



**ENMAX Power Corporation  
EPCOR Distribution & Transmission Inc.**

**2023 Cost-of-Service Review**

**June 20, 2022**

**Alberta Utilities Commission**

Decision 26617-D01-2022

ENMAX Power Corporation

EPCOR Distribution & Transmission Inc.

2023 Cost-of-Service Review

Proceeding 26617

June 20, 2022

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The Commission may, within 60 days of the date of this decision and without notice, correct typographical, spelling and calculation errors and other similar types of errors and post the corrected decision on its website.

## **1 Background**

1. ENMAX Power Corporation and EPCOR Distribution & Transmission Inc. operate under a performance-based regulation framework, the current term of which was approved in Decision 20414-D01-2016 (Errata)<sup>1</sup> and expires at the end of this year. Each utility filed their 2023 cost-of-service review applications to the Alberta Utilities Commission for approval, representing the rebasing of their respective revenue requirements through a cost-of-service framework.

2. In the course of this proceeding each utility requested, and received, the Commission's permission to pursue a negotiated settlement process in respect of their applications. Two separate negotiation processes were conducted in May 2022. The first negotiation process occurred among ENMAX, the Office of the Utilities Consumer Advocate (UCA), and the Consumers' Coalition of Alberta (CCA). ENMAX reached a settlement agreement with the UCA, to which the CCA refused to be a signatory.<sup>2</sup> The second negotiation process occurred among EPCOR, the UCA and the CCA. EPCOR reached a settlement agreement with the UCA, to which the CCA also refused to be a signatory.<sup>3</sup>

3. The Commission established further process which included an oral hearing to consider the CCA's concerns with the settlement agreements, any comments that the signatories to the settlement agreements wished to provide, and evidence from all parties.<sup>4</sup> This process was conducted on an expedited time frame, without change to the original process schedule that was established to consider the full cost-of-service applications. Parties have been continuing to prepare for a full oral hearing on the applications in early July 2022 as a result of running these processes concurrently.

4. Both settlement agreements were negotiated as packages, contingent on the Commission accepting the entire settlement.<sup>5</sup> Section 135 of the *Electric Utilities Act* therefore requires the Commission in this case to either approve the entirety of each settlement agreement or refuse it.

5. There is a need for certainty with respect to the upcoming process schedule deadlines related to the Commission's consideration of the full applications, the next of which is rebuttal

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<sup>1</sup> Decision 20414-D01-2016 (Errata): 2018-2022 Performance-Based Regulation Plans for Alberta Electric and Gas Distribution Utilities, February 6, 2017.

<sup>2</sup> Exhibit 26617-X0220 through Exhibit 26617-X0224.

<sup>3</sup> Exhibit 26617-X0228.01 through Exhibit 26617-X0231.

<sup>4</sup> Exhibit 26617-X0219, AUC letter - Process for the assessment of negotiated settlement agreement.

<sup>5</sup> ENMAX indicated that its NSA with the UCA was contingent on the Commission accepting the entire settlement in accordance with Section 135 of the *Electric Utilities Act*. However, ENMAX requested that if the Commission was considering rejecting the NSA out of concern with one or more provisions, that the Commission indicate the provisions which were the source of its concern and provide the parties an opportunity to renegotiate: see Exhibit 26617-X0220, 2022-06-06-EPC Negotiated Settlement Application, paragraphs 19-20.

evidence due tomorrow. The Commission has therefore decided to release its decision on whether to approve the settlement agreements with reasons to follow in another decision to be issued shortly.

## 2 Decision and order

6. The Commission has decided to approve the settlement agreement between ENMAX and the UCA as filed, in its entirety, with reasons to follow. The Commission has also decided to approve the settlement agreement between EPCOR and the UCA as filed, in its entirety, with reasons to follow.

7. It is hereby ordered that:

- (1) The negotiated settlement agreement between ENMAX Power Corporation and the Office of the Utilities Consumer Advocate, attached as Appendix 1 to this decision, is approved.
- (2) The negotiated settlement agreement between EPCOR Distribution & Transmission Inc. and the Office of the Utilities Consumer Advocate, attached as Appendix 2 to this decision, is approved.

Dated on June 20, 2022.

