DISTRIBUTION CORPORATION

CONDITIONS OF SERVICE

Effective June 2004
Revised September 2021

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Espanola Regional Hydro Distribution Corporation

Conditions of Service

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Section 1 - General

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Section 1 – General

Name and Effective Date 1.0

The following provisions found in Sections1-5 shall be called the Conditions of Service adopted for use by Espanola Regional Hydro Distribution Corporation (ERHDC). These Conditions of Service shall be effective on June 1, 2004.

Distribution Service Area 1.1

The Service Area of ERHDC includes the Town of Espanola, and the Towns of Massey & Webbwood (both of which are part of the Township of Sables–Spanish Rivers).

Related Codes And Governing Laws 1.2

The supply of electricity or related services by ERHDC to any Customer shall be subject to various laws, including the provisions of the latest editions of the following legislation, regulations, and documents:

A. Electricity Act, 1998
B. Ontario Energy Board Act, 1998
C. Distribution License.
D. Affiliate Relationships Code
E. Transmission System Code
F. Distribution System Code
G. Retail Settlement Code
H. Standard Supply Service Code
I. Environmental Protection Act

In the event of a conflict between this document and the Distribution License or regulatory codes issued by the Board, or the Electricity Act, 1998 (the "Act"), the provisions of the Act, the Distribution License and associated regulatory codes shall prevail in the order of priority indicated above. If there is a conflict between a Connection Agreement with a Customer and these Conditions of Service, the Connection Agreement shall govern.

Definitions/ Interpretations 1.3

In these Conditions of Service, unless the context otherwise requires:

- Headings, paragraph numbers and underlining are for convenience only and do not affect the interpretation of these Conditions of Service;
- Words referring to the singular include the plural and vice versa;
- Words referring to a gender include any gender.

Amendments & Changes	1.4	The provisions of the Conditions of Service and any amendments made and changes from time to time shall form part of any Contract made between ERHDC and any connected Customer, Retailer, or Generator. The Conditions of Service supercedes all previous Conditions of Service, oral or written, of ERHDC or any of its predecessor municipal electric utilities as of its effective date. ERHDC reserves the right to amend the Conditions of Service. The public will be notified of any significant change (as judged by ERHDC) in local newspapers or by means of a note on and/or included with the Customer's bill. A current copy of this document is filed with the Board as is required by the Distribution System Code (DSC). The Customer is responsible for contacting ERHDC to ensure that the Customer has, or to obtain the current version of this Conditions of Service.
Contact Information	1.5	ERHDC's normal office hours are from 8:30 am to 4:30 pm. These hours are from Monday to Friday, excluding Holidays. ERHDC can be contacted at (705)869-2771 or by fax at (705)869-2433.
Customer Rights	1.6	In those instances where the Customer will own their secondary or primary service, the Customer has the right to hire a contractor to supply and install the service according to the layout supplied by ERHDC. The Customer has the right to demand identification from any person purporting to be an authorized agent or employee of ERHDC. ERHDC shall only be liable to a Customer and a Customer shall only be liable to ERHDC for any damages that arise directly out of the willful misconduct or negligence: • of ERHDC in providing Distribution Services to the Customer • of the Customer in being connected to ERHDC's Distribution System or • of ERHDC or Customer in meeting their respective obligations under the Conditions of Service, their licenses and any other applicable law.

For further clarity, neither ERHDC nor the Customer shall be liable under any circumstances whatsoever for any loss of profits or revenues, business interruption losses, loss of contract or loss of goodwill, or for any indirect, consequential, incidental or special damages, including but not limited to punitive or exemplary damages, whether any of the said liability, loss or damages arise in contract, tort or otherwise.

The Customer shall indemnify and hold harmless ERHDC, its directors, officers, employees and agents from any claims made by any third parties in connection with the construction and installation of a generator by or on behalf of the Customer.

Distributor Rights 1.7

Access to Property 1.7.1

ERHDC shall have access to all Customer real property in accordance with section 40 of the *Electricity Act, 1998,* as amended from time to time.

Safety of Equipment 1.7.2

The Customer will comply with all aspects of the Ontario Electrical Safety Code with respect to insuring that equipment is properly identified and connected for metering and operation purposes and will take whatever steps necessary to correct any deficiencies. If the Customer does not take such action within the time set by the Electrical Safety Authority (ESA), it may result in the Disconnection of the supply of power to the Customer.

No Obstructions 1.7.3

The Customer shall not build, plant or maintain or cause to be built, planted or maintained any structure (driveway, patio, shed, etc..), tree, shrub or landscaping that would or could obstruct the placement of new or repair of existing Distribution System, endanger the equipment of of ERHDC, interfere with the proper and safe operation of ERHDC's Distribution System or adversely affect compliance with any applicable legislation in the sole opinion of ERDCH. ERHDC may remove any or all afore mentioned obstructions without the Customer having any claim for damages against ERHDC.

The Customer shall not use or interfere with the Distribution System of ERHDC except in accordance with a written agreement with ERHDC. Such action may result in the Disconnection of the supply of power to the Customer. The Customer must also grant ERHDC the right to seal any point where an electrical connection may be made on the line side of the metering equipment.

Operating Control	1.7.4	The Customer will provide a convenient and safe place, satisfactory to ERHDC, for installing, maintaining and operating its equipment in, on, or about the Customer's real property. ERHDC assumes no risk and will not be liable for damages resulting from the presence of its equipment on the Customer's real property or approaches thereto, or action, omission or occurrence beyond its control, or negligence of any persons over whom ERHDC has no control. Unless an employee or an agent of ERHDC, or other person lawfully entitled to do so, no person shall remove, replace, alter, repair, inspect or tamper with ERHDC's equipment. Customers will be required to pay the cost of repairs or replacement of ERHDC's equipment that has been damaged or lost by the direct or indirect act or omission of the Customer or its agents. The physical location on Customer's real property at which a Distributor's responsibility for operational control of distribution equipment ends is defined by the DSC as the "Operational Demarcation Point".
Repairs to Defective Customer Owned Electrical Equipment	1.7.5	The Customer will be required to repair or replace any equipment owned by the Customer that may effect the integrity or reliability of ERHDC's Distribution System. If the Customer does not take such action within the time set out by the ESA, ERHDC may disconnect the supply of of power to the Customer.
Repairs to Customer Owned Structures	1.7.6	Construction and maintenance of all Customer owned structures relating to or affecting the ERHDC Distribution System including to but not limited to such items as transformer vaults, transformer rooms, transformer pads, cable chambers, cable pull rooms and underground conduit, will be the responsibility of the Customer. All such improvements must be inspected and accepted by the ESA. Subject to the ESA's requirements, the Customer is responsible for the maintenance of all such structures. Failure to do so may result in Disconnection as per Section 2.2.
Force Majeure	1.7.7	In this Conditions of Service, force majeure shall include, but not be limited to an act of God, strikes, lockouts, or other labour or industrial disturbances, civil disturbances, interruptions by Government or Court Orders, power failure, telecommunication line failure, delay in transmission, future valid orders of or delay in obtaining the approval or consent of any regulatory body having jurisdiction, acts of the public enemy, wars, riots, sabotage, epidemics, landslides, lightning, earthquake, fire, storm, flood, washout and inclement weather including without limiting the generality of the foregoing rendering the roads dangerous or hazardous, to men or equipment, or impassable to vehicles of the kind necessary to carry out the work or undertaking, or blockage or stoppages of road traffic over the route specified caused by events beyond the reasonable control of the parties hereto, or explosions and any other event or occurrence beyond the reasonable control of the parties hereto whether or not the nature of those herein above mentioned.

Other than for any amounts due and payable by the Customer to ERHDC or by ERHDC to the Customer, neither ERHDC nor the Customer shall be held to have committed an event of default in respect of any obligation under these Conditions of Service if prevented from performing that obligation, in whole or in part, because of a Force Majeure Event. If a Force Majeure Event prevents either party from performing any of its obligations under these Conditions of Service, that party shall:

- other than for Force Majeure Events related to acts of God, promptly notify the other party of the Force Majeure Event and its assessment in good faith of the effect that the event will have on its ability to perform any of its obligations. If the immediate notice is not in writing, it shall be confirmed in writing as soon as reasonably practical;
- use its best efforts to mitigate the effects of the Force Majeure Event; remedy its inability to perform, and resume full performance of its obligations;
- keep the other party continually informed of its efforts; and
- other than for Force Majeure Events related to acts of God, provide written notice to the other party when it resumes performance of any obligations affected by the Force Majeure Event;
- if the Force Majeure Event is a strike or a lock out of ERHDC's employees or authorized agents, ERHDC shall be entitled to discharge its obligations to notify it's Customers in writing by means of placing an ad in the local newspaper.

Distribution System Installed by Customer's Contractor 1.7.8

In those instances where the Customer has the authority to hire a contractor to construct plant which will become part of ERHDC's Distribution System, the plant must conform to ERHDC's standards and the conditions set out in the staking data and/or service layout.

Disputes and Resolutions	1.8	For the purposes of the ERHDC Conditions of Service a dispute is defined as a claim or complaint with respect to the interpretation of the Conditions of Service. ERHDC shall make a copy of the complaints resolution procedure available during normal business hours listed in section 1.5. ERHDC shall give or send a copy free of charge of the procedure to any person who reasonably requests it. ERHDC shall keep a record, for a period of up to seven (7) years, of all complaints whether resolved or not including the name of the complainant, the nature of the complaint, the date resolved or deferred and the result of the dispute resolution.
Stage 1	1.8.1	Customers and Retailers will direct any disputes in writing to the General Manager of ERHDC. A meeting between the Customer or Retailer and the General Manager of ERHDC will be scheduled in an attempt to resolve the dispute. A written response by the General Manager of ERHDC will be given to the Customer or Retailer within ten (10) working days of the meeting.
Stage 2	1.8.2	Failing settlement at stage one (1), the General Manager and the ERHDC Board of Directors will schedule a meeting to address any outstanding issue and respond further with the Customer or Retailer in writing within fifteen (15) business days of their meeting.
Stage 3	1.8.3	Disputes of this nature include complaints that have not been or cannot be resolved through the above processes. In these cases, the Customer or Retailer is to contact the Ontario Energy Board at: PH: 1-888-638-6273 (toll free) FX: 416-440-7656 WEB: www.oeb.gov.on.ca

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Section 2 - Distribution Activities (General)

Building that Lies Along 2.1.1 (A)

For the purpose of the Conditions of Service, "Lies Along" means a parcel of land that shares a common boundary with a public road allowance where ERHDC has a Distribution System of the appropriate voltage and capacity.

Under the terms of the Distribution System Code, ERHDC has the obligation to connect (under Section 28 of the Electricity Act, 1998) a building or facility that "Lies Along" its distribution line, provided:

- the building can be connected to ERHDC's Distribution System without an Expansion or Enhancement and,
- the service installation meets the conditions listed in the Conditions of Service of ERHDC. The location of the Customer's Service Entrance equipment will be subject to the approval of ERHDC and the Electrical Safety Authority.

Service Connection (B)

Normally there shall be only one service Connection to ERHDC's Distribution System and one set of service wires to each lot, block or parcel.

Expansions/Offers to Connect 2.1.2

ERHDC has the obligation to make an offer to connect any building that is in the Service Area defined in Section 1.1. but ERHDC may deny Connection for the reasons described in subsection 2.1.3.

Where the Connection would require an Expansion or Enhancement and where the cost of an Expansion or Enhancement exceeds revenues received, the Customer(s) may be required to pay a capital contribution that does not exceed the difference. The amount of capital contribution for each customer class shall be defined for an Expansion or Enhancement as further described in this section.

Application for Customer Connection (A)

The Customer shall submit in writing an Application for Customer Connection, hereafter called the Application, on the form prescribed from time to time by ERHDC. The Application form shall be available at the ERHDC office in Sault Ste-Marie listed in 1.5 of Section 1. The customer shall present certain facts and information with the Application. The Application shall not be considered complete until all facts and information listed on the Application are submitted to ERHDC.

Response to Application (B)

ERHDC shall respond within fifteen (15) calendar days of receipt of an Application.

Offer to Connect – Required Information

(C) Provided all required information has been submitted with the Application and none of the conditions of *Section 2.1.3 Connection Denial* apply, ERHDC shall make an offer to connect within 60 calendar days of receipt of the Application. If the Application is incomplete or if any of the conditions of *Section 2.1.3* apply; ERHDC's response shall so indicate. The Customer shall have 30 calendar days from the date of ERHDC's response to complete the Application and/or remove the *Section 2.1.3* condition, failing which the Application shall be null and void. If the customer completes the Application and/or removes the *Section 2.1.3* condition within the 30 calendar days, ERHDC shall make an offer to connect within 60 calendar days of the date of receipt of the last piece of required information.

Offer to Connect – Information Provided to Customer

(D) An offer to connect shall provide the following information to the Customer:

- identification of work for which the Customer may seek alternative bids;
- terms and conditions for payments and deposits required; and
- any additional information pertinent to the offer.

If the offer includes an Expansion or Enhancement;

- a description of material and labour required to build the Expansion or Enhancement to connect the Customer if a capital contribution is required from the Customer;
- an estimated cost of the Expansion or Enhancement that would be revised based upon the actual costs incurred;
- an estimate of the capital contribution to be charged to the Customer to construct the Expansion or Enhancement. The estimate shall delineate costs attributed to engineering design, materials, labour, equipment, and administrative activities;

If the offer includes a Connection;

- a description and estimate of the connection charges that would apply.

Capital Contribution Policy Residential Rate Class	(E)	For capital contribution purposes, residential rate class Customers are defined as those residential rate class Customers connected as detached, semi-detached or duplex dwelling units. It does not include residential rate class Customers in apartments, condominiums, row housing or any other abode that is not a detached, semi-detached or duplex dwelling unit. The definition does not include the installation of primary, transformation and secondary to the hand holes in a new subdivision. All items excluded from the residential rate class definition, as above, shall be treated as general service rate class Customers for capital contribution purposes.
Residential Rate Class Connection	(F)	Basic Residential Service Allowance (BRSA) – The BRSA is a requirement under the DSC. ERHDC shall calculate the BRSA by using 100% of the estimated cost to supply and install a 50-kVA transformer on an existing pole complete with primary and secondary connection. The standard 50-kVA transformer can feed approximately 25 Customers with an average demand of 2 kilowatts per home. The BSRA shall be subject to annual revision as overheads, labour, truck, material and sundry costs change. The BSRA in effect is found in Section 5 Schedule 1.
Utilization Voltage	(G)	A residential rate class Customer who accepts an offer to connect for Connection at Utilization Voltage shall be subject to the following. ERHDC shall supply and install all overhead transformation as part of a basic connection, as defined in Section 3.1.4 and will recover the cost of said basic connection as part of its revenue requirement. ERHDC shall supply and install overhead or underground service conductor for a fixed capital contribution as found in Section 5, Schedule 1 less the BRSA. All overhead or underground service conductors in excess the length indicated in Section 5, Schedule 1 shall be charged to the Customer as a variable capital contribution at the rate found in Section 5, Schedule 1.
Primary Voltage	(H)	A residential rate class Customer who accepts an offer to connect for connection at Primary Voltage shall be subject to the following; the Customer shall supply, install, own and maintain all primary and secondary conductor. A capital contribution is required for the primary and secondary Connections at the fixed rate found in Section 5, Schedule 1. Overhead -- ERHDC shall supply and install all overhead transformation on a Customer owned pole as part of a basic connection as defined in Section 3.1.4 and will recover the cost of this basic connection, including the BRSA, as part of its revenue requirement. The Customer shall supply, install, own and maintain all poles on the Customer's own real property. Underground -- ERHDC shall supply and install pad mounted transformation and the Customer shall pay a capital contribution towards connection and transformation at the fixed rate found in Section 5, Schedule 1.

