



CITY OF
Lethbridge

SUPPLEMENTAL BYLAW REPORT

Date of Meeting:

November 25, 2019

Bylaw: Bylaw 6195 - 2020 Electric Distribution Tariff Bylaw

Submitted By: Stewart Purkis, Electric Utility Manager

Recommended Action: THAT Council amend Bylaw 6195 prior to second and third reading, and
FURTHER THAT Council provide second and third reading to Bylaw 6195.

Executive Summary: Upon completion of analysis of 3rd quarter financial results, the Electric Utility requires a revision to the rate increases proposed during 1st reading within the Distribution Tariff Bylaw prior to 2nd and 3rd reading.

A shortfall in revenue collection has occurred as of September 30, 2019. The shortfall in revenue is a result of a lowering in overall electrical consumption of 1% by users of the system. 2019 forecasted revenue was made using a modest historical estimate of growth in electrical consumption of 1.5%. Significant new customer loads were added to the system during 2019 but those additions did not keep pace with the reductions created by the existing customer base.

The predominant factor that will have caused this lowering of consumption is the mild temperature conditions that occurred during the summer months of 2019. Mild temperatures lessen the requirements for air conditioning and industrial cooling which requires significant electrical energy input.

As the Electric Utility now forecasts revenue to be collected by the 2020 Distribution Tariff an increase in rates will be required to meet the budgeted revenue requirement given the lower consumption data from 2019.

At first reading, Transmission Access Fees, the fees flowed through from customers to the Province to pay the costs of the provincial transmission system, were set to increase by 7% across all rate classes. Upon analysis of 3rd quarter financials this increase needs to be 9.5%.

At first reading, Distribution Access Fees, the fees collected from customers to pay for the local distribution system here in Lethbridge, were set to increase by 1% across all rate classes.

Upon analysis of 3rd quarter financials this increase needs to be 2.5%.

Attachments:

- Attachment 1: Amended Version of Bylaw 6195



CITY OF
Lethbridge

BYLAWS

Date of Meeting:

November 25, 2019

Bylaw: Bylaw 6195 - 2020 Electric Distribution Tariff Bylaw

Submitted By: Stewart Purkis, Electric Utility Manager

Recommended Action:	That City Council provide second and third reading of the 2020 Electric Distribution Tariff Bylaw – 6195.
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Executive Summary: The Electric Distribution Tariff Bylaw sets the rates for all customers receiving electric services from the City of Lethbridge Electric Utility. The Distribution Tariff covers costs for the “wire services” required to connect customers but does not cover costs associated with the energy customers consume. The Distribution Tariff is comprised of two main components to recover the costs of providing electric utility infrastructure for customers, Transmission Access Fees and Distribution Access Fees.

Transmission Access Fees are collected from customers by the City of Lethbridge Electric Utility and flowed through to the Alberta Electric System Operator (AESO) to cover the costs of the provincial transmission system. The provincial transmission system is required to connect generation sources to distribution systems throughout the province. Transmission Access Fees are set by the AESO and approved by the Alberta Utilities Commission (AUC).

Transmission Access Fees will increase by 7% across all rate classes in the Electric Distribution Tariff in order to meet the forecasted costs from the AESO in 2020.

Distribution Access Fees are collected from customers to cover the costs related to the distribution system electrical infrastructure located within the City of Lethbridge. The Lethbridge distribution system provides electrical connection for all customers in Lethbridge from the transmission system to their point of use.

Distribution Access Fees will increase by 1% across all rate classes in the Electric Distribution Tariff in order to meet forecasted costs for 2020.

In addition, there will be no change to the Local Access Fee that the City of Lethbridge charges to electric utility customers in 2020. The Local Access fee is set as a percentage of the sum of

Transmission Access Fees and Distribution Access Fees. The Local Access Fee will be 15.5% for 2020.

The forecasting of rates for first reading of the Electric Distribution Tariff are based upon analysis of June 30, 2019 financial reports. The proposed rates will be reviewed using September 30, 2019 financials when completed. Any modifications to rates required as a result of the September 30, 2019 financial analysis will be communicated to City Council prior to providing second and third reading of the Electric Distribution Tariff Bylaw planned for November 25, 2019.

Attachments:

- Attachment 1: 2020 DT Bylaw 6195

A/Department Director:	Doug Kaupp
City Treasurer:	
City Solicitor:	Brian Loewen

BYLAW 6195

**A BYLAW OF THE CITY OF LETHBRIDGE
TO ESTABLISH THE CITY OF LETHBRIDGE
ELECTRIC DISTRIBUTION TARIFF**

WHEREAS the City of Lethbridge owns and operates a Municipal Electric Distribution Utility;

AND WHEREAS the City of Lethbridge Municipal Electric Distribution Utility has been designated as a Wire Service Provider pursuant to the ELECTRIC UTILITY ACT, S.A. 2003;

AND WHEREAS it is necessary to provide for the establishment of and the collection of fees for the provision of access to the City of Lethbridge distribution system and provincial electric transmission grid;

NOW THEREFORE, THE COUNCIL OF THE CITY OF LETHBRIDGE, DULY ASSEMBLED, HEREBY ENACTS AS FOLLOWS:

1. Bylaw 6195, the City of Lethbridge Electric Distribution Tariff Bylaw is hereby established.

2. The 2020 Electric Distribution Rates are set forth in following Rate Schedules:

Rate Code 991 Standard Single Phase Distribution
Rate Code 992 Medium Single Phase Distribution
Rate Code 994 General Three Phase Distribution
Rate Code 995 Medium Three Phase Distribution
Rate Code 996 Large Three Phase Distribution
Rate Code 997 Primary Distribution
Rate Code 998 Public Lighting Distribution
Rate Code 999 Unmetered Distribution

3. There is hereby established a City of Lethbridge Local Access Fee – Rider “A” attached hereto as Schedule “A”.

4. There is hereby established a Balancing Pool Consumer Allocation – Rider “B” attached hereto as Schedule “B”.

5. There is hereby established an AESO Rate DTS – Rider “C” attached hereto as Schedule “C”.

6. The Terms and Conditions are set forth in the following Terms and Conditions of Electric Service attached hereto.
7. Bylaw 6144 and amendments thereto is hereby repealed.
8. This Bylaw shall take effect on the 1st day of January, 2020

READ A FIRST TIME this 7th day of October, A.D. 2019
CA Spear Bonnie J. Helford
MAYOR CITY CLERK

READ A SECOND TIME this 25th day of November, A.D. 2019
CA Spear Bonnie J. Helford
MAYOR CITY CLERK

READ A THIRD TIME this 25th day of November, A.D. 2019
CA Spear Bonnie J. Helford
MAYOR CITY CLERK



City of Lethbridge
ELECTRIC UTILITY

**Electric Distribution Tariff
Rate Schedule**

City of Lethbridge
Bylaw 6195

Effective:
January 1, 2020

City of Lethbridge
Infrastructure Services
Electric Utility

Document

Copies of this document available at:

City of Lethbridge City Hall
Electric Design and Administration
290 – 7th Street, North
Lethbridge, Alberta T1H 6K2

Electronic version (pdf) of this document available at:

<http://www.lethbridge.ca/bylaws>

Other related documents:

Technical Terms and Conditions for Distribution Wire Access (2014)
Guideline for Power Quality (2013)
Distribution Tariff Fee Schedule (2017)
City of Lethbridge Code of Conduct Compliance Plan (2016)
Electric Distribution Capital Investment Policy (2017)
Terms and Conditions for Retailer Services (2019)

Contact Information:

Office: 290 – 7th Street, North Lethbridge, Alberta T1H 6K2
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Document Author:

City of Lethbridge Electric Utility
Regulatory & Rates
Infrastructure Services
City of Lethbridge

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Electric Distribution Rates

Electric Distribution Tariff

The current Electric Distribution Tariff includes approved Electric Distribution Rates and Terms and Conditions of Electric Service.

Electric Distribution Rates

Current Electric Distribution Rates include approved Distribution Access Rates and Transmission Access Rates herein for the current Effective Rate Period.

Effective Rate Period

Current Electric Distribution Rates (Transmission and Distribution components) take effect January 1, 2020 (midnight December 31, 2019) and remain in effect until replaced by a new or amended rate approved by the City Council of the City of Lethbridge.

Effective January 1, 2010 the MCAF no longer applied to Rider B.

The application of Rider C took effect January 1, 2010.

Rate Application Authority

The City of Lethbridge undertakes to apply Electric Distribution Rates as per Section 102 of Electric Utility Act of the Province of Alberta and Electric Utility Act Distribution Tariff Regulation 162/2003.

Rate Approval Authority

The City of Lethbridge Electric Utility undertakes to apply current Electric Distribution Rates under the authority of City of Lethbridge Bylaw 5613.

Terms and Conditions

Electric Distribution customers are subject to Terms and Conditions of Electric Service and all published related documents.

Price Adjustments and Riders

Electric Distribution Tariff price adjustments and riders noted herein are provided for information and are not intended to be part of the City of Lethbridge Electric Distribution Tariff. Adjustments and Riders retain specific approvals, effective periods and terms and conditions.

City of Lethbridge Local Access Fee

The City of Lethbridge Local Access Fee (LAF) is a surcharge applied by the City of Lethbridge applicable to all service provided under the Electric Distribution Tariff.

The Current LAF is contained under Schedule A.

Definitions

Billing Period	The period of time for which distribution rate calculations apply.
Contract Demand	The agreed contract minimum and maximum service load available as determined under a <i>Distribution Service Agreement</i> between the customer and the City of Lethbridge Electric Utility.
Contract Maximum	Means the maximum kVA established under a <i>Distribution Service Agreement</i> a customer agrees to demand and the City of Lethbridge Electric Utility will provide.
Contract Minimum	Means the minimum kVA established under a <i>Distribution Service Agreement</i> for which a customer is charged.
Contract Ratchet	Means the maximum recorded kVA greater than Contract Maximum over the past 12 months.
Cumulative Meter	A metering device that measure system usage by continuously adding current use to prior use. Current consumption is determined as the difference between a current reading and a prior reading.
Customer	Means the recipient of electric distribution services.
Customer of Record:	Means the party responsible for the payment of services.
Demand	Means the service load or rate at which electric energy is delivered/taken at a given point in time measured in kVA or MVA.
Demand Meter	Means the metering device used to determine Demand.
Distribution Access	Means access to the City of Lethbridge Electric Distribution System.
Distribution Service Agreement	Means an agreement between the City of Lethbridge Electric Utility and a distribution service connection customer.
Electric Service Area	The area determined under the <i>Hydro and Electric Energy Act</i> in which the City of Lethbridge as owner of an electric distribution system may distribute electricity.
Interval Meter	Means a meter that measures, at intervals of 60 minutes or less, the amount of electricity consumed, and satisfies the standards for revenue collection under the <i>Electricity and Gas Inspection Act</i> (Canada) and the <i>Weights and Measures Act</i> (Canada).
kVA	Means Kilovolt ampere and is the unit of measure used for Demand, Contract Maximum, Contract Minimum and Contract Ratchet.
kWh	Means Kilowatt-hour (one kilowatt of power supplied/taken for one hour) and is the unit of measure used for System Usage.
Load Profile	Means the measured or determined System Usage throughout a period of time.

