



RETAILER TERMS AND CONDITIONS OF ELECTRIC DISTRIBUTION SERVICE



TABLE OF CONTENTS

ARTICLE 1 - INTRODUCTION.....	4
ARTICLE 2 - DEFINITIONS AND INTERPRETATION	4
2.1 Definitions.....	4
ARTICLE 3 - GENERAL PROVISIONS	4
3.1 Appendices.....	4
3.2 Board approval.....	5
3.3 Distribution tariff	5
3.4 Effective date	5
3.5 Ownership of facilities	5
3.6 New facilities and service additions.....	5
ARTICLE 4 - GENERAL OBLIGATIONS OF RETAILERS.....	5
4.1 Timelines, due diligence and security requirements	5
4.2 Arrangements with members	5
4.3 Responsibility for electric purchases	6
4.4 Retailer authorization	6
4.5 Retailer identification.....	6
4.6 Single retailer for member	6
4.7 Fees and other charges.....	6
ARTICLE 5 - MEMBER ENQUIRIES AND MEMBER INFORMATION.....	6
5.1 Member enquiries.....	6
5.2 Member enquiries related to emergency situations and outages	6
5.3 Member information	7
5.3.1 Provision of member information to a retailer.....	7
5.3.2 Provision of member information to EQUS	7
ARTICLE 6 - PROVISION OF SERVICE.....	7
6.1 Qualification for service.....	7
6.2 Application for enrollment.....	8
ARTICLE 7 - BILLING & PAYMENT	8
7.1 Retail billing.....	8
7.2 Payment and collection terms	8
7.3 Late or unpaid bills.....	9
7.4 Adjustment of bills	9
7.4.1 Billing error.....	9
7.4.2 Unauthorized use.....	9
ARTICLE 8 - ELECTRIC DISTRIBUTION SERVICE INTERRUPTION.....	9
8.1 Continuous supply.....	9
8.2 Interruption.....	9
8.3 Reasonable efforts	10
ARTICLE 9 - DISCONTINUANCE OF ELECTRIC DISTRIBUTION ACCESS SERVICE	10
9.1 Discontinuance by the retailer.....	10
9.2 Discontinuance by EQUS.....	10



Retailer Terms and Conditions of Electric Distribution Service
Effective March 1, 2021

ARTICLE 10 - SERVICE DISCONNECTS AND RECONNECT	11
10.1 Disconnection of service	11
10.1.1 Disconnection by EQUUS.....	11
10.1.2 Disconnection at request of retailer	11
10.1.3 Reconnect service	11
ARTICLE 11 - SECURITY REQUIREMENTS.....	11
Setting of security requirements	11
ARTICLE 12 - METERING.....	11
12.1 Provision and ownership.....	11
12.2 Meter reading	12
12.3 Meter test and adjustments	12
ARTICLE 13 - LOAD SETTLEMENT	12
13.1 Request for additional settlement information.....	12
13.2 No liability for errors.....	12
ARTICLE 14 - DEFAULT.....	13
14.1 Events of default	13
14.2 Rights upon default.....	13
ARTICLE 15 - LIABILITY AND INDEMNITY.....	13
15.1 Indemnity	13
15.2 Consequential loss	14
ARTICLE 16 - FORCE MAJEURE	14
16.1 Force Majeure relief.....	14
16.2 Exclusions	14
16.3 Notice	14
16.4 Obligation to remedy.....	14
ARTICLE 17 - DISPUTE RESOLUTION.....	15
Resolution by EQUUS and retailer	15
ARTICLE 18 - MISCELLANEOUS.....	15
18.1 Compliance with applicable legal authorities.....	15
18.2 No assignment	15
ARTICLE 19 - NOTICE	15
APPENDIX A - COMPLIANCE TESTING PROTOCOL	16
APPENDIX B - SECURITY REQUIREMENTS	17
APPENDIX C - RETAILER SERVICE AGREEMENT	19
APPENDIX D - SCHEDULE OF RATES	21



ARTICLE 1 - INTRODUCTION

EQUS will provide electric distribution service for any member who has made arrangements with a retailer for retail electricity services at a site according to these Terms and Conditions. They govern the relationship between EQUS, as a wire owner, and retailers, as well as to the relationship between EQUS and any member for whom a retailer is acting as an agent in its dealings with EQUS.

These Terms and Conditions serve as a companion to the Terms and Conditions of Electric Distribution Service, which govern the relationship between EQUS and members, or any other person whom the member has assigned to act on the member's behalf in dealings with EQUS.

ARTICLE 2 - DEFINITIONS AND INTERPRETATION

2.1 Definitions

All terms not otherwise defined below have the meaning given them by the *Electric Utilities Act*, SA 2003 c E-5.1 ("Act") and accompanying *Regulations*, the Alberta Utilities Commission ("AUC") Rule 021 or the Settlement System Code ("SSC"):

- a) "*Automated Metering Infrastructure*" means the integrated system of smart meters, communication networks and data management systems that enables two-way communication between meters and EQUS staff or members;
- b) "*Customer*" means a member who has contracted with a retailer for provision of retail electricity services;
- c) "*Demand*" means the maximum rate at which electric energy is delivered, expressed in kilovolt Amp (kVA), kiloWatt (kW), or other suitable unit;
- d) "*Force Majeure*" means an event or circumstance that wholly or partly prevents EQUS from performing any of its obligations under these Terms and Conditions, as long as (a) the event or circumstance is not reasonably within the control EQUS, (b) the event or circumstances was not caused in whole or part by the negligence of EQUS, and (c) EQUS cannot, in good faith perform the obligations by any reasonable substitute means;
- e) "*Point of Service*" means the point at which EQUS' service conductors are connected to the conductors or apparatus of a member; and
- f) "*Terms and Conditions*" means these Retailer Terms and Conditions of Electric Distribution Service, and any amendments.

