



## **Horse Creek Water Services Inc.**

### **Terms and Conditions of Service**

**January 11, 2018**

**Alberta Utilities Commission**

Decision 23098-D01-2018

Horse Creek Water Services Inc.

Terms and Conditions of Service

Proceeding 23098

January 11, 2018

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## **1 Introduction**

1. On November 14, 2017, Horse Creek Water Services Inc. (HCWS) filed its updated terms and conditions (T&Cs) for water service, pursuant to the directions in Decision 21340-D01-2017.<sup>1</sup> On December 5, 2017, HCWS modified its terms and conditions to clearly identify that the date of issue and due date are the same date.

2. The Alberta Utilities Commission published notice of the compliance filing on November 29, 2017, and advised interested parties that it would follow the streamlined process for compliance filings as set out in Bulletin 2016-18.<sup>2</sup> The Commission considered that the updates to HCWS' terms and conditions for water service were routine in nature and did not include any contentious issues. On this basis, the Commission indicated it was prepared to make its decision on the application without intervention by other parties. In the event an intervener wanted to challenge this process, submissions were due December 13, 2017. The Commission did not receive any submissions.

## **2 Background**

3. In Decision 21340-D01-2017, the Commission directed HCWS to make the following changes to its terms and conditions for water service:

### **4. Section 1.3 – Forecast Information**

143. The Commission is of the view that a typical residential customer may not know or be able to forecast their expected water use. Business or commercial customers, depending on their use of water, may have an estimate of their requirements. The utility will need to take this into account when working with customers to provide service. The Commission directs HCWS to update this section by adding the following wording:

The Utility may ~~require~~ assist the Customer at the property to provide forecasts of water use for the Premises for a specific period of time.

### **5. Section 2.7(b) – Change in Ownership or Tenancy of Property**

145. While this section refers to a “new owner” the Commission is of the view that it could be the original owner renting the premises. The Commission directs HCWS to update this section by deleting the following word:

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<sup>1</sup> Decision 21340-D01-2017, Horse Creek Water Services Inc., 2016 General Rate Application, Proceeding 21340, October 20, 2017.

<sup>2</sup> Bulletin 2016-18, Rates proceedings process improvements, October 18, 2016.

(b) if an ~~new~~ owner is leasing or renting a Premises and wants the Utility bill sent to a tenant, ...

6. Section 10.9 – Owner’s Responsibility for Payment

146. With respect to dealing with unpaid utility bills, the Commission will not require a new owner to take responsibility for unpaid bills of a former owner or tenant, as proposed by HCWS in its T&Cs. The Commission directs HCWS to delete the following clause in this section and Section 10.9(b):

In the event that a previous owner or tenant vacates the Premises leaving an outstanding Utility bill, the Utility’s agreement to provide Water Service is subject to the new property owner paying the outstanding balance owing on the water bill.

7. Section 5.1(b) – Security for Payment of Bills

148. The Commission finds the security requirement, which could equal the estimate of the total bill for the six highest consecutive months’ consumption of water by the customer, to be excessive. This is particularly so in light of HCWS’ proposal to disconnect if an account is overdue for one month or more. The Commission is of the view that the amount of the security deposit should be related to a similar time frame as the disconnection period. Therefore, the Commission finds that the security deposit amount should not exceed the highest of two consecutive months. The Commission directs HCWS to make this change to its T&Cs: [footnote deleted]

(b) exceed an amount equal to the estimate of the total bill for the ~~six (6)~~ two (2) highest consecutive months’ consumption of water by the Customer or applicant for the Premise, provided such estimate is not less than \$100.00. If there is no water usage history for the Premise, then a similar Premise’s water usage may be used.

8. Section 10.1 – Basis for Billing

151 The Commission has considered HCWS’ proposed late payment charge in light of its findings in Decision 2012-343.<sup>3</sup> In Decision 2012-343, the Commission found that clarification with respect to the “statement date”, the “due date” and the “current charges due date” for determining the start date for the calculation of the late payment penalty was required. The Commission considers that the same reasoning applies to HCWS’ T&Cs. Accordingly, the Commission directs HCWS to update Section 10.1 as follows:

10.1 Basis for Billing | The Utility will bill the Customer in accordance with the applicable Schedules attached to these Terms and Conditions, payable at the Utility’s office or at any duly authorized collecting agency. The total amount of each bill is due on the date of issue. A late payment charge may be incurred if the total amount owing is not paid and payable within twenty (20) days of the date of issue.

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<sup>3</sup> Decision 2012-343: Direct Energy Regulated Services, 2012-2014 Default Rate Tariff and Regulated Rate Tariff, Proceeding 1454, Application 1607696-1, Section 6.2, December 21, 2012.

152. In addition, the Commission directs HCWS to clearly identify and label the issue date on its bills, and submit a sample bill confirming this change.

9. Section 11.1 – Back Billing:

155. The Commission directs HCWS to add the following wording to Section 11.1:

Any back billing charges or refunds shall be limited to the six month period immediately preceding the month in which the billing error was discovered. HCWS is not entitled to collect from a customer any amount undercharged of any kind more than 6 months before the date of the bill.

10. Section 12.1 – Administration Charges on Services:

157. The 15 per cent charge is also listed as a footnote in Schedule C – Service Charges. Given that a utility earns a return on its invested capital, in addition to being allowed an opportunity to recover its operating expenses, the Commission finds that the practice of adding a charge of fifteen per cent for overhead and administration would allow HCWS to earn an additional return beyond the return approved by the Commission. On this basis the Commission directs HCWS to remove all references to the additional charge of 15 per cent and amend any customer charges accordingly.

11. Section 14.4 – Responsibility Before Delivery:

159. A plain reading of subsection (a) suggests that a customer would be responsible for water prior to the water being delivered to the customer. It is unclear to the Commission how a customer could be expected to assume this responsibility and liability. The Commission directs HCWS to remove subsection (a) from Section 14.4 or to revise the section to clarify the intent of this section. If HCWS revises the section rather than removing the subsection altogether, HCWS should explain the reasoning of the subsection in the refiling of its T&Cs.

12. The Commission also stated as follows:

160. In addition, the Commission noticed that some references within the T&Cs are not correct, for example: Section 11.7 Under-Billing, refers to Section 12.4 (Tampering/Fraud) whereas Tampering/Fraud is Section 11.4. The Commission directs HCWS to review and correct these and any other administrative errors it discovers to ensure the document is internally consistent and up to date.

161. The Commission directs HCWS to update any other provisions of its T&Cs as required due to directions and findings of the Commission in this decision.

13. In addition, the Commission established the connection / tie-in fee amount as follows:

174. Based on these findings, and the fact that the connection fee will be contributed to a reserve fund to finance future costs, the Commission approves the tie-in fee of \$10,000, and directs HCWS to update its T&Cs to reflect this amount. To the extent that the tie-in fee is used to fund capital expenditures, the Commission directs HCWS to record any amounts received from the tie-in fee as a customer contribution, which will reduce the rate base of the utility.

### 3 Commission findings

14. The Commission has reviewed HCWS' changes to its terms and conditions of service as shown in the blackline version of the terms and conditions of service in Exhibit 23098-X0001.01. The Commission finds that HCWS has responded to the Commission directions and has implemented the required changes, subject to its findings below.

15. The Commission has also reviewed the sample bill, which shows that the due date is the date of issue. The Commission finds that the changes to the bill, including the information indicating the late payment amount after 20 days from the date of issue, is consistent with the intent and directions of the Commission.

16. In addition to the changes directed by the Commission, HCWS has made an additional change to Section 4.3(b) – Reconciliation to Actual Costs, as noted below:

- (b) Where the total Costs of the Service provided are more than the amount deposited for that purpose or an advance is not collected by the Utility, the Utility will provide an invoice to the Customer, and the outstanding balance is due and payable ~~within fifteen (15) days of~~ on the date of issue.

17. The Commission has considered this change, and finds that changing the balance due to the date of issue is consistent with the Commission's direction in Section 10.1 wherein the Commission set out that the amount of each bill is due on the date of issue. The Commission also directed HCWS to "review and correct these and any other administrative errors it discovers to ensure the document is internally consistent and up to date."<sup>4</sup> The Commission is of the view that the change made by HCWS results in terms and conditions of service that are internally consistent. On this basis, the Commission finds this change to be reasonable, and approves the updated wording.

18. In Section 11.1 – Back Billing, HCWS added the following wording as directed by the Commission:

... Any back billing charges or refunds shall be limited to the six month period immediately preceding the month in which the billing error was discovered. HCWS is not entitled to collect from a customer any amount undercharged of any kind me than 6 months before the date of the bill.

19. This addition contains a minor typographical error: "... any kind me ..." should be "... any kind more ..." The Commission has updated the terms and conditions of service to correct this error, and has attached this version of the terms and conditions in [Appendix 2](#).

20. Based on the above findings, the Commission approves the terms and conditions of service effective January 11, 2018.

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<sup>4</sup> Decision 21340-D01-2017, paragraph 160.



#### **4 Order**

21. It is hereby ordered that:

- (1) The terms and conditions for Horse Creek Water Services Inc. attached in Appendix 2 to this decision are effective January 11, 2018.

Dated on January 11, 2018.

**Alberta Utilities Commission**

*(original signed by)*

Neil Jamieson  
Commission Member



**Appendix 1 – Proceeding participants**

<b>Name of organization (abbreviation)</b> <b>Company name of counsel or representative</b>
Horse Creek Water Services Inc. (HCWS)

Alberta Utilities Commission
Commission panel N. Jamieson, Commission Member
Commission staff K. Kellgren (Commission counsel) C. Burt

## **Appendix 2 – Commission-approved terms and conditions of service**

[\(return to text\)](#)



Appendix 2 -  
Commission-approved  
(consists of 36 pages)

# **TERMS AND CONDITIONS**

## **Rates and Rules for Water Service for Horse Creek Water Services Inc., Alberta**

**Revised November 1, 2017**

by

### **Horse Creek Water Services Inc.**

1164 Windermere Loop Road,  
Invermere, BC VOA 1K3

Contact Person:

**Hank Swartout, Owner Horse Creek Water Services Inc.**

These Terms and Conditions are available for public inspection at:

#### **Horse Creek Water Services Inc.**

Head Office  
1164 Windermere Loop Road,  
Invermere, BC

#### **Alberta Utilities Commission**

Fifth Avenue Place, Fourth Floor, 425 First Street S.W.  
Calgary, Alberta  
T2P 3L8

Accepted for Filing by the  
Alberta Utilities Commission  
Filed: 1 November 2017  
Effective: January 11, 2018

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Alberta Utilities Commission

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**Horse Creek Water Services Inc.**

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**Horse Creek Water Services Inc.***Terms and Conditions – Page 3 of 36***Definitions**

In these Terms and Conditions the following definitions shall apply:

