



Residential and Farm Customer Guide

FORTIS
ALBERTA

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1. Who is this Guide for?

This Guide is for FortisAlberta's urban and rural Residential Customers and for FortisAlberta's Farm Customers whose operating demand is 75 kW or less.

The information in this Guide provides an interpretation of the sections and clauses of FortisAlberta's Customer Terms and Conditions of Electric Distribution Service, as approved by the Commission, which apply to residential and farm customers. Relevant sections of the Customer Terms and Conditions ("Ts&Cs") are noted to the left of the information provided in this Guide.

2. What service does FortisAlberta provide to Residential and Farm Customers?

FortisAlberta is an electricity distributor, and is the third of four steps in electricity's journey from creation to customer. **Generation** makes the power by burning coal or natural gas, with wind turbines, or with water; **transmission** provides high-voltage transport of power to transformers; **distribution** carries power from the transformers to customers over low-voltage poles and wires; and **retail** sells the power to customers.

FortisAlberta, as an electricity distributor, carries the power from transmission points of delivery to end-use Customers through its network of distribution poles, wires, transformers, and meters, which are collectively referred to as FortisAlberta's facilities. FortisAlberta usually builds these facilities to the Customer's Point of Service.

Since January 1, 2001, Customers do not purchase electricity from their electric distribution utility. Instead, all Customers in Alberta purchase electricity from a Retailer of their choice. More information regarding the retail market and how to choose a Retailer can be found at ucahelps.alberta.ca.

3. What are the Terms and Conditions of Electric Distribution Service?

Ts&Cs
Article 1
Simply, the Terms and Conditions of Electric Distribution Service govern the relationship between FortisAlberta and its Customers and between FortisAlberta and Retailers.

Ts&Cs
3.4
The Terms and Conditions of Electric Distribution Service have been approved by the Alberta Utilities Commission (the "Commission") and apply to all of FortisAlberta's Distribution Load Customers. By accepting Electric Distribution Service, a Customer accepts the Customer Terms and Conditions of Electric Distribution Service. The current Customer Terms and Conditions of Electric Distribution Service will remain in effect until the Commission approves new Terms and Conditions.

4. What if the Terms and Conditions conflict with an Order issued by the Commission?

Ts&Cs
2.2
An Order of the Alberta Utilities Commission takes precedence over FortisAlberta's Terms and Conditions.

Ts&Cs
4.5.1

5. Does a Residential or Farm Customer sign a contract with FortisAlberta?

A residential customer would not sign an **Electric Service Agreement** with FortisAlberta. If a farm service has an Expected Peak Demand of 75kW and greater, FortisAlberta would expect to sign an Electric Service Agreement (that is, a contract) with the customer. However, if the actual **Operating Demand** of any service differs significantly from the **Expected Peak Demand** for the service, FortisAlberta may require the Customer to sign an Electric Service Agreement.

Ts&Cs
4.2 If the residential or farm customer requesting the electric service is not the registered owner, Fortis has the right to notify the registered owner of the property. In some cases where an Electric Service Agreement is required, the registered owner would also be required to sign it.

6. When can FortisAlberta reject a request for Service Connection?

FortisAlberta can reject a request for a Residential or Farm Service Connection, but not limited to, when:

- Ts&Cs
4.3
- all of the required permits and authorizations for the Service Connection have not been obtained;
 - a signed application for the Service Connection or a signed Electric Service Agreement (if required) has not been received;
 - a fraudulent, untruthful, or misleading representation has, in FortisAlberta's opinion, been made in relation to the Service Connection; or
 - a previous account of the customer is in arrears.

7. What facilities does the Customer provide?

Ts&Cs
8.1.1 The Customer provides and is responsible for all wiring and electrical equipment on the Customer's side of the transformer and a suitable service entrance and meter socket or enclosure.

If a meter is installed on a pole owned by the Customer, the Customer shall provide and maintain the pole. However, if the meter is installed on the transformer pole FortisAlberta will maintain the pole and the meter. For underground installations, the Customer provides and is responsible for the underground conduit and underground service leads from the padmount transformer to the service entrance.