Residential Rate Class	(I)	System Enhancements required to connect a residential rate class Customer as defined in this section do not require a capital contribution.
Enhancement Residential Rate Class Expansion	(J)	ERHDC shall collect contributed capital to the maximum amount permissible for an Expansion under the economic evaluation formula stipulated in Appendix B of the DSC. A capital contribution equal to the total estimated cost shall be collected prior to construction commencing. A refund or request for further monies shall be made when the actual cost is determined. The actual cost shall be held and some, none or all monies refunded based on an annual calculation of actual distribution revenues received, as per the economic evaluation of Appendix B of the DSC. If, in accordance with Section 3.3 of the DSC, the Customer chooses to obtain alternative bids from qualified contractors, the Customer shall pay the Distributor a capital contribution equal to the total estimated cost for all engineering, inspection, other services, applicable materials and all other associated costs and expenses. A refund or request for further monies shall be made when the actual cost is determined. The Customer shall provide invoices for all contract labour, trucking, sundry and material costs to construct the Expansion. The Distributor shall place a total amount on the capital books of the Distributor equal to the sum of the invoices provided plus the actual internal cost. This amount shall be offset by an equal amount of capital contribution. The capital contribution shall be held and some, none or all monies refunded based on an annual calculation of actual distribution revenues received, as per the economic evaluation of Appendix B of the DSC.
Capital Contribution Policy General Service Rate Class	(K)	For capital contribution purposes the general service rate class includes those residential rate class Customers that are not in detached, semi-detached or duplex dwelling units. The general service rate class also includes subdivision developments and all Customers not defined as residential rate class Customers. .
Utilization Voltage Up to and Including 150kW For a New or Upgraded Service	(L)	A general service rate class Customer who accepts an offer to connect for Connection at Utilization Voltage shall be subject to the following; for a New or Upgraded Service up to and including a maximum of 150 kilowatts, ERHDC shall supply and install overhead transformation and overhead or underground service conductor for a fixed capital contribution as found in Section 5, Schedule 2. All overhead or underground service conductors in excess the length indicated in Section 5, Schedule 2 shall be charged to the Customer as a variable capital contribution found in Section 5, Schedule 2.
Primary Voltage 150kW Up to and Including 3000kW For a New or	(M)	A general service rate class Customer who accepts an offer to connect for Connection at Primary Voltage shall be subject to the following. For a New or Upgraded Service normally greater than 150 kilowatts up to an including 3000 kilowatts, the Customer

Upgraded Service		shall provide a capital contribution for the supply and installation of an underground or overhead primary supply and a transformer on Customer real property. In addition to the aforementioned capital contribution, a substation capital contribution equal to a fixed rate (see Section 5, Schedule 3) times the rated capacity of the transformer(s) in kVA, is required when the transformer capacity on site exceeds 1,500 kVA. The alternative to paying the substation capital contribution is for the Customer to supply and install a Customer owned 22 or 44 kV substation with primary metering.
Primary Voltage 150kW to 3000kW Alternate Bid For a New or Upgraded Service	**(**N)	If the Customer chooses to take supply at primary voltage and obtain alternative bids from qualified contractors, in accordance with Section 3.3 of the DSC, the Customer shall pay the Distributor a capital contribution equal to the total estimated cost for all engineering, inspection, other services, applicable materials and all other associated costs and expenses. A refund or request for further monies shall be made when the actual cost is determined. The Customer shall provide invoices for all contract labour, trucking, sundry and material costs to construct the Expansion. The Distributor shall place a total amount on the capital books of the Distributor equal to the sum of the invoices provided plus the actual internal cost. This amount shall be offset on the books of the Distributor by an equal amount of capital contribution. The capital contribution shall be held and some, none or all monies refunded based on an annual calculation of actual distribution revenues received, as per the economic evaluation of Appendix B of the DSC.
Sub-transmission Voltage	(O)	A general rate class Customer who accepts an offer to connect for Connection at Sub-transmission Voltage shall be subject to the following. The Customer will pay a capital contribution for all metering and Connections. The Customer will supply, install, own and maintain all overhead and underground lines on real property and shall supply, install, own and maintain a 44 kV substation.

General Service Rate Class Enhancements (P) System Enhancements required to connect a general rate class **C**ustomer as defined in this section include conversion of an existing single or two phase primary line to a three phase line and/or upgrades to an existing single, two or three phase line. These and other Enhancements require a capital contribution from the general class Customer. ERHDC shall collect contributed capital to the maximum amount permissible under the economic evaluation formula stipulated in Appendix B of the DSC. A capital contribution equal to the total estimated cost shall be collected prior to construction commencing. A refund or request for further monies shall be made when the actual cost is determined. The actual cost shall be held and some, none or all monies refunded based on an annual calculation of actual distribution revenues received, as per the economic evaluation of Appendix B of the DSC. If, in accordance with Section 3.3 of the DSC, the customer chooses to obtain alternative bids from qualified contractors, the Customer shall pay the Distributor a capital contribution equal to the total estimated cost for all engineering, inspection, other services, applicable materials and all other associated costs and expenses. A refund or request for further monies shall be made when the actual cost is determined. The Customer shall provide invoices for all contract labour, trucking, sundry and material costs to construct the Expansion. The Distributor shall place a total amount on the capital books of the Distributor equal to the sum of the invoices provided plus the actual internal cost. This amount shall be offset on the books of the Distributor by an equal amount of capital contribution. The capital contribution shall be held and some, none or all monies refunded based on an annual calculation of actual distribution revenues received, as per the economic evaluation of Appendix B of the DSC.

General Service Rate Class Expansion (Q) ERHDC shall collect contributed capital for an Expansion to the maximum amount permissible under the economic evaluation formula stipulated in Appendix B of the DSC. A capital contribution Equal to the total estimated cost shall be collected prior to construction commencing. A refund or request for further monies shall be made when the actual cost is determined. The actual cost shall be held and some or all monies refunded annually based on actual distribution revenues received, as per the economic evaluation of Appendix B of the DSC. If, in accordance with Section 3.3 of the DSC, the Customer chooses to obtain alternative bids from qualified contractors, the Customer shall pay the Distributor a capital contribution equal to the total estimated cost for all engineering, inspection, other services, applicable materials and all other associated costs and expenses. A refund or request for further monies shall be made when the actual cost is determined. The Customer shall provide invoices for all contract labour, trucking, sundry and material costs to construct the Expansion. The Distributor shall place a total amount on the capital books of the Distributor equal to the sum of the invoices provided plus the actual internal cost. This amount shall be offset on the books of the Distributor by an equal amount of capital contribution. The capital contribution shall be held and some, none or all monies refunded based on an annual calculation of actual distribution revenues received, as per the economic evaluation of Appendix B of the DSC.

Connection Denial 2.1.3

The Distribution System Code provides for the ability of ERHDC as a Distributor to deny Connections. As a Distributor, ERHDC is not obligated to connect a building within its Service Area if the Connection would result in any of the following:

- Contravention of existing laws of Canada and the Province of Ontario;
- Violations of conditions in ERHDC's Distribution License;
- Use of a Distribution System line for a purpose that it does not serve and that the Distributor does not intend to serve;
- Adverse affect on the reliability or safety of the Distribution System;
- Public safety reasons or imposition of an unsafe work situation beyond normal risks inherent in the operation of the Distribution System
- A material decrease in the efficiency of the Distributor's Distribution System
- A materially adverse effect on the quality of Distribution Services received by an existing Customer;
- Discriminatory access to Distribution Services.
- If the customer requesting the Connection owes ERHDC money;
- If an electrical Connection to the ERHDC Distribution System does not meet ERHDC design requirements;
- Breaches of any other conditions documented in the Conditions of Service.

If ERHDC refuses to connect a building in its Service Area that lies along one of its distribution lines, ERHDC shall inform the person requesting the Connection of the reasons for the denial, and where ERHDC is able to provide a remedy, make an offer to connect. If ERHDC is unable to provide a remedy to resolve the issue, it is the responsibility of the Customer to do so before a Connection can be made.

Inspection Before Connection 2.1.4

All Customer electrical installations shall be inspected and approved by the Electrical Safety Authority and must also meet ERHDC requirements. ERHDC requires notification from the Electrical Safety Authority of this approval prior to the energization of a Customer's supply of electricity. Services that have been disconnected for a period of six months or longer must also be re-inspected and approved by the Electrical Safety Authority, prior to reconnection.
Customer owned substations must be inspected by the Electrical Safety Authority.
Transformer rooms shall be inspected and approved by the ESA prior to the installation of ERHDC equipment.
Duct banks shall be inspected and approved by the ESA prior to the pouring of concrete and again before backfilling. The completed ducts must be rodded by the site contractor in the presence of a ERHDC inspector and shall be clear of all extraneous material. In the event of blocked ducts, the owner's representative will be responsible for clearing the ducts prior to the cable installation.

Work on existing concrete duct banks or maintenance holes shall be done only by a contractor approved by ERHDC or by the ERHDC work force.
All work done on ERHDC's plant must be authorized by ERHDC and carried out in accordance with all applicable safety acts and Regulations. Provision for metering shall be inspected and approved by ERHDC prior to energization.

Relocation of Plant 2.1.5

When requested to relocate or change the elevation of the existing Distribution System, ERHDC shall exercise its rights and discharge its obligations in accordance with existing acts, by-laws and Regulations including, but not limited to, the *Public Service Works on Highways A*ct, formal agreements, easements and law.

In the absence of existing agreements, ERHDC is not obligated to relocate the Distribution System. However, ERHDC shall resolve the issue in a fair and reasonable manner. Resolution in a fair and reasonable manner will include a response to the requesting party that explains the feasibility or infeasibility of the relocation and a fair and reasonable charge for relocation based on 100% cost recovery.

Easements 2.1.6

The Customer shall grant at no cost including preparation and registration to ERHDC, where required, an easement to permit the installation and maintenance of the Distribution System. ERHDC shall determine the width and extent of this easement. The easement shall be granted prior to Connection of the Customer.

Easements, agreements or reference plans must be approved by ERHDC prior to registration or recording against title of the real property.

Contracts 2.1.7 (A)

ERHDC applicable contracts and agreements must be signed and executed by the Customer before energizing the service.

- Application for Customer Connection
- Offer to Connect
- Construction Agreement
- Subdivision Agreement
- Easement Agreement
- Underground Distribution Agreement
- Electrical Distribution Vault Agreement

Implied Contracts	2.1.7	(B)	In all cases, notwithstanding the absence of a written contract, ERHDC has an implied contract with any Customer that is connected to ERHDC Distribution System and receives Distribution Services from ERHDC. The terms of the implied contract are embedded in the Conditions of Service, the Rate Handbook, ERHDC approved Rate schedule, ERHDC distribution license and the Distribution System Code, as amended from time to time. Any Customer or Retailer who takes or uses electricity from ERHDC shall be liable for payment for approved Rates applied to the sale and conveyance of said electricity. Any implied contract for the supply and conveyance of electricity by ERHDC shall be binding upon the heirs, administrators, executors, successors or assigns of the Customer who took and/or used Distribution Services supplied by ERHDC.
Disconnection Business Process	2.2	(A)	ERHDC reserves the right to disconnect the supply of electrical energy for causes including but not limited to: Contravention of the laws of Canada or the Province of Ontario; • Adverse effect on the reliability and safety of the Distribution System; • Imposition of an unsafe worker situation beyond normal risks inherent in the operation of the Distribution System; • A material decrease in the efficiency of the Distributor's Distribution System; • A materially adverse effect on the quality of Distribution Services received by an existing Customer; • Discriminatory access to Distribution Services; • Inability of ERHDC to perform planned inspections & maintenance • Failure of the Customer to comply with a directive of ERHDC that ERHDC makes for purposes of meeting its license obligations; • Non payment of overdue accounts; Electrical disturbance propagation caused by Customer equipment that is not corrected in a timely fashion; • Energy diversion, fraud or abuse on the part of the Customer; and • Breaches of any other conditions identified in this Conditions of Service document.
Disconnection Without Prior Notice	2.2	(B)	ERHDC may disconnect the supply of electricity to a Customer without prior notice in accordance with a court order, valid order of any regulatory body having jurisdiction or for Emergency, safety or system reliability reasons.

Disconnection With Prior Notice Non Payment of Overdue Account

(C) Outstanding bills are subject to the collection process and may ultimately lead to the service being discontinued. No disconnect action will be taken until the Customer has been issued a disconnect notice. Reasonable efforts will be made to establish direct contact with the Customer. Services will be restored once satisfactory payment has been made. Discontinuance of service does not relieve the Customer of the liability for arrears. Bills are normally due 20 days following the issue date. The issue date is considered the third day after the date on which the bill was printed by the distributor. If made available over the internet, the issue date is considered the day an email was sent to the customer notifying them that their bill is available for viewing.

Collection actions may commence following the due date if an outstanding balance remains. These actions include one or all of the following:

- At least seven (7) days before issuing a disconnection notice for non-payment, an account overdue notice will be given to the customer.
- The issuance of a disconnect letter on the seventh (7^{th}) day following the account overdue notice. Disconnect Letters are forwarded by mail – and are considered received on the fifth calendar day after the date on which the notice was printed by the distributor. These letters specify the date the arrears must be paid, the earliest and latest dates the disconnect will occur, as well as provides financial options and programs that are available.
- At least 48 hours prior to the earliest disconnection date, another attempt will be made to contact the customer advising of the scheduled disconnection.
- Should a disconnect occur, <u>all</u> arrears must be paid in full before a reconnection will be authorized. A reconnection charge shall be applied after reconnection has occurred. A customer may also be provided the opportunity to enter into an arrears payment arrangement.

  The utility bears no responsibility for any damages incurred due to a service disconnection for non-payment of arrears.

Disconnection With Prior Notice Planned Outage

(D) ERHDC will endeavor to provide Customers with reasonable notice of Disconnection. Notice, if given, may include written, verbal or public notice.

Disconnection With Prior Notice All Other Circumstances

(E) When ERHDC becomes aware of a situation that may result in Disconnection for any reason other than that described in Section 2.2 (A), ERHDC shall perform an appropriate investigation and attempt to resolve the issue or problem with the Customers(s) involved. If the issue or problem is not resolved within 30

			calendar days of becoming aware of the issue or problem, ERHDC may at its sole discretion send written notice to the Customer(s) describing the issue or problem and set a 15 business day deadline for the Customer(s) to resolve the issue or problem. If these actions do not result in the resolution of the issue or problem, the service(s) may be disconnected at any time after the deadline date without further notice. Reconnection will require ESA approval. ERHDC shall not be liable for damage to the Customer's real property or the Customer's equipment resulting from such discontinuance of service.
Conveyance of Electricity Limitations on the Guaranty of Supply	2.3.1	(A)	ERHDC agrees to use reasonable diligence to provide a regular and uninterrupted service but does not guarantee constant service or the maintenance of invariable frequency or voltage and will not be liable for damages occasioned by the failure to provide such services to the Customer. Customers requiring a higher degree of security than that of normal supply are responsible to provide their own back-up or standby facilities. Customers may require special protective equipment at their premises to minimize the effect of momentary power interruptions. Customers requiring a three-phase supply should install protective apparatus to avoid damage to their equipment, which may be caused by the interruption of one phase, or non-simultaneous switching of phases of the Distributor's supply.
Powers of Entry	2.3.1	(B)	ERHDC may enter on the Customer's premises and remove meters, lines, stations, plant, appliances and equipment owned and installed by ERHDC when the Customer requests Disconnection in writing and all associated contracts for the supply of power have been terminated. To assist with Distribution System outages or Emergency response, ERHDC may require a Customer to provide ERHDC with access to Customer owned distribution equipment that normally is operated by ERHDC or ERHDC owned equipment on Customer's real property. ERHDC shall have rights to access to a real property in accordance with Section 40 of the *Electricity Act, 1998* and any successor acts thereto.
Power Quality	2.3.2	(A)	ERHDC will respond to any power quality complaints. Should it be determined that the fault lies within the Distribution System, ERHDC will take all necessary measures to alleviate the problem provided such correction is not detrimental to any other Customer. Should the concern be on the Customer's side of the Ownership Demarcation Point, reimbursement of costs incurred for investigation purposes shall be invoiced to the Customer.
Notification For Interruption		(B)	Although it is ERHDC's policy to minimize inconvenience to Customers, it is necessary to occasionally interrupt a Customer's supply to allow

work on the Distribution System. ERHDC will endeavor to provide the Customers with reasonable notice of planned power interruptions. Notice may not be given where work is of an Emergency nature involving the possibility of injury to persons or damage to property or equipment. However, during an Emergency, ERHDC may interrupt supply to a Customer in response to a shortage of supply or to effect repairs on ERHDC's Distribution System or while repairs are being made to Customer owned equipment.

Customers On Life Support		(C)	Customers who require an uninterrupted source of power must provide their own equipment for these purposes. Customers with life support system are encouraged to inform ERHDC of their medical needs and their available backup power. These Customers are responsible for ensuring that the information they provide to ERHDC is accurate and up-to-date. With planned interruptions, the same procedure as prescribed in section 2.3.2(B) will be observed. For those unplanned power interruptions that extend beyond two hours and the time expected to restore power is longer than what was indicated by Customers (registered on life support) as their available backup power, ERHDC will endeavor to contact these Customers but will not be liable in any manner to the Customers for failure to do so.
Scheduled Interruptions		(D)	During construction ERHDC may require to interrupt sections of the Distribution System usually isolated but not limited to a single transformer and the Customers fed from it. The crew leader or crew member may attempt to inform all affected Customers prior to the interruption.
Electrical Disturbances	2.3.3	(A)	Electrical equipment shall not be connected to the Customer's service, which will produce an undesirable system disturbance on the Utility's circuits.
		(B)	Customers should consult ERHDC to ensure that proposed equipment will not cause undesirable system disturbances.
		(C)	If, in the opinion of the Utility, an undesirable system disturbance is being caused by existing Customer equipment, the Customer will be required to cease operation of the equipment until remedial action has been taken.
		(D)	If the Customer does not take such action within a reasonable time, the Utility may disconnect the supply of power to the Customer. See Section 2.2 (B) (iv).
		(E)	ERHDC may require the installation of additional facilities to nullify the undesirable effect. The additional facilities will be installed at the Customer's expense.