### Alberta Utilities Commission

*(original signed by)*

Kristi Sebalj  
Panel Chair

*(original signed by)*

Cairns Price  
Commission Member

*(original signed by)*

Bohdan (Don) Romaniuk  
Acting Commission Member

## Appendix 1 – Negotiated settlement agreement between ENMAX and the UCA



Appendix 1 - NSA  
ENMAX and UCA

(consists of 9 pages)

## Appendix 2 – Negotiated settlement agreement between EPCOR and the UCA



Appendix 2 - NSA  
EPCOR and UCA

(consists of 6 pages)

## **NEGOTIATED SETTLEMENT AGREEMENT**

ENMAX POWER CORPORATION  
ENMAX 2023 COST-OF-SERVICE REVIEW

### **PROCEEDING 26617**

**THIS AGREEMENT** for the negotiated settlement of the ENMAX Power Corporation's 2023 Cost-of-Service Review Application is made and entered effective June 6, 2022

#### **BETWEEN:**

**ENMAX POWER CORPORATION**, a corporation  
incorporated under the laws of Alberta

and

**OFFICE OF THE UTILITIES CONSUMER ADVOCATE**,  
established as part of the Ministry of Government Services  
by Order in Council 433/2003

#### **WHEREAS:**

- (a) EPC owns and operates a distribution system in and around the City of Calgary;
- (b) the AUC regulates EPC's distribution system, including the distribution tariff;
- (c) on January 17, 2022, EPC filed an application with the AUC for approval of the EPC DCOS Application;
- (d) on January 18, 2022, the AUC issued a Notice of Application informing parties it would be considering the EPC DCOS Application;
- (e) on February 25, 2022, the AUC issued an initial process schedule and an issues list for Proceeding 26617;

- (f) on April 1, 2022, EPC responded to IRs from the AUC, CCA and UCA;
- (g) on April 28, 2022, EPC requested to commence a negotiated settlement process between May 9 and May 23, 2022;
- (h) on May 2, 2022 the AUC approved EPC's request and provided for a negotiated settlement process between May 9 and May 23, 2022;
- (i) on May 6, 2022 the CCA and the UCA filed intervener evidence;
- (j) the Parties and the CCA met through video conferencing on May 11, May 13, May 17, May 19 and May 20, 2022 and the Parties met through video conferencing on May 20, 2022 to attempt to negotiate a settlement of the EPC DCOS Application; and
- (k) on May 24, 2022, the Parties reached a negotiated settlement with respect to all aspects of the EPC DCOS Application, reflecting an informed and considered compromise of the issues and positions advanced by the Parties during Proceeding 26617, including the negotiations. The CCA has not agreed to be a party to this Agreement.

**IN CONSIDERATION** of the mutual promises made in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby expressly acknowledged by each of the Parties, and subject to the conditions set out below, the Parties agree as follows:

## **ARTICLE 2 INTERPRETATION**

### **2.1 Defined Terms**

As used in this Agreement, the following capitalized terms have the meaning set out below:

- (a) "AESO" means the Alberta Electric System Operator;
- (b) "Agreement" means this Negotiated Settlement Agreement;
- (c) "AUC" means the Alberta Utilities Commission;
- (d) "CCA" means the Consumers' Coalition of Alberta;
- (e) "EPC" means ENMAX Power Corporation;
- (f) "EUA" means the *Electric Utilities Act*, S.A. 2003, c. E-5.1;



- (g) “EPC DCOS Application” means the ENMAX Power Corporation 2023 Cost-of-Service filed by EPC with the AUC for approval in Proceeding 26617;
- (h) “IR” means an information request made in accordance with section 26 of AUC Rule 001;
- (i) “O&M” means operating and maintenance costs;
- (j) “Party” means each of EPC, and the UCA and “Parties” means both of them;
- (k) “UCA” means the Office of the Utilities Consumer Advocate.

## **2.2 Other defined terms**

Capitalized terms not otherwise defined in this Agreement have the meaning given to them in the EPC DCOS Application.

## **2.3 Gender and Number**

Any reference in this Agreement to gender includes all genders and words denoting the singular shall include the plural and *vice versa*.

## **2.4 Headings**

The division of this Agreement into articles and sections and the insertion of headings are for convenience only and shall not affect the interpretation of this Agreement.

## **2.5 Including**

In this Agreement, the words “includes,” “including” and similar expressions mean “includes” (or “including”) without limitation.

## **2.6 Accounting Matters**

Unless otherwise noted in this Agreement, all items of revenue, expense, cost, gain, loss, liability, all determinations with respect to accruals, and all accounting matters or terms in this Agreement will be determined or construed in accordance with the relevant requirements or practices of the AUC.