MVA	Means 1,000 kVA
Off-Peak	Means System Usage other than On-Peak system usage.
On-Peak	Means System Usage between the 07:00 hours and 23:00 hours, Monday through Saturday excluding: all Sundays, New Year's Day, Good Friday and Christmas Day.
Primary Voltage	Means a Service Connection at the City of Lethbridge distribution system high voltage level.
Ratchet	Means the highest demand in the last 12 months
Regulated Rate Option	Means the Tariff an owner of an electric distribution system must prepare for the purpose of recovering prudent costs for providing electric energy services to eligible customers that are not enrolled with a retailer.
Secondary Voltage	Means the output of a load-supply City of Lethbridge Electric Distribution Transformer.
Service and Facility	Means ongoing services, plant, works, equipment necessary to provide electric distribution and transmission access.
Service Connection	Means the point of connection to the City of Lethbridge Electric Distribution System.
Single-Phase Connection	Means a 3-wire connection point.
System Usage	Means the use of the City of Lethbridge Electric Distribution System and Alberta Interconnected Electric System measured in kWh.
Totalized	Refers to the combining of 2 or more services at one site for billing purposes.
Three-Phase Connection	Means a 4-wire connection point.
Transmission Access	Means access to the Alberta Interconnected Electric System.
Unmetered	Means a Service Connection without a City of Lethbridge Electric Utility provided metering device.

2020 Electric Distribution Rates

Rate Code	Distribution Rate Description
991	Standard Single Phase Distribution Rate – for single phase service metered through a single cumulative or demand meter. <ul style="list-style-type: none">▪ Demand less than 12 kVA
992	Medium Single Phase Distribution Rate – for single phase service metered through a demand meter. <ul style="list-style-type: none">• Demand of 12 kVA or greater
994	General Three-Phase Distribution Rate – for three phase service metered through a single demand meter. <ul style="list-style-type: none">▪ Demand less than 150 kVA
995	Medium Three-Phase Distribution Rate – for service through a three-phase connection at secondary voltage metered through a single demand meter. <ul style="list-style-type: none">▪ Demand of 150 kVA or greater and less than 300 kVA
996	Large Three-Phase Distribution Rate – for service through a three-phase connection at secondary voltage metered through a single interval meter. <ul style="list-style-type: none">▪ Demand of 300 kVA or greater
997	Primary Distribution Rate – for service through a three-phase connection at primary voltage metered to customer transformation through a single interval meter. <ul style="list-style-type: none">▪ Demand of less than 15 MVA
998	Public Lighting Distribution Rate – for unmetered municipally owned and provincial owned public lighting systems and individual customer subscribed unmetered security lighting.
999	Unmetered Distribution Rate – for unmetered service connections with small, consistent and predictable system usage.

2020 City of Lethbridge Electric Utility Distribution Tariff

Rate Code 991: Standard Single Phase Distribution

Service

Single phase service connected within the City of Lethbridge electric service area
Metered through a single cumulative or demand meter
For monthly demand less than 12 kVA

Transmission Access Rate

a) System Usage Charge	0.0268	\$ per kWh
b) Service and Facilities Charge	0.2778	\$ per day

Distribution Access Rate

a) System Usage Charge	0.0199	\$ per kWh
b) Service and Facilities Charge	0.8916	\$ per day

- The minimum daily charge is the daily combined distribution and transmission service and facilities charge
- The billing period is monthly
- The City of Lethbridge Terms and Conditions of Electric Service apply to this rate
- The City of Lethbridge *Rider A* Local Access Fee (LAF) is applied to total charges under this rate
- Additional riders approved by City Council may be applied to this rate.

2020 City of Lethbridge Electric Utility Distribution Tariff

Rate Code 992: Medium Single Phase Distribution

Service

Single phase service connected within the City of Lethbridge electric service area

Metered through a demand meter

System demand of 12 kVA or greater

Transmission Access Rate

a) System Usage Charge	0.0153	\$ per kWh
b) Service and Facilities Charge	0.0000	\$ per day
c) Demand Charge	0.1010	\$ per kVA per day

Distribution Access Rate

a) System Usage Charge	0.0012	\$ per kWh
b) Service and Facilities Charge	0.5176	\$ per day
c) Demand Charge	0.0901	\$ per kVA per day

- The minimum daily charge is the daily combined distribution and transmission demand charge plus the daily Service and Facilities Charge.
- The billing period is monthly
- Demand charge based on the greater of "metered" or "ratchet" demand.
- The City of Lethbridge Terms and Conditions of Electric Service apply to this rate
- The City of Lethbridge *Rider A* Local Access Fee (LAF) is applied to total charges under this rate
- Additional riders approved by city Council may be applied to this rate.

2020 City of Lethbridge Electric Utility Distribution Tariff

Rate Code 994: General Three-Phase Distribution

Service

Three phase service connected within the City of Lethbridge electric service area

Metered through a single demand meter

System demand less than 150 kVA

Transmission Access Rate

a) System Usage Charge	0.0153	\$ per kWh
b) Service and Facilities Charge	0.0000	\$ per day
c) Demand Charge	0.1682	\$ per kVA per day

Distribution Access Rate

a) System Usage Charge	0.0009	\$ per kWh
b) Service and Facilities Charge	0.4141	\$ per day
c) Demand Charge	0.1318	\$ per kVA per day

- The minimum daily charge is the daily combined distribution and transmission demand charge plus the daily Service and Facilities Charge.
- The billing period is monthly
- Demand charge based on the greater of "metered" or "ratchet" demand
- The City of Lethbridge Terms and Conditions of Electric Service apply to this rate
- The City of Lethbridge *Rider A* Local Access Fee (LAF) is applied to total charges under this rate
- Additional riders approved by city Council may be applied to this rate.

2020 City of Lethbridge Electric Utility Distribution Tariff

Rate Code 995: Medium Three-Phase Distribution

Service

Service connected within the City of Lethbridge electric service area

Serviced through a three-phase connection at secondary voltage

Metered through a single demand meter

System demand of 150 kVA or greater and less than 300 kVA

Transmission Access Rate

a) System Usage Charge	0.0140	\$ per kWh
b) Service and Facilities Charge	0.0000	\$ per day
c) Demand Charge	0.2278	\$ per kVA per day

Distribution Access Rate

a) System Usage Charge	0.0010	\$ per kWh
b) Service and Facilities Charge	0.4090	\$ per day
c) Demand Charge	0.2071	\$ per kVA per day

- The minimum daily charge is the daily combined distribution and transmission demand charge plus the daily Service and Facilities Charge.
- Demand charge based on the greater of "metered" or "ratchet" demand
- The City of Lethbridge Terms and Conditions of Electric Service apply to this rate
- The City of Lethbridge *Rider A* Local Access Fee (LAF) is applied to total charges under this rate
- Additional riders approved by city Council may be applied to this rate.

2020 City of Lethbridge Electric Utility Distribution Tariff

Rate Code 996: Large Three-Phase Distribution

Service

Service connected within the City of Lethbridge electric service area

Serviced through a three-phase connection at secondary voltage

Metered through a single interval meter

System demand of 300 kVA or greater

Transmission Access Rate

a) On-Peak System Usage Charge	0.0173	\$ per kWh
b) Off-Peak System Usage Charge	0.0143	\$ per kWh
b) Service and Facilities Charge	0.0000	\$ per day
c) Demand Charge	0.1866	\$ per kVA per day

Distribution Access Rate

a) System Usage Charge	0.0012	\$ per kWh
b) Service and Facilities Charge	14.7468	\$ per day
c) Demand Charge	0.1968	\$ per kVA per day

- The minimum daily charge is the daily combined distribution and transmission demand charge plus the daily Service and Facilities Charge.
- The billing period is monthly
- Demand charge based on the greater of "metered", or "ratchet" demand:
- The City of Lethbridge Terms and Conditions of Electric Service apply to this rate
- The City of Lethbridge *Rider A* Local Access Fee (LAF) is applied to total charges under this rate
- On Peak System Usage Charge based on usage between the 07:00 and 23:00 hours, Monday through Saturday excluding all Sundays, New Year's Day, Good Friday and Christmas Day
- Additional riders approved by city Council may be applied to this rate.

2020 City of Lethbridge Electric Utility Distribution Tariff

Rate Code 997: Primary Distribution

Service

Service connected within the City of Lethbridge electric service area

Serviced through a three-phase connection at primary voltage to customer transformation

Metered through a single interval meter

System demand of less than 15 MVA

Transmission Access Rate

a) On-Peak System Usage Charge	0.0176	\$ per kWh
b) Off-Peak System usage Charge	0.0145	\$ per kWh
b) Service and Facilities Charge	0.0000	\$ per day
c) Demand Charge	0.1992	\$ per kVA per day

Distribution Access Rate

a) System Usage Charge	0.0011	\$ per kWh
b) Service and Facilities Charge	13.0135	\$ per day
c) Demand Charge	0.0902	\$ per kVA per day

Transmission Access Rate

- The minimum daily charge is the daily combined distribution and transmission demand charge plus the daily Service and Facilities Charge.
- The billing period is monthly
- Demand charge based on the greater of "metered", or "ratchet" demand:
- The City of Lethbridge Terms and Conditions of Electric Service apply to this rate
- The City of Lethbridge *Rider A* Local Access Fee (LAF) is applied to total charges under this rate
- On Peak System Usage Charge based on usage between the 07:00 and 23:00 hours, Monday through Saturday excluding all Sundays, New Year's Day, Good Friday and Christmas Day
- Additional riders approved by city Council may be applied to this rate.

