



EPCOR Energy Alberta GP Inc.

EPCOR Energy Alberta GP Inc. (“EEA”) is acting as the general partner of EPCOR Energy Alberta Limited Partnership, a limited partnership organized under the laws of Alberta.

Default Supply Tariff – Terms and Conditions

Effective October 1, 2018

Table of Contents

ARTICLE 1 – PREAMBLE	4
1.1 PROVISION OF DEFAULT SUPPLY SERVICE	4
ARTICLE 2 – DEFINITIONS AND INTERPRETATION	4
2.1 DEFINITIONS	4
2.2 CONFLICTS	8
2.3 HEADINGS	8
2.4 EXTENDED MEANINGS	8
2.5 CHARGES AND FEES	8
ARTICLE 3 – GENERAL PROVISIONS	8
3.1 EFFECTIVE DATE	8
3.2 CUSTOMERS BOUND BY DEFAULT SUPPLY TARIFF	8
3.3 MODIFICATION OF DEFAULT SUPPLY TARIFF	9
3.4 AMENDMENT OF DEFAULT SUPPLY TARIFF	9
3.5 APPLICABLE TAXES	9
3.6 LANDLORD INFORMATION	9
ARTICLE 4 – Default Supply Service	9
4.1 AVAILABILITY	9
4.2 ESTABLISHING DEFAULT SUPPLY SERVICE	9
4.3 REFUSAL OF DEFAULT SUPPLY SERVICE	10
4.4 CUSTOMER INFORMATION	10
4.5 CUSTOMER CHANGE OF NAME OR INFORMATION	10
4.6 FAILURE TO PROVIDE INFORMATION	10
ARTICLE 5 – FINANCIAL SECURITY REQUIREMENTS	11
5.1 CREDIT INFORMATION	11
5.2 REQUIREMENT FOR SECURITY	11
5.3 WAIVER OF SECURITY REQUIREMENT	11
5.4 MAXIMUM SECURITY	12
5.5 USE OF SECURITY FOR NON-PAYMENT	12
5.6 RETURN OF SECURITY	12
5.7 INTEREST PAYABLE ON DEPOSITS	12
ARTICLE 6 – CLOSING AN ACCOUNT	12
6.1 NOTICE TO END SERVICE AT A SITE	12
6.2 RELOCATION OF CUSTOMER	12
6.3 NO ASSIGNMENT	13
6.4 REFUND CHEQUES	13
ARTICLE 7 – MEASUREMENT OF ENERGY CONSUMPTION	13
7.1 MEASUREMENT PROVIDED BY EDTI AND FORTIS	13
7.2 METER TESTING	13
ARTICLE 8 - BILLINGS AND PAYMENT	13
8.1 BILLING PRACTICES	13
8.2 RESPONSIBILITY FOR PAYMENT AFTER ACCOUNT CLOSURE	14
8.3 RESPONSIBILITY TO PAY AND REMEDIES FOR NON-PAYMENT	14
8.4 ADJUSTMENTS TO BILLS	15
8.5 LATE PAYMENT CHARGE	15
8.6 RESTORATION OF DEFAULT SUPPLY SERVICE	15
8.7 PARTIAL PAYMENTS	15
8.8 OVER PAYMENTS	15
8.9 DISHONOURED PAYMENTS	15
8.10 LEGAL TENDER	16
8.11 OTHER OCCUPANTS' LIABILITY FOR PAYMENT AND CHANGE OF CUSTOMER OF RECORD	16
8.12 OWNER'S LIABILITY FOR PAYMENT	16

8.13	LOST BILLS	17
8.14	RESPONSIBILITY FOR COLLECTION COSTS	17
ARTICLE 9 – Termination of service.....		17
9.1	TERMINATION OF SERVICE FOR DEFAULT	17
9.2	DISCONNECTION FOR SAFETY OR BUSINESS REASONS	17
ARTICLE 10 - RESPONSIBILITY AND LIABILITY		18
10.1	REQUIREMENTS IN THE EUA	18
10.2	INTERRUPTION OF DEFAULT SUPPLY SERVICE.....	18
10.3	FORCE MAJEURE.....	18
10.4	LIMITATION ON EEA LIABILITY TO CUSTOMER.....	18
10.5	DISTRIBUTION TARIFF	18
10.6	INDEMNIFICATION BY CUSTOMER	19
10.7	EEA INDEMNIFICATION	19
ARTICLE 11 - DISPUTE RESOLUTION.....		19
11.1	DISPUTED CHARGES	20
11.2	RESOLUTION BY EEA AND CUSTOMERS	20
11.3	RESOLUTION BY A THIRD PARTY	20
11.4	SERVICE DURING DISPUTE RESOLUTION BY A THIRD PARTY	20
ARTICLE 12 - MISCELLANEOUS.....		20
12.1	COMPLIANCE WITH APPLICABLE LEGAL AUTHORITIES.....	20
12.2	NO WAIVER	21
ARTICLE 13 – DEFAULT SUPPLY PRODUCTS.....		21
13.1	PRODUCT OPTIONS.....	21
13.2	ENERGY PRICE DETERMINATION OF THE HEDGED SERVICE	21
13.3	FORWARD PRODUCT PROCUREMENT FOR HEDGED SERVICE	21
13.4	TRANSITION PROVISION FOR HEDGED SERVICE.....	21

ARTICLE 1 – PREAMBLE

1.1 Provision of Default Supply Service

EDTI and Fortis have made arrangements with EEA to perform EDTI and Fortis' obligations to provide Default Supply Service to eligible Customers in their respective service areas.