## **2.7 Legal Representation; No Presumption Against any Party**

Each Party acknowledges that it has been represented by counsel in connection with the negotiation and execution of this Agreement, and that the terms of this Agreement have been negotiated by it. Any rule of law or any legal principle that would require the interpretation of any claimed ambiguities in this Agreement against the Party that drafted it has no application, and the right to rely upon any such rule or principle is expressly waived by the Parties.

## **2.8 References to Statutes and Regulations**

Any reference to a statute, regulation or AUC rule is a reference to it as re-enacted, varied, amended, modified, supplemented or replaced from time to time.

## **2.9 Entire Agreement**

This Agreement sets out the entire understanding and agreement of the Parties, and there are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, among the Parties in connection with the subject matter of this Agreement except as specifically set out in this Agreement. No Party has relied or is relying on any other information, discussion or understanding in entering into this Agreement.

## **2.10 Successors and Assigns**

This Agreement becomes effective only when executed by all of the Parties and then approved by the AUC. This Agreement will then be binding on and enure to the benefit of the Parties and their respective successors. No Party may assign this Agreement without the prior written consent of the other Parties, provided that such consent will not be unreasonably withheld.

## **2.11 Amendments**

This Agreement may be modified, altered or amended only by an agreement in writing, signed by the Parties and approved by the AUC.

## **2.12 Notices**

- (a) Any notice or other communication from one Party to the other Parties required or permitted to be given under this Agreement must be in writing and will be sufficiently given or made if delivered during normal business hours on a Business Day and left at the recipient's address set out below, or if transmitted to the recipient by e-mail; and

- (i) if to EPC, addressed to it at:

ENMAX Power Corporation  
141 – 50th Avenue S.E.  
Calgary, AB T2G 4S7

Attention: Ryan Lottermoser  
Facsimile: (403) 514-2875  
E-mail: RLottermoser@enmax.com

- (ii) Or if to the UCA, addressed to it at:

Office of the Utilities Consumer Advocate  
9th Floor, Century Park Place 855 8th Avenue S.W.

Calgary, AB T2P 3P1

Attention: Sandra McDonough

E-mail: Sandra.Mcdonough@gov.ab.ca

- (b) Any notice or other communication given or made in the manner set out above will be deemed to have been given or made and to have been received on the day of delivery or transmission, as the case may be, if delivered or transmitted during the normal business hours of the recipient on a Business Day and, if not, on the next Business Day. Any Party may change the contact information set out above by giving written notice of that change to the other Parties in accordance with this section.

### **2.13 No Waiver**

No waiver of any provision of this Agreement will be valid or enforceable unless in writing and signed by the Party against whom enforcement of the waiver is sought. The waiver of any provision of this Agreement, at any time, by any Party, will not constitute a waiver of future compliance with that provision or a waiver of compliance with any other provision of this Agreement.

### **2.14 Governing Law**

This Agreement and all disputes arising in connection with it will be subject to, governed by, and construed in accordance with the laws of the Province of Alberta including the laws of Canada that are applicable in Alberta.

### **2.15 Severability**

In the event that any of the provisions of this Agreement are held by a court of competent jurisdiction to be invalid, all other provisions of this Agreement will remain enforceable to the fullest extent permitted by law, unless such finding materially impairs the economic benefit or protections to be derived by a Party under this Agreement.

### **2.16 Execution**

This Agreement may be executed by facsimile transmission or by providing a scanned copy of the executed execution page, and may be executed by different Parties in different counterparts, each of which will be an original and all of which will constitute one and the same instrument.

### **2.17 Time of the Essence**

Time will be of the essence in respect of this Agreement.

**ARTICLE 3  
TERMS OF SETTLEMENT**

**3.1 EPC DCOS Application to be Approved as Filed**

Except as set out in this Article 2, the Parties agree that the EPC DCOS Application should be approved as filed in Proceeding 26617, including amendments made in EPC’s responses to IRs.

**3.2 Adjustments in EPC’s 2023 DCOS Revenue Requirement**

The Parties have agreed to the following adjustments to the EPC DCOS Application revenue requirement, resulting in a reduction of \$10.05 million in the 2023 test year:

Description	Capital Addition Adjustment (\$M)	Revenue Requirement Adjustment (\$M)
	2023	2023
Adjustment 1 - (O&M) Global Reduction	-	(13.11)
Adjustment 2 - (O&M) Maintenance Increase	-	0.96
Adjustment 3 – (O&M) Increase to Avoid a Salary Freeze	-	2.30
<b>O&amp;M Adjustments Sub-Total</b>	-	<b>(9.85)</b>
Adjustment 4 – Reduction to Reactive Capital Maintenance	(2.60)	(0.11)
Adjustment 5 – Global Reduction to Mechanistic Uniform Capital Categories	(1.70)	(0.09)
<b>Capital Adjustments Sub-Total</b>	<b>(4.30)</b>	<b>(0.20)</b>
<b>Total</b>	<b>(4.30)</b>	<b>(10.05)</b>

Totals may be affected by rounding.

