giving at least 48 hours' notice to the Customer, terminate the Customer's Service or install a Current Limiting Device to restrict the Service to such Customer in a number of circumstances, including but not limited to, if the Customer:

- (a) fails to meet its obligation under these Terms and Conditions, the terms of a contract for Service, or of the Company's Rate Schedules;
- (b) uses their Service Connection in such a way that causes interference with the operation of the Company's Facilities or any other Customer's use of a Service Connection resulting from abnormal voltage levels, frequency levels or harmonic and interharmonic levels.
- (c) tampers with any Company Facilities;
- (d) neglects or refuses to pay the amount billed for Service due and owing to the Company by the date indicated on the bill for Service;

- (e) changes Service requirements without the permission of the Company;
- (f) makes use of the Service for illegal purposes or in circumstances where the Company has evidence of Energy theft, or fraud by the Customer.

11.4 Removal of Facilities

Upon discontinuance of Service for whatsoever reason, the Company shall be entitled to remove any of its Facilities located upon the property of the Customer and to enter upon the Customer's property for that purpose.

SCHEDULE A: MAXIMUM AVAILABLE COMPANY INVESTMENT

(a) Subject to the provisions of Article 2 of this Schedule "A", the maximum cost which the Company will incur to extend Service to a Point of Service (herein referred to as the "Maximum Available Company Investment") shall be determined as follows. Under no circumstances would the Maximum Company Investment exceed the Customer extension cost:

(a) Residential Service:
\$3,060 per Single Family Dwelling and \$1,020 per unit in a Multiple Dwelling.

(b) General Service:
\$445 per kilowatt of estimated Billing Demand, which shall not be less than five kilowatts. If the estimated life of the Service is less than 25 years or seasonal, then the Maximum Available Company Investment shall be determined in the manner described in Article 2.

(c) Municipal Street Lighting:
Cost of Installation per light.

(d) Private Lighting Service:
\$1,750 per light.

(b) The investment in any extension of Service, whether or not specified in Article 1 above, shall consider the Load characteristics and service life of that type of Service. If the Company determines that the extension of Service deviates substantially from the norm, the Company will calculate the investment in the Service on a pro-rated basis of the full Maximum Company Investment for that class of customer.

SCHEDULE B: STANDARD SUPPLY SPECIFICATIONS

The Company's standard supply specifications, which are in accordance with Canadian Standards Association standard CAN-C235-83, are as follows:

(a) Residential:

240/120 V

- for services 100 amps or less, single phase, three wire
- overhead secondary conductors are supplied by the Company
- in designated areas, underground secondary conductors, labour to install conductors and protective raceways, and trenching are supplied by the Customer

(b) General Service:

240/120 V

- single phase, three wire
- overhead secondary conductors are supplied by the Company up to and including 150 kVA load
- overhead secondary conductors with carrying capacity of greater than 150 kVA are supplied by the Customer
- underground secondary conductors and raceways are supplied and installed by the Customer

208 Y/120 V

- three phase, four wire
- overhead secondary conductors are supplied by the Company up to and including 150 kVA load
- overhead secondary conductors with carrying capacity of greater than 150 kVA are supplied by the Customer
- underground secondary conductors and raceways are supplied and installed by the Customer

480 Y/277 V

- three phase, four wire
- overhead secondary conductors are supplied by the Company for loads up to 150 kVA
- overhead secondary conductors are supplied by the Customer for loads greater than 150 kVA
- underground secondary conductors and raceways are supplied and installed by the Customer

600 Y/347 V

- three phase, four wire
- overhead secondary conductors are supplied by the Company for loads up to 150 kVA
- overhead secondary conductors are supplied by the Customer for loads greater than 150 kVA
- underground secondary conductors are supplied and installed by the Customer

If a Customer requires Service that is outside of the standard service specifications above, the Company will attempt to meet the Customer's needs. This arrangement may require an agreement outlining specific contract terms and conditions.