For a new service, or for the rewiring of an existing service, the Customer will need to obtain an electrical permit from an accredited agency. The Customer's wiring must conform to all applicable Canadian and Alberta standards. For safety reasons, FortisAlberta has the right, but not the obligation, to inspect the Customer's wiring. Inspection by FortisAlberta does not relieve the Customer from any responsibility with respect to the Customer's wiring or electrical equipment.

8. What facilities does FortisAlberta provide?

Ts&Cs
8.2 FortisAlberta installs, owns, and maintains all of the distribution facilities required to supply Electric Distribution Service up to the transformer and the meter. FortisAlberta will install and seal the meter,

which is approved by Measurement Canada. FortisAlberta also arranges for transmission services with the Alberta Electric System Operator (“AESO”)

FortisAlberta is able to provide single and three phase electric service at several standard voltages and will assist the Customer in selecting the type of electric service best suited to the Customer’s needs.

9. Does the Customer pay for any of FortisAlberta’s facilities?

Ts&Cs 7.2.1 A customer is required pay a “**Customer Contribution**” toward the cost of constructing the facilities if the cost is greater than FortisAlberta’s Maximum Investment Level. Even if the Customer pays a Customer Contribution, FortisAlberta retains ownership of all distribution related facilities on FortisAlberta’s side of the Point of Service (this is usually the transformer). The Customer pays the Customer Contribution before FortisAlberta begins construction.

10. How is the amount of the Customer Contribution determined?

Ts&Cs 7.2.1 The amount of the Customer Contribution payable by a Customer for a new or expanded service is calculated by subtracting FortisAlberta’s Maximum Investment in the new service from the Total Cost as follows:

$$\text{Customer Contribution} = \text{Customer Extension Costs} \pm \text{Customer Shared Costs} - \text{FortisAlberta Investment}$$

Customer Extension Costs include the cost of local facilities required to extend standard service for the sole use of the Customer.

Customer Shared Costs are calculated (if applicable):

- for rural overhead Residential subdivisions, based on the costs of the facilities needed to serve the subdivision divided by the number of lots served; and
- for single rural Residential and Farm Service customers, as Prepaid Line Share using the formula (Base Cost – Customer Extension Cost) × Factor based on: (from Customer Contributions Schedule Table 3)

Rate Category	Base Cost		Factor
	Single Phase	Three Phase	
Rural Residential	\$3,600	Not Applicable	40%
Farm	\$6,200	\$11,500	20%

Prepaid Line Share reflects the variation of construction costs with distance for smaller customers. Customers with shorter extensions pay an extra share of costs to compensate customers who pioneered and paid for the longer extensions. The Line Share is averaged and pre-calculated to provide certainty of costs at the time of construction and to minimize administration. The customer is then not subject to any further line share costs or refunds.

FortisAlberta Investment for distribution facilities when the service has an investment term of **15 years or more** is:

Type of Service	FortisAlberta Maximum Investment
Residential	\$ 2,677per Service
Farm Service	\$6,072, plus \$869 per kVA of Peak Demand

For FortisAlberta’s Maximum Investment applicable when a Farm Service has an investment term of **less than 15 years**, refer to Customer Contribution Schedules Table 2.

Example — Farm Customer Contribution

A new three-phase service for a customer’s farm requires a relatively long extension, and will cost \$85,000 to build. The expected operating demand is 70 kVA and the service has an investment term of 15 years.

$$\begin{aligned}
 &\text{Customer Extension Costs} &&= \$85,000 \\
 &\text{Prepaid Line Share} = (\$11,500 - \$85,000) \times 20\% &&= (\$14,700) \\
 &\text{FortisAlberta Maximum Investment (70 kVA} \times \$869/\text{kVA) + \$6,072} &&= (\$66,902) \\
 &\text{Customer Contribution} = (\$85,000 - \$14,700) - \$66,902 &&= \$3,399
 \end{aligned}$$

11. What if a change to a customer’s service is required?

Ts&Cs
7.3

If a customer requires or requests additional facilities for which no additional investment is available from FortisAlberta, the customer will be required to pay for those facilities. If an increase in peak demand accompanies a request for additional facilities for a Farm Service, additional FortisAlberta investment may be available to reduce the customer contribution.