- (a) "Authorized Premises" means Premises which are entitled to, and authorized for, Service in accordance with Terms and Conditions herein;
- (b) "Authorized Water Meter" means a Meter Set, approved, owned and operated by the Utility pursuant to these Terms and Conditions, for the purposes of measuring a Customer's water consumption.
- (c) "Business Day" means a day during which normal business is conducted and usually includes Monday through Friday. A statutory holiday is not considered a Business Day.
- (d) "Commission" means the Alberta Utilities Commission.
- (e) "Complex" means a building or structure containing more than one Unit which receives Service from a connection to the Utility's Waterworks, and without restricting the generality of the foregoing, includes a multi-family dwelling, apartment, condominium, timeshare complex, commercial property, mobile home park, campground, recreation center, golf course, cemetery and farm.
- (f) "Curb Stop Facilities" means all curb stop, corporation cock, rising stem valve, and box and line facilities downstream of the Point of Delivery installed by the Utility at the Service Address.
- (g) "Customer" means any person, partnership, corporation, society, un-incorporated entity or body politic that is the owner of an Authorized Premises;
- (h) "Domestic Service" means in-house use plus lawn & garden sprinkling.
- (i) "Meter Set" means the equipment owned by the Utility and used for metering or measuring water consumption including but not limited to a water meter and remote meter reading devices;
- (j) "Other Service" means the provision of Service other than Water Service including, but not limited to, alterations and repairs, reconnection of Service, removal of materials (such as ice or snow), and financing.
- (k) "Premises" means land and buildings thereon;
- (l) "Rate" includes:
  - 1. a general, individual or joint rate, fee, charge, rental or other compensation of the Utility,
  - 2. a schedule or tariff respecting a rate;
- (m) "Service" shall include:
  - 1. the supply of water provided by the Utility to the Customer,
  - 2. the plant, equipment, apparatus, appliances, property and facilities employed by or in connection with the Utility in providing the supply of water to the property line of the premise.
- (n) "Service Agreement" means an agreement between the Utility and a Customer for the provision of Service.
- (o) "Service Line" means that portion of the water distribution system extending from a water main to the inlet of the Meter Set.
- (p) "Temporary Service" means the provision of Service for what the Utility determines will be a limited period of time;

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**Horse Creek Water Services Inc.***Terms and Conditions – Page 4 of 36*

- (q) “Terms and Conditions” means these terms and conditions of service, including the schedules attached hereto, as the same are filed with and amended and approved by the Commission from time to time.
- (r) “Unit” means a building or portion thereof occupied, or to be occupied, by an owner or tenant and, which either separately or jointly with other units, receives Service from a connection to the Utility’s Waterworks and, without restricting the generality of the foregoing, includes all domestic and commercial uses of property.
- (s) “Utility” means *Horse Creek Water Services Inc.*
- (t) “Water Service” means the delivery of water to a Customer.
- (u) “Waterworks” means the physical plant owned and operated by the Utility, including the equipment, pipes, reservoirs, pumping stations, meters and appurtenances employed by or used in connection with the Utility, in providing Water Service or any Other Service.



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Horse Creek Water Services Inc.*Terms and Conditions – Page 5 of 36***Application for Service****1. Application Requirements****1.1. Requesting Services |** A Customer or applicant requesting the Utility

- (a) to provide Water Service,
  - (b) to provide a new Service Line,
  - (c) to re-activate an existing Service Line,
  - (d) to transfer an existing account,
  - (e) to change the Service provided,
  - (f) to make alterations to an existing Service Line or Meter Set, or
  - (g) to update or change information on an existing account,
- shall apply to the Utility at its office location, or to another location as determined by the Utility and made known to the Customer, by mail, by telephone or by other electronic means acceptable to the Utility.

The Utility may request payment in advance for all Water Service application and connection charges, as described in *Section 3 (Application, Installation and Reconnection Fees)*, before a Water Service connection will be installed.

Charges for extension of Service are intended to recover the Utility's costs. For each application, an initial deposit of \$200.00 is required to be paid at the time of application. Additional costs incurred by the Utility for legal, engineering and other fees, including Utility staff time, will be payable by the applicant and may require further deposits prior to undertaking certain aspects of the application process.

Additional applications shall be made for all extensions of Service to additional premises and for additional purposes.

The Customer (or a contractor or developer on the Customer's behalf) must provide the Company with a Tie-in Fee as set forth in Schedule "A" hereto, for the benefit to the Customer of receiving access to water services from the Utility.

**1.2. Information Required for Service |** All applications for Service must truthfully disclose:

- (a) The purpose(s) for which the Service is to be used (i.e. domestic, commercial, irrigation, etc.);
- (b) Detailed information on the expected maximum demand for Service in order for the Utility to determine the size of Service connection;
- (c) The size (diameter) of the pipe planned by the Customer, and subject to approval by the Utility, through which water will be supplied from the Utility's Service to the Premises;
- (d) The legal description of the Premises and municipal address;
- (e) Billing address and contact phone number(s) including emergency contact information;
- (f) The number of Units, including any secondary suites, within the Premises;
- (g) The location of the Unit or Units to be Serviced; and,
- (h) Other information as may be deemed relevant by the Utility.

Additional applications for Service shall be made for Service to additional Units within the same property and for additional purposes as required in these Terms and Conditions.

**1.3. Forecast Information |** The Utility may assist the Customer at the property to provide forecasts of water use for the Premises for a specific period of time. The method of forecasting usage must be prepared and calculated in a manner acceptable to the Utility. The Customer shall promptly provide such forecasts.

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- 1.4. Required Reference** | The Utility may require an applicant for Service to provide reference information and identification acceptable to the Utility. The Utility may at any time request information required to determine a prospective Customer's or existing Customer's credit history and to determine the credit risk of the Customer, including without limitations, identification, contact and credit information. If a prospective Customer or existing Customer refuses to provide the requested information, then the Utility may refuse or discontinue, as the case may be, Service to the Customer.
- 1.5. Security Deposit** | The Utility may require an applicant for Service to provide a monetary or other security as set out in Section 5 (Security for Payment of Bills).
- 1.6. Customer or Name Change or Information** | If a Customer has a change of name or contact information, including mailing address and telephone number, the Customer must immediately notify the Utility of such change. The Utility reserves the right to require that such notification be made in writing.
- 1.7. Service to Premises Serviced by New Main Extensions** | The Utility shall not provide Service to any Premises Serviced by a new main extension without first approving the construction of the new main extension. The Customer shall complete all works as required by the Utility to the Utility's satisfaction, prior to any commencement of any Water Service. The Utility shall inspect all new main extensions and provide approval in writing to the Customer prior to any Premises being serviced from the new main extension.

## **2. Agreement to Provide Service**

- 2.1. Approval of Service** | The Utility will determine the Terms and Conditions under which a Service connection will be provided. The Utility shall maintain the right to refuse to approve an application for Service if any of the Terms and Conditions listed in these Terms and Conditions are not met, pursuant to Section 13.1 (Right to Refuse Water Service).
- 2.2. Service Agreement** | The agreement for Service between a Customer and the Utility will be the oral or written application of the Customer, which has been approved by the Utility, and these Terms and Conditions.
- 2.3. Customer Status** | A Person becomes a Customer of the Utility when the Utility
- (a) approves the Person's application for Service, or
  - (b) the Utility provides Service to the Person.

A Person who is being provided Service by the Utility but who has not applied for Service shall be served in accordance with these Terms and Conditions.

- 2.4. Separate Premise/Businesses** | If an applicant is requesting Service from the Utility at more than one Premises, or for more than one separately operated business, the applicant will be considered a separate Customer for each of the Premises and businesses (subject to Section 13.3 (b)). For the purposes of this provision, the Utility will determine whether or not any building contains one or more Premises or any business is separately operated.
- 2.5. Connection Policy for Individual Units in Complexes** | Properties that are included under the definition of a "Complex" will have one metered Service connection to serve the entire Complex. At the sole discretion, and approval in writing, of the Utility and at the request of the owner or owners, the property may apply to have more than one metered Service connection. Regardless of whether the Complex is serviced by one service connection, the applicant shall be considered a separate Customer for each of the Units or Premises within the Complex (subject to Section 13.3 (b)).

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**Horse Creek Water Services Inc.***Terms and Conditions – Page 7 of 36*

- 2.6. Access to Premises** | The Utility's obligation to provide Service to an applicant or Customer is conditional upon the Utility being given an ongoing right of access to its equipment as set out in Section 6.8 (*Access to Premises and Equipment*).
- 2.7. Change in Ownership or Tenancy of Property** | When there is a change in ownership or tenancy of a Premises or Unit, the Customer must ensure that the Utility bill is paid before transfer of the title to the purchaser or assumption of a new lease or rental agreement by the new tenant. Where there is a change in ownership or tenancy of property, it is the responsibility of the new owner and/or new tenant to ensure:
- (a) any outstanding obligations are included in the statement of adjustments of the property purchase, or are fully paid by the previous owner or tenant,
  - (b) if an owner is leasing or renting a Premises and wants the Utility bill sent to a tenant, the owner must complete an agreement with the Utility which authorizes the Utility to send the Utility bill to the tenant, but the Owner will not be released from its obligation to pay the Utility's bills.

### **3. Application, Installation and Reconnection Fees**

- 3.1. Application and Service Installation Fees** | An applicant for Service shall pay the applicable application, Service Line installation and Meter Set fees as set out in these Terms and Conditions. Where the Service Line is required to serve more than one Customer, then the costs of the Service Line and Meter Set shall be equitably shared by each applicant.
- 3.2. Waiver of Application or Reconnection Fee** | The application or reconnection fee:
- (a) will be waived by the Utility if Service to a Customer is reactivated after it was discontinued for any of the reasons described in Section 6.3 (a) (*Right to Restrict*), and;
  - (b) may be waived by the Utility if a Landlord requires Water Service for a short period between the times a previous tenant moves out and a new tenant moves in.
- 3.3. Reconnection Charges** | If:
- (a) Service is terminated
    - (i) at the request of a Customer, or
    - (ii) for any of the reasons described in Section 13 (*Refusal of Service and Discontinuance of Service*) other than as necessitated by repairs to the Utility's system or failure of water supply, or
    - (iii) to permit Customers to make alterations to their Premises, and
  - (b) the same Customer or the spouse, employee, contractor, agent or partner of the same Customer requests reactivation of Service to the Premises,

the applicant for resumption of Water Service and/or reconnection shall pay the appropriate service charges listed in the applicable Schedules attached to these Terms and Conditions for turning on Water Service, removal of any locking device, and/or the reconnection of Water Service, together with any other indebtedness, any and all additional charges incurred in the collection of a delinquent account, and any other reactivation costs which may be incurred by the Utility in reactivating Service.

- 3.4. Compliance Costs** | Where the Utility undertakes a lawful action deemed necessary to enforce compliance of a Customer with these Terms and Conditions, any Costs incurred by such action, including legal fees on a solicitor and own client basis, shall be recovered from the Customer as a service charge under these Terms and Conditions, regardless of whether or not it is specifically included in these Terms and Conditions

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**Horse Creek Water Services Inc.***Terms and Conditions – Page 8 of 36***4. Additional Services and Fees**

**4.1. Customer Responsibility for Additional Costs and Expenditures** | Any applicant or Customer who applies to the Utility for work, which is not covered by the Schedules attached to these Terms and Conditions, shall pay all additional costs as determined by the Utility, including:

- (a) expenditures by the Utility for gross wages, salaries, employee benefits, contractor costs, consultant fees, application fees, administrative fees and other direct costs to the Utility to provide Service plus a reasonable allowance for administrative costs.
- (b) any expenditure for equipment and materials at Rates paid or set by the Utility, as well as any other costs that may reasonably arise in preparation for or during completion of the work.

**4.2. Advance Payment for Additional Costs and Expenditures** | When reasonable under the circumstances, the Utility will provide the applicant or Customer with a written estimate of the Costs of the Service requested. Prior to the commencement of any work and at the sole discretion of the Utility, the Utility may request that the applicant or Customer make an advance payment to the Utility of the full amount estimated, inclusive of any application charges or other applicable fees.

**4.3. Reconciliation to Actual Costs** | Upon completion of the respective Service, the Utility will provide the Customer with a calculation of the actual Costs.