2020 City of Lethbridge Electric Utility Distribution Tariff

Rate Code 998: Public Lighting Distribution

Service

Service connected within the City of Lethbridge electric service area

For unmetered public lighting systems

Public lighting system includes all municipally managed lighting distribution services and all provincially managed lighting distribution services

Public lighting includes all customer subscribed security lighting (dusk to dawn) provided directly by the City of Lethbridge

Transmission Access Rate

a) System Usage Charge	0.0544	\$ per kWh
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Distribution Access Rate

a) System Usage Charge	0.2934	\$ per kWh
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Minimum Billing Charge	1.00	\$ per day
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- The minimum daily charge is the minimum billing charge or the Distribution Access Rate plus the Transmission Access Rate whichever is greater.
- The billing period is monthly
- The City of Lethbridge Terms and Conditions of Electric Service apply to this rate
- The City of Lethbridge *Rider A* Local Access Fee (LAF) is applied to total charges under this rate
- Additional riders approved by City Council may be applied to this rate
- Billing period system usage is based on the sum of the estimated energy load profile for all serviced lighting under this rate as determined by the City of Lethbridge Electric Utility
- Public lighting includes street, roadway, highway, park, walkway, unmetered traffic sign lighting and customer subscribed security lighting

2020 City of Lethbridge Electric Utility Distribution Tariff

Rate Code 999: Unmetered Distribution

Service

Service connected within the City of Lethbridge electric service area

For unmetered connections with small, consistent and predictable system usage as determined by Lethbridge Electric Utility

Transmission Access Rate

a) System Usage Charge	0.0461	\$ per kWh
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Distribution Access Rate

a) System Usage Charge	0.2097	\$ per kWh
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Minimum Billing Charge	1.00	\$ per day
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- The minimum daily charge is the minimum billing charge
- The billing period is monthly
- The City of Lethbridge Terms and Conditions of Electric Service apply to this rate
- The City of Lethbridge *Rider A* Local Access Fee (LAF) is applied to total charges under this rate
- Additional riders approved by city Council may be applied to this rate.
- Billing period system usage is based on the estimated system usage load profile for each service site as determined by the City of Lethbridge Electric Utility

Schedule A: City of Lethbridge Local Access Fee - Rider "A"

The City of Lethbridge Local Access Fee (LAF), also referred to as a Municipal Consent and Access Fee (MCAF), is effective on the Electric Distribution Tariff approval date.

The Local Access Fee is **0.1550** times (15.50%) the total Distribution Access Charge and the total Transmission Access Charge or the total minimum charge.

Schedule B: Balancing Pool Consumer Allocation Rider "B"

Purpose:

To collect from or refund to Electric Distribution Tariff Customers amounts transferred to the City of Lethbridge by the Alberta Electric System Operator (AESO) through Rider F Balancing Pool Consumer Allocation Rider. Rider F is the amount estimated by the Balancing Pool and transferred to AESO under Section 82 of the Electric Utility Act.

Application:

Applicable to all City of Lethbridge Electric Distribution Tariff Rates. This rider will be applied to consumers whether they are customers of a retailer, are on the regulated rate option or are a default supply customer.

Effective:

This rider is in effect until cancelled, replaced or amended by the City Council of the City of Lethbridge, or until suspended by the Alberta Electric System Operator, the Alberta Utilities Commission, or the Balancing Pool of Alberta.

Metered Service Rate:

The \$ per kilowatt hour of metered energy (for each billing period) will be the Balancing Pool \$ amount, adjusted for distribution system losses. \$ Amounts will be posted on the City of Lethbridge Electric website as they become available.

Unmetered Service Rate:

The \$ per kilowatt hour of estimated energy determined for billing purposes for each billing period will be provided and calculated as per the Metered Service Rate.

Application:

The City of Lethbridge Terms and Conditions of Electric Service apply to this rider

Note:

Rider rate includes an allowance of 3.75% for distribution system losses

Schedule C: AESO Rate "DTS" Rider "C"

Background:

The AESO (Alberta Electric System Operator) charges the City of Lethbridge a monthly fee for transmission access through their 'DTS' rate. The City of Lethbridge attempts to flow these costs through to customers through *Transmission Access Rates* in each of the rate classes. Because of the volatility of the monthly AESO DTS charges (these charges vary considerably depending on supply availability and pool price), it is not possible to exactly match the AESO DTS charges with our *Transmission Access Rates*. (Typically the City only changes its rate on an annual basis).

Purpose:

To collect from or refund to Electric Distribution Tariff Customers amounts not accommodated by the Transmission Access Rates embedded in each of the Electric DT bylaw rate classes.

Application:

Applicable to all City of Lethbridge Electric Distribution Tariff Rates. This rider will be applied to consumers whether they are customers of a retailer, are on the regulated rate option or are a default supply customer.

Effective:

This rider is effective with electric energy billing beginning January 1, 2010 and remains in effect until cancelled, replaced or amended by the City Council of the City of Lethbridge.

Service Rate:

(This Bylaw) Electric Rider 'C' rate is reviewed monthly, is adjusted and posted as required and takes into consideration the adjustments that AESO makes to the 'DTS' rate and related riders. The charge/credit applies to the next month billing cycle. The charge or credit will be a \$ per kilowatt hour of metered energy for each billing period following the adjustment.

Unmetered Service Rate:

The charge or credit will be a \$ per kilowatt hour of the estimated energy determined for billing purposes for each billing period following the quarterly posting.

Application:

The City of Lethbridge Terms and Conditions of Electric Service apply to this rider.



**City of Lethbridge
ELECTRIC UTILITY**

**Terms and Conditions
Of
Electric Service**

City of Lethbridge
Bylaw No. 6195

Effective:
January 1, 2020

City of Lethbridge
Infrastructure Services
Electric Utility

Document

Copies of this document available at:

290 – 7th Street, North
Lethbridge, Alberta T1H 6K2
City of Lethbridge City Hall
Lethbridge, Alberta

Electronic version (pdf) of this document available at:

<http://www.lethbridge.ca/electric>

Other related documents:

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Distribution Tariff Fee Schedule (2017)
City of Lethbridge Code of Conduct Compliance Plan (2016)
Electric Distribution Capital Investment Policy (2017)
Terms and Conditions for Retailer Services (2019)

Contact Information:

Office: 290 – 7th Street, North Lethbridge, Alberta T1H 6K2
Office Hours: Monday to Friday, 8:00 a.m. - 4:30 p.m.
Phone: 403.320.4182
Email: electricaccountadmin@lethbridge.ca

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City of Lethbridge Electric Utility
Regulatory & Rates
Infrastructure Services

City of Lethbridge

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ARTICLE 1 – GENERAL PROVISIONS

1.1 Services

Lethbridge Electric Utility (LEU) provides various services, including Retail Access Services, Distribution Services, Distributed Generation Interconnection Services and Transmission Connected Services under a Tariff (the “Distribution Tariff”), which includes these Terms and Conditions, a pro forma Interconnection Agreement, the Associated Rate Schedules and a Fee Schedule.

LEU may assign any or all of its obligations to provide Electricity Services under Alberta Regulation. Assignment of obligations does not relieve LEU of its responsibility for these obligations.

Identification of LEU in these Terms and Conditions means Lethbridge Electric Utility and any Agent assigned to provide service.

1.2 Tariff

The Terms and Conditions, as approved by LEU form part of the Electric Distribution Tariff and are established pursuant to section 2 of the *Distribution Tariff Regulation*, A.R. 162/2003, as amended from time to time. The Electric Distribution Tariff is available upon request to the LEU and is available on the City of Lethbridge website.

1.3 Approval

These Terms and Conditions are included as support for the Distribution Tariff filing and have been approved by the City of Lethbridge. These Terms and Conditions come into force on January 1, 2020 and will be in force until another Distribution Tariff application is approved.

Distribution services provided by LEU are regulated by the City of Lethbridge, and parties having any inquiries or complaints regarding the Terms and Conditions may direct such inquiries or complaints directly to LEU, the City of Lethbridge.

1.4 Acceptance

The Terms and Conditions apply to LEU and its relationship with Distribution Load Customers, Distribution Generator Customers and Retailers (together, the “Responsible

Parties"). All Responsible Parties by virtue of their relationship with LEU are deemed to have accepted these Terms and Conditions.

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 City of Lethbridge. Whenever the City of Lethbridge approves an amendment to the Terms and Conditions, such amendment, including its effective date, will be posted on the City of Lethbridge website.

1.5 Codes of Conduct

The codes of conduct contained or pursuant to the regulations under the EUA are incorporated into these Terms and Conditions by reference.

1.6 Modification of Terms and Conditions

No agent or employee of LEU is authorized to modify any provision, charge, or rate contained in these Terms and Conditions, the Rate Schedule or the Fee Schedule or to bind LEU to perform in any manner inconsistent with these Terms and Conditions, the Rate Schedule or the Fee Schedule.

1.7 Collection of Taxes

LEU shall collect all fees and taxes imposed by governmental authorities. The Retailer shall be responsible for identifying and requesting any exemption from the collection of any tax by filing appropriate document with LEU.

1.8 Payment of Invoice

The Customer shall pay all fees, rates and charges required to be paid under these Terms and Conditions upon receipt of an invoice. Invoices are due and payable when rendered. If not paid on or before the past due date on the invoice, the invoice is deemed to be in arrears. Failure to receive an invoice does not relieve the customer of liability to pay the same.

Invoices shall be deemed rendered and other notices duly given when delivered personally, when mailed to or left at the premises where service is provided or the last known address of the Party. Failure to receive such an invoice from LEU will not entitle the Responsible Party to any delay in the settlement of each account nor to any extension of the date after which a late payment charge becomes applicable. In the case of a dispute between LEU and the Responsible Party, the Responsible Party shall be expected to make payment or settlement as originally arranged and agreed to, pending the resolution of the dispute.

Late payment penalties, at a rate established by the City of Lethbridge from time to time and specified in the invoice will be applicable to the total current charges outstanding, no less than twenty five (25) days following the Current Bill Date. Customers who fail to make payments on time will also be subject to normal credit action.

1.8.1 Underpayments

Underpayments of any amount are treated as normal receivables.

1.8.2 Returned Cheque Fee

LEU may assess a fee, as outlined in the Fee Schedule to any Party whose payment to LEU is dishonored by any bank when presented for payment. Receipt by LEU of a payment instrument that is subsequently dishonored shall not be considered valid payment.

ARTICLE 2 – INTERPRETATION

If there is any conflict between a provision expressly set out in an order of the Board or a by-law of Lethbridge City Council and the Terms and Conditions, the Order or by-law shall govern.

2.1 Conflicts

If there is any conflict between a provision in these Terms and Conditions and a provision in a Retail Service Agreement, Distribution Service Agreement or any other existing or future agreement between LEU and a Responsible Party relating to the provision of a Service Connection or Distribution Tariff Services, these Terms and Conditions of Electric Service shall govern.

2.2 Headings

The division of the 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 the Terms and Conditions. Schedules and Appendices of applicable related documents should be read in their entirety. The Terms and Conditions reference in most but not all circumstances where an Appendix should be consulted for more information.

2.3 Definitions

AUC: means Alberta Utilities Commission

Agreement: means an agreement entered into between the City of Lethbridge and a Person for the provision of goods and services.

Bi-directional: means a metering device or devices that measure the total electricity that has flowed in a circuit from one reading date to the next in each of 2 opposite directions, and that store in separate data registers the data respecting the flow of electricity in each direction.