ARTICLE 3 - GENERAL PROVISIONS

3.1 Appendices

The attached appendices form part of these Terms and Conditions:

- Appendix A: Compliance Testing Protocol
- Appendix B: Security Requirements
- Appendix C: Retailer Service Agreement
- Appendix D: Schedule of Rates



3.2 Board approval

The board of directors has approved these Terms and Conditions and may, by further board approval, amend these Terms and Conditions from time to time and will subsequently file the new Terms and Conditions for information with the AUC. Where there is an existing arrangement between EQUS and a retailer based on these Terms and Conditions, EQUS will provide not less than 60 days written notice to the retailer of any planned amendment(s) and will work with the retailer on a reasonable best efforts basis to address any related concerns of the retailer.

3.3 Distribution tariff

These Terms and Conditions form part of the Distribution Tariff.

3.4 Effective date

These Terms and Conditions are effective May 1, 2015. Updates will be issued with the effective date of the amendments indicated thereon. Notice of the updated and amended Terms and Conditions will be provided to any retailer who has entered into a Retailer Service Agreement with EQUS, and updated Terms and Conditions are effective for all Retailers as of the effective date of the amendment.

3.5 Ownership of facilities

EQUS remains the owner of all facilities necessary to provide retail electricity services by retailers to members.

3.6 New facilities and service additions

EQUS will communicate directly with existing and potential members regarding all aspects of construction, operations and maintenance of EQUS' distribution system.

ARTICLE 4 - GENERAL OBLIGATIONS OF RETAILERS

4.1 Timelines, due diligence and security requirements

- a) Retailers will exercise due diligence and use reasonable efforts in meeting their obligations under this Agreement, and perform those obligations in a timely manner.
- b) The retailer shall adhere to all credit, deposit and security requirements specified in these Terms and Conditions.
- c) The retailer shall make every effort to ensure that its Customers are aware of the provisions of these Terms and Conditions that may affect them.

4.2 Arrangements with members

Unless otherwise stated, the retailer will be solely responsible for having appropriate contractual or other arrangements with its Customers regarding the provision of retail electricity services. EQUS will not be responsible for monitoring, reviewing or enforcing those contracts or arrangements and will not be liable for any loss, damages, cost, injury, expense or other liability, whether direct, indirect, consequential or special in nature, howsoever caused, as a result of the retailer's failure to perform its obligations to its Customers.



4.3 Responsibility for electric purchases

The retailer will be solely responsible to procure electric energy on behalf of its Customers, including a share of the energy losses in EQUUS' facilities, and for arranging the delivery of such energy to the Point of Service for Customers, subject to these Terms and Conditions.

4.4 Retailer authorization

The retailer will be responsible for obtaining authorization from each member authorizing the enrollment of that member as a Customer of the retailer. The SSC governs relevant enrollment transactions and notifications.

4.5 Retailer identification

Any information exchange or communications between the retailer and EQUUS under these Terms and Conditions will be consistent with the SSC. The retailer may, as part of the arrangement for electric distribution service, use more than one retailer identification number so long as it is consistent with the SSC.

4.6 Single retailer for member

EQUUS shall not be required to recognize and deal with more than one retailer regarding a Point of Service at any given time.

4.7 Fees and other charges

EQUUS will provide and be paid for services as set out in these Terms and Conditions. All additional services provided by EQUUS to a retailer or member will be charged a separate rate or fee, such as those included in Appendix D. Payment for these services will be according to the provisions of these Terms and Conditions.

ARTICLE 5 - MEMBER ENQUIRIES AND MEMBER INFORMATION

5.1 Member enquiries

For members requesting information on retail electricity services, EQUUS will make available the following information:

- a) Notification and informational materials to consumers about competition and consumer choices;
- b) Direct members, on request, to a source where they may obtain the current list of licensed retailers maintained in accordance with the *Consumer Protection Act*, RSA 2000, c C-26.3. EQUUS is under no obligation to assure the accuracy of this list; and
- c) Provide members with a list of retailers currently registered with EQUUS.

5.2 Member enquiries related to emergency situations and outages

Retailers will make every effort to ensure members contacting the retailer regarding distribution emergency conditions, outages, safety or environment situations related to EQUUS' electric distribution system are immediately and directly referred to EQUUS.



5.3 Member information

5.3.1 Provision of member information to a retailer

EQUS will provide standard member energy usage information by site to a retailer that has a Retailer Service Agreement and a representation and warrant document in place with EQUS. Pursuant to AUC Rule 010, the representation and warrant document is to be recognized as being demonstrative proof that member consent was obtained by the retailer each time the retailer makes a request for historic usage information. Where EQUS agrees, the retailer may use another means to convey the required member authorization for release of their usage information, including as set out in AUC Rule 010.

The information will include:

- a) The 425 calendar days preceding the date of the request, or
- b) For any shorter period for which EQUS has collected that information.

A retailer may request such usage information prior to an application for enrollment. The information referred to above will be provided by EQUS at no additional cost for requests made once per year per account. EQUS reserves the right to assess a charge for additional member usage information requests as set forth in Appendix D.

