



**ATCO Gas and Pipelines Ltd.**

**2020 General Rate Application – Phase II Compliance Filing**

**March 19, 2021**

**Alberta Utilities Commission**

Decision 26283-D01-2021

ATCO Gas and Pipelines Ltd.

2020 General Rate Application – Phase II Compliance Filing

Proceeding 26283

March 19, 2021

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Eau Claire Tower

1400, 600 Third Avenue S.W.

Calgary, Alberta T2P 0G5

Telephone: 310-4AUC (310-4282 in Alberta)

1-833-511-4AUC (1-833-511-4282 outside Alberta)

Email: [info@auc.ab.ca](mailto:info@auc.ab.ca)

Website: [www.auc.ab.ca](http://www.auc.ab.ca)

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## **1 Decision summary**

1. This decision provides the Alberta Utilities Commission’s determination in respect of ATCO Gas and Pipeline Ltd.’s compliance with the Commission’s directions in Decision 25428-D01-2020.<sup>1</sup> For the reasons outlined in this decision, the Commission finds that ATCO Gas has satisfactorily complied with the Commission’s directions. New requests from ATCO Gas arising as part of its compliance with the directions are also addressed below. The accompanying North and South rate schedules, and customer, retailer and producer terms and conditions of service are approved effective April 1, 2021.

## **2 Introduction and procedural background**

2. On December 21, 2020, the Commission issued Decision 25428-D01-2020 on ATCO Gas’s 2020 general rate application - Phase II. As part of that decision, the Commission issued 14 directions to ATCO Gas. The majority of these 14 directions are addressed in the current proceeding, while the remaining are to be addressed in ATCO Gas’s next Phase II application.

3. The Commission issued notice of application on February 10, 2021, indicating that this proceeding would follow the streamlined process for compliance filings as set out in Bulletin 2016-18.<sup>2</sup> The Commission invited any party to challenge the Commission’s designation of routine by filing a written submission on the record by February 17, 2021. The Commission received statement of intent to participate submissions from the Consumers’ Coalition of Alberta, The City of Calgary and the Office of the Utilities Consumer Advocate (UCA), with neither disputing the Commission’s designation of ATCO Gas’s application as routine. On February 19, 2021, the UCA filed a letter identifying a concern with the timing of the implementation of ATCO Gas’s rate changes.<sup>3</sup> The Commission addresses this matter in Section 3.5 below. The Commission considers the proceeding record to have closed on February 19, 2021.

4. In reaching the determinations set out within this decision, the Commission has considered all relevant materials comprising the record of this proceeding. References in this decision to specific parts of the record are intended to assist the reader in understanding the Commission’s reasoning relating to a particular matter and should not be taken as an indication that the Commission did not consider all relevant portions of the record with respect to this matter.

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<sup>1</sup> Decision 25428-D01-2020: ATCO Gas and Pipelines Ltd., 2020 General Rate Application - Phase II Application, Proceeding 25428, December 21, 2020.

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

<sup>3</sup> Exhibit 26283-X0024, UCA letter, February 19, 2021.

### 3 Compliance with Commission directions

5. As mentioned earlier, in Decision 25428-D01-2020, the Commission issued 14 directions to ATCO Gas, which are reproduced in [Appendix 2](#) to this decision. The Commission has reviewed ATCO Gas's responses and is generally satisfied that the compliance filing adequately addressed the pertinent directions from Decision 25428-D01-2020. Accordingly, the Commission has determined that ATCO Gas has complied with these directions and associated findings. In the sections that follow, the Commission considers certain matters that arose as a result of ATCO Gas's responses.

#### 3.1 Alternative Technology and Appliance Delivery Service Rate group

6. Direction 5 of Decision 25428-D01-2020 stated:

81. Therefore, the Commission approves ATCO Gas's proposal to implement the ATA [Alternative Technology and Appliance Delivery Service] rate on a pilot basis. ATCO Gas is directed to provide a detailed analysis of the ATA rate, including but not limited to the uptake of customers in the rate group and costs of facilities for serving these customers. This analysis should first be provided as part of its annual PBR [performance-based regulation] rates adjustment filing one year following the ATA rate implementation, and then in its next Phase II application.

7. In response to this direction, ATCO Gas provided information in relation to the riders applicable to the ATA rate, including a specific and newly proposed change from the original application. Originally, ATCO Gas proposed that riders A, B, D, L, S, T and W would be applicable to the ATA rate. However, upon its further review of the calculation methodologies, ATCO Gas proposed to exclude Rider W, the weather deferral account rider.<sup>4</sup> ATCO Gas explained that the ATA rate group's natural gas usage requirements are not expected to be temperature sensitive, as these customers will be using alternative heating systems such as solar thermal, geo-exchange and net zero energy homes, and natural gas solely for non-space-heating appliances. As a result, ATCO Gas explained that the ATA rate group's monthly consumption and variable revenue will not be weather normalized and therefore the rate group will be excluded from the weather deferral account and Rider W calculations. ATCO Gas also proposed that the applicable riders be set equal to the approved rider value and/or methodology currently in effect for the Low-Use Rate group from which the ATA rate is built.<sup>5</sup> ATCO Gas requested approval for the ATA rate effective April 1, 2021, on a pilot basis, as customers may be ready for connection in 2021, and also explained that there are no impacts to other rate groups due to the timing of implementing the rate effective April 1, 2021.<sup>6</sup>

8. The Commission is satisfied with ATCO Gas's explanation that the usage requirements of customers under the ATA rate class will not be temperature sensitive as their primary natural gas usage will be for non-space heating appliance use and therefore, approves ATCO Gas's proposal to exclude the application of Rider W to the ATA rate. The Commission also approves ATCO Gas's proposal that riders A, B, D, L, S and T should be set equal to the approved rider

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<sup>4</sup> Rider W (weather deferral account rider) is used to collect/refund Commission-approved amounts when the balance of ATCO Gas's weather deferral account exceeds \$7 million for either ATCO Gas North or South service territories on April 30 of each year. This rider is collected from Low- and Mid-Use customers through a volumetric charge.

<sup>5</sup> Exhibit 26283-X0001.01, application, paragraphs 10-11.

<sup>6</sup> Exhibit 26283-X0001.01, application, paragraph 32.

value and/or methodology currently in effect for the Low-Use Rate group, as the ATA rate is built from that group. Given that customers may be ready for connection in 2021, and there are no impacts to other rate groups, the Commission approves an effective date of April 1, 2021, on a pilot basis, for the ATA rate.

### 3.2 Producer Receipt Rate group

9. Direction 6 of Decision 25428-D01-2020 stated:

91. Therefore, the Commission approves, as filed, the Producer Receipt Rate to be included in ATCO Gas's price schedules, on a pilot basis. ATCO Gas is directed to provide a detailed analysis of the Producer Receipt Rate, including but not limited to the uptake of customers in the rate group and costs of facilities for serving these customers. This analysis should first be provided as part of its annual PBR rates adjustment filing one year following the Producer Receipt Rate implementation, and then in its next Phase II application.

10. In response to this direction, ATCO Gas explained that Rider P, the unaccounted-for gas (UFG) rider charged to producer accounts,<sup>7</sup> will apply to producer volumes that are transacted off the distribution system and for which UFG would not otherwise be collected. ATCO Gas stated that it anticipates producer customers connecting to the distribution system commencing April 2021 and requested that Rider P be set equal to the currently approved UFG rate for delivery customers effective April 1, 2021. ATCO Gas noted that Rider P will be applied only to producers exporting off of the ATCO Gas distribution system. ATCO Gas further indicated that it will apply for a Rider P rate through a joint application with Rider D in August 2021. ATCO Gas has requested the producer rate be effective April 1, 2021, on a pilot basis, and reflected the changes in the North and South rate schedules. ATCO Gas confirmed that it will provide the analysis on the number of customers that have connected and the cost of connecting them in the 2023 PBR rates application and the next Phase II application.<sup>8</sup>

11. ATCO Gas also provided an update to the Sample Producer Service Agreement, included in Schedule A of the producer terms and conditions as an example of contract terms that are subject to modification. Based on conversations with two producer customers requesting service in 2021, ATCO Gas updated the agreement and added Appendix 1, a forecast of daily contract maximums on a monthly basis, which would capture any seasonal variation. ATCO Gas stated that it provided a draft of the updated Sample Agreement to the two producer customers requesting service in 2021 and confirmed that they do not anticipate any concerns with the changes.<sup>9</sup>

12. The Commission approves ATCO Gas's proposal that Rider P be set equal to the currently approved UFG rate for delivery customers, as it will apply to producer volumes that are transacted off the distribution system for which UFG would not otherwise be collected. The Commission also agrees with its proposal to apply for Rider P through a joint application with Rider D in August 2021. As there are customers potentially ready for connection in 2021 and

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<sup>7</sup> As explained in ATCO Gas's producer terms and conditions and the Rider P rate schedule, all producers utilizing Distribution Access Service for exporting gas off the ATCO Gas distribution system will be assessed a distribution UFG charge at the Point of Export. The UFG assessment will be made up "in-kind" from each producer account and will be collected through Rider P.

<sup>8</sup> Exhibit 26283-X0001.01, application, paragraphs 15-18.

<sup>9</sup> Exhibit 26283-X0021, ATCO Gas Amendment to the Sample Producer Service Agreement.

there are no impacts to other rate groups, the Commission approves an effective date of April 1, 2021, on a pilot basis, for the producer rate.

13. The Commission has reviewed the requested update to the Sample Producer Service Agreement and Appendix 1 and acknowledges that no concerns were raised regarding the updates by the producer customers requesting service. The Commission approves the inclusion of the amended Sample Producer Service Agreement and Appendix 1 as Schedule A of the producer terms and conditions, as a template for contract terms.

### **3.3 Irrigation fixed charge administration change**

14. In Decision 25428-D01-2020, the Commission approved a change to how the fixed charge rate is administered in order to eliminate the need for the annual seasonal process of turning the connection on and off for customers in the irrigation rate group. This results in the fixed charge being charged seasonally by pre-set dates for the main irrigation pumping season (May 1 to September 30). ATCO Gas requested that the change to how the fixed charge rate is administered as per approvals in Decision 25428-D01-2020 be effective April 1, 2021, and approved as a change to its current interim rates, which are based on the 2020 PBR rates approved in Decision 26170-D01-2020.<sup>10</sup> For completeness, ATCO Gas provided the corresponding calculation of the seasonal rate charge based on the rates approved in its 2021 annual PBR rate adjustment application, notwithstanding those rates falling under the Commission-approved interim rate relief for ATCO Gas, which maintains 2020 distribution rates until further notice.<sup>11</sup>

15. ATCO Gas provided detailed calculations for the requested change in Attachment 5.1 of the application and reflected this change in the South rate schedule which outlines that a fixed charge of \$1.325/day will be applied from May 1 to September 30, followed by a charge of \$0 applied for the remainder of the year. An April 1, 2021 implementation date was requested in order to facilitate a transition to the new seasonal fixed charge structure starting in May 2021 and, as a result, eliminating the need for the annual meter turn off starting in the fall of 2021.<sup>12</sup>

16. The Commission approves ATCO Gas's request to implement the irrigation fixed charge administration change effective April 1, 2021, as it would eliminate the need for the annual fall meter turn-off for customers, starting in 2021. The Commission has reviewed the calculations provided by ATCO Gas and approves the fixed charge of \$1.325/day from May 1 to September 30 that is based on the 2020 PBR rates given that ATCO Gas is currently under interim rates as explained above.

### **3.4 Ultra-High-Use Rate group**

17. In Decision 25428-D01-2020 the Commission approved the division of the High-Use Rate group into two new groups: the High-Use Rate group and the Ultra-High-Use Rate groups. ATCO Gas requested approval to delay the implementation of rates for these groups to the 2022 annual PBR rate adjustment application. ATCO Gas explained that it will file cost-of-service study (COSS) updates and review and update the Rider T calculations for all rate groups as part of that application. The Rider T rate calculations are based on applying the cost of transmission

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<sup>10</sup> Decision 26170-D01-2020: ATCO Electric Ltd. and ATCO Gas and Pipelines Ltd., 2021 Interim Rate Relief Request, Proceeding 26170, December 18, 2020.

<sup>11</sup> Exhibit 26283-X0001.01, application, paragraphs 29-30.

<sup>12</sup> Exhibit 26283-X0001.01, application, paragraph 30.

service to the coincident peak demand and billing determinant forecasts for each rate group. ATCO Gas also explained that timing these changes with the January 1, 2022, PBR rates will avoid mid-year rate changes for end-use customers.<sup>13</sup>

18. The Commission approves ATCO Gas's proposal to implement the rates for the new Ultra-High-Use Rate group as part of its 2022 annual PBR rate adjustment application. Implementing these rates earlier would require a change to the COSS and Rider T methodology which would cause mid-year rate changes for end use customers.

### **3.5 Implementation and effective date of restructured rates**

19. In its letter of February 19, 2021, the UCA submitted that ATCO Gas had failed to provide sufficient evidence to demonstrate why implementation of rates arising from Decision 25428-D01-2020 and the present proceeding cannot take place prior to January 1, 2022. In the UCA's view, earlier implementation would be of considerable benefit to residential, small commercial and farm customers, with material savings for Low-Use customers otherwise being foregone for the entire year of 2021.

20. The Commission is not persuaded by the UCA's assertion that ATCO Gas had failed to adequately explain the reasons for the absence of intra-year rates implementation. The Commission observes that at the outset of its compliance filing application, ATCO Gas noted the following factors as impediments for applying an effective date of rates prior to January 1, 2022: (i) consideration of the interim rate relief in place (which maintains 2020 distribution rates until further notice in light of the economic situation in Alberta, including the hardships faced by some end-use customers due to the effects of the COVID-19 pandemic); (ii) the needs of customers requesting to connect onto the system; and (iii) the request from the Commission to mitigate intra-year rate volatility.<sup>14</sup>

21. In light of the above, and particularly, given the uncertainty of the duration of interim rate relief in place at the time of this decision, the Commission considers the effective rate implementation date of January 1, 2022, to be reasonable.

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<sup>13</sup> Exhibit 26283-X0001.01, application, paragraphs 6-7 and 33.

<sup>14</sup> Exhibit 26283-X0001.01, application, paragraph 2.



#### 4 Order

22. It is hereby ordered that:

- (1) ATCO Gas and Pipelines Ltd.'s timing of implementation of rate group changes is approved as filed.
- (2) The distribution rate schedules for ATCO Gas North and South, as set out in [Appendix 3](#) and [Appendix 4](#), respectively, are approved for ATCO Gas, effective April 1, 2021.
- (3) ATCO Gas's customer, retailer and producer terms and conditions for gas distribution service, as set out in [Appendix 5](#), [Appendix 6](#) and [Appendix 7](#), respectively, are approved effective April 1, 2021.

Dated on March 19, 2021.

#### Alberta Utilities Commission

*(original signed by)*

Vera Slawinski  
Commission Member

**Appendix 1 – Proceeding participants**

<b>Name of organization (abbreviation) Company name of counsel or representative</b>
ATCO Gas and Pipelines Ltd. Bennett Jones LLP
The City of Calgary McLennan Ross Barristers & Solicitors
Consumers' Coalition of Alberta
Office of the Utilities Consumer Advocate (UCA)

Alberta Utilities Commission
Commission panel V. Slawinski, Commission Member
Commission staff A. Jukov A. Spurrell

**Appendix 2 – Commission directions from Decision 25428-D01-2020**

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1. Based on the above, the Commission finds that it is premature to change the currently approved methodology of allocating service costs based on cost per service to being solely based on service length data, as there may be other factors to consider, such as service size. The Commission directs ATCO Gas in the compliance filing to this decision to revert to the currently approved cost-per-service methodology. Further, the Commission sees merit in ATCO Gas’s proposal to consider the incorporation of service size, and any other relevant factors, in its next Phase II study and directs ATCO Gas to do so in its next Phase II application. .... paragraph 36
2. The Commission understands InterGroup’s concerns with the increased replacement cost for the T00320/T00248 meters and accepts ATCO Gas’s explanation that a calculation error resulted in an incorrect cost for ATCO Gas South meters. As a result, the Commission directs ATCO Gas in the compliance filing to this decision to update the meter study to correct the discovered error in the data. .... paragraph 39
3. The Commission notes the relatively small expected bill impacts associated with the proposal to divide the existing High-Use Rate group into two new high-use rate groups, and is of the view that cost causation is an important rate design principle that should be reflected in rates to the extent practicable, while balancing other relevant rate design principles. Accordingly, the Commission approves the division of the existing High-Use Rate group into two groups, High-Use Rate group and Ultra-High-Use Rate group, as proposed by ATCO Gas. In its compliance filing to this decision, ATCO Gas is directed to reflect the two new rate groups and associated calculations, including the calculation of the applicable High-Use Rate group riders. .... paragraph 59
4. Unlike the High-Use Rate group split approved by the Commission in this decision, the Commission accepts ATCO Gas’s argument that this issue requires broader consultation and involvement of all affected customer groups before any potential rate group design changes can be made. Accordingly, the Commission directs ATCO Gas to perform a full assessment of the splitting of the Low-Use Rate group, including identification of all of the resulting impacts to all rate groups. The results of the assessment and any recommendations should be shared with and fully vetted by all potential stakeholders, including potentially affected rate groups and other interested parties such as the UCA. The assessment, and the method and results of the consultation with affected rate groups and other interested parties, is to be included by way of a detailed report, in ATCO Gas’s next Phase II application. The Commission also directs ATCO Gas to include in the assessment and report a cost estimate to implement the rate group split and any costs to monitor and maintain the two new rate groups on a go-forward basis. .... paragraph 75
5. Therefore, the Commission approves ATCO Gas’s proposal to implement the ATA rate on a pilot basis. ATCO Gas is directed to provide a detailed analysis of the ATA rate, including but not limited to the uptake of customers in the rate group and costs of facilities for serving these customers. This analysis should first be provided as part of its annual PBR rates adjustment filing one year following the ATA rate implementation, and then in its next Phase II application .... paragraph 81
6. Therefore, the Commission approves, as filed, the Producer Receipt Rate to be included in ATCO Gas’s price schedules, on a pilot basis. ATCO Gas is directed to provide a

- detailed analysis of the Producer Receipt Rate, including but not limited to the uptake of customers in the rate group and costs of facilities for serving these customers. This analysis should first be provided as part of its annual PBR rates adjustment filing one year following the Producer Receipt Rate implementation, and then in its next Phase II application. .... paragraph 91
7. The Commission accepts ATCO Gas’s reasons for its proposal to discontinue the Emergency Delivery Service Rate group. Accordingly, the proposal is approved and ATCO Gas is directed to implement the change in its rate design and rates. .... paragraph 94
  8. The Commission accepts ATCO Gas’s reasons for its proposal to close the Unmetered Gas Light Service Rate group to new customers and to continue to provide the existing unmetered gas light customers with this service until their gas light connections reach the end of their service lives. Accordingly, the proposal is approved and ATCO Gas is directed to implement the change in its terms and conditions of service, as applied for. .... paragraph 98
  9. The Commission directs ATCO Gas to file a compliance filing by February 1, 2021, reflecting the findings, directions and conclusions in this decision. Following finalization of ATCO Gas’s 2020 Phase II methodologies in the compliance filing, implementation of the revised rate design and correspondingly updated PBR rates could take place as part of ATCO Gas’s next annual PBR rate adjustment filing due on or before September 10, 2021, with an effective date for the restructured rates of January 1, 2022. The benefit of this approach is that it will provide ATCO Gas with sufficient time to perform the required billing system program changes, mitigate intra-year rates volatility and enable the Commission to assess the Phase II rate effect in conjunction with other annual rate changes. .... paragraph 99
  10. As part of its compliance filing, ATCO Gas is directed to provide its views on the appropriate venue and effective date to implement the new rate structure arising from this Phase II application, and provide illustrative bill comparisons for typical customers reflecting its proposed implementation date. .... paragraph 101
  11. In response to specific areas of concern identified by the Commission in the course of two rounds of IRs, ATCO Gas updated its original submissions and provided both, a proposed clean and a blackline, versions for each of its customer, retailer and producer T&Cs [terms and conditions]. Based on the Commission’s review of the updated sets of the T&Cs, and related rate schedule proposed amendments, the Commission is generally satisfied with the revisions made by ATCO Gas. The remaining matters, including specific issues raised by the interveners, are addressed in Appendix 2. ATCO Gas is directed to finalize its customer, retailer and producer T&Cs, as provided in this decision and in Appendix 2, as part of its compliance filing to this decision. .... paragraph 103
  12. The Commission directs ATCO Gas to supplement Section 4.3(b) of its customer T&Cs with the following sentence at the end: “When the assumptions used for a Service Connection charge estimate change for reasons beyond the Company’s control, and the Company will incur costs in excess of the original estimate due to these changes, the Company will notify the Customer as soon as practicably possible. In such case, the Customer shall have the right to cancel its Service Connection request by paying to the Company the costs it then already incurred in respect of the Service Connection requested.” ..... Issue 1, Appendix 2

13. Notwithstanding the intent of the producer T&Cs to be applicable solely to a producer, the Commission notes that the word “customer” is abundantly present throughout the document. As such, to enhance clarity, the Commission considers it to be beneficial to incorporate the proposed definition as part of the producer T&Cs. ATCO Gas is directed to reflect this change in the compliance filing to this decision. .... Issue 2, Appendix 2
14. In its next Phase II application, ATCO Gas is directed to explain if any revisions are required to the producer T&Cs as a result of the detailed analysis. .... Issue 3, Appendix 2

## Appendix 3 – ATCO Gas North rate schedules

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Appendix 3 - ATCO  
Gas North rate sche

(consists of 16 pages)

## Appendix 4 – ATCO Gas South rate schedules

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Appendix 4 - ATCO  
Gas South rate sche

(consists of 17 pages)

## Appendix 5 – Customer terms and conditions

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Appendix 5 -  
Customer terms and  
(consists of 49 pages)



## Appendix 6 – Retailer terms and conditions

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Appendix 6 -  
Retailer terms and c  
(consists of 71 pages)

## Appendix 7 – Producer terms and conditions

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Appendix 7 -  
Producer terms and  
(consists of 65 pages)



Attachment 3.1  
Rate Schedules  
North Rate Schedule

**ATCO GAS AND PIPELINES LTD.**

**ATCO GAS NORTH**

**RATE SCHEDULES**

**APRIL 1, 2021**



Effective April 1, 2021

**ATCO GAS AND PIPELINES LTD. - NORTH  
 RATE SCHEDULES**

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The Company's Terms and Conditions apply to all retailers, producers, and customers provided with service by the Company. The Terms and Conditions are available at ATCO Gas offices during normal working hours or at [www.atco.com](http://www.atco.com).



Effective January 1, 2021 by Decision 25428-D01-2020  
This Replaces General Conditions  
Previously Effective January 1, 2016

## ATCO GAS AND PIPELINES LTD. - NORTH GENERAL CONDITIONS

1. **Approval of Alberta Utilities Commission (AUC):**

Changes in Rates from time to time are subject to approval by the AUC for the Province of Alberta.

2. **Special Contracts:**

Unless varied by the AUC, service to Customers under Special Contracts shall be subject to the terms and conditions thereof.

3. **Specific Facilities Conditions:**

The Rates do not include extra costs incurred by the Company and payable by the Customer for Special Facilities or conditions requested by the Customer at the Point of Delivery.

4. **Winter Period - Summer Period:**

The winter period is the five calendar months from November 1 to March 31, and the summer period is the seven calendar months from April 1 to October 31.

5. **Late Payment Charge:**

When accounts are not paid in full on or before the due date within 15 business days of statement date, the Company will apply a 1% penalty on the amount due. If the payment is not received by the next billing cycle, a 1% penalty will be applied to the balance carried forward (including prior penalties).

6. **Terms and Conditions:**

The Company's Customer and Retailer Terms and Conditions for Gas Distribution Service apply to all Customers and form part of these Rate Schedules. The Company's Producer Terms and Conditions apply to all Producers and form part of these Rate Schedules.

7. **DSP Rider F:**

The words "DSP Rider "F" as they appear on the Rate Schedules, shall mean the Default Supply Provider's Regulated Services Gas Cost Flow-Through Rate for ATCO Gas.


**Attachment 3.1  
Rate Schedules  
North Rate Schedule**

Effective February 1, 2021 by AUC Disposition 26254-D01-2021  
This Replaces Rider "A"  
Previously Effective January 1, 2021

**ATCO GAS AND PIPELINES LTD. – NORTH RIDER "A"  
MUNICIPAL FRANCHISE FEE TO ALL RATES AND ANY OTHER RIDERS THERETO**

All charges under the Rates, including any charges under other Riders, to Customers situated within the communities listed on this Rider "A" Municipal Franchise Fee are subject to the addition of the percentage shown. The percentage shown is to be applied as an addition to the billings calculated under the Rates including charges as allowed under other Riders in effect.

Method A. - Applied to gross revenues\*.

Method C. - Applied to gross revenues\* and Rider "E".

<u>Municipalities – Method A</u>	<u>%</u>	<u>Effective Date yymmdd</u>	<u>Municipalities – Method A</u>	<u>%</u>	<u>Effective Date yymmdd</u>	<u>Municipalities – Method A</u>	<u>%</u>	<u>Effective Date yymmdd</u>
Alberta Beach	8.00	20/03/01	Hardisty	22.00	18/01/01	Sexsmith	25.00	07/04/24
Alix	12.00	19/01/01	Hines Creek	30.00	05/08/02	Sherwood Park	22.00	10/07/01
Amisk	9.10	00/04/18	Hinton ***	14.60	12/01/01	Silver Beach	20.00	05/03/24
Argentia Beach	0.00	10/07/09	Holden	3.50	14/01/01	Slave Lake	25.50	20/01/01
Bashaw	15.00	04/03/18	Hughenden	10.98	00/07/18	Spirit River	24.00	01/06/18
Beaverlodge	11.50	20/01/01	Hythe	12.00	18/02/01	Spruce Grove	30.00	20/01/01
Bentley	12.00	20/01/01	Innisfree	25.00	08/09/08	St. Albert	20.30	19/01/01
Berwyn	22.00	19/01/07	Irma	20.00	04/10/15	Stony Plain	35.00	21/02/01
Bittern Lake	7.00	18/01/01	Itaska	12.00	04/09/21	Swan Hills	10.00	21/01/01
Blackfalds	35.00	10/01/01	Jasper Muni	17.10	06/09/01	Sylvan Lake	27.00	19/01/01
Bon Accord	25.00	04/11/01	Jasper Ntl Pk	17.10	06/09/01	Thorsby	20.00	14/01/01
Breton	15.00	17/01/01	Kitscoty	10.00	05/09/15	Tofield	10.00	04/05/04
Bruderheim	20.00	21/01/01	Lacombe	27.00	21/01/01	Vegreville	33.00	04/10/12
Camrose	27.00	20/04/01	Lamont	35.00	04/05/10	Vermilion	22.00	21/01/01
Caroline	35.00	21/01/01	Lavoy	16.61	09/10/23	Veteran	6.00	17/01/01
Chipman	0.00	06/05/12	Legal	16.60	06/09/12	Viking	21.51	04/09/26
Clive	16.17	04/05/17	Lloydminster	25.00	08/02/01	Wabamun	15.00	18/06/01
Clyde	9.46	10/05/04	Lougheed	15.00	12/09/17	Warburg	10.00	09/01/01
Cold Lake	13.00	05/11/01	Mannville	25.00	20/01/01	Wembley	25.00	08/07/01
Consort	22.00	04/05/07	Mayerthorpe	12.93	17/01/01	Wetaskiwin	33.00	21/01/01
Coronation	10.05	09/07/14	McLennan	24.00	05/05/19	Whitecourt ***	26.58	21/01/01
Czar	11.84	00/04/27	Millet	22.00	08/01/01			
Donnelly	30.00	05/09/06	Minburn	16.61	16/01/01			
Drayton Valley***	22.00	04/10/22	Mirror	12.60	06/07/13	<u>Municipalities – Method C</u>	<u>%</u>	<u>Effective Date yymmdd</u>
Eckville	20.00	16/03/01	Mundare	23.00	20/04/01	Andrew	9.00	99/11/25
Edgerton	18.00	14/01/01	Nampa	16.84	04/04/22	Eaglesham	5.26	05/06/08
Edmonton	35.00	19/01/01	Onoway	9.50	21/01/01	Fort McMurray	8.70	06/07/04
Edson***	20.00	21/01/01	Oyen	30.00	08/01/17			
Entwistle	17.32	10/02/22	Peace River	29.00	15/01/01			
Fairview	17.31	15/10/01	Point Alison	15.00	07/10/12			
Falher	17.00	20/01/01	Ponoka	23.00	21/01/01			
Ft. Saskatchewan	0.00	04/09/28	Provost	22.00	13/01/01			
Fox Creek	15.00	20/01/01	Red Deer	35.00	17/01/01			
Gibbons	30.00	05/10/01	Rimbey	26.00	18/01/01			
Girouxville	26.00	19/01/01	Rocky Mtn. House	30.00	15/01/01			
Golden Days	25.00	04/06/15	Rycroft	30.00	16/02/10			
Grande Prairie	25.00	06/03/07	Ryley	10.00	16/02/01			
Grimshaw	30.00	12/02/15	Seba Beach	20.00	10/06/03			

\* Gross Revenues are ATCO Gas total charges, less GST.

\*\*\* Includes a \$10,000 maximum annual allowable assessment (Max) on any individual metered account

The Company's Terms and Conditions apply to all retailers, producers, and customers provided with service by the Company. The Terms and Conditions are available at ATCO Gas offices during normal working hours or at [www.atco.com](http://www.atco.com).



**Attachment 3.1**  
**Rate Schedules**  
**North Rate Schedule**

Effective February 1, 2021 by AUC Disposition 26260-D01-2021  
This Replaces Rider "B"  
Previously Effective February 1, 2020

**ATCO GAS AND PIPELINES LTD. – NORTH RIDER “B” MUNICIPAL PROPERTY  
TAX AND SPECIFIC COSTS TO ALL RATES AND ANY OTHER RIDERS THERETO**

This Rider is applicable to Customers and Producers resident in municipalities that receive a property tax under the Municipal Government Act or receive payment for specific costs which are not generally incurred by the Company. This Rider is the estimated percentage of gross revenue required to provide for the tax payable or specific cost incurred each year. To the extent that this percentage may be more or less than that required to pay the tax or specific cost, the percentage of gross revenue provided in the Rider will be adjusted on the 1st of February each year.

The percentage is to be applied as an addition to the billings calculated under the Rates including charges as allowed under other Riders in effect with respect to the following municipalities:

<u>Municipalities –</u> <u>Method A</u>	<u>%</u>	<u>Effective</u> <u>Date</u> <u>yymmdd</u>	<u>Municipalities –</u> <u>Method A</u>	<u>%</u>	<u>Effective</u> <u>Date</u> <u>yymmdd</u>	<u>Municipalities –</u> <u>Method A</u>	<u>%</u>	<u>Effective</u> <u>Date</u> <u>yymmdd</u>
Alberta Beach	3.80	21/02/01	Hythe	5.00	21/02/01	Stony Plain Indian Reserve	7.00	21/02/01
Argentia Beach	1.60	21/02/01	Innisfree	6.80	21/02/01	Swan Hills	9.00	21/02/01
Bashaw	2.90	21/02/01	Irma	3.40	21/02/01	Sylvan Lake	3.00	21/02/01
Beaverlodge	4.70	21/02/01	Itaska Beach	1.50	21/02/01	Thorsby	6.10	21/02/01
Bentley	2.90	21/02/01	Jarvis Bay	1.20	21/02/01	Tofield	9.40	21/02/01
Berwyn	11.00	21/02/01	Jasper, Town	2.20	21/02/01	Vegreville	4.20	21/02/01
Bittern Lake	16.30	21/02/01	Kitscoty	7.80	21/02/01	Vermilion	3.20	21/02/01
Blackfalds	2.70	21/02/01	Lacombe	2.50	21/02/01	Veteran	9.10	21/02/01
Bon Accord	5.00	21/02/01	Lakeview	1.60	21/02/01	Viking	5.00	21/02/01
Breton	4.50	21/02/01	Lamont	4.30	21/02/01	Wabamun	6.00	21/02/01
Bruderheim	3.40	21/02/01	Lavoy	2.40	21/02/01	Warburg	5.50	21/02/01
Camrose	3.10	21/02/01	Legal	4.70	21/02/01	Wembley	4.80	21/02/01
Caroline	4.20	21/02/01	Lloydminster	2.30	21/02/01	Wetaskiwin	4.30	21/02/01
Clive	3.20	21/02/01	Lougheed	8.40	21/02/01	Whitcourt	2.70	21/02/01
Clyde	7.30	21/02/01	Mannville	7.70	21/02/01	Wood Buffalo (Ft. McMurray)	1.10	21/02/01
Cold Lake	3.20	21/02/01	Mayerthorpe	6.00	21/02/01			
Consort	5.80	21/02/01	Millet	4.90	21/02/01			
Coronation	6.00	21/02/01	Mundare	4.50	21/02/01			
Eckville	3.90	21/02/01	Nampa	5.20	21/02/01			
Edgerton	4.80	21/02/01	Norglenwold	1.40	21/02/01			
Edmonton	4.20	21/02/01	Onoway	10.20	21/02/01			
Edson	4.30	21/02/01	Oyen	3.10	21/02/01			
Entwistle	0.20	21/02/01	Paul Band First Nation	11.20	21/02/01			
Fairview	3.70	21/02/01	Point Alison	2.30	21/02/01			
Falher	6.50	21/02/01	Ponoka	3.40	21/02/01			
Ft McMurray 468 First Nation	2.60	21/02/01	Provost	4.50	21/02/01			
Ft. Saskatchewan	1.00	21/02/01	Red Deer	3.50	21/02/01			
Gibbons	4.20	21/02/01	Rocky Mtn. House	2.30	21/02/01			
Girouxville	6.20	21/02/01	Rycroft	5.50	21/02/01			
Golden Days	1.90	21/02/01	Ryley	19.30	21/02/01			
Grande Prairie	3.70	21/02/01	Seba Beach	1.70	21/02/01			
Grimshaw	4.10	21/02/01	Silver Beach	0.90	21/02/01			
Hardisty	5.20	21/02/01	Slave Lake	3.20	21/02/01			
Hines Creek	5.20	21/02/01	Spirit River	6.00	21/02/01			
Hinton	3.10	21/02/01	Spruce Grove	1.90	21/02/01			
Holden	13.80	21/02/01	Stony Plain	1.90	21/02/01			

The Company's Terms and Conditions apply to all retailers, producers, and customers provided with service by the Company. The Terms and Conditions are available at ATCO Gas offices during normal working hours or at [www.atco.com](http://www.atco.com).



Effective November 1, 2020 by Decision 25789-D01-2020  
This Replaces Rider "D"  
Previously Effective November 1, 2019

**ATCO GAS AND PIPELINES LTD.**  
**RIDER "D" TO DISTRIBUTION ACCESS SERVICE CUSTOMERS**  
**FOR THE RECOVERY OF UNACCOUNTED FOR GAS (UFG)**

All Retailer and Default Supply Provider Customers utilizing Distribution Access Service for delivering gas off the ATCO Gas distribution systems will be assessed a distribution UFG charge of 1.102% at the Point of Delivery. The UFG assessment will be made up "In-Kind" from each Customer Account.





Effective September 1, 2007 by Decision 2007-059  
This Replaces Rider "E"  
Previously Effective April 1, 2002

**ATCO GAS AND PIPELINES LTD. - NORTH  
RIDER "E" TO DELIVERY SERVICE RATES  
FOR THE DETERMINATION OF THE "DEEMED VALUE OF NATURAL GAS"  
FOR CALCULATION OF MUNICIPAL FRANCHISE FEE PAYABLE**

A Deemed Value of Natural Gas Rate will be applied to the energy delivered to Delivery Service Customers for the determination of municipal franchise fee payable by Customers in municipalities designated as Method "C" municipalities on Rider "A" of these Rate Schedules.

**FOR ALL RATES:**

The "Deemed Value" is an amount equal to the Gas Cost flow Through Rate specified on the DSP Rider "F".



Effective April 1, 2021 by Decision 26283-D01-2021

**ATCO GAS AND PIPELINES LTD.**  
**RIDER "P" TO PRODUCERS**  
**FOR THE RECOVERY OF UNACCOUNTED FOR GAS (UFG)**

All Producers utilizing Distribution Access Service for exporting gas off the ATCO Gas distribution system will be assessed a distribution UFG charge of 1.102% at the Point of Export. The UFG assessment will be made up "In-Kind" from each Producer Account.



Effective August 1, 2020 by Decision 25646-D01-2020  
This Replaces Rider "T"  
Previously Effective March 1, 2020

**ATCO GAS AND PIPELINES LTD.**  
**RIDER "T" TRANSMISSION SERVICE CHARGE**

To be applied to Delivery Service Customers unless otherwise specified by specific contracts or the AUC, effective August 1, 2020.

Low Use Delivery Service	\$0.895 per GJ
Mid Use Delivery Service	\$0.820 per GJ
High Use Delivery Service	\$0.245 per GJ per Day of 24 Hr. Billing Demand
Alternative Technology and Appliance Delivery Service	\$0.895 per GJ

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The Company's Terms and Conditions apply to all retailers, producers, and customers provided with service by the Company. The Terms and Conditions are available at ATCO Gas offices during normal working hours or at [www.atco.com](http://www.atco.com).



Effective September 1, 2020 by Decision 25666-D01-2020  
This Replaces Rider "W" as approved in Decision 24465-D01-2019  
Previously Effective September 1, 2019 to April 30, 2020

**ATCO GAS AND PIPELINES LTD. - NORTH**  
**RIDER "W" WEATHER DEFERRAL ACCOUNT RIDER**

To be applied to the Low Use and Mid Use customers unless otherwise specified by specific contracts or AUC, effective September 1, 2020 to April 30, 2021.

Low Use Delivery Rate	\$0.086 per GJ Credit
Mid Use Delivery Rate	\$0.077 per GJ Credit

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The Company's Terms and Conditions apply to all retailers, producers, and customers provided with service by the Company. The Terms and Conditions are available at ATCO Gas offices during normal working hours or at [www.atco.com](http://www.atco.com).



Effective January 1, 2021 by Decision 26170-D01-2020  
This Replaces Low Use Delivery Service  
Previously Effective January 1, 2020 by Decision 24880-D01-2019

**ATCO GAS AND PIPELINES LTD. - NORTH**  
**LOW USE DELIVERY SERVICE**

Available to all Customers using 1,200 GJ per year or less.

**CHARGES:**

<b>Fixed Charge:</b>	\$0.916 per Day
<b>Variable Charge:</b>	\$0.840 per GJ
<b>Transmission Service Charge:</b>	Rider "T"
<b>Weather Deferral Account Rider:</b>	Rider "W"

**RATE SWITCHING:**

A Low Use customer that consumes more than 1,200 GJ of natural gas annually but no more than 8,000 GJ annually for two consecutive years will automatically be switched to the Mid Use rate group without notice. ATCO Gas will notify the customers' retailers of any such rate switches.



Effective January 1, 2021 by Decision 26170-D01-2020  
This Replaces Mid Use Delivery Service  
Previously Effective January 1, 2020 by Decision 24880-D01-2019

**ATCO GAS AND PIPELINES LTD. - NORTH**  
**MID USE DELIVERY SERVICE**

Available to all Customers using more than 1,200 GJ per year but no more than 8,000 GJ annually.