Standard Voltage Offering 2.3.4

Standard Service supply and nominal voltages supplied by ERHDC are as follows:

- 120/240 volts, single-phase, three wire with a solidly grounded neutral;
- 120/208volts, wye, three-phase, four wire with a solidly grounded neutral;
- 347/600 volts, wye, three-phase, four wire with a solidly grounded neutral;
- 7200/12,470 volts, wye, three-phase, four wire, Customer owned substation with primary metering in a 12kV distribution area with a solidly grounded neutral;
- 44,000 volts Delta, three-phase, three wire, Customer owned substation with primary metering, in a 44kV distribution area.

Voltage Guidelines 2.3.5

ERHDC attempts to maintain voltage variation limits under normal operating conditions at the Customer's Service Entrance as specified by the Canadian Standards Association, specification number C235, as amended from time to time.

Back-up Generators 2.3.6

Customers requiring a higher degree of security than that of normal supply are responsible for providing standby back-up facilities to meet their security requirements at their own expense. It is recommended that proper protective apparatus be installed to avoid damage to sensitive electronic equipment.

Customers with portable or permanently connected Emergency Backup capability shall comply with all applicable criteria of the Ontario Electrical Safety Code and in particular, shall ensure that Customer Emergency Backup does not back-feed on the Utility's Distribution System.

Customers with permanently connected Emergency Backup equipment shall notify ERHDC regarding the presence of such equipment.

Metering Installation	2.3.7.1	There shall be no obstruction, object, equipment or thing within one metre in all directions of an electric meter excepting the wall to which it is attached. The top of a metering base shall be not less than 1.2 meters or greater than 1.8 meters above grade. Where there is a possibility of danger to workmen or damage to equipment from moving machinery, dust, fumes, gas, heat, cold or moisture, protective apparatus satisfactory to ERH shall be provided by the Customer. Where excessive vibration may affect metering equipment, shock-absorbing devices, approved by ERHDC shall be provided and installed by the Customer. The Customer shall contact ERHDC where such conditions may occur. Normal meter locations will be on the driveway side up to a maximum of three (3) meters from the front corner of the dwelling unless otherwise approved by ERHDC. If and when a fence is constructed to enclose the property, the meter is not to be enclosed within the fenced area. The Customer will be responsible for costs incurred due to damage or removal of meters, wires or equipment of ERHDC on the real property of the Customer when caused by other than the Utility or when damage is due to other than normal use. All single phase, underground services shall have a minimum capacity of 200 amperes and shall be of an outdoor type meter base with a minimum dimension of 300mm by 500 mm by 115 mm unless otherwise approved by ERHDC. Three-phase services up to 200 amperes at 120/208 volts and 347/600 volts can be provided with socket type meters. Provision must be made to permit ERHDC to install outdoor socket-type meters on all single-phase services up to and including 400 amperes, on the line side of the fused disconnect.

Current Transformer Cabinets 2.3.7.2

Metering cabinets must be provided inside the Customer's building for all 120/240 volt services in excess of 400 amperes. These installations will have outdoor meter sockets complete with a shorting device. The Customer will also connect the socket to the cabinet with a 30 mm approved conduit suitable for ERHDC's wiring.

Three-phase services in excess of 200 amperes at 120/208 volts and three-phase services 200 amperes and above at 347/600 volts will require an approved meter cabinet, at the Customer's expense to house instrument transformers.

Where metering cabinets are required, they shall have the following minimum dimensions:

- 100 amperes and 200 amperes services:
  500 mm x 750 mm x 250 mm
- 400 amperes to 1000 amperes services:
  1200 mm x 1200 mm x 500 mm

When space for mounting instrument transformers is provided in the Customer's switchboard, a 500 mm x 750 mm x 250 mm cabinet is required. A 30 mm conduit is also required from the switchboard to the meter cabinet.

Metering cabinets must be fitted with a hasp to allow for locking using a padlock.

Cabinets shall be equipped with removable steel subpanels to facilitate shop wiring and testing of the metering equipment.

Interval Metering 2.3.7.3

All Customers below 500KVA have the option of requesting Interval Metering. All Customers above 500KVA shall have Interval Metering.

Customers that request or require Interval Metering will be responsible for the following costs:

- Cost of the Interval Meter.
- All additional installation costs associated with the Interval Meter.
- Ongoing maintenance, including allowance for meter failure.
- Verification and re-verification of the meter.
- Installation and ongoing provision of communication line or communication link.
- Cost of metering made redundant by the Customer requesting Interval Metering.

		The Customer is responsible for incremental costs associated with Interval Metering, regardless of whether the Interval Metering is installed at the request of the Customer or in compliance with these Conditions of Service. Ownership of the meter shall remain with ERHDC.
Meter Reading	2.3.7.4	All meters are read monthly provided access to the meter is possible. Those meters that are not accessible are estimated. The Customer shall allow employees or authorized agents of ERHDC to have access to meter rooms between 8 am and 8 pm, seven (7) days a week to read meters or to inspect, repair, install or remove meters, wires and equipment of ERHDC. Where such access is not readily available, the Customer must make semi-annual arrangements at a mutually agreeable time to allow ERHDC access to the meter. Please see Section 2.4.4.2 for the process to be used if a meter reading is not obtained.
Final Meter Reading	2.3.7.5	When a Customer is moving or otherwise no longer requires service from ERHDC, the Customer shall provide ERHDC with a minimum of five (5) business days notice of the date of termination of service so that ERHDC may obtain a final meter reading as close as possible to the termination date.
Faulty Registration of Meters	2.3.7.6	Metering electricity usage for the purpose of billing is governed by the Federal *Electricity and Gas Inspection Act* and associated regulations, under the jurisdiction of Measurement Canada. ERHDC revenue meters are required to comply with the accuracy specifications established by the Electricity and Gas *Inspection Act.*
Over billing	2.3.7.7	Where a billing error, from any cause, has resulted in a Customer or Retailer being over billed and Measurement Canada has not become involved in the dispute, ERHDC shall credit the Customer or Retailer with the amount erroneously billed. The credit ERHDC remits to the appropriate parties shall be the amount erroneously billed for up to a six (6) year period.
Under billing	2.3.7.8	Where a billing error, from any cause, has resulted in a Customer or Retailer being under billed and Measurement Canada has not become involved in the dispute, ERHDC shall charge the Customer or Retailer with the amount not previously billed. The charges ERHDC bills to the appropriate parties shall be the amount not billed for up to a six (6) year period.
Meter Dispute Testing	2.3.7.9	All metering disputes with respect to equipment verification will be addressed and resolved through Measurement Canada. ERHDC, the Customer or a Retailer can at any time request the services of Measurement Canada or an accredited meter verifier in the process.

Customer Specific Metering Primary Metering	2.3.7.10	Customer owned primary Distribution Systems must be primary metered with a fuse/interrupter combination switchgear approved by ESA and built to ERHDC metering specifications. Where primary switchgear and metering are required, 100% of the cost will be paid by the Customer. Primary metering cabinets on Utility poles will be supplied and installed by the Utility at the Customer's cost.
Pulse Metering	2.3.7.11	A pulse output meter will be installed where feasible in the reasonable opinion of ERHDC, upon the Customer's request. The Customer will pay 100% of the cost.
Bulk Metering	2.3.7.12	All electrical energy supplied to an office building or rental apartment building may be bulk metered at the request of the Customer subject to all applicable conditions.
Individual Metering	2.3.7.13	Any building or complex may be individually metered.
Conversion from Bulk Metering to Individual Metering	2.3.7.14	Any building or complex may be converted from bulk metering to individual metering subject to: • The Customer making written application to ERHDC. • Each unit has its own distinct partition/barrier and no two meters are allocated to the same unit. • The Customer supplying and installing meter sockets and associated wiring, grouped in meter rooms, according to the requirements of ERHDC and ESA. • The metered voltage is 120/240 volts single phase or such other voltage as may be approved by ERHDC from time to time. • The Customer paying ERHDC for incremental capital cost of meters and metering facilities for voltage other than 120/240 volt single phase. • The Customer being responsible for all costs associated with the conversion from the main entrance switch to the secondary side of ERHDC transformer when converting from 3 phase 3-wire (delta) to a 3 phase 4-wire (Grounded Wye).

Internal Renovations	2.3.7.15	Internal renovations and/or expansions may require the amalgamation of Service Entrance meters in order to comply with ERHDC metering requirements at no cost to ERHDC. When changing an existing residential service with inside meters, all meters shall be relocated to the outside of the building, at no cost to ERHDC. The meters must be relocated so that they are readily accessible for meter reading. Water, gas, sewer, other pipes or like equipment will not be permitted to encroach on the safe working space requirements for a meter cabinet or meter room.
Tariffs and Charges	2.4	ERHDC will only apply Board approved charges and tariffs. These charges and tariffs are available from ERHDC upon request. ERHDC may, from time to time, make application to the Minister or the Board as appropriate for changes or adjustments to any or all charges or tariffs. Customers shall be notified of the application in accordance with legislation and Regulations in effect at the time of the application.
Service Connection Fees	2.4.1.1	There will be a connection fee charged for new, upgraded or altered services. These fees are not subject to Board approval. Service connection fees are found in Section 5 and are subject to change without notice.
Energy Supply	2.4.2	ERHDC shall provide standard supply service to any Customer Connected to its Distribution System along a municipal Right-of-way, easement or private Distribution System: • Who has not advised ERHDC in writing that they do not wish to purchase electricity from ERHDC; or • Who requests in writing to sell electricity to them; or • Whose Retailer is unable for any reason to sell electricity to them. ERHDC shall discontinue to provide standard supply service to a Customer who is connected to their Distribution System if: • The Customer or Retailer acting on behalf of the Customer informs ERHDC in writing that the Customer wishes to purchase electricity from the Retailer; and

- The Customer or the Retailer acting on behalf of the Customer informs ERHDC with the following information:
  1) The date after which the Retailer is prepared to provide service to the Customer, subject to the final meter reading date;
  2) The Customer's account number with the ERHDC; and
  3) Other information necessary for implementing a change in service that may be required by the Board, as amended from time-to-time.

ERHDC shall begin to provide standard supply service to a Customer who is connected to the ERHDC Distribution System and purchases electricity from a Retailer if:

- The Customer or the Retailer acting on behalf of the Customer informs ERHDC in writing that the Customer wishes to purchase electricity from the Distributor;

- The Customer or the Retailer acting on behalf of the Customer informs the Distributor that the Retailer is unable to sell electricity to the Customer; and

- The Customer or the Retailer acting on behalf of the Customer provides the Distributor with the following information:

  1) The date after which the service will no longer be provided by the Retailer, subject to the final meter reading date;
  2) The Customer account number with ERHDC and;
  3) Other information necessary for implementing a change in service that may be required by the Board, as amended from time to time
  4) ERHDC may, at its discretion, refuse to process a service transfer request for a Customer to switch to a Retailer if that Customer owes money to ERHDC for Distribution Services and or standard supply service.

Wheeling of Power 2.4.2.1 Customers considering delivery of electricity through ERHDC's Distribution System shall contact ERHDC for technical requirements and current applicable Rates.

Energy Security 2.4.3 Espanola Regional Hydro Distribution Corporation requires the following deposit and prudential requirements before providing a Customer with Distribution Services, supply through Standard Service Supply or through Distributor Consolidated Billing.

Except for Customers who meet the deposit waiver conditions described below, all Customers are required to either pay a security deposit or provide a guarantee to Espanola Regional Hydro Distribution Corporation for payment of all monies owing.

Security deposits must be in the form of (i) cash or cheque; or (ii) an irrevocable (standby) letter of credit, a bond or a letter of guarantee from a chartered bank, trust company or credit union; or (iii) a letter of guarantee from a reputable third party (i.e. parent company or customer of the Corporation whose account is in good standing. Note: The following statement must be included on the irrevocable letter of credit: "It is a condition of this Letter of Credit that it shall be deemed to be automatically extended without amendment from year to year from the present or any future expiration date hereof, unless at least 30 days prior to the present or any future expiration date, we notify you in writing by registered mail that we elect not to consider this Letter of Credit to be renewable for any additional period."

The amount of the security deposit will be calculated as follows:

- Residential Customer – the average monthly bill for the residence in question (over the most recent 12 consecutive months within the past two years) multiplied by 2.5.
- Non Residential Customer – in any rate class other than a <50 kW demand rate who has a credit rating from a recognized credit rating agency shall have the maximum amount of a security deposit reduced according to the following table:

Credit Rating Allowable Reduction in Security Deposit (Using Standard and Poor's Rating Terminology)	
AAA – and above or equivalent	100%
AA-, AA, AA+ or equivalent	95%
A-, From A, A + to below AA or equivalent	85%
BBB-, From BBB, BBB+ to below A or equivalent	75%
Below BBB- or equivalent	0%

A minimum of 25% of the required deposit must be paid before the service is transferred into the new customer's name. The remaining 75% will be billed on the first three regular utility bills and must be paid by the due date of said bills or an immediate disconnection will be ordered.

Security deposits will be reviewed annually. Deposits will be increased at that time if a recalculation warrants same. Deposits will be returned to the Customer if it is proven that the Customer is now in a position to be exempt from paying a Deposit. Returned amounts will usually be credited to the Customer's account.

Security deposits or guarantees may be waived for if the following conditions are met:

a) Residential customers provide evidence of a good payment record during the previous one (1) year which must have occurred in the last twenty-four (24) months with another distributor or gas distributor in Canada.

Non-Residential customers in a <50 kW demand rate class provide a good record of five (5) years and customers in any other rate class provide a good record of seven (7) years.

A good payment history excludes customers who have received more than one disconnection notice from the distributor, who have presented more than one cheque which has been returned for non-sufficient funds, have more than one pre-authorized payment has been returned for insufficient funds or a disconnect/collect trip has occurred.

b) The Customer provides satisfactory credit check made at the customer's expense.

Security deposits shall not constitute payment of an outstanding account, in whole or in part, and shall only be applied to amounts owing on an Espanola Regional Hydro account when the account is closed at which time any excess deposit funds will be refunded to the Customer. However, the Utility reserves the right to transfer a deposit credit to the customer's new outstanding deposit account. The Security deposit will be returned within six weeks of the closure of the account.

The interest rate on cash deposits shall be at the Prime Business Rate less 2% and will be applied to the deposit, on receipt of the total deposit, on a yearly basis or on return or application of the security deposit or closure of the account, whichever comes first. Non-cash security (i.e. letter of credit) will be applied after the final-bill-due-date, if full payment is not received from the Customer.

Billing	2.4.4	
Prorating Bills and Service Charges	2.4.4.1	Service and demand charges will be prorated for first and final bills only. Charges are based on a straight ratio calculation of the number of days of occupancy by the Customer to a standard 30 day month.
Estimating Bills	2.4.4.2	Reasonable attempts will be made to obtain a meter reading for all regular electricity bills. If a bill is estimated, it will be based on the consumption history for the Customer, whenever possible.
New Account Setup Charge	2.4.4.3	When a Customer establishes a new account, a new account setup charge, as approved by the Board from time to time, is applied to their first bill. A new account is established and a new account setup charge, as approved by the Board from time to time, applies to those Customers who are new to the service area and those who have moved locations within the service area.
Arrears Certificate	2.4.4.4	A charge, as approved by the Board from time to time, is levied to provide a certificate of arrears per service address. This is typically provided to lawyers during a property purchase.
Transformer Ownership Credit	2.4.4.5	A credit will be provided for all demand billed to Customers owning their own distribution transformer as approved by the Board, from time to time.
Power Factor Adjustments	2.4.4.6	The Customer will be billed for demand based on the measured kilowatts or 90% of the measured kilovolt amperes whichever is greater. This provides an incentive for a Customer with a power factor that is less than 90% lagging to improve their power factor.
Payment Plans	2.4.5	ERHDC shall offer the following payment plans*:
Monthly Pre-Authorized Debit (Budget PAD)	2.4.5.1	A monthly, estimated amount shall be withdrawn automatically, from the Customer's bank account on due date of bill or either the 1st, 10th, 15th, 20th day of a month. Throughout an 11 month period, the estimated withdrawal amount may be adjusted upwards or downwards, as actual billings warrant. Customers shall be notified, in advance, of any required adjustments. The monthly payment plan shall be reconciled annually at which time any residual amounts owing to ERHDC or the Customer shall be paid, in full. Written notification of the outstanding balance shall be provided on the settle-up invoice. If monthly payments are not maintained, Customers shall be automatically removed from the plan by the subsequent withdrawal date, if payment remains outstanding.