5.3.2 Provision of member information to EQUS

The retailer must, in accordance with the SSC, notify EQUS as promptly as reasonably practical of any changes to member Information.

ARTICLE 6 - PROVISION OF SERVICE

6.1 Qualification for service

The retailer must fulfill the following requirements to the satisfaction of EQUS before EQUS will provide electric distribution service to that retailer:

- a) Submit to EQUS a copy of fully completed, executed Retailer Service Agreement, Appendix C;
- b) Furnish a certified copy of the license issued to it and warrant in writing to EQUS that it is licensed pursuant to and will comply with the provisions of the *Consumer Protection Act*, RSA 2000 c C-26.3 and any applicable regulation;
- c) Satisfy the credit requirements of EQUS according to these Terms and Conditions;
- d) Meet the compliance testing protocol of EQUS regarding information exchange as set out in Appendix A;
- e) Warrant in writing to EQUS that it has been registered by the Alberta Electric System Operator as a pool participant; and
- f) Meet any other requirements that EQUS, acting reasonably, may impose in order to provide electric distribution service to the retailer.



Upon satisfaction of the above requirements, EQUUS will provide electric distribution service to the retailer subject to these Terms and Conditions. EQUUS reserves the right, acting reasonably, to discontinue electric distribution service to the retailer if at any time the retailer fails to meet these requirements.

6.2 Application for Enrollment

- a) In order to initiate the provision of electric distribution service by EQUUS in relation to a specific Customer, the retailer will complete and provide to EQUUS an enrollment of the Customer.
- b) EQUUS will provide electric distribution service to the retailer. EQUUS reserves the right to verify the identity of the Customer and to reject an enrollment if the required SSC transaction is absent.
- c) Enrollments will be processed by EQUUS on a first-come, first-served basis. Each enrollment will be time and date-stamped when received by EQUUS.
- d) Once the enrollment is submitted, EQUUS will exercise reasonable efforts to provide the retailer, in electronic form, same day notification whether the enrollment has been accepted or rejected. If an enrollment is accepted, the effective date of the acceptance and the commencement of electric distribution service will be confirmed. If an enrollment is rejected, EQUUS will provide reasons for the rejection.
- e) EQUUS will use commercially reasonable efforts to obtain monthly meter reads on all of its in-service meters using automated meter reading via AMI. EQUUS will complete an actual meter read at the time of the enrollment. Where this is not possible due to technical issues or outage, EQUUS will estimate a meter read. At the request of the retailer (or member), EQUUS will obtain an actual off-cycle meter read and assess a charge to the retailer according to EQUUS' distribution tariff.
- f) If more than one enrollment is received for a site while an earlier enrollment is pending, only the first valid enrollment received by EQUUS will be processed in that period.
- g) EQUUS reserves the right to refuse electric distribution service, at any Point of Service, to a retailer who is in default under these Terms and Conditions.
- h) The retailer will not be liable to EQUUS for any outstanding indebtedness of the member to EQUUS, which accrued prior to the receipt by the retailer of electric distribution service.

ARTICLE 7 - BILLING & PAYMENT

7.1 Retail billing

EQUUS will bill the retailer for electric distribution service provided to the retailer as follows:

- a) EQUUS will invoice the retailer based on guidelines identified in the Tariff Billing Code Rule 004;
- b) EQUUS will not assume any billing or collection obligations or responsibilities for or on behalf of the retailer. The retailer will process Customer payments and handle collection responsibilities. EQUUS may, at its sole discretion and in addition to any other remedies available to it, terminate electric distribution service to the retailer, if the retailer does not pay all outstanding bills according to these Terms and Conditions.

7.2 Payment and collection terms

- a) The retailer shall pay in full the amount invoiced to it by EQUUS by electronic means, on or before the 25th day following the date of the invoice.



- b) The retailer shall pay all amounts owed to EQUS whether or not the Customer has paid the retailer.
- c) Failure to receive a bill does not release a retailer from the obligation to pay the amount owing for electric distribution service provided by EQUS.

7.3 Late or unpaid bills

If a retailer defaults or is late in paying charges, EQUS will provide the retailer notice as required by the *Distribution Tariff Regulation, Alta Reg 162/2003*, and will be entitled to draw on the credit facility of the retailer within 3 business days of providing such notice. EQUS may require an additional deposit to replace the funds drawn down because of the default or late payment by the retailer. EQUS shall charge interest on the late payment as set forth in according to EQUS' distribution tariff.

7.4 Adjustment of bills

7.4.1 Billing error

Should the retailer dispute any amount owing, the retailer shall nonetheless pay the disputed amount and refer the dispute for resolution according to these Terms and Conditions. Following resolution of any dispute, EQUS will return any amount found owing to the retailer forthwith. The right or ability of either party to dispute a bill for service provided shall only apply to bills rendered during a period of two (2) years prior to the date of a written notice of the dispute. EQUS may assess a charge to the retailer for reviewing billing disputes, in circumstances where EQUS has not been responsible for any billing error, according to EQUS' distribution tariff.

7.4.2 Unauthorized use

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

ARTICLE 8 - ELECTRIC DISTRIBUTION SERVICE INTERRUPTION

8.1 Continuous supply

EQUS shall make all reasonable efforts to provide electric distribution service according to these Terms and Conditions, but EQUS does not guarantee against interruptions.