**CHARGES:**

<b>Fixed Charge:</b>	\$0.916 per Day
<b>Variable Charge:</b>	\$0.912 per GJ
<b>Transmission Service Charge:</b>	Rider "T"
<b>Weather Deferral Account Rider:</b>	Rider "W"

**RATE SWITCHING:**

A Mid Use customer that consumes less than 1,201 GJ of natural gas annually for two consecutive years will automatically be switched to the Low Use rate group without notice. ATCO Gas will notify the customers' retailers of any such rate switches.

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The Company's Terms and Conditions apply to all retailers, producers, and customers provided with service by the Company. The Terms and Conditions are available at ATCO Gas offices during normal working hours or at [www.atco.com](http://www.atco.com).


**Attachment 3.1  
 Rate Schedules  
 North Rate Schedule**

Effective January 1, 2021 by Decision 26170-D01-2020  
 This Replaces High Use Delivery Service  
 Previously Effective January 1, 2020 by Decision 24880-D01-2019

### ATCO GAS AND PIPELINES LTD. - NORTH HIGH USE DELIVERY SERVICE

Available to all Customers using more than 8,000 GJ per year.

**CHARGES:**

<b>Fixed Charge:</b>	\$5.314 per Day
<b>Variable Charge:</b>	\$0.000 per GJ
<b>Demand Charge:</b>	\$0.167 per GJ per Day of 24 Hr. Billing Demand
<b>Transmission Service Charge:</b>	Rider "T"

**DETERMINATION OF BILLING DEMAND:**

The Billing Demand for each billing period shall be the greater of:

1. Any applicable contract demand, or
2. The greatest amount of gas in GJ delivered in any Gas Day (i.e. 8:00 am to 8:00 am) during the current and preceding eleven billing periods provided that the greatest amount of gas delivered in any Gas Day in the summer period shall be divided by 2.

Provided that for a Customer who elects to take service only during the summer period, the Billing Demand for each billing period shall be the greatest amount of gas in GJ in any Gas Day in that billing period.

In the first contract year, the Company shall estimate the Billing Demand from information provided by the Customer.

**RATE SWITCHING**

A customer billed under the High Use rate schedule that consumes less than 8,000 GJ of natural gas per year for two consecutive years will be switched to the Low or Mid Use rate schedule, as appropriate. ATCO Gas will notify Customers in advance of the rate switch. Only one switch per year will be allowed, and the effective date for the switch will be determined by ATCO Gas. ATCO Gas will notify the customers' retailers of any such rate switches.

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The Company's Terms and Conditions apply to all retailers, producers, and customers provided with service by the Company. The Terms and Conditions are available at ATCO Gas offices during normal working hours or at [www.atco.com](http://www.atco.com).



Effective April 1, 2021 by Decision 26283-D01-2021

**ATCO GAS AND PIPELINES LTD. - NORTH  
ALTERNATIVE TECHNOLOGY AND APPLIANCE DELIVERY SERVICE**

Available by request only and at the discretion of the company for use to all Customers:

- Using less than 40 GJ per year, and
- Have one of the following use types:
  - Uses alternative technologies that reduce natural gas space heating load including solar thermal, geoexchange, and net zero/near net zero emission homes; or
  - Uses natural gas solely for non-space heating purposes.

**CHARGES:**

<b>Fixed Charge:</b>	\$0.457 per Day
<b>Variable Charge:</b>	\$6.605 per GJ
<b>Transmission Service Charge:</b>	Rider "T"

**RATE SWITCHING:**

Customers switching to or from Alternative Technology and Appliance Delivery Service will be allowed one rate switch per year. ATCO Gas will notify the customers' retailers of any such rate switches.

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The Company's Terms and Conditions apply to all retailers, producers, and customers provided with service by the Company. The Terms and Conditions are available at ATCO Gas offices during normal working hours or at [www.atco.com](http://www.atco.com).





Effective April 1, 2021 by Decision 26283-D01-2021

**ATCO GAS AND PIPELINES LTD. - NORTH  
PRODUCER RECEIPT SERVICE**

Available to all producers injecting natural gas directly onto the ATCO Gas distribution system. This rate is not applicable to Gas receipted onto the ATCO Gas distribution system from Nova Gas Transmission Ltd.

**CHARGES:**

<b>Fixed Charge:</b>	\$180.241 per Day
<b>Variable Charge:</b>	\$0.000 per GJ
<b>Demand Charge:</b>	\$0.204 per GJ per Day of 24 Hr. Billing Demand

**DETERMINATION OF BILLING DEMAND:**

The Billing Demand for each billing period shall be the greater of:

1. Any applicable contract demand, or
2. The greatest amount of gas in GJ received in any Gas Day (i.e. 8:00 am to 8:00 am) during the current and preceding eleven billing periods

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The Company's Terms and Conditions apply to all retailers, producers, and customers provided with service by the Company. The Terms and Conditions are available at ATCO Gas offices during normal working hours or at [www.atco.com](http://www.atco.com).



Effective January 1, 2021 by Decision 26170-D01-2020  
Previously Effective January 1, 2020

**ATCO GAS AND PIPELINES LTD. - NORTH**  
**UNMETERED GAS LIGHT SERVICE**

Applicable to all existing Customers with Company installed and approved gas lights. This rate is closed to new unmetered gas lights.

**CHARGES:**

**Fixed Charge:** \$0.096 per Mantle per Day



**ATCO GAS AND PIPELINES LTD.**

**ATCO GAS SOUTH**

**RATE SCHEDULES**

**APRIL 1, 2021**



Effective April 1, 2021

**ATCO GAS AND PIPELINES LTD. - SOUTH  
 RATE SCHEDULES**

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The Company's Terms and Conditions apply to all retailers, producers, and customers provided with service by the Company. The Terms and Conditions are available at ATCO Gas offices during normal working hours or at [www.atco.com](http://www.atco.com).



Effective January 1, 2021 by Decision 25428-D01-2020  
This Replaces General Conditions  
Previously Effective January 1, 2016

## **ATCO GAS AND PIPELINES LTD. - SOUTH GENERAL CONDITIONS**

1. **Approval of Alberta Utilities Commission (AUC):**  
Changes in Rates from time to time are subject to approval by the AUC for the Province of Alberta.
2. **Special Contracts:**  
Unless varied by the AUC, service to Customers under Special Contracts shall be subject to the terms and conditions thereof.
3. **Specific Facilities Conditions:**  
The Rates do not include extra costs incurred by the Company and payable by the Customer for Special Facilities or conditions requested by the Customer at the Point of Delivery.
4. **Winter Period - Summer Period:**  
The winter period is the five calendar months from November 1 to March 31, and the summer period is the seven calendar months from April 1 to October 31.
5. **Late Payment Charge:**  
When accounts are not paid in full on or before the due date within 15 business days of the statement date, the Company will apply a 1% penalty on the amount due. If the payment is not received by the next billing cycle, a 1% penalty will be applied to the balance carried forward (including prior penalties).
6. **Terms and Conditions:**  
The Company's Customer and Retailer Terms and Conditions for Gas Distribution Service apply to all Customers and form part of these Rate Schedules. The Company's Producer Terms and Conditions apply to all Producers and form part of these Rate Schedules.
7. **DSP Rider F:**  
The words "DSP Rider "F" as they appear on the Rate Schedules, shall mean the Default Supply Provider's Regulated Services Gas Cost Flow-Through Rate for ATCO Gas.

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The Company's Terms and Conditions apply to all retailers, producers and customers provided with service by the Company. The Terms and Conditions are available at ATCO Gas offices during normal working hours or at [www.atco.com](http://www.atco.com).



**Attachment 3.2**  
**Rate Schedules**  
**South Rate Schedule**

Effective January 1, 2021 by AUC Disposition 26128-D01-2020  
This Replaces Rider "A"  
Previously Effective July 1, 2020

**ATCO GAS AND PIPELINES LTD. – SOUTH RIDER "A"**  
**MUNICIPAL FRANCHISE FEE TO ALL RATES AND ANY OTHER RIDERS THERETO**

All charges under the Rates, including any charges under other Riders, to Customers situated within the communities listed on this Rider "A" Municipal Franchise Fee are subject to the addition of the percentage shown. The percentage shown is to be applied as an addition to the billings calculated under the Rates including charges as allowed under other Riders in effect.

Method A. - Applied to gross revenues\*.

Method C. - Applied to gross revenues\* and Rider "E".

<u>Effective</u>			<u>Effective</u>			<u>Effective</u>		
<u>Municipalities –</u>		<u>Date</u>	<u>Municipalities</u>		<u>Date</u>	<u>Municipalities –</u>		<u>Date</u>
<u>Method A</u>	<u>%</u>	<u>yymmdd</u>	<u>Method A</u>	<u>%</u>	<u>yymmdd</u>	<u>Method C</u>	<u>%</u>	<u>yymmdd</u>
Acme	20.00	04/03/10	Foremost	21.00	04/01/21	Calgary**	11.11	91/01/01
Airdrie	29.60	07/10/01	Fort Macleod	12.50	01/10/02	Glenwood	5.26	94/10/01
Banff	31.20	06/03/24	Gasoline Alley	19.50	20/05/01			
Banff Ntl Park	29.80	21/01/01	Granum	12.00	13/01/01			
Barnwell	13.00	01/01/18	High River	20.00	19/05/01			
Barons	14.97	00/08/21	Hill Spring	5.00	10/03/25			
Bassano	25.00	13/01/01	Hussar	25.00	12/02/17			
Beiseker	16.00	19/01/01	Innisfail	27.00	19/01/01			
Big Valley	12.00	16/03/01	Irricana	11.18	99/12/06			
Black Diamond	16.00	17/01/01	Lethbridge	27.00	12/02/15			
Bow Island	12.00	18/01/01	Linden	15.23	04/07/09			
Bowden	22.00	07/02/16	Lomond	25.00	15/12/01			
Brooks	19.50	21/01/01	Longview	20.00	16/01/01			
Burdett	15.00	20/04/01	Magrath	15.00	10/01/18			
Canmore	30.00	21/01/01	Milk River	30.00	04/12/14			
Carbon	15.07	00/09/18	Nanton	17.00	19/01/01			
Cardston	15.00	07/10/04	Nobleford	0.00	06/10/04			
Carmangay	15.00	10/03/02	Okotoks	20.00	21/01/01			
Carstairs	25.00	07/08/01	Olds	30.00	12/01/01			
Champion	15.00	10/03/02	Penhold	25.00	18/09/01			
Chestermere	17.00	14/01/01	Picture Butte	18.00	16/09/01			
Claresholm	10.00	05/05/05	Raymond	12.00	16/01/01			
Coaldale	13.00	15/01/01	Rockyford	30.00	12/01/01			
Coalhurst	8.85	20/01/01	Rosemary	16.00	16/05/01			
Cochrane	20.00	16/01/01	Standard	11.34	00/12/13			
Coutts	20.00	08/09/09	Stavelly	11.00	21/01/01			
Cowley	13.79	02/08/23	Stirling	12.00	19/01/01			
Cremona	25.00	15/09/01	Strathmore	29.60	20/07/01			
Crossfield	17.00	10/05/07	Taber	18.00	20/07/01			
Crowsnest Pass	25.00	13/01/17	Taber*	33.00	20/07/01			
Delburne	21.60	07/04/10	Trochu	20.00	15/12/01			
Didsbury	25.00	10/01/01	Turner Valley	15.00	15/10/05			
Duchess	15.00	21/01/01	Vauxhall	10.00	20/02/01			
Elnora	16.00	04/05/27	Vulcan	35.00	14/01/01			

\* Applied to High Use.

\*\* Exemption available on Rider "E" portion of natural gas feedstock quantities used by an electrical generation plant whose primary fuel source is natural gas, for the commercial sale of electricity or used by a district energy plant for combined heat and power production, if deemed by the City of Calgary to be a qualifying facility.

The Company's Terms and Conditions apply to all retailers, producers and customers provided with service by the Company. The Terms and Conditions are available at ATCO Gas offices during normal working hours or at [www.atco.com](http://www.atco.com).



Effective February 1, 2021 by AUC Disposition 26261-D01-2021  
This Replaces Rider "B"  
Previously Effective May 1, 2020

## ATCO GAS AND PIPELINES LTD. – SOUTH RIDER “B” MUNICIPAL PROPERTY TAX AND SPECIFIC COSTS TO ALL RATES AND ANY OTHER RIDERS THERETO

This Rider is applicable to Customers and Producers resident in municipalities that receive a property tax under the Municipal Government Act or receive payment for specific costs which are not generally incurred by the Company. This Rider is the estimated percentage of gross revenue required to provide for the tax payable or specific cost incurred each year. To the extent that this percentage may be more or less than that required to pay the tax or specific cost, the percentage of gross revenue provided in the Rider will be adjusted on the 1st of February each year.

The percentage is to be applied as an addition to the billings calculated under the Rates including charges as allowed under other Riders in effect with respect to the following municipalities:

<u>Municipalities</u>	<u>%</u>	<u>Effective Date</u> <u>yymmdd</u>	<u>Municipalities</u>	<u>%</u>	<u>Effective Date</u> <u>yymmdd</u>
Airdrie	2.80	21/02/01	Nanton	3.30	21/02/01
Banff, Municipality	0.10	21/02/01	Nobleford	1.10	21/02/01
Bassano	4.00	21/02/01	Olds	1.90	21/02/01
Big Valley	4.00	21/02/01	Penhold	3.00	21/02/01
Bow Island	3.90	21/02/01	Picture Butte	2.70	21/02/01
Brooks	3.80	21/02/01	Raymond	3.50	21/02/01
Canmore	1.50	21/02/01	Redwood Meadows	7.70	21/02/01
Cardston	3.40	21/02/01	Rockyford	2.60	21/02/01
Carmangay	5.40	21/02/01	Rosemary	6.50	21/02/01
Carstairs	2.90	21/02/01	Stavelly	2.20	21/02/01
Champion	3.70	21/02/01	Stirling	3.10	21/02/01
Chestermere	1.80	21/02/01	Strathmore	2.00	21/02/01
Claresholm	4.50	21/02/01	Taber	2.60	21/02/01
Coaldale	2.30	21/02/01	Trochu	5.60	21/02/01
Cochrane	1.80	21/02/01	Turner Valley	4.30	21/02/01
Coutts	5.60	21/02/01	Vauxhall	4.90	21/02/01
Crowsnest Pass	5.70	21/02/01	Vulcan	4.80	21/02/01
Didsbury	2.70	21/02/01			
Duchess	3.80	21/02/01			
Elnora	6.30	21/02/01			
Foremost	4.10	21/02/01			
Fort Macleod	3.60	21/02/01			
Gasoline Alley	0.80	21/02/01			
Granum	4.50	21/02/01			
Hill Spring	11.50	21/02/01			
Lethbridge	4.80	21/02/01			
Linden	8.80	21/02/01			
Lomond	6.70	21/02/01			
Milk River	5.60	21/02/01			

The Company's Terms and Conditions apply to all retailers, producers and customers provided with service by the Company. The Terms and Conditions are available at ATCO Gas offices during normal working hours or at [www.atco.com](http://www.atco.com).



Effective November 1, 2020 by Decision 25789-D01-2020  
This Replaces Rider "D"  
Previously Effective November 1, 2019

**ATCO GAS AND PIPELINES LTD.**  
**RIDER "D" TO DISTRIBUTION ACCESS SERVICE CUSTOMERS**  
**FOR THE RECOVER OF UNACCOUNTED FOR GAS (UFG)**

All Retailer and Default Supply Provider Customers utilizing Distribution Access Service for delivering gas off the ATCO Gas distribution system will be assessed a distribution UFG charge of 1.102% at the Point of Delivery. The UFG assessment will be made up "In-Kind" from each Customer Account.





Effective September 1, 2007 by Decision 2007-059  
This Replaces Rider "E"  
Previously Effective May 4, 2004

**ATCO GAS AND PIPELINES LTD. - SOUTH  
RIDER "E" TO DELIVERY SERVICE RATES  
FOR THE DETERMINATION OF THE "DEEMED VALUE OF NATURAL GAS"  
FOR CALCULATION OF MUNICIPAL FRANCHISE FEE PAYABLE**

A Deemed Value of Natural Gas Rate will be applied to the energy delivered to Delivery Service Customers for the determination of municipal franchise fee payable by Customers in municipalities designated as Method "C" municipalities on Rider "A" of these Rate Schedules.

**FOR ALL RATES:**

The "Deemed Value" is an amount equal to the Gas Cost flow Through Rate specified on the DSP Rider "F".



Effective April 1, 2021 by Decision 26283-D01-2021

**ATCO GAS AND PIPELINES LTD.**  
**RIDER "P" TO PRODUCERS**  
**FOR THE RECOVER OF UNACCOUNTED FOR GAS (UFG)**

All Producers utilizing Distribution Access Service for exporting gas off the ATCO Gas distribution system will be assessed a distribution UFG charge of 1.102% at the Point of Export. The UFG assessment will be made up "In-Kind" from each Producer Account.



Effective August 1, 2020 by Decision 25646-D01-2020  
This Replaces Rider "T"  
Previously Effective March 1, 2020

**ATCO GAS AND PIPELINES LTD.**  
**RIDER "T" TRANSMISSION SERVICE CHARGE**

To be applied to Delivery Service Customers unless otherwise specified by specific contracts or the AUC, effective August 1, 2020.

Low Use Delivery Service	\$0.895 per GJ
Mid Use Delivery Service	\$0.820 per GJ
High Use Delivery Service	\$0.245 per GJ per Day of 24 Hr. Billing Demand
Alternative Technology and Appliance Delivery Service	\$0.895 per GJ

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The Company's Terms and Conditions apply to all retailers, producers and customers provided with service by the Company. The Terms and Conditions are available at ATCO Gas offices during normal working hours or at [www.atco.com](http://www.atco.com).



Effective September 1, 2020 by Decision 25666-D01-2020  
This Replaces Rider "W" as approved in Decision 24465-D01-2019  
Previously Effective September 1, 2019 to April 30, 2020

**ATCO GAS AND PIPELINES LTD. - SOUTH**  
**RIDER "W" WEATHER DEFERRAL ACCOUNT RIDER**

To be applied to the Low Use and Mid Use customers unless otherwise specified by specific contracts or AUC, effective September 1, 2020 to April 30, 2021.

Low Use Delivery Rate	\$0.121 per GJ Credit
Mid Use Delivery Rate	\$0.099 per GJ Credit

---

The Company's Terms and Conditions apply to all retailers, producers and customers provided with service by the Company. The Terms and Conditions are available at ATCO Gas offices during normal working hours or at [www.atco.com](http://www.atco.com).



Effective January 1, 2021 by Decision 26170-D01-2020  
This Replaces Low Use Delivery Service  
Previously Effective January 1, 2020 by Decision 24880-D01-2019

**ATCO GAS AND PIPELINES LTD. – SOUTH**  
**LOW USE DELIVERY SERVICE**

Available to all customers using 1,200 GJ per year or less.

**CHARGES:**

<b>Fixed Charge:</b>	\$0.816 per Day
<b>Variable Charge:</b>	\$0.810 per GJ
<b>Transmission Service Charge:</b>	Rider “T”
<b>Weather Deferral Account Rider:</b>	Rider “W”

**RATE SWITCHING:**

A Low Use customer that consumes more than 1,200 GJ of natural gas annually but no more than 8,000 GJ annually for two consecutive years will automatically be switched to the Mid Use rate group without notice. ATCO Gas will notify the customers’ retailers of any such rate switches.

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The Company's Terms and Conditions apply to all retailers, producers and customers provided with service by the Company. The Terms and Conditions are available at ATCO Gas offices during normal working hours or at [www.atco.com](http://www.atco.com).



**Attachment 3.2  
Rate Schedules  
South Rate Schedule**

Effective January 1, 2021 by Decision 26170-D01-2020  
This Replaces Mid Use Delivery Service  
Previously Effective January 1, 2020 by Decision 24880-D01-2019

**ATCO GAS AND PIPELINES LTD. – SOUTH  
MID USE DELIVERY SERVICE**

Available to all customers using more than 1,200 GJ per year but no more than 8,000 GJ annually.

**CHARGES:**

<b>Fixed Charge:</b>	\$0.816 per Day
<b>Variable Charge:</b>	\$0.804 per GJ
<b>Transmission Service Charge:</b>	Rider "T"
<b>Weather Deferral Account Rider:</b>	Rider "W"

**RATE SWITCHING:**

A Mid Use customer that consumes less than 1,201 GJ of natural gas annually for two consecutive years will automatically be switched to the Low Use rate group without notice. ATCO Gas will notify the customers' retailers of any such rate switches.

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The Company's Terms and Conditions apply to all retailers, producers and customers provided with service by the Company. The Terms and Conditions are available at ATCO Gas offices during normal working hours or at [www.atco.com](http://www.atco.com).



Effective January 1, 2021 by Decision 26170-D01-2020  
 This Replaces High Use Delivery Service  
 Previously Effective January 1, 2020 by Decision 24880-D01-2019

## ATCO GAS AND PIPELINES LTD. - SOUTH HIGH USE DELIVERY SERVICE

Available to all Customers using more than 8,000 GJ per year.

### **CHARGES:**

<b>Fixed Charge:</b>	\$4.831 per Day
<b>Variable Charge:</b>	\$0.000 per GJ
<b>Demand Charge:</b>	\$0.143 per GJ per Day of 24 Hr. Billing Demand
<b>Transmission Service Charge:</b>	Rider "T"

### **DETERMINATION OF BILLING DEMAND:**

The Billing Demand for each billing period shall be the greater of:

1. Any applicable contract demand, or
2. The greatest amount of gas in GJ delivered in any Gas Day (i.e. 8:00 am to 8:00 am) during the current and preceding eleven billing periods provided that the greatest amount of gas delivered in any Gas Day in the summer period shall be divided by 2.

Provided that for a Customer who elects to take service only during the summer period, the Billing Demand for each billing period shall be the greatest amount of gas in GJ in any Gas Day in that billing period.

In the first contract year, the Company shall estimate the Billing Demand from information provided by the Customer.

### **RATE SWITCHING**

A customer billed under the High Use rate schedule that consumes less than 8,000 GJ of natural gas per year for two consecutive years will be switched to the Low or Mid Use rate schedule, as appropriate. ATCO Gas will notify Customers in advance of the rate switch. Only one switch per year will be allowed, and the effective date for the switch will be determined by ATCO Gas. ATCO Gas will notify the customers' retailers of any such rate switches.



Effective April 1, 2021 by Decision 26283-D01-2021

**ATCO GAS AND PIPELINES LTD. - SOUTH  
ALTERNATIVE TECHNOLOGY AND APPLIANCE DELIVERY SERVICE**

Available by request only and at the discretion of the company for use to all Customers:

- Using less than 40 GJ per year, and
- Have one of the following use types:
  - Uses alternative technologies that reduce natural gas space heating load including solar thermal, geexchange, and net zero/near net zero emission homes; or
  - Uses natural gas solely for non-space heating purposes.

**CHARGES:**

<b>Fixed Charge:</b>	\$0.406 per Day
<b>Variable Charge:</b>	\$6.238 per GJ
<b>Transmission Service Charge:</b>	Rider "T"

**RATE SWITCHING:**

Customers switching to or from Alternative Technology and Appliance Delivery Service will be allowed one rate switch per year. ATCO Gas will notify the customers' retailers of any such rate switches.

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The Company's Terms and Conditions apply to all retailers, producers and customers provided with service by the Company. The Terms and Conditions are available at ATCO Gas offices during normal working hours or at [www.atco.com](http://www.atco.com).





Effective April 1, 2021 by Decision 26283-D01-2021  
This Replaces Irrigation Delivery Service  
Previously Effective January 1, 2021 by Decision 26170-D01-2020

**ATCO GAS AND PIPELINES LTD. - SOUTH  
IRRIGATION DELIVERY SERVICE**

Available to all seasonal customers who use natural gas as a fuel for engines pumping irrigation water.

**CHARGES:**

**Fixed Charge**

- May 1 – September 30: \$1.325 per Day
- October 1 – April 30: \$0.000 per Day

**Variable Charge:** \$1.038 per GJ

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The Company's Terms and Conditions apply to all retailers, producers and customers provided with service by the Company. The Terms and Conditions are available at ATCO Gas offices during normal working hours or at [www.atco.com](http://www.atco.com).



Effective April 1, 2021 by Decision 26283-D01-2021

**ATCO GAS AND PIPELINES LTD. - SOUTH  
PRODUCER RECEIPT SERVICE**

Available to all producers injecting natural gas directly onto the ATCO Gas distribution system. This rate is not applicable to Gas receipted onto the ATCO Gas distribution system from Nova Gas Transmission Ltd.

**CHARGES:**

<b>Fixed Charge:</b>	\$181.403 per Day
<b>Variable Charge:</b>	\$0.000 per GJ
<b>Demand Charge:</b>	\$0.206 per GJ per Day of 24 Hr. Billing Demand

**DETERMINATION OF BILLING DEMAND:**

The Billing Demand for each billing period shall be the greater of:

1. Any applicable contract demand, or
2. The greatest amount of gas in GJ received in any Gas Day (i.e. 8:00 am to 8:00 am) during the current and preceding eleven billing periods



Effective January 1, 2021 by Decision 26170-D01-2020  
Previously Effective January 1, 2020

**ATCO GAS AND PIPELINES LTD. - SOUTH**  
**UNMETERED GAS LIGHT SERVICE**

Applicable to all Customers with existing Company installed and approved gas lights. This rate is closed to new unmetered gas lights.

**Fixed Charge:** \$0.096 per Mantle per Day



**Attachment 4.1  
Customer Terms and Conditions**

**CUSTOMER TERMS AND CONDITIONS  
FOR  
GAS DISTRIBUTION SERVICE**

**AUC Decision: 26283-D01-2021**

**Effective: April 1, 2021**



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## ARTICLE 1 – PREAMBLE

In accordance with the provisions of the Gas Utilities Act (“GUA”) and the Regulations made there under (“Regulations”), ATCO Gas an operating division of ATCO Gas & Pipelines Ltd. (“ATCO Gas”) in its role as a pipe owner will carry out the functions necessary to furnish natural gas facilities to Customers in its service area to enable Customers to purchase natural gas for that person's own use from a Retailer or Default Supply Provider (“DSP”). These Terms and Conditions are intended to govern the relationship between ATCO Gas and Customer(s) that require a Service Connection to the Company's Gas Pipeline System. These Terms and Conditions will also govern the relationship between ATCO Gas and Retailer(s), DSP's or any other person whom the Customer has assigned to act on its behalf in its dealings with ATCO Gas, regarding the provision of Gas Distribution Service on its Gas Pipeline System.

These Terms and Conditions serve as a companion to the Retailer Terms and Conditions for Gas Distribution Service which are intended to enable Retailers/DSP's to acquire access to the Company's Gas Pipeline System for the purposes of allowing them to sell natural gas directly to Customers. A Customer may also act as a Self-Retailer by carrying out Retailer functions to obtain Gas Services solely for its own use.

The service provided by ATCO Gas hereunder is regulated by the Alberta Utilities Commission (“AUC”) and parties having any inquiries or complaints regarding these Terms and Conditions may direct such inquiries or complaints directly to ATCO Gas or to the AUC. These Terms and Conditions have been approved by the AUC.

## ARTICLE 2 – DEFINITIONS AND INTERPRETATION

### 2.1 Definitions

The following words and phrases, whenever used in these Terms and Conditions, the Company's Natural Gas Rate Schedules or an application, contract or agreement for service, shall have the meanings set forth below:

*“Act”* means the *Gas Utilities Act*, R.S.A. 2000, c.G-5, as amended from time to time;



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*"Agent"* means a person who performs functions on behalf of a Self-Retailer, Retailer, or DSP including, but not limited to, retailer transactions with the Company;

*"AUC"* means the Alberta Utilities Commission established under the *Alberta Utilities Commission Act, S.A 2007. c. A-37.2*, as amended from time to time;

*"Automated Meter Reading Device"* means a device attached to the meter used to collect meter readings from the meter. No customer information is collected through this device.

*"Billing Commencement Date"* means the commencement date for assessing the tariffs and charges as set forth in these Terms and Conditions; provided however that the Billing Commencement Date will be adjusted by the Company if the Company is unable to commence Gas Distribution Service under the Natural Gas Service Agreement (NGSA) on such date;

*"Business Day"* is any day other than Saturday, Sunday or a holiday as defined in the *Interpretation Act, R.S.A. 2000, c.1-8*; as amended from time to time;

*"Company"* means ATCO Gas, an operating division of ATCO Gas and Pipelines Ltd. or its successor;

*"Connected Load"* means the sum of the capacities or ratings of the Energy consuming apparatus connected to a supplying system or any part of such system;

*"Customer"* means a person, firm, partnership, corporation, organization or association (including, without limitation, individual members of any unincorporated entity) who consumes Gas in end-use at its location and is connected to the Company Gas Pipeline System;

*"Customer Contribution"* means the amount that the Customer must pay to the Company to install the Specific Facilities and/or Gas Pipeline Systems necessary to provide a Service Connection to the Customer;



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*"Customer Information"* includes the data specified in AUC Rule 028 and other information, including safety related information, required to provide safe Gas Distribution Service to Customers;

*"Customer Usage Information"* means information regarding the historical natural gas consumption as specified in Article 4.8.3 for Site Customers or AUC Rule 10 for Retailers/DSP;

*"Default Supply Provider"* or "DSP" means a Gas Distributor or a person authorized by a Gas Distributor who provides Gas Services to Customers under rates, tolls or charges fixed by the AUC and terms or conditions fixed by the AUC;

*"Distribution Access Service"* means the service required to transport Gas to Customer(s) by means of a Gas distribution system. This service enables a Customer to obtain Gas supply service through Self-Retailing, from a Retailer or the DSP and is governed by the Retailer Terms and Conditions for Gas Distribution Service;

*"Effluent"* means any solid, liquid or gas, or combination of any of them, including, without limitation, salt, dust, smoke, particulate matter, debris, hazardous waste, chemicals, vapour, runoff, wastewater or sewage.

*"Energy"* means natural gas energy (expressed in joules or sub-multiples or multiples thereof);

*"Force Majeure"* means circumstances not reasonably within the control of the Company, including acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, pandemics, epidemics, landslides, lightning, earthquakes, fires, storms, floods, high water, washouts, inclement weather, orders or acts of civil or military authorities, civil disturbances, explosions, breakdown or accident to equipment, mechanical breakdowns, temporary failures of gas supply, the intervention of federal, provincial, state or local government or from any of their agencies or AUC, excluding decisions and/or orders made by the AUC in the normal course of it exercising its authority to establish the revenue requirement of the parties to this agreement, the



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order or direction of any court, and any other cause, whether of the kind herein enumerated or otherwise;

"Gas" means all natural gas both before and after it has been subjected to any treatment or process by absorption, purification, scrubbing or otherwise, and includes all fluid hydrocarbons;

"Gas Distributor" means the owner, operator, manager or lessee of a gas distribution system as defined in the Act;

"Gas Distribution Service" means the service required to transport Gas to Customer(s) by means of a Gas Pipeline System and includes any services the Gas Distributor is required to provide by the AUC or is required to provide under the Act or Regulations made thereunder;

"Gas Distribution Tariff" means the rates, tolls or charges fixed by the AUC and the terms and conditions fixed by the AUC, for Gas Distribution Service;

"Gas Pipeline System" means all those facilities owned or used by Company in the receipt, delivery, transportation, measurement and testing of Gas, (including, without limitation, transmission and distribution lines, regulators, meters, equipment and machinery);

"Gas Services" as defined in the Act means:

- (i) the Gas that is provided and delivered, and
- (ii) the services associated with the provision and delivery of the Gas, including:
  - (A) arranging for the exchange or purchase of the Gas,
  - (B) making financial arrangements to manage the financial risk associated with the price of Gas,
  - (C) arranging for Gas Distribution Service,
  - (D) arranging for delivery of Gas to the gas distributor's specified Point(s) of Receipt,
  - (E) storage,
  - (F) billing, collection and responding to customer billing inquiries,



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- (G) maintaining information systems, and
  - (H) any other services specified by the Minister by order as Gas Services;

"Load" means the amount of natural Gas delivered or required to be delivered at any specific point or points in the Gas Pipeline System;

"Lots" means two or more contiguous lots or parcels of land;

"Multiple Dwelling" means a residential dwelling unit in a building containing more than one residential dwelling unit, all of which share common services or facilities;

"Municipality" means a city, town, village, summer village, municipal district or specialized municipality, a town under the *Park Towns Act, R.S.A. 2000, c.P-2*, or a municipality formed by special Act, and includes a Metis Settlement;

"Natural Gas Service Agreement" means an agreement for the provision of a Service Connection pursuant to these Terms and Conditions, made between the Company and a Customer;

"Point of Delivery" for service by the Company to the Customer, means, unless otherwise specified in a Natural Gas Service Agreement, the outlet side of a meter;

"R3 Regulation" means the *Roles, Relationships and Responsibilities Regulation, A.R. 186/2003*, as amended from time to time;

"Rate Schedule" means a natural gas rate schedule prepared by the Company and approved by the AUC, as amended from time to time;

"Retailer" means a person who sells or provides retail Gas Services directly to Customers and who is entitled to enroll Customers for Distribution Access Service under the Company's Retailer Terms and Conditions for Gas Distribution Service and includes Self-Retailers;



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*"Retailer Guide"* means the guide prepared by the Company which describes the business processes for the transactions between the Company and the Retailer/DSP in relation to the provision of service under the Retailer Terms and Conditions for Gas Distribution Service;

*"Self-Retailer"* means a person carrying out Retailer functions to obtain Gas solely for its own use;

*"Service Connection (Service Line or Extension of Service)"* means the Specific Facilities required to physically connect the Customer's facilities to the Company's Gas Pipeline System to permit the Customer to obtain Gas Distribution Service;

*"Service Line"* means the section of the Gas Pipeline System from the boundary of the Customer's property which abuts the street or right of way in which the Company's distribution main is or will be situated to the meter on the Customer's premise;

*"Single Family Dwelling"* means a private residence provided with sleeping and cooking facilities intended for domestic use and in which the occupants live as a single housekeeping unit that is not part of a Multiple Dwelling;

*"Site"* means a unique end-use Point of Delivery, being the finest level at which settlement recognizes Retailer and DSP assignments, and receives consumption data;

*"Site ID"* means a unique identification number assigned by the Company for each unique end-use Point of Delivery;

*"Specific Facilities"* means those facilities installed by the Company for the benefit of a particular Customer/Retailer/DSP which are connected to the Gas Pipeline System and are required to transport Gas;

*"Standard Delivery Pressure"* is 1.72 kPa;

*"Transmission System"* means all those facilities owned or operated by ATCO Pipelines and NOVA Gas Transmission Ltd. in the receipt, delivery, transportation, measurement



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and testing of Gas (including, without limitation, transmission lines, regulators, meters, equipment and machinery).

## 2.2 Conflicts

- (a) If there is any conflict between a provision expressly set out in an order of the AUC and these Terms and Conditions, the order of the AUC shall govern.
- (b) If there is any conflict between a provision expressly set out in these Terms and Conditions, as may be amended from time to time, and a Natural Gas Service Agreement, the express provision of these Terms and Conditions shall govern, as of their effective date.

## 2.3 Headings

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

## 2.4 Schedules and Appendices

The following schedules and appendices form part of these Terms and Conditions:

- Schedule A – Sample Natural Gas Service Agreement (attached to this document)
- Schedule of Non-Discretionary Charges (available at [atco.com](http://atco.com))

## ARTICLE 3 – GENERAL PROVISIONS

### 3.1 AUC Approval

These Terms and Conditions have been approved by the AUC. The Company may amend these Terms and Conditions by filing a notice of amendment with the AUC. Included in the notice of amendment to the AUC shall be notification of which Customer groups are affected by the amendment and an explanation of how affected Customers will be notified of the amendment. Any amendment to the Terms and Conditions will take effect sixty (60) days after such notice is filed, unless the AUC otherwise directs.



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### 3.2 Gas Distribution Tariff

The Gas Distribution Tariff is available for public inspection during normal business hours at the business offices of the Company and at the offices of the AUC and can be accessed at the Company's website at: [atco.com](http://atco.com). These Terms and Conditions form part of the Gas Distribution Tariff.

### 3.3 Effective Date

These Terms and Conditions come into force as per the Effective Date shown on the cover page. Whenever the Company files a notice of amendment to these Terms and Conditions, or when the AUC approves an amendment to these Terms and Conditions, revisions will be issued, with the effective date of the amendments indicated thereon.

### 3.4 Application of Terms and Conditions

- (a) These Terms and Conditions, as amended from time to time, apply to the Company and to every Customer to which the Company provides a Service Connection. These Terms and Conditions also govern the relationship between the Company and Retailer/DSP, Agent or any other person whom the Customer has assigned to act on its behalf in its dealings with the Company regarding the provision of Gas Services on its Gas Pipeline System.
- (b) The application for a Service Connection, the entering into a Natural Gas Service Agreement, the use by the Customer of a Service Connection to obtain Gas Services or the payment by the Customer of an account rendered by the Company in relation to a Service Connection shall constitute acceptance by the Customer of these Terms and Conditions whether or not the Customer has signed an application or contract for service.
- (c) No agreement can provide for the waiver or alteration of any part of these Terms and Conditions unless such agreement is first filed with and approved by the AUC.





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### 3.5 Ownership of Gas Pipeline System

- (a) The Customer is not the owner of any segments of the Gas Pipeline System or Specific Facilities necessary to provide a Service Connection, unless an agreement between the Company and Customer specifically provides otherwise.
- (b) Payment made by Customers for costs incurred by the Company in installing any segment of the Gas Pipeline System and Specific Facilities does not entitle Customers to ownership of any such segment of the Gas Pipeline System and Specific Facilities or any intellectual property, engineering, design, or other information or data, or any other rights relating to or in respect to such facilities unless an agreement between the Company and the Customer specifically provides otherwise.

### 3.6 Fees and Other Charges

The Company will provide all standard service hereunder pursuant to the Gas Distribution Tariff. All additional, supplementary or extra non-discretionary services provided by the Company to a Customer will be charged a separate rate or fee, such as those included, without limitation, in the Schedule of Non-Discretionary Charges. Payment for these services shall be in accordance with the provisions of these Terms and Conditions.

## ARTICLE 4 – ESTABLISHMENT OF SERVICE

### 4.1 Application for Service Connection

- (a) To enable the Company to provide the requested Gas Distribution Service, applicants for service shall supply information regarding the location of the premises to be served; the Customer's Connected Load and preferred supply conditions; the manner in which the Service Connection will be utilized; credit information; prepayment; and, any other information that may be required by the Company.



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- (b) Upon receipt of the required information, the Company will advise the applicant of the type and character of the Service Connection it will furnish to the Customer, and any special conditions that must be satisfied.

## 4.2 Method of Application

### 4.2.1 Form and Acceptance of Application

- (a) All Customers must be of legal age to contract for service with the Company. The Company reserves the right to verify the identity of the Customer and the accuracy of the information provided and to require the Customer to execute an application in the form provided by the Company. If a Customer is not of legal age, a person of legal age may be required to accept responsibility for the Gas Distribution Service on the Customer's behalf.
- (b) For commercial and industrial Customers, written or electronic acceptance specifying the Customer has agreed to these Terms and Conditions must be received by the Company before construction of the Service Connection will proceed.