It is the responsibility of the Customer to notify FortisAlberta of any changes to their service that would affect the rate that they would qualify for. This may also include changes to the land or the use of the land that the service is located on.

12. What if the Customer is taking over operation of an existing service?

Ts&Cs
4.5.3

When a new customer takes over operation of an existing service, all obligations of the existing service are also transferred to the new customer, including demand history, minimum charge provisions, and any existing contract. If changes to the service are required the customer may need to make an additional Customer Contribution. The customer should contact FortisAlberta before finalizing the transfer of a service to ensure existing obligations for the service are known.

13. What is FortisAlberta’s metering practice?

Ts&Cs 9.5
Fee Schedule

FortisAlberta takes an actual meter reading at each Point of Service in compliance with the System Settlement Code, and FortisAlberta’s meter reading schedule. FortisAlberta will take additional readings at the request of a Retailer (or a Customer via a Retailer). An “Off-Cycle Meter Reading” fee as listed in the Fee Schedule, will be charged for each such read.

See Option I

Interval energy recorders are available to Customers with expected demands of less than 500 kW for a data management fee of \$1.022690 per day for all rate classes. This is charged as Option I found in the Rates, Options and Riders Schedules.

14. What if the Customer disputes the accuracy of a meter reading?

Ts&Cs App A

Measurement Canada regulates meter accuracy disputes. If a Customer requests that the accuracy of a meter be tested, FortisAlberta requires a Meter Testing fee as listed in the Fee Schedule, for a Residential or Farm Service meter. If the meter is inaccurate, FortisAlberta will refund the fee and adjust bills for the affected site. If the meter is found to be accurate, FortisAlberta will keep the fee to cover the cost of testing the meter.

Ts&Cs 9.10

15. Which rate applies to a Point of Service?

Ts&Cs 11.2

FortisAlberta’s rate sheets in the Distribution Tariff indicate to what type of service each rate sheet applies to. The Rates, Options and Riders schedule can be found on our website.

- **Rate 11 Residential Service** is available to individually metered single-family dwelling units that are used for domestic purposes only. Garages that are metered separately from the residence do not qualify for the Residential Rate 11. A Land Use Declaration is required to be signed by the customer.
- **Rate 21 Farm Service** will only be available for existing services that are billed based on their breaker size. This rate is closed for new farm services effective January 1, 2022.
- **Rate 22 Farm Service** is available for new farm servicew connected directly to FortisAlberta’s distribution system and located on a parcel of land which contains a residence and on which agricultural activities are conducted with the intent of deriving revenue. This rate is effective January 1, 2022 and will be billed based on the metered demand. A Land Use Declaration is required to be signed by the customer.
- **Rate 23 Grain Drying Service** is closed to new services. Existing Points of Service will continue to be billed on this rate.

It is the responsibility of the Customer to notify FortisAlberta of any changes to their Point of Service that would impact the rate that they would qualify for.

16. How does FortisAlberta bill the Customer for Electric Distribution Service?

Ts&Cs 11.2

FortisAlberta bills the Customer’s Retailer, not the Customer directly, for Electric Distribution Service. FortisAlberta’s charges appear on the bill the Customer receives from the Retailer, and are frequently

identified as “the cost of delivery electric energy to you.” FortisAlberta issues bills to Retailers based on the charges in the rate sheets in the Distribution Tariff. Charges are determined separately for each site.

Ts&Cs 11.4 The monthly Distribution Tariff bill is based on the Consumption Period between two consecutive meter readings (or estimates) for a site.

Ts&Cs 4.2 FortisAlberta begins billing Retailers for new services from the earlier of the date that the service was connected, or 30 days after the service was made available to the Customer.

Ts&Cs 11.1 and 11.6 FortisAlberta may bill the Customer directly for Customer Contributions, meter tests, or other services provided directly to the Customer. A late payment charge of 1.5% per month (19.56% per year) is applied if payment has not been received before one month after the bill was issued. The Customer is charged a \$22.00 “Dishonoured Cheque Charge” as listed in the Fee Schedule, for each cheque returned for non-sufficient funds.