8.2 Interruption

Without liability of any kind to EQUS, EQUS shall have the right to disconnect or otherwise curtail, interrupt or reduce electric distribution service to the retailer (and the retailer's Customers) whenever EQUS reasonably determines, or when EQUS is directed by the system controller, that such a disconnection, curtailment, interruption or reduction is necessary to facilitate construction, installation, maintenance, repair, replacement or inspection of any of EQUS' facilities; to maintain the safety and



reliability of EQUS' electric distribution system; or due to any other reason, including emergencies, forced outages, potential overloading of EQUS' electric distribution system or Force Majeure.

8.3 Reasonable efforts

EQUS shall use reasonable efforts to minimize any scheduled curtailment, interruption or reduction to the extent reasonably practicable under the circumstances, to provide the member with prior notification of any such curtailment, interruption or reduction to the extent reasonably practicable, and to resume electric distribution service as promptly as reasonably practicable.

ARTICLE 9 - DISCONTINUANCE OF ELECTRIC DISTRIBUTION ACCESS SERVICE

9.1 Discontinuance by the retailer

- a) To discontinue electric distribution service, a retailer shall complete and provide to EQUS a written notice of de-enrollment of service in the form and manner set out in compliance with the SSC.
- b) In accordance with these Terms and Conditions, EQUS will use commercially reasonable efforts to obtain monthly meter reads on all of its in-service meters using automated meter reading via AMI. EQUS will complete an actual meter read at the time of the enrollment. Where this is not possible due to technical issues or outage, EQUS will estimate a meter read. At the request of the retailer (or Customer), EQUS shall obtain an actual off-cycle meter read and assess a charge to the retailer according to EQUS' distribution tariff.
- c) EQUS will accept a notice of de-enrollment of a Customer by a retailer for discontinuance of electric distribution service as required by the SSC and these Terms and Conditions.
- d) EQUS will not be held liable for any disputes between the Customer and the retailer.
- e) Upon receipt of a valid notice of de-enrollment of electric distribution service from a retailer, EQUS will process the transaction in accordance with the SSC.
- f) In accordance with the SSC, the retailer shall remain responsible for service to the Customer until the de-enrollment is processed by EQUS.

9.2 Discontinuance by EQUS

EQUS may discontinue electric distribution service to the retailer and the retailer's Customers if any of the following occur:

- a) The retailer has lost its license under the provisions of the *Consumer Protection Act, RSA 2000, c C-26.3*;
- b) The retailer has failed to meet its obligations under these Terms and Conditions or the Retailer Service Agreement with EQUS;
- c) The retailer has failed to meet its credit requirements pursuant to Appendix B; or
- d) On account of theft, fraud or tampering with metering equipment.

Notification of discontinuance will be made electronically to the retailer and by mail to the member. Upon discontinuance of electric distribution service pursuant to this provision, the provisions of the affected services may be assumed by another eligible retailer from which the Customer elects to obtain services.



ARTICLE 10 - SERVICE DISCONNECTS AND RECONNECT

10.1 Disconnection of service

10.1.1. Disconnection by EQUS

- a) EQUS has the right to disconnect electric service to the member in a number of circumstances, including evidence of safety violations, theft, fraud or tampering with metering equipment by the member. If a member requests EQUS to disconnect service, EQUS will refer the member to the retailer. The only exception is in the event that the member request is for safety reasons.
- b) If the disconnect is a result of a safety violation, EQUS will reconnect the service when the safety problem is resolved and when the member has provided, or paid EQUS' costs of providing, such devices or equipment as may be necessary to resolve such safety problem and to prevent such damage, interference or disturbance.

10.1.2 Disconnection at request of retailer

- a) The retailer has the right in certain circumstances to request that EQUS disconnect service to a particular Customer, and EQUS shall comply with that request, unless that action is inconsistent with EQUS' Terms and Conditions of Electric Distribution Service.
- b) If a retailer requests EQUS to disconnect a member for non-payment, a retailer shall de-enroll the site and provide updated member information to EQUS.
- c) If a retailer requests EQUS to disconnect service to a particular Customer for idle service, EQUS reserves the right to charge the retailer the member's monthly idle service charges.
- d) EQUS reserves the right to assess charges to the retailer to disconnect service to a member.

10.1.3 Reconnect service

Before reconnecting or restoring service to a particular member:

- a) The retailer must provide EQUS with sufficient notice to reconnect service;
- b) EQUS reserves the right to charge the retailer for each month of disconnection, if the service was previously on idle and is reconnected within 12 months of disconnection; and
- c) EQUS reserves the right to assess a reconnection charge according to EQUS' distribution tariff.

ARTICLE 11 - SECURITY REQUIREMENTS

Setting of security requirements

Retailers shall meet and maintain security requirements as EQUS deems appropriate to ensure that the retailer is and remains of sufficient financial standing to meet its ongoing financial obligations under these Terms and Conditions. The security requirements are set out in detail in Appendix B.

ARTICLE 12 - METERING

12.1 Provision and ownership

The meters used by EQUS to assess the level of electric distribution service charges to the retailer will be the same meters used to provide member billing information to the retailer. EQUS will provide, install and seal all meters for each Point of Service of a Customer according to EQUS' Terms and Conditions of



Electric Distribution Service. Interval recording meters shall be installed for a member who has a connected load exceeding the threshold defined under the SSC. Each meter remains the property of EQUS.