### 4.2.2 Application by Retailer/DSP or Other Person

A Retailer/DSP or any other person acting as an Agent of a Customer may apply for a Service Connection on behalf of the Customer. The Retailer/DSP or Agent must provide the Company, in a form acceptable to the Company, verifiable authorization from the Customer to make the application.

## 4.3 Payment for Service Connection

- (a) Customers applying for Service Connections may be required to prepay any applicable charge / estimate.
- (b) The Customer will be required, at the Company's sole discretion, to pay the complete cost based on actual costs upon completion of the work, including where prepayment was based on an estimate. When the assumptions used for a Service



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Connection charge estimate change for reasons beyond the Company's control, and the Company will incur costs in excess of the original estimate due to these changes, the Company will notify the Customer as soon as practicably possible. In such case, the Customer shall have the right to cancel its Service Connection request by paying to the Company the costs it then already incurred in respect of the Service Connection requested .

- (c) Customers owing money to the Company will be required to make full payment of all outstanding balances plus meet the conditions of (a) and (b) above.

#### **4.4 Establishment and Re-establishment of Credit or Deposits**

##### *4.4.1 Establishment of Credit*

- (1) All Customers will be required to follow the security requirements as defined by the Customer's Retailer.
- (2) All Customers who choose to Self-Retail shall satisfy the Retailer Terms and Conditions for Gas Distribution Service for their prudential requirements.
- (3) The Company, at its sole discretion and acting reasonably, reserves the right to request Customers to establish credit by way of a deposit or other acceptable method for any amounts in relation to services provided by the Company, including but not limited to the cost of the Customer's Service Connection, or Customer Contribution, under these Terms and Conditions.

##### *4.4.2 Re-establishment of Credit*

(1) Former Customers with an Outstanding Balance

An applicant who has been a Customer of the Company and who is indebted to the Company will be required to re-establish credit by paying all delinquent bills and depositing the amount prescribed herein.



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(2) Delinquent Customer

A Customer whose Service Connection has been de-energized or disconnected for nonpayment of bills for service may be required, before service is restored, to establish credit by paying all delinquent bills, the reconnection fee and depositing the amount prescribed herein.

*4.4.3 Amount of Security Deposits*

The amount to be deposited will be determined by the Company at the time of the service application or upon the Customer entering into any contractual arrangements with the Company.

*4.4.4 Refunds of Security Deposits*

A security deposit is refunded or credited to the Customer's account with interest when:

- (1) the Customer's Service Connection is de-energized or disconnected, other than for default in payment of accounts, and the Customer has paid all amounts owing to the Company;
- (2) the Customer has satisfactorily established credit by paying all bills on or before the due date of the said bill, for twelve (12) consecutive months; or
- (3) the Customer has satisfied any other conditions stipulated in any contractual arrangements between the Customer and the Company.

*4.4.5 Interest on Security Deposits*

Interest on each Customer's security deposit held by the Company will be calculated at the rate specified from time to time in *The Residential Tenancies Act S.A. 2004, C.R-17.1* or as otherwise stipulated in any contractual arrangements between the Customer and the Company. Interest will be credited to the Customer's account annually or when the deposit is refunded.



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#### 4.4.6 Use of Security Deposits

If a Customer fails to pay an amount billed, the Company may apply all or any portion of a Customer's security deposit toward payment of the outstanding amounts, any subsequent unpaid costs incurred by the Company, including interest and any late payment charges. When the Company has taken this step, the Customer may be required to pay to the Company the amount deducted from the Customer's security deposit. Upon termination of a Service Connection or any contractual arrangement between the Customer and the Company, the Company may apply all or any portion of a Customer's security deposit, including interest, toward payment of any amount due and owing by that Customer.

#### 4.5 Rejection of Application

The Company may, without limitation, reject any applicant's request for a Service Connection:

- (a) when the Customer does not have currently in force all permits or other authorizations that may be required for the installation of the Service Connection as defined in section 4.7; or
- (b) when the Company determines that a previous account held by the Customer is in arrears with the Company; or
- (c) when the Customer fails to provide a payment as specified in Article 4.3; or
- (d) when the Company determines that the form of the Natural Gas Service Agreement is not appropriate for the Service Connection due to its unique nature and the Customer refuses to enter into an alternate form of agreement acceptable to the Company; or
- (e) when any representation made by the applicant or the Customer to the Company for the purpose of obtaining a Service Connection is, in the Company's opinion, fraudulent, untruthful or misleading; or



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- (f) when the Customer has not, when requested by the Company to do so, provided an executed written or electronic application for a Service Connection or a signed Natural Gas Service Agreement; or
  - (g) when the proposed Loads, in the Company's opinion, have unusual characteristics that might adversely affect the quality of service supplied to other Customers, the public safety, or the safety of the Company's personnel or the Company's Gas Pipeline System or equipment; or
  - (h) for any other reason rejection of the application is deemed necessary by the Company.

#### **4.6 Natural Gas Service Agreement**

- (a) A Customer may be required by the Company to sign a Natural Gas Service Agreement in respect of a Service Connection. The Natural Gas Service Agreement shall be signed by the Customer and not by its Agent.
- (b) In the absence of a signed Natural Gas Service Agreement, the supplying of a Service Connection by the Company and the acceptance thereof by the Customer shall be deemed to constitute an agreement by and between the Company and the Customer for delivery, receipt and payment for Gas Distribution Service under the Company's applicable Rate Schedules and Terms and Conditions.
- (c) If any provision of the Customer's Natural Gas Service Agreement, or the application thereof, is to any extent held invalid or unenforceable, the remainder of its Natural Gas Service Agreement and the application thereof, other than those provisions which have been held invalid or unenforceable, shall not be affected and shall continue in full force and effect and shall be enforceable to the fullest extent permitted by law or in equity.
- (d) A contract for service is not assignable by the Customer without the prior written consent of the Company, which consent shall not be unreasonably or arbitrarily withheld.



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- (e) An applicant executing a Natural Gas Service Agreement will be required to pay a Customer Contribution if the revenue generated by existing rates from the applicable Rate Schedule(s) using the applicant's Maximum Daily Contract Demand is less than the cost to serve them over the contract term.
- (f) All services that are transferred, assigned, assumed or used by a person who purchases land upon which existing Customer facilities are located, or who takes over the operation or use of Customer's facilities at an existing Point of Delivery, including, without limitation any affiliate or successor to the previous Customer and, if applicable, the owner of the property on which the Point of Delivery is located, shall be subject to the terms of the Natural Gas Service Agreement(s) of the previous Customer(s), along with the billing and demand history. Any change(s) in service requirements as a result of such transfer shall be made in accordance with these Terms and Conditions. The new Customer may enter into new Natural Gas Service Agreement(s). The Company may perform an investment contribution calculation to determine whether any adjustments are required to the Customer's Contribution, as specified in Article 4.6(e), to recognize the different levels of company investment which applies to under any new Natural Gas Service Agreement(s). The existing contractual arrangements will remain in place until any new agreements have been accepted by both parties. It is the sole responsibility of the party who is taking over the use or operation of an existing Point of Delivery to undertake thorough due diligence with respect to the existence of and all terms of any existing Natural Gas Service Agreement(s) associated with the Point of Delivery.

#### **4.7 Approvals**

The Customer for a new, altered or relocated Service Connection shall be responsible for obtaining all permits, certificates, licenses, inspections, reports, and other authorizations necessary for the installation and operation of the Service Connection. The Company shall not be required to commence or continue installation or operation of a Service Connection unless and until the Customer has complied with the requirements of all permits, certificates, licenses, inspections, reports and other authorizations, and all right-



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of-way agreements, and all Company requirements applicable to the installation and operation of the Service Connection.

#### **4.8 Temporary Service**

- (a) Where the Company reasonably believes that a requested service will be temporary, it may require the Customer requesting the service to pay the Company in advance of a Service Connection, the estimated cost of Specific Facilities plus the estimated cost of installation and removal of Specific Facilities necessary for the desired service, less the value of the salvaged material. Final costs will be assessed at the end of the temporary term and the Customer may be invoiced or refunded the difference, without interest.
- (b) Where the duration of service is to be less than one month, the Customer may be required to advance a sum of money equal to the estimated bill for service.

#### **4.9 Information and Requirements for Service**

##### *4.9.1 Distribution Service Connections*

Upon request, the Company shall provide to the Customer, information on the method and manner of making Service Connections. Such information may include a description of the Service Connection available, the location of entrance facilities and metering equipment, and Customer and Company responsibilities for installation of Specific Facilities including Customer responsibility for Retailer/DSP enrollment prior to meter installation.

##### *4.9.2 Distribution Access Service*

For Customers requesting information on Distribution Access Service, the Company will:

- (a) make available notification and informational materials about competition and consumer choices;
- (b) make available the Company's Retailer Terms and Conditions for Gas Distribution Service;





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- (c) direct Customers to an external source where they may obtain information about customer choice. The Company is under no obligation to assure the accuracy of this information.

#### 4.9.3 *Customer Usage Information*

- (a) The Company shall provide Customer Usage Information to a Customer upon request in relation to:
  - (1) the 12-month period preceding the date of the request, or
  - (2) for any shorter period for which the Company has collected that information for the requesting customer.
- (b) An Agent or consultant, acting on behalf of a Customer, may request Customer Usage Information by obtaining and submitting to the Company the authorization from the Customer in a form as set out in the Retailer Guide. These requests are subject to a fee as outlined in the Schedule of Non-Discretionary Charges.
- (c) The Customer shall submit requests for Customer Usage Information by referencing the Site ID. All such requests shall be in writing and may be delivered via electronic mail (e-mail) or by standard mail.
- (d) The Company will normally process requests within five (5) Business Days of receiving notification from the Customer. If the Company determines that it cannot process the request within five (5) Business Days, the Company shall notify the Customer of the approximate delivery date.
- (e) The information referred to in section (a) above will be provided by the Company at no cost for requests made once per year per individual account. The Company will assess a charge for additional Customer Usage Information requests or requests involving multiple Customer accounts as set forth in the Schedule of Non-Discretionary Charges.



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#### 4.10 Application of Rate Schedules

- (a) The Company will make Customers aware of the various Rate Schedules under which the Company provides service to different Customer rate classes. The Company will endeavor to apply the applicable Rate Schedule which is most favorable to the Customer, providing the Rate Schedule applies to the service requested by the Customer, the Customer is eligible for the requested service, and that application of the requested Rate Schedule does not have an adverse impact on other Customers of the Company. The Company shall not be required to refund the difference in charges under different Rate Schedules for any past period during which the Customer did not request service under an alternate Rate Schedule that may have been available to such Customer.
- (b) Various riders and options are also applicable to the Gas Distribution Service as specified in the Rate Schedule approved from time to time by the AUC.
- (c) Customers may request a switch to a new rate or the Company may determine that the Customer's service requirements no longer meet the eligibility requirements of their current rate. Subject to the above provisions, where the Customer's service requirements change so that some other Rate Schedule(s), riders and options may apply to the service, the Company will advise the Customer of its eligibility for service under the alternate Rate Schedule, and the Company will change the Customer's billing accordingly.
- (d) In each circumstance, the Company may perform an investment contribution calculation to determine whether any adjustments are required to the Customer's Contribution, as specified in Article 7, to recognize the different levels of company investment which apply to each Rate Schedule.
- (e) In addition to payments for Gas Distribution Service, the Customer (or Retailer/DSP) is required to pay the Company the amount of any tax or assessment levied by any tax authority on Gas Distribution Service provided to the Customer.



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- (f) Should a dispute arise between the Company and a Customer with regards to the Customer's eligibility to switch rates, the Company will normally bring the dispute before the AUC for resolution. This does not preclude the Customer from bringing the same dispute before the AUC. Switching will not be allowed before the AUC renders a decision.

## **ARTICLE 5 – SERVICE REQUIREMENTS AND FACILITIES**

After the Customer has complied with the Company's application and payment requirements and has been accepted for Gas Distribution Service by the Company, has obtained all required permits and/or inspections indicating that the Customer's facilities comply with local construction, safety standards or regulations, and the Company has received Retailer/DSP enrollment, the Company shall schedule that Site for Service Connection.

### **5.1 Customer Provided Facilities and Requirements**

#### *5.1.1 Protection of the Company's Specific Facilities and Gas Pipeline Systems*

The Customer shall furnish and maintain, at no cost to the Company, the necessary space, housing, fencing, barriers, structure marking, lighting and foundations for the protection of the Specific Facilities and Gas Pipeline Systems to be installed upon the Customer's premises which may or may not include a dedicated meter room and an active telecommunications line for measurement equipment. If the Customer refuses, the Company may at its option furnish and maintain, and charge the Customer for furnishing and maintaining, the necessary protection. Such space, housing, fencing, barriers, structure marking, lighting and foundations shall be in conformity with all applicable laws and regulations and shall be subject to the Company's specifications and approval.

#### *5.1.2 Compliance with Requirements and Use of Service Connection*

The Customer will ensure that its facilities comply with the applicable requirements and with any technical guidelines that may be issued from time to time by the Company or the applicable authority having jurisdiction.



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### 5.1.3 Extensions

A Customer shall not, without the prior written consent of the Company, sell or otherwise permit any other person to use such Gas Distribution Service nor shall a Customer extend or permit the extension of facilities connected to the Company's distribution system beyond property owned or occupied by that Customer for any Point of Delivery.

## ARTICLE 6 – RIGHTS OF WAY AND ACCESS TO GAS PIPELINE SYSTEM

### 6.1 Easements

In consideration of the Company providing Gas Distribution Service to the Customer, the Customer grants to the Company, without cost to the Company, such easements or rights-of-way over, upon or under the property owned by the Customer as the Company reasonably requires for the construction, installation, maintenance, repair, and operation of the Gas Pipeline System required for a Service Connection to the Customer and extensions thereof, and all other obligations required to be performed by the Company hereunder. Easements or rights-of-way granted to the company are registered interests in property and the Company's rights will be described herein.

### 6.2 Right of Entry

The Company's employees, agents and other representatives shall have the right to enter a Customer's property at all reasonable times for the purpose of installing, maintaining, replacing, testing, monitoring, reading, de-energizing at request of Retailer/DSP, or removing the Company's Gas Pipeline System and for any other purpose incidental to the provision of a Service Connection. The Customer shall not prevent, hinder, or charge a fee for allowing the Company's entry, including the use of roads on the Customer's property, or any adjacent or nearby property or crown land over which the Customer has the right to grant access for the purposes listed in this section. In the event that any of the Company's Gas Pipeline System is situated within a Customer's premises, the Company may require that Customer to provide to it a key for the purpose of gaining access to such Gas Pipeline System. The Company will endeavor to provide reasonable notice to the



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Customer when the Company requires entry to the Customer's property for planned maintenance or repairs to the Company's facilities. The Company may charge a fee as set forth in the Schedule of Non-Discretionary Charges any time the Company's entry is considered by the Company's employees, agents or other representatives as unsafe or is otherwise prevented, hindered or refused.

### **6.3 Vegetation Management**

The Customer shall permit the Company to manage vegetation on the property owned or controlled by the Customer to maintain proper clearances, reduce the risk of contact with, and allow access to the Company's Gas Pipeline System. The Company shall make reasonable efforts to notify the Customer before such work is performed.

Customers are responsible for following Company setback requirements when planting new vegetation such as trees and shrubs. Customers shall be responsible for future vegetation management costs where Company setback requirements have not been met.

### **6.4 Interference with Company's Gas Pipeline System**

The Customer shall not install or allow to be installed on property owned or controlled by the Customer any temporary or permanent structures or vegetation that could interfere with the proper and safe operation of the Company's Gas Pipeline System or result in non-compliance with applicable statutes, regulations, standards and codes. The Company shall not be liable for any damage to any structure or improvement erected, installed or placed in contravention of these Terms and Conditions resulting from the maintenance of such gas line or service line.

## **ARTICLE 7 – EXTENSION OF SERVICE**

The Company shall, in accordance with these Terms and Conditions, extend its Gas Pipeline System for the purpose of providing permanent Gas Distribution Service to an applicant who qualifies for Gas Distribution Service hereunder if the following conditions, or such of them as are applicable, are satisfied.



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- (a) The applicant shall pay to the Company the costs set out in the Schedule of Non-Discretionary Charges (the Customer Contribution) for the portion of service line from the boundary of the applicant's property which abuts the street or right of way in which the Company's distribution main is or will be situated to the meter on the applicant's premises.
- (b) Subject to clause (a) hereof, if the applicant's premises are situated in a Municipality which has a subsisting franchise agreement with the Company, the Company shall, without charges other than those payable under the applicable Rate Schedule, extend its Gas Pipeline System for the purpose of providing permanent Gas Distribution Service to the applicant provided that:
- (i) the Municipality has, at its expense, extended or will concurrently extend its water and sewer services to serve the premises of such applicant, and
  - (ii) the Gas Distribution Service being requested by the applicant will not be used solely for standby purposes and is delivered at Standard Delivery Pressure, or at the Company's sole discretion, the prevailing operating pressure in accordance with Section 8.8.
- (c) In any case where clause (b) (i) hereof does not apply and clause (b) (ii) does apply, but subject always to clause (a) hereof, the Company shall extend its Gas Pipeline System for the purpose of providing Gas Distribution Service to an applicant subject to the following conditions:
- (i) The extension required to the Company's Gas Pipeline System, excluding the service line, does not exceed 50 metres in length, and an easement or right of way satisfactory to the Company is provided, or
  - (ii) If the aforesaid extension exceeds 50 metres in length, the applicant has paid to the Company the amount, if any by which the total estimated costs of such extension exceed the amount which the Company estimates it will receive from the applicant for the first three years of Gas Distribution Service to the applicant excluding, however, amounts to be received in



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respect of revenue tax, property tax, federal excise tax, or any other federal or provincial tax other than income tax; provided that the Company may, at its option, accept in lieu of such payment the written undertaking of the applicant to pay such amount in such manner, upon such terms and over such period of time as is specified by the Company.

- (d) (1) If an applicant requests that the Company extend its Gas Pipeline System for the purpose of providing permanent Gas Distribution Service to two or more contiguous lots or parcels of land (hereinafter called "Lots"), and if clause (b) (i) hereof does not apply thereto, the Company shall, in accordance with these Terms and Conditions, extend its Gas Pipeline System as requested provided that:
- (i) the applicant pays in respect of each Lot the costs referred to in clause (a) hereof; and
  - (ii) the applicant pays the estimated costs of such extension (which payment, for the purposes of clause (c) (ii) hereof, shall be divided by the number of such Lots to determine the Individual Lot Payment).
- (2) If permanent Gas Distribution Service to any such Lot commences to be taken within five years of such service being available, the Company shall, upon application by the applicant or his assignee, refund the Individual Lot Payment less any amount which would have been payable if clause (c) or (d) hereof would have otherwise applied.



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## ARTICLE 8 – SERVICE CONNECTION

### 8.1 Company Responsibility and Liability

#### 8.1.1 *Continuous Supply*

The Company shall make all reasonable efforts to maintain continuity of Gas Distribution Service to its Customers, but the Company cannot guarantee an uninterrupted natural gas supply.

#### 8.1.2 *Interruption*

Without liability of any kind to the Company, the Company shall have the right to disconnect or otherwise curtail, interrupt or reduce service to Customers:

- (a) whenever the Company reasonably determines that such a disconnection, curtailment, interruption or reduction is necessary to facilitate construction, installation, maintenance, repair, replacement or inspection of any of the Company's facilities, or to permit the connection or disconnection of other Customers;
- (b) to maintain the safety and reliability of the Company's distribution system;  
or,
- (c) due to any other reason related to dangerous or hazardous circumstances including emergencies, forced outages or Force Majeure.

#### 8.1.3 *Reasonable Efforts*

The Company shall use reasonable efforts to minimize any scheduled curtailment, interruption or reduction to the extent reasonably practicable under the circumstances, to provide the Customer with prior notification of any such curtailment, interruption or reduction to the extent reasonably practicable, and to resume the Customer's Service Connection as promptly as reasonably practicable.





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#### *8.1.4 Company Liability*

Notwithstanding anything to the contrary contained in these Terms and Conditions, the Company shall not be liable for any loss, injury, damage, expense, charge, cost or liability of any kind, whether of direct, indirect, special or consequential nature, (excepting only direct physical loss, injury or damage to a Customer or a Customer's property, resulting from the negligent acts or omissions of the Company, its employees or agents) arising out of or in any way connected with provision of service by the Company to its Customers including any failure, defect, fluctuation, reduction or interruption in the provision of service by the Company to its Customers. For the purpose of the foregoing and without otherwise restricting the generality thereof, "direct physical loss, injury or damage" shall not include loss of revenue, loss of profits, loss of earnings, loss of production, loss of contract, cost of purchased or replacement capacity and energy, cost of capital, and loss of use of any facilities or property, or any other similar damage or loss whatsoever.

#### *8.1.5 Force Majeure*

Should the Company be unable, because of an event of Force Majeure, to provide a continuous supply of Energy to a Customer, the Company's responsibilities, so far as they are affected by the Force Majeure, shall be relieved and suspended during the duration of such circumstances and the Company shall not be liable for any failure to perform any term of these Terms and Conditions to the extent that and when such failure is due to, or is a consequence of, an event of Force Majeure. Where practical, the Company shall give notice to the affected Customers of such Force Majeure.

#### *8.1.6 Provision of Customer Information to the Retailer*

The Company will notify the Retailer/DSP of customer information and/or activities in situations where it is known or suspected that the customer is vulnerable or where the Company and/or the Retailer/DSP are being adversely affected by the customer's actions.



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#### 8.1.7 Release

Subject to Section 8.1.4, none of the Company, its directors, officers, agents, employees and representatives, ("Company Parties"), will be liable to the Customer, its directors, officers, Agents, employees and representatives ("Customer Parties") for any damages, costs, expenses, injuries, losses, or liabilities suffered or incurred by the Customer Parties or any of them, howsoever and whensoever caused, and each Customer Party hereby forever releases each of the Company Parties from any liability or obligation in respect thereof.

#### 8.1.8 The Company Not Liable to Customer

For greater certainty and without limitation to the foregoing in Sections 8.1.4 and 8.1.6, the Company Parties (as defined above) shall not be liable to a Customer for any damages of any kind (except to the extent the Company is liable for such damages in accordance with Section 8.1.4):

- a) caused by or arising from any of the Company Party's conduct in compliance with or in breach of, or as permitted by, these Terms and Conditions, the Retailer Terms and Conditions for Gas Distribution Service, Natural Gas Service Agreement or other agreement with the Customer, or any contractual, legal or regulatory requirements related to service provided to Retailers;
- b) caused to the Customer and arising from any failure of a Retailer to comply with the Retailer Terms and Conditions for Gas Distribution Service, any agreement with the Company relating to Gas Distribution Services or for any damages caused by or arising from equipment installed or actions taken by a Retailer;
- c) caused by or arising from a Retailer's failure to perform any commitment to the Customer, including but not limited to the Retailer's obligation, including its obligation under Part 2.1 of the Act, to provide retail gas services including Gas Distribution Service to the Customer; or



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d) caused by or resulting from any acts, omissions or representations made by a Retailer in connection with soliciting Customers for Gas Distribution Service or performing any of the Retailer's functions in providing retail gas services to Customers.

## **8.2 Customer Responsibility and Liability**

### *8.2.1 Customer Responsibility for Facilities*

The Customer shall be responsible for the installation and condition of all facilities on the Customer's side of the Point of Delivery, except Specific Facilities owned by the Company. The Customer shall be responsible for any destruction of or damage to the Company's Specific Facilities located on the Customer's premises where the destruction or damage is caused by a negligent act or omission or willful misconduct of the Customer or anyone permitted by the Customer to be on the premises.

### *8.2.2 Customer Liability*

The Customer shall be solely responsible for and comply with the regulations regarding the installation, condition and maintenance of all piping, equipment, and apparatus on the Customer's side of the Point of Delivery, and the Customer shall indemnify and save harmless the Company from and against any claim or demand for injury to persons or damage to property arising out of or in any way connected with piping, equipment and apparatus on the customer's side of the Point of Delivery and the use made by the Customer of gas supplied by the Company, so long as such injury or damage is not caused by the negligence of the Company.

### *8.2.3 Service Calls*

The Company may require a Customer to pay the actual costs of a service call if the source of the problem is the Customer's own facilities.



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### **8.3 Interference with the Company's Property**

No one other than an employee or authorized agent of the Company shall be permitted to remove, energize, operate, or maintain meters, equipment and other facilities owned by the Company without Company permission. The Customer shall not interfere with or alter the meter, seals, or other facilities or permit the same to be done by any person other than the authorized agents or employees of the Company.

### **8.4 Unauthorized Use**

Where the Company determines that there has been unauthorized use of the Service Connection including, but not limited to, meter or equipment tampering, unauthorized connection or reinstatement, theft, fraud, or intentional or unintentional use of Energy whereby the Company is denied full compensation for Gas Distribution Services provided, the Company will bill the Customer or Retailer/DSP for the Company's estimate of energy and delivery charges for such unauthorized use and require Customer prepayment for any repairs, damages and reconstruction of Company facilities. Nothing in this section shall limit any other rights or remedies that the Company may have in connection with such unauthorized use.

### **8.5 Termination by Company**

- (a) If a Customer violates any of these Terms and Conditions, or tampers with any of the Company's Gas Pipeline System or permits its service piping, or equipment connected thereto to become, in the opinion of the Company, hazardous, or neglects to pay the charges for Gas Distribution Service due to the Company at any of the times fixed for the payment thereof, or refuses to provide entry, or violates the provision of any contract or Rate Schedule applicable, or increases its Customer Load without the permission of the Company, or makes fraudulent use of the Company's Gas Distribution Service, the Company, or anyone acting under its authority, may, without prejudice to any other right or remedy which it may have against the Customer, on giving forty-eight (48) hours' notice to the customer, disconnect the Gas Distribution Service from its system. Notwithstanding the foregoing, if, in the opinion of the Company, the condition of the Customer's piping



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or equipment attached thereto is so hazardous as not to safely permit the giving of notice, no notice shall be required. The Customer shall, notwithstanding the discontinuance of Gas Distribution Service, be liable for and pay to the Company all charges for Gas Distribution Service supplied up to the time of such discontinuance

- (b) When a contract for service is terminated by a Customer and a new application for service has not been received by the Company, the Company shall discontinue the Gas Distribution Service to the premises.
- (c) If the piping or equipment described in (a) above is found to be hazardous or non-compliant, the Company, at its discretion, may choose to disconnect or shut off only that portion or piece of equipment which is in violation, in order to maintain Gas Distribution Service to the remaining Customer facilities. The Company will report these incidences to the authority having jurisdiction as per the Regulations made under the Act.

### **8.6 Multiple Dwellings**

- (a) Each individual unit within a multiple dwelling will be served as a separate Point of Delivery, unless the Company agrees otherwise.
- (b) Where the Company and a Customer have agreed that Gas Distribution Service to a Multiple Dwelling shall be delivered through a single Point of Delivery, the applicable Rate Schedule will apply to the Gas Distribution Service in which case resale shall be permitted only under and subject to a contract in writing entered into between the Company and the Customer.

### **8.7 Mobile Homes**

- (a) Service shall normally be provided to mobile homes through separate Points of Delivery, based on the applicable Rate Schedule.
- (b) Service provided to common use areas (e.g. laundry facilities) in a mobile home park shall be separately metered and billed at the applicable Rate Schedule.



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- (c) In mobile home parks or trailer courts where the Company reasonably believes homes are temporary, the Company may elect to provide Gas Distribution Service only through the Point of Delivery billed to the mobile home park or trailer court.

### **8.8 Standard Delivery Pressure**

The Company will meet the peak flow requirements of the Customer (as signed up) at the standard delivery pressure of 1.72 kPa, or at the Company's sole discretion, the prevailing operating pressure in the Gas Pipeline System at the Customer Site but with no guarantee of pressure greater than Standard Delivery Pressure. Customer requests for service beyond the standard utilization pressure may be required to pay a non-refundable contribution for the installation, administration and maintenance of the facilities required to comply with the request.

### **8.9 Effluent**

The Customer agrees that if any part of the Customer's process or operations produces or emits Effluent that may cause contamination to or otherwise affect the operation of the Company facilities used to provide Gas Distribution Service (including without limitation, the Company's facilities installed or interconnected to serve the Customer facilities) (the "Contamination"), the Customer shall immediately disclose this information to the Company personnel as soon as the potential for or actual Contamination, as the case may be, is known. Notwithstanding any other provision of the Terms and Conditions, the Customer shall indemnify the Company from any damage, injury, loss, costs and claims ("Costs") suffered or incurred by the Company, its agents or employees which are in any way incurred as a result of or connected with any Effluent produced or emitted by the Customer's process or operations. Such Costs shall include, without limitation, all reasonable expenses incurred in cleaning up Contamination, upgrading the Company's Gas Pipeline System to prevent any future occurrence of any similar contamination and/or to mitigate excessive costs of ongoing maintenance or, where a Gas Pipeline System upgrade is not feasible, the costs of continued maintenance of the Company facilities resulting from Contamination.



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## ARTICLE 9 – METERS

### 9.1 General Requirements

The Customer shall authorize the Company to connect, verify, maintain and exchange automated meter reading and/or monitoring equipment for the purpose of transmitting and collecting meter reading information. The Customer shall permit the Company to perform meter reading using automated monitoring equipment. The Company shall comply with the regulations of the authority having jurisdiction with regard to measurement equipment and devices. If Customer requests removal of automated monitoring equipment, the Company will charge the fee as per the Schedule of Non-Discretionary Charges.

### 9.2 Installation and Maintenance of Meters

The Company shall provide, install and maintain all necessary regulators and meters necessary for measuring the natural gas supplied to each Customer. Unless impractical, meters shall be installed on the outside of the premises, and in any case the location shall be subject to the approval of the Company so as to permit safe and convenient access, such approval not to be unreasonably withheld.

### 9.3 Meter Test and Adjustments

- (a) The Company may inspect and test a meter at any reasonable time.
- (b) At the request of Measurement Canada or an accredited agency as may, from time to time, be designated for this purpose, the Company shall arrange for a meter to be removed and tested by an official designated for that purpose. The Company will direct customers wishing to dispute the meter to Measurement Canada.
- (c) If a test determines that the meter is not accurate within the limits set by government standards, the Retailer's/DSP bill will be adjusted accordingly. Where it is impossible to determine when the error commenced, it shall be deemed to have commenced three (3) months before the test or the date of the meter installation, whichever occurred later. The Company shall not be liable to the



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Customer or Retailer/DSP for any additional costs that are associated with such metering or meter reading errors.

- (d) The Company reserves the right to assess a charge to the Customer or Customer's Retailer/DSP at the time of a meter test as set forth in the Schedule of Non-Discretionary Charges. This charge is reimbursed in circumstances when the meter tested is found to be faulty.
- (e) If any appliance of a Customer connected to the Gas Pipeline System prevents or impedes the meter from accurately recording the total amount of Energy supplied, the Company may forthwith de-energize or disconnect the Customer's Gas Distribution Service, or disconnect such appliance from the Gas Pipeline System and shall, in either case, estimate the amount of Energy consumed and not registered, as accurately as it is able to do so, together with any costs incurred by the Company in disconnecting such Gas Distribution Service, or appliance, and repair of any damage to the Company's Gas Pipeline System as the case may be. The Retailer's/DSP's bill will be adjusted accordingly for the estimated amount of Energy, delivery charges, and all other related costs.

## **ARTICLE 10 – RENDERING AND PAYMENT OF BILLS**

### **10.1 Meter Reading and Estimates**

- (a) The Company shall determine the method of meter reading collection for its meters and equipment.
- (b) Where the Company has determined the method of collection is through an automated meter reading device and the Customer refuses to allow installation, the Company will attempt Company meter readings approximately every six months. The Customer will be charged for each meter reading attempt as stated in the Schedule of Non-Discretionary Charges through the monthly tariff bill sent to the Retailer/DSP.





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- (c) Where the Customer requests the removal of an automated meter reading device, the Company will remove the device and will apply the appropriate fee as stated in the Schedule of Non-Discretionary Charges to the monthly tariff bill sent to the Retailer/DSP. In addition, the Company will attempt Company meter readings approximately every six months. The Customer will be charged for each meter reading attempt as stated in the Schedule of Non-Discretionary Charges through the monthly tariff bill sent to the Retailer/DSP.
  - (d) In any event the Company will require a meter reading twice per year or as directed by Measurement Canada or such other Regulatory requirement.
  - (e) In the event that there is a discrepancy between the mounted meter index and a meter monitoring or automated meter reading device, the mounted meter index reading will be deemed to be correct unless a meter test proves otherwise.
  - (f) The Company will assess a charge to the Customer or Customer's Retailer/DSP for additional reads above the Company's standard practices as well as in situations where a Customer has refused to allow an automated meter reading device to be installed. This charge is defined in the Schedule of Non-Discretionary Charges.
  - (g) The Company shall keep an accurate record of all meter readings for the purpose of billing the Gas Distribution Services provided.
  - (h) The Company may elect to change the meter reading schedule for a site, providing advance notice to the Retailer/DSP as defined by AUC Rule 004.
  - (i) The Company is not required to use a Customer provided meter reading for billing purposes.

## **10.2 Billing Delivery Charges to Retailer/DSP**

- (a) Billing to the Retailer/DSP will be based on meter readings made by the Company or on estimates for those billing periods when the meter is not read. The Company will issue billing to the Retailer/DSP in accordance with AUC Rule 004.



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- (b) Bills shall be rendered in accordance with AUC Rule 004.
  - (c) Failure to receive a bill shall not release the Customer or the Retailer/DSP from its obligation to pay the same.

### **10.3 Payment of Customer directly to the Company**

- (a) The payments for service provided to the Customer under the Rate Schedule and these Terms and Conditions (and collected by the Retailer, if applicable) shall commence on the first billing date after the earlier of the date upon which the Customer commences taking service or the Billing Commencement Date.
- (b) The Customer shall pay all amounts required to be paid under these Terms and Conditions upon receipt of a bill for such amounts. Bills shall be deemed rendered and other notices duly given when delivered to the Customer at the address provided by the Customer or Retailer/DSP for service. Failure to receive such bill from the Company will not entitle the Customer to any delay in the settlement of each account, or to any extension of the date after which a late payment charge becomes applicable. Any bill rendered to a Customer for which valid payment has not been received by the date indicated on the bill shall be considered past due. The Company reserves the right to assess a late payment charge as set forth in the Rate Schedule.
- (c) The Customer shall pay to the Company, on or before the 15<sup>th</sup> Business Day following the statement date, the amount invoiced by the Company and payable not later than the day shown upon the bill as the “due date”.
- (d) The Company may refuse to accept payment on a Customer's account when payment by cheque is drawn on a form other than a bank cheque form. In the event the Company accepts payment by cheque drawn on any other form, the Customer shall be liable for and pay to the Company all charges and costs incurred to process the cheque. The Company follows the Bank of Canada rules and regulations of currency acceptance limitations.



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#### **10.4 Late Payment Charge**

Any amount owing for service and not paid by the due date shown on the bill shall be subject to a late payment charge in accordance with the Rate Schedule, all of which will be due and payable forthwith after the due date. If an outstanding balance remains on a go-forward basis, the Company will initiate collection action including, but not limited to, disconnecting service to the customer.

#### **10.5 Dishonored Payments Fee**

The Company reserves the right to assess a service charge to the Customer, or the Customer's Retailer/DSP, in respect of any payment returned by the Customer's bank for any reason as defined in the Schedule of Non-Discretionary Charges.

#### **10.6 Billing Error**

Should the Customer or the Retailer/DSP dispute any amount owing, the Customer or Retailer/DSP shall nonetheless pay such disputed amount and submit the dispute for resolution in accordance with these Terms and Conditions. Following resolution of any such dispute, the Company will return any amount found owing, without interest, to the Customer or Retailer/DSP forthwith. The right or ability of either party to dispute a bill for service provided hereunder shall only apply to bills rendered during a period of two (2) years prior to the date of a written notice of such dispute. The Company may assess a charge to the Customer or Retailer/DSP for reviewing billing disputes, in circumstances where the Company has not been responsible for any billing error as established in the Schedule of Non-Discretionary Charges.

### **ARTICLE 11 – CHANGE IN SERVICE CONNECTION**

#### **11.1 Prior Notice by Customer**

- (a) A Customer shall give to the Company reasonable written notice prior to any change in Gas Distribution Service requirements, including any change in Load to enable the Company to determine whether or not it can supply such revised Gas



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Distribution Service without changes to its Gas Pipeline System. A Retailer/DSP, or any other person acting as Agent for a Customer, who provides the Company with verifiable authorization from the Customer, may give such notice to the Company on the Customer's behalf. If the Company receives such notice from a Retailer/DSP or Agent, the Company may, at its option, require such notice directly from the Customer. The Company shall not be obligated to supply to any Customer any Load in excess of that originally agreed to by the Company.

- (b) The Customer shall not change its requirement for a Gas Distribution Service without the Company's written permission. The Customer shall be responsible for all damage caused to the Company's Gas Pipeline System as the result of the Customer changing its requirements for a Gas Distribution Service without the Company's permission.

### **11.2 Changes to Company Facilities**

If a change in a Customer's Load would require changes to the Company's Gas Pipeline System, that Customer may be required to pay the Company's costs of such changes other than those costs which the Company would have borne upon accepting an application to serve an increased Load in the first instance. In any event, that Customer shall pay the Company's capital cost, less depreciation, of existing Specific Facilities which would be removed as a result of such Load change, together with the estimated cost of removing the same less the estimated salvage value, if any, thereof.

### **11.3 Relocation of Company Facilities**

In any case in which the Company is requested to relocate any of its Gas Pipeline System, including service lines, regulators and meters, or to install a remote meter index or automated meter reading device, the person requesting such relocation or installation may be required to pay the costs set out in the Schedule of Non-Discretionary Charges for so doing, and shall, if requested by the Company, pay the same in advance of the Company undertaking such relocation or installation. Any relocation shall be subject to the provisions of these Terms and Conditions. Any installation of a remote meter index or meter



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monitoring device shall be subject to these Terms and Conditions. The Company reserves the right, at its expense, to relocate regulators or meters for operating convenience.

## **ARTICLE 12 – SERVICE DISCONNECTS, REINSTATEMENT AND REMOVAL**

### **12.1 Disconnection**

#### *12.1.1 Termination by Customer*

Unless precluded by contract or industry rules from so doing, the Customer and/or Retailer /DSP may, at any time, give to the Company five (5) Business Days' notice of termination of Gas Distribution Service. Upon receipt of such notice, the Company may read the meter attached to such Gas Distribution Service, and Customer and or Retailer/DSP shall pay for all Gas Distribution Service supplied prior to such reading. In the event that the Company is unable to read the meter upon receipt of Customer or Retailer/DSP notice of termination, the charge for Gas Distribution Service supplied shall be based on an estimated meter reading which will be prorated from the time of an actual meter reading.

#### *12.1.1A Temporary Disconnection*

Upon the request of the Customer and or Retailer/DSP, the Company shall temporarily disconnect any Service Connection provided:

- (a) Upon the Retailer/DSP request to restore service the Customer or the Customer's Retailer/DSP will be responsible for and pay any applicable charges outlined under Article 12.2.
- (b) If the Service Connection remains disconnected for greater than six (6) months, the facilities located downstream of the meter outlet are subject to retest as prescribed by the authority having jurisdiction.
- (c) After six (6) months of service disconnection, ATCO Gas reserves the right to remove the meter.