Some Municipalities and Rural Electrification Associations (“REA”) have made arrangements with EDTI and Fortis to provide Default Supply Services in their respective service areas. EDTI and Fortis have appointed EEA as the Default Supplier to provide Default Supply Service to Default Supply Customers within such municipalities' and REA's service areas.

EEA provides Default Services under its Default Supply Tariff that has been filed with the Commission and includes these Default Supply Terms and Conditions and the Price Schedules.

These Default Supply Terms are the terms and conditions upon which EEA offers and provides Default Supply Service to Eligible Customers.

The Default Supply Tariff is available for public inspection at EEA's website www.epcor.com and during normal business hours at EEA's business offices at 2000 - 10423 101 Street, Edmonton, Alberta.

ARTICLE 2 – DEFINITIONS AND INTERPRETATION

2.1 Definitions

The following words and phrases, whenever used in these Default Supply Terms or the Default Supply Tariff, shall have the following meanings:

“Account” means a written and/or digital record that EEA uses to track and record customer information, service types and financial transactions that affect a Customer of Record. EEA will only discuss Account information with the Customer of Record and parties authorized by the Customer of Record. A Customer of Record can have more than one Account.

“Alberta Interconnected Electric System” or the “AIES” means the “interconnected electric system” as defined in the EUA.

“Affiliate” means an affiliate as defined in the Business Corporations Act, RSA 2000 c. B-9.

“Business Day” means a day, which is not a Saturday, Sunday or statutory holiday in the Province of Alberta, or a day designated by EEA as a holiday in lieu of a general holiday, and “day” means any calendar day. General holidays include New Year's Day, Alberta Family Day, Good Friday, Easter Monday, Victoria Day, Canada Day, Heritage Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, and Boxing Day.

“Commission” or “AUC” means the Alberta Utilities Commission and any successor organization with jurisdiction under the EUA.

“Cumulative Meters” means meters that measure consumption using Daily Cumulative Meter Data.

“Customer” means a Default Supply Customer who accepts, uses or receives Service from EEA at a Site located in the service area of EDTI or Fortis, including but not limited to any Tenant, Landlord or Property Owner at the Site.

“Customer of Record” means the Default Supply Customer for whom EEA has opened an Account pursuant to Article 4.2.

“Daily Cumulative Meter Data” means the Cumulative Meter consumption data received by the Retailer through AUC Settlement System Code transactions.

“Default Supply Customer” means a Customer that has at least one Default Supply Site.

“Default Supply Service” means:

- (a) arranging for the Exchange or purchase of Energy on behalf of a Default Customer;
- (b) arranging for Distribution Access Service on behalf of a Default Customer.

in accordance with the Default Supply Tariff and to the exclusion of any other service provided by any Retailer.

“Default Supply Site” means a Site that is identified by EDTI or Fortis that uses or is forecasted to use more than 250,000 kWh of electricity per annum and where the Customer at the Site has not selected an electricity contract offered by a Retailer.

“Deposit” means a security amount deposited by the customer with EEA pursuant to Article 5.

“Default Supply Tariff” means, at any point in time, the Default Supply Tariff of EEA filed with the Commission, including these Default Supply Terms and the Price Schedules.

“Default Supply Terms” means these terms and conditions, and all amendments that may occur from time to time.

“Distribution Access Service” means “distribution access service” as defined in the EUA provided to Customers by means of EDTI’s or Fortis’ Distribution System.

“Distribution System” means an “electric distribution system” as defined in the EUA.

“Distribution Tariff” means, at any point in time, EDTI or Fortis’ tariff for the provision of Distribution and System Access Service approved by the Commission and in effect at such time.

“EDTI” means EPCOR Distribution & Transmission Inc.

“EDTI Terms and Conditions” means the terms and conditions for distribution and system access service set out in EDTI’s Distribution Access Tariff and System Access Tariff.

“EEA” means EPCOR Energy Alberta GP Inc., acting in its capacity as the general partner of EPCOR Energy Alberta Limited Partnership.

“Electricity Services” means “electricity services” as defined in the EUA.

“Energy” means “electric energy” as defined in the EUA, expressed in kilowatt hours.

“EPCOR Energy Alberta Limited Partnership” means a limited partnership formed under the laws of the Province of Alberta, authorized to provide, by its general partner EEA, the Default Supply Service.

“EUA” means the *Electric Utilities Act*, S.A. 2003, c. E-5.1, including the regulations enacted thereunder, as re-enacted, amended or replaced from time to time.

“Exchange” means “exchange” as defined in the EUA.

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

“Flow-through Service” means a Default Supply Service where the rate is based on the hourly AESO pool price.

“Force Majeure” means circumstances not reasonably within the control of EEA including acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, high water, washouts, inclement weather, orders or acts of civil or military authorities, civil disturbances, explosions, breakdown or accident to equipment, mechanical breakdowns, interruption of supply, goods or services including electricity or the electricity Distribution Access Service, the intervention of federal, provincial, or local government or from any of their agencies or boards, excluding decisions and/or orders made by the Commission in the normal course of exercising its authority to establish the revenue requirement of the parties to this agreement, the order or direction of any court, and any other cause, whether of the kind herein enumerated or otherwise.

“Fortis” means FortisAlberta Inc. and until such time as the AUC approves Fortis’ purchase of the Town of Fort Macleod Distribution system, also means the Town of Fort Macleod.

“Fortis Terms and Conditions” means the terms and conditions for distribution and system access service set out in Fortis’ Distribution Access Tariff and System Access Tariff as amended or replaced from time to time.