12.2 Meter reading

- a) Metered load will be based on meter readings made by EQUS via AMI, or on estimates for those billing periods when the meter is not read due to technical issues or outage. EQUS reserves the right to assess a charge to the retailer for non-scheduled meter readings, according to EQUS' distribution tariff.
- b) For small general service members whose load requirements are small, consistent, and can be accurately predicted, the billing demand (the demand expressed in kilovolt Amp (kVA), kiloWatt (kW), or other suitable unit, upon which billing to a member is based) may be determined, at the sole discretion of EQUS, by circuit breakers, or from the nameplate rating of the member's equipment rather than being metered.

12.3 Meter test and adjustments

- a) EQUS may inspect and test a meter at any reasonable time. At the request of a retailer, an on-site meter verification will be arranged.
- b) If a test determines that the meter is not accurate within the limits set by government standards, the retailer's bill will be adjusted accordingly. Where it is impossible to determine when the error commenced, it shall be deemed to have commenced three (3) months before the test or the date of the meter installation, whichever occurred later. EQUS shall not be liable to the retailer or member for any additional costs that are associated with such metering or meter reading errors.
- c) EQUS reserves the right to assess a charge to the retailer for a meter test, in circumstances where EQUS has not been responsible for any metering error, according to EQUS' distribution tariff.

ARTICLE 13 - LOAD SETTLEMENT

13.1 Request for additional settlement information

A retailer may request profiling and settlement information in addition to the information required pursuant to the SSC providing:

- a) The retailer provides a written request to EQUS outlining the purpose for the additional settlement information; and
- b) The additional settlement information applies only to the Customers of the retailer.

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

13.2 No liability for errors

EQUS shall not be responsible for any estimating errors and shall not be liable to the retailer for any costs that are associated with such estimating errors.



ARTICLE 14 - DEFAULT

14.1 Events of default

An event of default under these Terms and Conditions and the Retailer Service Agreement will occur if either EQUS or the retailer:

- a) Is the subject of a bankruptcy, insolvency or similar proceeding;
- b) Makes an assignment for the benefit of its creditors;
- c) Applies for, seeks, consents to, or acquiesces in the appointment of a receiver, custodian, trustee, liquidator or similar official to manage all or a substantial portion of its assets; or
- d) Fails to pay the non-defaulting party when payment is due, or to satisfy any other material obligation under these Terms and Conditions or the Retailer Service Agreement including fulfilling the creditworthiness requirements according to these Terms and Conditions, and fails to remedy the failure or satisfy the obligation within ten (10) business days after receipt of written notice from the non-defaulting Party.

14.2 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 Retailer Service Agreement without any liability or responsibility whatsoever, except for obligations arising prior to the date of termination. The non-defaulting party shall provide written notice to the defaulting party of its intention to terminate electric distribution service.

ARTICLE 15 - LIABILITY AND INDEMNITY

15.1 Indemnity

- a) EQUS and the retailer will indemnify and hold harmless the other party and its directors, officers, employees, agents and representatives from and against any direct damages, injuries, losses and other liabilities claimed against the indemnitee, and all related costs and expenses (including reasonable legal fees) suffered or incurred by it in relation to any claims, cause of action, action, suit or proceeding by a third party which arises from damage to property or injury to or death of persons resulting from the indemnitor's failure to perform its obligations under these Terms and Conditions which failure is caused by the negligence or willful act of the indemnitor or any of its directors, officers, employees, agents or representatives acting within the scope of their authority or employment. The indemnity will be limited to an amount in proportion to the degree to which the indemnitor or its directors, officers, employees, agents or representatives acting within the scope of their authority or employment are at fault. For the purpose of this section, "willful act" means any act or omission which is an intentional tort or an intentional breach of any obligations under these Terms and Conditions.
- b) Except to the extent to which either party is required to indemnify the other party, neither party, nor its directors, officers, agents, employees, and representatives, will be liable to the other party for any damages, costs, expenses, injuries, losses, or liabilities suffered or incurred by the other party, its directors, officers, employees, agents and representatives howsoever and whenever



caused, and each party, for itself and as agent for its directors, officers, agents, employees and representatives hereby forever release the other party, its directors, officers, agents, employees and representatives from any liability or obligation in respect thereof. For greater certainty, neither party shall be limited in a claim against the other for specific performance or other equitable relief in relation thereto, or direct damages only and related costs and expenses (including reasonable legal fees), arising from a breach of these Terms and Conditions.

15.2 Consequential loss

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

ARTICLE 16 - FORCE MAJEURE

16.1 Force Majeure Relief

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

16.2 Exclusions

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

16.3 Notice

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

16.4 Obligation to remedy

The party claiming relief from liability under the provisions of this section shall promptly remedy the cause and effect of the Force Majeure insofar as it is reasonably able to do so.



ARTICLE 17 - DISPUTE RESOLUTION

Resolution by EQUS and retailer

If any dispute between EQUS and a retailer arises at any time in connection with these Terms and Conditions, EQUS and the retailer acting reasonably and in good faith, shall use all reasonable efforts to resolve the dispute as soon as possible in an amicable manner. If the dispute cannot be otherwise resolved, the dispute will be resolved pursuant to the *Arbitration Act*, RSA 2000, c A-43. All performance required under these Terms and Conditions by EQUS and the retailer and payments shall continue during the dispute resolution proceedings.

ARTICLE 18 - MISCELLANEOUS

18.1 Compliance with applicable legal authorities

EQUS and the retailer are subject to, and shall comply with, all existing or future applicable federal, provincial and local laws, all existing or future orders or other actions of the System Controller or of governmental authorities having applicable jurisdiction.

