

CONTENTS

1. Who is this Guide for?	2
2. What service does FortisAlberta provide to Residential and Farm Customers?	2
3. What are the Terms and Conditions of Distribution Access Service?	3
4. What if the Terms and Conditions conflict with an Order issued by the Board?	3
5. Does a Residential or Farm Customer sign a contract with FortisAlberta?	3
6. When can FortisAlberta reject a request for Service Connection?	3
7. What facilities does the Customer provide?	4
8. What facilities does FortisAlberta provide?	4
9. Does the Customer pay for any of FortisAlberta's facilities?	4
10. How is the amount of the Customer Contribution determined?	4
11. Is the Customer Contribution refundable?	6
12. What if a change to a customer's service is required?	6
13. What if the Customer is taking over operation of an existing service?	6
14. What is FortisAlberta's metering practice?	6
15. Does FortisAlberta estimate Customer consumption and demand?	7
16. What if the Customer disputes the accuracy of a meter reading?	7
17. Which rate applies to a Point of Service?	7
18. How does FortisAlberta bill the Customer for Distribution Access Service?	7
19. Is there a minimum charge for Distribution Access Service?	8
20. What happens in the event of a billing error?	8
21. Are there any restrictions on the Customer's Distribution Access Service?	8
22. Does FortisAlberta guarantee uninterrupted Distribution Access Service?	9
23. Does FortisAlberta have the right to enter the Customer's premises?	9
24. How does FortisAlberta deal with trees and brush interfering with FortisAlberta facilities?	9
25. Does FortisAlberta have the right to disconnect the Customer's service?	9
26. What should the Customer do to have a service reconnected?	10
27. What if the Customer no longer requires Distribution Access Service?	10
28. Will FortisAlberta reimburse the Customer for bodily injury to the Customer or other persons rightfully on the Customer's property, or for damage to the Customer's equipment or property?	11
29. Is the Customer responsible for bodily injury to FortisAlberta's employees or damage to FortisAlberta's property?	11
30. What additional fees and charges might a Customer be required to pay?	11
31. What if a Customer wants more information?	12

1. Who is this Guide for?

This Guide is for FortisAlberta's urban and rural Residential Customers and for FortisAlberta's Farm Customers whose operating demand is 75 kW or less.

During the regulatory proceeding for FortisAlberta's 2002-2003 Distribution Tariff, the Alberta Utilities Commission (the "Commission") expressed concern that increasing complexities in the electric utility industry are making it more difficult for small customers to understand the workings of the industry. The Commission recommended a simple, easy to understand document to explain to small customers what the terms and conditions of utility service are, and this Guide is FortisAlberta's response to that direction from the Commission.

The information in this Guide provides an interpretation of the sections and clauses of FortisAlberta's Customer Terms and Conditions of Distribution Access Service, as approved by the Commission, which apply to residential and farm customers. Relevant sections of the Customer Terms and Conditions ("Ts&Cs") are noted to the left of the information provided in this Guide.

2. What service does FortisAlberta provide to Residential and Farm Customers?

FortisAlberta is an electricity distributor, and is the third of four steps in electricity's journey from creation to customer. *Generation* makes the power by burning coal or natural gas, with wind turbines, or with water; *transmission* provides high-voltage transport of power to transformers; *distribution* carries power from the transformers to customers over low-voltage poles and wires; and *retail* sells the power to customers.

FortisAlberta, as an electricity distributor, carries the power from transmission points of delivery to end-use Customers through its network of distribution poles, wires, transformers, and meters, which are collectively referred to as FortisAlberta's facilities. FortisAlberta usually builds these facilities to the Customer's Point of Service.

Since January 1, 2001, Customers do not purchase electricity from their electric distribution utility. Instead, all Customers in Alberta purchase electricity from a Retailer of their choice. As well, Residential and Farm Customers (and other small Customers who use less than 250,000 kWh annually) can purchase electricity on the Regulated Rate Tariff that is offered to eligible Customers by EPCOR Energy Alberta Inc as RRO and Default Supplier of FortisAlberta

Ts&Cs
4.2

The delivery of electricity to Customers within FortisAlberta's service area is provided by FortisAlberta as a regulated service, including rates which are regulated by the Alberta Utilities Commission. The delivery of electricity to Customers is known as Distribution Access Service. The Retailer or the provider of the Regulated Rate Tariff arranges for the Distribution Access Service provided by FortisAlberta to the Customer. That is, the Customer makes the request for service to a Retailer, who then makes the necessary arrangements with FortisAlberta.