- (a) Where the total Costs of the Service provided are less than the advance payment deposited with the Utility, excluding application charges or other fees, the difference will be refunded without interest by the Utility to the Customer.
- (b) Where the total Costs of the Service provided are more than the amount deposited for that purpose or an advance is not collected by the Utility, the Utility will provide an invoice to the Customer, and the outstanding balance is due and payable within twenty (20) days of the Invoice Date.

**5. Security for Payment of Bills**

**5.1. Security for Payment of Bills** | If at any time a Customer or applicant cannot establish or maintain credit to the satisfaction of the Utility, the Customer or applicant may be required to make a security deposit in the form of cash or an equivalent form of security acceptable to the Utility. The amount of the security may not

- (a) be less than \$100.00, nor
- (b) exceed an amount equal to the estimate of the total bill for the two (2) highest consecutive months' consumption of water by the Customer or applicant for the Premise, provided such estimate is not less than \$100.00. If there is no water usage history for the Premise, then a similar Premise's water usage may be used.

**5.2. Interest** | The Utility will pay interest to a Customer on a security deposit at the rate and at the times specified in these Terms and Conditions. Such interest shall be credited annually to the Customer's billing account in the month of January. If a security deposit is returned to the Customer for any reason, the Utility will credit any accrued interest to the Customer's account at that time less any outstanding indebtedness to the Utility then owing by the Customer.

No interest is payable

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**Horse Creek Water Services Inc.***Terms and Conditions – Page 9 of 36*

- (a) on any unclaimed deposit left with the Utility after the account for which it is security is closed, nor
- (b) on a deposit held by the Utility in a form other than cash.

**5.3. Refund of Deposit** | When the Customer pays the final bill, the Utility will refund any security deposit plus any accrued interest or cancel the equivalent form of security.

**5.4. Unclaimed Refund** | If the Utility is unable to locate the Customer to whom a security deposit is payable, the Utility will take reasonable steps to trace the Customer; but if the security deposit remains unclaimed one (1) year after the date on which it first became refundable, the deposit becomes the absolute property of the Utility.

**5.5. Application of Deposit** | If a Customer's bill is not paid when due, the Utility may apply all or any part of the Customer's security deposit or equivalent form of security and any accrued interest toward payment of the bill. Even if the Utility applies the security deposit or calls on the equivalent form of security, the Utility may, under Section 13 (*Refusal of Service and Discontinuance of Service*) discontinue Service to the Customer for failure to pay for Service. Upon application of all or any portion of the security of a bill, the Customer shall upon demand by the Utility, replenish the Security to the original amount or such other amounts as the Utility may then require, subject only to the limits set out in Section 5.1 (*Security for Payment of Bills*).

**5.6. Failure to Pay Security Deposit** | Failure to pay or replenish a security deposit or to provide an equivalent form of security acceptable to the Utility may, at the Utility's discretion, result in discontinuance or refusal of Service as set out in Section 13 (*Refusal of Service and Discontinuance of Service*).

## **6. Service Agreement**

**6.1. Term of Service Agreement** | Unless a Service Agreement specifies otherwise, the initial term of Service will be 6 months, and thereafter will be automatically renewed from month to month.

**6.2. Regular Supply of Water** | The Utility intends to maintain at all times an adequate and continuous supply of water at suitable pressures but accepts no liability for interruptions due to circumstances beyond its control. For interruptions in excess of forty-eight (48) hours, a proportionate reduction or rebate may be allowed to Customers of fixed portion of the monthly charges where applicable as determined by the Commission.

**6.3. Interruption of Service** | The Utility shall have the right at all times to restrict or suspend the supply of water to any Premises without advance notice, in order to effect such emergency repairs, replacements, alterations, or extensions to the Utility's Waterworks as shall, in the opinion of the Utility, be deemed necessary.

- (a) **Right to Restrict** | The Utility may require any of its Customers, at all times or between specified hours, to discontinue, interrupt or reduce to a specified use or quantity, the usage of water for any of the following purposes or reasons:
  - (i) in the event of a temporary or permanent shortage of water, whether actual or perceived by the Utility,
  - (ii) in the event of a breakdown or failure of the supply of water to the Utility or of the Utility's water storage or distribution systems,

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- (iii) to conserve water supply, including, but not limited to, restricting or prohibiting the use of water for gardening, irrigation, sprinkling, air conditioning or filling of hot tubs or pools or other restrictions as the Utility deems reasonable and appropriate,
  - (iv) in order to comply with any legal requirements,
  - (v) in order to make repairs or improvements to any part of the Utility's Waterworks, including but not limited to the water distribution or storage systems,
  - (vi) in the event of fire, flood, or other emergency in order to safeguard persons or property against the possibility of contamination or damage,
  - (vii) to comply with an order as issued by any authority having jurisdiction over the Utility.
- (b) **Notice** | The Utility will, to the extent practicable, give notice of its requirements and removal of its requirements under Section 6.3 (a) (*Right to Restrict*) to its Customers by
- (i) newspaper, radio or television announcement, or
  - (ii) notice posted on signs at entrance to the community or affected area of the community, or
  - (iii) notice in writing that is sent through the mail to the Customer's billing address, left at the Premises where water is delivered, served personally on a Customer, or sent by facsimile or other electronic means to the Customer, or (iv) oral communication

Whenever possible the Utility will give advance notice of the restriction or shut-off in Water Service, and, in cases where the Utility expects Water Service to be interrupted for twenty-four (24) hours or more, the Utility will attempt to provide forty-eight (48) hour notice to its Customers.

- (c) **Failure to Comply with Restriction** | If, in the opinion of the Utility, a Customer failed to comply with any requirement under Section 6.3 (a) (*Right to Restrict*), the Utility may, after providing notice to the Customer in the manner specified in Section 6.3 (b) (*Notice*), either levy a charge as listed in the Schedule of Standard Fees and Charges or discontinue Service to the Customer. A Person who contravenes water use restrictions for water conservation purposes is subject to one warning notice per Year. Each subsequent contravention during that Year is subject to the appropriate charge.

**6.4. Authorized Consumption - Approval Required to Increase Load** | A Customer shall not increase the maximum rate of consumption of water delivered to it by the Utility from that requested in its original application to the Utility without the written approval of the Utility, which approval will not be unreasonably withheld. The Utility reserves the right to levy additional fees for Service (i.e. per lot contributions and developer contributions) if the Utility, in its sole opinion, believes that the expected maximum demand for Service provided by the Customer was inaccurate.

**6.5. Waste of Water** | The Customer shall use due care to prevent any waste of water and will immediately notify the Utility in case of failure of equipment or leakage of water. Should there be evidence of leaking or waste of water on the Customer's property, the Utility shall notify the Customer and may order the repair of any leaky pipes and fixtures that are evident on the Premises. If repairs are not made within five (5) Business Days after any such notice, or if the condition of the Customer's pipes or fixtures is such as to cause serious waste of water or damage to property, then without further notice the Utility may shut off the water supply to the Premises pursuant to Section 13.4 (*Discontinuance without Notice*).

**6.6. Low-Flow Fixtures** |

- (a) All new Customers connecting to the Waterworks must install and maintain toilets and urinals that are in compliance with the Alberta Building Code requirements. High-efficiency toilets (HETs) or dual-

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flush toilets are recommended in all new residential buildings. Whenever urinals are installed, high efficiency urinals (HEUs) are recommended.

- (b) All new Customers connecting to the Waterworks must install and maintain low flow showerheads in compliance with the Alberta Building Code requirements.
- (c) All new Customers connecting to the Waterworks must install and maintain low flow kitchen and lavatory faucets complying with compliance with the Alberta Building Code requirements.
- (d) All Customers undertaking renovations involving plumbing fixtures must install and maintain toilets and urinals complying with compliance with the Alberta Building Code requirements. High-efficiency toilets (HETs) or dual-flush toilets are required. Whenever urinals are installed, high-efficiency urinals (HEUs) are required.
- (e) All Customers undertaking renovations involving plumbing fixtures must install and maintain low flow showerheads complying with compliance with the Alberta Building Code requirements.
- (f) All Customers undertaking renovations involving plumbing fixtures must install and maintain low flow kitchen and lavatory faucets complying with compliance with the Alberta Building Code requirements.
- (g) All Customers must maintain these standards by not modifying or allowing maintenance work to be performed on the fixtures required by compliance with the Alberta Building Code requirements to allow larger flows than originally specified by the manufacturer.
- (h) All replacement fixtures must meet the current standards for water conserving fixtures as stated in the current approved Tariff as modified and approved from time to time by Commission.

**6.7. Unauthorized Resale / Use** | Unless authorized in writing by the Utility, a Customer shall not resell or gift water supplied to it by the Utility to other Persons, permit quantities of water to be carried away other than for personal use, or use or allow water to be used in the Premises for purposes other than those stated in the Customer's application for Water Service.

**6.8. Access to Premises and Equipment** | As a condition of Water Service, the Customer must give the Utility a right of entry to the Customer's Premises. The Customer will provide free access to its Premises at all reasonable times, upon reasonable notice, except in the case of an emergency, to the Utility's authorized employees, contractors, and agents for the purposes of reading, testing, repairing or removing meters and ancillary equipment, inspecting stopcocks and backflow prevention devices, turning water on or off, completing system leakage surveys, stopping leaks, examining pipes, connections, fittings and appliances and reviewing the use made of water delivered to the Customer, or for any other related purpose which the Utility requires.

The Customer grants the Utility full power, right and liberty to enter the Premises, whether or not the owner or occupant is at the Premises, to break the surface and make necessary excavations for the purposes of locating, installing, repairing, replacing, maintaining, and inspecting all facilities on the Premises.

In situations of perceived emergency, the Utility may use reasonable force in securing access to its equipment for inspection, disconnection and repair. The Utility will do as little damage and cause as little inconvenience as reasonably possible in doing such work.

When a Customer who has requested a service call, or who has been given advance notice of a required service, will not permit the Utility to provide service during normal business hours of the Utility, the Customer will be required to pay overtime costs in addition to all applicable service charges.

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- 6.9. Easements & Rights-of-Way** | If the Customer is not the owner of the Premises or intervening property between the Premises and the Utility's mains, the Customer shall obtain for the Utility from the owner the necessary consent or easement in writing for the installation and maintenance at the Premises and in or about the intervening property, of all necessary facilities for supplying water. The Utility reserves the right to proceed with rights-of-way acquisition if deemed desirable.
- 6.10. Authority of Work** | No Person who is not an agent or employee of the Utility shall make any connections with, or alterations to, or tamper with, any of the Utility's Waterworks, including any distribution water mains or Meter Sets belonging to the Utility, nor turn on or off any valve or curb stop facilities of the Utility, without authorization in writing by the Utility. Should a Customer, their agent or employee, or any related third party contravene this prohibition, then the Customer will be subject to any costs incurred by the Utility to repair damages caused by the Customer or third party. Should such incidents be the responsibility of an unrelated third party, the Utility shall have a right to claim all relevant costs from the unrelated third party.
- 6.11. Failure to Comply with the Terms and Conditions** | Where any Customer fails to comply with these Terms and Conditions, the Utility, in addition to its right to discontinue Water Service pursuant to Section 13 (*Refusal of Service and Discontinuance of Service*), may undertake any lawful action deemed necessary to enforce compliance.
- 6.12. Assignment** | The Service Agreement shall be binding upon, and ensure to the benefit of the parties thereto and their respective successors and assigns but shall not be assigned or be assignable by the Customer without the written consent of the Utility first being obtained.
- 6.13. Termination of Service Agreement** | The following terms apply to termination of any Service Agreement:
- (a) Unless the Service Agreement specifies otherwise, the Customer may terminate the Service Agreement after the end of the initial term by giving the Utility at least five (5) Business Days' notice.
  - (b) The Customer is responsible for, and shall pay for, all water delivered to the Premises and is responsible for all damages to and loss of the Meter Set or other Utility property on the Premises until the Service Agreement is terminated.
  - (c) The Customer is not released from any previously existing obligations to the Utility under the Service Agreement by terminating the Service Agreement.
  - (d) After receiving a termination notice for a Premise and after a reasonable period of time during which a new Customer has not applied for Water Service at the Premises, the Utility may seal off the Service Line to the Premises.
  - (e) The Utility may terminate the Service Agreement for infringement by the Customer of these Terms and Conditions or as otherwise specified herein by giving the Customer fifteen (15) days written notice.