18.2 No assignment

Neither EQUS nor the retailer shall assign any of its rights or obligations under these Terms and Conditions or the Retailer Service Agreement without obtaining (a) any necessary regulatory approval(s); and (b) the prior written consent of the non-assigning party.

ARTICLE 19 - NOTICE

All notices, demands or requests required or permitted under these Terms and Conditions or a Retailer Service Agreement shall be in writing and shall be personally delivered, couriered or faxed to the addresses and the addressees set out in the Retailer Service Agreement. Notice received after the close of the business day shall be deemed received on the next Business Day.



APPENDIX A - COMPLIANCE TESTING PROTOCOL

PURPOSE

The purpose of compliance testing is to verify that the retailer is compliant with the data transfer standards as specified in the SSC and has the necessary technical environment to send, receive, and translate the standard transactions. The installation and configuration of hardware and software as well as the establishment of communications are the responsibility of the retailer.

COMPLIANCE TESTING & CERTIFICATION

All retailers must successfully perform all compliance tests at least twice. All files must contain three or more records.

Should a retailer fail any test three times, the retailer must wait one month or some other time period designated by EQUS before retesting will be allowed. All requisite compliance tests must be performed successfully before EQUS will provide certification for service to the retailer.

PREREQUISITES

Retailers must provide EQUS at least two months prior to accepting enrollments, the retailer's identification number(s), business name, general mailing address and business phone number.

Retailers are required to install and configure VLTrader with the standard information exchange package defined in the SSC.

Retailers must obtain a properly authorized digital server certificate. The digital certificate will be used to validate the retailer's access to the VLTrader server.



APPENDIX B – SECURITY REQUIREMENTS

SECURITY REQUIREMENTS

EQUS requires financial security from all retailers. Financial security may be satisfied by demonstrating satisfactory credit worthiness, or a security deposit. A retailer will be deemed to have met the financial security requirements if:

- a) The retailer, affiliate or person who guarantees the financial obligation of the retailer in a manner acceptable to EQUS has at least an “BBB-” credit rating from the Canadian Bond Rating Service, Dun & Bradstreet, Moody’s, or an equivalent credit rating from a major reputable bond rating service satisfactory to EQUS; or
- b) The retailer provides, in a manner acceptable to EQUS, a security deposit in the form of a bank guarantee, irrevocable letter of credit, or cash deposits drawn on a Canadian chartered bank, trust association, credit union or other lending institution acceptable to EQUS in or for an amount equal to and not less than the projected value of that retailer's payments over a 45 day period under EQUS’ Distribution Tariff, as reasonably forecast by EQUS.

If a retailer meets the security requirement on the basis of its credit rating, the retailer must provide EQUS a copy of the rating company’s report providing the credit rating upon which the retailer relies. In the event a retailer has obtained more than one credit rating, the retailer must provide EQUS with the report indicating the lowest rating, and the security requirement shall be assessed on the basis of the lowest credit rating. Credit limits will be determined prescribed in the *Distribution Tariff Regulation*, Alta Reg 162/2003, as amended. Where a retailer’s monthly charges exceed its credit limit, a retailer shall provide a security deposit for the difference.

INITIAL SECURITY DEPOSIT REQUIREMENTS

The initial security deposit level will be estimated on anticipated load and the formula as follows:

\$ Initial Security Deposit Levels = [Sum of estimated loads of all members served by the retailer multiplied by the monthly charges (system access service & distribution access service charges) multiplied by 45 (45 days).]

MAINTAINING SECURITY DEPOSIT

- a) EQUS will ensure that for each retailer the expected financial obligations do not exceed the credit limit or security deposit provided by each retailer. If a retailer's financial obligations exceed the credit limit or the security deposit provided by the retailer to EQUS by an average of 10% or greater over the previous 90 day period, EQUS will have the right to request additional security. Such additional security will be due within 10 business days of EQUS’ request. If security is not presented within that time frame, EQUS reserves the right to suspend the provision of further electric distribution service to the retailer.
- b) EQUS requires retailers to report any downgrading of their corporate bond rating to EQUS within 2 business days of said rating revisions.
- c) If a retailer fails to pay any amount billed, EQUS will apply all or any portion of that retailer's security deposit to the unpaid amount. The retailer will then be required to replenish the security deposit as outlined above.



INTEREST ON SECURITY DEPOSIT

Retailer Costs

All costs associated with meeting and maintaining EQUS' security requirements are the sole responsibility of the retailer.



APPENDIX C - RETAILER SERVICE AGREEMENT

EQUS and the retailer agree that EQUS will provide, and the retailer will accept, electric distribution service according to the Terms and Conditions and this agreement. EQUS and the retailer agree as follows:

1. Compliance with Terms and Conditions and Payment

The retailer will comply with the Retailer Terms and Conditions of Electric Distribution Service, as amended from time to time, as approved by the board of directors and filed for information with the AUC. The retailer acknowledges that it has been provided with a copy of those Terms and Conditions, has reviewed and understands them, and agrees to be bound by them. The retailer agrees to pay, by electronic funds transfer, all rates, charges, invoices or fees levied or billed to it by EQUS according to the Retailer Terms and Conditions of Electric Distribution Service.