Buy-down: means the process of reducing service connection requirements.

Buy-down Charge: means the financial amount the customer must pay for a new Distribution Agreement which allows a decrease in the Contract Minimum Demand.

Commission: refers to the Alberta Utilities Commission

Contract Demand: the customers typical forecast monthly demand. (Running demand).

Contract Demand Waiver: allows the Customer to exceed the Maximum contract demand without penalty.

Contract Maximum Demand: means no more than 115% of the customer's contract demand (rounded to the next highest whole number).

Contract Minimum Demand: means no less than 85% of the customer's contract demand (rounded to the next smallest whole number).

Customer: means a recipient of electric services provided by LEU.

Customer of Record: means the party responsible for the payment of services.

Customer Contribution: means the NUC to provide a service connection less the investment by LEU in that service connection.

Distribution Charges: includes transmission and distribution charges, local access fees and any riders established by the LEU.

Distribution Service Agreement: means a contractual agreement between the LEU and a Customer for the provision of Distribution Access Service.

Electric Services: as defined in the EUA and "Distribution Services" shall have similar meaning in accordance with Terms and Conditions for Distribution Services found in the Tariff Schedule.

Electric System: means the LEU physical facilities, without limitation, transmission and distribution lines, substations, wires, transformers, meters, meter reading devices and other electrical apparatus.

Expected Peak Demand: means the expected maximum capacity requirement at a Point of Service which is used to determine the potential LEU Investment Level, the Minimum Demand and the Maximum Supply;

“Facilities” means all structures and devices needed to distribute energy at any of the primary or secondary voltages as described in the Technical Terms and Conditions.

“Investment Level” means the pre-determined maximum the LEU will fund toward the total cost (NUC) of a service connection.

ISO: means the Independent System Operator. AESO (Alberta Electric System Operator) is the informal designation of the Independent System Operator (ISO) as established by the Electric Utility Act, 2003.

LEU: means the Lethbridge Electric Utility owned and operated by the City of Lethbridge and includes its directors, officers and employees.

Maximum Supply: the design capacity of the distribution system is 5 MVA per feeder.

Micro-generation: refers to renewable, environmentally friendly generation of one megawatt or less, connected to the distribution system, with the generator intended to meet all or a portion of the customer's electricity needs.

Net Billing: means subtracting electric energy supplied out of a customer's site during the billing period from electric energy supplied into the customer's site during the billing period, and calculating a net charge or credit to the customer based on the resulting net usage of electric energy during the billing period.

Net Electric Utility Cost (NUC): means estimated total cost for all on-site requirements and off-site requirements less any costs recovered from work undertaken jointly with other parties (utilities). Estimates include all direct charges to a services work order plus an assigned overhead charge.

Non-Standard Service Connection: means the on-site application of service connection equipment that does not meet standard utility voltage as contained in the current LEU Technical Terms and Conditions.

On-site: means the Electric Distribution Extension that is site specific. For residential developments this usually means all cables, transformers, enclosures, joint-use and the pre-service stubs at the private property line. For commercial developments this usually means the transformer or enclosure at the private property line.

Off –site: means the Electric Distribution Extensions required to enable system growth and expansion and is not site specific. It generally includes all main line distribution, system secondary, joint-use and switching equipment. Off-site does not include indirect transmission or substation requirements.

Point of Delivery: is the measured interconnection point between the transmissions system and the distribution system;

Point of Service: means the point at which the wires or apparatus of a Customer are connected to the LEU Network. For standard URD service connections this means the meter base, for all other service connections this usually means the secondary termination point of the transformer or enclosure.

Primary Service: any 3-phase service from the primary voltage system though transformation provided by the Customer.

Property Owner: refers to the registered owner of a property.

RRO: means the LEU Regulated Rate Option and refers to Regulated Default Supply/Regulated Rate Option as per regulation.

Responsible Parties: means all Retailers, Transmission Load Customers, Distribution Load Customers and DG Customers;

Retailer ID: means the unique identification code assigned to a specific retailer by the Alberta Electric System Operator (AESO).

Services (The): means the Electricity Services, Retail Access Services, Distribution Access Services, Transmission Connected Services, Distributed Generation Interconnection Services, or any other service provided under these Terms and Conditions.

Service Connection: means the point at which LEU owned distribution connection equipment or conductors connects to the customer owned service connection equipment.

Service Connection Fee: means an amount paid by a customer in advance of LEU undertaking service work.

Shared Transformation: means any 3-phase, 4-wire service with a load requirement that LEU determines will be provided from a distribution transformer available to at least one other customer.

Site: means a unique end use service delivery point. This is the level at which settlement recognizes retailer assignments and receives consumption data.

Site salvage: means the owner of the site has abandoned the site, or requested the removal of it. LEU may extract any or all parts of the service.

Temporary Distribution Extension: means overhead distribution lines constructed to meet the requirements of service with the expectation they will be replaced by standard underground facilities when determined by LEU.

Temporary Service: means the temporary service provided to one customer site for a period of less than one (1) year.

Terms of Service Agreement: a written agreement between the LEU and a developer outlining the conditions for development.

Totalized Metering: refers to combining of 2 or more services at one site for demand billing purposes. Demand charges are based on coincident peak of affected meters. System Usage and Service and Facilities charges are applied to each meter separately.

Underground Installation Agreement: a written agreement between the City of Lethbridge and a residential developer for the installation of electric distribution infrastructure.

Unmetered Service: any service provided on an estimated energy consumption basis (no metering).

Utility Investment: means the pre-determined maximum the LEU will fund toward the total cost (NUC) of a service connection.

WSP: means the Wires Services Provider

ARTICLE 3 – PROVISIONS RELATING TO SERVICE CONNECTIONS

3.1 Application for Service Connection

A person representing a customer must have written authorization to apply for a service connection.

3.2 Conditions of Service

The following conditions must be met before LEU will supply a service connection:

- (a) The type of Service Connection applied for is available and normally provided by LEU in the locality where the Service Connection is requested;
- (b) The Customer has agreed to pay the cost of the service as determined;

(c) The applicant for Distribution services is responsible for obtaining all permits, certificates, licenses, inspections, reports, and other authorizations and right-of-way agreements necessary for the installation and operation of the Distribution services and shall submit copies of them to LEU upon request. LEU is not required to commence or continue installation or provision of Distribution services unless and until the Customer has complied with the requirements of all governmental authorities, all permits, certificates, licenses, inspections, reports and other authorizations, and all right-of-way agreements, and all LEU requirements applicable to the installation and provision of Distribution services.

(e) Information presented by the applicant or the Customer for the purpose of obtaining a Service connection is accurate. LEU is not responsible for subsequent errors due to inaccurate or incomplete information.

(f) Customer's facilities or its use, in the LEU opinion, do not have unusual characteristics that might adversely affect the quality of service supplied to other Customers, public safety, or the safety of LEU personnel.

(g) The applicant has met the requirements set out in the "Technical Terms and Conditions."

3.3 Facilities Provided by the Customer

The Customer provides and is responsible for all wiring and electrical equipment at the Point of Service. For a new service, or for the rewiring of an existing service, the Customer will need to obtain an electrical permit. The Customer's wiring must conform to the Alberta Safety Codes Act. For safety reasons, LEU has the right, but not the obligation, to inspect the Customer's wiring. Inspection by LEU does not relieve the Customer from any responsibility with respect to the Customer's wiring or electrical equipment. Services disconnected for extended periods of time may require a permit before reconnection.

The Customer shall not, without the written consent of LEU, use its own facilities in parallel operation with the Utility's Distribution System or extend its facilities beyond the registered property in which the service is connected.

3.4 Standards for Interconnection

The Customer's installation shall conform to the LEU "Technical Terms & Conditions for Distribution Wire Access" available on request and from The City of Lethbridge website.

3.5 Suitability of Equipment

All of the Customer's facilities shall be suitable for operation with Distribution Services and Facilities provided by LEU. The Customer shall not use Distribution Services for

any purpose, or with any apparatus, that would cause a disturbance to any part of the LEU Distribution System.

3.6 Customer Liability

The Customer assumes full responsibility for the proper use of Distribution Services provided by LEU and for the condition, installation, suitability and safety of any and all wires, cables, devices or facilities energized on the Customer's premises or on premises owned, controlled or occupied by the Customer.

3.6.1 Protective Devices

The Customer shall be responsible for determining whether the Customer needs any devices to protect the Customer's facilities from damage that may result from the use of Distribution services including single phasing protection on three-phase Service Connections. The Customer shall provide, install, and maintain all such devices.

3.7 Facilities Provided by the LEU

LEU installs, owns and maintains all distribution Facilities required to supply electricity up to the Point of Service. LEU arranges with the Independent System Operator for all Transmission Facilities required for Customer requirements.

LEU provides single and three phase electric service at standard voltages and will assist the Customer in selecting the electric service best suited to the Customer's needs.

Utility facilities shall be installed at points most convenient for LEU access and service and in conformance with public regulations in force.

3.8 LEU Investment

LEU invests in the on-site cost of providing distribution service connections for most services as per the LEU Investment Policy.

Installed on-site servicing costs do not include the cost to secondary facilities on private property.

LEU invests in the cost to provide off-site distribution facilities where those facilities will be used to provide other service connections within 5 years of the construction completion date of the service connection.

LEU investment may be based through a refund process and estimated at time of new build. The value of the Utility Investment is on a re-imbursement basis to the developer and is estimated during the pre-servicing process. For service connections installations

within designated subdivision development areas, LEU investment is made through a refund process as services are enrolled and site identification is assigned.

3.9 Ownership of Facilities

LEU is the owner of all distribution facilities. Customer contributions do not entitle Customers to ownership of Facilities, unless otherwise noted in the Distribution Service Agreement.

3.10 Authorization for Work

Equipment or appliances belonging to, or under the control of LEU must be worked on by authorized employees of LEU except by special permission from the Manager.

3.11 Meters

LEU is responsible for metering services for the purpose of measuring the electricity delivered through utility facilities. As per regulation, the meters are approved by Measurement Canada and will be energy, demand energy or interval meters. Bi-directional meters will be utilized for customers participating in micro-generation or distributed generation.

Meters will be installed at a location designated by LEU, normally at the Point of Service. For temporary services, where a meter is installed on a Customer-owned pole, the pole shall be provided and maintained by the Customer as required by the Canadian Electric Code and any other applicable statutes, regulations, standards and codes.

LEU, or its agent, may at any reasonable time, read, inspect, remove and test, or change a meter installed on property owned or controlled by the Customer.

For metering requirements refer to Distribution Wires Access Technical Terms and Conditions.

3.12 Customer Contributions

LEU will require a deposit before facility construction begins and may demand payment in full before project construction is started.