		Upon request, Customers may opt out of this plan at any time, at which point, standard billing and collection timelines shall apply. Further terms and conditions are provided on the payment plan application, which must be authorized and returned with a void cheque. * This plan is available to Residential Customers on standard supply service, only.
Monthly Pre-Authorized Debit (PAD)	2.4.5.2	A pre-authorized bank debit of the net billed amount shall be withdrawn from the Customer's bank account on the due date of the bill, according to their particular billing cycle. If payments are not maintained or remain outstanding, Customers shall be automatically removed from the plan within thirty (30) days of the due date. Upon request, Customers may opt out of this plan, at any time. This plan is available to all Customers except those with Retailer consolidated billing. Further terms and conditions are provided on the payment plan application, which must be authorized and returned with a void cheque. Customers who default on their payments shall be required to restore payment by the next months withdrawal date, in addition to the current monthly payment. If the Customer cannot update their payments, the plan will be suspended until the balance is cleared.
Late Payment Charges	2.4.5.3	A late payment charge of 1.5% per month (19.56% annually) is applied to all accounts not paid by the due date. Bills are due and payable 20 days from the issue date. This charge is levied on any bill, including final bills. Where a partial payment has been made by the Customer on or before the due date, the late payment penalty will apply only to the outstanding amount of the bill at the due date, inclusive of arrears from previous billings.
Reconnect Charge	2.4.5.4	A reconnect charge, as approved by the Board from time to time, will be applied after the service is reconnected. Only one reconnect charge will be applied per billing period unless a partial payment has been made.
Returned Cheque Charge	2.4.5.5	A charge, as approved by the Board from time to time, is applied for each payment that cannot be processed.
Credit Refunds	2.4.5.6	A refund, if applicable, for final accounts will be issued no sooner than 10 days after the final payment has been received, to allow sufficient time for clearing.
Customer	2.5	ERHDC will communicate general market and educational information

Information

to Customers connected to it's Distribution System as required.

At the Customer's request, ERHDC will provide a list of Retailers who have service agreements in effect with ERHDC.

Upon a Customer's written authorization, ERHDC will make the Customer's information available to the Customer, or third party, as stated in chapter 11 of the Retail Settlement Code as amended from time to time.

Section 3 – Customer Class Specific

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Section 3 - Customer Class Specific

Customer Classification For Rate Purposes 3.0.1

Customers must be assessed by ERHDC, upon application for service to ensure the appropriate Rate Class is assigned to the account.

There are four Rate Classes: Residential, General, General (50kW or greater), and Unmetered Connections.

Residential Rate Class (A)

To qualify for residential Rates an electrical service shall meet all of the following conditions:

- The electricity shall be intended for and used primarily for a residence in which one or more person(s) reside.
- The electrical service shall be individually metered, no bulk metering allowed.

General Service Rate Class (B)

To qualify for general service Rates an electrical service shall meet all of the following conditions:

- The electrical service shall not qualify as a Residential Rate Class service.
- The electrical service shall have a peak demand less than 50 kilowatts for seven or more months In any twelve month period.
- New Connections will be classified based on the rating, in amperes, of the main switch or sum of main switches.

General Service Rate Class (Equal To or Greater Than 50kW) (C)

To qualify for general service Rates (Equal To or Greater Than 50kW) an electrical service shall meet all of the following conditions:

- The electrical service shall not qualify as a Residential Rate Class service.
- The electrical service shall not qualify for General Service Rate Class as defined in Section 3.0.1 (B).
- New Customers will be classified based on the rating, in amperes, of the main switch or sum of main switches.

Unmetered Connection		(D)	Unmetered services shall only be permitted for streetlights and sentinel lights.
Residential Rate Class			
Residential	3.1		For purposes of Section 3.1 and its related subsections, Residential Rate Class customers are defined as those Residential Rate Class customers connected as detached, semi-detached or duplex dwelling units. It does not include Residential Rate Class customers in apartments, condominiums, row housing or any other abode that is not a detached, semi-detached or duplex dwelling unit. The definition does not include the installation of primary, transformation and secondary to the hand holes in a new subdivision. All items excluded from the residential rate class definition, as above, shall be treated as general service rate Class customers.
Early Consultation	3.1.1		All Customers must supply ERHDC with a completed copy of the Town of Espanola's or Township of Sables-Spanish Rivers "Permit Approval Form", as amended from time to time, for all new or altered service. To properly meet the Customer's needs, the Customer or their representative should consult with ERHDC in the early planning stages to determine what facilities and voltages are required at the proposed service location. ERHDC shall respond to the request for connection in accordance with the terms and conditions of Section 2.1.2 – Offers to Connect.
Operational Demarcation Point – All Supply Voltages	3.1.2		The Operational Demarcation Point for Residential Rate Class Customers as defined in Section 3.1 shall be immediately past the line side lugs (but not including the lugs) on the meter base.
Ownership Demarcation Point	3.1.3		
Utilization Voltage – Overhead Secondary Service, No Clearance Pole Required		(A)	The Ownership Demarcation Point for Residential Rate Class customers, as defined in Section 3.1, supplied by an overhead Secondary Service shall be immediately past the connectors at the top of the service mast, where no clearance pole is required.
Utilization Voltage – Overhead Secondary Service, Clearance Pole Required		(B)	Where a clearance pole is the only pole required to meet the standard in place and adopted by ERHDC from time to time and the service extends only one span past the clearance pole, the Ownership Demarcation Point for Residential Rate Class customers, as defined in Section 3.1, supplied by an overhead Secondary Service shall be immediately past the connectors at the top of the service mast.

Utilization Voltage – Overhead Secondary Service, Secondary Pole Line Required

(C) Where a Secondary Service on real property extends for two or more poles, which may or may not include a clearance pole, and;

Where a clearance pole is involved, the Ownership Demarcation Point for Residential Rate Class customers, as defined in Section 3.1, shall be immediately past the connectors at the clearance pole, or;

Where no clearance pole is involved, the Ownership Demarcation Point for Residential Rate Class Customers, as defined in Section3.1, shall be immediately past the connectors at the point of connection to ERHDC's Distribution System.

Utilization Voltage – Underground Secondary Service, No Clearance Pole Required

(D) The Ownership Demarcation Point for Residential Rate Class customers, as defined in Section 3.1, supplied by an underground Secondary Service shall be immediately past the line lugs (but not including the lug) at the Customer's Service Entrance, where no clearance pole is required.

Utilization Voltage – Underground Secondary Service, Clearance Pole Required

(E) Where a clearance pole is the only pole required to meet the standard in place and adopted by ERHDC from time to time and the service extending beyond the clearance pole is an underground Secondary Service the Ownership Demarcation Point for Residential Rate Class customers, as defined in Section 3.1, shall be immediately past the line side lugs (not including the lug) at the Customer's Service Entrance.

Primary Voltage – Overhead or Underground Primary Service

(F) The Ownership Demarcation Point for Residential Rate Class Customers, as defined in Section 3.1, supplied by an overhead or underground Primary Service shall be immediately past the load side connector of the cutout switch. The distribution transformer is owned by ERHDC and is installed on the Customer owned Distribution System.

Basic Connection Residential Rate Class Customers

3.1.4 A basic connection for a Residential Rate Class customer as defined in Section 3.1 shall be:

- A single-phase, 3-wire, 60 cycle, overhead secondary service having a nominal voltage of 120/240 volts and a maximum capacity of 200 amperes;
- The supply and installation of overhead transformation sufficient to meet the needs of (a) and ;
- Up to 30 meters of secondary conductor, as measured between the point of connection on ERHDC's Distribution System and the Ownership Demarcation Point of that Customer.

A basic connection shall require a capital contribution in accordance with Section 2.1.2.

Installation of Connection Assets in Excess of the	3.1.5	(A)	In all cases where a Customer requires Connection assets in excess of the basic connection a capital contribution shall be required in accordance with Section 2.1.2.
Basic Connection Basic Connection Requiring More Than 30 Meters of Secondary Conductor	3.1.5	(B)	When a basic connection requires more than 30 meters of secondary conductor the Customer shall pay a variable connection fee in accordance with Section 2.1.2.
Requirement for Customer Owned Clearance Pole – All Supply Voltages	3.1.5	(C)	Where a Connection to the ERHDC's Distribution System does not exist on the same side of a road allowance as the Customer, the Customer shall supply and install on the Customer's real property, a clearance pole.
Requirement for Clearance Pole Not Owned by Customer – All Supply Voltages	3.1.5	(D)	Where ERHDC or another corporate entity with whom ERHDC has entered into an Agreement for Licensed Occupancy (e.g. Bell Canada) has or desires to have a pole line on the side of the road allowance on which the Customer's real property exists, the Customer may not be required to install a Customer owned clearance pole as per Section 3.1.5 (C). Specific conditions and costs may apply in this instance. Customers are encouraged to initiate early consultation, as per Section 3.1.1, so that the offer to connect issued in accordance with Section 2.1.2, may contain appropriate conditions and costs.
Maximum Single Phase Secondary Service Size	3.1.5	(E)	A single-phase, 3-wire, 60 cycle, Secondary Service having a nominal voltage of 120/240 volts shall not exceed 400 amperes in size. Service Entrances greater than 200 amperes and equal to or less than400 amperes require service conductor greater than that provided for in the basic connection as described in 3.1.4 and therefore the Customer shall pay a variable connection fee in accordance with Section2.1.2.
Mandatory Underground Secondary Service Requirements in Subdivisions	3.1.5	(F)	Consistent with the Town of Espanola and The Township of Sables – Spanish Rivers "Official Plan" and related by-laws, Residential Subdivisions, as described in Section 3.2.18, shall be supplied by a ERHDC underground Distribution System. The customer shall pay a connection fee in accordance with Section 2.1.2.
Underground Secondary Service Where Requested	3.1.5	(G)	A Customer may request underground Secondary Service from ERHDC. Where such a Connection is economically feasible ERHDC shall make an offer to connect in accordance with Section 2.1.2. The Customer shall pay a connection fee in accordance with the appropriate subsection of Section 2.1.2.
Underground Secondary Service Fed From an	3.1.5	(H)	Clearance poles to accommodate road crossings to an underground Secondary Service will be required unless otherwise agreed to in writing with ERHDC. Ownership

Overhead System – Clearance Poles			shall be as in accordance with Section3.1.5 (C) and 3.1.5 (D).
Underground Secondary Service Fed From an Overhead System – Clearance Poles – Requirement for Notice of Agreement	3.1.5	(I)	In addition to 3.1.5 (H) and 3.1.5 (C), the Customer is required to sign an "Anchoring Agreement", registered on title at 100% cost to the Customer that will permit the installation of anchoring and down guying on the Customer's real property. The need for the anchoring and guying or the "Anchoring Agreement" will be at the sole discretion of ERHDC. Refer to Section 5 Schedule 4 (Contracts and Other Agreements).
Secondary Service Pole Line	3.1.5	(J)	If a Secondary Service pole line or any other attachments, which may or may not include a clearance pole, are required on the Customer's real property to support the Secondary Service, these will be erected and maintained by the Customer. This pole line shall be inspected and approved by the ESA.
Primary Service Required to Serve Residential Rate Class Customer	3.1.5	(K)	Where a Residential Rate Class customer, as defined in section 3.1, is proposing to install a Service Entrance on the Customer's real property and the length of Secondary Service required to feed the proposed Service Entrance, excluding any road crossing, exceeds 50 meters, the Customer shall be required to install a Customer owned Primary Service. Where an overhead Distribution System exists, the Customer may choose to install either an overhead or an underground Primary Service. Where an underground Distribution System exists, only an underground Primary Service may be installed. In either situation, the installation shall be Customer installed, owned and maintained. Primary Services installed as per this Section shall be subject to the conditions of Section 2.1.4 -- Inspection Before Connection.
Customer Owned Secondary Service, Primary Service or Sub-transmission Service – Requires a Connection Agreement	3.1.5	(L)	A Connection Agreement is required where a Customer is served by Customer owned Service Wires. The Connection Agreement shall be required to be registered on the title of the Customer's real property.
Meter Location	3.1.6		The Customer will arrange for a meter socket location and service trench route by contacting ERHDC. The Customer shall supply a survey plan or a site plan indicating the proposed location of the Service Entrance equipment with respect to the public right-of-way and lot lines.
Metering Facilities Type and Size	3.1.7		For all metering facility types and sizes see all subsections of Section 2.3.7 Metering.

Customer Responsibilities Prior to a Service Connection

3.1.8

Prior to a service Connection, the Customer shall take responsibility for the following :

- Obtain approval from the Electrical Safety Authority
- Remit any and all deposits, fees, rates, securities or other payments as may be required or permitted by any Code, Board approved rate or tariff, or these Conditions of Service.
- Complete and sign a “Contract for Service”. Refer to Section 5 Schedule 4 (Contracts and Other Agreements).

Customer Construction Requirements for up to 200 Ampere Underground Secondary Service

3.1.9

The Customer is responsible for supplying and installing a 75 mm Type II P.V.C. conduit in a service trench, 1 m in depth with service runs up to 53 m(175’) from the ERHDC’s supply point to a 50 mm (2”) riser pipe at the meter base location. The Customer will also install a non-metallic pull rope (400 kg or equivalent) in the service conduit to be used by ERH to install underground Service Wires.

With a service run greater than 53m (175’) and less than 75 m (250’), the conduit must be 100 mm (4”) with a 75 mm (3”) riser pipe for an underground Service Wire.

The Customer is required to have the trench inspected and approved by ERHDC prior to backfilling. Backfill must be granular material (sand), void of scrap, rocks or debris.

If there is less than 915 mm (36”) cover available due to bedrock then the conduit or duct shall be covered by a minimum of 150 mm (6”) of 20mpa concrete.

It is the responsibility of the Customer to ensure the service conduit is free of all debris, ice or blockage. If the Service Wires cannot be installed due to ice, debris or any other blockage the Customer shall clear the conduit prior to the installation of the Service Wires. A fee may be assessed for a return trip to install the Service Wires.

Customer Construction Requirements for 400 Ampere Underground Secondary Service – up to 75 m (250')

3.1.10

The Customer is responsible for supplying and installing a 100 mm (4") Type II P.V.C. conduit in a trench one meter in depth. The trench must be as straight as possible with a maximum of 3-90 degree bends. All bends are to be a minimum of 915 mm36") radius, not to exceed 90 degrees.

The Customer shall supply and install a non-metallic pull rope with a minimum strength of 400 kg in the conduit run.

A transformer rated meter socket shall be supplied by the Customer.

The Customer is required to have the trench inspected and approved by ERH prior to backfilling. Backfill must be granular material (sand), void of scrap, rocks or debris.

If there is less than 915 mm (36") cover available due to bedrock then the conduit or duct shall be covered by a minimum of 150 mm (6") of 20 mpa concrete.

It is the responsibility of the Customer to ensure the service conduit is free of all debris, ice or blockage. If the Service Wires cannot be installed due to ice, debris or any other blockage the Customer shall clear the conduit prior to the installation of the Service Wires. A fee may be assessed for a return trip to install the Service Wires.

Construction Requirements for Secondary Service Pole Line

3.1.11

The Customer shall supply, install and maintain the Secondary Service pole line at their expense. ERHDC will provide an estimate to construct the private pole line if requested.

The Customer or their electrical contractor shall contact ERHDC prior to commencement of the work to obtain approval for the location of the Secondary Service pole line. Failure to do so may result in the pole or poles having to be relocated at the Customer's expense.

ERHDC will connect the Customer owned Secondary Service pole line to the ERHDC Distribution System for a fee shown in Section 5 Schedule 3 (Secondary Connection Fee).

A clearance pole may be required for a Secondary Service pole line. See Sections 3.1.5 (C) and 3.1.5(D) for details.

A Secondary Service pole line shall be installed according to ESA and ERHDC requirements.

Construction Requirements for Primary Service pole Line	3.1.12	The Customer shall supply, install, own and maintain the Primary Service pole line at their expense. ERHDC will provide an estimate to construct the Primary Service pole line if requested. The Customer or their electrical contractor shall contact ERHDC prior to commencement of the work to obtain approval for the location of the Primary Service pole line. Failure to do so may result in the pole or poles having to be relocated at the Customer's expense. An overhead Primary Service shall include a Customer owned pole located within 20 meters of the road allowance as per standards in place and adopted by ERHDC from time to time. A primary fused cutout switch shall be installed by ERHDC on this first Customer owned pole. The cost for the fused cutout switch will be included in the private primary line connection fee as shown in Section 5 Schedule 3. ERHDC will connect the Customer's Primary Service pole line to the ERHDC Distribution System for a fee shown in Section 5 Schedule 3. A clearance pole may be required for a Primary Service pole line. See Sections 3.1.5 (C) and 3.1.5 (D) for details. Primary Services installed as per this Section shall be subject to the conditions of Section 2.1.4 – Inspection Before Connection.
Construction Requirements for Single Phase Underground Primary Service	3.1.13	The Customer shall supply and install two (2)-75 mm Type II PVC conduits in a concrete encased duct bank. The conduit shall be supported by approved duct bank spacers located no more than 1.5 m apart for the length of the duct bank. The ducts shall have a minimum 50mm concrete encasement and the top of the concrete encased duct bank shall be a minimum of 1 m below grade. The Customer shall install one (1)-50 mm Type II PVC conduit on top of the concrete encased duct bank. The Customer shall install a non-metallic pull rope (400 kg or equivalent) in all three conduits to be used by ERH to install a Primary Service. The Customer is required to have the trench inspected and approved by ERHDC prior to backfilling. Backfill must be granular material (sand), void of scrap, rocks or debris.