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- (d) If the Service Connection remains disconnected for greater than twelve (12) months, it will be considered permanently disconnected and administered as per Article 12.1.1B herein.

#### *12.1.1B Permanent Disconnection*

- (a) If the Customer requests the Service Connection to be permanently disconnected, the Customer or Retailer/DSP billing for that service will be finalized. At the discretion of the Company, the Retailer/DSP will be allowed to remove the Customer from the account and the Gas Pipeline System provided by the Company may be removed.
- (b) If within three (3) years of permanent disconnection the Customer requests the Service Connection be restored, the Customer or the Customer's Retailer/DSP must pay all the costs associated with the original disconnection, removal of the Gas Pipeline System and restoration of service.

#### *12.1.2 Disconnection at Request of Retailer/DSP*

In accordance with sub-section 5(1) of the R3 Regulation and AUC Rule 028, the Retailer/DSP shall have the right to request that the Company de-energize service to a particular Customer and/or Site, and Company shall comply with that request, unless such action is inconsistent with Schedule B of the Company's Retailer Terms and Conditions for Gas Distribution Service.

#### *12.1.3 Disconnection by the Company*

- (a) The Company reserves the right to de-energize or disconnect Gas Distribution Service to the Site in a number of circumstances, including, but not limited to: failure to provide access at least once per year for meter reading; threats or harassment of employees or agents of the Company; non-payment of the Company bills or any past due charges by the Customer; evidence of safety violations, Energy theft, or fraud by the



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Customer; refusal of the Customer to allow change in facilities or equipment, or the Customer failing to meet its obligations under these Terms and Conditions or the Natural Gas Service Agreement.

- (b) If the disconnect is a result of a safety violation, the Company will reinstate the service when the safety problem is resolved and when the Customer has prepaid all costs associated with repair, damage or restoration of service, and addressed prevention of such damage, interference or disturbance and upon receipt of Retailer/DSP authorization where required. The Company may assess a reinstatement charge to the Retailer/DSP as set forth in the Schedule of Non-Discretionary Charges.

## 12.2 Reinstatement Service

This section applies when the Company is asked to reinstate or restore Gas Distribution Service to a Customer whose Gas Distribution Service was discontinued (whether or not at the request of the Customer, the Customer's Retailer/DSP or the Company).

Before reinstating or restoring service, the Customer or the Customer's Retailer/DSP must ensure facilities downstream of the meter conform to the requirements of the authority having jurisdiction and shall pay:

- (a) any amount owing to the Company including written off accounts;
- (b) any damages or replacement costs owed to the Company; and
- (c) a reinstatement charge as defined in the Schedule of Non-Discretionary Charges.

## 12.3 Removal of Facilities

Upon termination of Gas Distribution Service, the Company shall be entitled to remove any of its Gas Pipeline System or Specific Facilities located upon the property of the Customer and to enter upon the Customer's property for that purpose. The Customer may be required to pay the actual cost of removal (less estimated salvage value), the present value of the capital recovery stream(s) associated with the existing facilities being



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removed, and, where applicable, any other outstanding amounts attributable to the Customer including costs for transmission capacity. Customers with a current Natural Gas Service Agreement will be required to pay the present value of the capital recovery stream owing under the Natural Gas Service Agreement.

## **ARTICLE 13 – MISCELLANEOUS**

### **13.1 Gas Distribution Service Obtained from Retailer**

The Company will not initiate or continue Gas Distribution Service at a Point of Delivery unless the Customer is enrolled to obtain Gas Distribution Service. It is the Customer's responsibility to make arrangements with a Retailer to obtain Gas Services, including enrolment for Gas Distribution Service.

### **13.2 Transmission System Owner Requirements**

Retailers and Customers acknowledge and agree that the Company is bound by all operating instructions, policies and procedures of Transmission System owners. Each Retailer and Customer acknowledges and agrees that they will cooperate with the Company so that the Company will be in compliance with all such operating instructions, policies and procedures which include, but are not limited to, those operating instructions, policies and procedures pertaining to emergencies, and supply reductions or full interruption of customer load by either manual or automatic means.

### **13.3 Compliance with Applicable Legal Authorities**

The Company, Retailers and Customers, and agents thereof, are subject to, and shall comply with, all existing or future applicable federal, provincial and local laws, all existing or future orders or other actions of governmental authorities having applicable jurisdiction. The Company will not violate, directly or indirectly, or become a party to a violation of any applicable federal, provincial or local statute, regulation, bylaw, rule or order in order to provide a Service Connection or Gas Distribution Service. The Company's obligation to provide a Service Connection and Gas Distribution Service is subject to the condition that all requisite governmental and regulatory approvals for





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the provision of such services will have been obtained and will be maintained in force during such period of service.

#### **13.4 No Assignment of Agreements and Invalidity of Contractual Provisions**

Neither a Retailer or Customer shall assign any of their rights or obligations under these Terms and Conditions, a Natural Gas Service Agreement, or any other agreement with the Company relating to Gas Distribution Service without obtaining (a) any and all necessary regulatory approval(s); and (b) the prior written consents of the non-assigning party, which consent shall not be unreasonably withheld. No assignment shall relieve the Retailer or Customer of any of their obligations under these Terms and Conditions or any other agreement until such obligations have been assumed by the assignee. Any assignment in violation of this Section shall be void.

#### **13.5 No Waiver**

The failure of the Company or Customer to insist in any one or more instances upon strict performance of any provisions of the Terms and Conditions, a Natural Gas Service Agreement, or any other agreement, or to take advantage of any of its rights hereunder, shall not be construed as a waiver of any such provision or the relinquishment of any such right or any other right hereunder, which shall remain in full force and effect. No term or condition of these Terms and Conditions or any other agreement shall be deemed to have been waived and no breach excused unless such waiver or consent to excuse is in writing and signed by the party claimed to have waived or consented to excuse.

#### **13.6 Invalidity of Contractual Provisions**

If any provision of the Terms and Conditions, a Natural Gas Service Agreement, or any other agreement with the Company is to any extent held invalid or unenforceable, the remainder of the Terms and Conditions or the agreement, as the case may be, and the application thereof, other than those provisions which have been held invalid



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or unenforceable, shall not be affected and shall continue in full force and effect and shall be enforceable to the fullest extent permitted by law or in equity.

### **13.7 Law**

These Terms and Conditions and any other agreement between a Retailer or Customer shall be governed by the laws of the Province of Alberta and the federal laws of Canada applicable in the Province of Alberta, without regard to principles of conflicts of law. Any lawsuit arising in connection with these Terms and Conditions and any other agreement shall be brought in the courts of the Province of Alberta.

### **13.8 New Facilities and Gas Distribution Service Additions**

The Company reserves the right to communicate directly with the Customer in respect of any requests made by the Customer, the Retailer or any other party acting as agent for the Customer, for the construction of new facilities or for additional services. The Company reserves the right to charge the Customer directly for any amounts required to be provided to the Customer under the Terms and Conditions.



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**Schedule A – SAMPLE NATURAL GAS SERVICE AGREEMENT**

MEMORANDUM OF CONTRACT made the (day) of (month), (year)

BETWEEN: **(CUSTOMER NAME)**

(address)

(hereinafter called the "Customer")

- and -

**ATCO Gas and Pipelines Ltd.**, a body corporate with its Head Office in the City of Edmonton in the Province of Alberta ("ATCO Gas" or "Company")

WHEREAS the Customer has requested the Company to provide the Customer with Service Connection at a location known as:

**(Location of Service Connection)**

1. The Customer and the Company agree as follows:

- i. Billing Commencement Date: \_\_\_\_\_
- ii. Applicable Rate Schedule(s): \_\_\_\_\_
- iii. Service Requested: \_\_\_\_\_

  - a) Minimum Daily Contract Demand (GJ/D): \_\_\_\_\_
  - b) Minimum Delivery Pressure (kPa): \_\_\_\_\_
  - c) Contract Term: \_\_\_\_\_

- iv. Customer Contribution (includes applicable GST): \_\_\_\_\_
- v. Supplementary Charges: \_\_\_\_\_
- vi. Special Arrangements: \_\_\_\_\_

2. This Natural Gas Service Agreement is subject to the ATCO Gas' Customer Terms and Conditions for Gas Distribution Service ("Terms and Conditions"), as amended from time to time, which are approved by the Alberta Utilities Commission ("AUC"). Applicable Non-Discretionary Charges contained on the Schedule of Non-Discretionary Charges are payable in addition to the Customer Contribution.

3. The service provided hereunder is provided for the Customer's use only at the said location and the Customer shall not permit any other person to use such service.



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4. The Customer shall give to the Company reasonable prior written notice of any change in service requirements, including any change in load to enable the Company to determine whether or not it can supply such revised service without changes to its facilities.
  5. The Customer acknowledges that it has reviewed and understands these Terms and Conditions and agrees to be bound by them in all transactions with ATCO Gas.
  6. No person, whether an employee or agent of ATCO Gas or otherwise, can agree to change, alter, vary or waive any provision of the Terms and Conditions without the express approval of the AUC.
  7. This Natural Gas Service Agreement shall be effective on the date service is first made available, and thereafter shall remain in effect until terminated by either party in accordance with Article 12, as applicable, of the Terms and Conditions.
  8. This Natural Gas Service Agreement is subject to all applicable legislation, including the *Gas Utilities Act* and the Regulations made there under, and all applicable orders, rulings, regulations and decisions of the AUC or any other regulatory authority having jurisdiction over the Company or the matters addressed herein.
  9. This Natural Gas Service Agreement shall enure to the benefit of and be binding and enforceable by the parties hereto and their respective executors, administrators, successors and, where permitted, assignees.
  10. If any provision of this Natural Gas Service Agreement, or the application thereof, is to any extent held invalid or unenforceable, the remainder of this Natural Gas Service Agreement and the application thereof, other than those provisions which have been held invalid or unenforceable, shall not be affected and shall continue in full force and effect and shall be enforceable to the fullest extent permitted by law or in equity.
  11. Contracts or notices required with respect to the Contract shall be directed as follows:  
ATCO Gas and Pipelines Ltd.  
10035 – 105 Street,  
Edmonton, Alberta, T5J 1C8

IN WITNESS WHEREOF the Parties have executed this Contract as of the day first above mentioned.

**[CUSTOMER NAME]**

**ATCO Gas and Pipelines Ltd.**

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



**Attachment 4.3  
Retailer Terms and Conditions**

**RETAILER TERMS AND CONDITIONS  
FOR  
GAS DISTRIBUTION SERVICE**

**AUC Decision: 26283-D01-2021**

**Effective: April 1, 2021**



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## ARTICLE 1 – PREAMBLE

In accordance with the provisions of the Gas Utilities Act ("GUA") and the Regulations made thereunder ("Regulations"), ATCO Gas an operating division of ATCO Gas and Pipelines Ltd. ("ATCO Gas") will, for certain Customers, act solely as a Gas Distribution Service provider and will not be responsible for providing Gas directly to Customers or for billing delivery charges to Customers. In its role as a Gas Distribution Service provider, ATCO Gas will enable Retailers and the Default Supply Provider ("DSP") to acquire access to its Gas Pipeline System for the purposes of allowing them to sell Gas directly to Customers. A Customer may also act as a Self-Retailer by carrying out retailer functions to obtain Gas Services solely for its own use.

These Terms and Conditions are intended to apply to the relationship between ATCO Gas, as a Gas Distribution Service provider and all Retailers, the DSP, or any party who will be acting as an Agent on behalf of the Retailer/DSP for transactions governed by these Terms and Conditions. These Terms and Conditions will also govern the relationship between ATCO Gas and Customer(s) for whom the Retailer/DSP or any other party is acting as an Agent in its dealings with ATCO Gas. These Terms and Conditions serve as a companion to the Customer Terms and Conditions for Gas Distribution Service which are intended to govern the relationship between ATCO Gas and Customer(s), or any other person whom the Customer has assigned to act on its behalf in its dealings with ATCO Gas, regarding the provision of Gas Distribution Service on its Gas Pipeline System.

These Terms and Conditions outline the rules that Retailers, the DSP, and Agents must follow to engage in Retailer transactions with the Company.

The service provided by ATCO Gas hereunder is regulated by the Alberta Utilities Commission ("AUC"), and parties having any inquiries or complaints regarding these Terms and Conditions may direct such inquiries or complaints directly to ATCO Gas or to the AUC. These Terms and Conditions have been approved by the AUC.



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## ARTICLE 2 – DEFINITIONS AND INTERPRETATION

### 2.1 Definitions

The following words and phrases, whenever used in these Terms and Conditions, the Company's Natural Gas Rate Schedules, Company's Retailer Guide or a Distribution Access Service Agreement, shall have the meanings set forth below:

*"Account"* means a record maintained by ATCO Gas which contains receipts, deliveries, Rider D, Imbalance Purchase and Imbalance Sale, and adjustments applicable to each Retailer/DSP providing Gas Services to Customers on the Gas Pipeline System;

*"Account Balancing"* means the process of managing Gas receipts and/or deliveries in an Account in order to keep the difference, net of adjustments, within the tolerance specified by the Imbalance Window;

*"Account on the Transmission System"* means the account held by the Company on NOVA Gas Transmission Ltd.;

*"Act"* means the *Gas Utilities Act, R.S.A. 2000, c.G-5*, as amended from time to time;

*"Agency Appointment Agreement"* means an agreement between a Retailer/Self-Retailer or DSP and another party wherein the other party is appointed as Agent for that Retailer/Self-Retailer, or DSP;

*"Agent"* means a person who performs functions on behalf of a Self-Retailer, Retailer, or DSP including, but not limited to, retailer transactions with the Company;

*"AUC"* means the Alberta Utilities Commission established under the *Alberta Utilities Commission Act, S.A. 2007, c.A-37.2*, as amended from time to time;

*"AUC Rule 028"* means AUC Rule 028 - Natural Gas Settlement System Code that governs the standards for determining and communicating retail natural gas consumption for the purpose of load settlement;

*"Backcast"* means an estimate of Customer Load prepared for the current Gas Day as described in the Retailer Guide;



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*"Business Day"* is any day other than Saturday, Sunday or a holiday as defined in the *Interpretation Act, R.S.A. 2000, c.1-8*, as amended from time to time;

*"Company"* means ATCO Gas, an operating division of ATCO Gas and Pipelines Ltd. or its successor;

*"Consumer Protection Act"* means the *Consumer Protection Act, R.S.A. 2000, c.C-26.3*, as amended from time to time;

*"Credit Rating"* shall mean, with respect to a Retailer on any date of determination, (1) the respective rating then assigned to its issuer rating or unsecured and senior, long-term indebtedness (not supported by third party credit enhancement) by S&P, DBRS or Moody's or (2) the issuer rating by S&P, DBRS or Moody's. In the event of a split rating the lower shall prevail;

*"Customer"* means a person, firm, partnership, corporation, organization or association (including without limitation, individual members of any unincorporated entity) who consumes Gas in end-use at its location and is connected to the Company Gas Pipeline System;

*"Customer Billing Information"* means the information required to be included on the Customer's bill issued by the Retailer/DSP as required by the Natural Gas Billing Regulation, A.R. 185/2003, or Default Gas Supply Regulation, A.R. 184/2003 respectively, as amended from time to time, and provided by the Company;

*"Customer Information"* includes the data specified in the AUC Rule 028 and other information, including safety related information, required to provide safe Gas Distribution Service to Customers;

*"Customer Usage Information"* means information regarding the historical Gas consumption as specified in AUC Rule 010;

*"Day"* means a period of twenty-four (24) consecutive hours;

*"DBRS"* Dominion Bond Rating Service, or its successor;



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*"Default Supply Provider"* or "DSP" means a Gas Distributor or a person authorized by a Gas Distributor, who provides Gas Services to Customers under rates, tolls or charges fixed by the AUC and terms or conditions fixed by the AUC;

*"Distribution Access Service"* means the service required to transport Gas to Customer(s) by means of a Gas distribution system. This service enables a Customer to obtain Gas supply service through Self-Retailing, from a Retailer or the DSP and is governed by these Terms and Conditions;

*"Distribution Access Service Agreement"* means an agreement for the provision of Distribution Access Service pursuant to these Terms and Conditions between the Company and a Retailer/DSP, in the form attached as Schedule A hereto;

*"Final Monthly Settlement"* means the last Gas Settlement performed for a Retailer/DSP's Sites(s) for a Month, as described in AUC Rule 028;

*"Forecast"* means an estimate of Customer Load prepared for the current or next Gas Day and includes forecast F1, F2, and F3 as described in the Retailer Guide;

*"Force Majeure"* means circumstances not reasonably within the control of the Company, including acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, pandemics, epidemics, landslides, lightning, earthquakes, fires, storms, floods, high water, washouts, inclement weather, orders or acts of civil or military authorities, civil disturbances, explosions, breakdown or accident to equipment, mechanical breakdowns, temporary failures of gas supply, the intervention of federal, provincial, state or local government or from any of their agencies or boards excluding decisions and/or orders made by the AUC in the normal course of it exercising its authority to establish the revenue requirement of the parties to this agreement, the order or direction of any court, and any other cause, whether of the kind herein enumerated or otherwise;

*"Gas"* means all natural gas both before and after it has been subjected to any treatment or process by absorption, purification, scrubbing or otherwise, and includes all fluid hydrocarbons;



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"*Gas Day*" means a Day beginning at eight hours (08:00), Mountain Standard Time;

"*Gas Distribution Service*" means the service required to transport Gas to Customers by means of a Gas Pipeline System, and includes any services the Gas Distributor is required to provide by the AUC or is required to provide under the *Act* or Regulations made thereunder;

"*Gas Distributor*" means the owner, operator, manager or lessee of a gas distribution system as defined in the *Act*;

"*Gas Distribution Tariff*" means the rates, tolls or charges fixed by the AUC and the terms and conditions fixed by the AUC, for Gas Distribution Service;

"*Gas Pipeline System*" means all those facilities owned or used by the Company in the receipt, delivery, transportation, measurement and testing of Gas, (including, without limitation, transmission and distribution lines, regulators, meters, equipment and machinery);

"*Gas Services*" as defined in the *Act* means:

- (i) the Gas that is provided and delivered, and
- (ii) the services associated with the provision and delivery of the Gas, including:
  - (A) arranging for the exchange or purchase of the Gas,
  - (B) making financial arrangements to manage the financial risk associated with the price of Gas,
  - (C) arranging for Gas Distribution Service,
  - (D) arranging for delivery of Gas to the gas distributor's specified Point(s) of Receipt,
  - (E) storage,
  - (F) billing, collection and responding to customer billing inquiries,
  - (G) maintaining information systems, and
  - (H) any other services specified by the Minister by order as Gas Services;



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*"Gas Settlement"* means any or all of Initial Monthly Settlement, Interim Monthly Settlement and/or Final Monthly Settlement as defined in the AUC Rule 028;

*"GJ"* means gigajoules or one billion (1 000 000 000) joules;

*"Gross Heating Value"* means the number of megajoules obtained from the combustion of a cubic metre of gas at a temperature of fifteen degrees Celsius (15°C), with the gas free of water vapor, and at a pressure of 101.325 kPa absolute and with the products of combustion cooled to the initial temperature of the gas and the water formed by the combustion condensed to the liquid state;

*"Imbalance"* means the difference between energy quantities of Gas received and Gas delivered, net of adjustments, in an Account each Gas Day;

*"Imbalance Window"* means a range of Imbalances within which an Account is considered to be in balance without action being taken to adjust receipts into or deliveries from that Account;

*"Imbalance Purchase/Sale"* means the removal from, by Imbalance Purchase, or addition to, by Imbalance Sale the daily Account Imbalance energy quantity outside the nearest Account daily Imbalance Window boundary, as the case may be, in a Retailer/DSP Account by ATCO Gas which will be settled financially;

*"Intercontinental Exchange"* means Intercontinental Exchange, Inc., an electronic trading platform that may be used by market participants for transactions related to, among others, natural gas energy purchase or sale;

*"Load"* means the amount of natural Gas delivered or required to be delivered at any specific point or points in the Gas Pipeline System;

*"LBDA"* means the Company's load balancing deferral account that is used to record certain revenues and expenses associated with load balancing the Gas Pipeline System, including without limitation balancing purchase/sales and Imbalance Purchase/Sales;

*"Moody's"* shall mean Moody's Investor Services, Inc., or its successor;





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*"Month"* means a period beginning at eight hours (08:00), Mountain Standard Time, on the first day of a calendar month and ending at eight hours (08:00), Mountain Standard Time, on the first day of the next succeeding calendar month;

*"NGX"* means Natural Gas Exchange Inc., an exchange for the trading and clearing of natural gas and electricity contracts that operates in a North American Technology and Physical Clearing Alliance with Intercontinental Exchange, Inc.;

*"Natural Gas Service Agreement"* means an agreement for the provision of a Service Connection pursuant to the Terms and Conditions for Distribution Service Connection, between the Company and a Customer;

*"Nomination"* means a request in electronic or other written or verbal form for Gas to flow at a Point of Receipt, a Point of Delivery or for receipt into or delivery out of an Account at a specified quantity on a specified date(s);

*"Point of Delivery"* for service by the Company to the Customer, means, unless otherwise specified in a Natural Gas Service Agreement, the outlet side of a meter;

*"Point of Receipt"* means the point on the Company's system at which Retailer/DSP delivers Gas to the Gas Pipeline System under the Distribution Access Service Agreement. For clarity, this is usually indicated by Company's acceptance of a receipt Nomination into the Retailer/DSP's Account;

*"Qualified Institution"* means a Schedule I Chartered Bank in Canada, a major U.S. commercial bank, or a foreign bank with a U.S. or Canadian branch office which is not the Retailer (or a subsidiary or affiliate of the Retailer) having assets of at least CAD 10 billion and with a Credit Rating of a least "A" by S&P (or an equivalent rating by a comparable credit rating service);

*"R3 Regulation"* means the *Roles, Relationships and Responsibilities Regulation, A.R. 186/2003*, as amended from time to time;

*"Rate Schedule"* means the natural gas rate schedule prepared by the Company and approved by the AUC, as amended from time to time;



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*"Retailer"* means a person who sells or provides retail Gas Services directly to Customers and who is entitled to enroll Customers for Distribution Access Service under these Terms and Conditions and includes Self-Retailers;

*"Retailer Business Function Identification"* means the 2 character identification that describes the Retailer's/DSP's business function as a Retailer or a DSP as is specified in the Company's Retailer Guide.

*"Retailer/DSP Account"* means an Account held by a Retailer or the DSP;

*"Retailer Guide"* means the guide prepared by the Company which describes the business processes between the Company and the Retailer/DSP in relation to the provision of service under these Terms and Conditions and AUC Rule 028;

*"Retailer Identification"* means the 9 digit number that uniquely represents each Retailer/DSP operating within Alberta;

*"Retailer of Record"* means the Retailer or DSP who is listed in the Company's records through the procedures outlined in these Terms and Conditions, AUC Rule 028 and Retailer Guide and thereby recognized by the Company, as a particular Customer's Retailer or DSP for a Point of Delivery at a particular time;

*"Rider D"* means a rate rider, expressed as a percentage, approved by the AUC applicable to Retailer/DSP Accounts for the recovery in kind of Unaccounted For Gas;

*"S&P"* means Standard & Poor's Financial Services LLC, or its successor;

*"Same Day Market"* means the intra-Alberta natural gas market that is generally available during trading hours on a calendar Day for transactions applicable to the Gas Day commencing on the same calendar Day;

*"Self-Retailer"* means a person carrying out Retailer functions to obtain Gas solely for its own use;

*"Service Connection"* shall have the meaning ascribed thereto in Company's Customer Terms and Conditions for Gas Distribution Service;



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*"Single Family Dwelling"* means a private residence provided with sleeping and cooking facilities intended for domestic use and in which the occupants live as a single housekeeping unit that is not part of a multiple dwelling;

*"Site"* means a unique end-use Point of Delivery, being the finest level at which settlement recognizes Retailer and DSP assignments, and receives consumption data;

*"Site ID"* means a unique identification number assigned by the Company for each unique end-use Point of Delivery;

*"Specific Facilities"* means those facilities installed by the Company for the benefit of a particular Customer/Retailer/DSP which are connected to the Gas Pipeline System and are required to transport Gas;

*"Tariff Bill File"* means a physical electronic file containing site-specific tariff charges, usage and demand information for given tariff bill periods; it may also contain applicable site-specific one time charges. The tariff bill file rules are contained in AUC Rule 004 Alberta Tariff Billing Code;

*"Transmission Balance Zone"* means a range of Imbalances provided by NOVA Gas Transmission Ltd. within which the Company's Account on the Transmission System is considered to be in balance;

*"Transmission System"* means all those facilities owned or operated by ATCO Pipelines and NOVA Gas Transmission Ltd. in the receipt, delivery, transportation, measurement and testing of Gas (including, without limitation, transmission lines, regulators, meters, equipment and machinery);

*"Unaccounted For Gas"* means Retailer's and DSP's share of Company's unaccounted for Gas, as specified in rate Rider D of the Company's Rate Schedule;

*"Yesterday Market"* means the intra-Alberta natural gas market that is generally available during trading hours on a calendar Day for transactions applicable to the Gas Day commencing on the previous calendar Day.



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## 2.2 Conflicts

- (a) If there is any conflict between a provision expressly set out in an order of the AUC and these Terms and Conditions, the order of the AUC shall govern.
- (b) If there is any conflict between a provision expressly set out in these Terms and Conditions, as may be amended from time to time, and a Distribution Access Service Agreement, the express provision of these Terms and Conditions shall govern, as of their effective date.

## 2.3 Headings

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

## 2.4 Schedules and Appendices

The following schedules and appendices form part of these Terms and Conditions:

- Schedule A – Distribution Access Service Agreement (attached to this document)
- Schedule B – De-energize Customer Site (attached to this document)
- Schedule C – Imbalance Purchase/Sales Charges (attached to this document)
- Schedule of Non-Discretionary Charges (available at [atco.com](http://atco.com))

## ARTICLE 3 – GENERAL PROVISIONS

### 3.1 AUC Approval

These Terms and Conditions have been approved by the AUC. The Company may amend these Terms and Conditions by filing a notice of amendment with the AUC. Included in the notice to the AUC shall be notification of which Retailers/DSP are affected by the amendment and an explanation of how affected Retailers/DSP will be notified of the amendments. Any amendment to the Terms and Conditions will take effect sixty (60) days after such notice is filed, unless the AUC otherwise directs.



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### **3.2 Gas Distribution Tariff**

The Gas Distribution Tariff is available for public inspection during normal business hours at the business offices of the Company and at the offices of the AUC and can be accessed at ATCO Gas's website at: [atco.com](http://atco.com). These Terms and Conditions form part of the Gas Distribution Tariff.

### **3.3 Effective Date**

These Terms and Conditions come into force as per the Effective Date shown on the cover page. Whenever the Company files notice of an amendment to these Terms and Conditions, or when the AUC approves an amendment to these Terms and Conditions, revisions will be issued, with the effective date of the amendments indicated thereon.

### **3.4 Application of Terms and Conditions**

- (a) These Terms and Conditions, as amended from time to time, apply to the Company, to each Retailer and DSP. These Terms and Conditions also govern the relationship between the Company and Customer(s) for whom the Retailer/DSP is acting as an Agent in its dealings with the Company.
- (b) These Terms and Conditions also apply to any party appointed as Agent for a Retailer pursuant to an executed Agency Appointment Agreement, as set out in the Retailer Guide.
- (c) No agreement can provide for the waiver or alteration of any part of these Terms and Conditions unless such agreement is first filed with and approved by the AUC.

### **3.5 Retailer Guide**

The Company has developed the Retailer Guide to help Retailers/DSP and Customers understand the normal practices of the Company. The Retailer Guide is available on the Company website at [atco.com](http://atco.com). The Retailer Guide will be updated, from time to time, to reflect changes to the Gas utility industry, or the changing needs of the Retailers, DSP or Customers. The Company is committed to follow practices in the Retailer Guide. However, as these practices cannot cover every situation that arises, it may be necessary to deviate from the Retailer Guide in certain circumstances.



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### **3.6 Ownership of Gas Pipeline System**

- (a) The Company remains the owner of all segments of the Gas Pipeline System, unless an agreement between the Company and the Retailer, DSP, or Customer specifically provides otherwise.
- (b) Payment made by Retailers/DSP or Customers for costs incurred by the Company in installing any segment of the Gas Pipeline System and Specific Facilities does not entitle Retailers/DSP or Customers to ownership of any such segment or any intellectual property, engineering, design, or other information or data, or any other rights relating to or in respect to such Facilities unless an agreement between the Company and the Retailer, DSP or Customer specifically provides otherwise.

### **3.7 New Gas Pipeline System Segments, Specific Facilities and Service Additions**

The Company reserves the right to communicate directly with the Customer in respect of any requests made by the Customer, or a party acting on its behalf, for the construction of new Gas Pipeline System segments, Specific Facilities or additional services as provided for in the *Natural Gas Billing Regulation, A.R. 185/2003*, as may be amended from time to time. The Company reserves the right to charge the Customer directly for any amounts required to be provided by the Customer under the Customer Terms and Conditions for Gas Distribution Service.

### **3.8 Title or Interest in Gas**

The Company shall not acquire any title or interest in the Gas being transported under the Distribution Access Service Agreement.

### **3.9 Exclusive Control of Gas**

Gas delivered to the Company by Retailer or DSP for transportation shall be under the exclusive control of the Company from the time such Gas is accepted for transportation at the Point of Receipt until delivered at the Point of Delivery.



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### **3.10 Routing and Facilities**

The Company does not dedicate the Gas Pipeline System or Specific Facilities to transport Gas for Retailers or DSP, and accordingly the routing and facilities used in the transportation of Gas through the Gas Pipeline System for Retailers and DSP shall be at the Company's sole discretion and may change from time to time.

### **3.11 Commingling or Exchange**

The Company may in the course of transporting Gas through the Gas Pipeline System commingle with or exchange Gas owned by or transported for others, or remove certain hydrocarbon components present in the Gas. As commingling, exchanging, or the removal of certain hydrocarbon components may alter the Gross Heating Value or constituent parts of the Gas between the Point of Receipt and the Point of Delivery, the Company shall not be required to deliver at the Point of Delivery Gas with the same Gross Heating Value or containing the same constituent parts as Gas delivered at the Point of Receipt and the Company shall make whatever compensating adjustments to volume and Gross Heating Value as may be warranted. In the event, and to the extent, that any hydrocarbon components in the Gas delivered at the Point of Receipt are absent from the Gas delivered at the Point of Delivery as the result of commingling, exchanging or removal of such hydrocarbon components in the course of transporting the Gas, title to such hydrocarbon components shall, notwithstanding anything to the contrary otherwise contained in the Distribution Access Service Agreement, be deemed conclusively to have passed to the Company.

### **3.12 Right to Transport**

Retailer/DSP covenants with the Company that Retailer/DSP shall have the right to transport all Gas delivered under the Distribution Access Service Agreement to the Company at the Point of Receipt.



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## **ARTICLE 4 – GENERAL OBLIGATIONS OF RETAILERS, DEFAULT SUPPLY PROVIDER**

### **4.1 Timeliness, Due Diligence and Security Requirements**

- (a) The Retailer/DSP shall exercise due diligence and use reasonable efforts in meeting its obligations hereunder, and perform same in a timely manner.
- (b) The Retailer shall adhere to all credit, deposit and security requirements specified in these Terms and Conditions.
- (c) The Retailer/DSP shall make every effort to ensure that its Customers are aware of the provisions of these Terms and Conditions that may affect the Customer(s).

### **4.2 Arrangements with Customers**

Unless otherwise stated herein, the Retailer shall be solely responsible for having appropriate contractual or other arrangements with Customer(s) necessary to provide service to Customers. The Company shall not be responsible for monitoring, reviewing or enforcing such contracts or arrangements and shall not be liable for any loss, damages, cost, injury, expense or other liability, whether direct, indirect, consequential or special in nature, howsoever caused, as a result of the Retailer's failure to perform its obligations to its Customer(s).

### **4.3 Responsibility for Gas Purchases**

The Retailer/DSP will be solely responsible for the purchase of Gas supply for the Customer(s) it provides Gas Services to and for arranging the delivery of such Gas to the Point of Delivery for the Customer(s), subject to these Terms and Conditions.

### **4.4 Retailer Authorization**

The Retailer shall be responsible for obtaining authorization from each Customer authorizing the enrollment of the Customer for receipt of Distribution Access Service by such Retailer.





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#### **4.5 Retailer and DSP Identification**

Any information exchange or communications between the Retailer or DSP and the Company under these Terms and Conditions shall employ Retailer Identification. The Retailer or DSP is required to specify the “Operating As” business name for each Retailer Identification.

#### **4.6 Single Retailer/DSP for Customer**

The Company shall not be required to recognize and deal with more than one Retailer and/or DSP in respect of a Point of Delivery at any given time. Nothing in these Terms and Conditions shall prohibit a Customer from entering into arrangements with multiple Retailers and/or DSP for a Point of Delivery, provided that a single Retailer/DSP is designated to be the Customer's Retailer/DSP for the purposes of these Terms and Conditions.

#### **4.7 Fees and Other Charges**

The Company will provide all standard services hereunder pursuant to the Gas Distribution Tariff. All additional, supplementary or extra non-discretionary services provided by the Company to a Retailer/DSP or Customer where applicable will be charged a separate rate or fee, such as those included, without limitation, in the Schedule of Non-Discretionary Charges. Payment for these services shall be in accordance with the provisions of these Terms and Conditions.

### **ARTICLE 5 – CUSTOMER INQUIRIES AND CUSTOMER INFORMATION**

#### **5.1 Customer Inquiries**

For Customers requesting information about retailer choice, the Company shall:

- (a) make available notification and informational materials to consumers about competition and consumer choices;
- (b) direct Customers to an external source where they may obtain information about consumer choice. The Company is under no obligation to assure the accuracy of this information.



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## 5.2 Customer Inquiries Related to Emergency Situations and Outages

Retailers/DSP shall make every effort to ensure Customers contacting the Retailer/DSP regarding distribution emergency conditions, outages, safety or environment situations related to the Company's distribution system are referred directly to the Company immediately. The Company reserves the right, without providing notice to the Retailer/DSP, to test or audit the response time of the Retailer/DSP. The Company will communicate any unacceptable patterns to the Retailer/DSP to be corrected.

## 5.3 Customer Information

### 5.3.1 *Provision of Customer Usage Information to a Retailer/DSP*

The provision of Customer Usage Information to a Retailer/DSP will be as specified in AUC Rule 010.

### 5.3.2 *Provision of Customer Information to the Company*

The Retailer/DSP must notify the Company as promptly as reasonably practical of any changes to Customer Information, as the Company relies on this information to reasonably perform its Gas Distribution Service obligations to Customers. Such information shall be provided in a form that is compliant with AUC Rule 028 and the Retailer Guide. The Company shall not be liable for any loss, damages, cost, injury, expense or other liability, whether direct, indirect, consequential or special in nature, howsoever caused, as a result of the Retailer's/DSP's failure to provide up-to-date and accurate Customer Information to the Company. The Company reserves the right to assess a charge to recover the costs incurred by the Company for additional work undertaken by the Company as a result of inaccurate Customer Information provided by the Retailer/DSP, as set forth in the Schedule of Non-Discretionary Charges.

### 5.3.3 *Provision of Customer Information to the Retailer*

The Company will notify the Retailer/DSP of Customer Information and/or activities in situations where it is known or suspected that the Customer is vulnerable or where the Company and/or the Retailer/DSP are being adversely affected by the Customer's actions.



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## ARTICLE 6 – PROVISION OF SERVICE

### 6.1 Qualification for Service

#### 6.1.1 Qualification for Service

The Retailer/DSP must fulfill the following requirements to the satisfaction of the Company before the Company will provide Distribution Access Service to that Retailer/DSP:

- (a) submit to the Company a fully completed, executed Distribution Access Service Agreement (Schedule A) and a Retailer of Record and Credit Application Form as set out in the Retailer Guide;
- (b)
  - (1) for Retailers, providing Gas Services to Customers whose annual consumption is less than or equal to 2500 GJ of gas per year, furnish a certified copy of the license issued to it and warrant in writing to the Company that it is licensed pursuant to and will comply with the provisions of the Consumer Protection Act, and any regulations or policies made thereunder;
  - (2) for Retailers providing Gas Service to Customers whose annual consumption is greater than 2500 GJ of gas per year, warrant in writing to the Company that it will comply with the provisions of the Consumer Protection Act, and any regulations or policies made thereunder.
- (c) the Retailer (excluding the DSP) must satisfy the credit requirements of the Company as set forth in Article 11 hereof;
- (d) warrant in writing to the Company that it will comply with the guidelines established in the Retailer Guide;
- (e) meet the compliance testing protocol of the Company in respect of information exchange, which protocol is set forth in the Retailer Guide;



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- (f) meet any other requirements that the Company, acting reasonably, may impose in order to provide Distribution Access Service hereunder. If the Company determines that additional requirements must be satisfied in order to qualify for Distribution Access Service, the following process will apply:
- (1) where the Company is confronted with a situation which the Company, in its sole discretion, considers would materially alter the risk to the Company, or where the Company must impose additional requirements in order to comply with applicable legislation, the Company may implement the additional requirement and then apply to the AUC for approval of same; or,
  - (2) where the Company is not confronted with the circumstances outlined in (1), above, the Company shall apply to the AUC for approval of the proposed additional requirement prior to implementing same.

#### *6.1.2 Provision of Distribution Access Service*

Upon satisfaction of the above requirements and ability of Retailer to meet processes specified in the Retailer Guide, the Company will provide Distribution Access Service to the Retailer/DSP, subject to these Terms and Conditions. Subject to complying with all applicable laws, and the directions or requirements of any of those mentioned above, the Company reserves the right upon giving the Retailer/DSP ten (10) Business Days' notice, acting reasonably, to discontinue Distribution Access Service to the Retailer/DSP if at any time the Retailer/DSP no longer fulfills the above requirements, subject to the provisions of Article 7.3, Article 11.2(d), Article 13 and Article 14.1(d) herein.

## **6.2 Application for Site Enrollment**

- (a) In order to initiate the provision of Distribution Access Service by the Company, the Retailer/DSP shall complete and provide to the Company an enrollment for Distribution Access Service in the form and manner set out in AUC Rule 028.



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- (b) The Company will, subject to the Retailer/DSP meeting the provisions of these Terms and Conditions and in compliance with the AUC Rule 028, accept an enrollment by a Retailer/DSP for provision of Distribution Access Service hereunder. The Company reserves the right to verify the identity of the Customer and the accuracy of the Customer Information.
  - (c) Upon receipt of a valid enrollment from a Retailer/DSP in the form and manner set out in the AUC Rule 028, the Company will recognize the Retailer/DSP as the Retailer of Record for that particular Site.
  - (d) Enrollments will be processed for Retailers by the Company on a first-come, first-served basis, followed by the DSP at the end of business day. Each enrollment will be time and date-stamped when received by the Company.
  - (e) Once the enrollment is submitted, the Company will provide the Retailer, in accordance with AUC Rule 028, a status notification informing the Retailer whether the enrollment has been accepted or rejected.
  - (f) In accordance with Article 12 of these Terms and Conditions, the Company will obtain meter reads from time to time. The Company does not obtain a company meter reading at the time of enrollment, de-enrollment or customer move in and out; the Company will estimate a meter read. At the request of the Retailer/DSP, the Company shall obtain an actual off-cycle meter read and assess a charge to the Retailer/DSP as set forth in the Schedule of Non-Discretionary Charges.
  - (g) If a Retailer finds that it has enrolled an incorrect Site, that Retailer/DSP shall notify the Company as soon as reasonably possible. Upon receiving notice from the Retailer/DSP, the Company will notify the previous Retailer/DSP in the manner set out in AUC Rule 028.
  - (h) The Retailer/DSP will not be liable to the Company for any outstanding indebtedness of the Customer to the Company, which accrued prior to the receipt by the Retailer/DSP of Distribution Access Service hereunder.