3. What are the Terms and Conditions of Distribution Access Service?

Ts&Cs
Article 1

Simply, the Terms and Conditions of Distribution Access Service govern the relationship between FortisAlberta and its Customers and between FortisAlberta and Retailers. They are empowered by and subject to federal, provincial and local laws and regulations, as well as existing and future orders of governmental authorities, or their appointees, having applicable jurisdiction.

The Terms and Conditions of Distribution Access Service have been approved by the Alberta Utilities Commission (the "Commission") and apply to all of FortisAlberta's Distribution Load Customers. By accepting Distribution Access Service, a Customer accepts the Customer Terms and Conditions of Distribution Access Service. The current Customer Terms and Conditions of Distribution Access Service are effective January 1, 2010 and will remain in effect until the Commission approves new Terms and Conditions.

4. What if the Terms and Conditions conflict with an Order issued by the Commission?

Ts&Cs
2.2

An Order of the Alberta Utilities Commission takes precedence over FortisAlberta's Customer Terms and Conditions of Distribution Access Service and Retailer Terms and Conditions of Distribution Access Service.

5. Does a Residential or Farm Customer sign a contract with FortisAlberta?

Ts&Cs
4.4.1(a)

Not typically. Generally, only Customers with 75 kW and larger services sign an Electric Service Agreement (that is, a contract) with FortisAlberta. However, if the **actual** Operating Demand of any service differs significantly from the **Expected** Peak Demand for the service, FortisAlberta may require the Customer to sign an Electric Service Agreement.

6. When can FortisAlberta reject a request for Service Connection?

Ts&Cs
4.3

FortisAlberta can reject a request for a Residential or Farm Service Connection when:

- all of the required permits and authorizations for the Service Connection have not been obtained;
- a signed application for the Service Connection or a signed Electric Service Agreement (if required) has not been received; or
- a fraudulent, untruthful, or misleading representation has, in FortisAlberta's opinion, been made in relation to the Service Connection.
- a previous account of the customer is in arrears

7. What facilities does the Customer provide?

Ts&Cs 8.1.1 The Customer provides and is responsible for all wiring and electrical equipment on the Customer’s side of the meter, including a suitable service entrance and meter socket or enclosure.

If a meter is installed on a pole owned by the Customer, the Customer shall provide and maintain the pole. For underground installations, the Customer provides and is responsible for the underground conduit and underground service leads

For a new service, or for the rewiring of an existing service, the Customer will need to obtain an electrical permit from an accredited agency. The Customer’s wiring must conform to all applicable Canadian and Alberta standards. For safety reasons, FortisAlberta has the right, but not the obligation, to inspect the Customer’s wiring. Inspection by FortisAlberta does not relieve the Customer from any responsibility with respect to the Customer’s wiring or electrical equipment.

8. What facilities does FortisAlberta provide?

Ts&Cs 8.2 FortisAlberta installs, owns, and maintains all of the distribution facilities required to supply Distribution Access Service up to the Customer’s Point of Service, including the meter. FortisAlberta will install and seal the meter, which is approved by Measurement Canada. FortisAlberta also arranges with the Alberta Electric System Operator (“AESO”) to ensure all necessary transmission facilities are provided.

FortisAlberta is able to provide single and three phase electric service at several standard voltages and will assist the Customer in selecting the type of electric service best suited to the Customer’s needs.

9. Does the Customer pay for any of FortisAlberta’s facilities?

Ts&Cs 7.2.1 Customers are required to make a payment towards the cost of constructing the facilities if the cost is greater than FortisAlberta’s Maximum Investment in the new service (please see Section 10, below). The amount the Customer pays is called the “Customer Contribution”. Even if the Customer pays a Customer Contribution, FortisAlberta retains ownership of all distribution related facilities on FortisAlberta’s side of the Point of Service. The Customer pays the Customer Contribution before FortisAlberta begins construction.