**Service Facilities****7. Service Lines**

- 7.1. Installation** | The Utility will designate the location and conditions of installation of the Service Line on the Customer's Premises and determine the amount of space that must be left unobstructed around it. The Customer, at its own expense, will install the Service Line from the curb stop to the Meter Set on the Customer's Premises. Any request by the Customer to extend the Service Line beyond the designated



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location or to enter the Premises at a different point or follow a different route than designated by the Utility will be subject to approval of the Utility.

**7.2. Temporary Service** | Any Person who requires Temporary Service must apply to the Utility and must first obtain permission from the Utility to acquire water pursuant to the following conditions:

- (a) In the event that a Temporary Service requires a Service Line and/or temporary meter, as determined by the Utility, the Utility will estimate the costs of the Temporary Service connection and the Person applying for Temporary Service will pay the estimated costs prior to installation, if required to do so by the Utility.
- (b) The Customer acquiring Temporary Service shall keep a record of the amount of water consumed, and shall report to the Utility the amount of water consumed on a regular basis, as specified by the Utility, or upon completion of the construction or expansion for which the Temporary Service is required. Temporary connections to a fire hydrant or standpipe must be fitted with a backflow prevention device, and an independent shut off valve to regulate the flow. The backflow prevention device must be approved by the Utility and shall either be provided by the Customer requiring the Service, or rented from the Utility at the daily rate as indicated in the Schedule of Standard Fees and Charges. If the Customer is providing the backflow prevention device then it must have successfully passed a backflow test by a Certified Backflow Prevention Tester within the last year. If a water meter is rented from the Utility, the Customer requiring the device shall be responsible for proper maintenance and any damages occurring to such equipment while under their control.
- (c) Tanker trucks, street sweepers, water sprinkler trucks, etc. must be fitted with a backflow prevention device approved by the Utility and the device must have successfully passed a backflow test by a Certified Backflow Prevention Tester as well as have permission from the Utility before hooking up to a fire hydrant or a stand pipe for the purpose of taking on water. If the Customer is providing the backflow prevention device then it must have successfully passed a backflow test by a Certified Backflow Prevention Tester within the last year. The Utility will specify the specific fire hydrant or stand pipe the Customer is to use.
- (d) The Utility will issue an invoice for water consumed by the Customer acquiring Temporary Service, which shall be payable immediately upon receipt. The rate for water will be that listed in these Terms and Conditions for comparable permanent Service.
- (e) If a fire hydrant or stand pipe is being used for Temporary Service and is required by the Fire Department for an emergency situation, the Customer agrees to remove or have removed any connection to the hydrant or standpipe without delay.

**7.3. Water for Construction** | Where a Person or Customer requests the Utility to provide water for any construction purpose and testing of fixtures, the Person or Customer shall pay for water supplied at the construction Rates listed in these Terms and Conditions. The Utility may require that water for any construction purpose be metered and charged in accordance with these Terms and Conditions.

**7.4. Site Preparation Standards** | The Customer will be responsible for all necessary site preparation to the standards established by the Utility. The Utility reserves the right to not permit connection to the Utility's System if in the Utility's opinion, the finished soil grade has not been achieved or other site installation standards specified by the Utility or these Terms and Conditions are not met.

If, in the Utility's opinion, an installed Service Line has less than minimum ground cover, or other unsafe conditions exist, the Customer may be directed by the Utility to re-install sufficient ground cover and remedy any other conditions to meet the Utility's standards. This work will be performed by the Customer at its cost or may, at the Utility's discretion, be performed by the Utility at the Customer's cost.

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- 7.5. Timing of Installation** | The timing of installation of facilities will be determined by the Utility.
- 7.6. Winter Construction** | If an applicant or Customer applies for Service which requires construction when, in the Utility's opinion, frost conditions may exist, the Utility may postpone the required construction until the frost conditions no longer exist. If the Utility carries out the construction, the applicant or Customer will be required to pay all costs incurred due to the frost conditions.
- 7.7. Unusual Site Conditions** | If an applicant or Customer applies for Service that requires construction which, in the Utility's opinion, involves site conditions that may affect its ability to complete the installation in a safe and cost effective manner, the Utility may postpone the required construction until these conditions are remedied to the Utility's satisfaction. If the Utility carries out the construction, the applicant or Customer will be required to pay all costs incurred due to the unusual site conditions.
- 7.8. Utility to Approve Installation of Service** | No Service pipe or fittings shall be covered until they have been inspected and approved by the Utility, as well as the municipal plumbing or building inspector or other appropriate authority. The Customer or applicant (including builder, developer, homeowner, etc.) shall provide seventy-two (72) hour notice in writing prior to connecting into the Utility's Waterworks or provide seventy-two (72) hour verbal notice to staff at the Utility's office prior to requiring inspection by the Utility. No Customer or applicant shall bury any Service pipe or fittings until inspected by the Utility. Any Customer or applicant that buries any Service pipe or fittings prior to inspection by the Utility shall be liable, at the Customer's sole expense, to excavate such works for inspection by the Utility prior to the Utility commencing provision of water to the Premises.
- 7.9. Customer Requested Change in Location** | Any change in the location of an existing Service Line shall be subject to the Utility's approval in writing, and will be at the Customer's expense if the change is requested by the Customer or necessitated by the actions of the Customer.
- 7.10. Installation of Separate Curb Stops** | Where a Complex has been permitted to connect to the Utility's Waterworks without separate curb stops for each individual Unit, all owners in the Complex are jointly and severally liable to the Utility for payment of all service charges related to the Complex, pursuant to Section 10.10 (*Responsibility for Properties with Multiple Owners*). In the event a Customer, at its cost, subsequently requests the Utility install a separate water connection for an individual Unit, upon payment made to the Utility in full for the work performed and the disconnection of such Unit from the original Service of the Complex, the Unit will no longer be subject to joint and several liability for further Service to the portion of the Complex remaining on the original Service connection.
- 7.11. Ownership of Service Line** | Title to and ownership of the Service Line, from the water main to the property boundary of any Premises, shall be vested in the Utility. The Customer shall own the Service Line to the extent it is within the property boundaries of the Premises.
- 7.12. Maintenance of Customer's Service Line** | The Customer will maintain the portion of the Service Line and ancillary fixtures, fitting and equipment owned by the Customer. The Customer is solely responsible for all maintenance, including the cost of repairing the Service Line in the event of damage or failure of the Service Line and ancillary fixtures, fitting and equipment.
- 7.13. Maintenance of Curb Stop Facilities** | The Customer's curb stop shall be maintained in accordance with Section 9.3 (*Curb Stop Facilities*).

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- 7.14. Excavation Notice** | The Customer shall provide a minimum of seventy-two (72) hours' notice in writing prior to connecting into the Utility's Waterworks, or seventy-two (72) hours verbal notice to staff at the Utility's office in advance of any excavation work to be conducted on the Premises and shall immediately advise of any damage occurring to the Service installation.
- 7.15. Prohibition** | A Customer shall not construct any permanent building or structure over a Service Line or otherwise contravene government regulations, codes or the Utility's policies.

## **8. Water Meter Sets & Metering**

- 8.1. The Meter Set** | The Customer shall, at its expense, install a water meter in the Service Line at the location specified by the Utility. Upon inspection by the Utility, to confirm compliance and acceptance of the installation, the water meter and its associated remote readout equipment shall become property of the Utility and be considered the Utility's Meter Set. The Utility will be responsible for all ordinary maintenance, repair and replacement of the Meter Set subject to Section 14.5 (*Responsibility for Meter Set*).

**The Utility shall be the sole supplier of all water meters and the sole supplier of all associated remote readout equipment, and the Customer shall pay all costs for supply and installation of this equipment according to these Terms and Conditions.**

The installation of each water meter is subject to the requirements as follows:

- (a) unless otherwise specified in writing by the Utility, the water meter must be installed in the Service Line immediately downstream of the point the Service Line enters the structure of the Premises,
- (b) a separate water meter for each Customer, as specified by the Utility,
- (c) the make and model of water meter must be approved by the Utility
- (d) the water meter is to register in cubic meters and be supplied with a remote touch readout pad approved by the Utility,
- (e) the Water Meter shall be installed with adequate support and anchoring on each side of the meter capable of keeping the pipe alignment and supporting the weight of the meter, pipe and all other components. A Customer shall ensure that:
- (f) every Service Line entering a building has a horizontal meter setting, and that the piping extends not less than 450 mm (18 inches) beyond the wall or floor of the building immediately before the meter position;
- (g) The water meter is positioned as close as possible to the point where the Service Line enters the building and has a safe and convenient access,
- (h) the meter must be installed prior to any Service into the home, irrigation lines, blow-outs, or other water connection,
- (i) the remote touch readout pad must be accessible by the Utility and installed in a safe location on the exterior of the building or structure or other location approved by the Utility; and,
- (j) the Utility shall seal any and all by-pass valves closed. No Person shall break a by-pass valve seal except under the direction of the Utility. In the event that a by-pass valve seal is broken, the Utility shall be contacted within 48 hours. At the Utility's discretion, the Utility may permit a subsidiary meter on the by-pass at the Customer's expense. Should the by-pass potentially create a real or perceived back-flow condition, the Utility must be notified immediately.

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- 8.2. Main Utility Meter Set and Additional Customer Owned Water Meters** | Where a Premise or Complex has one main Water Service and contains multiple Units, the Customer shall have one compliant water meter and that water meter must meet the specifications in Section 8.1 (*The Meter Set*). The main water meter will be the Utility's Authorized Water Meter.

Should the Customer retain or choose to install additional meters downstream of the Utility's Authorized Water Meter, the Utility may read these meters at the request of the Customer subject to the fee listed in the Schedule of Standard Fees and Charges.

Billing for properties with a main Authorized Water Meter will be charged to all property owners or the strata council, if applicable. The property owners shall designate in writing to the Utility, a prime contact and billing address for the Utility's water bill and any communications. There is no charge to Customers for such change in billing instructions.

- 8.3. Additional Authorized Water Meters** | Where a Premise has one main Water Service and requires additional Authorized Water Meters be installed and is accepted by the Utility, the Customer shall install additional water Meter Sets at its expense and those water Meter Sets must meet the specifications in Section 8.1 (*The Meter Set*), including the installation of a remote readout device mounted on the exterior of the Unit or Premises. The additional water Meter Sets will be the Utility's Authorized Water Meters. Supply and installation of the water meters and remote readers installed at the Customer's request shall be at the Customers' cost.

- 8.4. Measurement** | The quantity of water delivered to the Premises will be metered using Utility industry approved apparatus, unless superseded by an approved process for certification implemented by Consumer and Corporate Affairs Canada or any other subsequent or successor government agency. The amount of water registered by the Meter Set during each billing period will be converted to cubic meters in accordance with industry and manufacturer's recommended practices and rounded to the nearest cubic meter.