If there is less than 915 mm (36”) cover available due to bedrock then the conduit or duct shall be covered by a minimum of 150 mm (6”) of concrete.

It is the responsibility of the Customer to ensure the service conduit is free of all debris, ice or blockage. If the Service Wires cannot be installed due to ice, debris or any other blockage the Customer shall clear the conduit prior to the installation of the Service Wires. A fee may be assessed for a return trip to install the Service Wires.

Relocation or Adjustments of Underground Services – All Supply Voltages 3.1.14

Requests for relocation of the Distribution System, including but not limited to underground services shall be subject to the conditions of Section 2.1.5 – Relocation of Plant.

Underground Service Wire Faults 3.1.15

Where the Service Wire is owned by ERHDC and a fault arises out of the willful misconduct or negligence of a person or persons other than ERHDC, the Customer shall be responsible for the replacement or repair of the Service Wire. ERHDC will repair or replace the Service Wire free of charge for all other instances of an underground Service Wire fault.

Second Customer From Existing Customer Owned Pole Transfer of Ownership 3.1.16

If in the event a second Customer wishes supply from the existing Customer owned pole, ERHDC shall assume ownership of the Distribution System in question, subject to the owner(s) of the Distribution System satisfying the following conditions.

- A registered easement is granted to ERHDC at no legal, registration or survey expense to the Utility.
- The Distribution System in question has been inspected by and approved by ERHDC.
- The Distribution System has been inspected and approved by ESA.

Failing which, Connection of the second Customer shall be denied.

General Service Rate Class

General Service Rate Class	3.2.0		For purposes of sections 3.2, 3.3 and 3.4 the General Service Rate Class includes those Residential Rate Class Customers that are not in detached, semi-detached or duplex dwelling units. The General Service Rate Class also includes subdivision developments and all General Service Rate Class customers defined in Sections 3.0.1 (B) and 3.0.1 (C).
Early Consultation	3.2.1		See Section 3.1.1.
Load Data	3.2.2		To assess the manner in which the Customer may be properly served, the Customer shall provide ERHDC with the following: • Estimated connected demand and future load; • Specific listing of the types of loads for lighting, motor, welding, heating, air conditioning, or other; • Location of the site with a plot plan showing the proposed location of the Service Entrance; • Ampere and voltage rating and the interrupting capacity of the main Secondary Service switch; • Drawing of the main secondary Distribution System showing the metering facilities; • Where applicable, the number of suites, units, retail outlets and areas of each.
Standard Voltage	3.2.3		The Customer has the option of selecting one of the standard secondary voltages supplied by the ERHDC as indicated in Section 2.3.4. If the Customer wants a Utilization Voltage not found in Section 2.3.4 then the Customer shall supply and install Customer owned transformation. Any such installation shall be installed according to ESA and ERHDC requirements as adopted from time to time.
Operational Demarcation Point – Secondary or Primary Voltage	3.2.4	(A)	The Operational Demarcation Point for General Service Rate Class customers as defined in Section3.2.0, served at Secondary or Primary voltage shall be immediately past the lugs on the main breaker(s) and/or fused disconnect switch(es).
Operational Demarcation Point – Sub-transmission Voltage	3.2.4	(B)	The Operational Demarcation Point for General Service Rate Class customers as defined in Section3.2.0, served at Sub-transmission Voltage shall be immediately past the Customer owned Sub-transmission air break or load break switch.
Ownership	3.2.5		

Demarcation Point Utilization Voltage – Overhead Secondary Service, No Clearance Pole Required	3.2.5	(A)	See Section 3.1.3 (A)
Utilization Voltage – Overhead Secondary Service, Clearance Pole Required	3.2.5	(B)	See Section 3.1.3 (B).
Utilization Voltage – Overhead Secondary Service, Secondary Pole Line Required	3.2.5	(C)	See Section 3.1.3 (C).
Utilization Voltage – Underground Secondary Service, No Clearance Pole Required	3.2.5	(D)	See Section 3.1.3 (D).
Utilization Voltage – Underground Secondary Service, Clearance Pole Required	3.2.5	(E)	See Section 3.1.3 (E).
Primary Voltage – Overhead Primary Service	3.2.5	(F)	The Ownership Demarcation Point for General Service Rate Class Customers, as defined in Section3.2.0, supplied by an overhead Primary Service shall be immediately past the cutout.
Primary Voltage – Underground Primary Service	3.2.5	(G)	The Ownership Demarcation Point for General Service Rate Class Customers, as defined in Section 3.2.0, supplied by an underground Primary Service shall be immediately past the secondary connectors at the transformer, save and excluding the primary duct bank(s), transformer foundation(s) and grounding. The Customer shall own and maintain all primary duct bank(s), transformer foundation(s) and grounding.
Sub-transmission Voltage – Overhead Service	3.2.5	(H)	The Ownership Demarcation Point for General Service Rate Class Customers, as defined in Section3.2.0, supplied by an overhead Sub-transmission Service shall be immediately past the first dead-end found on a Customer owned pole or structure located on the Customer's real property.

Sub-transmission Voltage – Underground Service	3.2.5	(I)	The Ownership Demarcation Point for General Service Rate Class Customers, as defined in Section3.2.0, supplied by an underground Sub-transmission Service shall be immediately past the live-line clamp.

General Service Rate Class <50

Basic Connection General Service Rate Class Under 50 kW	3.2.6		A basic connection for a General Service Rate Class Customer as defined in Section 3.2.0, who has a demand of less than 50 kW shall be: • A single-phase, 3-wire, 60 cycle, overhead secondary service having a nominal voltage of120/240 volts and a maximum capacity of 200 amperes; • The supply and installation of overhead transformation sufficient to meet the needs of the above and ; • Up to 30 meters of secondary conductor, as measured between the point of Connection on ERHDC's Distribution System and the Ownership Demarcation Point. A basic connection shall require a capital contribution In accordance with Section 2.1.2.
Installation of Connection Assets Above and Beyond the Basic Connection	3.2.6	(A)	See Section 3.1.5 (A).
Basic Connection Requiring More Than 30 Meters of Secondary Conductor	3.2.6	(B)	See Section 3.1.5 (B)
Requirement for Customer Owned Clearance Pole – All Supply Voltages	3.2.6	(C)	See Section 3.1.5 (C).
Requirement for Clearance Pole Not Owned by Customer – All Supply Voltages	3.2.6	(D)	See Section 3.1.5 (D).

Mandatory Underground Secondary Service Requirements in Subdivisions	3.2.6	(E)	See Section 3.1.5 (F)
Underground Secondary Service Where Requested	3.2.6	(F)	See Section 3.1.5 (G).
Underground Secondary Service Fed From an Overhead System – Clearance Poles	3.2.6	(G)	See Section 3.1.5 (H).
Underground Secondary Service Fed From an Overhead System – Clearance Poles – Requirement for Notice of Agreement	3.2.6	(H)	See Section 3.1.5 (I).
Secondary Service Pole Line	3.2.6	(I)	See Section 3.1.5 (J).
Primary Service Required to Serve General Service Rate Class Customer	3.2.6	(J)	Where a General Service Rate Class customer, as defined in section 3.2.0, is proposing to install a Service Entrance on the Customer's real property and the length of Secondary Service required to feed the proposed Service Entrance, excluding any road crossing, exceeds 75 meters, the Customer shall be required to install a Customer owned Primary Service. Where an overhead Distribution System exists, the Customer may choose to install either an overhead or an underground Primary Service. Where an underground Distribution System exists, only an underground Primary Service may be installed. A clearance pole may be required for a Primary Service. See Sections 3.1.5 (C) and 3.1.5 (D) for details.
Meter Location	3.2.7		See Section 3.1.6.
Metering Facilities Type and Size	3.2.8		For all metering facility types and sizes see all subsections of Section 2.3.7 Metering.
Customer Responsibilities	3.2.9		See Section 3.1.8.

Customer Construction Requirements for up to 200 Ampere Underground Secondary Service	3.2.10	See Section 3.1.9.
Construction Requirements for Secondary Service Pole Line	3.2.11	See Section 3.1.11.
Construction Requirements for Primary Pole Line	3.2.12	See Section 3.1.12.
Construction Requirements for Single Phase Underground Primary Service	3.2.13	See Section 3.1.13.
Relocation of Underground Services – All Supply Voltages	3.2.14	See Section 3.1.14.
Underground Service Faults	3.2.15	See Section 3.1.15.
Second Customer Fed From Existing Customer Owned Pole Transfer of Ownership	3.2.16	See Section 3.1.16.
Residential Subdivisions		
Residential Subdivisions	3.2.17	This section refers to the supply of Distribution Services to two or more residential lots, and may include land blocks developed in combination with subdivisions developed on registered plans or subdivisions developed under a pre-servicing agreement. Further, this section refers to the supply of Distribution Services to and within a building project consisting of a number of residential units to be built on a tract of land where a Subdivision Agreement is required between the Town of Espanola or the Township of Sables-Spanish Rivers and the developer.

		Further, this section refers to the bringing of the necessary Distribution System to the periphery of the land blocks within the subdivision, which may be used for schools, churches, shopping centers, and apartment complexes.
Developer's Expense	3.2.17.1	The developer will pay all costs associated with the installation of the underground Distribution System within the subdivision and necessary system Expansions and Enhancements to bring ERHDC's supply at the Utility standards to the property line of the subdivision. The developer is responsible for the preparation, execution and registration of necessary easements and subdivision servicing agreements. Costs will be based on ERHDC's approved capital contribution policy (See Section 2.1.2)
Street Lighting	3.2.17.2	The street light system is owned by the Town of Espanola and The Township of Sables-Spanish Rivers. The developer will be responsible for the cost of the street lighting system in the subdivision. The street light system will be subject to approval by the Town of Espanola, the Township of Sables-Spanish Rivers or their agent and installed as per ESA requirements.
Maintenance Deposit	3.2.17.3	The developer will provide a two (2) year refundable maintenance deposit equal to 10% of the total estimated capital cost of the Distribution System within the subdivision. Interest on maintenance deposits will be calculated and paid in the same manner as energy deposits. (See Section 2.4.3.1). Principle plus interest less maintenance expenses shall accrue over a two year period effective the date of energization of the subdivision. Any balance held on the second anniversary of the energization of the subdivision will be refunded to the developer.
Pre-Servicing Agreements	3.2.17.4	Subdivisions developed under a pre-servicing agreement will enter into additional "Notice of Agreement" to protect ERHDC's future easement and servicing requirements. Refer to Section 5 Schedule 4.
Developer's Responsibility	3.2.17.5	The developer shall provide ERHDC with the following information: • Plan of subdivision; and • Schedule of power requirements at defined stages of development; and • Type of heating and air conditioning for each dwelling unit; and • One set of detailed engineering plans that will include driveway locations; and • Information regarding required electrical supply to all other types of buildings or recreational facilities that may be constructed in addition to detached or semidetached dwellings.

Distribution System Standard Subdivision Design	3.2.17.6		The Distribution System installed in a subdivision shall be an underground, front lot on-street system, utilizing concrete encased duct structures and direct buried duct structures for the ERHDC cables. The Town of Espanola's or the Township of Sables-Spanish Rivers' street lighting system shall be installed at the same time as well as cable and telephone systems. Joint use trenching will be used wherever possible to minimize construction costs.
Construction	3.2.17.7		Should the developer decide to have the Distribution System installed by ERHDC, in accordance with Section2.1.2, the fabrication, material ordering and installation of any plant will not commence until the following conditions have been met: • All financial securities are deposited in accordance with the ERHDC's "Subdivision Agreement". • All easements have been transferred and registered in favour of ERHDC or "Notice of Agreement" for preserviced subdivisions. • An executed "Subdivision Agreement" or "Notice of Agreement" for servicing a subdivision has been received by ERHDC (in the ERHDC form). • One copy of the ERH design drawings has been approved, signed by the developer and returned to ERHDC.
Road Crossings	3.2.17.8		Upon compliance with the conditions of Section3.2.18.7, the developer shall proceed with the installation of the road crossings. To avoid costly delays and/or relocations, a high priority should be placed on the co-ordination of this installation. Advanced notice shall be given to ERHDC, as to the completion date of rough road – grade, curbs and sidewalks within the subdivision.
Individual Service Entrances	3.2.17.9		Socket type 200 amperes minimum, underground meter bases must be supplied and installed by the builder in accordance with ERHDC's standard requirements as adopted from time to time.
Row Housing Services	3.3		
Row Type Multiple Dwellings	3.3.1		For the purpose of this section Row Housing refers to row type multiple family dwellings having three or more dwelling units generally termed as Row Housing, Town Housing, or Row Type Condominiums.
Early Consultation	3.3.2	(A)	All customers must supply ERHDC with a completed copy of the Town of Espanola or Township of Sables-Spanish Rivers "Permit Approval Form", as amended from time to time, for all new or altered service. To properly meet the Customer's needs, the Customer or their representative should consult with ERHDC in the early planning stages to determine what facilities and voltages are required at the proposed service location. ERHDC shall respond to the request for connection in accordance with the terms and conditions of Section 2.1.2 – Offers to Connect.

Load Data (B) In addition to completing the Town of Espanola or Township of Sables-Spanish Rivers Building Controls "Permit Approval Form", as amended from time to time, the Customer shall provide ERHDC with the following information.

- Estimated future maximum kilowatt demand; and
- Specific listing of the types of loads for lighting, motor, heating, air conditioning or other; and
- Scaled plot plan showing the buildings, parking areas, patios, sidewalks, driveways and grading details in relationship with property lines; and
- Scaled servicing plot plan showing the sewer, water, storm sewer and any other buried services; and
- Scaled electrical plot plan showing the proposed location of all meter bases and private underground plant. i.e. plugs and lighting; and
- Expected kilowatt demand for common services (house service).

Developer's Expense 3.3.3 The developer will pay all costs associated with the installation of the underground Distribution System within the development and all other Distribution System Expansions and Enhancements necessary to bring ERHDC's supply in accordance with ERHDC's standards, as amended from time to time, to the property line of the development. The developer is responsible for the preparation, execution and registration of necessary easements and servicing agreements. Costs will be based on ERHDC's approved capital contribution policy (See Section 2.1.2).

Street Lighting 3.3.4 The street lighting system will be owned and maintained by the developer to the specifications set out by ESA and the municipality. Once the street lighting system has been built, the system will be transferred to the municipality at no cost.

Distribution System Standard Row Housing Design 3.3.5 The Distribution System installed in row housing shall be an underground system, utilizing concrete encased duct structures and direct buried duct structures for the ERHDC cables. Cable and telephone systems should be installed in the same trench as per the joint use trench used in subdivisions.

Construction 3.3.6 Should the developer decide to have the Distribution System installed by ERHDC, in accordance with Section2.1.2, the fabrication, material ordering and installation of any plant will not commence until the following conditions have been met:

			All financial securities are deposited with ERHDC; and • All easements have been transferred and registered in favour of ERHDC; and • One copy of the ERHDC design drawings has been approved and signed by the developer and returned to ERHDC.
Individual Service Entrances	3.3.7		Socket type 200 amperes minimum, underground meter bases must be supplied and installed by the developer in accordance with ERHDC's standard requirements.
<u>General Service Rate Class>50</u>			
General Service Rate Class (equal to or greater than 50kW)	3.4		All General Rate Class customers with an average peak demand equal to or greater than 50 kW over the past twelve months are to be classified as General Service Rate Class above 50 kW. For new Customers without prior billing history, the peak demand will be based on 90% of the proposed capacity or installed transformation. General Service Rate Class customers in this section shall be required to pay a capital contribution for all connection assets in accordance with Section 2.1.2 All matters detailed in Sections 3.2.1 through 3.2.5 inclusive form part of this section.
Basic Service General Service Rate Class (equal to or greater than 50kW and up to but not including 150kW)	3.4.1	(A)	General Service Rate Class customers having loads with an average peak demand equal to or greater than 50 kW and up to but not including 150 kW will be served by an overhead three-phase Secondary Service from on street transformation. General Service Rate Class customers shall be required to pay a capital contribution for all connection assets in accordance with Section 2.1.2
All Other Connection Asset Matters as per Section 3.2	3.4.2		All other connection asset matters are handled in the manner described in Sections 3.2.6 (A) through3.2.17 inclusive.
Basic Service General Service Rate Class (equal to or greater than 150kW and up to but not including 1500kW)	3.4.3	(A)	General Service Rate Class customers having loads with an average peak demand equal to or greater than 150 kW and up to but not including 1500 kW will be serviced by an underground Primary Service to a transformer located on the Customer's real property. General Service Rate Class customers shall be required to pay a capital contribution for all connection assets in accordance with Section 2.1.2.