3.12.1 Customer Distribution Contribution

A Customer requesting a Service Connection will be required to make a financial contribution as per the current Investment Policy.

All costs on private property are the responsibility of the customer.

3.12.2 Other Contributions

Cost of Optional Facilities

If the Customer requests Facilities beyond or different from those Facilities normally required for the LEU Standard Service, the Customer will pay the cost of those optional Facilities.

Cost of Temporary Distribution Extensions

The Customer will pay the estimated cost of constructing and dismantling Temporary Distribution Facilities less the salvage value of material. In addition, Customer Transmission Contributions may apply.

Temporary Service Connection

Where a Service Connection is to be used for temporary purposes only, the Customer must pay the cost of that service. Unless otherwise approved by LEU in writing, temporary service shall be defined as installations intended for removal within a period not to exceed one (1) year.

Customer Transmission Contribution

Where LEU is required by the Alberta Independent System Operator (ISO) to provide a Customer Contribution as a result of extending or expanding service to a customer or customers, those customers may be assigned all or a portion of that contribution.

3.12.3 Refunds of Customer Contributions

Customer Distribution Contributions may be refundable within a period of five years from construction completion in the following situations:

- In a residential subdivision, where the developer initially paid the total cost of the Distribution Facilities, refund of the customer contributions is based on current subdivision rebate policy. Confirmation of infill rate will be based on site ID. For temporary distribution facilities, a refund may be applicable if the facilities are subsequently used for other development. Cases are determined as situations arise.

- For off-site facilities to which other service connections are attached within 5 years of the construction completion date. Use of off-site facilities is determined by LEU.

Refunds are as per the Investment Policy.

3.13 Payment for Service Connections

Payment for servicing is due upon completion of construction and prior to energizing the service unless other arrangements have been made. See **"1.8 Payment of Invoice"** for additional conditions.

3.14 Changes to Demand Requirements

The Customer's Demand shall not exceed the Maximum Supply available.

If a Customer requires a change in demand requirements, the Customer shall give LEU one month's written notice prior to a change to enable LEU to determine whether or not it can accommodate such change without alterations to its Facilities.

The Customer is responsible for all damage caused to the LEU Electric Distribution System as a result of the Customer changing requirements at a Point of Service without LEU permission.

3.15 Changes to Distribution Facilities

If a Customer's demand changes and LEU determines it will modify Facilities to accommodate the change at a Point of Service, contributions and/or credits may apply as per schedules A and C.

Where Facilities are larger than required to meet the Customer's demand, LEU may replace Facilities to more closely match the Customer's demand.

3.15.1 Costs for Relocation of LEU Facilities

The costs of relocating LEU Facilities shall be borne by the Customer when done at the Customer's request, or for the Customer's convenience, or if necessary to remedy any violation of law or regulation caused by the Customer. LEU may require the estimated cost of the relocation in advance.

3.16 Disconnection and Permanent Termination of Service by Customer

When a Customer wishes to permanently disconnect a Service Connection a Customer may be assessed a Distribution Customer Exit Charge. Distribution Customer Exit

Charge provisions apply for the service life of the Utility Investment for operating demands of 150 kVA or greater. Service life is established at the time of investment.

The Distribution Customer Exit Charge is:

- (a) the Buy-Down Charge using a new demand of zero if the termination of service occurs before the end of the initial term;
- (b) less the value of any extension Facilities that may be salvaged, reduced by the cost of undertaking the salvage;
- (c) plus any outstanding amounts attributable to the Customer with respect to, but not limited to, any deferral accounts and approved riders and charges arising from services supplied by LEU prior to the termination of service.

3.17 Customer Contracts

3.17.1 Underground Installation Agreement

For any development the customer may be required to sign an Underground Installation Agreement or a Terms of Service Agreement.

ARTICLE 4 – PROVISIONS FOR DISTRIBUTION SERVICES

4.1 Provision of Distribution Services

LEU will provide Distribution Services to Customers requesting such services and who meet the requirements set out in these Terms and Conditions.

4.2 Fee Schedule

Applicable fees and charges are set out in the "Distribution Tariff Fee Schedule", which forms part of the Distribution Tariff and these Terms and Conditions, and Schedule D titled "Customer Account Terms and Conditions" attached to the Electric Utility bylaw.

4.3 Service Calls

LEU will require a Customer to pay all fees associated with a Customer-requested service call if the source of the problem is the Customer's facilities.

4.4 Independent System Operator or Transmission Facility Owner Requirements

LEU is bound by all operating instructions, policies and procedures of the Independent System Operator which are needed to maintain the integrity of Alberta's interconnected electric system. Responsible Parties acknowledge and agree they will cooperate with LEU so LEU will be in compliance with operating instructions, policies and procedures.

4.5 Application for Distribution Services

Site owners or tenants may apply for Distribution Services to allow for the supply of Energy and are considered the Customer of Record. Applications are received through an agent or duly authorized representative of LEU. The Site Owner is the Customer of Record during vacancies. It is the responsibility of the customer to advise LEU when taking possession of a new site or vacating a site.

4.5.1 Method and Form of Application

LEU 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. Modifications shall be in writing and duly executed by an authorized LEU representative.

4.5.2 Application by Agents of the Customer

A person acting as Agent of a Customer may apply for Distribution Services on behalf of the Customer if the Agent provides LEU with written authorization from the Customer. The Customer authorization must be dated and signed by the Customer, and must include the Customer's name and explicit expression of the Customer's intention to obtain Distribution services at a specified Site. The owner may be required to enter into a DSA.

4.5.3 Rejection of Application

LEU may reject any applicant's request for Distribution services when:

- a previous account held by the Customer with LEU is in arrears; or
- the Customer fails to provide a security deposit or letter of credit from a suitable financial institution in form and substance acceptable to LEU; or
- any representation made by the applicant or the Customer to LEU for the purpose of obtaining a Distribution services is, in the opinion of LEU, fraudulent, untruthful or misleading.

4.5.4 Demand Billing

The demand charge is based on the highest KVA demand in the last 12 months, or the minimum contract demand. For new customers, LEU will reset the demand to 0.00 for billing purposes effective the date the customer takes possession of the site and has established utility billing in their name. For late registration of billing information, LEU will reset the demand to 0.00 for billing purposes effective the date the customer has registered billing information in their name.

4.6 LEU Rights & Responsibilities

4.6.1 Confidentiality

Subject to the compliance with the EUA Code of Conduct Regulation AR 160/2003, in order for LEU or its Agent, to establish and maintain commercial relations with customers and to provide ongoing service; to understand customer needs and preferences; and to meet legal and regulatory requirements, LEU and/or its Agent will from time to time, collect customer information and may exchange and use this customer information among its Affiliates and Agents. LEU and its Agent shall limit the collection of customer information to that which is necessary for the purposes identified above and shall collect such information by fair and lawful means. The customer information, except as provided herein, will not be shared with other companies or organizations.

By accepting service under the Regulated Default Supply Tariff, the Customer is deemed to consent to the exchange and use of its Customer information as discussed above, unless the Customer advises LEU or its Agent otherwise. The Customer is not required to consent to this exchange and use of information and there are no negative consequences for a customer who does not consent except that without access to the Customer's information, it may limit the ability of LEU and/or its Agent, to provide the Customer with service.

4.6.2 Rights of Way

At the request of LEU, the Customer shall grant without cost to LEU, easements, rights-of-way and rights of entry to the property owned, occupied or controlled by the Customer as LEU reasonably requires for the construction, installation, maintenance, repair and operation of the Facilities required for Distribution Services and the performance of all other obligations required to be performed by LEU.

4.6.3 Right of Entry

LEU employees, agents and other representatives shall have the right to enter the Customer's property at all reasonable times and intervals for the purpose of installing, maintaining, replacing, testing, monitoring, reading, removing or disconnecting LEU meters, meter reading devices, wires or other electrical equipment and appliances or other Facilities or for the purpose of discontinuing service or for any other purpose incidental to the provision of Distribution Tariff Services. LEU will endeavor to provide reasonable notice to the Customer when it requires entry to the Customer's property.

4.6.4 Provision of Consumption History to Customers

Upon request by the Customer, LEU will provide the Customer's consumption history directly to that Customer, in electronic or in paper format. There may be a fee associated with such (manual) requests, dependent on the nature of the request (monthly or interval), the format of the electronic output (CSV, Excel) and the volume of data provided as per the Distribution Tariff Fee Schedule.

For interval meters, LEU will provide the data to the Customer in an electronic format in accordance with Settlement System Code Daily Interval Meter Readings or, for an additional fee, in a form otherwise specified. The additional fees will be as per the Distribution Tariff Fee Schedule.

4.7 Customer Rights & Responsibilities

4.7.1 Interference with the LEU Property

Only an authorized employee or agent of LEU shall be permitted to remove, operate, or maintain meters, electric equipment or other LEU Facilities. The Property Owner is responsible for all destruction, loss or damage to LEU meters, electric equipment, seals or other Facilities located on the Property Owner's premises or on premises owned, operated or controlled by the Property Owner.

4.7.2 Proper Use of Services

The Responsible Parties assume full responsibility for the proper use of the Service Connection and Distribution Services provided by LEU and for the condition, suitability and safety of any and all facilities energized on premises owned or controlled by the Responsible Party. The Responsible Party shall be liable for any loss, damage, expense, charge, cost or other liability of any kind, whether to LEU, its agents or employees, LEU property or otherwise, arising directly or indirectly by reason of:

- (a) the routine presence in or use of energy over the wires, cables, devices or other Facilities owned or controlled by the Responsible Party;
- (b) the Responsible Party's improper or negligent use of energy or electric wires, cables, devices or other Facilities; or
- (c) the negligent or willful acts or omissions of the Responsible Party or any person permitted on the Responsible Party's property.

Unauthorized Use or Unsafe Conditions

If LEU determines there has been an unauthorized use of Energy or Distribution services including but not limited to any tampering with a meter or other LEU Facilities, unauthorized connection or reconnection, or theft, fraud, intentional or unintentional use of Energy whereby LEU is denied full compensation for services provided, LEU may make such changes in its meters, appliances, or other Facilities or take such other corrective action as may be appropriate to ensure only the authorized use of the Facilities and Distribution services, and also to ensure the safety of the general public and LEU personnel. Upon finding an unauthorized use of Facilities or Energy or finding that Distribution services have not been used in accordance with these Terms and Conditions, LEU may discontinue the Distribution services and charge the Customer, Retailer or any other Person acting as agent for the Customer, all damages suffered by LEU and all costs incurred in correcting the condition. Nothing in this Section shall be deemed to constitute a waiver of any other rights of redress, which may be available to LEU, or to limit in any way any legal recourse, which may be open to LEU.