“Forward Product” means the energy procured prior to the start of the Month.

“Hedged Service” means a Default Supply Service, where the total forecasted load for the Default Supply Site is hedged up to 75% of the average forecasted volume during Off-Peak Hours using Forward Products. The unhedged portion of the load is flown through at the hourly AESO pool price.

“Indemnity Bond” means a written undertaking of a financial institution on behalf of a Customer to cover any losses suffered by EEA arising from non-payment by the Customer of money the Customer owes to EEA.

“Independent System Operator” has the meaning provided in the EUA.

“Irrevocable Letter of Credit” means a financial institution’s letter of credit guaranteeing a Customer’s payment to EEA.

“Landlord” means (i) a Person who is the Property Owner of a property that is leased or rented or otherwise in the possession of another Person, called the Tenant; or (ii) a Person authorized to manage such a property on behalf of the Property Owner.

“Load” means Energy consumed by Customers together with allocated Losses and other unaccounted for Energy.

“Losses” means the Energy that is lost through the process of transmitting and distributing electric Energy.

“Month” means the calendar month in which the energy price for the Hedged Service is established.

“Non-Sufficient Funds” means a reason provided by a financial institution for dishonouring a cheque, credit card or authorized withdrawal payments because the amount of funds available in the customer’s account with the financial institution is less than the attempted payment by cheque, credit card or authorized withdrawal.

“Off-Peak Hours” means time between 23:00 hours and 07:00 hours.

“Owner” means the owner of a Distribution System.

“Person” means a person, firm, partnership, corporation, organization or REA or other association, and includes an individual member thereof.

“Point of Service” means the point at which EDTI or Fortis’ service conductors are connected to the wires or apparatus of a Customer.

“Price Schedule” means EEA’s Default Supply Tariff Price Schedules, filed with the Commission.

“Property Owner” means:

- (a) the registered owner of a parcel of land in the register maintained by the Registrar of Titles under the *Land Titles Act*; or
- (b) a Person who has purchased the parcel from the Person mentioned in sub clause (a) pursuant to an agreement for purchase and sale.

“Retailer” means a “retailer” as defined in the EUA.

“RRR Regulation” means the *Roles, Relationships and Responsibilities Regulation*, AR 169/2003.

“Security” includes, but is not limited to, Deposit, guarantee, Indemnity Bond or Irrevocable Letter of Credit acceptable to EEA.

“Service” means Default Supply Service.

“Service Connection” means all Facilities required for providing services up to the Point of Service.

“**Site**” means, in relation to a Service Connection for a Customer, the Point of Service for the Customer.

“**Tenant**” means any Person who has the use of or occupies a premises or property owned by another Person.

“**Transmission Tariff**” means, at any point in time, EDTI’s or Fortis’ tariff for the provision of System Access Service approved by the Commission and in effect at such time.

2.2 Conflicts

If there is any conflict between a provision expressly set out by an order of the Commission and these Default Supply Terms, the Commission order shall govern.

If there is any conflict between these Default Supply Terms and a provision of the EUA, the provision of the EUA shall govern.

If there is any conflict between these Default Supply Terms and the corresponding Price Schedules, the Price Schedules shall govern.

2.3 Headings

The division of these Default Supply Terms into sections, subsections and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of these Default Supply Terms.

2.4 Extended Meanings

In these Default Supply Terms, words importing the singular number only shall include the plural and vice versa, words importing the masculine gender shall include the feminine and neuter gender and vice versa and words importing persons shall include individuals, partnerships, associations, trusts, unincorporated organizations and corporations.

2.5 Charges and Fees

All rates, charges and fees referred to in these Default Supply Terms are as set out in the Price Schedule.

ARTICLE 3 – GENERAL PROVISIONS

3.1 Effective Date

These Default Supply Terms takes effect, and form part of the Default Supply Tariff on October 1, 2018.

3.2 Customers Bound by Default Supply Tariff

The Default Supply Tariff applies to each Default Supply Customer receiving Default Service from EEA. As a condition of accepting, using or receiving Default Services, the Default Supply Customer agrees to be bound by these Default Supply Terms and agrees to pay the rates, charges or fees applicable for such service, as prescribed in the Default Supply Tariff. Each Default

Supply Customer is also bound by the EDTI and/or Fortis' Distribution Tariff applicable to the Site.

3.3 Modification of Default Supply Tariff

No agent, employee or other representative of EEA is authorized to modify any provision or price contained in the Default Supply Tariff or to bind EEA to perform in any manner inconsistent with the Default Supply Tariff. EEA may make minor or routine changes by filing updated Default Supply Terms with the Commission.

3.4 Amendment of Default Supply Tariff

From time to time, EEA may amend these Default Supply Terms and the corresponding Price Schedule and file the amendments with the Commission. Amendments to the Default Supply Terms and/or Price Schedule are effective upon filing with the Commission unless otherwise stated and will be clearly indicated in the Default Supply Terms and/or Price Schedule for a period of 30 days.

3.5 Applicable Taxes

The Default Customer shall pay all taxes, fees or assessments that EEA is required to collect from time to time as required pursuant to any statute, regulation, or other governmental directive or order or decision of the Commission that applies to Default Supply service.

3.6 Landlord Information

EEA may require the Customer to indicate if the Customer is the Property Owner, Landlord or Tenant of the Site.

EEA will provide Landlords with the opportunity to register all Sites that they own or are responsible for such that in the case of a vacancy, the Landlord will automatically become the Customer of Record. This registration will not bind the Landlord to be responsible for past charges of a Tenant, incurred before the date of vacancy, unless specifically requested by the Landlord.