10. How is the amount of the Customer Contribution determined?

Ts&Cs 7.2.1 The amount of the Customer Contribution payable by a Customer for a new or expanded service is calculated by subtracting FortisAlberta’s Maximum Investment in the new service from the Total Cost as follows:

$$\text{Customer Contribution} = \text{Customer Extension Costs} \pm \text{Customer Shared Costs} - \text{FortisAlberta Investment}$$

Customer Extension Costs include the cost of local facilities required to extend standard service for the sole use of the Customer.

Customer Shared Costs are calculated (if applicable):

- for rural overhead Residential subdivisions, based on the costs of the facilities needed to serve the subdivision divided by the number of lots served; and
- for single rural Residential and Farm Service customers, as Prepaid Line Share using the formula (Base Cost – Customer Extension Cost) × Factor based on:

Ts&Cs
App B
Table 3

Rate Category	Base Cost		Factor
	Single Phase	Three Phase	
Rural Residential	\$3,600	Not Applicable	40%
Farm	\$6,200	\$11,500	20%

Prepaid Line Share reflects the variation of construction costs with distance for smaller customers. Customers with shorter extensions pay an extra share of costs to compensate customers who pioneered and paid for the longer extensions. The Line Share is averaged and pre-calculated to provide certainty of costs at the time of construction and to minimize administration. The customer is then not subject to any further line share costs or refunds.

Ts&Cs
App B
Table 1

FortisAlberta Investment for distribution facilities when the service is expected to last **15 years or more** is:

Type of Service	FortisAlberta Maximum Investment
Residential	\$ 1200 per Service
Farm Service	\$ 5,275, plus \$755 per kVA of Peak Demand

Ts&Cs
App B
Table 2

For FortisAlberta's Maximum Investment applicable when a Farm Service is expected to last **less than 15 years**, refer to Appendix B, Table 2 of FortisAlberta's Terms and Conditions.

Example — Farm Customer Contribution

A new three-phase service for a customer's farm requires a relatively long extension, and will cost \$85,000 to build. The expected operating demand is 75 kVA and the expected life of service is more than 15 years.

Customer Extension Costs = \$85,000

Prepaid Line Share = (\$11,500 – \$85,000) × 20% = (\$14,700)

FortisAlberta Maximum Investment (75 kVA × \$755/kVA) + \$5,275 = \$61,900

Customer Contribution = (\$85,000 – \$14,700) – \$61,900 = \$ 8400

11. Is the Customer Contribution refundable?

Ts&Cs
7.2.3 Residential and Farm Service Customers with an operating demand less than 100 kW (i.e., subject to Prepaid Line Share) is not typically eligible for contribution refunds.

12. What if a change to a customer's service is required?

Ts&Cs
7.3 If a customer requires or requests additional facilities for which no additional investment is available from FortisAlberta, the customer will be required to pay for those facilities. If an increase in peak demand accompanies a request for additional facilities for a Farm Service, additional FortisAlberta investment may be available to reduce the customer contribution.

If the peak demand for a breakered Farm Service decreases, the customer may request a decrease in breaker size. FortisAlberta will accordingly decrease the breaker by one size at no cost to the customer, once in a twelve-month period. (Breaker sizes are 25 kVA, 15 kVA, 10 kVA, 7.5 kVA, and 5 kVA.) An additional customer contribution may be assessed for a decrease in peak demand at a service that is larger than 25 kVA.

13. What if the Customer is taking over operation of an existing service?

Ts&Cs
4.4.3 When a new customer takes over operation of an existing service, all obligations of the existing service are also transferred to the new customer, including demand history, minimum charge provisions, and any existing contract. If changes to the service are required the customer may need to make an additional Customer Contribution. The customer should contact FortisAlberta before finalizing the transfer of a service to ensure existing obligations for the service are known.

14. What is FortisAlberta's metering practice?

Ts&Cs
9.5 FortisAlberta takes an actual meter reading at each Point of Service in compliance with the System Settlement Code, and typically at least every second month. FortisAlberta will take additional readings at the request of a Retailer (or a Customer via a Retailer). An "Off-Cycle Meter Reading" fee of \$35 will be charged for each such read.