- 8.5. Estimating a Water Reading** | If for any reason the Utility is required to estimate the water consumption of a Customer for any given period, the following procedure will be followed:

- (a) The estimate will be based on the Customer's historical use on the property for which a water consumption estimate is required.
- (b) In the event that insufficient history exists to produce a reasonable estimate, the estimate will be calculated on the basis of an average of the water consumption for similar properties in the same area, and at the least would be the Utility's minimum monthly charge for the Premises.
- (c) In the event that the meter is working but the remote is broken or inaccessible the Utility may bill using one of the above methods, and include any necessary adjustments on the first invoice after a proper reading is taken.
- (d) If the Utility is unable to read the meter due to Meter Set failure and the Customer does not allow the Utility to resolve the issue within a 30 day period after written notice is given, the meter shall be deemed to be "inaccessible" and will be subject to disconnection as provided in Section 13 (*Refusal of Service and Discontinuance of Service*).

- 8.6. Testing Water Meters** | When any Customer whose Water Service is metered makes a complaint that its account is, in its opinion excessive, the Utility will make an inspection for leaks at the Meter Set. Should no leaks be found up to and including the Authorized Water Meter, and should the Customer continue to feel that the Authorized Water Meter is indicating excessive consumption, then the Customer can request that

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the Authorized Water Meter be tested for accuracy. This will be carried out only after a written request to the Utility has been received.

The Customer's Authorized Water Meter will be removed, replaced with a different Authorized Water Meter and the Authorized Water Meter in question sent to the manufacturer or its agent for testing. The Customer will be sent a copy of the report. If the test shows an error in registering the quantity of water passing through the meter of over five percent (5%) in favor of the Utility, the Customer's account will be adjusted accordingly.

If the test of the Authorized Water Meter shows an accurate measurement of water (within five percent (5%) of the actual usage), or shows an error in favor of the Customer, the Customer will be billed for all costs pertaining to the test, removal of the authorized water meter, and the installation of a replacement or a temporary Authorized Water Meter.

The Utility may at any time test any meter, at its discretion.

**8.7. Temporary Service** | Any Person that has applied for Temporary Service must, at the Utility's discretion, pay the Utility in advance for the Costs which the Utility estimates it will incur in the installation and subsequent removal of metering facilities necessary to supply water to the Customer pursuant to Section 7.2 (Temporary Service).

**8.8. Customer Requested Meter Relocation or Modifications** | Any change in the location of a Meter Set or related equipment, or any modifications to the Meter Set, including automatic and/or remote meter reading shall be subject to the Utility's approval in writing, and will be made at the expense of the Customer if the change or modification is requested by the Customer or necessitated by the actions of the Customer. If any of the changes to the Meter Set or related equipment require the Utility to incur ongoing incremental operating and maintenance costs, the Utility may recover these costs from the Customer through a monthly charge.

**8.9. Protection of Meter Set Equipment** | The Customer shall take reasonable care of and protect all Meter Sets and related equipment on the Customer's Premises. This includes, but is not limited to protection from: water run-off from roof or deck surfaces; accumulation or unloading of snow and ice; and accidental damage from vehicles. The Customer's responsibility for expense, risk and liability with respect to all Meter Sets and related equipment is set out in Section 14.5 (Responsibility for Meter Set).

Where in the opinion of Utility, safety devices need to be installed to protect a Meter Set from damage, the Customer shall install such safety devices within 30 days of the Utility's written notice to do so. If the Customer does not perform the required work within this period, then the Utility will make arrangements and invoice the Customer for the Utility's costs.

**8.10. Required Access to Water Meter** | If the Meter Set is located on private property, the Customer shall provide access for installing and maintaining the meter and appurtenances for meter reading, as provided in Section 6.8 (Access to Premises and Equipment). Should the Utility require removal of snow, ice or other material in order to maintain access to the Meter Set, the Utility may arrange to have the work performed and will invoice the Customer for the Utility's costs, subject to a minimum charge for removal of materials as set out in the Schedule of Standard Fees and Charges .

If in the opinion of the Utility, a Customer installed water meter or a Meter Set is situated in an unsafe area, or in a location which may create a dangerous situation to a meter reader, the meter shall be deemed to be

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“inaccessible” and will be subject to disconnection as provided in Section 13 (*Refusal of Service and Discontinuance of Service*).

- 8.11. Removal of Meter Set** | At the termination of a Service Agreement, the Utility may disconnect or remove a Meter Set from the Premises if a new Customer is not expected to apply for Service at the Premises within a reasonable time.

## **9. Customer Obligations for Service Maintenance**

- 9.1. Pressure Regulating Devices** | Pressure reducing valves are required to control internal water pressure for all Service Connections. Any device installed for the purpose of controlling the internal pressure shall be the responsibility of the Customer, who must ensure that the device remains in proper working order. The Utility accepts no responsibility for damages that may result from the failure to install a pressure reducing device, the failure of a pressure reducing device or for water pressures supplied by the Utility.
- 9.2. Condition of Customer’s Pipes and Fixtures** | The Customer at its own risk and expense shall keep its pipes, stop cocks and other fixtures in good working order and protect them from frost and other damage. Should there be evidence of leaking or waste of water on the Customer’s property, the Utility will notify the Customer of its obligation to repair such leaks or waste, in which case the Customer will make the necessary repairs within five (5) Business Days after notice has been given or, subject to the provisions described in these Terms and Conditions, the Utility may shut off the water supply.
- 9.3. Curb Stop Facilities** | It shall be the responsibility of the Customer to maintain the curb stop facilities and to ensure that the curb stop facilities remains visible to Utility staff, undamaged and operational at all times. The curb stop must remain accessible to Utility personnel at all times.

Should an extension of the curb stop be necessary due to grade changes, the Customer shall apply to the Utility to extend or reduce the curb and the Utility shall, upon deeming the request to be reasonable, perform the work.

- 9.4. Stop Cock** | The Customer shall provide a shut-off valve (stop cock) inside each of the Customer’s buildings in which water is used, for the use of the Customer in case of leaky or defective pipes or fixtures, or in case the Premises are vacated.
- 9.5. Alberta Plumbing Code** | All Water Service pipe and materials installed on the Customer’s Premises shall be installed to meet or exceed the manufacturer's standards as well as Alberta Plumbing Code or equivalent regulations.
- 9.6. Frozen Pipes** | Customers are wholly responsible for clearing any frozen pipelines or fixtures located on or within the boundary of the Premises receiving Water Service.

If the Utility is requested to clear a frozen Service Line connection, and it is found that the affected pipeline or fixture is not located within the portion of the Waterworks owned and maintained solely by the Utility, the Customer who requested assistance shall pay an hourly service charge to cover costs associated with examining and/or clearing any pipes or fixtures. If the Meter Set becomes frozen and is located within the Customer’s Premises, then the Utility will repair or replace the Meter Set at the Customer’s expense.

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The bill for clearing and repairing frozen pipelines or fixtures is due and payable upon receipt. Should the Utility choose not to issue a separate bill, or payment is not received before the Customer's next regular water bill is processed, the charges shall be added to the Customer's water bill.

If the frozen connection or fixture is located within the portion of the Waterworks owned and maintained solely by the Utility, then no charge for thawing that portion of works belonging to the Utility will be levied against the Customer, subject to Section 9.6 (*Frozen Pipes*).

- 9.7. Prevention Of Contamination** | No person shall connect, cause to be connected or allow to remain connected, any piping, fixture, fitting, container or appliance in a manner which under any circumstances may allow water, waste water, or any harmful liquid, gas or substance to enter the Utility's water system.

Service to a Customer shall be provided only on the provision that the Customer has installed on the private Service an approved backflow prevention device, or devices, such that the Utility's Waterworks system is effectively isolated from the private system by the device(s). The mechanism to prevent backflow is necessary to inhibit the entry of contaminants into the Utility's Waterworks, it shall be installed at the Customer's expense and must be of a design approved by the Utility.

Without limiting the generality of the foregoing, the Utility may allow approved backflow prevention devices to be installed on the Customer's water piping at the sources of potential contamination (in-plant isolation) and/or on the Water Services (premise isolation) either on private property or public property. If the device is installed on public property, the device shall be installed "at cost" by the property owner/government agency in accordance with this section.

- 9.8. Customer's Responsibility for Prohibition of Dangerous Cross-Connections** | No Customer shall permit the plumbing of the Premises to be connected to any source of water supply other than the Utility's, or to any potential source of contamination.

The Owner of any property on which an approved backflow prevention device is installed shall:

- (a) maintain the approved backflow prevention device in proper working order at all times.
- (b) have the approved backflow prevention device tested upon installation and thereafter annually, or more often if required by the Utility, by an Authorized Backflow Prevention Device Tester or by personnel approved by the Utility to demonstrate that the device is in good working condition,
- (c) submit a report on a form approved by the Utility from an Authorized Backflow Device Tester upon installation of the device and thereafter annually within 30-days of such test on any or all tests performed,

Should a test show that an approved backflow prevention device is not in good working condition, the Utility shall give notice to the Customer to make the necessary repairs or replace the device within 96 hours, or other specified period, and if the Customer fails to comply with the notice the Utility shall shut off the Service or Services.

The water shall not be turned on at the curb stop for occupancy use until the private plumbing system has been inspected for cross-connections by the Utility; this shall not prohibit the use of a Water Service for construction purposes for a limited time, provided the Utility is satisfied that adequate provision is made to prevent backflow into the Utility's water mains.

Where, in the opinion of the Utility, a severe hazard exists, Water Service to a Customer shall be provided only on the provision that the Customer install on the Customer's Water Service an approved backflow

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prevention device. This device will be in addition to any approved backflow prevention device(s) installed on the Customer's water piping at the source of potential contamination.

Where an approved backflow prevention device is required to be installed, it shall be installed in accordance with the standards prescribed in the current edition of the Alberta Plumbing Code.

**9.9. Utility Actions to Prevent Contamination** | Where in the opinion of the Utility, any condition is found to exist which is or may be contaminating the Utility's Waterworks, the Utility may, at its sole discretion, take one or more of the following actions:

- (a) Give notice to the Customer requiring correction of the fault within a specified time period;
- (b) Require installation of a backflow prevention device on any pipe, at the Customer's expense; or,
- (c) Immediately discontinue any Water Service until such time that the condition is corrected.

The Utility may in addition to the remediation contained in Section 9.9, have a reduced pressure backflow assembly installed on the Service, on Utility property or right of way. The device shall be installed "at cost" by the Utility, except that all Customer charges will be twice those obtained under normal application of this Section. All costs incurred may be recovered from the Customer as a charge under these Terms and Conditions.

**9.10. Systems Requiring Backflow Prevention** | An approved backflow prevention device shall be installed into a waterline feeding any hot water heating system that is not self contained or, requires feed water to maintain pressure or flow. The same will apply for any residence that has more than one water usage per supply line or multi meter take-off. (Water Tree). Any property that has an irrigation system shall have an approved backflow device on the irrigation system. All commercial applications require backflow protection on the supply line into the premises.

**9.11. Responsibility for Maintenance and Testing of Backflow Prevention Devices** | Any device installed for the purpose of controlling backflow shall be the responsibility of the Customer, who must ensure that the backflow prevention device is tested and in working order at the time of installation, and must ensure that it is tested at least once per annum (each twelve months) by an authorized and licensed contractor approved by the Utility or their authorized agent. If the backflow prevention device does not pass inspection, it must immediately be reported to the Utility, and then repaired or replaced within five (5) Business Days and re-inspected at the Customer's expense. All test results, including descriptions of any repairs, are to be reported on the proper test report form obtained from the Utility. The completed test report forms shall be returned to the Utility within thirty (30) days after the inspection is completed. The test reports will be registered and maintained by the Utility.