ARTICLE 4 – DEFAULT SUPPLY SERVICE

4.1 Availability

Service is available to Eligible Customers strictly in accordance with the Default Supply Tariff.

4.2 Establishing Default Supply Service

EEA will establish an account for a Default Supply Customer and provide Default Supply Service as required under the RRR Regulation at the designated Site, and the Default Supply Customer shall be the "Customer of Record" for the Site. The Default Supply Customer will be responsible to pay to EEA all amounts charged to the Account from the time the Account is opened until it is closed.

EEA may, in its sole discretion, require a Customer receiving Default Supply Service to enter into a service Agreement with EEA.

4.3 Refusal of Default Supply Service

EEA reserves the right to refuse to provide or to continue to provide Service when:

- (a) a previous Customer at the Site had a history of non-payment and EEA believes, on reasonable grounds, that the defaulting Customer would continue to occupy the premises located at the Site or that an Affiliate of the defaulting Customer would continue to occupy the premises located at the Site;
- (b) the Customer has not complied with the Default Supply Terms or the applicable provisions of the Default Supply Tariff;
- (c) the Customer has failed to provide Security acceptable to EEA;
- (d) EEA is not satisfied with the Customer's credit rating or credit history, unless the Customer has provided security satisfactory to EEA in accordance with Article 5.2;
- (e) the Customer has an outstanding balance with EEA for Service.

4.4 Customer Information

EEA is committed to protecting the personal information of its Customers. By establishing or maintaining an Account a Customer's consent is implied for the collection, use and disclosure of personal information only for the purpose of ongoing services and support, unless a Customer indicates otherwise in writing.

Complete details of EEA's privacy policy and practices are available online at www.epcor.com, or in printed form by request of the Customer to EEA.

EEA may at any time request from a Customer, such information that EEA considers reasonably necessary to determine the Customer's credit history and credit risk. The requested information may include:

- (a) full name, address, telephone number (home, work, and cellular) to allow EEA to determine a Customer's credit rating,
- (b) other information to identify the Customer and/or
- (c) financial information and credit references to aid in assessing credit worthiness.

Customers returning from a competitive retail service or existing Customers may be required to provide the same information as new Customers.

4.5 Customer Change of Name or Information

The Customer must notify EEA as soon as reasonably possible of a change of name, mailing address or telephone number. Such notification shall be provided in writing if requested by EEA.

4.6 Failure to Provide Information

If, after notice of a failure to provide sufficient information, and reasonable opportunity to

remedy any deficiencies, a prospective Customer or existing Customer fails to provide information requested in accordance with Article 4.4 and does not provide a Security in accordance with Article 5.2, EEA may:

- (a) refuse to provide Service to the new Customer,
- (b) discontinue or request a disconnection of Service to the existing Customer or
- (c) terminate the customer as the Customer of Record.

ARTICLE 5 – FINANCIAL SECURITY REQUIREMENTS

5.1 Credit Information

EEA may, at any time, ask for information to determine the customer's credit history and credit risk. This information may include, but is not limited to: bank references, trade references and credit ratings.

5.2 Requirement for Security

EEA may require Security or an increase in Security from a Customer in circumstances it considers appropriate, including, without limitation, the following circumstances:

- (a) if the Customer or prospective Customer applying for service cannot demonstrate a satisfactory credit rating to EEA as outlined in Article 4.4 or the Customer has refused to provide credit information to EEA;
- (b) the Customer has paid a bill late, in accordance with Article 8.5, in any twelve-month period;
- (c) the Customer has issued more than one payment that has been returned for Non-Sufficient Funds in any six-month period;
- (d) there has been an increase in the Customer's average monthly consumption of Energy over the prior three-month period;
- (e) the Customer's Service or Service provided to the Customer's Affiliate at the same location was disconnected for non-payment by EEA and requests a reconnection of Service;
- (f) the Customer was previously terminated as a Customer of Record and requests a new connection or reconnection of Service; or
- (g) an increase in the price basis for Default Supply rates or an increase to the total bill.

5.3 Waiver of Security Requirement

EEA may waive the requirement for Security by a Customer in the following circumstances:

- (a) where the Customer has a previous satisfactory credit history with EEA; or

- (b) where a result satisfactory to EEA is obtained from an external credit check; or
- (c) where the customer provides to EEA an Indemnity Bond or Irrevocable Letter of Credit from a financial institution satisfactory to EEA.

5.4 Maximum Security

The maximum Security EEA will require from a Customer under this Default Supply Tariff is equal to 30% of the annual total charge payable by the Customer, as reasonably estimated by EEA. At the discretion of EEA, EEA may allow an initial payment for a portion of the Security and payment of the remainder of the Security over a reasonable time period.

5.5 Use of Security for Non-Payment

At the discretion of EEA, a Security provided by a Customer, or a portion thereof may be applied against any amounts owed for Service. At the discretion of EEA a new Security may be assessed in this case.

5.6 Return of Security

A Security provided by a Customer will be returned to the Customer or credited to the Account in case of a Deposit, when service is ended, the Account is closed and the Customer has paid all amounts owing. Where a Customer's Service is terminated and the Customer's Account is closed for non-payment, or an outstanding amount remains after the Account is closed at the Customer's request, prior to any refund, the Security will be applied to the balance owing by the Customer to EEA. EEA will not return Security until final settlement for the service period is received.

Security may be returned if the Customer meets credit criteria satisfactory to EEA.