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## ARTICLE 7 – BILLING & PAYMENT

### 7.1 Retailer/DSP Billing

The Company will bill the Retailer/DSP for Distribution Access Services provided to the Retailer/DSP in accordance with AUC Rule 004 billing procedures set out as follows:

- (a) For the purpose of determining the amount to be billed by the Company and paid by the Retailer/DSP for the transportation of Gas under the Distribution Access Service Agreement, the unit to be used shall be one (1) GJ.
- (b) The Company will invoice the Retailer/DSP each billing cycle for Distribution Access Service provided by the Company for the period prior to the billing cycle; including the Imbalance Purchase/Sale amount, if any, as stipulated in Article 7.2(b) and Article 13.3 herein. The Company also reserves the right to perform off-cycle billings.
- (c) The Company will not assume any billing or collection obligations or responsibilities for or on behalf of the Retailer/DSP. The Retailer/DSP shall process Customer payments and handle collection responsibilities.
- (d) The Company reserves the right to bill the Customer directly for any amounts required to be provided by the Customer under the Customer Terms and Conditions for Gas Distribution Service. The Retailer/DSP shall refer to the Schedule of Non-Discretionary Charges with respect to these services.
- (e) Retailers, DSP, or any party acting as an Agent on behalf of Retailers/DSP are required to provide Customers with notification of a Company distribution rate change in the billing envelope or through the electronic billing and payment process that accompanies the first charge to the Customer at the new rate.

### 7.2 Payment and Collection Terms

- (a) The Retailer/DSP shall pay to the Company, on or before the 15th Business Day following the Business Day on which the Retailer/DSP was invoiced, the amount invoiced by the Company for the preceding period.



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- (b) Company shall invoice, and Retailer/DSP shall pay, the monthly net Imbalance Purchase/Sale amount, if any, on the next available billing cycle following the date on which the Imbalance Purchase/Sale amount was authorized by the Company;
  - (c) The Company will establish an electronic billing and payment procedure for the payment of services hereunder. Notwithstanding, the Company will accept payment by cash or certified cheque if agreed to by the Company.
  - (d) The Company has established two electronic billing options for Retailers/DSP electing to send and receive payments electronically. The Preauthorized Payment Agreement ("Authorization") and the Electronic Payment Transfer Agreement, as set out in the Retailer Guide, set forth the terms and conditions for making payments and providing remittance information electronically.
  - (e) The Retailer/DSP shall pay all amounts owed to the Company for any of the Distribution Access Services (which includes Imbalance Purchase/Sale) provided by the Company whether or not the Customer has paid the Retailer/DSP.
  - (f) Failure to receive a bill does not release a Retailer/DSP from the obligation to pay the amount owing for any of the Distribution Access Services provided by the Company.
  - (g) The Company shall charge interest on the late payment as set forth in the Company's Rate Schedule.

### **7.3 Late or Unpaid Bills**

- (a) If a Retailer defaults or is late in paying charges, subject to (b)(4) below, the Company will provide the Retailer notice as required below in (b)(1), and will be entitled to draw on the security of the Retailer if the Retailer's arrears are not paid within (3) three Business Days after the date of the notice. The Retailer must provide an additional deposit to replace the funds drawn down because of the default or late payment as stipulated in Article 11.2 herein.



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- (b) (1) If a Retailer defaults in its payments the Company must provide the Retailer with a notice in writing stating that the Retailer is in default in its payments to the Company under the Company's Rate Schedule and these Terms and Conditions, and advising that the Company may make a claim against the Retailer's security if the arrears are not paid within (3) three Business Days after the date of the notice.
- (2) If after the expiry of the period set out in (b)(1) the Retailer's arrears remain unpaid, the Company may make a claim against the Retailer's security to cover the arrears. The Company may also discontinue or restrict Distribution Access Service to the Retailer with three (3) Business Days' notice if in its opinion not doing so could impair its ability to use the Retailer's security for continuing arrears or amounts that have not been billed but are owed to ATCO Gas.
- (3) If the Retailer has provided security in the form of a financial deposit, the Company may deduct from that deposit the amount of the unpaid arrears.
- (4) If in the opinion of the Company the giving of notice in accordance with (b)(1) would impair the Company's ability to make a claim against a Retailer's security or to deduct the unpaid arrears from a Retailer's financial deposit, the Company may make the claim or deduct the unpaid arrears without notice.
- (c) The Company may, at its sole discretion and in addition to any other remedies available to it, restrict enrollment or terminate Distribution Access Service to the Retailer/DSP, if such Retailer/DSP does not pay all outstanding bills in accordance with these Terms and Conditions.

## **7.4 Adjustment of Bills**

### *7.4.1 Billing Error*

Should the Retailer/DSP dispute any amount owing, the Retailer/DSP shall nonetheless pay such disputed amount and submit the dispute for resolution in accordance with these Terms and Conditions. Following resolution of any such dispute, the Company will return any amount found owing, without interest, to the





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Retailer/DSP forthwith. The right or ability of either party to dispute a bill for service provided hereunder shall only apply to requests in writing and are limited to a period where electronic cancel and recharge may occur. The Company may assess a charge to the Retailer/DSP for reviewing billing disputes, in circumstances where the Company has not been responsible for any billing error.

#### 7.4.2 *Unauthorized Use*

Where the Company determines that there has been unauthorized use of Gas Services including, but not limited to, meter or equipment tampering, unauthorized connection or reinstatement, theft, fraud, or intentional or unintentional use of Energy whereby the Company is denied full compensation for Distribution Access Services provided, the Company will bill the Customer or Retailer/DSP for the Company's estimate of Energy and delivery charges of such unauthorized use and require Customer prepayment for any repairs, damages and reconstruction of Company Facilities. Nothing in this Article shall limit any other rights or remedies that the Company may have in connection with such unauthorized use.

If it is determined that the Customer is not enrolled with a Retailer at the time of the unauthorized use, the Customer will pay any applicable charges incurred by the Company related to the unauthorized use.

## **ARTICLE 8 – DISTRIBUTION ACCESS SERVICE INTERRUPTION**

### **8.1 Continuous Supply**

The Company shall make all reasonable efforts to maintain a continuous Gas supply to the Retailer's/DSP's Customers, but the Company cannot guarantee an uninterrupted Gas supply.

### **8.2 Interruption**

Without liability of any kind to the Company, the Company shall have the right to disconnect or otherwise curtail, interrupt or reduce service to the Retailer/DSP (and the Retailer's/DSP's Customers):



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- (a) whenever the Company reasonably determines that such a disconnection, curtailment, interruption or reduction is necessary to facilitate construction, installation, maintenance, repair, replacement or inspection of any segment of the Gas Pipeline System;
  - (b) to maintain the safety and reliability of the Gas Pipeline System; or,
  - (c) due to any other reason related to dangerous or hazardous circumstances including emergencies, forced outages, potential overloading of the Gas Pipeline System or Force Majeure.

### **8.3 Reasonable Efforts**

The Company shall use reasonable efforts to minimize any scheduled curtailment, interruption or reduction to the extent reasonably practicable under the circumstances, to provide the Customer with prior notification of any such curtailment, interruption or reduction to the extent reasonably practicable, and to resume Distribution Access Service as promptly as reasonably practicable.

## **ARTICLE 9 – DISCONTINUANCE OF DISTRIBUTION ACCESS SERVICE**

This Article, as amended from time to time, describes the relationship between the Company and the Retailer/DSP in relation to de-enrollment of a Site, which includes, without limitation, the circumstances when a Retailer chooses not to arrange for Distribution Access Service to the Customer as set forth in Article 9.1, or when the Company discontinues Distribution Access Service to the Retailer/DSP as set forth in Article 9.2 herein, or when Retailer/DSP fails to provide supply or balance its Account as set forth in Article 13 herein. This Article does not cover the provisions under which a Customer requests its meter be removed or service line to be disconnected.

### **9.1 Discontinuance by the Retailer**

- (a) To discontinue Distribution Access Service, a Retailer shall complete and provide to the Company an electronic de-enrollment in the form and manner set out in AUC Rule 028.



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- (b) In accordance with Article 12 of these Terms and Conditions, the Company will obtain meter reads from time to time. The Company does not obtain an actual read at the time of the de-enrollment, and will estimate a meter read. At the request of the Retailer or with the Retailer's consent, the Company shall obtain an actual off-cycle meter read and assess a charge to the Retailer as set forth in the Schedule of Non-Discretionary Charges.
  - (c) The Company will accept or reject the Retailer's de-enrollment in accordance with AUC Rule 028.
  - (d) The Retailer is responsible to ensure that its Customers are provided notice of the de-enrollment, and the consequences thereof, and that the Company will not be held liable for any Customer disputes with the Retailer.
  - (e) Upon receipt of a successful de-enrollment from a Retailer in the form and manner set out in AUC Rule 028, the Company will notify the Default Supply Provider to enroll. If the site is enrolled by a replacement Retailer or the situation described in (g) occurs within the period set out in AUC Rule 028, the Company will notify the DSP to not enroll the site.
  - (f) The Retailer shall remain responsible for Gas Services to the Site until the de-enrollment effective date, a replacement Retailer/DSP is enrolled for the Site or the site is salvaged.
  - (g) The Retailer may revoke a notification to de-enroll a Site as set out in AUC Rule 028.

## **9.2 Discontinuance by the Company**

### *9.2.1 Discontinuance of DSP*

The Company may discontinue or restrict Distribution Access Service to the DSP if any of the following occur:

- (a) the DSP has failed to meet its obligations under these Terms and Conditions or the Distribution Access Service Agreement with the Company.



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### 9.2.2 *Discontinuance of Retailer*

The Company may discontinue or restrict Distribution Access Service to the Retailer if any of the following occur:

- (a) the Retailer has failed to meet its obligations under these Terms and Conditions or the Distribution Access Service Agreement with the Company, or
- (b) the Retailer has failed to meet its credit requirements pursuant to Article 11, or
- (c) the Retailer has failed to meet its obligations pursuant to Article 13, or
- (d) the Retailer's license has been revoked by Service Alberta.

### 9.2.3 *Notice of Discontinuance*

Notification of discontinuance will be made electronically to the Retailer/DSP. The Company will provide the Retailer/DSP notice before the Company discontinues Distribution Access Service to the Retailer/DSP, subject to the provisions of these Terms and Conditions. Upon discontinuance of Distribution Access Service to a Retailer pursuant to this Article, the provision of the affected service(s) will be assumed by the DSP.

## **ARTICLE 10 – SERVICE DE-ENERGIZATION AND REINSTATEMENT**

This Article, as amended from time to time, describes the relationship between the Company and the Retailer/DSP in relation to the physical disconnect or curtailment of a Point of Delivery.

### **10.1 Disconnection or De-energization of Service**

#### *10.1.1 Disconnection or De-energization by the Company*

- (a) The Company reserves the right to disconnect or de-energize Gas Distribution Service to the site in a number of circumstances, including but not limited to non-payment of the Company bills or any past due charges by the Customer; evidence of safety violations or fraud at the site; threats or harassment of



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employees or agents of the Company, failure to provide access for meter readings, or the Customer failing to meet its obligations under the Customer Terms and Conditions for Gas Distribution Service.

- (b) If the disconnect or de-energize is a result of a safety violation, the Company will reinstate the service when the safety problem is resolved and when the Customer has paid all of the Company's costs related to addressing damage, interference or disturbance, including installation of devices or equipment as necessary. The Company may also assess a reinstatement charge to the Retailer/DSP as set forth in the Schedule of Non-Discretionary Charges.

#### *10.1.2 De-energization at Request of Retailer/DSP*

- (a) In accordance with subsection 5(1) of the R3 Regulation, the Retailer/DSP shall have the right to request that the Company de-energize service to a particular Site, including on behalf of a customer. This request must be the de-energize transaction in the form and manner set out in AUC Rule 028.
- (b) The Company has the right to determine volumes of de-energizations it can complete, based on providing a reasonable response time to re-energization requests.
- (c) The Retailer/DSP shall remain responsible for all Gas Services to the Site until the Company has completed the de-energization.
- (d) The Company will notify the Retailer/DSP if a de-energization request was not successfully completed and include the reason why it was not successfully completed. If the Retailer/DSP still requires a de-energization, the Retailer/DSP must re-issue a de-energize request.
- (e) The Retailer/DSP must refer Customers to the Company when the Customer wishes to have portions of the Gas Pipeline System and Specific Facilities removed from the Site.



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- (f) The Company shall not be liable to any person for any damages, cost, expense, injury, loss or other liability of any kind whatsoever, or however caused, resulting directly or indirectly from its good faith performance of its responsibilities under the provisions of this Article.

## 10.2 Reinstatement Service

Before reinstating or restoring service to a particular Site:

- (a) the enrolled Retailer/DSP must provide the Company with authorization to reinstate service;
- (b) the Company reserves the right to assess a reinstatement charge for all attempts to reinstate service as set forth in the Schedule of Non-Discretionary Charges, pursuant to this Article.

## ARTICLE 11 – PRUDENTIAL REQUIREMENTS

In circumstances where the Retailer has multiple Retailer Identification numbers, the review, setting and maintaining of prudential requirements shall be based on the Retailer Business Function Identification level.

### 11.1 Setting of Prudential Requirements

- (a) The Retailer must fulfill the requirements as set forth in this Article to the satisfaction of the Company before the Company will provide Distribution Access Service to that Retailer.
- (b) Subject to review and reassessment of the prudential requirements of a Retailer by the Company from time to time, a Retailer shall meet and maintain such financial and other prudential requirements as set out in the Natural Gas Billing Regulation, A.R. 185/2003, as amended from time to time, to ensure that the Retailer is and remains of sufficient financial standing to meet its ongoing financial obligations.
- (c) The Company will confirm the Credit Rating of the Retailer, affiliate or person which guarantees the financial obligation of the Retailer.



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The minimum Credit Rating that will qualify a Retailer for a reduction in security or allowing a person to provide an irrevocable guarantee of the Retailer's financial obligation is BBB-, as set out in Section 6(3) of the Natural Gas Billing Regulation .A.R 185/2003 as amended from time to time.

If a Retailer has obtained more than one Credit Rating, the lowest Credit Rating will be used in the assessment.

- (d) Subject to review and reassessment, the Company shall determine the amount of the security reduction available for each Retailer, and the maximum amount of any guarantee required from the person guaranteeing the financial obligations of the Retailer, subject to sections 5, 6 and 7 of the Natural Gas Billing Regulation, A.R. 185/2003, as amended from time to time. The Company shall notify the Retailer of its security requirement within 20 (twenty) Business Days from the receipt of the Retailer's complete application for service.
- (e) For the purposes of calculating the amount of the Retailer's security deposit required, the Retailer will add an additional 20 days of projected payments (the Load Balancing Security) under the Company's Rate Schedule to the amount of security deposit required under the Natural Gas Billing Regulation A.R. 185/2003, as amended from time to time, which shall serve as separate security in respect of any Imbalance Sales that ATCO Gas may be required to charge the Retailer in order to balance their accounts.
- (f) For greater certainty, for the purposes of calculating the amount of the Retailer's security deposit required, the Retailer will add any additional projected payments that ATCO Gas is required to remit on behalf of the Retailer's customers related to any carbon-related tax, fee, or levy enacted by a governmental authority, which shall serve as security in respect of any additional payments that ATCO Gas is required to remit to any governmental authority on behalf of the Retailer's Customers.
- (g) Subject to section 6 of the Natural Gas Billing Regulation, A.R., 185/2003, as amended from time to time, the Retailer shall provide security in the manner set out in the Retailer Guide, in the form of a cash deposit, an irrevocable letter of credit



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from a Qualified Institution or an irrevocable guarantee. Notwithstanding the definitions under these Terms and Conditions, the relationship between the Retailer and the Company is a relationship of creditor and debtor, respectively. Where the Retailer provides security in the form of a cash deposit, all right, title, and interest is transferred absolutely; will vest in the Company free and clear of any liens, claims, charges and encumbrances; and no security interest will be created in the cash. An irrevocable guarantee may only be provided from a person acceptable to the Company, other than the Retailer, with a qualifying credit rating.

## 11.2 Maintaining Prudential Requirements

- (a) If a Retailer's actual outstanding charges under the Company's Rate Schedule and these Terms and Conditions are materially greater than the value projected by the Retailer under Article 11.1 of these Terms and Conditions, the Company will update the projection and, if additional security is required based on the updated projection, require the Retailer to provide additional security within five (5) Business Days of the Company's request.
- (b) The Company requires Retailers to report any downgrading of the Retailer's Credit Rating to the Company within two (2) Business Days of said Credit Rating revisions, and must provide any additional security required as a result of the downgrading within five (5) Business Days of the downgrading.
- (c) If a Retailer fails to pay any amount billed, subject to Article 7.3 of these Terms and Conditions, the Retailer hereby grants to the Company and the Company also is entitled to a right to "Set-off" any amounts payable by the Retailer with respect to any obligations of the Retailer to the Company, or when the Retailer has provided security in the form of an irrevocable letter of credit or irrevocable guarantee. The Company will apply all or any portion of that Retailer's security deposit to the unpaid amount. The Retailer will then be required to replenish the security deposit within five (5) Business Days.
- (d) If the Retailer fails to maintain its prudential requirements in accordance with Article 11 the Company reserves the right to suspend the provision of additional Distribution





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Access Service to the Retailer, or discontinue Distribution Access Service to the Retailer. The Company will provide the Retailer notice of discontinuance three (3) Business Days before the Company discontinues Distribution Access Service to the Retailer. Upon discontinuance of Distribution Access Service to a Retailer pursuant to this Article, provision of the affected service(s) will be assumed by the DSP.

- (e) A Retailer that is required to provide security in accordance with the *Natural Gas Billing Regulation*, AR 185/2003, as amended from time to time, and these Terms and Conditions must maintain that amount of security until all obligations of the Retailer under the Company's Gas Distribution Tariff are satisfied. A Retailer who provides security other than by means of a cash deposit held by the Company, must either ensure that its security has no expiry date and cannot be terminated, or must at all times ensure that its security is automatically extended from year to year, for successive periods of a minimum of one year from any expiration date thereof, unless the Company is notified in writing by prepaid registered mail not less than 30 days prior to any expiration date that the security will not be renewed for any such additional period ("Notice of Non-Renewal"). A Retailer who provides security other than by means of a cash deposit held by the Company, must ensure that its security is executable from an intermediary bank branch or office with a drawing location in Calgary, Alberta.
- (f) Upon receipt of a Notice of Non-Renewal, the Company shall provide notice of same in writing to the Retailer advising that the Retailer's failure to provide the Company with alternate security meeting the requirements set out in the *Natural Gas Billing Regulation*, AR 185/2003, within 3 business days after the date of the notice shall be in breach of the Retailer's obligation to maintain its security in accordance with s.8 of the *Natural Gas Billing Regulation*, AR 185/2003, and an event of default under Article 14.1(d) of these Terms and Conditions. If after 3 Business Days the Company is not in receipt of such alternate security, the full amount of the Retailer's security determined in accordance with Article 11.1 of these Terms and Conditions shall become due and payable to the Company and the Company shall be entitled to make demand or claim against the Retailer's security in accordance with Article 14.3.



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- (g) In the event of a default by a Retailer, the Company is entitled to recover as part of the Gas Distribution Tariff any costs not covered by a claim against the Retailer's security under section 9 of the Natural Gas Billing Regulation AR 185/2003 as amended from time to time.

### **11.3 Confidentiality**

All information provided by the Retailer in relation to its financial standing and designated by the Retailer as confidential will be treated as such under the Confidentiality Agreement between the Retailer and the Company. The terms and conditions of the Confidentiality Agreement are set out in the Retailer Guide.

### **11.4 Costs**

All costs associated with obtaining financial security and meeting prudential requirements under this Article are the responsibility of the Retailer.

### **11.5 Interest on Security Deposits**

Interest on each Retailer's cash security deposit held by the Company will be calculated at the rate specified from time to time in the *Residential Tenancies Act, S.A. 2004, C.R-17.1*. Interest will be paid to the Retailer annually.

### **11.6 Letter of Credit Default**

Letter of Credit Default shall mean, with respect to an outstanding letter of credit, the occurrence of any of the following events:

- (1) The issuer of the letter of credit ceases to be a Qualified Institution;
- (2) The issuer of the Letter of Credit fails to comply with or perform its obligations under such letter of credit and such failure continues after the lapse of any applicable grace period;
- (3) The issuer of such letter of credit disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of such letter of credit;



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- (4) The letter of credit expires, terminates, or ceases to be in full force and effect at any time; or
  - (5) Any party related to the issuance of such letter of credit or credit support provider is dissolved, becomes insolvent or is unable to pay its debts, or fails or admits in writing its inability generally to pay its debts as they become due, makes a general assignment, arrangement or composition with or for the benefit of its creditors, files a petition for itself or a petition is filed by a 3rd party under the *Bankruptcy and Insolvency Act* of Canada, the *Companies' Creditors Arrangement Act*, or similar acts of other forbearing jurisdictions

## ARTICLE 12 – METERING

### 12.1 Provision and Ownership

The meters used by the Company to assess the level of Distribution Access Service charges to the Retailer/DSP will be the same meters used to provide regular site billing Information to the Retailer/DSP. The Company will provide and install all meters for each Point of Delivery at a site enrolled by the Retailer/DSP in accordance with the Company's Customer Terms and Conditions for Gas Distribution Service. Each meter shall remain the property of the Company.

### 12.2 Meter Reading

Billing will be based on meter readings made by the Company from time to time or on estimates for those billing periods when the meter is not read. The Company reserves the right to assess a charge to the Retailer/DSP for additional reads above the Company's standard practices as set forth in the Schedule of Non-Discretionary Charges.

### 12.3 Changes to Metering Equipment

- (a) Notwithstanding Article 3.7, should a Retailer/DSP request or consent to a Customer request for new metering equipment beyond the basic service, the Company shall provide, install, test and maintain the required metering equipment. The metering equipment must be requested or consented to in writing by the Customer and meet



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the Company's requirements. The Customer shall bear the cost of providing and installing the metering equipment, and ongoing operating costs as set forth in the Schedule of Non-Discretionary Charges.

The metering equipment will remain the property of the Company and will be maintained by the Company. The Company shall complete installation of the metering equipment within thirty (30) days of delivery from the supplier. The Company may require prepayment prior to installation. In any event, the Customer shall pay the Company in full as per the terms stated on the invoice. If payment is not received as per the terms stated on the invoice, the Company shall charge interest on the late payment as per the terms stated on the invoice. Article 7.3 herein will also apply in the event of late or unpaid bills.

- (b) Notwithstanding Article 3.7, should a Customer request to return the metering equipment to its previous basic form, the Customer shall bear the cost of removal and installation of the metering equipment.
- (c) At the request of a Retailer/DSP, or with the Retailer's/DSP's consent, the Company may provide other metering services, above standard metering service, in its discretion, acting reasonably, and may charge separate fees for such services.
- (d) The Company reserves the right to bill costs related to requests for changes in metering made by the Customer or Retailer/DSP to the Retailer/DSP.

#### **12.4 Meter Reading and Estimates**

Meter Reading:

- (i) The Company shall determine the method of meter reading collection for its meters and equipment.
- (ii) Where the Company has determined the method of collection is through an automated meter reading device and the Customer refuses to allow installation, the Company will attempt Company meter readings



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approximately every six months. The Customer will be charged for each meter reading attempt as stated in the Schedule of Non-Discretionary Charges through the monthly tariff bill sent to the Retailer/DSP.

- (iii) Where the Customer requests the removal of an automated meter reading device, the Company will remove the device and will apply the appropriate fee as stated in the Schedule of Non-Discretionary Charges to the monthly tariff bill sent to the Retailer/DSP. In addition, the Company will attempt Company meter readings approximately every six months. The Customer will be charged for each meter reading attempt as stated in the Schedule of Non-Discretionary Charges through the monthly tariff bill sent to the Retailer/DSP.
- (iv) In any event the Company will require a meter reading twice per year or as directed by Measurement Canada or such other regulatory requirement.
- (v) In the event that there is a discrepancy between the mounted meter index and a meter monitoring or automated meter reading device, the mounted meter index reading will be deemed to be correct unless a meter test proves otherwise.
- (vi) The Company will assess a charge to the Customer or Customer's Retailer/DSP for additional reads above the Company's standard practices as well as in situations where a Customer has refused to allow an automated meter reading device to be installed. This charge is defined in the Schedule of Non-Discretionary Charges.
- (vii) The Company shall keep an accurate record of all meter readings for the purpose of billing the Gas Distribution Services provided.
- (viii) The Company may elect to change the meter reading schedule for a site, providing advance notice to the Retailer/DSP as defined by AUC Rule 004.



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- (ix) The Company is not required to use a Customer provided meter reading for billing purposes.

## 12.5 Meter Test and Adjustments

- (a) The Company may inspect and test a meter at any reasonable time.
- (b) The Company shall arrange for a meter to be removed and tested by an official designated for that purpose by Measurement Canada or an accredited agency as may, from time to time, be designated for this purpose in the event of a Customer initiated meter test.
- (c) If a test determines that the meter is not accurate within the limits set by government standards, the Retailer's/DSP's bill will be adjusted accordingly. Where it is impossible to determine when the error commenced, it shall be deemed to have commenced three (3) months before the test or the date of the meter installation, whichever occurred later. The Company shall not be liable to the Retailer/DSP or Customer for any additional costs that are associated with such metering or meter reading errors.
- (d) The Company reserves the right to assess a charge to the Customer or Customer's Retailer/DSP at the time of a meter test as set forth in the Schedule of Non-Discretionary Charges. This charge is reimbursed when the meter tested is found to be faulty.
- (e) If any appliance of a Customer connected to the Gas Pipeline System prevents or impedes the meter from accurately recording the total amount of energy supplied, the Company may forthwith de-energize or disconnect the Customer's Gas Distribution Service, or disconnect such appliance from the Gas Pipeline System and shall, in either case, estimate the amount of energy consumed and not registered, as accurately as it is able to do so, together with any costs incurred by the Company in disconnecting such Gas Distribution Service, or appliance, and



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repair of any damage to the Company's Gas Pipeline System as the case may be. The Retailer's/DSP's bill will be adjusted accordingly for the estimated amount of energy, delivery charges, and all other related costs.

## **ARTICLE 13 – ACCOUNT BALANCING**

### **13.1 Retailer/DSP Account**

- (a) The Retailer/DSP Account shall be accumulated and recorded by Company each Day and, without limitation, shall include such items as Gas supply Nominations, Retailer Load, Imbalance quantity, opening Imbalance quantity, previous Month(s) true-up quantity(ies), Retailer/DSP's share of Company's Unaccounted For Gas and/or other adjustment quantity(ies) deemed appropriate as determined by the Company from time to time.
- (b) Each Day the Company shall Forecast and Backcast Retailer's Load according to the practices specified in the Company's Retailer Guide.
- (c) The Retailer/DSP shall provide in kind Unaccounted For Gas each Day at the rate specified in Rider D.
- (d) The Company shall make the Account available to the Retailer/DSP in the manner described in the Retailer Guide.
- (e) The Retailer/DSP shall be required to hold one Account for the Retailer/DSP's Customers.

### **13.2 Exchange of Gas**

- (a) The Retailer/DSP warrants that it will make its Gas supply available in an Account on the Transmission System and that the Company will make that Gas available in the Retailer/DSP's Account by means of an exchange with that Account on the Transmission System and the Company's Account on the Transmission System, subject to the procedures described in the Retailer Guide.



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### 13.3 Daily Retailer/DSP Account Balance

- (a) For each Gas Day, the energy quantity of the Retailer/DSP Account Imbalance Window shall be calculated by multiplying the daily Backcast by the  $\pm$ Imbalance Window percentage specified on Schedule C and rounded to the nearest GJ, provided that the resultant is not less than the minimum energy Imbalance Window specified on Schedule C.
- (b) The Retailer/DSP shall at all times endeavor to maintain its daily Account Imbalance energy within the quantity specified by the daily Imbalance Window.
- (c) For each Gas Day, in the event the absolute value of the Retailer/DSP Account daily Imbalance energy is greater than the absolute value of the quantity specified by the daily Imbalance Window, the difference quantity shall be settled by Imbalance Purchase/Sale at the price specified on Schedule C.
- (d) The net quantity and dollars resulting from the Imbalance Purchase and Imbalance Sales transactions in (c), if any, will be invoiced to Retailer/DSP once per Month as specified in Article 7.

### 13.4 Retailer/DSP Account Monitoring Rules

The Company shall perform monitoring of the Retailer/DSP's Account according to the following:

- (a) Step 1
  - i. If there is no evidence of a Nomination in the Retailer's Account by 10:00 a.m. local time of the current Gas Day (Gas Day 1), which has not been pre-authorized by the Company, the Company will attempt to contact the Retailer for an explanation. If the Retailer indicates in writing (by email) that it intends to balance the Account within the Account Balancing timeline specified in the Retailer Guide, then the Company will take no further action at Step 1. For the purposes of this clause, "balance the Account" means the Retailer provided sufficient gas supply for Gas Day 1 such that the resulting Account Imbalance on Gas Day 1





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was within the Imbalance Window and no Imbalance Purchase/Sale was triggered.

ii. If at (a)(i) above:

1. the Company, with reasonable effort by telephone and email, is unable to contact the Retailer by the time of the release of the F3 Forecast for Gas Day 1, or
2. the Retailer has indicated an inability to make Nominations to its Account for Gas Day 1, or
3. there continues to be no evidence of a Nomination in the Retailer's Account by the time of the release of the F3 Forecast for Gas Day 1,

then the Company will transact on the Same Day Market based on the F3 Forecast for Gas Day 1. The transaction(s) will be recorded in the Company's Account on the Transmission System, not the Retailer's Account, and charged to the LBDA. The Retailer's Account will be closed for the remainder of Gas Day 1 and the rules related to Imbalance Purchase/Sale as stipulated in these Terms & Conditions will be in effect for the Retailer's Account on Gas Day 1.

(b) Step 2

- i. If there is no evidence of a Nomination in the Account by 10:00 a.m. local time of the Gas Day following Gas Day 1 (i.e. Gas Day 2), which has not been pre-authorized by the Company, the Company will attempt to contact the Retailer for an explanation. This rule will also apply to those Retailers who made a commitment to balance their Account in Step 1, but did not fulfill that commitment, even if a Nomination was made for Gas Day 1. The Retailer will be required to nominate gas supply equal to the F3 Forecast for Gas Day 2 no later than one half ( $\frac{1}{2}$ ) hour after the F3 Forecast has been issued.
- ii. If at (b)(i) above



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1. the Company, with reasonable effort by telephone and email, is unable to contact the Retailer by the time of one half (½) hour after the release of the F3 Forecast for Gas Day 2, or
2. the Retailer has indicated an inability to make the Nominations to its Account for Gas Day 2, or
3. the gas supply in the Retailer's Account does not equal the F3 Forecast energy by the time of one half (½) hour after the release of the F3 Forecast for Gas Day 2,

then the Company will transact on the Same Day Market based on the F3 Forecast for Gas Day 2. The transaction(s) will be recorded in the Company's Account on the Transmission System, not the Retailer's Account, and charged to the LBDA. The Retailer's Account will be closed for the remainder of Gas Day 2 and the rules related to Imbalance Purchase/Sale as stipulated in these Terms & Conditions will be in effect for the Retailer's Account on Gas Day 2.

The Company will also provide electronic notice to the Retailer indicating that unless the Retailer takes action to provide gas supply to its Account sufficient to alleviate Company's concerns by 10:00 a.m. local time of the next Gas Day (i.e. Gas Day 3), the Company intends to permanently close the Retailer's Account during Gas Day 3.

(c) Step 3

If there is no evidence of a Nomination in the Retailer's Account by 10:00 a.m. local time of the current Gas Day (Gas Day 3), which has not been pre-authorized by the Company, the Company will provide electronic notice to the Retailer that its Account is permanently closed. The Company will commence de-enrollment of Sites associated with the Retailer's Account during Gas Day 3 to first take effect on Gas Day 4.

The Company will transact on the Same Day Market based on the F3 Forecast for Gas Day 3. The transaction(s) will be recorded in the Company's Account on the



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Transmission System, not the Retailer's Account, and charged to the LBDA. The rules related to Imbalance Purchase/Sale as stipulated in these Terms & Conditions will be in effect for the Retailer's Account.

(d) Step 4

The Company will continue to transact in the Same Day Market based on the F3 Forecast for the Retailer who has defaulted until all the Retailer's Sites have been de-enrolled and successfully re-enrolled with the DSP. The transaction(s) will be recorded in the Company's Account on the Transmission System, not the Retailer's Account and the rules related to Imbalance Purchase/Sale as stipulated in these Terms & Conditions will be in effect. When all of the defaulting Retailer's Sites have been successfully enrolled with the DSP, the termination of Distribution Access Service will be complete and Company will not undertake any further transactions on behalf of the defaulting Retailer. The Company will continue to apply the rules related to Imbalance Purchase/Sale to the Retailer's Account as a result of adjustments related to settlement or other matters which occur after the Retailer's Account has been permanently closed.

(e) Step 5

In the event of non-payment on the part of the Retailer, and without limiting the Company's rights or remedies at law or in equity, the Company shall have the right to recover any charges to a Retailer by claiming against the Retailer's or Agent's performance bond (as stipulated in Article 11 of these Terms and Conditions) which exists to secure due performance by the Retailer or Agent of its obligation under the Distribution Access Service Agreement.

(f) The Account monitoring rules described above will also be used to monitor the DSP Account to provide early detection of issues that may result in obligations under the terms specified in the commercial arrangements between the Company and the DSP.

(g) In the event that the Company is notified by the Retailer in writing (by email) or in the event that the Company becomes aware that the Retailer has declared itself or



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has been declared to be insolvent prior to the full three days of Account monitoring described in this section, the Company shall have the right to discontinue Distribution Access Service with one (1) Business Days' notice.

### **13.5 Termination of Retailer Service**

- (a) These Terms and Conditions shall continue in force until all the Retailer's Sites have been de-enrolled and Final Monthly Settlement for the Retailer's Account has been completed, whereupon Company shall terminate the Retailer's Account. The Company will continue to transact in the Same Day Market based on the F3 Forecast for the Retailer who has defaulted until all the Retailer's Sites have been de-enrolled and successfully re-enrolled with the DSP. The transaction(s) will be recorded in the Company's Account on the Transmission System, not the Retailer's Account and the rules related to Imbalance Purchase/Sale as stipulated in these Terms & Conditions will be in effect.
- (b) Notwithstanding the provisions of (a), upon mutual agreement, the Retailer and the Company may enter into an arrangement to settle the outstanding energy amounts in the Retailer's terminating Account, including without limitation, the Account closing Imbalance and adjustments to the Account from Gas Settlement, in a manner that is different than is normally required under the provisions of these Terms and Conditions and/or the Retailer Guide.

### **13.6 Request for Additional Information**

A Retailer may request additional settlement information above the basic service provisions specified in the Retailer Guide or information previously provided by the Company if:

- (a) the Retailer provides a written request to the Company outlining the purpose for the additional settlement information; and
- (b) the additional settlement information applies only to the Customers of the Retailer.



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

### **13.7 Liability**

The Company shall not be liable to any person for any damages, cost, expense, injury, loss or other liability of any kind whatsoever, or however caused, resulting directly or indirectly from its good faith performance of its responsibilities under the provisions of this Article. No express or implied warranties of any kind shall apply to information or services provided by the Company to any person as part of such good faith performance, including without limitation implied warranties of fitness for a particular purpose.

## **ARTICLE 14 – DEFAULT**

### **14.1 Events of Default**

An event of default under these Terms and Conditions and the Distribution Access Service Agreement will occur if either the Company, the DSP or the Retailer (“Defaulting Party”):

- (a) is the subject of a bankruptcy, insolvency or similar proceeding;
- (b) makes an assignment for the benefit of its creditors;
- (c) applies for, seeks, consents to, or acquiesces in the appointment of a receiver, custodian, trustee, liquidator or similar official to manage all or a substantial portion of its assets;
- (d) fails to pay the other party (“Non-Defaulting Party”) when payment is due, or to satisfy any other material obligation under these Terms and Conditions or the Distribution Access Service Agreement including, without limiting the generality of the foregoing, fulfilling the prudential requirements as set forth in Article 11, in accordance with these Terms and Conditions, and fails to remedy the failure or satisfy the obligation, as the case may be, within three (3) Business Days after receipt of written notice thereof from the Non-Defaulting Party;



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(e) fails to balance its Account in accordance with Article 13.

#### **14.2 Rights Upon Default**

In an event of default, the Non-Defaulting Party shall, subject to these Terms and Conditions and any applicable regulatory requirements, be entitled to pursue any and all available legal and equitable remedies and terminate the Distribution Access Service Agreement. Where the Defaulting Party is the Company or the Retailer and the Non-Defaulting Party elects to terminate, the Distribution Access Service Agreement is terminated without any liability or responsibility whatsoever, except for obligations arising prior to the date of termination. The Non-Defaulting Party shall provide written notice to the Defaulting Party of its intention to terminate Distribution Access Service hereunder.

#### **14.3 Recourse to Security Upon Retailer Default**

In addition to any other rights and remedies set out herein, in an event of default by the Retailer, other than a default in payment addressed under section 9 of *Natural Gas Billing Regulation*, AR 185/2003, the full amount of the Retailer's security determined in accordance with Article 11.1 of these Terms and Conditions shall become due and payable to the Company and the Company shall be entitled to make demand or claim against the Retailer's security for the full amount secured thereunder. All funds received by the Company in respect of such claim shall be retained by the Company and applied against the Retailer's obligations hereunder until such time as all of the Retailer's obligations have been determined and satisfied. Any balance remaining after satisfaction of the Retailer's obligations shall be returned to the issuing party of the security for the benefit of the Retailer.

#### **14.4 Termination on Default**

If any one or more of the parties to the Distribution Access Service Agreement fails to perform any of the covenants or obligations imposed upon it under and by virtue of the Distribution Access Service Agreement (the "Defaulting Party"), then in any such event, the other party or parties to the Distribution Access Service Agreement (the "Non-Defaulting Party") may at its option terminate the Distribution Access Service Agreement



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insofar and only insofar as the Distribution Access Service Agreement pertains to the Defaulting Party by proceeding as follows:

- (a) The Non-Defaulting Party shall cause a notice in writing to be given to the Defaulting Party advising as to the nature of any default and declaring it to be the intention of the Non-Defaulting Party to terminate the Distribution Access Service Agreement.