The Parties have also agreed to the following adjustments to the EPC DCOS Application revenue requirement that EPC has requested over the course of the

proceeding, resulting in an increase of \$1.41 million in the 2023 test year for inflation,<sup>1</sup> and \$2.30 million for the cost of debt<sup>2</sup>:

Description	Revenue Requirement Adjustment (\$M)
	2023
Adjustment 6 – Adjustment for Inflation	1.41
Adjustment 7 – Cost of Debt Adjustment	2.30
<b>Total</b>	<b>3.71</b>

Totals may be affected by rounding.

### 3.3 Deferral Accounts

The Parties have agreed to the continuation of EPC’s existing deferral and reserve accounts listed below:

- i. Tariff Billing and Load Settlement Costs Deferral Account;
- ii. Hearing Cost Reserve Account;
- iii. AUC Administration Fee Deferral Account;
- iv. Major Storms and Natural Disasters Deferral Account; and
- v. IFRS Deferral Account.

In addition, the Parties have agreed to an AESO Customer Contribution Deferral Account, as set out in Section 7.7 of the Application, and consistent with the AUC’s directions in Decision 26521-D01-2021, with the balance to be disposed of in a future application based on actual customer contributions.

### 3.4 Effect of Transmission Access Charge Deferral Account Adjustments on EPC’s 2021 Return on Equity

EPC agrees to include as part of its application for approval of this Agreement the explanation that it provided to during the negotiated settlement process of the effect of the Transmission Access Charge Deferral Account adjustments in 2021 on its 2021 return on equity.

<sup>1</sup> Exhibit 26617-X0022, Application, paragraphs 18 and 318.

<sup>2</sup> *Ibid*, paragraphs 6 (i. b.), 100-102, and Exhibit 26617-X0107.

### **3.5 Prudence**

The Parties agree that nothing in this Agreement, including the reductions to the EPC DCOS Application revenue requirement, is an admission by EPC that those revenue requirement amounts are imprudent. The Parties further agree that no Party may rely on anything in this Agreement as evidence in any future proceeding that any revenue requirement amounts are either prudent or imprudent.

## **ARTICLE 4 CONFIDENTIALITY AND PRIVILEGE**

### **4.1 Without Prejudice**

The negotiated settlement reflected in this Agreement is a compromise and was reached in part as a result of the desire of the Parties to avoid the expenditure of significant costs and resources associated with a litigated process. This Agreement is for the EPC DCOS Application only, and it is without prejudice to the positions that any of the Parties may take in any other negotiations and regulatory proceedings.

### **4.2 No Disclosure**

All discussions among the Parties and the CCA during the negotiated settlement process are privileged and confidential, and no matter discussed and no information provided during the negotiated settlement process may be disclosed to any person or to the AUC without the express written consent of all Parties and the CCA.

## **ARTICLE 5 REPRESENTATIONS AND WARRANTIES**

### **5.1 Representations of all Parties**

Each Party represents that it has not withheld relevant information.

### **5.2 Representations of EPC**

- (a) EPC represents that all information it provided to the UCA and the CCA during the negotiated settlement process was true and accurate, to the best of EPC's knowledge.
- (b) EPC represents that proper notice of the negotiated settlement process was provided to all interested parties in accordance with the AUC's directions or practice.

- 9 -

**ARTICLE 6  
AUC APPROVAL**

**6.1 AUC Approval**

- (a) Unless otherwise agreed by the Parties in writing, if the AUC declines to approve this Agreement in its entirety, the Agreement will be of no force and effect, in accordance with Section 135 of the EUA.
- (b) The Parties agree that in the application for approval of this Agreement, EPC will request that if the AUC is considering rejecting this Agreement because it is concerned with one or more provisions, it indicate to the Parties which of the provisions of the Agreement are the source of the AUC's concern, and request that in such a case, the AUC provide the Parties with an opportunity to re-negotiate in an attempt to address the AUC's concern.
- (c) The UCA agrees that it will support the application by EPC to the AUC for approval of this Agreement.