Ts&Cs
App A

See
new
Option I Interval energy recorders are available to Customers with expected demands of less than 500 kW for a data management fee of \$6.08 per day for all rate classes, except Irrigation Rate 26 and Rate 29 which are \$10.38 per day, plus the additional cost of the meter installation.

Ts&Cs
App A On request FortisAlberta will provide twelve months of site consumption history to a Customer. A "Settlement History or Confirmation of Settlement Data Request" fee of \$25 per hour will typically be charged, with most requests charged the minimum one-hour amount.

15. Does FortisAlberta estimate Customer consumption and demand?

Ts&Cs
9.9 FortisAlberta estimates the amount of energy used by a Customer in the following circumstances:

- where the Customer's Point of Service is not metered;
- where a meter is inaccessible due to conditions on the Customer's premises;
- where the meter is not scheduled to be read;
- where it is determined that the amount of energy used was different from that recorded or billed;
- where a meter reading schedule or a meter change creates a transition period in FortisAlberta's billing cycle; or
- if the seal of a meter is broken or if the meter does not register correctly, regardless of the cause.

16. What if the Customer disputes the accuracy of a meter reading?

Ts&Cs
9.10 Measurement Canada regulates meter accuracy disputes. If a Customer requests that the accuracy of a meter be tested, FortisAlberta requires a \$50.00 Meter Testing fee for a Residential or Farm Service meter. If the meter is inaccurate, FortisAlberta will refund the fee and adjust bills for the affected site. If the meter is found to be accurate, FortisAlberta will keep the fee to cover the cost of testing the meter.

17. Which rate applies to a Point of Service?

Ts&Cs
11.2 FortisAlberta's rate sheets in the Distribution Tariff indicate to what type of service each rate sheet applies:

- **Rate 11 Residential Service** is available to individually metered single-family dwelling units that are used for domestic purposes only.
- **Rate 21 Farm Service** is available in rural areas to Points of Service connected directly to FortisAlberta's distribution system that deliver energy to farming operations which include a residence.

18. How does FortisAlberta bill the Customer for Distribution Access Service?

Ts&Cs
11.2 FortisAlberta bills the Customer's Retailer, not the Customer directly, for Distribution Access Service. FortisAlberta's charges appear on the bill the Customer receives from the Retailer, and are frequently identified as "the cost of delivery electric energy to you." FortisAlberta issues bills to Retailers based on the charges in the rate sheets in the Distribution Tariff. Charges are determined separately for each Point of Service.

Ts&Cs
11.4 The monthly Distribution Tariff bill is based on the Consumption Period between two consecutive meter readings (or estimates) for a site. Basic monthly and capacity charges are prorated over the consumption period as follows:

- Residential -basic monthly charge \times days in consumption period \times 12 \div 365
- Farm -charge per unit \times capacity units \times days in consumption period \times 12 \div 365

FortisAlberta begins billing Retailers for new services from the earlier of the date that the service was connected, or 30 days after the service was made available to the Customer.

Ts&Cs
11.1
and
11.6 FortisAlberta may bill the Customer directly for Customer Contributions, meter tests, or other services provided directly to the Customer. A late payment charge of 1.5% per month (19.56% per year) is applied if payment has not been received before one month after the bill was issued. The Customer is charged a \$20.00 "Dishonoured Cheque Charge" for each cheque returned for non-sufficient funds.

19. Is there a minimum charge for Distribution Access Service?

Ts&Cs
11.3 A minimum charge is specified on each Rate Sheet. For Residential Customers, the minimum charge is \$0.534 per day. For Farm Customers, the minimum charge is calculated by applying the rate to a metered consumption and:

- for breakered services, the greater of the breaker kVA rating or 5 kVA, or
- for non-breakered services, 10 kVA of Capacity.

20. What happens in the event of a billing error?

Ts&Cs
11.8 If FortisAlberta overcharges or undercharges on a bill, a credit for an overcharge or an adjusted bill for an undercharge will be issued to the Retailer, without interest. Credits or adjustments will apply for those billing periods during which the error occurred up to a maximum of twelve billing periods. The Customer receives any applicable credits or adjusted bills from the Retailer.