4.7.3 Vegetation Management

In order to maintain safe and reliable service, the Customer must treat, trim or cut trees and brush that may interfere with the operation of LEU Facilities on the Customer's property in accordance with applicable statutes, regulations, standards or codes. If the Customer does not treat, trim or cut trees and brush that may interfere with the operation of LEU Facilities, LEU has the right to enter the Customer's property and perform these services without prior notice to the Customer and to charge the Customer a reasonable fee for this service.

4.7.4 Effluent

The Customer agrees that if any part of the Customer's process or operations produces or emits effluent that may cause contamination to or otherwise affect the operation of the LEU Distribution System (including without limitation, LEU facilities installed or interconnected to serve the Customer facilities) the Customer shall immediately disclose this information to LEU personnel as soon

as the potential for or actual Contamination, as the case may be, is known. Notwithstanding any other provision of the Terms and Conditions, the Customer shall indemnify LEU from any damage, injury, loss, costs and claims ("Costs") suffered or incurred by LEU, its agents or employees which are in any way incurred as a result of or connected with any effluent produced or emitted by the Customer's process or operations. Such Costs shall include, without limitation, all reasonable expenses incurred in cleaning up Contamination, upgrading LEU Distribution System to prevent any future occurrence of any similar contamination and/or to mitigate excessive costs of ongoing maintenance or, where Electric Distribution System upgrade is not feasible, the costs of continued maintenance of the Electric Distribution System resulting from Contamination. "Effluent" means any solid, liquid or gas, or combination of any of them, including, without limitation, salt, dust, smoke, particulate matter, debris, hazardous waste, chemicals, vapor, runoff, wastewater or sewage.

4.8 Discontinuation at Request of Customer

The Customer may at any time and on reasonable written notice to LEU, request the discontinuation or reduction in capability of the Customer's Distribution services. The Customer may be required to pay for any unrecovered investment made by LEU in respect of the Customer's Distribution services.

The site owner may request the site be salvaged. Salvage fees will apply.

4.8.1 Removal of Facilities upon Disconnection of Service

After disconnection of a Service Connection, LEU may remove any LEU Facilities located upon the property.

If the Customer requests a disconnect because the site is being abandoned, a disconnect fee will apply. LEU, at its discretion, may modify or salvage its facilities.

4.8.2 De-energize of Services

It is the customer's responsibility to request a de-energize and salvage of services. LEU does not back-date de-energize and salvage requests. Distribution Tariffs apply.

4.8.3 Discontinuation Other Than for Safety

LEU may at any time, after having given at least 48 hours' prior verbal or written notice to a Customer and without any further notice, discontinue Distribution

services to the Customer or install a current-limiting device to restrict the capability of Distribution services if the Customer:

- violates any provision of these Terms and Conditions or the Distribution Access Tariff;
- tampers with any service conductors, seals or any other LEU Facilities or any meters, whether or not provided by LEU;
- neglects or refuses to pay when due, all amounts required to be paid under these Terms and Conditions, or Fee Schedule or Rate Schedule;
- changes its requirements for Distribution services without the written permission of LEU; or
- provides LEU with incorrect information or makes fraudulent or unauthorized use of Distribution services.

4.8.4 Restoration of Service

Distribution services to a Customer restricted by a current limiting device or discontinued (other than for safety reasons and whether at the request of the Customer or not) shall be restored as prescribed in LEU Technical Terms and Conditions for Distribution Access.

It is the customer's responsibility to ensure the point of connection to the premise is in a good state of repair and meets all relevant standards. Service will not be restored until all safety concerns have been met.

4.9 Removal of Facilities

Upon termination of Distribution services, LEU will be entitled to enter upon and remove from the property owned, occupied or controlled by the Customer any of LEU Facilities located upon the property.

ARTICLE 5 – PROVISIONS OF REGULATED DEFAULT SUPPLY

5.1 REGULATED RATE OPTION TARIFF

LEU provides a Regulated Rate Option Tariff to Eligible Customers as determined by Regulation. These Terms and Conditions apply to all Electricity Services provided under the Regulated Rate Option Tariff. LEU may assign any or all of its obligations to provide Electricity Services under these Terms and Conditions.

As per RRO Regulation any eligible customer in the service area of the LEU distribution system not enrolled with a retailer, is deemed to have elected to purchase electricity services under the LEU Regulated Rate Option Tariff.

LEU forecast of a customer's annual consumption is based on the consumption of the previous twelve (12) consecutive months.

For new customers with less than a 12 month history, LEU shall make a reasonable forecast based on service connection and comparison with like customers.

5.2 Default Supplier

Customers that do not otherwise qualify for an RRO Tariff but are unable to purchase from a retailer or cannot obtain retail service may qualify under the Electric Default Supply Tariff. Customers are entitled to leave default supply upon giving three (3) days' notice if they wish to obtain service from a competitive retailer.

5.2 Entry to and Exit from the Regulated Rate Option

LEU requires at least 30 days' notice to enter or exit the Regulated Rate Option.

5.3 Return to the Regulated Rate Option

An RRO eligible Customer who did not previously qualify for the RRO may request a review of consumption. If forecasted total consumption is less than the regulated limit, the customer may request to return to the RRO.

ARTICLE 6 – METERING

6.1 Provision of Interval Meters

A Revenue Meter for a load which peaks over 300 kVA at least twice in a 12-month period will require interval meter services. Once an interval meter has been installed, it will not be removed unless LEU's review of the load requirement indicates removal is warranted.

For new Customers moving into existing space, LEU will make an estimate of Site Demand, and if the estimate is greater than or equal to 300 kVA, the site must be prepared to accept an interval meter. An interval meter will be installed when the demand reaches 300 kVA.

For an existing Site, where modifications are made to the infrastructure requiring Load to be equal to or in excess of 300 kVA, an interval meter will be installed. In these cases, the costs of the new interval meter, including installation, will be borne by LEU.

A Customer may request totalized metering, but LEU, at its sole discretion, may provide. In such cases, both capital and annual operating costs of all additional meters will be borne by the Customer. "Totalized metering" means the demand charges will be based on the coincident peak of the affected meters. System Usage and Service and Facilities charges for each meter will apply.

6.2 Changes to Metering Equipment

A Retailer or a Customer can request an upgrade to the meter. Meter upgrades will result in a change in rate class and may require a financial contribution for the upgrade.

Should a Retailer request a new meter or a communication device be attached to the existing meter the Retailer shall bear all associated costs in accordance with the Fee Schedule. Upon installation, the meter or communication device shall remain the property of LEU and will be maintained by LEU. LEU shall complete installation of the meter or attachment of the communication device, if reasonably possible, within 30 days of receiving a request from the Retailer. LEU shall bill the Retailer upon installation.

6.2.1 Meters with Remote Read Capability

LEU is responsible for providing meter reads as part of the load settlement system in Alberta. Cost effectiveness and efficiency necessitate new technology is utilized. Customers who do not accept the standard meter will not be provided with electric service.

ARTICLE 7 - METER DATA MANAGEMENT

7.1 Responsibilities

- The MDM is the entity responsible to provide "settlement quality" data to stakeholders as outlined in the SSC.
- The MDM shall be the sole source to manage consumption and interval data for interval and cumulative meters, collecting meter data, validating and estimating interval and cumulative meter data, storing historical data, and reporting data to the LSA and Retailers. The MDM shall ensure the interval and cumulative historical meter data is available to an authorized party at a cost outlined in the Fee Schedule.

- Any metering data requests including special reports, graphs, and analysis shall be charged as outlined in the Fee Schedule.
- LEU will be the sole source of revenue metering information for all market participants in the LEU service area.
- LEU validation editing and estimation standards will be reviewed and modified from time to time as appropriate.
- LEU will read all meters in its service territory in accordance with the Meter Reading Schedule. Retailers are responsible for acquiring information about Meter Reading Schedules from LEU.
- Estimation algorithm information is available upon request to an end use Customer or a Person (Customer's Agent or Retailer) who is authorized by the end user.
- An accurate record will be kept by LEU of meter readings that will be the basis for the Load Settlement for each metered site.

7.2 Meter Reading Concerns/Disputes

It is the Retailer's responsibility to assist Customers who are concerned about their consumption levels and provide possible causes for their high consumption.

If a Retailer disputes a read for whatever reason, the Retailer may request an Off-Cycle Read.

LEU will read any meter provided by LEU at the request of the Retailer subject to the charges set out in the Fee Schedule. A request is considered to be completed when a reading is obtained, or when, 3 physical attempts or 2 physical attempts and 1 phone call, have been made.

In the event that the Off-Cycle Read shows that a prior recorded reading is incorrect, the costs of the Off-Cycle Read will be waived.

ARTICLE 8 – LOAD SETTLEMENT SERVICES

In accordance with the Settlement System Code, LEU shall provide Load Settlement Services.

8.1 Load Settlement Information

LEU shall determine and report to the Retailer and the Independent System Operator Load Settlement information as per Settlement System Code.

8.2 Distribution Losses and Unaccounted for Energy (UFE)

Distribution loss factors will be defined for month of the year and the day of the week, on an hourly basis. Distribution losses are allocated to a Retailer based on its share of total Energy consumption for the settlement zone.

Unaccounted for Energy is calculated as the total system Load minus the sum of:

- deemed Loads
- total interval-metered Load
- total Energy allocated by Load profiles to non-interval metered Sites
- total allocated system losses.

Unaccounted-for Energy is allocated to a Retailer for the Settlement Zone based on its share of total Energy consumption plus losses.

8.3 Provision of Individual Customer Load Profiles to Retailers

At the request of the Retailer, LEU will provide to the Retailer Customer Load profiles.

8.3.1 No Liability for Estimating Errors

The process of Retailer Load estimation involves statistical samples and estimating error. LEU shall not be responsible for any sampling or estimating errors and shall not be liable to any Retailer for any costs that are associated with such errors.

8.4 Exchange of Information

8.4.1 Provision of Customer Information to Retailer

LEU shall provide Usage Information to a Retailer upon request and only after receiving written consent to such disclosure from the Customer.

Prior to requesting LEU to release the Customer Usage Information, the Retailer shall be responsible for obtaining and providing to LEU the written authorization from the Customer referred to above in a form satisfactory to LEU.

8.4.2 Provision of Information between LEU and Retailer

LEU and the Retailer shall supply to each other all other data, materials or other information specified to be supplied in the Terms and Conditions, or that may otherwise be reasonably required by the Retailer or LEU in accordance with the Terms and Conditions. See the Distribution Tariff Fee Schedule for charges that will apply to certain requests made to LEU.