**IN WITNESS WHEREOF**, the Parties have duly executed this Agreement as of the date set out above.

**ENMAX POWER CORPORATION**

By: *Janene Taylor*  
Name: Janene Taylor  
Title: Vice President, Business  
Operations and  
Regulatory

**OFFICE OF THE UTILITIES  
CONSUMER ADVOCATE**

By: *C. W. Hunt*  
Name: Chris Hunt  
Title: Utilities Consumer  
Advocate

## SETTLEMENT AGREEMENT

**THESE TERMS OF SETTLEMENT** for the negotiated settlement of the 2023 Distribution Cost of Service Application of EPCOR Distribution & Transmission Inc. are made and entered into as of June 13, 2022.

### AMONG:

**EPCOR Distribution & Transmission Inc. (“EDTI”)**

and

**OFFICE OF THE UTILITIES CONSUMER  
ADVOCATE (the “UCA”),**

each, a **“Party”** and collectively, the **“Parties”**.

### WHEREAS:

- A. EDTI’s electric distribution rates are currently regulated by the Alberta Utilities Commission (the **“AUC”**) under a performance-based regulation (**“PBR”**) plan effective from January 1, 2018 to December 31, 2022;
- B. in its Bulletin 2021-04, dated March 1, 2021, the AUC determined that it was necessary, following the expiry of the 2018-2022 PBR term, to review the costs and revenues of EDTI and other Alberta electric distribution utilities (the **“Cost of Service Review”**), and that the rates approved for 2023 under the Cost of Service Review may be used as going-in rates for any subsequent PBR term;
- C. in its Decision 26354-D01-2021, dated June 18, 2021, the AUC directed EDTI to file a 2023 cost of service application in accordance with the directions and timelines set out in that decision;
- D. EDTI complied with the AUC’s directions and filed its 2023 distribution cost of service application (the **“Application”**) with the AUC on January 17, 2022;
- E. the Application was considered in AUC Proceeding 26617;



- F. on May 2, 2022, the AUC pre-approved EDTI's entering into settlement negotiations with the UCA and the Consumers' Coalition of Alberta (the "CCA") (collectively, the "Interveners") in respect of the Application;
- G. on May 11, 2022, EDTI confirmed that it had agreed to enter into settlement negotiations with the Interveners in respect of the Application;
- H. EDTI and the Interveners engaged in settlement negotiations from May 12, 2022 to May 30, 2022; and
- I. on May 30, 2022, the Parties reached an agreement in principle for a negotiated settlement of the Application.

**IN CONSIDERATION** of the mutual promises made in this Settlement Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged by each of the Parties, and subject to the conditions hereinafter set out, the Parties agree as follows:

**1.0 Scope of this Settlement Agreement**

- .1 This Settlement Agreement settles all aspects of the Application.

**2.0 Approval of the Application as modified by this Settlement Agreement**

- .1 The Parties agree that the AUC should approve the revenue requirement sought by EDTI in the Application, subject only to the specific adjustments and modifications provided in Article 3.0. The UCA agrees not to oppose EDTI's application to the AUC for approval of this Settlement Agreement.

**3.0 Agreed Adjustments**

*3.1 Operating Cost Reductions*

- .1 The approved revenue requirement shall reflect a reduction to EDTI's applied-for forecast operating costs in the amount of \$4.691 million. This reduction is not tied to any specific USA account or accounts, but is an holistic reduction that EDTI may apply to any USA account or accounts as it sees fit for accounting purposes.

.2 EDTI acknowledges that the revenue requirement described in clause 3.1.1 does not include the costs of EDTI's Mid-Term Incentives Program described in section 1.5.1.1.4 of the Application.

### 3.2 *Capital Expenditure Reductions*

.1 The approved revenue requirement shall be reduced by \$0.688 million relative to the applied-for amount to reflect a \$15 million reduction to EDTI's applied-for forecast capital additions. This reduction is not tied to any specific capital project or projects, but is an holistic reduction that EDTI may apply to any capital project or projects as it sees fit for accounting purposes.

### 3.3 *Errors and Omissions*

.1 In addition to the reductions described in articles 3.1 and 3.2, the approved revenue requirement shall reflect a reduction of \$0.8 million representing EDTI's correction of the errors and omissions described in section 1.8 of the Application and in EDTI's responses to EDTI-AUC-2022MAR18-010(e) and EDTI-AUC-2022MAR18-034(b) filed on the record of Proceeding 26617.