17. Is there a minimum charge for Electric Distribution Service?

Ts&Cs 11.3 The Distribution Minimum Charge is specified on each Rate Sheet. For Residential Customers, the Distribution Minimum Charge is about \$25.59/month. For Farm Customers under Rate 21, the Distribution Minimum Charge is based on a 5kVA breaker size plus a daily Service Charge. (\$77.60/month) For Farm Customers billed on Rate 22, the Distribution Minimum Charge is based on a Local Facilities Charge (a minimum of 10kVA) plus a daily Service Charge. (\$123.59/month)

18. What happens in the event of a billing error?

Ts&Cs 11.8 If FortisAlberta overcharges or undercharges on a bill, a credit for an overcharge or an adjusted bill for an undercharge will be issued to the Retailer, without interest. An overcharge adjustment will be applied eight (8) years immediately preceding the month in which the billing error was discovered. An undercharge adjustment will be applied eleven (11) months immediately preceding the month in which the billing error was discovered. The Customer receives any applicable credits or adjusted bills from the Retailer.

Once a customer advises FortisAlberta of changes to their service or the land that the service is located on that would affect which rate is appropriate for the site, the rate will be amended on a go forward basis only. FortisAlberta does not adjust bills for the periods prior to this notification from the Customer.

19. Are there any restrictions on the Customer’s Electric Distribution Service?

Ts&Cs 5.2 The following restrictions on the Customer’s use of Electric Distribution Service exist mainly for safety reasons:

- The Customer may not erect any structure that could interfere with the operation of FortisAlberta’s facilities. Upon request, FortisAlberta will move any FortisAlberta facilities located on the Customer’s property, provided that the Customer pays for the cost of the move.

- If the Customer is causing interference with the use of electric service by other Customers, the Customer must correct the cause of the interference when requested by FortisAlberta.
- The Customer may not use the service supplied by FortisAlberta in parallel with any other source of electricity without FortisAlberta's written consent, which will not be unreasonably withheld.

If these restrictions pose any problems, please contact FortisAlberta.

20. Does FortisAlberta guarantee uninterrupted Electric Distribution Service?

Ts&Cs
16.6 FortisAlberta takes all reasonable precautions to guard against interruptions. However, interruptions may occur, without any liability to FortisAlberta, because of events such as operating and maintenance work; the obligation to comply with any applicable laws, orders or instructions from any party to whom FortisAlberta is obliged; or because of events beyond FortisAlberta's control (such as storms or accidents involving equipment owned by third parties).

21. Does FortisAlberta have the right to enter the Customer's premises?

Ts&Cs
6.2 FortisAlberta has the right to enter the Customer's property in order to read the meter or to install, maintain, disconnect, or remove its facilities. In order to maintain safe and reliable electric service, FortisAlberta also has the right to treat, trim, or cut trees and brush that may interfere with the operation of its facilities.

FortisAlberta endeavors to provide reasonable notice to the Customer when entry to the Customer's property is required, and prior to performing tree or brush work on the Customer's property. A "Service Trip" fee as listed in the Fee Schedule, may be charged to the customer if access to a site is considered by FortisAlberta to be unsafe or is otherwise prevented, hindered or refused.

22. How does FortisAlberta deal with trees and brush interfering with FortisAlberta facilities?

Ts&Cs
6.3 FortisAlberta generally treats, trims, or cuts trees and brush that may interfere with FortisAlberta main lines. The Customer is expected to maintain clearances from power lines when planting trees or brush on the Customer's property, and must treat, trim, or cut trees and brush that may interfere with FortisAlberta's service extension to the Customer. If the Customer does not treat, trim, or cut the trees and brush that may interfere with the service extension, FortisAlberta has the right to perform such work without prior notice to the Customer and to charge the Customer a reasonable fee for this service. If the Customer is unclear about their responsibilities please contact FortisAlberta.

23. Does FortisAlberta have the right to disconnect the Customer's service?

Ts&Cs
10.2 FortisAlberta will disconnect a Customer's service **without notice**:

- as requested by the Customer's Retailer in accordance with FortisAlberta's Terms and Conditions.

FortisAlberta may withhold connection or may disconnect a Customer's service **without notice**:

- Ts&Cs 10.3.1
- if FortisAlberta believes there is an actual or threatened danger to life or property;
 - on account of theft by the Customer of any FortisAlberta facilities;
 - if any tampering with any service conductors, seals, or meters is discovered; or
 - As required by law.