SCHEDULE C: CONDITIONS OF UNDERGROUND SERVICE

Underground Extensions and Services

When a developer or Customer requests underground Service, the availability and suitability of underground Service will be determined by the Company taking into consideration:

- existing overhead Service availability,
- soil conditions, and
- the relative cost to supply overhead vs. underground.

If the Company determines that underground Service is suitable and available, the following rules and regulations apply:

- All underground construction is subject to the Terms and Conditions of Service regarding Customer contributions. Underground services are subject to the Maximum Company Investment specified in Schedule A. Costs above the Maximum Company Investment are the responsibility of the developer or Customer.
- The Company will supply, install and maintain all conductor and equipment associated with primary and secondary supply including duct and cable, risers, transformer vaults or pads, transformer and protective fences and/or blast walls secondary duct, wire, and pedestals to the lot line, trenching and backfilling subject to Paragraph (a) above.
- For single family residential services, the Customer shall provide a meter socket and service conductor protection in accordance with code from sixty centimeters below grade level to the line side of the meter socket and will ensure the Service has a minimum 100 ampere capacity. The Customer will supply route from the lot line or the pedestal to the meter socket location. The Company will install secondary conductor and equipment from the closest pedestal to a location on the line side of the meter base, subject to the Company investment specified in Schedule A.
- For services which are not single family residential, (up to and including four-plexes), the secondary conductors and equipment from the meter socket up to, but not including the Company specified underground supply equipment (either a pedestal, riser structure, or transformer) must be supplied, installed, and maintained by the Customer except by written agreement with the Company. This includes, but is not limited to, all commercial, apartment, and condominium type developments.
- The developer or Customer shall provide without cost to the Company such rights of way, easements, utility corridors, and transformer locations as the Company may require for the installation, operation, and maintenance of such extensions, which the developer or Customer shall

keep free and clear of any buildings, structures, fences, pavement, trees, or any other obstructions which may hinder the Company in installing, maintaining, or removing its Facilities.

Underground Subdivisions:

In addition to the above the following shall apply for underground extensions to supply new subdivisions:

- (a) The developer shall provide the Company a certified copy of the registered plan of subdivision and final construction plans showing the locations of sidewalks, curbs and gutters, driveways (if known) and underground utilities together with such evidence as the Company may require to the effect that all rules and regulations applicable to the development have been or will be complied with by the developer.
- (b) Survey stakes indicating the grades and property lines shall be installed and maintained by the developer.
- (c) The surface of the ground for a distance of not less than 1.5 meters on each side of the alignments for the underground conductor lines shall be graded by the developer to within eight (8) centimeters of final grade.
- (d) Unless otherwise agreed to by the Company, the developer shall provide a survey for the location of transformers, street light bases, and cable routing, as required.
- (e) Permanent improvements other than sidewalks, curbs, and gutters may not be constructed by the developer until approved by the Company.

SCHEDULE D: FEES AND SERVICE CHARGE SUMMARY

CONNECTION and RECONNECTION FEES

Connection Fee (4.1, 4.3, 4.11)	
During normal business hours:	\$55.00
Outside of normal business hours:	Company's Actual Cost (min. \$55.00)
Reconnection fee (4.15, 11.2)	
During normal business hours:	\$67.00
Outside of normal business hours:	Company's Actual Cost (min. \$67.00)

LATE PAYMENT AND DISCONNECTION

Overdue Account Fee (4.15, 7.4)	\$33.00 (personal visit)
Late Payment Charge (7.3, 7.4)	1.5% per month (19.56% per annum)
Dishonoured Payments (7.5)	\$39.00

MISCELLANEOUS FEES / CHARGES

Meter Accuracy Test Handling Fee (6.3)	
Self-contained (Cumulative) Meter	\$111.00
Instrument (Interval) Meter	\$222.00
Unmetered Flat Rate General Service (6.1)	
Fee per 300 metres of excess extension	\$3.20