## 4.0 **Without Prejudice**

.1 The negotiated settlement reflected in this Settlement Agreement is a compromise and was reached in part as a result of the Parties' desire to avoid the significant resources and costs associated with a fully litigated process.

.2 This Settlement Agreement applies for the purpose of determining EDTI's distribution revenue requirement and rates for 2023, and is without prejudice to the positions that any of the Parties may take on other issues in any subsequent mediations, negotiations, or regulatory proceedings.

## 5.0 **Confidentiality**

.1 All discussions among the Parties during the settlement negotiations are privileged and confidential and, except as set out in this Settlement Agreement, no matter discussed or information disclosed during the settlement negotiations may be disclosed to any person or to the AUC without the express written consent of all Parties.

## **6.0 Representations and Warranties**

- .1 Each Party represents that it has not withheld relevant information.
- .2 EDTI represents that all information it provided to the Interveners during the settlement negotiations was true and accurate, to the best of EDTI's knowledge.
- .3 The Parties are not aware of any factual errors in the Application, including its various attachments, appendices and schedules, other than those identified by EDTI in its responses to EDTI-AUC-2022MAR18-010(e) and EDTI-AUC-2022MAR18-034(b) filed on the record of Proceeding 26617.
- .4 EDTI represents, after due inquiry, that to EDTI's knowledge, the information provided by it in all of its filings with the AUC and its correspondence with other Parties during the negotiation of this Settlement Agreement does not omit any statement of material fact necessary to make the information provided accurate and true.
- .5 In the event that EDTI discovers any material errors in calculations and/or facts related to the revenue requirement set forth in the Application, EDTI will disclose them forthwith to the other Parties and to the AUC.
- .6 EDTI confirms, and the Parties agree, that proper notice of the settlement negotiations was provided to all interested parties by way of EDTI's correspondence with the AUC in the letters of May 2, May 11 and May 12, 2022 filed on the record of Proceeding 26617. EDTI further confirms that proper notice of its forthcoming application for approval of this Settlement Agreement will be effected in accordance with the AUC's directions and practice, including the notice provisions of AUC Rule 001.

## **7.0 General**


- .1 The division of this Settlement Agreement into headings and paragraphs is for convenience and reference only and should not affect the interpretation or construction of this Settlement Agreement.
- .2 Capitalized terms not defined in this Settlement Agreement have the meaning given to them in the Application.

- .3 This Settlement Agreement sets out the entire understanding and agreement of the Parties and there are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, among the Parties in connection with the subject matter of this Settlement Agreement except as specifically set out in this Settlement Agreement.
- .4 Any alteration or amendment of this Settlement Agreement must be in writing and signed by each of the Parties.
- .5 This Settlement Agreement is of no force and effect unless and until the AUC approves it in its entirety in accordance with Section 135 of the *Electric Utilities Act*.
- .6 This Settlement Agreement will be binding upon and enure to the benefit of the Parties and each of their respective successors and permitted assigns. A Party may not assign its rights and/or obligations under this Settlement Agreement without the consent of all other Parties, provided that such consent shall not be unreasonably withheld. This Settlement Agreement may be executed in any number of counterparts.
- .7 This Settlement Agreement is to be interpreted pursuant to the laws of the Province of Alberta.
- .8 If any provision of this Settlement Agreement is found by a court of law to be invalid, this Settlement Agreement will be read and interpreted as if that provision were omitted.
- .9 The failure of any Party to exercise any right, power or option given to it under this Settlement Agreement or to insist upon the strict compliance with any of the terms or conditions in this Settlement Agreement will not constitute a waiver of any provision with respect to any other or subsequent breach.
- .10 Unless otherwise stated, any dollar amounts, prices or amounts stated in this Settlement Agreement are in the lawful currency of Canada.


.11 References to any statute, legislation or regulation include all subsequent additions, amendments, re-enactments or replacements enacted from time to time during the period covered by this Settlement Agreement.

**IN WITNESS WHEREOF**, the Parties have duly executed this Settlement Agreement as of the date set out above.

**EPCOR DISTRIBUTION &  
TRANSMISSION INC.**

Per:   
\_\_\_\_\_  
Amanda Rosychuk  
Senior Vice President, Electricity  
Services

**OFFICE OF THE UTILITIES  
CONSUMER ADVOCATE**

Per:   
\_\_\_\_\_  
Chris Hunt  
Utilities Consumer Advocate