2. Provision of Information

The retailer is solely responsible for the provision of accurate and timely member information (by electronic form) to EQUS, and represents and warrants that the information is true and accurate. Should any of the information change during the term of this agreement, the retailer will advise EQUS of the change, by electronic means, as soon as is reasonably practicable, and in any event within two (2) business days. The retailer agrees to provide the following information to EQUS:

Retailer Information:

(a) Retailer identification number (retailer ID)

Member Information:

- (b) Name
- (c) Telephone number
- (d) Mailing address
- (e) Site I.D. number
- (f) Site contact name
- (g) Site telephone number
- (h) Site legal land description

3. Security Requirements

The retailer has provided EQUS with, and will maintain, security requirements under this agreement and according to the Retailer Terms and Conditions of Electric Distribution Service. EQUS will be entitled to access the security deposit provided by the retailer in the event of late payment or default on any invoices or bills of EQUS according to the Retailer Terms and Conditions of Electric Distribution Service.



4. Previous and Other Agreements

This agreement replaces any and all prior agreements, oral and written, between the parties. No amendment to this agreement is valid or binding unless in writing and executed by both the retailer and EQUS.

5. Term

This agreement is effective on the date executed by EQUS and will remain in effect until terminated by either party according to the Terms and Conditions.

6. Provision of Information

If the retailer, at any time, becomes aware that any member is using the service(s) provided by the retailer or EQUS in a manner which is inconsistent with the Retailer Terms and Conditions of Electric Distribution Service and which could potentially create safety, health or environment concerns or damage EQUS' electric distribution system or facilities, the retailer shall immediately notify EQUS.

7. Interference with EQUS facilities

In providing service to its Customer, the retailer will not, in any way, damage or interfere with or otherwise disturb, alter or tamper with EQUS' facilities. In the event that any problem or defect relating to EQUS' facilities is discovered by or brought to the attention of the retailer, the retailer will immediately notify EQUS.

8. Roles

The retailer acknowledges and understands that EQUS will not perform any billing or collection activities on the retailer's behalf.

9. Benefit

This agreement will enure to the benefit of and be binding on the parties and their respective successors and, where permitted, assigns.

10. Continuation of Agreement

If any provision of this agreement is determined to be invalid or unenforceable, the remainder of this agreement will continue in full force and effect.

11. Confidentiality

Both EQUS and the retailer acknowledge and agree that the retailer information and member information above is strictly confidential and may not be disclosed or used by it for any purpose other than the purposes set out in this agreement, and then, only according to applicable legislation. The parties agree that this section will survive termination of this agreement and will continue in full force and effect to bind the parties.

12. Notices

Any notices or other communications required in connection with this agreement will be in writing and given by personal delivery, mail or facsimile as follows:



Retailer Terms and Conditions of Electric Distribution Service
Effective March 1, 2021

To EQUUS: **EQUUS**
Attention: Charlene Glazer
5120- 40th Avenue
Innisfail, Alberta T4G 1Z1
t. 403.227.4011
f. 403.227.1007
e. cglazer@equs.ca

To retailer: <<>>
Attention: <<>>
Address:
City, Province, Postal Code:
t.
f.
e.

THE PARTIES HAVE executed this agreement:

EQUUS

<<retailer>>

Per: _____

Per: _____

Name: Andrew Metzger

Name: _____

Title: CEO

Title: _____

____/____/_____
MM/DD/YYYY

____/____/_____
MM/DD/YYYY

APPENDIX D - SCHEDULE OF RATES

Rate 370 – Rural Service

Rate 370	<u>5 kVA</u>	<u>7.5 kVA</u>	<u>10 kVA</u>	<u>15 kVA</u>	<u>25 kVA</u>	<u>>25 kVA</u>
Monthly Operating	\$73.42	\$86.38	\$99.17	\$128.50	\$175.72	\$5.83

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

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

Demand services with a minimum demand of 650 kVA or greater will be billed \$5.60 per kVA for all kVA in excess of 25 kVA.

Rate 372 – Idle Rate for Rural Service

Rate 372	<u>5 kVA</u>	<u>7.5 kVA</u>	<u>10 kVA</u>	<u>15 kVA</u>	<u>25 kVA</u>	<u>>25 kVA</u>
Monthly Operating	\$55.06	\$64.78	\$74.39	\$96.38	\$131.78	\$4.38

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

Monthly service charges are based on the kVA of capacity.

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

Rate 375 – Rural Residential Subdivision Service

Rate 375 applies to services within a rural subdivision. The subdivision must have a minimum of 3 services within.

Monthly Operating

Monthly service charge per service within the subdivision	\$23.32
All kWh Delivered	2.18¢/kWh

The monthly rate minimum for a service in a rural residential subdivision is \$23.32.

Rate 377 – Rural Residential Service

Rate 377 applies to residential services that are used for domestic purposes only with a maximum operating demand of 10 kVA and usage not to exceed 8,000 kWh's each calendar year.

Monthly Operating

Monthly service charge per service	\$29.93
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Rate 470 – Grain Dryer Service

Rate 470	<u>5 kVA</u>	<u>7.5 kVA</u>	<u>10 kVA</u>	<u>15 kVA</u>	<u>25 kVA</u>	<u>>25 kVA</u>
Monthly Operating	\$48.36	\$57.38	\$66.48	\$87.85	\$116.94	\$3.21

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

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

Grain dryer rate is only available for use during August through January only. Grain dryer services placed on idle will be billed the applicable distribution tariff as defined in Rate 470.