**9.12. Hydrant and Standpipe Use** | Every person who receives authority to use water from a hydrant shall install and use an approved backflow prevention device suitable to the degree of health hazard within the premise or commensurate with the use intended. The backflow prevention device shall be of the type acceptable to the Utility. The backflow prevention device must have been tested by an Authorized Backflow Prevention Device Tester within one year's time prior to the expected end date of usage of the hydrant or standpipe, and a correctly completed copy of the Utilities' Test Report form submitted to the Utility's Office along with a backflow prevention fee prior to using the hydrant.



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**9.13. Call Out Charge Liability** | Customers are solely responsible for the satisfactory operation of Service Lines, curb stops, valves and appurtenances, within the boundaries of the Premises being served. The Utility shall not be required to perform any work on pipes or fittings that are not the property of the Utility unless there is a concern for the safety or performance of the Utility's Waterworks. Should the Utility be called upon for assistance, and the Utility chooses to provide such assistance, the Customer who requested assistance shall pay an hourly service charge to cover costs associated with the call out and/or subsequent repair of faulty pipes or fittings belonging to the Customer. The bill is due and payable upon receipt. Should the Utility choose not to issue a separate bill, or payment is not received before the Customer's next regular water bill is processed; the charges shall be added to the Customer's water bill.

**9.14. Vegetation Management and Interference with the Utility's Facilities**

- (a) The Customer shall be responsible for managing vegetation on the property owned or controlled by the Customer so as to allow and permit easy access to the Utility's facilities. No Person shall obstruct or impede free and direct access to any Service, curb stop, water main valve, cross connect control, fire hydrant, meter, remote reader, or other appurtenances of the Water Works.
- (b) Where a Customer fails to adhere to Section 9.14(a) and fails to cure the cause of such default within fifteen (15) days after being notified in writing by the Utility, the Utility is authorized to remedy the cause of such default at the Customer's cost.
- (c) Customer's shall not install or allow to be installed on property owned or controlled by the Customer any temporary or permanent buildings or structures that could interfere with the proper and safe maintenance and operations of the Utility's facilities or result in non-compliance with applicable statutes, regulations, standards and codes.

**10. Billing**

**10.1. Basis for Billing** | The Utility will bill the Customer in accordance with the applicable Schedules attached to these Terms and Conditions, payable at the Utility's office or at any duly authorized collecting agency. The total amount of each bill is due on the Invoice Date. A late payment charge may be incurred if the total amount owing is not paid within twenty (20) days of the Invoice Date.

**10.2. Taxes** | All Rates, fees and charges specified in these Terms and Conditions are subject to applicable local, provincial or federal taxes, assessments or levies imposed by any competent taxing authorities which the Utility may be lawfully authorized or required to add to its normal Rates and charges or to collect from or charge to the Customer.

**10.3. Estimates** | For billing purposes, the Utility may estimate the Customer's meter readings if, for any reason, the Utility does not obtain a meter reading. Subject to the provisions of Section 11 (Back Billing), the Customer shall pay any invoice for Water Service based upon estimated volumes determined in accordance with the provisions of Section 11 (*Back Billing*) and Section 8.5 (*Estimating a Water Reading*).

**10.4. Estimated Final Reading** | If a Service Agreement is terminated under Section 6.13 (*Termination of a Service Agreement*), the Utility may estimate the final meter reading for final billing.

**10.5. Incorrect Register** | If any Meter Set has failed to measure the delivered quantity of water correctly, the Utility may estimate the meter reading for billing purposes, subject to Section 8.5 (*Estimating a Water Reading*).

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- 10.6. Bills Issued** | The Utility may bill a Customer as often as the Utility considers necessary but generally will bill on a monthly basis.
- 10.7. Appeal of Calculation of Customer's Water Bill** | Any Customer obtaining water from the Utility's Waterworks may formally register a complaint or dispute with the Utility regarding the amount of any water bill, no more than thirty (30) days from the date of billing. The Customer must pay the undisputed portion of the bill.
- 10.8. Change of Billing Address Information** | All Customers of the Utility are required, at all times, to promptly inform the Utility of any and all changes to any billing address, including changes to telephone number or email address.
- 10.9. Owner's Responsibility for Payment** | Where any account rendered for water is not paid as prescribed by these Terms and Conditions, the legal owner of the Premises shall be deemed to be the Person responsible for payment of the account. More particularly,

Where the owner of a property has rented out a Premise or Unit, the owner of the Premise or Unit remains responsible for the water bill should the tenant not pay for any reason whatsoever.

- 10.10. Responsibility for Properties with Multiple Owners** | Where a property has multiple owners and each Unit is not Serviced by its own Service Line and curb stop (and whether the property has one or more Authorized Water Meters), all registered property owners shall be jointly and severally responsible (or the Strata Corporation, if applicable, shall be responsible) for the water bill. In these circumstances, all registered property owners are jointly and severally liable for all Service. The registered property owners may designate in writing to the Utility, a prime contact and billing address for the Utility's water bill and any service charges.

**11. Back Billing**

- 11.1. When Required** | The Utility may, in the circumstances specified herein, charge, demand, collect or receive from its Customers in respect of a Service rendered thereunder a greater or lesser compensation than that specified in the subsisting schedule applicable to that Service.

In the case of a minor adjustment to a Customer's bill, such as an estimated bill, such adjustments do not require back-billing treatment to be applied.

Any back billing charges or refunds shall be limited to the six month period immediately preceding the month in which the billing error was discovered. HCWS is not entitled to collect from a customer any amount undercharged of any kind more than 6 months before the date of the bill.

- 11.2. Explanation of Back-Billing** | Back-billing means the re-billing by the Utility for Services rendered to a Customer because the original billings are discovered to be either too high (over-billed) or too low (under-billed). The discovery may be made by either the Customer or the Utility, or may result from an inspection under provisions of Federal or Provincial regulations. The cause of the billing error may include any of the following non-exhaustive reasons or combination thereof:
- (a) stopped meter;
  - (b) metering equipment failure;

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- (c) missing meter now found;
- (d) switched meters;
- (e) double metering;
- (f) incorrect meter connections;
- (g) incorrect use of any prescribed apparatus respecting the registration of a meter;
- (h) the seal of a meter or by-pass valve is broken;
- (i) an open by-pass is exists;
- (j) an unauthorized Service has been discovered;
- (k) incorrect meter multiplier;
- (l) the application of an incorrect rate;
- (m) incorrect reading of meters or data processing; or
- (n) tampering, fraud, theft or any other criminal act.

The following non-exhaustive reasons shall not be subject to back-billing provisions and the Customer shall be fully liable for all costs for Water Service:

- (a) Customer's failure to notify the Utility that a secondary suite has discontinued use;
- (b) Customer's failure to notify the Utility that a service connection has been discontinued;
- (c) Customer's failure to notify the Utility regarding a change in ownership or tenancy of the Premises;

**11.3. Billing Basis** | Where metering or billing errors occur, the consumption will be based upon the records of the Utility for the Customer, or the Customer's own records to the extent they are available and accurate, or if not available, reasonable and fair estimates may be made by the Utility in accordance with Section 8.5 (*Estimating a Meter Reading*).

**11.4. Tampering/Fraud** | If there are reasonable grounds to believe that the Customer has tampered with or otherwise used the Utility's Service in an unauthorized way, or there is evidence of fraud, theft or other criminal acts, or if a reasonable Customer should have known of the under-billing and failed to promptly bring it to the attention of the Utility, then the extent of back-billing will be for the duration of the unauthorized use, subject to the applicable limitation period provided by law, and the provisions of Sections 11.7 (*Under-Billing*) to 11.10 (*Changes in Occupancy*), below, do not apply.

In addition, the Customer is liable for the direct administrative costs incurred by the Utility in the investigation of any incident of tampering, including the direct costs of repair, or replacement of equipment.

Under-billing resulting from circumstances described above will bear interest at the rate normally charged by the Utility on unpaid accounts from the date of the original under-billed invoice until the amount under-billed is paid in full.

**11.5. Remedying Problem** | In every case of under-billing or over-billing, the cause of the error will be remedied without delay, and the Customer will be promptly notified of the error and of the effect upon the Customer's ongoing bill.

**11.6. Over-Billing** | In every case of over-billing, the Utility will refund to the Customer all money incorrectly collected for the duration of the error, subject to a maximum period of twelve (12) months. The Utility will pay interest on money incorrectly collected at the Utility's prime interest rate minus two percent (2%), by crediting the Customer's account. The Utility's prime interest rate is defined as the floating annual rate of

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interest which is equal to the rate of interest declared from time to time by the Utility's principal bank as its "prime rate" for loans in Canadian dollars.

- 11.7. Under-Billing** | Subject to Section 11.4 (*Tampering/Fraud*), above, in every case of under-billing, the Utility will back-bill the Customer for the shorter of (a) the duration of the error; or (b) twelve (12) months.
- 11.8. Terms of Repayment** | Subject to Section 11.4 (*Tampering/Fraud*), above, in all cases of under-billing, the Utility will offer the Customer reasonable terms of repayment. If requested by the Customer, the repayment term will be equivalent in length to the back-billing period. The repayment will be interest free and in equal installments corresponding to the normal billing cycle. However, delinquency in payment of such installments will be subject to the usual late payment charges.
- 11.9. Disputed Back-Bills** | Subject to Section 11.4 (*Tampering/Fraud*), above, if a Customer disputes a portion of a back-billing due to under-billing based upon either consumption or duration of the error, the Utility will not threaten or cause the discontinuance of Service for the Customer's failure to pay that portion of the back-billing, unless there are no reasonable grounds for the Customer to dispute that portion of the back-billing. The Customer shall pay the undisputed portion of the bill and the Utility may threaten or cause the discontinuance of Service if such undisputed portion of the bill is not paid.
- 11.10. Changes in Occupancy** | Subject to Section 11.4 (*Tampering/Fraud*) above, the Utility will make a reasonable attempt to locate the former Customer when back-billing, in all instances where changes of occupancy have occurred. If, after a period of one year, such Customer cannot be located, the applicable over or under billing will be cancelled.

## **12. Administrative Charges**

- 12.1. Administration Charges on Services** | The Utility will include a reasonable allowance for the Utility's overhead in the charges specified in these Terms and Conditions for new Service installations and Other Services. If the Utility experiences additional or unusual administration costs in providing any Service, the Utility will add those administration costs to its charges or adjust its allowance for overhead to reflect its additional costs.
- 12.2. Returned Cheque Charge** | If a cheque received by the Utility from a Customer in payment of a bill is not honoured by the Customer's financial institution for any reason, the Utility will include a charge specified in these Terms and Conditions in the next bill to the Customer for processing the returned cheque whether or not the Service has been disconnected.
- 12.3. Late Payment Charge** | If the amount due for Water Service, service related charges or other service charges on any bill has not been received in full by the Utility or by an agent acting on behalf of the Utility on or before the due date specified on the bill, the Utility will include in the next bill to the Customer the late payment charge specified in these Terms and Conditions.
- 12.4. Delinquent Bill Collection Charges** | Any and all charges incurred in the collection of a delinquent water bill shall be payable to the Utility in full by the Customer prior to the reconnection of Service to the Customer.