8.5 Discontinuance of Distribution Tariff Services at Request of Customer or Retailer

Customers arrange for termination of Distribution Tariff Services through their Retailer of Record. If Distribution Tariff Services are no longer required, the Retailer of Record must notify LEU at least 5 days before the service is to be discontinued. At the request of the Customer or Retailer, as applicable, LEU will also leave all of its Facilities in place after a discontinuance of service if the Customer or the Retailer, as applicable, agrees to pay the Minimum Charge. If disconnection of the Service Connection is requested, the terms of section "Disconnection and Permanent Termination of Service by Customer" apply.

8.6 Discontinuance of Distribution Tariff Services by De-energization

A Retailer may request that LEU de-energize a site. To discontinue Distribution Tariff Services through De-energization, a Retailer shall, at least 5 days before the site is to be de-energized, complete and provide to LEU a notice of De-energization pursuant to the requirements of the Settlement System Code. Such notice of De-energization shall clearly specify the Retailer's reason(s) for seeking to de-energize a site. LEU reserves the right to verify the identity of the Customer of the Retailer pursuant to which De-energization has been requested, and the accuracy of the Customer Information that has been provided by the Retailer. Upon receipt of such notice, LEU will either:

- (a) process the De-energization within 5 days; or
- (b) notify the Retailer within 2 Business Days that the notice of De-energization has been rejected and the reasons for such rejection. Upon receipt of the rectified notice of De-energization, LEU will, within 5 days, process the De-energization.

Notwithstanding the foregoing:

- (c) LEU may reject the notice of De-energization if LEU, acting reasonably, determines that any information required in the application, including the Customer Information provided by the Retailer, is false, incomplete or inaccurate in any respect;
- (d) LEU will not process a De-energization if LEU, acting reasonably, believes De-energization would cause any actual or threatened danger to life or property;
- (e) LEU will not disconnect a residential Customer:
 - i. at any time during the period from October 15 to April 15, or
 - ii. at any other time when the temperature is forecast to be below 0 degrees Celsius in the 24-hour period immediately following the proposed disconnection, although LEU reserves the right to install a device to limit or reduce the amount of electric energy provided to the Customer; and

(f) LEU will not disconnect any customer on behalf of a Retailer for financial reasons. Collections for energy and distribution charges are the responsibility of the Retailer.

(g) at the request of the Retailer or the Customer, LEU will leave all of its Facilities in place after the Point of Delivery has been de-energized if the Retailer or Customer, as applicable, agrees to continue to pay the Minimum Charge.

Upon De-energization where the site has been demolished, the Retailer shall no longer be the Customer's Retailer of Record unless otherwise requested by the Retailer in writing to LEU.

8.7 The Settlement Process

8.7.1 Settlement Calculations

Settlement for each day is performed in four phases. Initial Settlement is carried out a few days of the Day of Flow, Monthly Settlement is carried out in the month after, Interim Settlement is carried out after approximately two months and Final Settlement is carried out after approximately four Months. The Settlement System Code describes the settlement process in detail.

Initial Daily Settlement is based largely on estimates and forecasts. Actual meter data are incorporated in the Monthly, Interim and Final settlement. No further data changes are incorporated after Final Settlement. Revisions after Final Settlement will be on a financial basis outside of the Load Settlement processes.

Settlement Interval

The time interval during which Load obligations must be calculated is set by the Power Pool and is not directly within the control of the LEU. Currently the Power Pool makes settlements based on hourly intervals.

Load Profiling

The profiling cap for LEU is established at 300kVA. All Sites with Load above that level are or will be equipped with interval meters. Profiles are not required for interval metered Sites.

Currently LEU utilizes Net System Load Shaping for load profiling but reserves the right to change the method of profiling in the future.

Deemed Load Profiles

Deemed Load profiles are pre-specified Load shapes defined in advance. LEU will only use "deemed profiles for unmetered loads.

8.7.2 Reporting/Posting Information

Settlement algorithms, Load profiles, UFE, losses, loss classes and Settlement Zone consumption data will be made publicly available. Individual Retailers will have access only to their consumption data, being restricted from access to other Retailers' consumption data. Information reported will be consistent with the Settlement System Code.

The Settlement System Code calls for a number of standard content, standard format electronic transactions which LEU will implement as described therein. A number of standard content, non-standard format transactions are also described. These are implemented via the LEU web site (or designate). For transactions and requests supported on the LEU website, the website (or designate) will be the only mechanism provided, and its use will be considered mandatory.

8.7.3 Fee for Service

Custom reports and other data will be provided to Retailers on request, on a fee for service basis as per the Distribution Tariff Fee Schedule.

Article 9 - CONSUMER PROTECTION

9.1 Disclosure

Customers always have the right to access their information held by a Retailer and/or LEU. Any Retailer chosen by a Customer should have access to basic information held by LEU that is needed to serve the Customer and operate their business efficiently.

LEU will ensure third party access to Customer specific information is restricted unless the Customer explicitly agrees to such access, provided however that such information shall not be subject to such confidentiality where such information is:

- Generally available to the electric industry or the public at the time of disclosure;
- Subsequent to receipt by the LEU, becomes generally available to the electrical industry or the public as a result of a disclosure by the Retailer or any Person authorized by the Retailer;
- LEU establishes, by satisfactory evidence, was available to the LEU on a non-confidential basis prior to its disclosure to the LEU;
- Subsequent to receipt by LEU, LEU can establish, by competent evidence becomes available to LEU on a non-confidential basis from a source other than the Retailer or an authorized representative of the Retailer, without breach of these Terms and Conditions;
- Must be disclosed by law to a governmental authority where there is no reasonable alternative to such disclosure.

Information may be transferred without consent in the case of legal, regulatory or law enforcement requirements (e.g., transfer of electricity information for drug investigations)

9.2 Errors Discovered by Retailers

When a Retailer discovers that an error has being made in data transmitted, the Retailer shall correct the error immediately.

Article 10 - Liabilities and Indemnity

10.1 Force Majeure

If an event or circumstance of Force Majeure occurs that affects LEU ability to provide the Electricity Services, Retail Access Services, Distribution Access Services, Transmission Connected Services, Distributed Generation Interconnection Services, or any other service provided under these Terms and Conditions (the "Services"), so far as they are affected by the Force Majeure or the consequences thereof, the Services shall be suspended until such Force Majeure or consequences thereof are remedied and for such period thereafter as may reasonably be required to restore the Services. Where reasonably practical, LEU shall give notice to the Customer, Retailer, Distributed Generator, Transmission Connected Customer of such Force Majeure. It is recognized and agreed that it may not be possible for LEU to provide advance notice of such Force Majeure, in which case, LEU shall provide the Customer, Retailer, Distributed Generator, Transmission Connected Customer with notice as soon as practical.

LEU is not liable to Customers, Retailers, Distributed Generators, and Transmission Connected Customers or any other Person in law, equity, contract or tort for any loss, damage, injury or claim or any nature whatsoever arising from or connected in any way with the amount or lack of notice given by LEU of an event of Force Majeure.

10.2 LEU Not Liable for Retailer

LEU provides Retail Access Services to Retailers under the Terms and Conditions for Retail Access Services and provides Consumer Services to Customers in accordance with these Terms and Conditions. Retailers and Customers may enter into an arrangement or agreement for the provision of services beyond those which LEU provides under these Terms and Conditions. None of LEU or its affiliates, directors, officers, agents, contractors, assigns or employees shall be liable to a Customer for any damages, injuries, losses, expenses, liabilities, fees (including reasonable legal fees), or costs suffered or incurred by any Customer or any other Person on premises owned, occupied or controlled by such Customer arising out of, or in any way connected with:

- LEU conduct in compliance with, or as permitted by LEU Terms and Conditions
- a Retail Access Services Agreement between LEU and a Retailer;
- any legal or regulatory requirements related to Retail Access Services, Distribution Services, Transmission Connected Services or Distributed Generation Interconnection Services;

- a Retailer's failure to perform any commitment to the Customer, including but not limited to the Retailer's obligation to provide services to the Customer in accordance with any arrangement or agreement; or
- the presence, installation, use or equipment installed by or on behalf of a Retailer;
- any action taken by or on behalf of a Retailer;
- any acts, omissions or representations made by a Retailer in connection with soliciting Customers for Retail Access Services or performing any of its functions in accordance with any arrangement or agreement,
- the disclosure of customer information by a Retailer.

whether such damages, injuries, losses, expenses, liabilities, fees (including legal fees), or costs arise in contract, tort or otherwise, and whether such damages are direct, indirect or consequential.

10.3 Limitation of Liability

LEU does not guarantee or promise uninterrupted service.

Except for physical damages, injuries or losses suffered by a Customer and occurring as a direct result of the negligence of LEU or its employees acting within the scope of their employment, LEU shall not be liable to any Customer, Retailer, Distributed Generator, Transmission Connected Customer or other Persons in law, equity, tort or contract for any loss, damage, injury, or claim suffered or incurred arising out of, or in any way connected with, the provision by LEU of Electricity Services, Distribution Access Services, Retail Access Services, Retailer, Transmission Connected Services or Distributed Generation Interconnection Services, or any failure, defect, fluctuation, reduction, disconnection, suspension, curtailment or interruption in the provision of such Services.

Notwithstanding anything to the contrary contained in these Terms and Conditions, LEU or its affiliates, directors, agents, contractors, assigns, or employees shall be liable only for direct physical damages. "Direct physical damages" shall not include, any damages, injuries, losses, expenses, liabilities, fees (including legal fees), or costs which are of an indirect, special or consequential nature ("Indirect Damages") regardless of whether they arise in contract, tort or otherwise. Without limiting the generality of the foregoing, Indirect Damages shall include loss of profits, loss of revenue, loss of production, loss of earnings, loss of contract, cost of capital, cost of purchased or replacement capacity or energy, loss of any use of any facilities or property owned, leased or operated by any person and any other indirect, special or consequential damages, injuries, losses, expenses, liabilities, fees (including legal fees), or costs whatsoever.

10.4 Indemnification

Customers, Retailers, Distributed Generators, and Transmission Connected Customers shall indemnify and hold harmless, and at the option of LEU defend, LEU and its affiliates, directors, officers, agents, contractors, assigns and employees and each of them (collectively, "Affiliates"), from and against any and all claims, actions, costs, fees (including legal fees), fines, penalties and liabilities in tort, contract, or otherwise (collectively, "Liabilities") brought against LEU which arise from, result from or are in connection with any act, omission or failure of any Customer, Retailer, Distributed Generator, Transmission Connected Customer, including any act, omission or failure of any of the any Customer, Retailer, Distributed Generator, Transmission Connected Customer arising from, resulting from or in connection with any duty or obligation of the Customer, Retailer, Distributed Generator, Transmission Connected Customer pursuant to these Terms and Conditions, pursuant to any other agreement or arrangement with LEU, or between the Customer and a Retailer or between the Customer, Retailer, Distributed Generator or Transmission Connected Customer and any third party.