Rate 570 – Irrigation Service

Rate 570	<u>10 kVA</u>	<u>15 kVA</u>	<u>25 kVA</u>	<u>30 kVA</u>	<u>35 kVA</u>
Monthly Operating	\$48.88	\$72.65	\$100.22	\$128.79	\$146.75

Irrigation services with a transformer capacity >than 35 kVA are billed at a minimum of 90% of the transformer capacity.

Irrigation services > than 35 kVA, up to and including 75 kVA, will be billed at \$146.75 plus \$4.23 per kVA per month.

Irrigation services > than 75 kVA will be billed at \$146.75 plus \$3.89 per kVA per month.

Irrigation rate is only available for use during May through October only. Irrigation services placed on idle will be billed the applicable distribution tariff as defined in Rate 570.

Rate 600 – Industrial Subdivision Service

Rate 600 applies to services within an industrial subdivision with Expected Operating Demands of less than 1,000 kVA. Rate 670 will be applied to industrial services within a subdivision with Expected Operating Demands of 1,000 kVA or greater.

Rate 600	<u>10 kVA</u>	<u>15 kVA</u>	<u>25 kVA</u>	<u>>25 kVA</u>
Monthly Operating	\$102.08	\$129.73	\$175.72	\$5.21

The kVA of Capacity is the greatest of:

1. the highest Metered Demand in the billing period;
2. the Minimum Investment Demand as specified in the ESA, if applicable; or
3. the Minimum kVA of 10 kVA.

An Electric Service Agreement (ESA) with EQUS may be required for service under this rate.

Rate 670 – General Service

Rate 670 applies to services that do not qualify for other specific rates, with Expected Operating Demands of 2,000 kVA or less.

Monthly Operating

Minimum monthly kVA billed on all services is 65% of the Expected Operating Demand.

Monthly service charge for the first 50 kVA	\$5.19/kVA
For the next 450 kVA	\$3.24/kVA
For all kVA greater than 500 kVA	\$2.22/kVA

An Electric Service Agreement (ESA) with EQUS is required for service under this rate.

Rate 680 – Large General Service

Rate 680 applies to services that do not qualify for other specific rates, with an Expected Operating Demand of greater than 2,000 kVA. The monthly operating cost will be specific to each member based upon calculation of the following:

- Direct connection costs
- Connection contribution
- Line upgrades
- Forecasted member load
- EQUS financing costs

Rate 700 – Street Lighting Service

Rate 700 applies to street lighting fixtures owned and maintained by EQUS.

Operating

Daily service charge	\$0.6769/Fixture-day
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Transmission (SYSA) Rate

Transmission (SYSA): The current FortisAlberta AUC approved rate, including all rate riders, distributed in accordance with EQUS' rate policies.



Option M Distribution Generation Credit / Charge

Option M is available to Distribution Generation (DG) members that are interconnected to the distribution system downstream of a FortisAlberta transmission Point of Delivery (POD) and which are exporting into the Alberta Interconnected Electric System, (AIES).

Option M credits/charges received by EQUS for a DG member under the approved FortisAlberta Option M tariff will be flowed through by EQUS to the applicable member.

Cooperative Energy Rate	(Contract Specific)	Regulated Energy Rate
Cooperative Energy Rate: Refer to Energy Contract		Regulated Energy Rate: Fluctuates Monthly
Fixed Energy: Refer to Energy Contract		Fixed Energy: \$8.00 Flat Fee per Month
UFE & Line Loss: 5.77% on Energy Billed		UFE & Line Loss: 5.77% on Energy Billed

Service Fees

Service fees are applicable to every retailer participating in Electric Distribution Service within the EQUS service area. EQUS invoices for services in addition to our monthly Distribution Tariff, as follows (amounts exclusive of GST):

Member deposits (Where applicable)

- Deposit \$ 250.00
(Minimum deposit fee of \$250 or two months average billing (whichever is greater); no interest is paid on deposits held by EQUS.)

Reconnection/disconnection of service (Per visit)

- During regular business hours, call received by 4 p.m. \$ 115.00
- Weekends, holidays and after hours (4 p.m. to 8 a.m.) \$ 230.00

Metering fees

- Meter test (per meter tested and if meter is accurate) \$ 150.00
- Digital meter request \$ 200.00
- Off-cycle meter read \$ 115.00
- Interval meter request determined on a per site visit, including all capital and installation costs \$ Actual Costs
- Meter disputes, which includes a meter test, determined to be the member's facilities and not EQUS facilities, all costs will be the responsibility of the member \$ Actual Costs

Fault visit (if fault proves NOT to be supply or metering problem)

- During regular business hours, call received by 4 p.m. \$ 115.00
- Weekends, holidays and after hours (4 p.m. to 8 a.m.) \$ 230.00

Vegetation

- Trimming charges billed on an hourly basis \$ 150.00 per hour

Value added services

- Member loan billed monthly and based on loan amount
- GenerLink operating fee per month \$ 9.79
- Yard light operating fee per month \$ 7.89
- Renewable energy credits (Monthly cost per REC) \$ 20.00
- Operation Round Up \$Varies (GST Exempt)
(Distribution Tariff "Rounded Up" to next dollar amount)

Administration

- Dishonored payment \$ 30.00
- Late payment fee 2% per month
- On site debt collection fee \$ 115.00
- On-site debt notification fee (Doorknocker) \$ 115.00
- Switching fee, per site (Voluntary switch from 6.1 Rate to Retailer) \$ 150.00
- Additional Member Usage Information \$ 25.00 / Hr
- Copy of invoice or transactions/consumption history \$ 25.00