21. Are there any restrictions on the Customer's Distribution Access Service?

Ts&Cs
5.2 The following restrictions on the Customer's use of Distribution Access Service exist mainly for safety reasons:

- The Customer may not erect any structure that could interfere with the operation of FortisAlberta's facilities. Upon request, FortisAlberta will move any FortisAlberta facilities located on the Customer's property, provided that the Customer pays for the cost of the move.
- If the Customer is causing interference with the use of electric service by other Customers, the Customer must correct the cause of the interference when requested by FortisAlberta.
- The Customer may not use the service supplied by FortisAlberta in parallel with any other source of electricity without FortisAlberta's written consent, which will not be unreasonably withheld.

If these restrictions pose any problems, please contact FortisAlberta.

22. Does FortisAlberta guarantee uninterrupted Distribution Access Service?

Ts&Cs
16.6

FortisAlberta takes all reasonable precautions to guard against interruptions. However, interruptions may occur, without any liability to FortisAlberta, because of events such as operating and maintenance work; the obligation to comply with any applicable laws, orders or instructions from any party to whom FortisAlberta is obliged; or because of events beyond FortisAlberta's control (such as storms or accidents involving equipment owned by third parties).

FortisAlberta operates its electric system so as to maintain a voltage within the limits set out in Canadian Standards Association (CSA) Standard C-235. Please contact FortisAlberta if further technical details are required.

23. Does FortisAlberta have the right to enter the Customer's premises?

Ts&Cs
6.2

FortisAlberta has the right to enter the Customer's property in order to read the meter or to install, maintain, disconnect, or remove its facilities. In order to maintain safe and reliable electric service, FortisAlberta also has the right to treat, trim, or cut trees and brush that may interfere with the operation of its facilities.

FortisAlberta endeavors to provide reasonable notice to the Customer when entry to the Customer's property is required, and prior to performing tree or brush work on the Customer's property. A "No Access" fee may be charged to the customer if access to a site is considered by FortisAlberta to be unsafe or is otherwise prevented, hindered or refused.

24. How does FortisAlberta deal with trees and brush interfering with FortisAlberta facilities?

Ts&Cs
6.3

FortisAlberta generally treats, trims, or cuts trees and brush that may interfere with FortisAlberta main lines. The Customer is expected to maintain clearances from power lines when planting trees or brush on the Customer's property, and must treat, trim, or cut trees and brush that may interfere with FortisAlberta's service extension to the Customer. If the Customer does not treat, trim, or cut the trees and brush that may interfere with the service extension, FortisAlberta has the right to perform such work without prior notice to the Customer and to charge the Customer a reasonable fee for this service. Please contact FortisAlberta if further information is required.

25. Does FortisAlberta have the right to disconnect the Customer's service?

Ts&Cs
10.3.1

FortisAlberta may withhold connection or may disconnect a Customer's service **without notice**:

- if FortisAlberta believes there is an actual or threatened danger to life or property;
- on account of theft by the Customer of any FortisAlberta facilities; or
- if any tampering with any service conductors, seals, or meters is discovered.

- As required by law

Ts&Cs 10.3.2 FortisAlberta may withhold connection or may disconnect a Customer's service **after providing 48 hours notice:**

- if the Customer neglects or refuses to pay when due any amounts required to be paid under the Terms and Conditions;
- as required by law;
- if the Customer is in violation of any of the Terms and Conditions; or

Ts&Cs 10.2 • as requested by the Customer's Retailer in accordance with FortisAlberta's Terms and Conditions.

Ts&Cs 10.3.2(a) FortisAlberta will not disconnect a Residential or Farm Service Customer for non-payment of amounts owing to FortisAlberta or to the Customer's Retailer:

- at any time during the period from October 15 to April 15; or
- 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.

FortisAlberta also reserves the right to install a device to limit or reduce the amount of electric energy provided to the Customer.