5.7 Interest Payable on Deposits

Interest will be paid on a Deposit at the end of each calendar year or when the Customer's Account is closed. Interest will be calculated using simple interest on the daily balance of any cash deposit held by EEA in respect of the Customer. The interest rate applicable for each year will be the interest rate specified under the *Residential Tenancies Act*.

ARTICLE 6 – CLOSING AN ACCOUNT

6.1 Notice to End Service at a Site

Subject to Article 6.2, a Customer may end Service at a Site by giving EEA notice to end the Service. In order to end service at a site on a specified date, EEA requires at least three Business Days' prior notice. EEA may request proof that the Customer will no longer be responsible for the Site after that date. If a final meter reading is taken at the previous Site, the Customer will pay EEA all charges for a final meter reading incurred by EEA in accordance with EDTI or Fortis' Distribution Tariff.

6.2 Relocation of Customer

If the Customer wishes to continue to receive Service but to relocate from their current Site to a new Site, for example, as in the case of a move of residence, the Customer must notify EEA at

least three Business Days prior to the Customer's requested relocation date. EEA may request proof that the Customer will no longer be responsible for the original Site after the relocation date. If a final meter reading is taken at the previous Site, the Customer will pay EEA all charges for a final meter reading incurred by EEA in accordance with EDTI or Fortis' Distribution Tariff.

6.3 No Assignment

Service under the Default Supply Tariff is not assignable. The benefits and obligations of any Default Supply Service shall begin when EEA commences to supply Service, and shall enure to the benefit of and be binding upon the Customer's, their respective heirs, personal representatives, and successors.

This limit on assignment is not intended to infringe on or limit the right of the Customer to sell, remove or otherwise lawfully dispose of Customer's property, subject to the termination clauses of these Default Supply Terms. Upon termination, any outstanding balances will remain the obligation of the Customer.

6.4 Refund Cheques

EEA will issue a refund cheque when an Account is closed if, after all amounts due are paid, there remains a credit balance of \$5.00 or more on the Account.

6.5 Termination of Customer of Record

EEA may, at its sole discretion, terminate the Customer as Customer of Record where the Customer fails to comply with Article 4.6, 5 or 8.1 but only after following the processes set out in Articles 8.3 and 8.12, and, where applicable, prior to the point at which EEA requests that the site be de-energized pursuant to EDTI and Fortis' Terms and Conditions.

ARTICLE 7 – MEASUREMENT OF ENERGY CONSUMPTION

7.1 Measurement Provided by EDTI and Fortis

EDTI and Fortis provide to EEA under its Distribution Tariffs meter readings and estimates of consumption of Energy by Customers. Billings to Customers under these Default Supply Terms shall be based on those meter readings and estimates. EEA assumes no liability to the Customer for meter readings and estimates provided by EDTI and Fortis.

7.2 Meter Testing

If a Customer believes his meter to be in error, the Customer will arrange to have the meter tested by EDTI or Fortis. The Customer will pay EEA all charges for meter testing incurred by EEA in accordance with EDTI or Fortis Terms and Conditions and associated Price Schedules.

ARTICLE 8 - BILLINGS AND PAYMENT

8.1 Billing Practices

EEA does not require payment for Service in advance of service being provided, except where

security is required in accordance with these Default Supply Terms. The Customer is obligated to pay EEA for Electricity Services immediately upon such services being rendered at the times and the amounts provided in the Default Supply Tariff. Energy use is quantified by meter readings and Electricity Services provided are summarized in bills. EEA will bill in accordance Commission directives on billing processes and quality.

Charges for Default Supply Services are due on the payment due date noted on the Customer's bill except as noted above.

EEA will send a Customer a bill for Default Supply Service at regular and reasonable billing intervals for service provided to the Customer during the previous billing period, calculated in accordance with the Price Schedule. The bill may be combined with a bill for other Services billed to the Customer by EEA. The Customer's obligation to pay for Electricity Services shall continue despite any failure of EEA to provide a bill in a timely fashion.

8.2 Responsibility for Payment after Account Closure

The Customer is responsible for payment for all Services provided to the Customer up to the time EEA has closed the **Account** and until payment for final charges for any applicable non energy, consumption and Distribution and Transmission Tariffs has been made. If a Customer's Service is discontinued by EEA or disconnected under EDTI's or Fortis' Terms and Conditions, or if a Customer is terminated as the Customer of Record, the Customer is responsible for payment for all Default Supply Services provided to the Customer up to the time of such discontinuation or disconnection or termination as the Customer of Record, for any Distribution and Transmission Tariffs incurred by EEA in accordance with EDTI's or Fortis' Terms and Conditions up to and after the disconnection or discontinuance date or date of termination as the Customer of Record, for any applicable non-energy charges and until payment for final charges for consumption, Distribution and Transmission Tariffs and any applicable non-energy charges has been made.

8.3 Responsibility to Pay and Remedies for Non-Payment

Subject to Article 8.1 and 8.2, each Customer shall pay the full amount of any bill issued by EEA by the due date specified on the bill, without prejudice to the Customer's right to contest any rate or fee charged. A failure to pay any amount billed by EEA with the exception defined in Article 11.1 shall be a default of payment under these Default Supply Terms and the Customer shall be subject to EEA's collection policies as outlined in this Article 8.3 and to the discontinuance or termination of Service and disconnection of the Customer's Service Connection(s) as provided under this Article 8.3.