Requirement for Vaults		(B)	In some instances, the basic service transformation will be located in a vault. Contact ERHDC for further details.
All Other Connection Asset Matters as per Section 3.2	3.4.4		All other connection asset matters are handled in the manner described in Sections 3.2.14 through 3.2.17 inclusive.
Construction Requirements for Three Phase Underground Primary Service	3.4.5	(A)	The Customer shall supply and install four (4)-75 mm Type II PVC conduits in a concrete encased duct bank. The conduit shall be supported by approved duct bank spacers at 1.5m apart for the entire length of the duct bank. The ducts shall have a minimum50mm concrete encasement and the top of the concrete encased duct bank shall be a minimum of 1 m below grade. The Customer shall install one (1)-50 mm Type II PVC conduit on top of the concrete encased duct bank. The Customer will also install a non-metallic pull rope (400 kg or equivalent) in all four conduits.
		(B)	The Customer is required to have the trench inspected by ERHDC prior to backfilling. Backfill must be granular material (sand), void of scrap, rocks or debris.
		(C)	If there is less than 1m cover available due to bedrock then the conduit or duct shall be covered by a minimum of 150 mm of concrete.
		(D)	It is the responsibility of the Customer to ensure the service conduit is free of all debris, ice or blockage. If the Service Wire cannot be installed due to ice, debris or blockage the Customer shall clear the conduit prior to the installation of the Service Wires. A fee may be assessed for a return trip to install the Service Wires.
Basic Service General Service Rate Class (equal to or greater than 1500 kW and up to and including 3000 kW)	3.5.1		General Service Rate Class customers having loads with an average peak demand equal to or greater than 1500 kW and up to and including 3000 kW will be serviced by an underground Primary Service to a transformer located on the Customer's real property. General Service Rate Class customers shall be required to pay a capital contribution for all connection assets in accordance with Section 2.1.2.
Substation Transformer Capital Contribution (Equal to or exceeds	3.5.2		The Customer will provide a substation transformer capital contribution when the transformer capacity on a site equal to or exceeds 1500 KW. This contribution will be the fee, as per Section 5 Schedule 3, times the total transformer KW capacity.

1500 KW) **Customer Owned Substation as an Alternative to a Substation Transformer Capital Contribution**	3.5.3	In lieu of making a substation transformer capital contribution, as per Section 3.5.6, the Customer may elect to build a Customer owned substation fed from the Sub-transmission system, complete with metering and isolation switches. The Customer shall retain ownership and maintenance responsibility of the substation. The Customer will pay all costs associated with the necessary system Expansions and Enhancements to bring ERHDC's supply at the Utility standards as adopted from time to time to the property line of the substation. The Customer is responsible for the preparation, execution and registration of necessary easements and servicing agreements. Costs will be based on ERHDC's approved capital contribution policy (See Section 2.1.2)
Major Customers (Greater than 3000 KW)	3.5.4	General Service Rate Class customers having loads greater than 3000 KW are considered major Customers and will require the installation of a Customer owned substation fed from the Sub-transmission system, complete with metering and isolation switches. All costs associated with this service installation will be borne by the customer. The Customer shall retain ownership and maintenance responsibility of the substation. The Customer will pay all costs associated with the necessary system Expansions and Enhancements to bring ERHDC's supply at the Utility standards as adopted from time to time to the property line of the substation. The Customer is responsible for the preparation, execution and registration of necessary easements and servicing agreements. Costs will be based on ERHDC's approved capital contribution policy (See Section 2.1.2) Substations installed as per this section shall be subject to the conditions of Section 2.1.4 – Inspection Before Connection.

Embedded Generation

Embedded Generation	3.6	All new generators wanting to sell energy to the Independent Market Operator or ERHDC must comply with the Market Rules, BOARD Codes and Regulations, ESA requirements and ERHDC requirements as amended from time to time. Early consultation is encouraged as each generation situation is unique and requires a review by ERHDC or its consultants. Costs for a review of technical requirements shall be at the proponent's expense. The Customer must comply with the detailed requirements outlined in the document "ERH General Requirements for Generation", as amended from time to time. A Connection Agreement will be required between ERHDC and Embedded Generation. Embedded Generation shall pay for the installation of Independent Market Operator compliant metering. If the Embedded Generation is a market participant then the Embedded Generation shall own, operate and maintain the metering in compliance with the market rules. If the Embedded Generation is not a market participant then ERHDC shall own the metering and the Embedded Generation shall pay all costs associated with the operation and maintenance of the metering.

Embedded Market Participant

Requirement to Inform in Writing	3.7	All Embedded Market Participants within the service area of ERHDC, once approved by the IMO are required to inform ERHDC of their approved status, in writing, 60 days prior to their participation in the IMO administered market.
Requirement for Connection Agreement	3.7.1	A Connection Agreement will be required between an Embedded Market Participant and ERHDC that will also include an operating schedule.
Requirement for Independent Market Operator Compliant Metering	3.7.2	An Embedded Market Participant will be responsible for the ownership, installation and maintenance of Independent Market Operator compliant metering and contracting for the services of a registered Meter Service Provider.

Embedded Distributor

Embedded Distributor	3.8	All Embedded Distributors within the service area of ERHDC are required to inform ERHDC of their status in writing 30 days prior to the supply of energy from ERHDC. The terms and conditions applicable to the connection of an Embedded Distributor shall be included in the Connection Agreement with ERHDC.

Unmetered Connections

Unmetered Connections	3.9		Unmetered connections will be billed on the basis of the connected load. Calculations to determine the connected load will follow the Electrical Distribution Association latest published guidelines as adopted from time to time.

Temporary Services

Temporary Services	3.10	(A)	This section refers to the supply of Distribution Services for temporary services on a Temporary Basis for construction, short term processing, or pending permanent installations. Service shall be provided in accordance with Section 3.0, 3.1, 3.2 and 3.4 inclusive, as may apply. Where the delivery point is 30 metres or less from the Point of Entry a private pole is required as defined in Section 3.1.11, for that portion in excess of 30 metres.
Supply Point Location		(B)	The Customer or Customer's electrical contractor must obtain a supply point location from ERHDC before proceeding with the installation of any service. Failure to do so may result in the service having to be relocated at the Customer's expense.
Basic Service – Temporary Services		(C)	A temporary service will be served by a single phase, 120/240 volt, 100 ampere overhead secondary service within one span (30 m) of the Utility's overhead secondary bus.
Flat Rate Connection-Disconnection Fee for Basic Service		(D)	A flat rate charge will be made for Connection and Disconnection of basic service to a temporary service. The charge will cover the installation, Connection and removal of connection assets. Refer to Section 5 Schedule 3.
Transformer Rental Fee		(E)	In those instances where ERHDC must install a transformer that is only used to serve the temporary service, a monthly rental fee shall apply. The customer shall enter into a "Transformer Rental Agreement" with ERHDC. See Section 5 Schedule 3 and 4.
Installation of Connection Assets Above and Beyond the Basic Connection		(F)	In all cases where a temporary service Customer requires connection assets above and beyond the basic connection, the Customer shall be required to pay the actual cost of labour, equipment and non-salvageable material for the complete installation and removal. ERHDC must be contacted for an estimate.
Billing Continues Until Notified		(G)	ERHDC will continue to bill and supply energy to the temporary service until notice is given by the Customer to the Utility to disconnect the service. At this time, the Utility will remove its meter, wires and other plant, and send a final bill to the Customer.

Continuance of Distribution Services Beyond the Initial Twelve Month Period	3.10.1		Normal maximum contract period for a temporary service is 12 months – one (1) year. For significant construction projects, the Utility may grant an extension on this period.
Customer Responsibilities Prior to Service Connection	3.10.2		Prior to service Connection the customer shall: Obtain approval from the Electrical Safety Authority; and Remit any and all deposits, fees, rates, securities or other payments as may be required or permitted by any Code, Board approved rate or tariff, or these Conditions of Service, all of which may be amended or changed from time to time; and Complete and sign a Connection Agreement. Refer to Section 5 Schedule 4.

Signs & Non-Permanent Structures

Signs & Non-Permanent Structures	3.11		All signs located on the Customer's real property shall be connected to the existing metered service.
Metered Service Required Where	3.11.1	(A)	Signs located in remote areas, where no metered service exists, require the installation of a metered service.
None Exists Supply Point Location		B)	The Customer or Customer's electrical contractor must obtain a supply point location from ERHDC before proceeding with the installation of any service. Failure to do so may result in the service having to be relocated at the Customer's expense.
Basic Service – Signs and Non-Permanent Structures		(C)	See Section 3.2.6 and all related sections.
Billing Continues Until Notified		(D)	ERHDC will continue to bill and supply energy to the temporary service until notice is given by the Customer to the Utility to disconnect the service. At this time, the Utility will remove its meter, wires and other plant, and send a final bill to the Customer.

SECTION 4 - GLOSSARY OF TERMS

"**Affiliate Relationships Code"**	means the code, approved by the Board and in effect at the relevant time, which among other things, establishes the standards and conditions for the interaction between electricity distributors or transmitters and their respective affiliated companies;
"Application for Customer Connection" or "Application"	means the form or forms submitted in writing pursuant to Section 2.1.2 (A);
"Board"	means the Ontario Energy Board;
"Code"	means the Distribution System Code (see Distribution System Code);
"Conditions of Service"	means the document developed by a distributor in accordance with subsection 2.3 of this Code that describes the operating practices and connection rules for the distributor;
"Connection"	means the process of installing and activating connection assets in order to distribute electricity to a customer;
"Connection Agreement"	means an agreement entered into between a distributor and a person connected to its distribution system that delineates the conditions of the connection and delivery of electricity to that connection;
"Customer"	means a person that has contracted for or intends to contract for connection of a building, or a person who uses, for the person's own consumption, electricity that includes developers of residential or commercial subdivisions, an Embedded Generator, an Embedded Distributor and an Embedded Market Participant;
"Demand Meter"	means a meter that measures a customer's peak usage during a specified period of time;
"Disconnection"	means a deactivation of connection assets that results in cessation of distribution services to a customer;
"Distribute"	with respect to electricity, means to convey electricity at voltages of 50 kilovolts or less;
"Distribution Services"	means services related to the distribution of electricity and the services the Board has required distributors to carry out, for which a charge or rate has been approved by the Board under section 78 of the Act;
"Distribution System"	means a system for distributing electricity, and includes any structures, equipment or other things used for that purpose. A distribution system is comprised of the main system capable of distributing electricity to many customers and the connection assets used to connect a customer to the main distribution system;

"Distribution System Code" or "DSC"	means the Code, approved by the Board, and in effect at the relevant time, which, among other things, establishes the obligations of a distributor with respect to the services and terms of service to be offered to customers and retailers and provides minimum technical operating standards of distribution systems;
"Distributor"	means a person, licensed by the Board, who owns or operates a Distribution System;
"Electrical Safety Authority" or "ESA"	means the person or body designated under the *Electricity Act* regulations as the Electrical Safety Authority;
"Electricity Act"	means the *Electricity Act,* 1998, S.O. 1998, c. 15, Schedule A, as amended from time to time;
"Embedded Market Participant"	means a market participant within the Independent Market Operator control area whose facility is not directly connected to the Independent Market Operator controlled grid but is instead connected to a distribution system;
"Embedded Distributor"	means a distributor, licensed by the Board, who is not a wholesale market participant and that is provided electricity by a host distributor;
"Embedded Generator"	means a generator, licensed by the Board, who is not a wholesale market participant and whose generation facility is connected to the distribution system but does not include a person that consumes more electricity than it generates;
"Emergency"	means any abnormal system condition that requires remedial action to prevent or limit loss of a distribution system or supply of electricity that could adversely affect the reliability of the electricity system;
"Emergency Backup"	means a generation facility that has a transfer switch that isolates it from a distribution system;
"Energy Competition Act"	means the *Energy Competition Act*, 1998, S.O. 1998, c.15, as amended from time to time;
"Enhancement"	means a modification to an existing distribution system that is made for purposes of improving system operating characteristics such as reliability or power quality or for relieving system capacity constraints resulting, for example, from general load growth;
"Expansion"	means an addition to a distribution system in response to a request for additional customer connections that otherwise could not be made; for example, by increasing the length of the distribution system;
"Four-quadrant Interval Meter"	means an interval meter that records power injected into a distribution system and the amount of electricity consumed by the customer;
"General Service Customer"	means any customer who operates a commercial or industrial enterprise, farm, government offices, medical facilities and educational institutions;

"Holiday"	means a Saturday, Sunday, statutory holiday, or any day as defined in the Province of Ontario as a legal holiday;
"Interval Meter"	means a meter that measures and records electricity use on an hourly or sub-hourly basis;
"Load Transfer"	means a network supply point of one distributor that is supplied through the distribution network of another distributor and where this supply point is not considered a wholesale supply or bulk sale point;
"Load Transfer Customer"	means a customer that is provided distribution services through a load transfer;
"Measurement Canada"	means the Special Operating Agency established in August 1996 by the *Electricity and Gas Inspection Act,* 1980-81-82-83, c. 87., and Electricity and Gas Inspection Regulations (SOR/86-131), as amended from time to time;
"Meter Installation"	means the meter and, if so equipped, the instrument transformers, wiring, test links, fuses, lamps, loss of potential alarms, meters, data recorders, telecommunication equipment and spin-off data facilities installed to measure power past a meter point, provide remote access to the metered data and monitor the condition of the installed equipment;
"Meter Service Provider"	means any entity that performs metering services on behalf of a distributor;
"Metering Services"	means installation, testing, reading and maintenance of meters;
"New Service"	means the installation of connection assets to a building(s) or property that have never received Distribution Services before or a building(s) or property from which the Connection assets have been removed;
"Ontario Energy Board Act"	means the *Ontario Energy Board Act,* 1998, S.O. 1998, c.15, Schedule B, as amended from time to time;
"Operational Demarcation Point"	means the physical location at which a distributor's responsibility for operational control of distribution equipment including connection assets ends at the customer;
"Ownership Demarcation Point"	means the physical location at which a distributor's ownership of distribution equipment including connection assets end at the customer;
"Point of Entry"	means the point at which the service conductors cross over from the public right-of-way or utility easement to private property;
"Primary Service"	means Service Wires operating at Primary Voltage;
"Primary Voltage"	means a nominal voltage greater than 750 volts and less than 15,000 volts;

"Rate"	means any rate, charge or other consideration, and includes a penalty for late payment;
"Rate Handbook"	means the document approved by the Board that outlines the regulatory mechanisms that will be applied in the setting of distributor rates;
"Regulations"	means the regulations made under the Energy Competition Act, the Electricity Act, The Ontario Energy Board Act or the Electricity and Gas Inspection Act;
"Retail"	with respect to electricity means: a) to sell or offer to sell electricity to a customer b) to act as agent or broker for a retailer with respect to the sale or offering for sale of electricity, or c) to act or offer to act as an agent or broker for a customer with respect to the sale or offering for sale of electricity;
"Retail Settlement Code"	means the code approved by the Board and in effect at the relevant time, which, among other thinks, establishes a distributor's obligations and responsibilities associated with financial settlement among retailers and customers and provides for tracking and facilitating customer transfers among competitive retailers;
"Retailer"	means a person, licensed by the Board, who retails electricity;
"Secondary Service"	means Service Wires operating at Utilization Voltage;
"Service Area"	with respect to a distributor, means the area in which the distributor is authorized by its license to distribute electricity;
"Service Entrance"	means the point and equipment at which the Service Wires enter the customer's building;
"Service Wires"	means the conductors from the Utility's main circuits on public streets or Utility easements to the customer's premises;
"Sub-transmission Service"	means Service Wires operating at Sub-transmission Voltage;
"Sub-transmission Voltage"	means a nominal voltage of 22,000 volts delta or 44,000 volts delta;
"Temporary Basis"	means for a period of time not exceeding twelve (12) months;
"Upgraded Service"	means a building(s) or property in, on, to or upon which existing connection assets change in either or both voltage and ampacity;
"Unmetered Loads"	means electricity consumption that is not metered and is billed based on estimated usage or connected load;
"Utility"	means Espanola Regional Hydro Distribution Corporation;
"Utilization Voltage"	means a nominal voltage of 750 volts or less.

Section 5 – Schedule 1

Standard Residential Service Connection Fees

Service Connection Basic Residential Service Allowance (BRSA)	The basic residential service allowance for Customers of ERHDC is calculated by using 100 % of the cost to supply and install a 50 KVA transformer on an existing pole complete with primary and secondary connection. The standard 50 KVA transformer can feed approx. 25 Customers with an average consumption of 2 kW/home. The estimated cost(subject to revisions on labour/material costs) is~$4100.00. Thus the basic residential service allowance (BRSA) is 1/25 of $4100.00 = $164.00.
Utilization Voltage	
Up to and including 200 Amp Overhead Secondary Service	The standard overhead Secondary Service for Customers requiring up to 200 Amp overhead service is based on 100% of the cost of 30 m of supplied and installed 1/0 triplex minus the basic residential service allowance (BRSA) $547.00 – $164.00 = $383.00 plus ***HST ($49.79) = $432.79*** Services beyond 30m will be charged an additional $5.53 /m plus ***HST ($0.72) = $6.25***
Up to and including 200 Amp Underground Secondary Service From Existing Handholes *	The standard underground Secondary Service for Customers requiring up to a 200 Amp underground service from an existing handhole is based on supply and installation of 20 m of 3/0 aluminum underground cable minus the BRSA. $497.00 - $164.00 = $333.00 + ***HST ($43.29) = $376.29*** Services beyond 20m will be charged an additional $7.83/m plus ***HST ($1.02) = $8.85/m***

Fees stated in Section 5 are those in effect as of the date of this document. Fees are subject to change from time to time as approved by the Board of Directors of ERHDC. Please contact ERHDC. for the most current fee schedule.