## **ARTICLE 15 – IMPAIRED DELIVERIES**

If by reason of the causes set forth in this Article, the Company is unable, in whole or in part, to deliver the quantities of Gas provided for in the Distribution Access Service Agreement, then the Company shall be relieved of liability for not delivering such quantities, and the Company may curtail or discontinue deliveries of Gas under the Distribution Access Service Agreement during the continuance and to the extent of the inability; provided however that the Company shall endeavor to give reasonable notice of any curtailment or discontinuance of deliveries arising by virtue of such causes and shall promptly endeavor to remedy the cause of any curtailment or discontinuance of deliveries as soon as reasonably possible. Such notice shall specify the Company's estimate of the duration of any such curtailment or discontinuance of deliveries under the Distribution Access Service Agreement. The causes above referred to shall be:

- (a) the necessity, in the Company's sole opinion, of making modifications or improvements to the Gas Pipeline System; provided however that the Company shall, when practicable, endeavor to effect such modifications or improvements, which are not emergency in nature, at a time and in a manner which shall not unduly interfere with or interrupt deliveries of Gas; or
- (b) the necessity of making repairs to the Gas Pipeline System.

## **ARTICLE 16 – LIABILITY AND INDEMNITY**

### **16.1 Indemnity**

- (a) Each party (as applicable, the "Indemnitor") will indemnify and hold harmless the other party and its directors, officers, employees, agents and representatives



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("Indemnitee(s)") from and against any direct damages, injuries, losses and other liabilities claimed against the Indemnitee or any of them, and all related costs and expenses (including reasonable legal fees) suffered or incurred by any of them in relation to any claim, cause of action, action, suit or proceeding by a third party ("Claim") which arises from damage to property or injury to or death of persons resulting from the Indemnitor's failure to perform its obligations under these Terms and Conditions which failure is caused by the negligence or willful act of the Indemnitor or any of its directors, officers, employees, agents or representatives acting within the scope of their authority or employment. The indemnity under this Article will be limited to an amount in proportion to the degree to which the Indemnitor or its directors, officers, employees, agents or representatives acting within the scope of their authority or employment are at fault. For the purpose of this Article "willful act" means any act or omission which is an intentional tort or an intentional breach of any obligations under these Terms and Conditions.

- (b) In the event that an Indemnitee is entitled to and desires to assert its right to indemnification from an Indemnitor under this Article 16.1 such Indemnitee will give the Indemnitor prompt notice of the Claim, which shall describe the Claim in reasonable detail and shall indicate the estimated amount, if practicable, of the indemnifiable loss that has been or may be sustained by the Indemnitee. The failure to promptly notify the Indemnitor hereunder shall not relieve the Indemnitor of its obligations hereunder, except to the extent that the Indemnitor is actually and materially prejudiced by the failure to so notify promptly.
- (c) Subject to Article 16.1(d) hereof, if the Indemnitor delivers to the Indemnitee a written acknowledgement of its unconditional and irrevocable obligation to indemnify the Indemnitee under Article 16.1(a) in respect of:
- (1) all of the damages, injuries, losses, liabilities, costs and expenses that may be claimed against, or suffered or incurred by, the Indemnitee in respect of the Claim within 10 days following the Indemnitor's receipt of the Indemnitee's notice of such Claim and if the existence of such obligation to indemnify is made known by the Indemnitor to the third party claimant (and,





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if applicable, to the court or other tribunal determining the Claim), the Indemnitee shall make available to the Indemnitor all information in its possession or to which it has access, other than information that has been designated as confidential by the provider of such information, which is or may be relevant to the particular Claim and the Indemnitor shall be entitled, at its option, to take carriage of the defense of the Claim by its own counsel and, if it elects to do so, the Indemnitee shall cooperate with the Indemnitor to the fullest reasonable extent in the defense, settlement or compromise of the Claim; or

- (2) some, but less than all, of the damages, injuries, losses, liabilities, costs and expenses that may be claimed against, or suffered or incurred by, the Indemnitee in respect of the Claim within 10 days following the Indemnitor's receipt of the Indemnitee's notice of such Claim and if the Indemnitee is of the opinion that the Indemnitor's interests are not in conflict with its own, the Indemnitee shall make available to the Indemnitor all information in its possession or to which it has access, other than information that has been designated as confidential by the provider of such information, which is or may be relevant to that portion of the Claim in respect of which the Indemnitor has an obligation to indemnify the Indemnitee and consult with the Indemnitor in respect thereof.

The Indemnitee shall not make any admission of the liability regarding, or settle or compromise, that portion of the Claim in respect of which the Indemnitor has acknowledged its obligation to indemnify the Indemnitee without the written consent of the Indemnitor, which consent shall not be unreasonably withheld.

- (d) The provisions of Article 16.1(a) hereof shall not apply in respect of any Claim to which the Indemnitor is, or may reasonably be expected to be, a party and where the Indemnitee is asserting legal defenses in relation to the Claim that conflict with legal defenses being asserted by the Indemnitor.



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- (e) Except to the extent to which either party is required to indemnify the other party (and those other persons specified in this Article 16) by the express terms of Article 16, neither party, nor its directors, officers, agents, employees, and representatives, will be liable to the other party for any damages, costs, expenses, injuries, losses, or liabilities suffered or incurred by the other party, its directors, officers, employees, agents and representatives howsoever and whenever caused, and each party, for itself and as agent for its directors, officers, agents, employees and representatives hereby forever releases the other party, its directors, officers, agents, employees and representatives from any liability or obligation in respect thereof. For greater certainty, neither party shall be limited in a claim against the other for specific performance or other equitable relief in relation thereto, or direct damages only and related costs and expenses (including reasonable legal fees), arising from a breach of these Terms and Conditions.

## 16.2 Consequential Loss

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



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### 16.3 Release

Subject to Section 16.1 and 16.2, none of the Company, its directors, officers, agents, employees and representatives, (“Company Parties”), will be liable to the Customer, its directors, officers, agents, employees and representatives (“Customer Parties”) for any damages, costs, expenses, injuries, losses, or liabilities suffered or incurred by the Customer Parties or any of them, howsoever and whenever caused, and each Customer Party hereby forever releases each of the Company Parties from any liability or obligation in respect thereof.

### 16.4 The Company Not Liable to Customer

For greater certainty, the Company shall not be liable to a Customer Party for any damages of any kind:

- a) caused by or arising from any of the Company Party’s conduct in compliance with or in breach of, or as permitted by, these Terms and Conditions, the Customer Terms and Conditions for Gas Distribution Service, Natural Gas Service Agreement or other agreement with the Customer, or any contractual, legal or regulatory requirements related to service provided to Retailers;
- b) caused to the Customer and arising from any failure of a Retailer to comply with these Terms and Conditions, any agreement with the Company relating to Gas Distribution Services or for any damages caused by or arising from equipment installed or actions taken by a Retailer;
- c) caused by or arising from a Retailer’s failure to perform any commitment to the Customer, including but not limited to the Retailer’s obligation, including its obligation under Part 2.1 of the Act, to provide retail services including Gas Distribution Service to the Customer; or
- d) caused by or resulting from any acts, omissions or representations made by a Retailer in connection with soliciting Customers for Gas Distribution Service or performing any of the Retailer’s functions in providing retail gas services to Customers.



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## ARTICLE 17 – FORCE MAJEURE

### 17.1 Force Majeure Relief

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

Retailer/DSP shall not be relieved by Force Majeure as described in this Article 17 from the obligation to pay the charges set forth pursuant to this Article unless Force Majeure has been invoked by the Company.

### 17.2 Exclusions

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

### 17.3 Notice

The party claiming relief from liability under the provisions of this Article 17 shall promptly give the other party notice of the Force Majeure including full particulars thereof and shall promptly give the other party notice when the Force Majeure event ceases to prevent performance pursuant to these Terms and Conditions.

### 17.4 Obligation to Remedy

The party claiming relief from liability under the provisions of this Article 17 shall promptly remedy the cause and effect of the Force Majeure insofar as it is reasonably able to do so.

### 17.5 Strikes and Lockouts

Notwithstanding any other provision of these Terms and Conditions the settlement of any strike, lockout or other industrial disturbance shall be wholly in the discretion of the party claiming relief from liability and such party may settle such strike, lockout or industrial



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disturbance at such time and on such terms and conditions as it may deem appropriate and no failure or delay in settling such strike, lockout or industrial disturbance shall constitute a cause or event within the control of such party or deprive such party of the benefits of this Article 17.

## **ARTICLE 18 – DISPUTE RESOLUTION**

### **18.1 Resolution by Company and Retailer/DSP**

If any dispute between the Company and a Retailer/DSP arises at any time in connection with these Terms and Conditions, the Company and the Retailer/DSP acting reasonably and in good faith, shall use all reasonable efforts to resolve the dispute as soon as possible in an amicable manner.

### **18.2 Resolution by Arbitration**

If any dispute has not been resolved pursuant to Article 18.1 hereof within thirty (30) days after notice from the Company or the Retailer/DSP to the other of its desire to have the dispute resolved, then the dispute shall be resolved pursuant to Articles 18.3 to 18.11 hereof. The Company and the Retailer/DSP shall abide by the terms of any award rendered by the arbitrator(s) appointed hereunder without delay.

### **18.3 Arbitrators**

All disputes or differences between the Company and a Retailer/DSP in connection with these Terms and Conditions shall be referred (unless the Company and the Retailer/DSP concur in the appointment of a single arbitrator) to a board of arbitrators consisting of one (1) arbitrator to be appointed by each of the Company and the Retailer/DSP who shall, by instrument in writing, appoint a third arbitrator immediately after they are themselves appointed. Notwithstanding the foregoing, any disputed matters between the Company and a Retailer/DSP relating to an order or direction made or approved by the AUC or falling within the exclusive jurisdiction of the AUC, shall be referred to the AUC for resolution.



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#### **18.4 Failure to Concur**

The Company and a Retailer/DSP shall be deemed to have failed to concur in the appointment of a single arbitrator if such an arbitrator shall not have been appointed within fifteen (15) days after the serving by either the Company or the Retailer/DSP on the other of notice requesting it to concur in the appointment of such an arbitrator.

#### **18.5 Refusal to Appoint an Arbitrator**

If either the Company or the Retailer/DSP shall neglect or refuse to appoint an arbitrator within fifteen (15) days after the other party (provided such other party has appointed its arbitrator) has served the Company or the Retailer/DSP, as the case may be, with notice to make the appointment, the party who has appointed its arbitrator shall be entitled to apply, upon notice to the other party, to a Justice of the Court of Queen's Bench of Alberta to appoint an arbitrator for the party in default.

#### **18.6 Failure to Appoint a Third Arbitrator**

If the arbitrators appointed by the Company and the Retailer/DSP have not, within fifteen (15) days after their appointment or the appointment of the arbitrator last appointed, as the case may be, appointed a third arbitrator, either the Company or the Retailer/DSP shall be entitled to apply upon notice to the other party to a Justice of the Court of Queen's Bench of Alberta to appoint such an arbitrator.

#### **18.7 Technical Competence**

Any arbitrator appointed under the provisions of this Article whether by concurrence of the Company and the Retailer/DSP, by either party, by the arbitrators, or by a Justice of the Court of Queen's Bench of Alberta shall, in the opinion of the persons making such appointment, be possessed of such technical or other qualifications as may be reasonably necessary to enable him to properly adjudicate upon the dispute or difference.

#### **18.8 Compensation of Arbitrators**

Each party shall be responsible for the costs of the arbitrator appointed by it hereunder. The costs of the third arbitrator shall be divided evenly between the parties.



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### **18.9 Application of the Arbitration Act (Alberta)**

Except as herein modified, the provisions of the *Arbitration Act, R.S.A., 2000, c. A-43*, as amended from time to time, shall apply to any arbitration proceeding.

### **18.10 Decisions Binding**

A decision of the single arbitrator or the majority of the three arbitrators named or appointed shall be final and binding upon each of the parties to the dispute or difference.

### **18.11 Continuity of Service**

All performance required under these Terms and Conditions by the Company and the Retailer/DSP and payment therefore shall continue during the dispute resolution proceedings contemplated by this Article 18, provided that in the case of any such proceedings pertaining to amounts payable under these Terms and Conditions, any payments or reimbursements required as a result of the proceedings shall be effective as of a date to be determined in such proceedings and interest shall be paid thereon by the party required to make the payment or reimbursement on the amount thereof at the rate specified from time to time in the Residential Tenancies Act, S.A. 2004, C.R-17.1.

## **ARTICLE 19 – MISCELLANEOUS**

### **19.1 Transmission System Owner Requirements**

Retailers and Customers acknowledge and agree that the Company is bound by all operating instructions, policies and procedures of Transmission System owners. Each Retailer and Customer acknowledges and agrees that they will cooperate with the Company so that the Company will be in compliance with all such operating instructions, policies and procedures which include, but are not limited to, those operating instructions, policies and procedures pertaining to emergencies, and supply reductions or full interruption of customer load by either manual or automatic means.

### **19.2 Compliance with Applicable Legal Authorities**

The Company, DSP and the Retailer are subject to, and shall comply with, all existing or future applicable federal, provincial and local laws, all existing or future orders or other



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actions of governmental authorities having applicable jurisdiction. The Company will not violate, directly or indirectly, or become a party to a violation of any requirement of any applicable federal, provincial or local statute, regulation, bylaw, rule or order in order to provide Distribution Access Service to the Retailer/DSP (or a Customer of the Retailer/DSP). The Company's obligation to provide Distribution Access Service is subject to the condition that all requisite governmental and regulatory approvals for the provision of such Distribution Access Service will have been obtained and will be maintained in force during such period of Distribution Access Service.

### **19.3 No Assignment**

Neither the Company nor the Retailer/DSP shall assign any of its rights or obligations under these Terms and Conditions or the Distribution Access Service Agreement without obtaining (a) any necessary regulatory approval(s); and (b) the prior written consent of the non-assigning party, which consent shall not be unreasonably withheld. No assignment shall relieve the assigning party of any of its obligations under these Terms and Conditions or the Distribution Access Service Agreement until such obligations have been assumed by the assignee. Any assignment in violation of this Article shall be void. However, the Company may assign any or all of its rights and obligations under these Terms and Conditions and the Distribution Access Service Agreement, without the Retailer's/DSP's consent, to any entity succeeding to all or substantially all of the assets of the Company, if the assignee agrees, in writing, to be bound by all of the Terms and Conditions hereof and if any necessary regulatory approvals are obtained.

### **19.4 No Waiver**

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





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## 19.5 Law

These Terms and Conditions and the Distribution Access Service Agreement between the Company and the Retailer/DSP shall be governed by the laws of the Province of Alberta and the federal laws of Canada applicable in the Province of Alberta, without regard to principles of conflicts of law. Any lawsuit arising in connection with these Terms and Conditions and the Distribution Access Service Agreement shall be brought in the courts of the Province of Alberta.

## 19.6 Invalidity of Contractual Provisions

If any provision of the Terms and Conditions or any other agreement with the Company is to any extent held invalid or unenforceable, the remainder of the Terms and Conditions or the agreement, as the case may be, and the application thereof, other than those provisions which have been held invalid or unenforceable, shall not be affected and shall continue in full force and effect and shall be enforceable to the fullest extent permitted by law or in equity.

## ARTICLE 20 – NOTICE

Unless otherwise stated herein, all notices, demands or requests required or permitted under these Terms and Conditions or a Distribution Access Service Agreement shall be in writing and shall be personally delivered or sent by courier-service or electronic mail addressed as follows:

- (a) If to the Retailer/DSP, to the address and the addressee set out in the Distribution Access Service Agreement between the Retailer/DSP and the Company.
- (b) If to the Company to: ATCO Gas  
10035 - 105 Street, Edmonton, Alberta, T5J 1C8  
**Attention:** Manager, Customer Care and Billing  
**Email:** RetailerContact@atcogas.com

Notice received after the close of the Business Day shall be deemed received on the next Business Day.



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Previously Effective: January 1, 2021

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## **SCHEDULE A – DISTRIBUTION ACCESS SERVICE AGREEMENT**

MEMORANDUM OF AGREEMENT made the (day) of (month), (year)

BETWEEN: **(RETAILER/DSP NAME)**

Operating As: **(RETAILER/DSP OPERATING AS BUSINESS NAME)**

(address)

(hereinafter called the "Retailer"/"DSP")

- and -

**ATCO Gas and Pipelines LTD.**, a body corporate with its Head Office in the City of Edmonton in the Province of Alberta ("ATCO Gas" or "Company")

WHEREAS the Retailer/DSP has requested the Company to provide the Retailer/DSP with Distribution Access Service for the purpose of serving its Gas customer(s) ("the Customer"):

The Retailer/DSP and the Company agree as follows:

1. The Retailer/DSP is solely responsible for the provision of accurate and timely Customer Information to the Company. The Retailer/DSP agrees to provide the following information by electronic form to the Company, and represents and warrants that such information is true and accurate:
  - (a) Retailer Identification No(s): Refer to Appendix A
  - (b) Customer Information, in a form acceptable to the Company, for each Customer of the Retailer/DSP.

Should any of the Customer Information change during the term of this Distribution Access Service Agreement, the Retailer/DSP shall advise the Company of the change, by



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- electronic means as soon as is reasonably practicable in the circumstance, and in any event within (5) Business Days of the Retailer becoming aware of the change. The company reserves the right to request the Retailer/DSP provide Customer Information update.
2. This Distribution Access Service Agreement is subject to the Company's Retailer Terms and Conditions for Gas Distribution Service ("Terms and Conditions"), as amended from time to time, which are approved by the Alberta Utilities Commission ("AUC").
  3. The Retailer/DSP acknowledges that it has been offered a copy of the Company's Terms and Conditions, has reviewed and understands these Terms and Conditions and agrees to be bound by them, and any amendments thereto, in all transactions with the Company or its Customers.
  4. No person, whether an employee or agent of the Company or otherwise, can agree to change, alter, vary or waive any provision of the Terms and Conditions without the express approval of the AUC.
  5. The Retailer/DSP acknowledges that it has been offered a copy of the Company's Retailer Guide and is aware of the policies and business practices of the Company detailed therein.
  6. This Distribution Access Service Agreement shall be effective on the date first noted herein, and thereafter shall remain in effect until terminated by either party in accordance with Article 9 or Article 11, as applicable, of the Terms and Conditions; or for the reasons set out in Article 14 of the Terms and Conditions.
  7. The Retailer/DSP understands and agrees that the Distribution Access Service provided hereunder is provided solely for the Retailer's/DSP's use at the locations and for the Customers identified to the Company in accordance with paragraph 1 hereof. The Retailer/DSP shall not use the Distribution Access Service provided by the Company for any other purpose.
  8. If the Retailer/DSP, at any time, becomes aware that any Customer is using the service(s) provided by the Retailer/DSP or the Company in a manner which is inconsistent with the



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Terms and Conditions, which could potentially create safety, health or environment concerns or damage the Company's Distribution System or Gas Pipeline System, the Retailer/DSP shall immediately notify Company of such circumstances.

9. In providing service to its Customer, the Retailer/DSP shall not, in any way, damage or interfere with or otherwise disturb, alter or tamper with the Gas Pipeline System of the Company. The Retailer/DSP shall notify the Company immediately of any problem or defect relating to Company's Gas Pipeline System, which is discovered by or brought to the attention of the Retailer/DSP.
10. The Retailer/DSP agrees to pay all rates, charges, invoices or fees levied or billed to it by the Company in accordance with Article 7 of the Terms and Conditions.
11. The Retailer/DSP acknowledges, understands and agrees that the Company will not perform any billing or collection activities on its behalf. The Retailer/DSP agrees to pay all amounts due and owing to the Company in accordance with Article 7 of the Terms and Conditions, regardless of any billing or collection disputes the Retailer/DSP may have with its Customer(s).
12.
  - (a) The Retailer agrees to comply with the Company's prudential requirements established pursuant to Article 11 of the Terms and Conditions for purposes of enabling the Company to assess the Retailer's credit risk and required security.
  - (b) The Company shall be entitled to access the financial security provided by the Retailer/DSP in any event of default including late payment or default on any invoices or bills of the Company, in accordance with Articles 7, 11 and 14 of the Terms and Conditions.
13. This Distribution Access Service Agreement is subject to all applicable legislation, including the *Gas Utilities Act, R.S.A. 2000, c.G-5*, as amended from time to time, and the Regulations made thereunder, and all applicable orders, rulings, regulations and decisions of the AUC or any other regulatory authority having jurisdiction over the Company or the matters addressed herein.



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14. This Distribution Access Service Agreement shall enure to the benefit of and be binding and enforceable by the parties hereto and their respective executors, administrators, successors and, where permitted, assigns.
  15. If any provision of this Distribution Access Service Agreement, or the application thereof, is to any extent held invalid or unenforceable, the remainder of this Distribution Access Service Agreement and the application thereof, other than those provisions which have been held invalid or unenforceable, shall not be affected and shall continue in full force and effect and shall be enforceable to the fullest extent permitted by law or in equity.
  16. Neither Party may disclose any Confidential Information obtained pursuant to this Distribution Access Service Agreement to any third Party, without the express prior written consent of the other Party. As used herein, the term "Confidential Information" shall include all business, financial, and commercial information pertaining to the Parties, Customers of either Party, suppliers for either Party, personnel of either Party, any trade secrets and other information of a similar nature, whether written or otherwise that is marked "proprietary" or "confidential" with the appropriate owner's name.

Notwithstanding the preceding, a receiving Party may disclose Confidential Information to any governmental, judicial or regulatory authority requiring such Confidential Information pursuant to any applicable law, regulation, ruling or order, providing that:

- (a) such Confidential Information is submitted under the applicable provision, if any, for confidential treatment by such governmental, judicial or regulatory authority; and
  - (b) prior to such disclosure, the other Party is given prompt notice of the disclosure requirement so that it may take whatever action it deems appropriate, including intervention in any proceeding and the seeking of any injunction to prohibit such disclosure.
17. All notices required hereunder shall be in writing and may be given personally, by facsimile or prepaid registered mail addressed to the party for which the notice is intended to its address designated hereunder or to such other address as may be substituted therefore from time to time.



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The Retailer's address for notice is:

**Retailer Name**

**Retailer Operating As Business Name**

Retailer Address

The Corporation's address for notice is:

**ATCO Gas and Pipelines Ltd**

10035 – 105 Street

P.O. Box 2426

Edmonton, Alberta, T5J 2V6

Attention:

Facsimile:

Attention: Manager, Customer Care and Billing

Email: RetailerContact@atco.com



Effective: April 1, 2021  
Previously Effective: January 1, 2021

**APPENDIX "A"**

MEMORANDUM OF AGREEMENT made the (day) of (month), (year)

APPENDIX "A" to the Retail Service Agreement between <RETAILER NAME> and **ATCO Gas**.

**RETAILER IDENTIFICATION NUMBERS**

The following Retailer Identification numbers have been assigned to the Retailer noted above as of the effective date noted herein:

- (1)
- (2)
- (3)

The Retailer must notify the Company as promptly as reasonably practical of any additions or changes to the Retailer Identification Numbers. This Appendix "A" supersedes the Appendix "A" made the (day) of (month), (year).

IN WITNESS WHEREOF the Parties have executed this Agreement as of the day first above mentioned.

**[RETAILER/DSP NAME]**  
**[RETAILER/DSP      OPERATING      AS]**  
**BUSINESS NAME]**

**ATCO Gas and Pipelines LTD.**

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ATCO Gas and Pipelines LTD.**

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



Effective: April 1, 2021

Previously Effective: January 1, 2021

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## **SCHEDULE B – DE-ENERGIZE CUSTOMER SITE**

The Company's policy (as approved in these Terms and Conditions) with respect to de-energizing Customers is set out below and applies to all Retailers/DSP issuing the transaction as stated in AUC Rule 028.

1. Where a Retailer/DSP requests the Company de-energize a Customer, the Retailer/DSP shall provide to the Company any required updated Customer Information and, for de-energizations for non-payment, the proof of payment amount the Retailer/DSP will accept in the event the Customer provides ability of payment, the date the Customer was provided written notice and a direct phone number to the Retailer's/DSP's collection department for circumstances when the Customer is required to contact the Retailer/DSP immediately to resolve payment issues. For seasonal or vacant de-energizations, the Retailer/DSP shall provide the initial date of vacancy. The Company will not assume any billing or collection obligations or responsibilities for or on behalf of the Retailer/DSP.
2. De-energizations by the Company or at the request of the Retailer/DSP will commence for residential and commercial residential property sites on April 15<sup>th</sup> of each year. Residential and commercial residential, including multi-family, property sites will not be de-energized during the winter season defined as November 1<sup>st</sup> to April 14<sup>th</sup>, or between April 15<sup>th</sup> and October 31<sup>st</sup> when the overnight local temperature is forecast to drop below zero (0) degrees Celsius in the 24 hour period immediately following the proposed de-energization. For customer-requested de-energizations at residential sites, the Retailer/DSP must also provide notification from the property owner that he/she accepts full responsibility for protecting the property against damage that may be caused by the ending of gas service and that ATCO Gas will not be held liable for any damage or loss. The Retailer/DSP will forward a copy of the property owner's written request to the Company as well as the required transaction before the Company will schedule field work.
3. De-energization activity will be completed during regular business hours on weekdays of Monday, Tuesday, Wednesday and Thursday. No de-energization activity will be scheduled on Friday, Saturday and Sunday or any statutory holiday or any day prior to a statutory holiday observed in the service area.





Effective: April 1, 2021

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4. The Company may, upon visiting the Site, delay the de-energization. Reasons for delay include, but are not limited to:
- (a) Customer Information does not match Customer Information provided by the Retailer/DSP.
  - (b) Customer has proof of payment in hand at site in the amount as specified in Part 1 of this Schedule B.
  - (c) Immediate danger may exist to the occupants or the Company's representatives.
  - (d) De-energizing the service will adversely affect other Customers who are not to have their service de-energized.
  - (e) Where meters are located inside or on another Customer's property and access to the meter cannot be obtained. These situations will require additional distribution requirements including construction arrangements to de-energize elsewhere on the service line.



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## **SCHEDULE C – IMBALANCE PURCHASE/SALE CHARGES**

### **1.0 Imbalance Window Percentage**

The daily Imbalance Window percentage applicable to each Retailer/DSP Account is  $\pm 5\%$ .

### **2.0 Minimum Energy Imbalance Window**

Unless specified under Article 4.0 of this Schedule, the daily minimum energy Imbalance Window applicable to each Retailer/DSP Account for each Day is:

- (a) When the daily Backcast is less than or equal to 5,000 GJ the daily minimum energy Imbalance Window quantity shall be  $\pm 500$  GJ;
- (b) When the daily Backcast is greater than 5,000 GJ the daily minimum energy Imbalance Window quantity shall be  $\pm 1,000$  GJ.

### **3.0 Imbalance Purchase/Sale Price**

The Imbalance Purchase/Sale price applicable to each Retailer/DSP Account is:

- (a) For Imbalance Purchase, the price used by the Company will be the lowest Same Day Market or Yesterday Market trade price that occurs on the ICE NGX for the Gas Day as reported by the ICE NGX as the "ICE NGX AB-NIT Same Day Index" and "ICE NGX AB-NIT Yesterday Index" obtained from the "ICE NGX Price Indices" webpage <https://www.theice.com/marketdata/reports/254>
- (b) For Imbalance Sale, the price used by the Company will be the highest Same Day Market or Yesterday Market trade price that occurs on the ICE NGX for the Gas Day as reported by the ICE NGX as the "ICE NGX AB-NIT Same Day Index " and "ICE NGX AB-NIT Yesterday Index" obtained from the "ICE NGX Price Indices" webpage <https://www.theice.com/marketdata/reports/254>



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#### 4.0 Change to Imbalance Window Percentage and Minimum Energy Imbalance Window

In the event that the Transmission System changes the Transmission Balance Zone the Company will change the daily Imbalance Window percentage and the daily minimum energy Imbalance Window for Retailer/DSP Accounts to the following:

<u>Transmission Balance Zone</u>		<u>ATCO Gas Imbalance Window</u>		<u>ATCO Gas Minimum Energy Imbalance Window</u>	
<u>-%</u>	<u>+%</u>	<u>-%</u>	<u>+%</u>	<b>5000 GJ or Less</b>	<b>Greater than 5000 GJ</b>
-4%	+4%	-5%	+5%	-500 GJ to +500 GJ	-1000 GJ to +1000 GJ
-3%	+4%	-3%	+5%	-300 GJ to +500 GJ	-600 GJ to +1000 GJ
-2%	+4%	-2%	+5%	-200 GJ to +500 GJ	-400 GJ to +1000 GJ
-1%	+4%	-1%	+5%	-100 GJ to +500 GJ	-200 GJ to +1000 GJ
0%	+4%	0%	+5%	0 GJ to +500 GJ	0 GJ to +1000 GJ
-4%	+3%	-5%	+3%	-500 GJ to +300 GJ	-1000 GJ to +600 GJ
-3%	+3%	-3%	+3%	-300 GJ to +300 GJ	-600 GJ to +600 GJ
-2%	+3%	-2%	+3%	-200 GJ to +300 GJ	-400 GJ to +600 GJ
-1%	+3%	-1%	+3%	-100 GJ to +300 GJ	-200 GJ to +600 GJ
0%	+3%	0%	+3%	0 GJ to +300 GJ	0 GJ to +600 GJ
-4%	+2%	-5%	+2%	-500 GJ to +200 GJ	-1000 GJ to +400 GJ
-3%	+2%	-3%	+2%	-300 GJ to +200 GJ	-600 GJ to +400 GJ
-2%	+2%	-2%	+2%	-200 GJ to +200 GJ	-400 GJ to +400 GJ
-1%	+2%	-1%	+2%	-100 GJ to +200 GJ	-200 GJ to +400 GJ
0%	+2%	0%	+2%	0 GJ to +200 GJ	0 GJ to +400 GJ
-4%	+1%	-5%	+1%	-500 GJ to +100 GJ	-1000 GJ to +200 GJ
-3%	+1%	-3%	+1%	-300 GJ to +100 GJ	-600 GJ to +200 GJ
-2%	+1%	-2%	+1%	-200 GJ to +100 GJ	-400 GJ to +200 GJ
-1%	+1%	-1%	+1%	-100 GJ to +100 GJ	-200 GJ to +200 GJ
0%	+1%	0%	+1%	0 GJ to +100 GJ	0 GJ to +200 GJ
-4%	0%	-5%	0%	-500 GJ to 0 GJ	-1000 GJ to 0 GJ
-3%	0%	-3%	0%	-300 GJ to 0 GJ	-600 GJ to 0 GJ
-2%	0%	-2%	0%	-200 GJ to 0 GJ	-400 GJ to 0 GJ
-1%	0%	-1%	0%	-100 GJ to 0 GJ	-200 GJ to 0 GJ
0%	0%	0%	0%	0 GJ to 0 GJ	0 GJ to 0 GJ

The change to the daily Imbalance Window percentage and daily minimum energy Imbalance Window for Retailer/DSP Accounts will be in effect for the same gas days as the Transmission Balance Zone change.



**Attachment 4.7  
Producer Terms and Conditions**

**PRODUCER TERMS AND CONDITIONS  
FOR  
GAS DISTRIBUTION SERVICE**

**AUC Decision: 26283-D01-2021**

**Effective: April 1, 2021**



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## ARTICLE 1 – PREAMBLE

In accordance with the provisions of the Gas Utilities Act (“GUA”) and the Regulations made there under (“Regulations”), ATCO Gas an operating division of ATCO Gas & Pipelines Ltd. (“ATCO Gas”) in its role as a pipe owner will provide Produce Service to Producers. These Terms and Conditions are intended to govern the relationship between ATCO Gas and Producers receiving Producer Service on the Company's Gas Pipeline System. They are part of ATCO Gas' Producer Tariff and as such must be approved by the Commission. They apply to every Producer unless varied by an agreement approved by the Commission.

The service provided by ATCO Gas hereunder is regulated by the Alberta Utilities Commission (“AUC”) and parties having any inquiries or complaints regarding these Terms and Conditions may direct such inquiries or complaints directly to ATCO Gas or to the AUC. These Terms and Conditions have been approved by the AUC.

## ARTICLE 2 – DEFINITIONS

### 2.1 Definitions

The following words or phrases, whenever used in these Terms and Conditions, the Company's Producer Rate Schedules or in an application, contract or agreement for service shall have the meanings set forth below:

*"Account"* means a record maintained by ATCO Gas which contains receipts, deliveries, Rider P, Imbalance Purchase and Imbalance Sale, and adjustments applicable to each Producer on the Gas Pipeline System;

*"Account Balancing"* means the process of managing Gas receipts and/or deliveries in an Account in order to keep the difference, net of adjustments, within the tolerance specified by the Imbalance Window;

*"Account on the Transmission System"* means the account held by the Company on NOVA Gas Transmission Ltd.;

*"Act"* means the *Gas Utilities Act – R.S.A. 2000 c.G-5*, as amended from time to time;



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"Agent" means a person who performs functions on behalf of a Producer;

"Agency Appointment Agreement" means an agreement between a Producer and another party wherein the other party is appointed as Agent for that Producer;

"AUC" means the Alberta Utilities commission established under the *Alberta Utilities Act S.A 2007. C. A-37.2*, as amended from time to time;

"Automated Meter Reading Device" means a device attached to the meter used to collect meter readings from the meter. No customer information is collected through this device.

"Backcast" means an estimate of Producer measurement prepared for the current Gas Day as described in the Producer Guide;

"Billing Commencement Date" means the commencement date for assessing the tariffs and charges as set forth in these Terms and Conditions; provided however that the Billing Commencement Date will be adjusted by the Company if the Company is unable to commence Producer Service under the Producer Service Agreement on such date;

"Business Day" is any day other than Saturday, Sunday or a holiday as defined in the *Interpretation Act, R.S.A. 2000, c.1-8*; as amended from time to time;

"Company" means ATCO Gas, an operating division of ATCO Gas and Pipelines Ltd. or its successor;

"Customer" means a Producer or a person, firm, partnership, corporation, organization or association (including, without limitation, individual members of any unincorporated entity) who consumes Gas in end-use at its location and is connected to the Company Gas Pipeline System;

"Credit Rating" shall mean, with respect to a Producer on any date of determination, (1) the respective rating then assigned to its issuer rating or unsecured and senior, long-term indebtedness (not supported by third party credit enhancement) by S&P, DBRS or Moody's or (2) the issuer rating by S&P, DBRS or Moody's. In the event of a split rating the lower shall prevail;



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"Day" means a period of twenty-four (24) consecutive hours;

"DBRS" Dominion Bond Rating Service, or its successor;

"Effluent" means any solid, liquid or gas, or combination of any of them, including, without limitation, salt, dust, smoke, particulate matter, debris, hazardous waste, chemicals, vapour, runoff, wastewater or sewage.

"Energy" means natural gas energy (expressed in joules or sub-multiples or multiples thereof);

"Force Majeure" means circumstances not reasonably within the control of the Company, including acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, pandemics, epidemics, landslides, lightning, earthquakes, fires, storms, floods, high water, washouts, inclement weather, orders or acts of civil or military authorities, civil disturbances, explosions, breakdown or accident to equipment, mechanical breakdowns, temporary failures of gas supply, the intervention of federal, provincial, state or local government or from any of their agencies or AUC, excluding decisions and/or orders made by the AUC in the normal course of it exercising its authority to establish the revenue requirement of the parties to this agreement, the order or direction of any court, and any other cause, whether of the kind herein enumerated or otherwise;

"Gas" means all natural gas both before and after it has been subjected to any treatment or process by absorption, purification, scrubbing or otherwise, and includes all fluid hydrocarbons;

"Gas Day" means a Day beginning at eight hours (08:00), Mountain Standard Time;

"Gas Distributor" means the owner, operator, manager or lessee of a gas distribution system as defined in the *Act*;

"Gas Pipeline System" means all those facilities owned or used by Company in the receipt, delivery, transportation, measurement and testing of Gas, (including, without limitation, transmission and distribution lines, pressure control devices, meters,



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equipment and machinery);

"GJ" means gigajoules or one billion (1,000,000,000) joules;

"Gross Heating Value" means the number of megajoules obtained from the combustion of a cubic metre of Gas at a temperature of fifteen degrees Celsius (15°C), with the Gas free of water vapour, and at a pressure of one hundred one and three hundred twenty five one-thousandths (101.325) kPa absolute and with the products of combustion cooled to the initial temperature of the Gas and the water formed by the combustion condensed to the liquid state;

"Imbalance" means the difference between energy quantities of Gas received and Gas delivered, net of adjustments, in an Account each Gas Day;

"Imbalance Window" means a range of Imbalances within which an Account is considered to be in balance without action being taken to adjust receipts into or deliveries from that Account;

"Imbalance Purchase/Sale" means the removal from, by Imbalance Purchase, or addition to, by Imbalance Sale the daily Account Imbalance energy quantity outside the nearest Account daily Imbalance Window boundary, as the case may be, in a Producer Account by ATCO Gas which will be settled financially;

"Load" means the amount of natural Gas injected or required to be injected at any specific point or points in the Gas Pipeline System;

"LBDA" means the Company's load balancing deferral account that is used to record certain revenues and expenses associated with load balancing the Gas Pipeline System, including without limitation balancing purchase/sales and Imbalance Purchase/Sales;

"Minimum Receipt Pressure" means the pressure specified in the Producer Service Agreement for a given location or as otherwise specified from time to time by the Company;

"Maximum Daily Contract Demand" means the maximum quantity of Gas in a Day that



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the Company will be obligated to receive at the Point of Receipt, as agreed between the parties to the Producer Service Agreement;

*"Maximum Receipt Pressure"* means the pressure specified in the Producer Service Agreement for a given location or as otherwise specified from time to time by the Company;

*"Month"* means a period beginning at eight hours (08:00), Mountain Standard Time, on the first day of a calendar month and ending at eight hours (08:00), Mountain Standard Time, on the first day of the next succeeding calendar month;

*"NGX"* means Natural Gas Exchange Inc., an exchange for the trading and clearing of natural gas and electricity contracts that operates in a North American Technology and Physical Clearing Alliance with Intercontinental Exchange, Inc.;

*"Nomination"* means a request in electronic or other written or verbal form for Gas to flow at a Point of Receipt, a Point of Delivery or for receipt into or delivery out of an Account at a specified quantity on a specified date(s);

*"Point of Delivery"* means, unless otherwise specified in a Producer Service Agreement, an interconnection with the Transmission System;

*"Point of Receipt"* means, unless otherwise specified in a Producer Service Agreement, the point on the Company's system at which the Gas first enters the Gas Pipeline System;

*"Producer"* means a person, firm, partnership, corporation or organization that is an owner of Gas requiring Producer Service for transporting Gas through the Company's Gas Pipeline System, pursuant to the Company's Rate Schedule;

*"Producer Contribution"* means the amount that the Producer must pay to the Company to install the Specific Facilities and/or Gas Pipeline Systems necessary to provide a Service Connection to the Producer;

*"Producer Information"* includes without limitation site customer name, site customer telephone number, site customer mailing address, site contact name, site contact phone number and other information, including safety related information, required to provide



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safe Produce Service to Producers;

*"Producer Guide"* means the guide prepared by the Company which describes the businesses processes and operational standards between the Company and the Producer in relation to the provision of service under these Terms and Conditions.

*"Producer Service"* means the service required to inject Gas onto the Company's Gas distribution system and, if requested by the Producer, deliver Gas to an interconnection with the Transmission System.