EEA will use the following process prior to disconnection of a Customer's Service Connection(s) for failure by the Customer to pay an amount billed by EEA:

- (a) If payment of a bill is not received by the due date, EEA may commence collection activity or request Security.
- (b) If the Customer does not pay the outstanding bill, EEA may without further notice to the Customer instruct EDTI or Fortis to disconnect the Customer's Service Connection.

Prudent and reasonable collection costs incurred by EEA may be added to the Customer's bill. If a Customer's Service is discontinued by EEA or disconnected under the EDTI's or Fortis' Terms and Conditions, any unpaid charges in the Account may be transferred to any other Service Account held by the same Person as the Customer and any Security held in respect of such

Account may be applied against the unpaid charges.

8.4 Adjustments to Bills

Bills rendered by EEA shall contain the information prescribed in applicable legislation. Bills rendered by EEA under these Default Supply Terms may be adjusted from time to time to, among other things, reflect adjustments by EDTI and Fortis under their Distribution Tariff and EEA will issue charges or credits as appropriate to affected Customers.

8.5 Late Payment Charge

If a Customer does not pay a bill in full by the payment due date specified on the bill, other than Customer disputed charges as outlined in Article 11.1, the payment will be considered late and a late payment charge may be applied. The Customer will be liable to pay to EEA, in addition to the amount of the bill, a late payment charge equal to 2.5% of the unpaid amount of the bill that applies to the current billing period. The outstanding unpaid amount, including the late payment charge, shall be added to the charges that become due and payable in the next bill. Should the bill remain outstanding after the due date, EEA may commence collection action in accordance with Article 8.3. In addition, EEA may require Security or an increase in the amount of an existing Security. If considered to be interest payable for credit advanced, then the late payment charge is equivalent to a maximum yearly rate of 45.6%.

8.6 Restoration of Default Supply Service

In order for Service to be restored after it has been discontinued or disconnected for non-payment, the Customer must pay all outstanding charges in full. EEA will apply a reconnection fee prescribed in the EEA Price Schedule, and EDTI and Fortis Distribution Tariffs after Service restoration. The Customer may be required to provide Security to EEA. At EEA's discretion, EEA may allow the Customer to make payment arrangements to settle arrears amounts over a reasonable amount of time.

8.7 Partial Payments

Partial payments on an Account will be applied to the unpaid amounts (including amounts for any other services not included in Services) outstanding on the oldest bills. If a payment does not cover the total unpaid amount outstanding on a bill, and the bill includes charges for both Default Supply Service and other services, then the payment will be applied to the unpaid charges for Default Supply Service and any other services pro rata, on the basis of the respective amounts for those charges.

8.8 Over Payments

If the Customer pays EEA an amount in excess of what is owed to EEA, the excess amount will be carried as a credit balance on the Customer's Account and applied to bills for future Services unless the Customer requests a refund. Interest will not be paid on a credit balance.

8.9 Dishonoured Payments

In addition to any late payment charge under Article 8.5 of these Default Supply Terms, a Customer whose payment is dishonoured shall pay the charge as specified in the Price Schedule.

A Customer will be charged a fee in accordance with the Price Schedule for each payment

dishonoured for Non-Sufficient Funds. A dishonoured payment may trigger immediate collection action which could lead to disconnection of the Customer's Service Connection(s) as provided under Article 8.3. In addition, a Customer may be assessed a security deposit under Article 5.2. A dishonoured payment may include, but is not limited to cheques, credit cards or authorized withdrawal payments.

8.10 Legal Tender

EEA accepts the legal tender of Canada as defined in the *Currency Act*, S.C 1985, C-52 for payments. EEA may refuse to accept payment when the Customer attempts to make payment by a cheque drawn on a form other than a bank cheque. EEA follows the coin acceptance limitations specified in the *Currency Act*, S.C. 1985, c. C-52 as follows:

Payment in coin may be made to the maximum amount of:

- Forty dollars if the denomination is two dollars or greater but does not exceed ten dollars,
- Twenty-five dollars if the denomination is one dollar,
- Ten dollars if the denomination is ten cents or greater but less than one dollar,
- Five dollars if the denomination is five cents, and
- Twenty-five cents if the denomination is one cent.

8.11 Other Occupants' Liability for Payment and Change of Customer of Record

Where the Customer of Record for a Site has vacated the premises where the Site is located, or defaulted on payment of a bill for Service, other occupant(s) of the premises who continue to receive Service shall be deemed to be the Customer(s) of Record and shall be liable for payment for Services provided in accordance with the Default Supply Tariff.

When a prospective Customer is applying for Service or an existing Customer of Record has applied for and received Service at a Site and the preceding Customer of Record for the Site has a history of non-payment, EEA may request the prospective Customer or the current Customer of Record to provide additional information requested by EEA to determine the identity, organization and/or control of the Person(s) occupying the Site, including, but not limited to, lease agreements and records describing the organization and control of business entities occupying the Site.

8.12 Owner's Liability for Payment

In circumstances where:

- (a) there is no Customer of Record registered on the records of EEA; and
- (b) there are no other occupants of the Site who continue to receive Service,

the Property Owner shall be deemed to be the Customer of Record and shall be liable for payment for Services provided in accordance with the Default Supply Tariff until the date a new Customer of Record is determined by EEA. The Property Owner shall be liable for all charges relating to identifying, searching for and contacting the Property Owner as a result of there being no Customer of Record for the Site.

8.13 Lost Bills

If a Customer's bill is lost or not received, the Customer should contact EEA to determine the amount owed. Failure to receive a bill does not release a Customer from the obligation to pay the amount owing to EEA. EEA may in its discretion apply the late payment charge according to Article 8.5, in circumstances where a Customer requires a duplicate copy of the bill.