Up to and including 200 Amp Underground Secondary Service From Existing Poles	The standard underground Secondary Service for Customers requiring up to a 200 Amp underground service from an existing pole is based on 20 meters of 3/0 aluminum underground conductor cable (including underground rise at the pole) minus the BRSA. $537.00 - $164.00 = $373.00 plus ***HST ($48.49) = $421.49*** Services beyond 20m will be charged an additional $7.83/m plus ***HST ($1.02) = $8.85/m***
Over 200 Amp to 400 Amp Overhead Secondary Service	The standard overhead Secondary Service for Customers requiring greater than 200 Amp and up to and including 400 Amp overhead service is based on the supply and installation of 30 m of 3/0 aluminum triplex minus the BRSA. $582.00 - $164.00 = $418.00 plus ***HST ($54.34) = $472.34*** Services beyond 30m will be charged an additional $6.72/m plus ***HST ($0.87) = $7.59/m***
Over 200 Amp to 400 Amp Underground Secondary Service From Pole	The standard underground Secondary Service for Customers requiring greater than 200 Amp and up to and including 400 Amp underground service is based on the supply and installation of 20 m of 250 MCM aluminum conductor cable (including underground rise at the pole) minus the BRSA. $654.00 – $164.00 = $490.00 plus ***HST (63.70) = $553.70*** Services beyond 20m will be charged an additional $12.81/m plus ***HST ($1.66) = $14.47/m***
Secondary Service Connection Fee	See Section 5 – Schedule 3.

Fees stated in Section 5 are those in effect as of the date of this document. Fees are subject to change from time to time as approved by the Board of Directors of ERHDC. Please contact ERHDC for the most current fee schedule.

Primary Voltage	Overhead see Section 5 – Schedule 3. Underground see Section 5 – Schedule 3.
Primary Service Connection Fee (includes Connection of Customer Owned Secondary Wire)	
Transformation Fee	Overhead – No charge. Underground - $ 1405.00 plus ***HST***

***** Existing handhole refers to a handhole installed in a subdivision where the secondary bus and mole bars are installed and paid for by the developer of the subdivision.

NOTE: (1) The Customer will pay 100% of the cost for the installation of a crossing pole and additional overhead wire for services on the opposite side of the road of the Connection point. An estimate for the installation will be provided by ERHDC at no cost to the Customer.

(2) A Customer requiring or requesting an underground service from an overhead Distribution System will be required to provide an anchoring agreement to ERHDC at 100% cost to the Customer for legal fees and registration of the agreement on the title of the land. The need for the agreement or anchor will be at the discretion of ERHDC.

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Fees stated in Section 5 are those in effect as of the date of this document. Fees are subject to change from time to time as approved by the Board of Directors of ERHDC. Please contact ERHDC for the most current fee schedule.

Section 5 – Schedule 2

Standard General Service Connection Fees (Single Phase)

Utilization Voltage

Up To and including 200 Amp Overhead Secondary Service	The standard overhead service for General Service Rate Class customers requiring a service up to and including a 200 Amp service is based on 100% of the cost of 30 m of supplied and installed 1/0 triplex is $547.00 + ***HST ($71.11) = $618.11***
	Services beyond 30m will be charged an additional $5.53 /m plus ***HST ($0.72) = $6.25/m***
Transformer Charges	The transformer charges for services up to 200 Amp are as follows:
	15 Amp- $112.00/kva x 240v x 80% (rated fuse) x 50% (diversified load) x 15A/1000 = $161.28 plus ***HST ($20.96) = $182.24***
	30 Amp- $112.00/kva x 240v x 80% (rated fuse) x 50% (diversified load) x 30A/1000 = $322.56 plus ***HST ($41.93) = $364.49***
	60 Amp- $112.00/kva x 240v x 80% (rated fuse) x 50% (diversified load) x 60A/1000 = $645.12 plus ***HST ($83.86) = $728.98***
	100 Amp- $112.00/kva x 240v x 80% (rated fuse) x 50% (diversified load) x 100A/1000 = $1075.20 plus ***HST ($139.77) = $1214.97***
	200 Amp- $112.00/kva x 240v x 80% (rated fuse) x 50% (diversified load) x 200A/1000 = $2150.40 plus ***HST ($279.55) = $2429.95***

Fees stated in Section 5 are those in effect as of the date of this document. Fees are subject to change from time to time as approved by the Board of Directors of ERHDC. Please contact ERHDC for the most current fee schedule.

Up To and including 200 Amp Underground Secondary Service From Existing Pole	The standard underground service for General Service Rate Class customers requiring up to and including 200 Amp underground shall be Customer owned and installed in accordance with the Ontario Electrical Safety Code and inspected by the Electrical Safety Authority prior to connection.
Transformer Charges	Transformer charges for underground Secondary Services up to and including 200 Amp are identical to those charges applied to Overhead Services up to 200 Amp as shown above.
Over 200 Amp to 400 Amp Overhead Secondary Service	The standard overhead Secondary Service for General Service Rate Class customers requiring greater than 200 Amp and up to and including 400 Amp overhead service is based on the supply and installation of 30 m of 3/0 triplex is $582.00 + ***HST ($75.66) = $657.66*** Services beyond 30m will be charged an additional $6.72/m plus ***HST ($0.87) = $7.59/m***
Transformer Charges	The transformer charge for a 400Amp service is $4300.80 plus ***HST ($559.10) = $4859.90***
Over 200 Amp to 400 Amp Underground Secondary Service	The standard underground Secondary Service for General Service Rate Class customers requiring greater than 200 Amp and up to and including 400 Amp underground will be Customer owned and installed in accordance with the Ontario Electrical Safety Code and inspected by the Electrical Safety Authority prior to connection.
Transformer Charges	The transformer charge for a 400Amp service is $4300.80 plus ***HST ($559.10) = $4859.90***
Secondary Service Connection Fee	See Section 5 – Schedule 3.

Fees stated in Section 5 are those in effect as of the date of this document. Fees are subject to change from time to time as approved by the Board of Directors of ERHDC. Please contact ERHDC for the most current fee schedule.

Primary Voltage	
Primary Service Connection Fee (includes Connection of Customer Owned Secondary Wire	Overhead – See Section 5 – Schedule 3. Underground – See Section 5 – Schedule 3.
Transformer Charges	*ERHDC* owned – Depends on Service Entrance rating in Amperes – see above. Customer owned – no charge.

Note: (1) The Customer will pay 100% of the cost for the installation of a crossing pole and additional overhead wire for services on the opposite side of the road of the Connection point. An estimate for the installation will be provided by ERHDC at no cost to the customer.

(2) A Customer requiring or requesting an underground service from an overhead Distribution System will be required to provide an anchoring agreement to ERHDC at 100% cost to the customer for legal fees and registration of the agreement on the title of the land. The need for the agreement or anchor will be at the discretion of ERHDC.

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Fees stated in Section 5 are those in effect as of the date of this document. Fees are subject to change from time to time as approved by the Board of Directors of ERDCH. Please contact ERHDC for the most current fee schedule.

Section 5 – Schedule 3

Standard General Service Connection Fees (Three Phase) 50 to 150 KW
600/347V and 120/208V From existing bus

Utilization Voltage

Up to 200 Amp 120/208V Overhead Secondary Service	The standard overhead Secondary Service for General Service Rate Class customers requiring up to 200 Amp, 120/208 volt, three-phase service is based on 100% of the cost of 30 m of supplied and installed 1/0 quadraplex is $625.00+ ***HST ($81.25) = $706.25***
	Services beyond 30m will be charged an additional $8.24 /m plus ***HST ($1.07) = $9.31/m***
Transformer Charges	The transformer charge for up to 200 Amp, 120/208 volt, three-phase service is $78.00/kva 200a x 208v x 1.7321(RMS) x 80% (rated fusing) x 50% (diversified Load) =28.8 kva x $78.00 = $2 246.40 plus ***HST ($292.03) = $2538.43***
Up to 200Amp 600/347V Overhead Secondary Service	The standard overhead Secondary Service for General Service Rate Class customers requiring up to 200 Amp 600/347 volt, three-phase service is based on 100% of the cost of 30 m of supplied and installed 1/0 quadraplex is $625.00+ ***HST ($81.25) = $706.25***
	Services beyond 30m will be charged an additional $8.24 /m plus ***HST ($1.07) = $9.31/m***
Transformer Charges	The transformer charges for a 200Amp 600/347 volt, three-phase service is $78.00/kva 200a x 600v 1.7321(RMS) x 80% (rated fusing) x 50% (diversified load) = 83kva x $78.00 = $6 484.92 plus ***HST ($843.03) = $7327.95***
Over 200 Amp and up to 400Amp 120/208V Overhead Secondary Service	The standard overhead Secondary Service for General Service Rate Class customers requiring greater than 200 Amp and up to and including 400 Amp, 120/208 volt, three-phase overhead service is based on the supply and installation of 30 m of 3/0 quadraplex is $713.00 + ***HST ($92.69) = $805.69*** Services beyond 30m will be charged an additional $10.59 plus ***HST ($1.37) = $11.96/m***

Fees stated in Section 5 are those in effect as of the date of this document. Fees are subject to change from time to time as approved by the Board of Directors of ERHDC. Please contact ERHDC for the most current fee schedule.

Transformer Charges	The transformer charge for greater than 200 Amp and up to and including 400 Amp, 120/208 volt, threephase service is $78.00/kva 400a x 208v x 1.7321 (RMS) x 80% (rated fusing) x 50% (diversified load) =57.65kva x $78.00 = $4 496.70 plus ***HST ($584.57) = $5081.27***
Up to 400AMP 120/208V and including 200AMP 600/347V Underground Secondary Service Transformer Charges	The standard underground Secondary Service for General Service Rate Class customers requiring up to and including a 400A 120/208v or a 200Amp 600/347v underground service will be Customer owned and installed in accordance with the Ontario Electrical Safety Code and inspected by the Electrical Safety Authority prior to connection. The transformer charge for these services will apply and are shown above.
Secondary Service Connection Fee	See Section 5 – Schedule 3.
Primary Voltage	
Primary Service Connection Fee (includes Connection of Customer Owned Secondary Wire)	Overhead – See Section 5 – Schedule 3. Underground - See Section 5 – Schedule 3.
Transformer Charges	*ERH*DC owned – fee depends on the voltage and Service Entrance rating in amperes – see above. Customer owned – no charge.

Note:

1. The Customer will pay 100% of the cost for the installation of a crossing pole and additional overhead wire for services on the opposite side of the road of the connection point. An estimate for the installation will be provided by ERHDC at no cost to the customer.

2.A Customer requiring or requesting an underground service from an overhead Distribution System will be required to provide an anchoring agreement to ERHDC at 100% cost to the customer for legal fees and registration of the agreement on the title of the land. The need for the agreement or anchor will be at the discretion of ERHDC.

Fees stated in Section 5 are those in effect as of the date of this document. Fees are subject to change from time to time as approved by the Board of Directors of ERHDC. Please contact ERHDC for the most current fee schedule.

Section 5 – Schedule 4

MISCELLANEOUS COST

Single Phase Overhead Primary Service Connection Fee	The cost to connect a single phase overhead Customer owned primary line is based on 100% of the cost to supply and install all material to connect the Customer's line to the ERHDC distribution line on the road allowance or easement. The estimated cost (subject to revisions on labour/material costs) is $1700.00 plus ***HST***. If the Customer is residential then the BRSA is subtracted from the fee.
Three Phase Overhead Primary Service Connection Fee	The cost to connect a three phase overhead Customer owned primary line is based on 100% of the cost to supply and install all material to connect the Customer's line to the ERHDC distribution line on the road allowance or easement. The estimated cost (subject to revisions on labour/material costs) is $1900.00 plus ***HST***. If the Customer is residential then the BRSA is subtracted from the fee.
Single Phase Underground Primary Connection Fee	The cost to connect a single phase underground Customer owned primary cable is based on 100% of the cost to supply and install all material to connect the Customer's cable to the ERHDC distribution line on the road allowance or easement. The estimated cost (subject to revisions on labour/material costs) is $2000.00 plus ***HST***. If the Customer is residential then the BRSA is subtracted from the fee.
Three Phase Underground Primary Connection Fee	The cost to connect a three phase underground Customer owned primary cable is based on 100% of the cost to supply and install all material to connect the Customer's cable to the ERHDC distribution line on the road allowance or easement. The estimated cost (subject to revisions on labour/material costs) is $4500.00 plus ***HST***. If the Customer is residential then the BRSA is subtracted from the fee.

Fees stated in Section 5 are those in effect as of the date of this document. Fees are subject to change from time to time as approved by the Board of Directors of ERHDC. Please contact ERHDC for the most current fee schedule.

Customer Owned Overhead and Underground Secondary Service Connection Fee Single Phase	The cost to connect an overhead Customer owned secondary service is based on 100% of the cost to supply and install the necessary connection material to connect the Customer's wire to the ERHDC distribution line on the road allowance or easement. The estimated cost (subject to revisions on labour/material costs) is $170.00 ***(plus HST of $22.10) = $192.10***. If the Customer is residential then the BRSA is subtracted from the fee.
Customer Owned Overhead and Underground Secondary Service Connection Fee Three Phase	The cost to connect an overhead Customer owned secondary service is based on 100% of the cost to supply and install the necessary connection material to connect the Customer's wire to the ERHDC distribution line on the road allowance or easement. The estimated cost (subject to revisions on labour/material costs) is $180.00 ***(plus HST of $23.40) = $203.40.*** If the Customer is residential then the BRSA is subtracted from the fee.
Substation Transformer Capital Contribution Over 1500kva	The substation transformer capital contribution is based on the cost to rebuild Minnow Lake Substation. In 2001 the total cost to rebuild the substation was $1.02M for a 10MVA station therefore the substation transformer capital contribution will be $1.02M/10 000KVA = $102.00/KVA above 1500KVA plus ***HST***.
Locates	(A) The Town of Espanola and the Township of Sables-Spanish Rivers Public Works Department will be charged $175.00 plus ***HST*** per locate or relocate after normal business hours. (B) Customers will be charged actual cost plus ***HST*** per locate or relocate to locate private plant. *The property owner indemnifies ERHDC for incorrect locates.* (C) ERHDC will provide one free locate per year for Residential Customers during ERHDC's normal working hours. If the Customer requests a second locate within the year they will be charged actual cost plus ***HST*** per locate.

Fees stated in Section 5 are those in effect as of the date of this document. Fees are subject to change from time to time as approved by the Board of Directors of ERHDC. Please contact ERHDC for the most current fee schedule.

Temporary Services Flat Rate Connection/ Disconnection Fee	The flat rate fee for Connection and Disconnection of a temporary service as described in Section 3.10 shall be based on a two man line crew for a minimum of 2 hours and 0.5 hours of engineering time during normal business hours. The estimated cost for this service (subject to revision on labour cost) is $396.29 ***(plus HST of $51.51) = $447.80***
Transformer Rental Fee	The transformer rental fee as described in Section 3.9 (B) is based on 2% of the total cost of the transformer(s). This fee will be calculated by ERHDC upon request.
Disconnect/ Reconnect (No Conductor Required)	The estimated cost to Disconnect and Reconnect a Customer which requires no conductor (subject to revision on labour cost) during normal business hours is $215.38 ***(plus HST of $27.99) = $243.37***. If the Customer is residential then the BRSA is subtracted from the fee.

Fees stated in Section 5 are those in effect as of the date of this document. Fees are subject to change from time to time as approved by the Board of Directors of ERHDC. Please contact ERHDC for the most current fee schedule.

Connection Agreement

This Connection Agreement is made this day _____ of _____, 20 ___,

BETWEEN:

ESPANOLA REGIONAL HYDRO DISTRIBUTION CORPORATION, a corporation incorporated pursuant to the laws of the Province of Ontario and licensed by the Ontario Energy Board.

(hereinafter referred to as "ERHDC")

PARTY OF THE FIRST PART;

- **and –**

_____
(hereinafter referred to as the "Customer")

PARTY OF THE SECOND PART.

From time to time, ERHDC and the Customer shall be individually referred to in this Agreement as a "Party" and collectively as "Parties".