*"Producer Service Agreement"* means an agreement for the provision of a Service Connection pursuant to these Terms and Conditions, made between the Company and a Producer, in the form attached as Schedule A;

*"Producer Tariff"* means the rates, tolls, or charges fixed by the AUC and the terms and conditions of service fixed by the Commission, for Producer Service;

*"Producer Usage Information"* means information regarding the Producer's historical Gas flow at the Producer's Point of Receipt;

*"Qualified Institution"* means a Schedule I Chartered Bank in Canada, a major U.S. commercial bank, or a foreign bank with a U.S. or Canadian branch office which is not the Producer (or a subsidiary or affiliate of the Producer) having assets of at least CAD 10 billion and with a Credit Rating of a least "A" by S&P (or an equivalent rating by a comparable credit rating service);

*"Rate Schedule"* means the gas producer rate schedule prepared by the Company and approved by the AUC, as amended from time to time;

*"Rider P"* means a rate rider, expressed as a percentage, approved by the AUC applicable to Producer Accounts for the recovery in kind of Unaccounted For Gas;

*"Same Day Market"* means the intra-Alberta natural gas market that is generally available during trading hours on a calendar Day for transactions applicable to the Gas Day commencing on the same calendar Day;



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*“Service Connection”* means the Specific Facilities required to physically connect the Producer’s facilities to the Company’s Gas Pipeline System to permit the Producer to obtain Producer Service;

*“Site”* means a unique Point of Receipt, being the finest level at which settlement recognizes Producer assignments, and receives consumption data;

*“Site ID”* means a unique identification number assigned by the Company for each unique Point of Receipt;

*“Specific Facilities”* means those facilities installed by the Company for the benefit of a Producer and required to transport Gas;

*“Transmission Balance Zone”* means a range of Imbalances provided by NOVA Gas Transmission Ltd. within which the Company’s Account on the Transmission System is considered to be in balance;

*“Transmission System”* means all those facilities owned or operated by ATCO Pipelines and NOVA Gas Transmission Ltd. in the receipt, delivery, transportation, measurement and testing of Gas (including, without limitation, transmission lines, regulators, meters, equipment and machinery);

*“Unaccounted For Gas”* means the Producer share of Company’s unaccounted for Gas, as specified in rate Rider P of the Company’s Rate Schedule;

*“Yesterday Market”* means the intra-Alberta natural gas market that is generally available during trading hours on a calendar Day for transactions applicable to the Gas Day commencing on the previous calendar Day.

## 2.2 Conflicts

- (a) If there is any conflict between a provision expressly set out in an order of the AUC and these Terms and Conditions, the order of the AUC shall govern.
- (b) If there is any conflict between a provision expressly set out in these Terms and Conditions, as may be amended from time to time, and a Producer Service



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Agreement, the express provision of these Terms and Conditions shall govern, as of their effective date.

### **2.3 Headings**

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

### **2.4 Schedules and Appendices**

The following schedules and appendices form part of these Terms and Conditions:

- Schedule A – Sample Producer Service Agreement (attached to this document)
- Schedule B – Imbalance Purchase/Sale Charges
- Schedule of Non-Discretionary Charges (available at [atco.com](http://atco.com))

## **ARTICLE 3 – GENERAL PROVISIONS**

### **3.1 AUC Approval**

These Terms and Conditions have been approved by the AUC. The Company may amend these Terms and Conditions by filing a notice of amendment with the AUC. Included in the notice of amendment to the AUC shall be notification of which Producer groups are affected by the amendment and an explanation of how affected Producers will be notified of the amendment. Any amendment to the Terms and Conditions will take effect sixty (60) days after such notice is filed, unless the AUC otherwise directs.

### **3.2 Producer Tariff**

The Producer Tariff is available for public inspection during normal business hours at the business offices of the Company and at the offices of the AUC and can be accessed at the Company's website at [atco.com](http://atco.com). These Terms and Conditions form part of the Producer Tariff.





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### 3.3 Effective Date

These Terms and Conditions come into force as per the Effective Date shown on the cover page. Whenever the Company files a notice of amendment to these Terms and Conditions, or when the AUC approves an amendment to these Terms and Conditions, revisions will be issued, with the effective date of the amendments indicated thereon.

### 3.4 Application of Terms and Conditions

- (a) These Terms and Conditions, as amended from time to time, apply to the Company and to every Producer to which the Company provides Producer Service.
- (b) The application for Producer Service, the entering into a Producer Service Agreement, the use by the Producer of a Service Connection to obtain Producer Service or the payment by the Producer of an account rendered by the Company in relation to a Service Connection shall constitute acceptance by the Producer of these Terms and Conditions whether or not the Producer has signed an application or contract for service.
- (c) These Terms and Conditions also apply to any party appointed as Agent for a Producer pursuant to an executed Agency Appointment Agreement, as set out in the Producer Guide.
- (d) No agreement can provide for the waiver or alteration of any part of these Terms and Conditions unless such agreement is first filed with and approved by the AUC.

### 3.5 Producer Guide

The Company has developed the Producer Guide to help Producers understand the normal practices of the Company. The Producer Guide is available on the Company website at [atco.com](http://atco.com). The Producer Guide will be updated, from time to time, to reflect changes to the Gas utility industry, or the changing needs of Producers. The Company is committed to follow practices in the Producer Guide. However, as these practices cannot



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cover every situation that arises, it may be necessary to deviate from the Producer Guide in certain circumstances.

### **3.6 Ownership of Gas Pipeline System**

- (a) The Producer is not the owner of any segments of the Gas Pipeline System or Specific Facilities necessary to provide a Service Connection, unless an agreement between the Company and Producer specifically provides otherwise.
- (b) Payment made by Producers for costs incurred by the Company in installing any segment of the Gas Pipeline System and Specific Facilities does not entitle Producers to ownership of any such segment of the Gas Pipeline System and Specific Facilities or any intellectual property, engineering, design, or other information or data, or any other rights relating to or in respect to such facilities unless an agreement between the Company and the Producer specifically provides otherwise.

### **3.7 Fees and Other Charges**

The Company will provide all standard service hereunder pursuant to the Producer Tariff. All additional, supplementary or extra non-discretionary services provided by the Company to a Producer will be charged a separate rate or fee, such as those included, without limitation, in the Schedule of Non-Discretionary Charges. Payment for these services shall be in accordance with the provisions of these Terms and Conditions.

### **3.8 Title or Interest in Gas**

The Company shall not acquire any title or interest in the Gas being transported under the Producer Service Agreement.

### **3.9 Exclusive Control of Gas**

Gas delivered to the Company by Producers shall be under the exclusive control of the Company from the time such Gas is accepted at the Point of Receipt until delivered, notionally or physically, to a Retailer or at the Point of Delivery.



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### 3.10 Routing and Facilities

The Company does not dedicate the Gas Pipeline System or Specific Facilities to transport Gas for a Producer, and accordingly the routing and facilities used in the transportation of Gas through the Gas Pipeline System for Producers shall be at the Company's sole discretion and may change from time to time.

### 3.11 Commingling or Exchange

The Company may in the course of transporting Gas through the Gas Pipeline System commingle with or exchange Gas owned by or transported for others, or remove certain hydrocarbon components present in the Gas. As commingling, exchanging, or the removal of certain hydrocarbon components may alter the Gross Heating Value or constituent parts of the Gas after receipt at the Point of Receipt, the Company shall not be required to deliver Gas with the same Gross Heating Value or containing the same constituent parts as Gas delivered at the Point of Receipt and the Company shall make whatever compensating adjustments to volume and Gross Heating Value as may be warranted. In the event, and to the extent, that any hydrocarbon components in the Gas delivered at the Point of Receipt are absent from the Gas delivered as the result of commingling, exchanging or removal of such hydrocarbon components in the course of transporting the Gas, title to such hydrocarbon components shall, notwithstanding anything to the contrary otherwise contained in the Producer Service Agreement, be deemed conclusively to have passed to the Company.

### 3.12 Right to Transport

Producer covenants with the Company that the Producer shall have the right to transport all Gas delivered under the Producer Service Agreement to the Company at the Point of Receipt.

## ARTICLE 4 – ESTABLISHMENT OF SERVICE

### 4.1 Application for Service Connection

- (a) To enable the Company to provide the requested Producer Service, applicants for service shall supply information regarding the location of the premises to be



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served; the Producer's maximum production capacity and preferred service requirements; the manner in which the Service Connection will be utilized; credit information, prepayment; and, any other information that may be required by the Company.

- (b) Upon receipt of the required information, the Company will advise the applicant of the type and character of the Service Connection it will furnish to the Producer, and any special conditions that must be satisfied.

## 4.2 Method of Application

### 4.2.1 *Form and Acceptance of Application*

Written acceptance specifying the Producer has agreed to these Terms and Conditions must be received by the Company before construction of the Service Connection will proceed.

### 4.2.2 *Application by Other Person*

A person acting as an Agent of a Producer may apply for a Service Connection on behalf of the Producer. The Agent must provide the Company, in a form acceptable to the Company, verifiable authorization from the Producer to make the application.

## 4.3 Payment for Service Connection

- (a) Producers applying for Service Connections may be required to prepay any applicable charge / estimate.
- (b) The Producer will be required, at the Company's sole discretion, to pay the complete cost based on actual costs upon completion of the work, including where prepayment was based on an estimate.
- (c) Producers owing money to the Company will be required to make full payment of all outstanding balances plus meet the conditions of (a) and (b) above.



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#### 4.4 Establishment and Re-establishment of Credit or Deposits

##### 4.4.1 *Establishment of Credit*

The Company, at its sole discretion and acting reasonably, reserves the right to request Producers to establish credit by way of a deposit or other acceptable method for any amounts in relation to services provided by the Company, including but not limited to the ongoing provision of Producer Service, the cost of the Producer's Service Connection, or Producer Contribution, under these Terms and Conditions.

##### 4.4.2 *Re-establishment of Credit*

###### (a) Producers with an Outstanding Balance

An applicant who has been a customer of the Company and who is indebted to the Company will be required to re-establish credit by paying all delinquent bills and depositing the amount prescribed herein.

###### (b) Delinquent Producer

A Producer whose Service Connection has been de-energized or disconnected for nonpayment of bills for service may be required, before service is restored, to establish credit by paying all delinquent bills, the reconnection fee and depositing the amount prescribed herein.

##### 4.4.3 *Amount of Security Deposits*

The amount to be deposited will be determined by the Company at the time of the service application or upon the Producer entering into any contractual arrangements with the Company.

##### 4.4.4 *Refunds of Security Deposits*

A security deposit is refunded or credited to the Producer's account with interest when:



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- (1) the Producer's Service Connection is de-energized or disconnected, other than for default in payment of accounts, and the Producer has paid all amounts owing to the Company;
  - (2) the Producer has satisfactorily established credit by paying all bills on or before the due date of the said bill, for twelve (12) consecutive months; or
  - (3) the Producer has satisfied any other conditions stipulated in any contractual arrangements between the Producer and the Company.

#### 4.4.5 *Interest on Security Deposits*

Interest on each Producer's security deposit held by the Company will be calculated at the rate specified from time to time in *The Residential Tenancies Act S.A. 2004, C.R-17.1* or as otherwise stipulated in any contractual arrangements between the Producer and the Company. Interest will be credited to the Producer's account annually or when the deposit is refunded.

#### 4.4.6 *Use of Security Deposits*

If a Producer fails to pay an amount billed, the Company may apply all or any portion of a Producer's security deposit toward payment of the outstanding amounts, any subsequent unpaid costs incurred by the Company, including interest and any late payment charges. When the Company has taken this step, the Producer may be required to pay to the Company the amount deducted from the Producer's security deposit. Upon termination of a Service Connection or any contractual arrangement between the Producer and the Company, the Company may apply all or any portion of a Producer's security deposit, including interest, toward payment of any amount due and owing by that Producer.

### 4.5 **Rejection of Application**

The Company may, without limitation, reject any applicant's request for a Service Connection:



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- (a) when the Producer does not have currently in force all permits or other authorizations that may be required for the installation of the Service Connection as defined in section 4.7; or
  - (b) when the Company determines that a previous account held by the Producer is in arrears with the Company; or
  - (c) when the Producer fails to provide a payment as specified in Article 4.3; or
  - (d) when the Company determines that the form of the Producer Service Agreement is not appropriate for the Service Connection due to its unique nature and the Producer refuses to enter into an alternate form of agreement acceptable to the Company; or
  - (e) when any representation made by the applicant or the Producer to the Company for the purpose of obtaining a Service Connection is, in the Company's opinion, fraudulent, untruthful or misleading; or
  - (f) when the Producer has not, when requested by the Company to do so, provided a signed written application for a Service Connection or a signed Producer Service Agreement; or
  - (g) when the proposed service requirements, in the Company's opinion, have unusual characteristics that might adversely affect the quality of service supplied to other customers, the public safety, or the safety of the Company's personnel or the Company's Gas Pipeline System or equipment; or
  - (h) for any other reason rejection of the application is deemed necessary by the Company.

#### **4.6 Producer Service Agreement**

- (a) A Producer may be required by the Company to sign a Producer Service Agreement in respect of a Service Connection. The Producer Service Agreement shall be signed by the Producer and not by its Agent.



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- (b) In the absence of a signed Producer Service Agreement, the supplying of a Service Connection by the Company and the acceptance thereof by the Producer shall be deemed to constitute an agreement by and between the Company and the Producer for delivery, receipt and payment for Producer Service under the Company's applicable Rate Schedules and Terms and Conditions.
- (c) If any provision of the Producer's Producer Service Agreement, or the application thereof, is to any extent held invalid or unenforceable, the remainder of its Producer Service Agreement and the application thereof, other than those provisions which have been held invalid or unenforceable, shall not be affected and shall continue in full force and effect and shall be enforceable to the fullest extent permitted by law or in equity.
- (d) A contract for service is not assignable by the Producer without the prior written consent of the Company, which consent shall not be unreasonably or arbitrarily withheld.
- (e) Producers will be required to pay a Producer Contribution if the revenue generated by existing rates from the applicable Rate Schedule(s) using the Producer's Maximum Daily Contract Demand is less than the cost to serve them over the contract term.
- (f) All services that are transferred, assigned, assumed or used by a person who purchases land upon which existing Producer facilities are located, or who takes over the operation or use of Producer's facilities at an existing Point of Receipt, including, without limitation any affiliate or successor to the previous Producer and, if applicable, the owner of the property on which the Point of Receipt is located, shall be subject to the terms of the Producer Service Agreement(s) of the previous Producer(s), along with the billing and demand history. Any change(s) in service requirements as a result of such transfer shall be made in accordance with these Terms and Conditions. The new Producer may enter into new Producer Service Agreement(s). The Company may perform an investment contribution calculation to determine whether any adjustments are required to the Producer's Contribution, as specified in Article 4.6(e), to recognize the different levels of company





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investment which applies under any new Producer Service Agreement(s). The existing contractual arrangements will remain in place until any new agreements have been accepted by both parties. It is the sole responsibility of the party who is taking over the use or operation of an existing Point of Receipt to undertake thorough due diligence with respect to the existence of and all terms of any existing Producer Service Agreement(s) associated with the Point of Receipt.

#### **4.7 Approvals**

The Producer for a new, altered or relocated Service Connection shall be responsible for obtaining all permits, certificates, licenses, inspections, reports, and other authorizations necessary for the installation and operation of the Service Connection. The Company shall not be required to commence or continue installation or operation of a Service Connection unless and until the Producer has complied with the requirements of all permits, certificates, licenses, inspections, reports and other authorizations, and all right-of-way agreements, and all Company requirements applicable to the installation and operation of the Service Connection.

#### **4.8 Information and Requirements for Service**

##### *4.8.1 Producer Service Connections*

Upon request, the Company shall provide to the Producer, information on the method and manner of making Service Connections. Such information may include a description of the Service Connection available, the location of entrance facilities and metering equipment, and Producer and Company responsibilities for installation of Specific Facilities.

##### *4.8.2 Producer Usage Information*

- (a) The Company shall provide Producer Usage Information to a Producer upon request in relation to:
  - (1) the 12-month period preceding the date of the request, or

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- (2) for any shorter period for which the Company has collected that information for the requesting Producer.
- (b) An Agent or consultant, acting on behalf of a Producer, may request Producer Usage Information by obtaining and submitting to the Company the authorization from the Producer in a form as set out in the Producer Guide. These requests are subject to a fee as outlined in the Schedule of Non-Discretionary Charges.
- (c) The Producer shall submit requests for Producer Usage Information by referencing the Site ID. All such requests shall be in writing and may be delivered via electronic mail (e-mail) or by standard mail.
- (d) The Company will normally process requests within five (5) Business Days of receiving notification from the Producer. If the Company determines that it cannot process the request within five (5) Business Days, the Company shall notify the Producer of the approximate delivery date.
- (e) The information referred to in section (a) above will be provided by the Company at no cost for requests made once per year per individual account. The Company will assess a charge for additional Customer Usage Information requests or requests involving multiple Producer accounts as set forth in the Schedule of Non-Discretionary Charges.

#### **4.9 Application of Rate Schedules**

- (a) The Company will make Producers aware of the Rate Schedule(s) under which the Company provides service to Producers. The Company shall not be required to refund the difference in charges under different rates or Rate Schedules for any past period during which the Producer did not request service under an alternate rate or Rate Schedule that may have been available to such Producer.
- (b) Various riders and options are also applicable to the Producer Service as specified in the Rate Schedule approved from time to time by the AUC.

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- (c) Producers may request a switch to a new rate or the Company may determine that the Producer's service requirements no longer meet the eligibility requirements of their current rate. Subject to the above provisions, where the Producer's service requirements change so that some other Rate Schedule(s), riders and options may apply to the service, the Company will advise the Producer of its eligibility for service under the alternate Rate Schedule, and the Company will change the Producer's billing accordingly.
- (d) In each circumstance, the Company may perform an investment contribution calculation to determine whether any adjustments are required to the Producer's Contribution, as specified in Article 4.6, to recognize the different levels of Company investment which apply to each Rate Schedule.
- (e) In addition to payments for Producer Service, the Producer is required to pay the Company the amount of any tax or assessment levied by any tax authority on Producer Service.
- (f) Should a dispute arise between the Company and a Producer with regards to the Producer's eligibility to switch rates, the Company will normally bring the dispute before the AUC for resolution. This does not preclude the Producer from bringing the same dispute before the AUC. Switching will not be allowed before the AUC renders a decision.

## **ARTICLE 5 – SERVICE REQUIREMENTS AND FACILITIES**

After the Producer has complied with the Company's application and payment requirements and has been accepted for Producer Service by the Company, has obtained all required permits and/or inspections indicating that the Producer's facilities comply with local construction, and safety standards or regulations, the Company shall schedule that Site for Service Connection.



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## 5.1 Producer Provided Facilities and Requirements

### 5.1.1 *Commitment to Maintain Systems*

The Company and the Producer mutually undertake to operate and maintain their respective pipeline systems and equipment safely and in such a manner as not to interfere with the system or equipment owned by the other party and, in particular, the Company and the Producer each undertake and agree to consult with the other before commencing construction or operation of any new equipment or facilities which the Company or the Producer reasonably expects may interfere with, or affect, the operation of the other party's pipeline system or equipment and to make modifications to the design or construction of any such equipment or facilities, as practically as may be requested, to minimize any such interference.

### 5.1.2 *Protection of the Company's Specific Facilities and Gas Pipeline Systems*

The Producer shall furnish and maintain, at no cost to the Company, the necessary space, housing, fencing, barriers, structure marking, lighting and foundations for the protection of the Specific Facilities and Gas Pipeline Systems to be installed upon the Producer's premises which may or may not include a dedicated meter room and an active telecommunications line and supply of electricity for measurement equipment. If the Producer refuses, the Company may at its option furnish and maintain, and charge the Producer for furnishing and maintaining, the necessary protection. Such space, housing, fencing, barriers, structure marking, lighting and foundations shall be in conformity with all applicable laws and regulations and shall be subject to the Company's specifications and approval.

### 5.1.3 *Compliance with Requirements and Use of Service Connection*

The Producer will ensure that its facilities comply with the applicable requirements and with any technical guidelines that may be issued from time to time by the Company or the applicable authority having jurisdiction.



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#### 5.1.4 Extensions

A Producer shall not, without the prior written consent of the Company, sell or otherwise permit any other person to use such Producer Service nor shall a Producer extend or permit the extension of facilities connected to the Company's distribution system beyond property owned or occupied by that Producer for any Point of Receipt.

#### 5.2 Forecast Volumes

The Producer agrees to provide the Company, for planning purposes, such forecasts of future volumes per month to be injected onto the Gas Pipeline System as the Company may reasonably request from time to time.

### ARTICLE 6 – RIGHTS OF WAY AND ACCESS TO GAS PIPELINES SYSTEM

#### 6.1 Easements

In consideration of the Company providing Producer Service to the Producer, the Producer grants to the Company, without cost to the Company, such easements or rights-of-way over, upon or under the property owned by the Producer as the Company reasonably requires for the construction, installation, maintenance, repair, and operation of the Gas Pipeline System required for a Service Connection to the Producer and extensions thereof, and all other obligations required to be performed by the Company hereunder. Easements or rights-of-way granted to the company are registered interests in property and the Company's rights will be described herein.

#### 6.2 Right of Entry

The Company's employees, agents and other representatives shall have the right to enter a Producer's property at all reasonable times for the purpose of installing, maintaining, replacing, testing, monitoring, reading, de-energizing, or removing the Company's Gas Pipeline System and for any other purpose incidental to the provision of a Service Connection. The Producer shall not prevent, hinder, or charge a fee for allowing the Company's entry, including the use of roads on the Producer's property, or any adjacent



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or nearby property or crown land over which the Producer has the right to grant access for the purposes listed in this section. In the event that any of the Company's Gas Pipeline System is situated within a Producer's premises, the Company may require that Producer to provide to it a key for the purpose of gaining access to such Gas Pipeline System. The Company will endeavor to provide reasonable notice to the Producer when the Company requires entry to the Producer's property for planned maintenance or repairs to the Company's facilities. The Company may charge a fee as set forth in the Schedule of Non-Discretionary Charges any time the Company's entry is considered by the Company's employees, agents or other representatives as unsafe or is otherwise prevented, hindered or refused.

### **6.3 Vegetation Management**

The Producer shall permit the Company to manage vegetation on the property owned or controlled by the Producer to maintain proper clearances, reduce the risk of contact with, and allow access to the Company's Gas Pipeline System. The Company shall make reasonable efforts to notify the Producer before such work is performed.

Producers are responsible for following Company setback requirements when planting new vegetation such as trees and shrubs. Producers shall be responsible for future vegetation management costs where Company setback requirements have not been met.

### **6.4 Interference with Company's Gas Pipeline System**

The Producer shall not install or allow to be installed on property owned or controlled by the Producer any temporary or permanent structures or vegetation that could interfere with the proper and safe operation of the Company's Gas Pipeline System or result in non-compliance with applicable statutes, regulations, standards and codes. The Company shall not be liable for any damage to any structure or improvement erected, installed or placed in contravention of these Terms and Conditions resulting from the maintenance of such gas line or service line.



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## ARTICLE 7 – SERVICE CONNECTION

### 7.1 Receipts

Subject to the other provisions of this Article, the Company agrees to receive from the Producer at the Point of Receipt the quantity of Gas which the Producer injects onto the Gas Pipeline System up to the Maximum Daily Contract Demand. However, the Company will not be required to accept at the Point of Receipt a quantity of Gas in any hour greater than 110% of 1/24th of the Maximum Daily Contract Demand, unless otherwise specified in writing by the Company.

### 7.2 Deliveries

If the Producer elects to deliver a quantity of Gas to the Transmission System, the Company agrees to tender for transportation to the Producer and the Producer will receive at the Point of Delivery, a volume of Gas containing the equivalent number of GJs as are contained in the volume of Gas tendered by the Producer at the Point of Receipt less the Producer's share of the Company's Unaccounted-For-Gas.

### 7.3 Gas Must be of Merchantable Quality

All Gas tendered for Producer Service must be of merchantable quality and, without restricting the generality of the foregoing:

- (a) Must not contain sand, dust, gums, crude oil, impurities and other substances which may be injurious to pipelines or which may interfere with its transmission through pipelines or its commercial utilization;
- (b) Must not have a hydrocarbon dew point in excess of minus ten degrees Celsius (-10°C) at operating pressures;
- (c) Must not contain more than sixty-five milligrams per cubic metre (65 mg/m<sup>3</sup>) of water vapour;
- (d) Must not contain more than two percent (2%) by volume of carbon dioxide;



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- (e) Must be as free of oxygen as can be achieved through the exercise of all reasonable precautions and must not, in any event, contain more than four-tenths percent (0.4%) by volume of oxygen;
  - (f) Must not contain more than one and six-tenths percent (1.6%) by volume of nitrogen;
  - (g) Must not contain more than four percent (4%) by volume of total inert gases (including carbon dioxide, nitrogen, oxygen, and other gases considered chemically inert);
  - (h) Must not contain more than one percent (1%) by volume of nitrogen at an absolute pressure of not exceeding seven hundred (700) kPa;
  - (i) Must not contain more than seven milligrams per cubic metre (7 mg/m<sup>3</sup>) of hydrogen sulphide;
  - (j) Must not contain more than six milligrams per cubic metre (6 mg/m<sup>3</sup>) of mercaptan sulphur;
  - (k) Must not contain more than twenty-three milligrams per cubic metre (23 mg/m<sup>3</sup>) of total sulphur;
  - (l) Must not contain more than three milligrams per cubic metre (3 mg/m<sup>3</sup>) of ammonia;
  - (m) Must not contain more than milligram per cubic metre (1 mg/m<sup>3</sup>) of siloxanes;
  - (n) Must not contain more than ten milligrams per cubic metre (10 mg/m<sup>3</sup>) of fluorine;
  - (o) Must not contain more than one milligram per cubic metre (1 mg/m<sup>3</sup>) of chlorine;
  - (p) Must not contain more than eight-hundredths of a milligram per cubic metre (0.08 mg/m<sup>3</sup>) of mercury;
  - (q) Must not contain more than nineteen-hundredths of a milligram per cubic metre (0.19 mg/m<sup>3</sup>) of arsenic;





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- (r) Must not contain more than six-tenths of a milligram per cubic metre (0.6 mg/m<sup>3</sup>) of copper;
  - (s) Must not exceed thirty degrees Celsius (30°C) in temperature;
  - (t) Must have a Gross Heating Value of not less than thirty-six and five-tenths megajoules per cubic metre (36.5 MJ/m<sup>3</sup>). However, with the prior written consent of the Company, Gas of a lower Gross Heating Value may be delivered; and,
  - (u) Must have a Wobbe Number not less than forty-seven and sixty-five hundredths megajoules per cubic metre (47.65 MJ/m<sup>3</sup>).

If, in the Company's sole opinion, Gas received by the Company at the Point of Receipt fails to be of merchantable quality or fails to meet the Company's minimum quality specifications, the Company may, at any time, from time to time, immediately and/or without prior notice, cease to receive further deliveries of Gas at the Point of Receipt pending the remedying by the Producer of such failure to the satisfaction of the Company. The Company may install, at the Producer's expense, such Specific Facilities, including any Gas quality control, monitoring, and/or shutdown equipment deemed necessary, in the Company's sole opinion, to ensure Gas received by the Company at the Point of Receipt meets the quality specifications set forth in this Article.

#### **7.4 Notice on Change in Input Quality**

The Producer will notify the Company as soon as practicable in the event of any adverse change in Gas quality determinable by the Producer and which may be delivered into the Gas Pipeline System at the Point of Receipt.

#### **7.5 Company Responsibility and Liability**

##### *7.5.1 Continuous Supply*

The Company shall make all reasonable efforts to maintain continuity of Producer Service, but the Company cannot guarantee uninterrupted Producer Service.



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### 7.5.2 *Interruption*

Without liability of any kind to the Company, the Company shall have the right to disconnect or otherwise curtail, interrupt or reduce service to Producers:

- (a) whenever the Company reasonably determines that such a disconnection, curtailment, interruption or reduction is necessary to facilitate construction, installation, maintenance, repair, replacement or inspection of any of the Company's facilities, or to permit the connection or disconnection of other customers;
- (b) to maintain the safety and reliability of the Company's distribution system;
- (c) to restrict the flow of Gas at the Point of Receipt or the Point of Delivery to achieve a balance, to correct any imbalance, or in the event the Producer repeatedly exceeds the Maximum Daily Contract Demand without the Company's authorization; or,
- (c) due to any other reason related to dangerous or hazardous circumstances including emergencies, forced outages or Force Majeure.

### 7.5.3 *Reasonable Efforts*

The Company shall use reasonable efforts to minimize any scheduled curtailment, interruption or reduction to the extent reasonably practicable under the circumstances, to provide the Producer with prior notification of any such curtailment, interruption or reduction to the extent reasonably practicable, and to resume the Producer's Service Connection as promptly as reasonably practicable.

### 7.5.4 *Company Liability*

Notwithstanding anything to the contrary contained in these Terms and Conditions, the Company shall not be liable for any loss, injury, damage, expense, charge, cost or liability of any kind, whether of direct, indirect, special or consequential nature, (excepting only direct physical loss, injury or damage to a Producer or a Producer's property, resulting from the negligent acts or omissions of the



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Company, its employees or agents) arising out of or in any way connected with provision of service by the Company to its customers including any failure, defect, fluctuation, reduction or interruption in the provision of service by the Company to its customers. For the purpose of the foregoing and without otherwise restricting the generality thereof, "direct physical loss, injury or damage" shall not include loss of revenue, loss of profits, loss of earnings, loss of production, loss of contract, cost of purchased or replacement capacity and energy, cost of capital, and loss of use of any facilities or property, or any other similar damage or loss whatsoever.

#### 7.5.5 *Force Majeure*

Should the Company be unable, because of an event of Force Majeure, to provide continuous Producer Service, the Company's responsibilities, so far as they are affected by the Force Majeure, shall be relieved and suspended during the duration of such circumstances and the Company shall not be liable for any failure to perform any term of these Terms and Conditions to the extent that and when such failure is due to, or is a consequence of, an event of Force Majeure. Where practical, the Company shall give notice to the affected Producers of such Force Majeure.

Producers shall not be relieved by Force Majeure as described in this Article 7.5.5 from the obligation to pay the charges set forth pursuant to this Article unless Force Majeure has been invoked by the Company.

#### 7.5.6 *Changes to Incoming Volumes or Transmission System*

- (a) Notwithstanding anything contained elsewhere in the Producer Service Agreement, if a Producer requests that the Company accept receipt of Gas or transport Gas to an interconnection with the Transmission System, the Producer recognizes and agrees the Company's ability to accept or deliver Gas may be dependent upon an exchange with volumes of Gas which would normally be delivered into the Gas Pipeline System.
- (b) The Producer further recognizes and agrees changes in such incoming volumes of Gas or changes in either the capacity of the interconnection



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with Transmission System or the capacity of the Gas Pipeline System may occur from time to time.

- (c) In the event the Company, is unable to continue to exchange volumes of Gas at the Point of Delivery with volumes of Gas which would normally be delivered into the Gas Pipeline System at the Point of Delivery or there are changes in incoming Gas volumes or capacity, this will constitute an event of Force Majeure and the Company will serve written notice to the Producer advising of its inability to continue to provide Producer Service under the Producer Service Agreement by the exchange of volumes of Gas which would normally be delivered into the Gas Pipeline System.
- (d) The notice under Clause 7.5.6(c) will specify:
- (1) The Producer's proportionate share of the additional costs associated with the capital improvements required to maintain Producer Service at that Point of Delivery;
  - (2) The volume of Gas the Company is able to receive and transport to that Point of Delivery if no capital improvements are made; and
  - (3) The location of alternate Points of Delivery where the Company can continue Producer Service at the then current level.
- (e) In the event the Producer receives notice pursuant to Clause 7.5.6(c), the Producer will, within thirty (30) Days after the receipt of such notice, provide written notice to the Company indicating which of the options set out in such notice the Producer intends to exercise.
- (f) In the event none of the options provided by the Company are acceptable to the Producer, the Producer may terminate the Producer Service Agreement effective on the date such notice is received by the Producer. However, in the event the Producer chooses to terminate the Producer Service Agreement, the Producer will be required to pay the actual cost of removal



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(less estimated salvage value), the present value of the capital recovery stream(s) associated with the existing facilities being removed

#### *7.5.7 Release*

Subject to Section 7.5.4, none of the Company, its directors, officers, agents, employees and representatives, ("Company Parties"), will be liable to the Producer, its directors, officers, Agents, employees and representatives ("Producer Parties") for any damages, costs, expenses, injuries, losses, or liabilities suffered or incurred by the Producer Parties or any of them, howsoever and whensoever caused, and each Producer Party hereby forever releases each of the Company Parties from any liability or obligation in respect thereof.

#### *7.5.8 The Company Not Liable to Producer*

For greater certainty and without limitation to the foregoing in Sections 7.5.4 and 7.5.7, the Company Parties (as defined above) shall not be liable to a Producer for any damages of any kind (except to the extent the Company is liable for such damages in accordance with Section 7.5.4) caused by or arising from any of the Company Party's conduct in compliance with or in breach of, or as permitted by, these Terms and Conditions, Producer Service Agreement or other agreement with the Producer.

### **7.6 Producer Responsibility and Liability**

#### *7.6.1 Producer Responsibility for Facilities*

The Producer shall be responsible for the installation and condition of all facilities on the Producer's side of the Point of Receipt, except Specific Facilities owned by the Company. The Producer shall be responsible for any destruction of or damage to the Company's Specific Facilities located on the Producer's premises where the destruction or damage is caused by a negligent act or omission or willful misconduct of the Producer or anyone permitted by the Producer to be on the premises.



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### 7.6.2 *Producer Liability*

The Producer shall be solely responsible for and comply with the regulations regarding the installation, condition and maintenance of all piping, equipment, and apparatus on the Producer's side of the Point of Receipt, and the Producer shall indemnify and save harmless the Company from and against any claim or demand for injury to persons or damage to property arising out of or in any way connected with piping, equipment and apparatus on the Producer's side of the Point of Receipt, so long as such injury or damage is not caused by the negligence of the Company.

### 7.6.3 *Service Calls*

The Company may require a Producer to pay the actual costs of a service call if the source of the problem is the Producer's own facilities.

## 7.7 **Interference with the Company's Property**

No one other than an employee or authorized agent of the Company shall be permitted to remove, energize, operate, or maintain meters, equipment and other facilities owned by the Company without Company permission. The Producer shall not interfere with or alter the meter, seals, or other facilities or permit the same to be done by any person other than the authorized agents or employees of the Company.

## 7.8 **Unauthorized Use**

Where the Company determines that there has been unauthorized use of the Service Connection including, but not limited to, meter or equipment tampering, unauthorized connection or reinstatement, theft, or fraud whereby the Company is denied full compensation for Producer Services provided, the Company will bill the Producer for the Company's estimate of Energy and delivery charges for such unauthorized use and require Producer prepayment for any repairs, damages and reconstruction of Company facilities. Nothing in this section shall limit any other rights or remedies that the Company may have in connection with such unauthorized use.



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## 7.9 Termination by Company

- (a) If a Producer violates any of these Terms and Conditions, or tampers with any of the Company's Gas Pipeline System or permits its service piping, or equipment connected thereto to become, in the opinion of the Company, hazardous, or neglects to pay the charges for Producer Service due to the Company at any of the times fixed for the payment thereof, or refuses to provide entry, or violates the provision of any contract or Rate Schedule applicable, or increases to flows at the Producer's Point of Receipt without the permission of the Company, or makes fraudulent use of the Company's Producer Service, the Company, or anyone acting under its authority, may, without prejudice to any other right or remedy which it may have against the Producer, on giving forty-eight (48) hours' notice to the Producer, disconnect the Producer Service from its system. Notwithstanding the foregoing, if, in the opinion of the Company, the condition of the Producer's piping or equipment attached thereto is so hazardous as not to safely permit the giving of notice, no notice shall be required. The Producer shall, notwithstanding the discontinuance of Producer Service, be liable for and pay to the Company all charges for Producer Service supplied up to the time of such discontinuance
- (b) When a contract for service is terminated by a Producer and a new application for service has not been received by the Company, the Company shall discontinue the Producer Service to the premises.
- (c) If the piping or equipment described in (a) above is found to be hazardous or non-compliant, the Company, at its discretion, may choose to disconnect or shut off only that portion or piece of equipment which is in violation, in order to maintain Producer Service to the remaining Producer facilities. The Company will report these incidences to the authority having jurisdiction as per the Regulations made under the Act.

## 7.10 Effluent

The Producer agrees that if any part of the Producer's process or operations produces or emits effluent that may cause contamination to or otherwise affect the operation of the Company facilities used to provide Producer Service (including without limitation, the



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Company's facilities installed or interconnected to serve the Producer facilities) (the "Contamination"), the Producer shall immediately disclose this information to the Company personnel as soon as the potential for or actual Contamination, as the case may be, is known. Notwithstanding any other provision of the Terms and Conditions, the Producer shall indemnify the Company from any damage, injury, loss, costs and claims ("Costs") suffered or incurred by the Company, its agents or employees which are in any way incurred as a result of or connected with any effluent produced or emitted by the Producer's process or operations. Such Costs shall include, without limitation, all reasonable expenses incurred in cleaning up Contamination, upgrading the Company's Gas Pipeline System to prevent any future occurrence of any similar contamination and/or to mitigate excessive costs of ongoing maintenance or, where a Gas Pipeline System upgrade is not feasible, the costs of continued maintenance of the Company facilities resulting from Contamination.

#### **7.11 Minimum and Maximum Receipt Pressures**

- (1) The Minimum Receipt Pressure and Maximum Receipt Pressure of the Gas at the Point of Receipt will be as specified by the Company for that location.
- (2) The Company, at its sole discretion, may grant relief from the Minimum Pressure or Maximum Receipt Pressure and such relief will continue until the Company provides written notice.
- (3) Subject to Clause 7.11(2), the Producer will deliver the Gas, or cause the Gas to be delivered, to the Company at the Point of Receipt at such pressures as the Company may require from time to time.

#### **7.12 Lost Gas**

The Company will not be responsible for Gas lost by pipeline rupture, explosion, fire or other similar calamity, but will maintain and provide to the Producer a record of the Producer's proportionate share of any such loss and cooperate with all reasonable requests of the Producer's insurers or their agents during the course of an investigation of any claim arising from any such loss.





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## ARTICLE 8 – METERS

### 8.1 General Requirements

The Producer shall authorize the Company to connect, verify, maintain and exchange automated meter reading and/or monitoring equipment for the purpose of transmitting and collecting meter reading information. The Producer shall permit the Company to perform meter reading using automated monitoring equipment. The Company shall comply with the regulations of the authority having jurisdiction with regard to measurement equipment and devices.

### 8.2 Installation and Maintenance of Meters

The Company shall provide, install and maintain all necessary regulators and meters necessary for measuring the Gas flow at the Producer's Point of Receipt. Unless impractical, meters shall be installed on the outside of the premises, and in any case the location shall be subject to the approval of the Company so as to permit safe and convenient access, such approval not to be unreasonably withheld.

### 8.3 Meter Test and Adjustments

- (a) The Company may inspect and test a meter at any reasonable time.
- (b) At the request of Measurement Canada or an accredited agency as may, from time to time, be designated for this purpose, the Company shall arrange for a meter to be removed and tested by an official designated for that purpose. The Company will direct Producers wishing to dispute the meter to Measurement Canada.
- (c) If a test determines that the meter is not accurate within the limits set by government standards, the Producer's bill will be adjusted accordingly. Where it is impossible to determine when the error commenced, it shall be deemed to have commenced three (3) months before the test or the date of the meter installation, whichever occurred later. The Company shall not be liable to the Producer for any additional costs that are associated with such metering or meter reading errors.