Without limiting the generality of the preceding paragraph, the Customer, Retailer, Distributed Generator or Transmission Connected Customer shall also indemnify and hold harmless, and at the option of LEU, defend LEU from and against all claims, actions, costs, fees (including legal fees and disbursements on an indemnity basis), judgments, fines, penalties and any liability in law, equity, tort or contract for any loss, damage, injury or claim of any nature whatsoever, brought against LEU by any Person, which arise from, result from, or are in any way connected with:

- Islanded Operation of the Customer's, Retailer's, Distributed Generator's or Transmission Connected Customer's facilities;
- The failure of the Customer's, Retailer's, Distributed Generator's or Transmission Connected Customer's facility to detect and clear an electrical fault that occurs on LEU facilities;
- The failure of the Customer's, Retailer's, Distributed Generator's or Transmission Connected Customer's facilities to shut down after De-energization from LEU facilities and before the automatic reclosing of LEU switching devices;
- The routine presence in or use of Energy over the wires, cables, devices or other facilities owned or controlled by the Customer, Retailer, Distributed Generator or Transmission Connected Customer.
- The failure of the Customer, Retailer, Distributed Generator or Transmission Connected Customer to perform any of their respective duties or obligations as set out in these Terms and Conditions; or
- the Customer's, Retailer's, Distributed Generator's or Transmission Connected Customer's improper use of Energy or electric wires, cables, devices or other facilities.

10.5 Interruption

LEU shall have the right, without any liability to any Customers, Retailers, Distributed Generators, and Transmission Connected Customers or any other Person in law, equity, contract or tort, to De-energize or otherwise curtail, interrupt or reduce Electricity Services or any other service provided under these Terms and Conditions when:

- LEU is directed to do so by the ISO
- LEU reasonably determines that such a De-energization, curtailment, interruption or reduction is necessary:
 - To facilitate the construction, installation, maintenance, repair, replacement or inspection of any LEU facilities
 - To maintain the safety and reliability of LEU Electric Distribution System, or a connecting entity's electrical system; or
 - Due to any other reason, including Emergencies, forced outages, potential overloading or the Electric Distribution System or Force Majeure.

LEU will give Customers, Retailers, Distributed Generators, and Transmission Connected Customers as much notice of a De-energization, curtailment or interruption or reduction in Distribution Access Service as is practical, although it is understood and agreed that there may be circumstances in which no notice may be given prior to any such De-energization, curtailment, interruption or reduction.

LEU is not liable to Customers, Retailers, Distributed Generators, and Transmission Connected Customers or any other Person in law, equity, contract or tort for any loss, damage, injury or claim of any nature whatsoever arising from or connected in any way with:

- A De-energization, curtailment or interruption or reduction in Electricity Services or any other service provided under these Terms and Conditions; or
- The amount or lack of notice given by LEU of De-energization, curtailment or interruption or reduction in Electricity Services or any other service provided under these Terms and Conditions.

ARTICLE 11 - MISCELLANEOUS

11.1 Compliance with Applicable Legal Authorities

LEU and the Customer, Retailer, Distributed Generator, or Transmission Connected Customer are subject to, and shall comply with, all existing or future applicable federal, provincial and local laws, and all existing or future orders or other actions of the ISO or governmental authorities having applicable jurisdiction. LEU will not violate, directly or indirectly, or become a party to a violation of any requirement of the ISO or any applicable federal, provincial or local statute, regulation, bylaw, rule or order in order to provide Electricity Services including Customer Services, Retail Access Services, Distributed Generator Interconnected Services, or Transmission Connected Services. LEU obligation to provide Electricity Services is subject to the condition that all requisite governmental and regulatory approvals for the provision of Consumer Services have been obtained and will be maintained in force during such period of service.

11.2 No Assignment

The Customer, Retailer, Distributed Generator, or Transmission Connected Customer shall not assign any of its rights or obligations under these Terms and Conditions without obtaining:

- any necessary regulatory approval(s); and
- prior written consent of LEU, which consent shall not be unreasonably withheld.

No assignment shall relieve a Customer, Retailer, Distributed Generator, or Transmission Connected Customer of any of its obligations under these Terms and Conditions until such obligations have been assumed in writing by the assignee. Any assignment in violation of this Section shall be void.

LEU may not assign any of its rights or obligations under these Terms and Conditions without obtaining any necessary regulatory approvals. No assignment shall relieve the assigning Party of its obligations under these Terms and Conditions, the Retail Access Service Agreement or the Interconnection Agreement until such obligations have been assumed by the assignee in writing. Any assignment in violation (this section) of these Terms and Conditions shall be void.

Notwithstanding the foregoing, LEU may assign any or all of its rights and obligations under these Terms and Conditions, the Retail Access Services Agreement, and the Interconnection Agreement without the Customer's, Retailer's, Distributed Generator's, or Transmission Connected Customer's consent, to any entity succeeding to all or substantially all of the assets of LEU, if the assignee agrees, in writing, to be bound by all of the Terms and Conditions hereof and if any necessary regulatory approvals are obtained.

11.3 No Waiver

The failure of either party to insist on any one or more instances upon strict performance of any provisions of these Terms and Conditions, or a Retail Access Services Agreement,

or an Interconnection Agreement, or to take advantage of any of its rights hereunder, shall not be construed as a waiver of any such provisions or the relinquishment of any such right or any other right hereunder, which shall remain in full force and effect. No term or condition of these Terms and Conditions or a Retail Access Services Agreement, or an Interconnection Agreement shall be deemed to have been waived and no breach excused unless such waiver or consent to excuse is in writing and signed by the party claimed to have waived or consented to excuse.

11.4 Dispute Resolution

11.4.1 Resolution by LEU and Customers, Retailers, Distributed Generators, and Transmission Connected Customers

Unless otherwise specified herein, any dispute arising between LEU and a Customer, Retailer, Distributed Generator, or Transmission Connected Customer in connection with these Terms and Conditions shall be resolved in accordance with Section 12.4 of these Terms and Conditions. LEU and the Customer, Retailer, Distributed Generator, or Transmission Connected Customer, acting reasonably and in good faith, shall use their best efforts to resolve the dispute as soon as possible in an amicable manner. LEU, a Customer, Retailer, Distributed Generator, or Transmission Connected Customer may provide written notice of its desire to have the dispute resolved. Within ten (10) working days of such notice being provided, the Officers of the LEU and the Customer, Retailer, Distributed Generator, or Transmission Connected Customer shall meet to attempt to resolve the dispute.

The costs of detailed analysis beyond the initial investigation will be borne by the requestor, unless it is found that LEU is in error.

11.4.2 Dispute Resolution – Arbitration Procedure

Disputes that cannot be resolved by the officers of the Customer, Retailer, Distributed Generator, or Transmission Connected Customer shall be determined by arbitration. The provisions of the Arbitration Act (Alberta) shall apply to the appointment of the arbitrator, the arbitration process, and all other matters in respect of the arbitration.

11.4.3 Continuity of Service

All performance required under these Terms and Conditions and payment therefore shall continue during the dispute resolution proceedings. However, in the case of any such proceedings pertaining to amounts payable under these Terms and Conditions, any payments or reimbursements required as a result of

the proceedings shall be effective as of a date to be determined in such proceedings and interest shall be paid thereon by the Party required to make the payment or reimbursement on the amount thereof at the rate to be determined in the arbitration proceeding, from the date so determined, until paid.

11.5 Default

11.5.1 Event of Default

A Party will be deemed to be in default ("Defaulting Party") of its obligations under LEU Distribution Tariff, these Terms and Conditions, the Retail Access Services Agreement or the Interconnection Agreement if:

- it is the subject of a bankruptcy, insolvency or similar proceeding;
- it makes an assignment for the benefit of its creditors;
- it applies for, seeks consent to, or acquiesces in the appointment of a receiver, custodian, trustee, liquidator or similar official to manage all or a substantial portion of its assets;
- violates any code, regulation or statute applicable to the supply of Energy; or
- fails to pay the other Party ("Non-Defaulting Party"), when payment is due, or to satisfy any other obligation or requirement under LEU Distribution Tariff, these Terms and Conditions, the Retail Access Services Agreement or the Interconnection Agreement, and fails to remedy any such failure or delinquency within 3 Business Days after receipt of a written notice thereof from the Non-Defaulting Party.

11.5.2 Rights upon Default

In an event of default, the Non-Defaulting Party shall be entitled to pursue any and all available legal and equitable remedies and terminate the Retail Access Services Agreement or Interconnection Agreement without any liability or responsibility whatsoever except for obligations arising prior to the date of termination, by written notice to the Defaulting Party, subject to any applicable regulatory requirements.

LEU may access security posted by a Party without prior notice, if the Party files a petition in bankruptcy (or equivalent, including the filing of an involuntary petition in bankruptcy against the Party), becomes a Defaulting Party pursuant to Section (above) of these Terms and Conditions or if for any reason a Party ceases to provide service to its Customers under its Terms of service.

If a Party fails to make payment in accordance with these Terms and Conditions, LEU may immediately withhold or suspend the Party's service, terminate service, transfer the Retailer's Customers to the Default Supplier in the case of a Retailer,

and apply any security held by LEU before the service coverage period of the security expires. Notwithstanding action provided for or taken pursuant to the preceding sentence, LEU may take credit action against any Party with respect to an account on which payment is not made to LEU. LEU may assess the Party for any or all administrative and collection costs relating to the recovery of LEU of amounts owed.

If a Party fails to provide or maintain adequate security upon LEU request, LEU may immediately withhold or suspend services provided to the Party pursuant to these Terms and Conditions.

If a Party or Person who guarantees the financial obligations of the Party, as the case may be, ceases to be in LEU estimation, creditworthy, LEU will demand alternative security and, if not provided, may immediately suspend the provision of further services to the Party and its Customers, as the case may be, until LEU in its sole discretion determines that the Party is capable of meeting its payment obligations by either satisfying the credit requirements or providing security.

Any withholding or suspension pursuant to this section shall not relieve the Party from any obligation to pay any rate, charge or other amount payable which as accrued or is accruing to LEU.

11.6 Notices

Unless otherwise stated herein, all notices, demands or requests required or permitted under these Terms and Conditions shall be in writing and shall be personally delivered, mailed or emailed addressed as follows:

- If to the Customer, the address and the addressee on record with LEU
- If to LEU,

City of Lethbridge Electric Utility
Infrastructure Services
290 – 7th Street, North
Lethbridge, Alberta
T1H 6K2
Attention: Rates & Regulatory Manager

A party may change the address or addressee from time to time by giving written notice of such change to the other party in accordance with this Section. Any notice, demand or request made, given or delivered hereunder by email shall be deemed to be received on the day of transmission if sent during the normal business hours of the recipient, failing which it shall be deemed to be received on the next following Business Day.