Such charges shall include, but are not limited to, charges incurred through the use of any collection agencies, or other methods employed in retrieving delinquent payments.

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- 12.5. Historical Billing Information** | Customers who request historical billing information may be charged in accordance with these Terms and Conditions to provide the information.

## **Discontinuance of Service and Refusal of Service**

### **13. Refusal of Service and Discontinuance of Service**

- 13.1. Right to Refuse Water Service** | The Utility reserves the right to refuse Water Service and the right to refuse to install or to permit the installation of Service and main extensions under any of the following conditions:

- (a) The applicant has failed to apply for Service.
- (b) The applicant has failed to provide all necessary information.
- (c) The applicant has failed to pay any charges for Service or post any security deposit required by the Utility pursuant to these Terms and Conditions.
- (d) Frozen ground conditions or other adverse weather conditions.
- (e) Rock or other impediment makes boring impractical and the approving authority will not permit pavement to be cut.
- (f) Where a water connection has been made or where Water Service has been turned on without proper authorization from the Utility. Under this circumstance, the Utility may remove the water meter and disconnect Service until proper authorization is obtained and all applicable fees are paid. The party receiving unauthorized Service shall further be subject to all appropriate service charges indicated in the Schedule of Standard Fees and Charges, to be paid in advance of reconnection of Service, to defray the cost of removing an unauthorized water connection.
- (g) For any of the reasons given in Section 13.3 (*Discontinuance with Notice*) and Section 13.4 (*Discontinuance without Notice*) applicable to Customers, whether or not an applicant has yet received Service.

- 13.2. Discontinuance of Service after Notice by the Customer** | Any Customer who desires to discontinue the use of water for a period of not less than three (3) months shall:

- (a) give notice of its intention, in writing, at the office of the Utility, and shall further show that any fittings used for the supply of water to the Premises have been disconnected, and
- (b) give at least five (5) Business Days' notice and be liable for payment for all Service until the date specified for discontinuation of Service.

If written notice of discontinuance is less than five Business Days, the Customer will continue to be responsible for payment of all Service until the discontinuance has been affected, up to a maximum of five Business Days.

Any Customer that discontinues Service shall continue to be charged for availability of water and provision of fire flows in accordance with the Schedule of Standard Fees and Charges.

- 13.3. Discontinuance With Notice** | The Utility may discontinue Service or refuse to supply Service to a Customer with fifteen (15) days written notice sent to the last known postal address of the Customer or served at the Customer's Premises, for any of the following reasons:

- (a) a Customer's account becomes one month or more overdue, and payment has not been received at the Utility's office during normal working hours prior to expiry of the notice period,

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- (b) the Customer is delinquent in its payments for any Service provided by the Utility at the same Premises or any other Premises where Services are provided by the Utility to the same Customer,
- (c) the Customer has failed to pay any required security deposit, equivalent form of security, or post a guarantee or required increase in the security deposit by the specified date,
- (d) the Customer occupies the Premises with another Person who has failed to pay the Utility bill, security deposit, or required increase in the security deposit in respect of another Premises which was occupied by that Person and the Customer at the same time,
- (e) inability of the Utility to gain admittance to the Premises to read the meter for a period of three (3) consecutive months, or
- (f) the land or portion thereof on which the Utility's facilities are, or are proposed to be, located contains contamination which the Utility, acting reasonably, determines has adversely affected or has the potential to adversely affect the Utility's facilities, or the health or safety of its workers or which may cause the Utility to assume liability for clean-up and other costs associated with the contamination. If the Utility, acting reasonably, determines that contamination is present it is the obligation of the occupant of the land to satisfy the Utility that the contamination does not have the potential to adversely affect the Utility or its workers. For the purposes of this Section, "contamination" means the presence in the soil, sediment or groundwater of special waste or another substance in quantities or concentrations exceeding criteria, standards or conditions established by the British Columbia Ministry of Environment or as prescribed by present and future laws, rules, regulations and orders of any other legislative body, governmental agency or duly constituted authority now or hereafter having jurisdiction over the environment.

**13.4. Discontinuance Without Notice** | The Utility may discontinue without notice or refuse the supply of water or Service to a Customer for any of the following reasons:

- (a) the Customer has failed to provide reference information and identification acceptable to the Utility, when applying for Service or at any subsequent time on request by the Utility,
- (b) the Customer misrepresents any information required for Service as outlined in Section 1.2 (*Information Required for Service*) provided to the Utility,
- (c) the Customer uses water or has requested the supplying of water in such a manner as in the Utility's opinion may contaminate the Waterworks,
- (d) the Customer receiving Service at the Premises fails to comply with any notice concerning potential contamination served pursuant to these Terms and Conditions,
- (e) in the Utility's opinion, the condition of the Customer's pipes or fixtures is such as to cause or potentially cause serious waste of water or damage to property,
- (f) the Customer fails to make repairs, modifications or additions to the Customer's equipment which have been required by the Utility, or fails to protect the Utility's Meter Set from ice, snow, or other materials, within the prescribed time periods specified by the Utility pursuant to these Terms and Conditions,
- (g) in the event of fire, flood, or other emergency in order to safeguard persons, or property against the possibility of contamination, injury, or damage,
- (h) the Customer breaches any of the Terms and Conditions of these Terms and Conditions upon which Service is provided to the Customer by the Utility, or, if a notice period is provided to the Customer, fails to remedy such breach within the prescribed notice period by order of the Utility pursuant to these Terms and Conditions,
- (i) the Customer fraudulently misrepresents to the Utility its use of water or the volume delivered,
- (j) the Customer tampers with or alters a water meter with the intent of altering the consumption measurement, or incites another party to tamper with a water meter,

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- (k) the Customer repeatedly violates any of the Terms and Conditions listed in Section 13.3 (*Discontinuance with Notice*),
  - (l) the Customer is in receivership or bankruptcy, or operating under the protection of any insolvency legislation, and has failed to pay any outstanding bills to the Utility,
  - (m) the Customer vacates the Premises,
  - (n) the Utility is ordered to cease supplying water to the Customer by a duly authorized government agency,
  - (o) necessary repairs to the Utility's system, or
  - (p) failure, temporary or permanent, of the availability of water.
- 13.5. Locking Mechanism** | In the event that a Customer has violated a provision of these Terms and Conditions, or is indebted to the Utility either for water supply or Services rendered, the Utility may, in addition to discontinuing the water supply to the Premises in question, physically place a locking mechanism on the Waterworks within or immediately outside such Premises. Removal of the locking mechanism shall be subject to a service charge, as identified in these Terms and Conditions. Only an authorized employee or agent of the Utility may remove the locking mechanism.
- 13.6. Disconnection** | In the case of infractions by the Customer listed in Section 13.4 (*Discontinuance without Notice*), the Utility may take such further action as deemed appropriate by the Utility, and physically disconnect the Customer's Water Service.
- 13.7. Reconnection of Service and Security Deposit** | Where Water Service is locked off or disconnected for failure to pay a bill when due or for non-compliance with any other term or condition of these Terms and Conditions, the Utility shall not permit a resumption of Water Service for any Customer until proof of compliance with the Terms and Conditions is demonstrated, and until all outstanding debts and applicable service charges, as described in Section 3.3 (*Reconnection Charges*), have been paid in full. The Customer shall also be required to establish or re-establish a security deposit (or equivalent form of security acceptable to the Utility) in an amount determined by the Utility in accordance with Section 5.1 (*Security for Payment of Bills*).
- 13.8. Liability** | No Person whose Water Service is discontinued pursuant to these Terms and Conditions shall have any claim whatsoever against the Utility for discontinuance of Water Service.

## **Liability and Indemnity Provisions**

### **14. Limitations on Liability**

- 14.1. Responsibility for Delivery of Water** | The Utility, its employees, consultants, contractors or agents are not responsible or liable for any loss, damage, costs or injury (including death) incurred by any Customer or any Person claiming by or through the Customer caused by or resulting from, directly or indirectly, installation, presence, maintenance and operation of the Water Service or any discontinuance, suspension or interruption of, or failure or defect in the supply or delivery of, or refusal to supply, or deliver water, or provide Service, unless the loss, damage, costs or injury (including death) is directly attributable to the gross negligence or willful misconduct of the Utility, its employees, or agents, provided however that the Utility, its employees and agents are not responsible or liable for any loss of profit, loss of revenues, consequential

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damages or economic loss even if the loss is directly attributable to the gross negligence or willful misconduct of the Utility, its employees, contractors or agents.

- 14.2. Liability for Discontinuance of Water Supply** | No Person whose Water Service is discontinued pursuant to the Terms and Conditions of these Terms and Conditions shall have any claim whatsoever against the Utility for discontinuance of water supply. This includes but is not limited to the Utility not being liable for any damage caused, or appearing to be caused by the breaking of any water main, any attachment, or other portion of the Waterworks, or for any losses caused by temporary or permanent discontinuance of water for the purposes of repairing, maintaining, or cleaning the pipes, or for the connection of a Main Extension.
- 14.3. Responsibility after Delivery** | The Customer is responsible for all expense, risk and liability with respect to the use or presence of water after it passes into the Customer's Premises and the Customer's portion of Service Line.
- 14.4. Responsibility Before Delivery** | The Customer is responsible for all expense, risk and liability with respect to the Utility-owned facilities serving the Customer's Premise if any loss or damage is caused, or contributed to, by any act or omission of the Customer or a Person for whom the Customer is responsible.
- 14.5. Responsibility for Meter Set** | The Customer is responsible for all expense, risk and liability with respect to all Meter Sets and related equipment at the Customer's Premises to the extent that damage is attributable to the negligence or willful misconduct of the Customer, its employees, contractors, invitees, tenants or agents, which includes any action or inaction of a Customer which allows an Authorized Water Meter or related equipment to freeze or become otherwise damaged.
- 14.6. Customer Indemnification** | The Customer will indemnify and hold harmless the Utility, its employees, contractors and agents from all claims, loss, damage, costs or injury (including death) suffered by the Customer or any Person claiming by or through the Customer or any third party caused by or resulting from the use of water by the Customer or the presence of water in the Customer's Premises, or from the Customer or Customer's employees, contractors or agents damaging the Utility's facilities.
- 14.7. Force Majeure** | Notwithstanding any other term or condition contained herein, neither party shall be liable to the other for failure to carry out its obligations hereunder when such failure is caused by force majeure as hereinafter defined. The term force majeure means civil disturbance, industrial disturbances (including strikes and lockouts), arrests and restraints of rulers or people, interruptions by government or court orders, present or future valid orders of any Commission or body having proper jurisdiction, acts of public enemy, wars, riots, blockades, insurrections, failure or inability to secure materials, permits or labours by reason or priority regulations, or orders of government, serious epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, explosions, breakage or accident to machinery or lines of pipes, or pipelines, temporary failure of water supply, an act or omission of the Utility, or any other causes or circumstances to the extent such cause or circumstance was beyond the control of and occurred without negligence on the part of the party prevented from carrying out its obligations by the act of force majeure.

Any causes or contingencies which entitle a party to claim force majeure shall not relieve it from liability in the event of its concurring negligence, or in the event of its failure to use due diligence to remedy the situation or remove the cause in an adequate manner and with all reasonable dispatch, nor shall such causes and contingencies affecting the performance of the obligations hereunder relieve either party from the obligation to make payments of amounts then due or thereafter accruing due hereunder. It is understood and agreed that the settlement of strikes or lockouts shall be entirely at the discretion of the party affected.