26. What should the Customer do to have a service reconnected?

Ts&Cs 10.4 Following a disconnection of a Customer's service, FortisAlberta will reconnect the service when the condition that led to the disconnection has been corrected and FortisAlberta has been paid:

- the actual costs of reconnection; and
- the minimum charge for the period of disconnection as determined in Appendix "A" of FortisAlberta's Terms and Conditions if applicable

27. What if the Customer no longer requires Distribution Access Service?

Ts&Cs 10.1.4 Customers arrange for termination of Distribution Access Service through their Retailer. For Residential Customers who require only temporary disconnection of service (for example, summer cottages), FortisAlberta will leave all of its facilities in place after the service has been disconnected and charge the reconnection fee at the time the service is reconnected.

For Farm Customers who require only temporary disconnection of service, FortisAlberta will leave all of its facilities in place after the service has been disconnected if the Customer continues to pay the Minimum Charge applicable. At the time the service is reconnected, no additional charges for reconnection will apply.

28. Will FortisAlberta reimburse the Customer for bodily injury to the Customer or other persons rightfully on the Customer's property, or for damage to the Customer's equipment or property?

Ts&Cs
14.1

Each case is determined on its own merits. In general, FortisAlberta will reimburse the Customer or other persons rightfully on the Customer's property if the bodily injury or property damage was caused by the negligence or intentional wrongdoing of FortisAlberta, its agents, or employees while properly acting on behalf of FortisAlberta. However, FortisAlberta's payment may be reduced if the Customer's negligence contributed to the bodily injury or property damage.

FortisAlberta will not be responsible for any indirect or consequential losses or damages, whether the losses or damages were related to FortisAlberta's negligence or otherwise. For example, FortisAlberta would not reimburse a Customer for indirect damage such as loss of revenue or profits, due to equipment being damaged by FortisAlberta.

FortisAlberta recommends that Customers review their insurance coverage to ensure that they are adequately covered for property damage or other losses caused by electrical disturbances or interruptions. FortisAlberta also recommends that Customers consider installing surge protection devices to protect sensitive electrical equipment (such as personal computers) from damage caused by electrical disturbances or interruptions.

29. Is the Customer responsible for bodily injury to FortisAlberta's employees or damage to FortisAlberta's property?

Ts&Cs
14.4

The Customer is responsible for any bodily injury of FortisAlberta's employees or its agents and damage to FortisAlberta's property that may be caused by (i) the routine presence or use of electricity over the Customer's facilities, (ii) the Customer's improper or negligent use of electricity or electrical facilities, (iii) any negligence, intentional wrongdoing or breach of contract on the part of the Customer or anyone acting on behalf of the Customer.

The Customer is responsible for any direct, indirect or consequential losses or damage to FortisAlberta. For example, the Customer would have to reimburse FortisAlberta for loss of revenue or profits due to equipment being damaged by the Customer.

30. What additional fees and charges might a Customer be required to pay?

Ts&Cs
App A

The fees and charges listed below are those that typically apply to Residential and Farm Service Customers. They are non-refundable and are charged in all circumstances to the party making the request, unless otherwise specified. A complete list of fees is included in Appendix "A" of FortisAlberta's Terms and Conditions.

- **Reconnection** from 8:00 AM – 4:00 PM Monday – Friday \$90.00
(and additional \$60.00 fee if reconnected after a Customer requested disconnect and if no Idle Charges are assessed)

• After Hour Reconnection outside regular business hours (which are 8:00 AM – 4:00 PM Monday – Friday)	\$250.00
• Off-Cycle Meter Reading	\$35.00
• Interval Meter Installation	Incremental cost
• Meter Testing (fee is refunded if meter is found to be faulty)	\$50.00
• No Access (when access to a site is refused)	\$90.00
• Settlement History or Confirmation of Settlement Data Request for regular meter, including up to 12 months of site consumption history	\$25.00/hour (1 hour minimum)
• Service Trips when multiple trips to a Customer's service are required	\$45.00
• Cancellation when a request is cancelled or deferred after field staff have been mobilized	\$45.00
• Returned Cheques for each cheque returned to FortisAlberta for any reason	\$20.00

31. What if a Customer wants more information?

Please call FortisAlberta toll-free at 310-WIRE (310-9473) for more information on any of the topics included in this Guide.

FortisAlberta's complete Terms and Conditions of Distribution Access Service are available on request or from FortisAlberta's website at:

<http://www.fortisalberta.com>