8.14 Responsibility for Collection Costs

Recovery of any balance on a Customer's bill that has not been paid by the date that payment is due in accordance with Article 8.1 and 8.3 may be referred to a collection agency or other legal action taken to collect the outstanding amount.

Prudent and reasonable collection costs incurred by EEA, including external legal and collection fees, will be added to the Customer's bill.

ARTICLE 9 – TERMINATION OF SERVICE

9.1 Termination of Service for Default

In the event of a default by the Customer of the Customer's obligations under the Default Supply Tariff or any Default Supply Service Agreement, EEA may in its sole discretion terminate Service exercise and enforce any other right or remedy that EEA may have.

9.2 Disconnection for Safety or Business Reasons

In the event that:

- (a) EEA is of the reasonable opinion that continued provision of Service may cause damage to Facilities, the Distribution System or the AIES or interfere with or otherwise adversely affect any electric services provided by EEA, EDTI or Fortis;
- (b) EEA has not been provided with any information or has received insufficient information to bill a Customer, or the premises or property served appear to EEA, acting reasonably, to be vacant or not occupied by a Customer;
- (c) A Customer violates a provision of these Default Supply Terms;
- (d) The Customer has become a credit risk, in EEA's reasonable opinion;
- (e) The Customer has tampered with a meter or Facilities that may affect metering to a Site;
or
- (f) The Customer has provided EEA with inaccurate information or is using Service for purposes not authorized by the EUA or these Default Supply Terms;

subject to limitations on disconnections in applicable legislation, EEA may request EDTI or Fortis to disconnect the Service Connection to the Customer's Site.

ARTICLE 10 - RESPONSIBILITY AND LIABILITY

10.1 Requirements in the EUA

In addition to any rights and obligations contained in these Default Supply Terms, EEA and the Customer are bound by the EUA and other applicable legislation.

EEA shall maintain security standards, including control of access to data and other information, consistent with applicable legislation and business practice in the industry.

10.2 Interruption of Default Supply Service

EEA does not own or operate the Distribution System or any other part of the AIES and does not guarantee continuous Service.

10.3 Force Majeure

EEA is relieved of its obligations under its Default Supply Tariff and these Default Supply Terms, and shall not be liable for any failure to perform any service under the Default Supply Tariff or any term of these Default Supply Terms to the extent that and when such failure is due to, or is a consequence, any event of Force Majeure.

Should a residence or business being served be suspended or discontinued, due to fire or other causes beyond the control of the Customer, any Services, and related fees and charges except pass through charges from Owners, upon request by the Customer, shall become inoperative until business is resumed (provided this provision does not apply to unbilled amounts due EEA for Service already provided), at which time any Service and related fees shall again become operative. Upon resumption of Service, the Customer's credit standing with EEA will be no worse than it was prior to the suspension of Service.

10.4 Limitation on EEA Liability to Customer

Except for direct physical loss, injury or damage to a Customer or the Customer's property resulting from the negligence or wilful misconduct of, or breach of these Default Supply Terms and Conditions by EEA or its employees or agents or contractors acting within the scope of their employment, EEA shall not be liable to a Customer, whether in tort, contract, strict liability or otherwise, for any loss, damage, expense, charge, cost or other liability of any kind suffered or incurred by the Customer arising out of or in any way connected with any interruption, defect, irregularity, failure, curtailment or reduction in Service. Under no circumstance or for any reason shall EEA be liable for any loss, injury or damage of an indirect, special, exemplary, punitive or consequential nature including, without limitation, loss of revenues, loss of profits, loss of earnings, loss of contract, loss of opportunity, cost of capital, business interruption, claims of a Customer, Customer's customers, contractors or other third parties or any other similar loss, damage, expense, cost or liability whatsoever, whether or not any such loss, damage, expense, cost or liability was foreseeable. Any claim by a Customer for loss, injury or damage, must be filed with EEA within two years from the date of occurrence of the incident that is the subject of the claim, failing which EEA shall have no liability to the Customer for any such loss, injury or damage.

10.5 Distribution Tariff

Each Customer shall be responsible for the Service Connection to a Site to permit the Customer

to receive Default Supply Service. As a condition of receiving Default Supply Service, each Customer agrees to be bound by, and shall comply with, all provisions of the Distribution Tariff applicable to the Customer. At the request of EEA, a Customer will enter into an agreement with EDTI or Fortis confirming that the Customer is bound by the applicable provisions of the Distribution Tariff.

Pursuant to these Default Supply Terms EEA is the Authorized Customer Representative of a Customer as defined in the Distribution Tariff, and in that capacity EEA is obligated to make payments on behalf of the Customer in respect of the Customer's Distribution Access Service. Accordingly, each Customer shall pay to EEA all Distribution Access Service charges that EEA is obligated to pay under the Distribution Tariff.

10.6 Indemnification by Customer

Each Customer shall indemnify and hold EEA and its employees, agents and contractors harmless from and against any claim for any loss, damage, expense, charge, cost (including legal fees), fine, penalty or other liability of any kind suffered or incurred by EEA (including charges or liability arising under EDTI's and Fortis' Tariff) arising out of or in any way connected with any failure by the Customer or its Facilities to comply with any of the provisions of EDTI or Fortis' Distribution Tariff applicable to the Customer or its Facilities or any legal or regulatory requirement related to Distribution Access Service required to be complied with by the Customer. Without limiting the generality of the foregoing, the Customer shall be liable to compensate EEA for any costs, expenses or liabilities that it incurs under the provisions of any Owner's terms and conditions arising out of or connected with any action or inaction of the Customer related to Service.