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**Horse Creek Water Services Inc.***Terms and Conditions – Page 29 of 36***15. Miscellaneous Provisions**

- 15.1. Notice** | A notice mailed to the last known postal address of the Customer shall be deemed good and sufficient for all notices pursuant to these Terms and Conditions, other than notices pursuant to Section 6.3 (*Interruption of Service*) which shall be as specified in that Section. Notices shall be deemed to be effective midnight of the day mailed and any notice period provided by the Utility or these Terms and Conditions shall be deemed to include sufficient time for the receipt of mail.
- 15.2. Conflicting Terms and Conditions** | Where anything in these Terms and Conditions conflicts with special terms or conditions specified under a Service Agreement, then the terms or conditions specified under the Service Agreement govern.
- 15.3. Headings** | The headings of the Sections set forth in these Terms and Conditions are for convenience of reference only and will not be considered in any interpretation of the Terms and Conditions.
- 15.4. Authority of Agents of the Utility** | No employee, contractor or agent of the Utility has authority to make any promise, agreement or representation not incorporated in these Terms and Conditions or in a Service Agreement, and any such unauthorized promise, agreement or representation is not binding on the Utility.
- 15.5. Alberta Utilities Commission Act to Prevail** | The provisions of the *Alberta Utilities Commission Act*, as amended from time to time, are declared to be incorporated in and to form part of these Terms and Conditions. In the event of contradiction, inconsistency or ambiguity, the provisions of the Statute shall prevail.
- 15.6. Disagreements regarding application of the Terms and Conditions** | In case of regarding the application of these Terms and Conditions, or in circumstances where the application of such appears impracticable or unjust to any party, the Utility, applicant or Customer may refer the matter to the Commission for settlement.
- 15.7. Additions, Alterations and Amendments to these Terms and Conditions** | The Rates and charges recorded in these Terms and Conditions are the only lawful, enforceable and collectable Rates and charges of the Utility, and shall not be amended without the consent of the Commission. The Commission, on his/her own volition, or on complaint of the Utility or other Persons, may deem that the existing Rates in effect and collected or any Rates charged or attempted to be charged for Service by the Utility are unjust, unreasonable, insufficient, unduly discriminatory or in contravention of the Alberta Utilities Commission Act, regulations or law, and may, after investigation, determine the just, reasonable and sufficient Rates to be observed and in force, and shall, by order, fix the Rates.

The Utility may submit to the Commission, by letter of application together with full supporting documentation, proposed amendments to Rates and charges, and other Terms and Conditions of Service. After initial review of the application, the Commission may require the Utility to give an acceptable form of notice of the application to its Customers and other Persons may submit objections thereto. The Commission will decide the matter and will notify all interested Persons of his/her decisions.

- 15.8. Ownership of Waterworks** | The title to and ownership of all water main extensions, fittings, connections, or facilitates which are constructed for carrying water from the water main to the property line of the

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Horse Creek Water Services Inc.*Terms and Conditions – Page 30 of 36*

Premises (whether at the Customer's expense or the Utility's expense) and installed within or along present or future public road rights-of-way or within the Utility's property or rights-of-way shall transfer to and remain with the Utility, with right of removal, upon inspection and acceptance by the Utility for connection to its Waterworks. The title to all Authorized Water Meters and appurtenances attached to a Customer's Service Line shall likewise transfer to the Utility upon acceptance by the Utility.

No charge shall be made by the Customer for use of Premises occupied by the Utility's Waterworks or for providing access to the Utility's facilities. This Section shall not apply to appliances or goods (other than water Meter Sets and related appurtenances to be used as Meter Sets) sold directly to the Customer by the Utility.

**15.9. Services Provided at No Charge** | The Utility shall provide the following Services at no additional costs to the Customer:

- (a) locate Water Mains to prevent damage to underground facilities as long as a minimum of two (2) Business Day's written or verbal notice is given. If less notice is given, then the Utility, at its discretion may charge a fee in accordance with these Terms and Conditions,
- (b) any preventative maintenance Service which in the Utility's opinion is required to ensure public and the Utility's safety and the maintenance of the Utility's equipment, but not including any parts or labour used to repair Customer's equipment.

## Schedules of Standard Fees and Charges

In accordance with applicable sections of these Terms and Conditions, Services rendered by the Utility will be subject to the following charges, Rates or fees with taxes added where applicable.

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**Horse Creek Water Services Inc.***Terms and Conditions – Page 32 of 36***Schedule "A" Water Service Connection and Tie-in Fees**

The charges shown below apply to connections to a main.

Where as a result of Premises becoming qualified as Authorized Premises a greater number of Units require or may require Service from the Utility, thus utilizing Waterworks capacity presently or in the future. As such, for the benefit of the Customer receiving access to water services, in addition to the application charges and connection charge, the Tie-in fee charge shown in (a) shall be paid.

The connection charge (b) recovers the cost incurred by the Utility, and not otherwise recovered, of installing a Service connection from the water main to a curb stop.

Where, at a time prior to a Customer's application for Service, a Service connection has been installed at no cost to the Utility or at a cost otherwise recovered by the Utility, then upon connection of the Service pipe, the Rate shown in (c) below shall be paid upon application for Service.

- |     |  |   |
|-----|--|---|
| (a) | Tie-in fee   | \$10,000.00   |
| (b) | Connection charge  | \$300   |
| (c) | Connection of <u>Customer's</u><br><u>Service</u> pipe to an existing curb | <u>Utility</u> inspection cost as per Schedule "C". Physical connection to be completed by <u>Customer</u> at their sole expense. |

*For the purposes of this Schedule, townhouses and side by side duplexes are each equivalent to one (1) single family Premises.*

*NOTE: "Utility Cost" means the Utility will invoice the Customer for the cost of doing the work at the direct cost paid by the Utility for such work..*

**Horse Creek Water Services Inc.***Terms and Conditions – Page 33 of 36***Schedule "B" Rates for Water Service**

Applicability: Within the Service Area of the Utility  
 To all Domestic Service Customers receiving Service  
 To all other Customers receiving Service that are not included in another rate classification

Fixed Charge: Fixed Charge of \$ 70.00 per month, billed monthly, in arrears, regardless of water usage.

Usage Charge: Usage Charge, in addition to the fixed charge, based on the tier schedule as outlined below, billed monthly, in arrears.

Non-metered Rate  
Flat monthly  
Charge – water for  
construction only

For use only by Customers without a Utility approved Meter Set:  
 The customer will be charged the Fixed Charge plus the equivalent rate for 30 cubic meters per month.

**Water Rates Applicable to all Customers**

	Usage	
Fixed charge		\$70.00
First tier	< 30 m <sup>3</sup>	\$1.62/m <sup>3</sup>
Second tier	30 – 60 m <sup>3</sup>	\$2.71/m <sup>3</sup>
Third tier	> 60 m <sup>3</sup>	\$3.79/m <sup>3</sup>

**Horse Creek Water Services Inc.***Terms and Conditions – Page 34 of 36***Schedule "C" Service Charges**

The following standard fees and charges will be applicable to the provision of Water Service to applicants or Customers. Charges for obtaining Water Service are intended to recover the Utility's cost in responding to the request. The nature of the request will determine the appropriate charges as follows:

- a) An administration charge shall apply at the time an application for Water Service is made by any applicant (whether for commencement of Water Service at existing Authorized Premises or for a new connection).
- b) For Water Service to Premises that have not previously been connected to the Utility's Waterworks, the applicant shall pay the connection and tie-in fees shown in Schedule "A" and/or "B" of these Terms and Conditions.
- c) A Turn-on fee shall be applicable when a turn-on of a valve at an existing curb-stop is made at a date after the Service connection was installed.
- d) All other charges are subject to the provisions of these Terms and Conditions.

***SERVICE CHARGES*****Application Fees**

▪ New <u>Service</u> Application Administration Fee	\$ 75.00
▪ Change of Billing Address (Same <u>Customer</u> )	No charge
▪ Connection Fee	\$300.00
▪ Reconnection Fee	\$ 200.00, up to final <u>Utility</u> Cost

**Meter and Remote Reader**

▪ Supply and installation of water meter with remote readout	\$800.00
▪ Removal of unauthorized water meter	at <u>Utility</u> Cost
▪ Removal and testing water meter at <u>Customer's</u> request in accordance with Section 8.6	at <u>Utility</u> Cost
▪ Removal and testing of meter at <u>Utility's</u> request	No charge

NOTE: "Utility Cost" means the Utility will invoice the Customer for the cost of doing the work at the direct cost paid by the Utility for such work.

**Horse Creek Water Services Inc.***Terms and Conditions – Page 35 of 36***Special Meter Reading**

- Request for meter reading with no less than 5 day notice \$75.00 per meter
- Request for meter reading with no less than 24 hour notice \$100.00 per meter  
(minimum 24 hour notice required)

Removal of materials to access water meter, curb stop or other Utility infrastructure (removal of materials includes removal of piled snow but does not otherwise include access to buried infrastructure)

- First occurrence \$85.00
- Subsequent occurrence \$135.00

Excavation of buried or inaccessible curb stop or other Utility infrastructure (Utility is not liable for damage to property)

- First occurrence (less than 150mm under soft landscaping /planting) \$85.00
- First occurrence (under driveway, sidewalk, or other hard surface Or more than 150mm under soft landscaping) at Utility Cost
- Subsequent occurrence at Utility Cost
- Repair or replacement of damage to curb stop at Utility Cost

**Disconnection / Reconnection Fees**

- Turn off water at Customer's request or for Disconnection of Service \$100.00
- Turn on water at Customer's request or after Disconnection of Service \$200.00
- Removal of locking mechanism \$100.00
- Reconnection where meter has been removed at Utility Cost
- Reconnection where meter has not been removed at Utility Cost
- Unauthorized use of curb-stop to turn on or turn off service \$250.00

**Unauthorized Fire Hydrant Use**

- Unauthorized Hydrant Use \$750.00 per day or portion thereof plus all costs for repair of damages to hydrant And recertification of hydrant

NOTE: "Utility Cost" means the Utility will invoice the Customer for the cost of doing the work at the direct cost paid by the Utility for such work.

**Horse Creek Water Services Inc.***Terms and Conditions – Page 36 of 36***Contravention of Water Use Restrictions**

- |  |                        |
|--|------------------------|
| ▪ First offense for water conservation order | Warning                |
| ▪ First offense (all others)                 | \$100.00               |
| ▪ Subsequent offenses                        | \$200.00               |
| ▪ Discontinuance of <u>Service</u>           | at <u>Utility</u> Cost |

**Where Other Services are performed, costs shall be:**

- |   |                                      |
|---|--------------------------------------|
| ▪ Materials and Equipment   | at <u>Utility</u> Cost               |
| ▪ <u>Utility</u> Staff / Contract Operator (regular time)           | \$125.00 per hour or portion thereof |
| ▪ <u>Utility</u> Staff / Contract Operator (after hours / overtime) | \$175.00 per hour or portion thereof |
| ▪ Other Contracted Services   | at <u>Utility</u> Cost               |

**Administration Charges**

- |   |   |
|---|---|
| ▪ Late payment charge   | 1.5% per month on outstanding balance as defined in Section 10 ( <i>Billing</i> ) |
| ▪ Returned cheque charge  | \$50.00   |
| ▪ Historical billing information, first request for not more than 3 years from current date | No charge   |
| ▪ Historical billing information, first request for more than 3 years from current date     | at <u>Utility</u> Cost  |
| ▪ Historical billing information, each subsequent Request in 24 month period                | at <u>Utility</u> Cost  |

NOTE: "Utility Cost" means the Utility will invoice the Customer for the cost of doing the work at the direct cost paid by the Utility for such work.