Ts&Cs 10.3.2

FortisAlberta may withhold connection or may disconnect a Customer's service **after providing 48 hours notice**:

- if the Customer neglects or refuses to pay when due any amounts required to be paid under the Terms and Conditions;
- as required by law; or
- if the Customer is in violation of any of the Terms and Conditions.

Ts&Cs 10.3.2(a)

FortisAlberta will not disconnect a Residential or Farm Service Customer for non-payment of amounts owing to FortisAlberta or to the Customer's Retailer:

- at any time during the period from October 15 to April 15; or
- at any other time when the temperature is forecast to be below 0 degrees Celsius in the 24-hour period immediately following the proposed disconnection.

FortisAlberta also reserves the right to install a device to limit or reduce the amount of electric energy provided to the Customer.

24. What should the Customer do to have a service reconnected?

Ts&Cs 10.4

Following a disconnection of a Customer's service, FortisAlberta will reconnect the service when the condition that led to the disconnection has been corrected and FortisAlberta has been paid:

- the actual costs of reconnection; and
- the minimum charge for the period of disconnection as determined in the Fee Schedule if applicable

25. What if the Customer no longer requires Electric Distribution Service?

Ts&Cs 10.1.4

Customers arrange for termination of Electric Distribution Service through their Retailer. For Residential Customers who require only temporary disconnection of service (for example, summer cottages), FortisAlberta will leave all of its facilities in place after the service has been disconnected and charge the reconnection fee at the time the service is reconnected within 12 months. If a Residential Customer wishes to have their facilities in place after a disconnection longer than 12 months, the Distribution Minimum Charge will apply.

For Farm Customers who require only temporary disconnection of service, FortisAlberta will leave all of its facilities in place after the service has been disconnected if the Customer continues to pay the applicable

Option C Idle Service Charge as listed in the Rates, Options and Riders Schedules. At the time the service is reconnected, no additional charges for reconnection will apply.

26. Will FortisAlberta reimburse the Customer for bodily injury to the Customer or other persons rightfully on the Customer's property, or for damage to the Customer's equipment or property?

Ts&Cs
14.1

Each case is determined on its own merits. In general, FortisAlberta will reimburse the Customer or other persons rightfully on the Customer's property if the bodily injury or property damage was caused by the negligence or intentional wrongdoing of FortisAlberta, its agents, or employees while properly acting on behalf of FortisAlberta. However, FortisAlberta's payment may be reduced if the Customer's negligence contributed to the bodily injury or property damage.

FortisAlberta will not be responsible for any indirect or consequential losses or damages, whether the losses or damages were related to FortisAlberta's negligence or otherwise. For example, FortisAlberta would not reimburse a Customer for indirect damage such as loss of revenue or profits, due to equipment being damaged by FortisAlberta.

FortisAlberta recommends that Customers review their insurance coverage to ensure that they are adequately covered for property damage or other losses caused by electrical disturbances or interruptions. FortisAlberta also recommends that Customers consider installing surge protection devices to protect sensitive electrical equipment (such as personal computers) from damage caused by electrical disturbances or interruptions.

27. Is the Customer responsible for bodily injury to FortisAlberta's employees or damage to FortisAlberta's property?

Ts&Cs
14.4

The Customer is responsible for any bodily injury of FortisAlberta's employees or its agents and damage to FortisAlberta's property that may be caused by (i) the routine presence or use of electricity over the Customer's facilities, (ii) the Customer's improper or negligent use of electricity or electrical facilities, (iii) any negligence, intentional wrongdoing or breach of contract on the part of the Customer or anyone acting on behalf of the Customer.

The Customer is responsible for any direct, indirect or consequential losses or damage to FortisAlberta. For example, the Customer would have to reimburse FortisAlberta for loss of revenue or profits due to equipment being damaged by the Customer.

28. What if a Customer wants more information?

Please call FortisAlberta toll-free at 310-WIRE (310-9473) for more information on any of the topics included in this Guide.

FortisAlberta's complete Terms and Conditions of Electric Distribution Service are available on request or from FortisAlberta's website at: <http://www.fortisalberta.com>.