10.7 EEA Indemnification

EEA shall indemnify and hold a Customer harmless from and against direct physical loss, injury or damage to the Customer or the Customer's property resulting from the negligence or wilful misconduct of EEA or its employees, agents or contractors acting within the scope of their employment or breach of these Default Supply Terms. For the purpose of this Article 10.7, "direct physical loss, injury, or damage" shall not include any loss, injury or damage of an indirect, special, exemplary, punitive or consequential nature including, without limitation, loss of revenues, loss of profits, loss of earnings, loss of contract, loss of opportunity, cost of capital, business interruption, claims of a Customer's customers, contractors and other third parties or any other similar loss, damage, expense, cost or liability whatsoever, whether or not any such loss, damage, expense, cost or liability was foreseeable. Any claim by a Customer for indemnity for loss, injury or damage, must be filed with EEA within two years from the date of occurrence of the incident that is the subject of the claim, failing which EEA shall have no obligation to indemnify the Customer for any such loss, injury or damage.

ARTICLE 11 - DISPUTE RESOLUTION

Without limiting any party's right under the EUA or to make complaints to the Commission, both parties, acting in good faith shall endeavour to resolve differences prior to taking any action to the Commission. Customers are encouraged to contact EEA first with any issues prior to escalating the issue to the AUC.

11.1 Disputed Charges

The Customer has the right to dispute any charge shown on the Customers' bill by contacting EEA either in writing or by telephone. EEA will investigate all disputes and make any adjustments EEA determines appropriate. If the dispute is within EEA's control and is not resolved within 30 calendar days from the notice, the Customer may escalate the dispute as provided in Articles 11.2 and 11.3 and the Customer will not be required to pay any charges for the disputed period that are in excess of the average monthly bill of the Customer as reasonably determined by EEA. The Customer will be responsible to pay all past and future charges while the specific charge in dispute is being resolved. Any outstanding disputed amount shall be due and payable within 10 Business Days of resolution. No additional charges intended as compensation for the dispute resolution process will be applied to disputed amounts.

11.2 Resolution by EEA and Customers

If any dispute between EEA and a Customer arises at any time in connection with the Default Supply Terms, EEA and the Customer, acting reasonably and in good faith, shall use their reasonable efforts to resolve the dispute as soon as possible in an amicable manner. If the dispute cannot be otherwise resolved pursuant to Article 11.1, a representative of EEA and the Customer shall attempt to resolve the dispute through telephone, written communication or meeting.

11.3 Resolution by a Third Party

If any dispute had not been resolved pursuant to Article 11.2 within a reasonable time, EEA and the Customer, may pursue the matter with the AUC if the matter is within the AUC's jurisdiction or pursue in Alberta any remedies available to them under applicable laws, including arbitration pursuant to the *Arbitration Act (Alberta)*.

11.4 Service during Dispute Resolution by a Third Party

During the course of a dispute that has been escalated in accordance with Article 11.3 of the Default Supply Terms EEA shall not terminate or suspend Service for reasons of the escalated dispute, but may terminate or suspend Service if Customer is in contravention of other aspects of the Default Supply Terms or in violation of EDTI's or Fortis' Terms and Conditions.

ARTICLE 12 - MISCELLANEOUS

12.1 Compliance with Applicable Legal Authorities

EEA and the Customer 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 AUC, Independent System Operator or other governmental authorities having applicable jurisdiction. Neither EEA nor the Customer will be required to violate, directly or indirectly, or become a party to a violation of any requirement of the Independent System Operator or any applicable federal, provincial or local statute, regulation, bylaw, rule or order in order to provide or receive Default Supply Service. EEA's obligation to provide Service is subject to the condition that all requisite governmental and regulatory approvals for the provision of Service will have been obtained and will be in force during the period Service is provided.

12.2 No Waiver

The failure of EEA or a Customer to insist on any one or more instances upon strict performance of any provisions of the Default Supply Terms, or take advantage of any 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 provision of the Default Supply Terms shall be deemed to have been waived and no breach excused unless such waiver or consent to excuse is in writing and signed by EEA or a Customer claimed to have waived or consented to excuse.

ARTICLE 13 – DEFAULT SUPPLY PRODUCTS

13.1 Product Options

Default Supply Customers with Cumulative Meters within the service territories of either EDTI or FortisAlberta may choose to enroll in either Hedged Service or Flow-through Service for their Default Supply Sites.

Default Supply Sites with Cumulative Meters enrolling from RRO to Default Supply Service shall be enrolled in Hedged Service by default. All other Default Supply Sites with Cumulative Meters shall be enrolled in Flow-through Service by default.

If a Default Customer chooses to switch from Hedged Service to Flow-through Service or from Flow-through Service to Hedged Service, the change of service will be effective within three business days.

Default Supply Sites without Cumulative Meters shall be enrolled in Flow-through Service and shall not have the option of selecting Hedged Service.

13.2 Energy Price Determination of the Hedged Service

The energy price for the Month will be calculated on the 13th business day of the following month as per the Price Schedules.

13.3 Forward Product Procurement for the Hedged Service

Forward Product will be procured prior to the start of the Month. The volume of the Forward Product will be up to 75% of the average forecast Off-Peak Hours volume for the Month.

13.4 Transition Provision for the Hedged Service

Until February 1, 2018, all Default Supply Customers who are automatically enrolled or choose to be enrolled in the Hedged Service will continue to be billed for Flow-through Service.