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- (d) The Company reserves the right to assess a charge to the Producer at the time of a meter test as set forth in the Schedule of Non-Discretionary Charges. This charge is reimbursed in circumstances when the meter tested is found to be faulty.
  - (e) If any facilities of a Producer connected to the Gas Pipeline System prevents or impedes the meter from accurately recording the total amount of Energy supplied, the Company may forthwith de-energize or disconnect the Producer's Service Connection, or disconnect such appliance from the Gas Pipeline System and shall, in either case, estimate the amount of Energy injected onto the Gas Pipeline System and not registered, as accurately as it is able to do so, together with any costs incurred by the Company in disconnecting such Gas Distribution Service, or appliance, and repair of any damage to the Company's Gas Pipeline System as the case may be. The Producer's bill will be adjusted accordingly for the estimated amount of Energy, delivery charges, and all other related costs.

## **ARTICLE 9 – PRUDENTIAL REQUIREMENTS**

### **9.1 Setting of Prudential Requirements**

- (a) The Producer must fulfill the requirements as set forth in this Article to the satisfaction of the Company before the Company will provide Producer Service to that Producer.
- (b) Subject to review and reassessment of the prudential requirements of a Producer by the Company from time to time, a Producer shall meet and maintain such financial and other prudential requirements as set out in this Article to ensure that the Producer is and remains of sufficient financial standing to meet its ongoing financial obligations.
- (c) The Company will confirm the Credit Rating of the Producer, affiliate or person which guarantees the financial obligation of the Producer.

If a Producer has obtained more than one Credit Rating, the lowest Credit Rating will be used in the assessment.



- (d) The Company may require the Producer to provide, and at all times maintain, security in the form a cash deposit, an irrevocable letter of credit from a Qualified Institution or an irrevocable guarantee in favour of the Company issued by a financial institution acceptable to the Company in an amount equal to the sum of the maximum amount payable by the Producer under the Producer Service Agreement for ninety (90) Days of Producer Service plus the installation cost of Specific Facilities. Notwithstanding the definitions under these Terms and Conditions, the relationship between the Producer and the Company is a relationship of creditor and debtor, respectively. Where the Producer provides security in the form of a cash deposit, all right, title, and interest is transferred absolutely; will vest in the Company free and clear of any liens, claims, charges and encumbrances; and no security interest will be created in the cash. An irrevocable guarantee may only be provided from a person acceptable to the Company, other than the Producer, with a qualifying Credit Rating.

## 9.2 Maintaining Prudential Requirements

- (a) If a Producer's actual outstanding charges under the Company's Rate Schedule and these Terms and Conditions are materially greater than the value projected by the Producer Service Agreement, the Company will update the projection and, if additional security is required based on the updated projection, require the Producer to provide additional security within five (5) Business Days of the Company's request.
- (b) The Company requires Producers to report any downgrading of the Producer's Credit Rating to the Company within two (2) Business Days of said Credit Rating revisions, and must provide any additional security required as a result of the downgrading within five (5) Business Days of the downgrading.
- (c) If a Producer fails to pay any amount billed, subject to Article 11.5 of these Terms and Conditions, the Producer hereby grants to the Company and the Company also is entitled to a right to "Set-off" any amounts payable by the Producer with respect to any obligations of the Producer to the Company, or when the Producer has provided security in the form or an irrevocable letter of credit or



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irrevocable guarantee. The Company will apply all or any portion of that Producer's security deposit to the unpaid amount. The Producer will then be required to replenish the security deposit within five (5) Business Days.

- (d) If the Producer fails to maintain its prudential requirements in accordance with Article 9 the Company reserves the right to discontinue Producer Service to the Producer. The Company will provide the Producer notice of discontinuance three (3) Business Days before the Company discontinues Producer Service to the Producer.
- (e) A Producer that is required to provide security in accordance with these Terms and Conditions must maintain that amount of security until all obligations of the Producer under the Company's Producer Tariff are satisfied. A Producer who provides security other than by means of a cash deposit held by the Company, must either ensure that its security has no expiry date and cannot be terminated, or must at all times ensure that its security is automatically extended from year to year, for successive periods of a minimum of one year from any expiration date thereof, unless the Company is notified in writing by prepaid registered mail not less than 30 days prior to any expiration date that the security will not be renewed for any such additional period ("Notice of Non-Renewal"). A Producer who provides security other than by means of a cash deposit held by the Company, must ensure that its security is executable from an intermediary bank branch or office with a drawing location in Calgary, Alberta.
- (f) Upon receipt of a Notice of Non-Renewal, the Company shall provide notice of same in writing to the Producer advising that the Producer's failure to provide the Company with alternate security meeting the requirements set out in this Article within 3 Business days after the date of the notice shall be in breach of the Producer's obligation and an event of default under Article 14.1(d) of these Terms and Conditions. If after 3 Business Days the Company is not in receipt of such alternate security, the full amount of the Producer's security determined in accordance with Article 9.1 of these Terms and Conditions shall become due and payable to the Company and the Company shall be entitled to make demand or claim against the Producer's security in accordance with Article 14.3.



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- (g) In the event of a default by a Producer, the Company is entitled to recover as part of the Producer Tariff any costs not covered by a claim against the Producer's security.

### 9.3 Confidentiality

All information provided by the Producer in relation to its financial standing and designated by the Producer as confidential will be treated as such under the Confidentiality Agreement between the Producer and the Company. The terms and conditions of the Confidentiality Agreement are set out in the Producer Guide.

### 9.4 Costs

All costs associated with obtaining financial security and meeting prudential requirements under this Article are the responsibility of the Producer.

### 9.5 Interest on Security Deposits

Interest on each Producer's cash security deposit held by the Company will be calculated at the rate specified from time to time in the *Residential Tenancies Act, S.A. 2004, C.R-17.1*. Interest will be paid to the Producer annually.

### 9.6 Letter of Credit Default

Letter of Credit Default shall mean, with respect to an outstanding letter of credit, the occurrence of any of the following events:

- (1) The issuer of the letter of credit ceases to be a Qualified Institution;
- (2) The issuer of the Letter of Credit fails to comply with or perform its obligations under such letter of credit and such failure continues after the lapse of any applicable grace period;
- (3) The issuer of such letter of credit disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of such letter of credit;
- (4) The letter of credit expires, terminates, or ceases to be in full force and effect at any time; or



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- (5) Any party related to the issuance of such letter of credit or credit support provider is dissolved, becomes insolvent or is unable to pay its debts, or fails or admits in writing its inability generally to pay its debts as they become due, makes a general assignment, arrangement or composition with or for the benefit of its creditors, files a petition for itself or a petition is filed by a 3rd party under the *Bankruptcy and Insolvency Act* of Canada, the *Companies' Creditors Arrangement Act*, or similar acts of other forbearing jurisdictions

## ARTICLE 10 – ACCOUNT BALANCING

### 10.1 Producer Account

- (a) The Producer will be provided an Account for balancing the Gas volumes injected by the Producer into the Gas Pipeline System.
- (b) The Producer Account shall be accumulated and recorded by the Company each Day and, without limitation, shall include such items as Gas sale Nominations, Producer receipts, Imbalance quantity, opening Imbalance quantity, previous Month(s) true-up quantity(ies), Producer's share of Company's Unaccounted For Gas and/or other adjustment quantity(ies) deemed appropriate as determined by the Company from time to time.
- (c) Each Day the Company shall provide measurement data for the Producer's receipts.
- (d) The Producer shall provide in kind Unaccounted for Gas as required in the Producer Rate Schedule at the rate specified in Rider P.
- (e) The Producer shall be required to hold one Account for the Producer's Points of Receipt.

### 10.2 Exchange of Gas

If the Producer wants to make its Gas supply available in an Account on the Transmission System, the Company will make that Gas available in the Producer's Account by means of an exchange with that Account on the Transmission System and the Company's



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Account on the Transmission System, subject to the procedures described in the Producer Guide.

### 10.3 Daily Producer Account Balance

- (1) For each Gas Day, the energy quantity of the Producer Account Imbalance Window shall be calculated by multiplying the daily measurement by the  $\pm$ Imbalance Window percentage specified on Schedule B and rounded to the nearest GJ, provided that the resultant is not less than the minimum energy Imbalance Window specified.
- (2) The Producer shall at all times endeavor to maintain its daily Account Imbalance energy within the quantity specified by the daily Imbalance Window.
- (3) For each Gas Day, in the event the absolute value of the Producer Account daily Imbalance energy is greater than the absolute value of the quantity specified by the daily Imbalance Window, the difference quantity shall be settled by Imbalance Purchase/Sale at the price specified on Schedule B.
- (4) The net quantity and dollars resulting from the Imbalance Purchase and Imbalance Sales transactions in (3), if any, will be invoiced to Producer once per Month. The Producer shall pay to the Company, on or before the 15th Business Day following the Business Day on which the Producer was invoiced, the amount invoiced by the Company for the preceding period.

### 10.4 Producer Account Monitoring Rules

The Company shall perform monitoring of the Producer's Account according to the following:

- (a) Step 1
  - i. If there is no evidence of a Nomination in the Producer's Account by 10:00 a.m. local time of the current Gas Day (Gas Day 1), which has not been pre-authorized by the Company, the Company will attempt to contact the Producer for an explanation. If the Producer indicates in writing (by email) that it intends



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to balance the Account within the Account Balancing timeline specified in the Producer Guide, then the Company will take no further action at Step 1. For the purposes of this clause, "balance the Account" means the Producer sold sufficient gas for Gas Day 1 such that the resulting Account Imbalance on Gas Day 1 was within the Imbalance Window and no Imbalance Purchase/Sale was triggered.

ii. If at (a)(i) above:

1. the Company, with reasonable effort by telephone and email, is unable to contact the Producer by the time of the release of the measurement for Gas Day 1, or
2. the Producer has indicated an inability to make Nominations to its Account for Gas Day 1, or
3. there continues to be no evidence of a Nomination in the Producer's Account by the time of the release of the measurement for Gas Day 1,

then the Company will transact on the Same Day Market based on the measurement for Gas Day 1. The transaction(s) will be recorded in the Company's Account on the Transmission System, not the Producer's Account, and charged to the LBDA. The Producer's Account will be closed for the remainder of Gas Day 1 and the rules related to Imbalance Purchase/Sale as stipulated in these Terms and Conditions will be in effect for the Producer's Account on Gas Day 1.

(b) Step 2

- i. If there is no evidence of a Nomination in the Account by 10:00 a.m. local time of the Gas Day following Gas Day 1 (i.e. Gas Day 2), which has not been pre-authorized by the Company, the Company will attempt to contact the Producer for an explanation. This rule will also apply to those Producers who made a commitment to balance their Account in Step 1, but did not fulfill that commitment, even if a Nomination was made for Gas Day 1. The Producer will





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be required to nominate gas sales equal to the measurement for Gas Day 2 prior to the end of the Gas Day.

ii. If at (b)(i) above

1. the Company, with reasonable effort by telephone and email, is unable to contact the Producer by the end of the Gas Day for Gas Day 2, or
2. the Producer has indicated an inability to make the Nominations to its Account for Gas Day 2, or
3. the gas sales in the Producer's Account does not equal the measured energy by the end of the Gas Day for Gas Day 2,

then the Company will transact on the Same Day Market based on the measurement for Gas Day 2. The transaction(s) will be recorded in the Company's Account on the Transmission System, not the Producer's Account, and charged to the LBDA. The Producer's Account will be closed for the remainder of Gas Day 2 and the rules related to Imbalance Purchase/Sale as stipulated in these Terms and Conditions will be in effect for the Producer's Account on Gas Day 2.

(c) Step 3

If there is no evidence of a Nomination in the Producer's Account by 10:00 a.m. local time of subsequent Gas Days, which has not been pre-authorized by the Company, the Company will transact on the Same Day Market based on the measurement for each Gas Day. The transaction(s) will be recorded in the Company's Account on the Transmission System, not the Producer's Account, and charged to the LBDA. The rules related to Imbalance Purchase/Sale as stipulated in these Terms and Conditions will be in effect for the Producer's Account.

(d) Step 4

After thirty (30) days, the Company may terminate Producer Service to the Producer and provide electronic notice to the Producer that its Account is permanently closed.



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The Company will continue to apply the rules related to Imbalance Purchase/Sale to the Producer's Account as a result of adjustments related to settlement or other matters which occur after the Producer's Account has been permanently closed.

(e) Step 5

In the event of non-payment on the part of the Producer, and without limiting the Company's rights or remedies at law or in equity, the Company shall have the right to recover any charges to a Producer by claiming against the Producer's or Agent's performance bond (as stipulated in Article 9 of these Terms and Conditions) which exists to secure due performance by the Producer or Agent of its obligation under these Terms and Conditions.

- (f) In the event that the Company is notified by the Producer in writing (by email) or in the event that the Company becomes aware that the Producer has declared itself or has been declared to be insolvent prior to the thirty (30) days of Account monitoring described in this section, the Company shall have the right to discontinue Producer Service with one (1) Business Days' notice.

### 10.5 Request for Additional Information

A Producer may request additional settlement information above the basic service provisions specified in the Producer Guide or information previously provided by the Company if:

- (a) the Producer provides a written request to the Company outlining the purpose for the additional settlement information; and
- (b) the additional settlement information applies only to the Points of Receipt of the Producer.

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



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## ARTICLE 11 – RENDERING AND PAYMENT OF BILLS

### 11.1 Meter Reading and Estimates

- (a) In the event that there is a discrepancy between the mounted meter index and a meter monitoring or automated meter reading device, the mounted meter index reading will be deemed to be correct unless a meter test proves otherwise.
- (b) The Company will assess a charge to the Producer for additional reads above the Company's standard practices. This charge is defined in the Schedule of Non-Discretionary Charges.
- (c) The Company shall keep an accurate record of all meter readings for the purpose of billing the Producer Service provided.
- (d) The Company may elect to change the meter reading schedule for a site and will provide advance notice of any changes.

### 11.2 Billing Charges to Producer

- (a) Billing to the Producer will be based on meter readings made by the Company or on estimates for those billing periods when the meter is not read. The Company reserves the right to assess a charge to the Producer for additional reads above the Company's standard practices as set forth in the Schedule of Non-Discretionary Charges.
- (b) For the purpose of determining the amount to be billed by the Company and paid by the Producer for the injection or transportation of Gas the unit to be used shall be one (1) GJ.
- (c) The Company will invoice the Producer each billing cycle for Producer Service provided by the Company for the period prior to the billing cycle; including the Imbalance Purchase/Sale amount, if any, as stipulated in Article 10.4(c) herein. The Company also reserves the right to perform off-cycle billings.



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- (d) Failure to receive a bill shall not release the Producer from its obligation to pay the same.

### 11.3 Payment to the Company

- (a) The payments for service provided to the Producer under the Rate Schedule and these Terms and Conditions shall commence on the first billing date after the earlier of the date upon which the Producer commences taking service or the Billing Commencement Date.
- (b) The Producer shall pay all amounts required to be paid under these Terms and Conditions upon receipt of a bill for such amounts. Bills shall be deemed rendered and other notices duly given when delivered to the Producer at the address provided by the Producer for service. Failure to receive such bill from the Producer will not entitle the Producer to any delay in the settlement of each account, or to any extension of the date after which a late payment charge becomes applicable. Any bill rendered to a Producer for which valid payment has not been received by the date indicated on the bill shall be considered past due. The Company reserves the right to assess a late payment charge as set forth in the Rate Schedule.
- (c) The Producer shall pay to the Company, on or before the 15<sup>th</sup> Business Day following the statement date, the amount invoiced by the Producer and payable not later than the day shown upon the bill as the “due date”.
- (d) The Company will establish an electronic billing and payment procedure for the payment of services hereunder. Notwithstanding, the Company will accept payment by cash or certified cheque if agreed to by the Company. The Company may refuse to accept payment on a Producer’s account when payment by cheque is drawn on a form other than a bank cheque form. In the event the Company accepts payment by cheque drawn on any other form, the Producer shall be liable for and pay to the Company all charges and costs incurred to process the cheque. The Company follows the Bank of Canada rules and regulations of currency acceptance limitations.



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#### 11.4 Late Payment Charge

Any amount owing for service and not paid by the due date shown on the bill shall be subject to a late payment charge in accordance with the Rate Schedule, all of which will be due and payable forthwith after the due date. If an outstanding balance remains on a go-forward basis, the Company will initiate collection action including, but not limited to, disconnecting service to the Producer.

#### 11.5 Late or Unpaid Bills

- (a) If a Producer defaults or is late in paying charges, subject to (b)(4) below, the Company will provide the Producer notice as required below in (b)(1), and will be entitled to draw on the security of the Producer if the Producer's arrears are not paid within (3) three Business Days after the date of the notice. The Producer must provide an additional deposit to replace the funds drawn down because of the default or late payment as stipulated in Article 9.2 herein.
- (b)
  - (1) If a Producer defaults in its payments the Company must provide the Producer with a notice in writing stating that the Producer is in default in its payments to the Company under the Company's Rate Schedule and these Terms and Conditions, and advising that the Company may make a claim against the Producer's security if the arrears are not paid within (3) three Business Days after the date of the notice.
  - (2) If after the expiry of the period set out in (b)(1) the Producer's arrears remain unpaid, the Company may make a claim against the Producer's security to cover the arrears. The Company may also discontinue or restrict Producer Service to the Producer with three (3) Business Days' notice if in its opinion not doing so could impair its ability to use the Producer's security for continuing arrears or amounts that have not been billed but are owed to ATCO Gas.
  - (3) If the Producer has provided security in the form of a financial deposit, the Company may deduct from that deposit the amount of the unpaid arrears.



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- (4) If in the opinion of the Company the giving of notice in accordance with (b)(1) would impair the Company's ability to make a claim against a Producer's security or to deduct the unpaid arrears from a Producer's financial deposit, the Company may make the claim or deduct the unpaid arrears without notice.
- (c) The Company may, at its sole discretion and in addition to any other remedies available to it, terminate Producer Service to the Producer, if such Producer does not pay all outstanding bills in accordance with these Terms and Conditions.

#### **11.6 Dishonored Payments Fee**

The Company reserves the right to assess a service charge to the Producer in respect of any payment returned by the Producer's bank for any reason as defined in the Schedule of Non-Discretionary Charges.

#### **11.7 Billing Error**

Should the Producer dispute any amount owing, the Producer shall nonetheless pay such disputed amount and submit the dispute for resolution in accordance with these Terms and Conditions. Following resolution of any such dispute, the Company will return any amount found owing, without interest, to the Producer. The right or ability of either party to dispute a bill for service provided hereunder shall only apply to bills rendered during a period of two (2) years prior to the date of a written notice of such dispute. The Company may assess a charge to the Producer for reviewing billing disputes, in circumstances where the Company has not been responsible for any billing error as established in the Schedule of Non-Discretionary Charges.

### **ARTICLE 12 – CHANGE IN SERVICE CONNECTION**

#### **12.1 Prior Notice by Producer**

- (a) A Producer shall give to the Company reasonable written notice prior to any change in Producer service requirements, including any change in Load, to enable the Company to determine whether or not it can provide such revised Producer Service without changes to its Gas Pipeline System. A person acting as Agent for



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a Producer, who provides the Company with verifiable authorization from the Producer, may give such notice to the Company on the Producer's behalf. If the Company receives such notice from an Agent, the Company may, at its option, require such notice directly from the Producer. The Company shall not be obligated to supply to any Producer any Load in excess of that originally agreed to by the Company.

- (b) The Producer shall not change its requirement for Producer Service without the Company's written permission. The Producer shall be responsible for all damage caused to the Company's Gas Pipeline System as the result of the Producer changing its requirements for Producer Service without the Company's permission.

## **12.2 Changes to Company Facilities**

If a change in a Producer's service requirements would require changes to the Company's Gas Pipeline System, that Producer may be required to pay the Company's costs of such changes other than those costs which the Company would have borne upon accepting an application to serve an increased Load in the first instance. In any event, that Producer shall pay the Company's capital cost, less depreciation, of existing Specific Facilities which would be removed as a result of such Load change, together with the estimated cost of removing the same less the estimated salvage value, if any, thereof.

## **12.3 Relocation of Company Facilities**

In any case in which the Company is requested to relocate any of its Gas Pipeline System, including service lines, regulators and meters, or to install a remote meter index or automated meter reading device, the person requesting such relocation or installation may be required to pay the costs set out in the Schedule of Non-Discretionary Charges for so doing, and shall, if requested by the Company, pay the same in advance of the Company undertaking such relocation or installation. Any relocation shall be subject to the provisions of these Terms and Conditions. Any installation of a remote meter index or meter monitoring device shall be subject to these Terms and Conditions. The Company reserves the right, at its expense, to relocate regulators or meters for operating convenience.



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## ARTICLE 13 – SERVICE DISCONNECTS, REINSTATEMENT AND REMOVAL

### 13.1 Disconnection

#### 13.1.1 Termination by Producer

Unless precluded by contract or industry rules from so doing, the Producer may, at any time, give to the Company five (5) Business Days' notice of termination of Producer Service. Upon receipt of such notice, the Company may read the meter attached to such Producer Service, and Producer shall pay for all Producer Service supplied prior to such reading. In the event that the Company is unable to read the meter upon receipt of Producer notice of termination, the charge for Producer service supplied shall be based on an estimated meter reading which will be prorated from the time of an actual meter reading.

#### 13.1.1A Temporary Disconnection

Upon the request of the Producer, the Company shall temporarily disconnect any Service Connection provided:

- (a) Upon the Producer request to restore service the Producer will be responsible for and pay any applicable charges outlined under Article 13.2.
- (b) If the Service Connection remains disconnected for greater than six (6) months, the facilities located downstream of the meter outlet are subject to retest as prescribed by the authority having jurisdiction.
- (c) After six (6) months of service disconnection, ATCO Gas reserves the right to remove the meter.
- (d) If the Service Connection remains disconnected for greater than twelve (12) months, it will be considered permanently disconnected and administered as per Article 13.1.1B herein.





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### 13.1.1B *Permanent Disconnection*

- (a) If the Producer requests the Service Connection to be permanently disconnected, the Producer billing for that service will be finalized. At the discretion of the Company, the Gas Pipeline System provided by the Company may be removed.
- (b) If within three (3) years of permanent disconnection the Producer requests the Service Connection be restored, the Producer must pay all the costs associated with the original disconnection, removal of the Gas Pipeline System and restoration of service.

### 13.1.2 *Disconnection by the Company*

- (a) The Company reserves the right to de-energize or disconnect Producer Service to the Site in a number of circumstances, including, but not limited to: failure to provide access at least once per year for meter reading; threats or harassment of employees or agents of the Company; non-payment of the Company bills or any past due charges by the Producer; evidence of safety violations, Energy theft, or fraud by the Producer; refusal of the Producer to allow change in facilities or equipment, or the Producer failing to meet its obligations under these Terms and Conditions or the Producer Service Agreement.
- (b) If the disconnect is a result of a safety violation, the Company will reinstate the service when the safety problem is resolved and when the Producer has prepaid all costs associated with repair, damage or restoration of service, and addressed prevention of such damage, interference or disturbance. The Company may assess a reinstatement charge as set forth in the Schedule of Non-Discretionary Charges.

## 13.2 **Reinstate Service**

This section applies when the Company is asked to reinstate or restore Producer Service to a Producer whose Producer Service was discontinued (whether or not at the request of



the Producer or the Company).

Before reinstating or restoring service, the Producer must ensure facilities downstream of the meter conform to the requirements of the authority having jurisdiction and shall pay:

- (a) any amount owing to the Company including written off accounts;
- (b) any damages or replacement costs owed to the Company; and
- (c) a reinstatement charge as defined in the Schedule of Non-Discretionary Charges.

The Company reserve the right to assess a reinstatement charge for all attempts to reinstate service, pursuant to this Article.

### **13.3 Removal of Facilities**

Upon termination of Producer Service, the Company shall be entitled to remove any of its Gas Pipeline System or Specific Facilities located upon the property of the Producer and to enter upon the Producer's property for that purpose. The Producer may be required to pay the actual cost of removal (less estimated salvage value), the present value of the capital recovery stream(s) associated with the existing facilities being removed, and, where applicable, any other outstanding amounts attributable to the Producer. Producer with a current Producer Service Agreement will be required to pay the present value of the capital recovery stream owing under the Producer Service Agreement.

## **ARTICLE 14 – DEFAULT**

### **14.1 Events of Default**

An event of default under these Terms and Conditions and/or the Producer Service Agreement will occur if either the Company or the Producer ("Defaulting Party"):

- (a) is the subject of a bankruptcy, insolvency or similar proceeding;
- (b) makes an assignment for the benefit of its creditors;



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- (c) applies for, seeks, consents to, or acquiesces in the appointment of a receiver, custodian, trustee, liquidator or similar official to manage all or a substantial portion of its assets;
  - (d) fails to pay the other party ("Non-Defaulting Party") when payment is due, or to satisfy any other material obligation under these Terms and Conditions or the Producer Service Agreement including, without limiting the generality of the foregoing, fulfilling the prudential requirements as set forth in Article 9, in accordance with these Terms and Conditions, and fails to remedy the failure or satisfy the obligation, as the case may be, within three (3) Business Days after receipt of written notice thereof from the Non-Defaulting Party;
  - (e) fails to balance its Account in accordance with Article 10.

#### **14.2 Rights Upon Default**

In an event of default, the Non-Defaulting Party shall, subject to these Terms and Conditions and any applicable regulatory requirements, be entitled to pursue any and all available legal and equitable remedies and terminate the Producer Service Agreement. Where the Defaulting Party is the Company or the Producer and the Non-Defaulting Party elects to terminate, the Producer Service Agreement is terminated without any liability or responsibility whatsoever, except for obligations arising prior to the date of termination. The Non-Defaulting Party shall provide written notice to the Defaulting Party of its intention to terminate Producer Service hereunder.

#### **14.3 Recourse to Security Upon Producer Default**

In addition to any other rights and remedies set out herein, in an event of default by the Producer, the full amount of the Producer's security determined in accordance with Article 9.1 of these Terms and Conditions shall become due and payable to the Company and the Company shall be entitled to make demand or claim against the Producer's security for the full amount secured thereunder. All funds received by the Company in respect of such claim shall be retained by the Company and applied against the Producer's obligations hereunder until such time as all of the Producer's obligations have been determined and satisfied. Any balance remaining after satisfaction of the Producer's



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obligations shall be returned to the issuing party of the security for the benefit of the Producer.

#### **14.4 Termination on Default**

If any one or more of the parties to the Producer Service Agreement fails to perform any of the covenants or obligations imposed upon it under and by virtue of the Distribution Access Service Agreement (the "Defaulting Party"), then in any such event, the other party or parties to the Producer Agreement (the "Non-Defaulting Party") may at its option terminate the Producer Service Agreement insofar and only insofar as the Producer Service Agreement pertains to the Defaulting Party by proceeding as follows:

- (a) The Non-Defaulting Party shall cause a notice in writing to be given to the Defaulting Party advising as to the nature of any default and declaring it to be the intention of the Non-Defaulting Party to terminate the Producer Service Agreement.

### **ARTICLE 15 – MISCELLANEOUS MATTERS**

#### **15.1 Transmission System Owner Requirements**

Producers acknowledge and agree that the Company is bound by all operating instructions, policies and procedures of Transmission System owners. Each Producer acknowledges and agrees that they will cooperate with the Company so that the Company will be in compliance with all such operating instructions, policies and procedures which include, but are not limited to, those operating instructions, policies and procedures pertaining to emergencies, and Producer supply reductions or full interruption by either manual or automatic means.

#### **15.2 Compliance with Applicable Legal Authorities**

The Company, Producers, and agents thereof, are subject to, and shall comply with, all existing or future applicable federal, provincial and local laws, all existing or future orders or other actions of governmental authorities having applicable jurisdiction. The Company will not violate, directly or indirectly, or become a party to a violation of any applicable federal, provincial or local statute, regulation, bylaw, rule or order in order to provide a



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Service Connection or Producer Service. The Company's obligation to provide a Service Connection and Producer Service is subject to the condition that all requisite governmental and regulatory approvals for the provision of such services will have been obtained and will be maintained in force during such period of service.

### **15.3 No Assignment**

A Producer shall not assign any of their rights or obligations under these Terms and Conditions, a Producer Service Agreement, or any other agreement with the Company relating to Producer Service without obtaining (a) any and all necessary regulatory approval(s); and (b) the prior written consents of the non-assigning party, which consent shall not be unreasonably withheld. No assignment shall relieve the Producer of any of their obligations under these Terms and Conditions or any other agreement until such obligations have been assumed by the assignee. Any assignment in violation of this Section shall be void.

### **15.4 No Waiver**

The failure of the Company or Producer to insist in any one or more instances upon strict performance of any provisions of the Terms and Conditions, a Producer Service Agreement, or any other agreement, or to take advantage of any of its rights hereunder, shall not be construed as a waiver of any such provision or the relinquishment of any such right or any other right hereunder, which shall remain in full force and effect. No term or condition of these Terms and Conditions or any other agreement shall be deemed to have been waived and no breach excused unless such waiver or consent to excuse is in writing and signed by the party claimed to have waived or consented to excuse.

### **15.5 Invalidity of Contractual Provisions**

If any provision of the Terms and Conditions, a Producer Service Agreement, or any other agreement with the Company is to any extent held invalid or unenforceable, the remainder of the Terms and Conditions or the agreement, as the case may be, and the application thereof, other than those provisions which have been held invalid or unenforceable, shall not be affected and shall continue in full force and effect and shall be enforceable to the fullest extent permitted by law or in equity.



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**15.6 Law**

These Terms and Conditions and any other agreement with a Producer shall be governed by the laws of the Province of Alberta and the federal laws of Canada applicable in the Province of Alberta, without regard to principles of conflicts of law. Any lawsuit arising in connection with these Terms and Conditions and any other agreement shall be brought in the courts of the Province of Alberta.



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**SCHEDULE A – SAMPLE PRODUCER SERVICE AGREEMENT**

MEMORANDUM OF CONTRACT made the (day) of (month), (year)

BETWEEN: **(PRODUCER NAME)**

(address)

(hereinafter called the "Producer")

- and -

**ATCO Gas and Pipelines Ltd.**, a body corporate with its Head Office in the City of Edmonton in the Province of Alberta ("ATCO Gas" or "Company")

WHEREAS the Producer has requested the Company to provide the Producer with Service Connection at a location known as:

**(Location of Service Connection)**

1. The Producer and the Company agree as follows:

- i. Billing Commencement Date: \_\_\_\_\_
- ii. Applicable Rate Schedule(s): \_\_\_\_\_
- iii. Service Requested: \_\_\_\_\_
  - a) Maximum Daily Contract Demand (GJ/D)\*: \_\_\_\_\_
  - b) Maximum Receipt Pressure (kPa): \_\_\_\_\_
  - c) Minimum Receipt Pressure (kPa): \_\_\_\_\_
  - d) Contract Term: \_\_\_\_\_
- iv. Producer Contribution (includes applicable GST): \_\_\_\_\_
- v. Supplementary Charges: \_\_\_\_\_
- vi. Special Arrangements: \_\_\_\_\_

2. This Natural Gas Service Agreement is subject to the ATCO Gas' Producer Terms and Conditions for Gas Distribution Service ("Terms and Conditions"), as amended from time to time, which are approved by the Alberta Utilities Commission ("AUC"). Applicable Non-Discretionary Charges are payable in addition to the Producer Contribution.

3. The service provided hereunder is provided for the Producer's use only at the said location and the Producer shall not permit any other person to use such service.

\*As used for calculating the Contract Term, and billing (as per published Producer Rate schedule); as used for site specific physical receipt, please refer to Appendix 1 for a Forecast of Daily Contract Maximums by Month.

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4. The Producer shall give to the Company reasonable prior written notice of any change in service requirements, including any change in Load to enable the Company to determine whether or not it can supply such revised service without changes to its facilities.
5. The Producer acknowledges that it has reviewed and understands these Terms and Conditions and agrees to be bound by them in all transactions with ATCO Gas.
6. No person, whether an employee or agent of ATCO Gas or otherwise, can agree to change, alter, vary or waive any provision of the Terms and Conditions without the express approval of the AUC.
7. This Producer Service Agreement shall be effective on the Billing Commencement Date, and thereafter shall remain in effect until terminated by either party in accordance with Article 13 or 14, as applicable, of the Terms and Conditions.
8. This Producer Service Agreement is subject to all applicable legislation, including the *Gas Utilities Act* and the Regulations made there under, and all applicable orders, rulings, regulations and decisions of the AUC or any other regulatory authority having jurisdiction over the Company or the matters addressed herein.
9. This Producer Service Agreement shall enure to the benefit of and be binding and enforceable by the parties hereto and their respective executors, administrators, successors and, where permitted, assignees.
10. If any provision of this Producer Service Agreement, or the application thereof, is to any extent held invalid or unenforceable, the remainder of this Producer Service Agreement and the application thereof, other than those provisions which have been held invalid or unenforceable, shall not be affected and shall continue in full force and effect and shall be enforceable to the fullest extent permitted by law or in equity.
11. Contracts or notices required with respect to the Contract shall be directed as follows:  
 ATCO Gas and Pipelines Ltd.  
 10035 – 105 Street,  
 Edmonton, Alberta, T5J 1C8

IN WITNESS WHEREOF the Parties have executed this Contract as of the day first above mentioned.

**[PRODUCER NAME]**

**ATCO Gas and Pipelines Ltd.**

Per:

Per:

Name:

Name:

Title:

Title:





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## Appendix 1

### Forecast of Daily Contract Maximums

The Producer and the Company forecast that the daily maximum contract volumes to be received at the point of receipt with the Company's gas distribution system are expected to vary in accordance with the following schedule due to seasonal capacity limitations arising from the Company's ability to physically distribute the gas received to its customers on any given day as follows:

January	_____
February	_____
March	_____
April	_____
May	_____
June	_____
July	_____
August	_____
September	_____
October	_____
November	_____
December	_____

1. The Company agrees to provide reasonable prior notice where possible of any material changes from the forecast set forth in this Appendix of its ability to receive and physically distribute to its customers the daily maximum contract volumes.
2. The Producer and the Company agree that either party can initiate an annual review of this agreement including updates to the Forecast of Daily Contract Maximums.
3. Nothing in this Appendix 1 is intended to affect the Company's rights under Article 7 of the Terms and Conditions regarding the relief from its obligation to receive gas due to capacity constraints which affect its ability to physically distribute gas to its customers.

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IN WITNESS WHEREOF the Parties have executed this Contract as of the day first above mentioned.

**[PRODUCER NAME]**

**ATCO Gas and Pipelines Ltd.**

Per:

Per:

Name:

Name:

Title:

Title:



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## SCHEDULE B – IMBALANCE PURCHASE/SALE CHARGES

### 1.0 Imbalance Window Percentage

The daily Imbalance Window percentage applicable to each Producer Account is  $\pm 5\%$ .

### 2.0 Minimum Energy Imbalance Window

Unless specified under Article 4.0 of this Schedule, the daily minimum energy Imbalance Window applicable to each Producer Account for each Day is:

- (a) When the daily Backcast is less than or equal to 5,000 GJ the daily minimum energy Imbalance Window quantity shall be  $\pm 500$  GJ;
- (b) When the daily Backcast is greater than 5,000 GJ the daily minimum energy Imbalance Window quantity shall be  $\pm 1,000$  GJ.

### 3.0 Imbalance Purchase/Sale Price

The Imbalance Purchase/Sale price applicable to each Producer Account is:

- (a) For Imbalance Purchase, the price used by the Company will be the lowest Same Day Market or Yesterday Market trade price that occurs on the ICE NGX for the Gas Day as reported by the ICE NGX as the “ICE NGX AB-NIT Same Day Index” and “ICE NGX AB-NIT Yesterday Index” obtained from the “ICE NGX Price Indices” webpage <https://www.theice.com/marketdata/reports/254>
- (b) For Imbalance Sale, the price used by the Company will be the highest Same Day Market or Yesterday Market trade price that occurs on the ICE NGX for the Gas Day as reported by the ICE NGX as the “ICE NGX AB-NIT Same Day Index “ and “ICE NGX AB-NIT Yesterday Index” obtained from the “ICE NGX Price Indices” webpage <https://www.theice.com/marketdata/reports/254>



Effective: April 1, 2021

#### 4.0 Change to Imbalance Window Percentage and Minimum Energy Imbalance Window

In the event that the Transmission System changes the Transmission Balance Zone the Company will change the daily Imbalance Window percentage and the daily minimum energy Imbalance Window for Producer Accounts to the following:

<u>Transmission Balance Zone</u>		<u>ATCO Gas Imbalance Window</u>		<u>ATCO Gas Minimum Energy Imbalance Window</u>	
<u>-%</u>	<u>+%</u>	<u>-%</u>	<u>+%</u>	<u>5000 GJ or Less</u>	<u>Greater than 5000 GJ</u>
-4%	+4%	-5%	+5%	-500 GJ to +500 GJ	-1000 GJ to +1000 GJ
-3%	+4%	-3%	+5%	-300 GJ to +500 GJ	-600 GJ to +1000 GJ
-2%	+4%	-2%	+5%	-200 GJ to +500 GJ	-400 GJ to +1000 GJ
-1%	+4%	-1%	+5%	-100 GJ to +500 GJ	-200 GJ to +1000 GJ
0%	+4%	0%	+5%	0 GJ to +500 GJ	0 GJ to +1000 GJ
-4%	+3%	-5%	+3%	-500 GJ to +300 GJ	-1000 GJ to +600 GJ
-3%	+3%	-3%	+3%	-300 GJ to +300 GJ	-600 GJ to +600 GJ
-2%	+3%	-2%	+3%	-200 GJ to +300 GJ	-400 GJ to +600 GJ
-1%	+3%	-1%	+3%	-100 GJ to +300 GJ	-200 GJ to +600 GJ
0%	+3%	0%	+3%	0 GJ to +300 GJ	0 GJ to +600 GJ
-4%	+2%	-5%	+2%	-500 GJ to +200 GJ	-1000 GJ to +400 GJ
-3%	+2%	-3%	+2%	-300 GJ to +200 GJ	-600 GJ to +400 GJ
-2%	+2%	-2%	+2%	-200 GJ to +200 GJ	-400 GJ to +400 GJ
-1%	+2%	-1%	+2%	-100 GJ to +200 GJ	-200 GJ to +400 GJ
0%	+2%	0%	+2%	0 GJ to +200 GJ	0 GJ to +400 GJ
-4%	+1%	-5%	+1%	-500 GJ to +100 GJ	-1000 GJ to +200 GJ
-3%	+1%	-3%	+1%	-300 GJ to +100 GJ	-600 GJ to +200 GJ
-2%	+1%	-2%	+1%	-200 GJ to +100 GJ	-400 GJ to +200 GJ
-1%	+1%	-1%	+1%	-100 GJ to +100 GJ	-200 GJ to +200 GJ
0%	+1%	0%	+1%	0 GJ to +100 GJ	0 GJ to +200 GJ
-4%	0%	-5%	0%	-500 GJ to 0 GJ	-1000 GJ to 0 GJ
-3%	0%	-3%	0%	-300 GJ to 0 GJ	-600 GJ to 0 GJ
-2%	0%	-2%	0%	-200 GJ to 0 GJ	-400 GJ to 0 GJ
-1%	0%	-1%	0%	-100 GJ to 0 GJ	-200 GJ to 0 GJ
0%	0%	0%	0%	0 GJ to 0 GJ	0 GJ to 0 GJ

The change to the daily Imbalance Window percentage and daily minimum energy Imbalance Window for Producer Accounts will be in effect for the same gas days as the Transmission Balance Zone change.