Recital

In accordance with its License and the Distribution System Code, ERHDC has agreed to offer and the Customer has agreed to accept Distribution Services, on the terms and conditions of this Agreement;

NOW THEREFORE in consideration of the foregoing, and of the mutual covenants, agreements, terms and conditions contained herein, the Parties hereto agree as follows:

Definitions

Throughout this Agreement, unless there is something in the subject matter or context inconsistent therewith, the following words shall have the following meanings:

"A" means Ampere, unit of electrical current;

"**Actual Cost**" means ERHDC's charge for equipment, labour and materials at ERHDC's standard rates plus ERHDC's standard overheads and interest thereon;

"**Agent**" means a Qualified person duly authorized by an Embedded Generator, Embedded Distributor or Customer, to perform specific limited operations for the Controlling Authority;

"Applicable Laws" means any and all Applicable Laws, including environmental laws, statutes, codes, licensing requirements, treaties, directives, rules, regulations, protocols, policies, by-laws, orders, injunctions, rulings, awards, judgments, or decrees or any requirements or decision or agreement with or by any government or government department, commission, board, court authority or agency;

"**ANSI**" means American National Standards Institute;

"**Ancillary Services**" means any electrical services that the Generator may provide to the Distribution System other than real power deliveries (kWh) including but not limited to frequency control, voltage control, and reactive power;

"**Business Day**" means a day other than a Saturday, Sunday, or any day designated pursuant to subsection 1.3(g) of the Conditions of Service;

"**CT"** means Current Transformer, instrument transformer that is designed for the measurement of current;

"**Code**" means the Distribution System Code;

"**Conditions of Service**" means the document as developed by ERHDC in accordance with subsection 2.3 of the Distribution System Code that describes ERHDC's operating practices and connection rules;

"**Connection**" means the process of installing and activating connection assets in order to Distribute electricity to a Customer;

"**Connection Service**" has the meaning given in the Distribution Rate Order which is in effect at the relevant time;

"**Controlling Authority**" means a person or officer responsible for performing, directing, or authorizing changes in the conditions or physical position of specific apparatus or devices;

"**CEA**" means, Canadian Electrical Association;

"**CSA**" means Canadian Standards Association;

"**Cure Period**" has the meaning described in Schedule C of this Agreement;

"**Customer Equipment**" means all electrical and mechanical equipment used by the Customer and does not include any ERHDC Facilities and Equipment;

"**De-energized**" is a state in which the stored potential energy of an Isolated piece of equipment has been discharged which in electrical apparatus, electrical energy is typically discharged through a connection to an effective ground potential;

"**Default Notice**" means a notice concerning an Event of Default delivered in accordance with the procedures set out in Section 23 of this Agreement from one Party to the other;

"**Defaulting Party**" means the Party who has committed an act of default under the Conditions of Service, the Code or this Agreement;

"**Demarcation Point**" means the physical location at which ERHDC responsibility for operational control and ownership of Distribution equipment including connection assets ends at the Customer;

"**Distribution Services**" means services related to the Distribution of electricity and the services the OEB has required distributors to carry out, for which a charge or Rate has been approved by the OEB under Section 78 of the Act;

"**Distribution System**" means ERHDC's system for distributing electricity, and includes any structures, equipment or other things used for that purpose. The Distribution System is composed of the main system capable of distributing electricity to many Customers and the connection assets used to connect a Customer to the main Distribution System;

"Distribution System Code" means the code, approved by the Board, and in effect at the relevant time, which, among other things, establishes the obligations of a distributor with respect to the services and terms of service to be offered to Customers and Retailers and provides minimum technical operating standards of Distribution System;

"**Electrical Safety Authority**" or "**ESA**" means the person or body designated under the Electricity Act Regulations as the Electrical Safety Authority;

"**Electricity System**" means the integrated power system and all facilities connected to that system;

"**Embedded Distributor or Load**" means a distributor or load Customer who is connected to the Distribution System;

"**Embedded Generator**" or "**Embedded Generation Facility**" means a Generator whose Generation Facility is connected to the Distribution System;

"**Embedded Market Participant**" means an embedded Customer connected to the Distribution System who has chosen to be a participant in the wholesale energy market by registering with the IMO;

"**Embedded Retail Generator**" means an Embedded Generator who is not participating in the IMO Wholesale Market;

"**Emergency**" means any abnormal system condition that requires remedial action to prevent or limit loss of a Distribution System or supply of electricity that could adversely affect the reliability of the Electricity System;

"**Event of Default**" means either a Financial Default or a Non-Financial Default but does not include any default caused by, arising out of, or in any way connected to, an Emergency;

"**Financial Default**" means failure by either Party to pay any amount when due under this Agreement, including without limitation, failure to pay compensation or indemnification for loss or damage agreed to by the Parties;

"**Forced Outage**" means the automatic or manual limitation of service by a party's controlling authority, owing to de-rating or limitation of equipment, or the unavailability of equipment as a result of actual or potential failure of that equipment or equipment related to it;

"**Generate" or "Generating**", with respect to electricity, means to produce electricity or provide ancillary services, other than ancillary services provided by a transmitter or distributor through the operation of a transmission or Distribution System;

"**Generation Facility**" means a facility for generating electricity or providing ancillary services, other than ancillary services provided by a transmitter or distributor through the operation of a transmission or distribution system, and includes any structures, equipment or other things used for that purpose;

"**Good Utility Practice**" means any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry in North America during the relevant time period, or any of the practices, methods and acts which in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good practices, reliability, safety, and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in North America;

"**ERHDC Facilities and Equipment**" means ERHDC's meters, wires, poles, cables, transformers, any other structures, equipment, all other appliances and equipment or other things used for Distributing electricity;

"**IMO**" means the Independent Electricity Market Operator established under the Electricity Act;

"**IMO Controlled Grid**" means the transmission systems with respect to which, pursuant to agreements, the IMO has authority to direct operation;

"**Insolvency Event**" means, with respect to the Customer, the occurrence of any one of the following;

(a) the winding up, dissolution, liquidation, or bankruptcy of the Customer, except as part of a bona fide corporate reorganization, unless its existence is immediately reinstated or a resolution to that effect is passed, or it makes a general assignment for the benefit of its creditors or a proposal under the Bankruptcy and Insolvency Act (Canada), as amended or re-enacted from time to time, or is adjudged bankrupt or insolvent; or if it proposes a compromise or an arrangement under the Companies' Creditors Arrangement Act,(Canada), as amended or re-enacted from time to time, or files any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, or similar relief for itself under any present or future law relating to bankruptcy, insolvency, or other relief for or against debtors generally;

(b) a court of competent jurisdiction enters an order, judgment or decree against the Customer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, winding up, termination of existence, declaration of bankruptcy or insolvency or similar relief under any present or future law relating to bankruptcy, Insolvency or other relief for or against debtors generally, and such order, judgment or decree remains unvacated and unstayed for 60 days (whether or not consecutive) from the day of entry; or if any trustee in bankruptcy, receiver, receiver and manager, liquidator or any other officer with similar powers is appointed for the Customer with its consent or acquiescence and that appointment remains unvacated and unstayed for 60 days (whether or not consecutive); or

(c) the Customer becomes insolvent.

"**Isolated**" means the state in which a piece of equipment has been disconnected from any source of dynamic energy. Typically, apparatus is isolated by means of devices such as valves or electrical switches;

"**kVA**" Kilovolt-ampere, apparent power (1000 volt-amperes);

"**kVARh**" Kilovar-hour, (1000 volt-ampere reactive expended in one hour);

"**kW**" Kilowatt, practical unit of active power (1000 watts);

"**kWh**" Kilowatt-hour, practical unit of electric energy expended in one hour (1000 watt per hour with respect to time);

"**License**" means the license issued by the OEB under Part V of the Act;

"**Load Customer**" means a Standard Customer (as that term is defined in the Conditions of Service) that ERHDC, as a condition of the Customer's connection, requires that it execute this Agreement or a Customer that is an Embedded Market Participant(as that term is defined in the Conditions of Service);

"**Load Shedding**" means the deliberate Disconnection of pre-selected Customers' load from a power system (either manually or automatically) in response to an Emergency in order to maintain the integrity of the system and minimize overall Customer outages;

"**Market Participant**" means a person who is authorized by the Market Rules to participate in the

IMO-administered markets or to cause or permit electricity to be conveyed into, through or out of the IMO-controlled grid;
"**Market Rules**" means the rules made under section 32 of the Electricity Act;

"**Measurement Canada**" means the special Operating Agency established in August1996 by the Electricity and Gas Inspection Act, 1980-81-82-83, c 87., and Electricity and Gas Inspection Regulations (SOR/86-131);

"**Meter Installation**" means the meter and, if so equipped, the instrument transformers, wiring, test links, fuses, lamps, loss of potential alarms, data recorders, telecommunication equipment and spin-off data facilities installed to measure power past a meter point, provide remote access to the metered data and monitor the condition of the installed equipment;

"**Metering Service Provider** " or "**MSP**" means Metering Service Provider registered and approved by the IMO;

"**MV-90**" - is a software system, marketed and produced by Itron, that is used to interrogate a wide variety of meters and recorders using telephone communication and modems to obtain both meter readings and meter interval data;

"**Non-Defaulting Party**" means the Party that is not the Defaulting Party;

"**Non-Financial Default**" means the following:

(a) any breach of a term or condition of the Code or this Agreement other than a Financial Default unless the breach occurs as a direct result of an Emergency;
(b) a licensed Party's ceasing to hold a Licence; or
(c) an Insolvency Event.

"**OEB**" means the Ontario Energy Board;

"**Planned Outage**" means an outage that results when a component is deliberately taken out of service at a pre-selected time, usually for the purpose of construction, preventive maintenance or repair;

"**Power Factor**" means the ratio of active to apparent power;

"**Point of Supply**", with respect to an Embedded Generation Facility, means the connection point where electricity produced by the Embedded Generation Facility is injected into a Distribution System;

"**Professional Engineer**" means a person licensed with the Professional Engineers of Ontario;

"**Promptly**" means performed in an expeditious manner and without undue delay, using due diligence, and with the intent of completing a required act or task as quickly as practicable;

"**Qualified**" means assessed by a party as satisfactory in personal competency, familiarity with and knowledge of all applicable rules, regulations, guidelines, policies, codes, procedures, apparatus and equipment, and dangers of work and operation;

"**Rate Order**" means an order of the OEB that is in force at the relevant time which, among other things, regulates distribution and distribution rates to be changed by a licensee;

"**Retail Settlement Code**" means the code approved by the Board and in effect at the relevant time, which, among other things, establishes a Distributor's obligations and responsibilities associated with financial settlement among Retailers and Customer and provides for tracking and facilitating Customer transfer among competitive Retailers;

"**Rotational Load Shedding**" means a form of demand control whereby portions of load in an electrical area are sequentially interrupted and restored, commonly on a 30 minute rotation;

"**SCADA**" means System Control and Data Acquisition, used to monitor and control the Distribution System;

"**Settlement Hour"** means a period of one hour which corresponds to a particular dispatch hour for which metering data determined in accordance with Market Rules and physical market prices for services calculates pursuant to Market Rules that are to be used to calculate the settlement debits and credits of Market Participants;

"**Sub-transmission Customer**" or T-Class customer – comprise that group of large users that are typically served from ERHDC's Sub-transmission system, and whose demand requirements is generally less than 5 MW;

"**Supporting Guarantee**" means a guarantee issued in support of a Work Protection guaranteeing isolation/de-energizing at switches, or other devices, under the Operating Control of the issuer;

"**Under Frequency Load Shedding**" means automatic "Load Shedding" by a protective relay, when frequency declines to preset levels on a time curve ;"**V**" means volt, a measure of electrical voltage;

"**VT**" means Voltage transformer, instrument transformer that is designed for the measurement of voltage;

"**VEE**" means the process used to validate, estimate and edit raw metering data to produce final metering data or to replicate missing metering data for settlement purposes;

"Wholesale Market Participant" or **"Market Participant"** means a party that sells or purchases electricity or ancillary services through the IMO administered markets;

"**Wholesale Metering**" means metering that complies with Chapter 6 of the Market Rules;

"**Work Protection**" means the provision of a safe environment for work. A guarantee that an Isolated, or Isolated and De-energized condition has been established for work and will continue to exist, except for approved tests; and

"**Wye**" means the electrical configuration that supports a system neutral.

Purpose of Agreement

This Agreement sets out the terms and conditions upon which ERHDC has agreed to offer, and the Customer has agreed to accept, Distribution Service.

Entire Agreement

The Code, Conditions of Service and this Agreement establish ERHDC's operating practices and connection policies in respect of the Connection and Distribution Services. This Agreement together with the Distribution System Code, and all attachments thereto and hereto, and the Conditions of Service, and all attachments thereto and hereto, constitute the entire Agreement between the Parties with respect to the subject matter covered therein and supercedes all communications, representations or agreements, verbal or written. The Parties hereto hereby agree to be bound by, and to act at all times in accordance with the Code and the Conditions of Service, in effect at the relevant time, which are hereby incorporated in its entirety by reference into, and which hereby forms part of, this Agreement.

Applicable Laws, Related Codes and Conditions of Service

ERHDC and the Customer shall comply with all Applicable Laws including the following in order of priority:

(a) The Affiliate Relationships Code for Electricity Distributors and Transmitters;
(b) The Distribution System Code;
(c) The Retail Settlement Code; and
d) The Standard Supply Service Code.

If there is a conflict between this Agreement and any of the above, the documents listed above shall govern in order of priority. If there is a conflict between the Conditions of Service and this Agreement, this Agreement will govern. The fact that a condition, right, obligation, or other term appears in the Conditions of Service but not in any of the documents listed above or in this Agreement shall not be interpreted as, or be deemed grounds for finding conflict.

Applicable Standards
The Customer shall ensure that their respective new or altered Customer Equipment connected to or to be connected to the Distribution System:
(1) meets requirements of the Ontario Electrical Safety Code;
(2) meets requirements of all Applicable Laws including, but not limited to, the *Occupational Health and Safety Act;*
(3) conforms to relevant industry standards including, but not limited to, CSA International, the Institute of Electrical and Electronic Engineers (IEEE), the American National Standards Institute (ANSI), the International Electrotechnical Commission (IEC), Northeast Power Coordinating Council and North American Electric Reliability Council;
(4) conforms to Good Utility Practice.

Representations and Warranties

1.1 **Customers' Representations and Warranties**

The Customer represents and warrants to ERHDC as follows, and acknowledges that ERHDC has relied upon such representations and warranties in entering into this Agreement:
(a) all information conveyed to ERHDC is correct and accurate;
(b) it is unaware of any situation which would alter its financial abilities and have not filed or have not planned to file, any bankruptcy proceedings;
(c) it is authorized to enter into this Agreement;
(d) where applicable, that the execution of this Agreement and compliance with and performance of the terms, conditions and covenants contemplated herein have been duly authorized by all necessary corporate action on the part of the Customer;

1.2 **ERHDC's Representations and Warranties**

ERHDC represents and warrants to the Customer as follows, and acknowledges that the Customer is relying upon such representations and warranties in entering into this Agreement:
(a)all information conveyed to the Customer is correct and accurate;
(b) that it has all the necessary corporate power, authority and capacity to enter into an Agreement and to perform its obligations hereunder;
(c) the execution of this Agreement and compliance with and performance of the terms, conditions and covenants contemplated herein have been duly authorized by all necessary corporate action on the part of ERHDC;
(d) this Agreement constitutes a valid and binding obligation of ERHDC enforceable against it in accordance with its terms and conditions, and ERHDC is not a party to, bound or affected by or otherwise subject to any indenture, mortgage, lease, charter or by-law provision, agreement or other instrument, or any statute, rule, regulation, judgment or other order which would be violated, contravened or breached by, or under which default would occur as a result of the execution of this Agreement or the compliance with and performance of any of the terms, conditions and covenants contemplated herein; and
(e) that it's Licence is in full force and effect

Requirements for Operations and Maintenance

1.3 **Work by ERHDC's Staff on the Customer's Site and Facilities**

1.3.0 When ERHDC's staff, its contractors, or Agents work at the Customer's site, such staff, contractors and agents shall observe the Customer's safety and environmental requirements.

1.3.1 Notwithstanding 8.1.1 above, when ERHDC can demonstrate to the Customer's satisfaction, acting reasonably that ERHDC's safety and environmental practices provide for an equivalent or better level of safety or environmental protection, the Customer shall permit ERHDC to use its safety and environmental practices. As a minimum, all Applicable Laws shall govern such work.

1.4 **Work by the Customer's Staff on ERHDC's Site**

1.4.0 When the Customer's staff, its contractors, or Agents work at ERHDC's site, ERHDC's safety and environmental requirements shall be observed by such staff, contractors and Agents.

1.4.1 Notwithstanding 8.2.1 above, when the Customer can demonstrate to ERHDC's satisfaction, that the Customer's safety and environmental practices provide for an equivalent or better level of safety or environmental protection, ERHDC shall permit the Customer to use its safety and environmental practices. As a minimum, all Applicable Laws, shall govern such work.

1.5 **Day to Day Operations & Maintenance**

1.5.0 Only Qualified persons shall perform operations and maintenance.

1.5.1 The Customer shall be responsible for operating and maintaining its Customer Equipment in accordance with Good Utility Practice, all Applicable Laws, the Code and this Agreement.

1.5.2 ERHDC shall be responsible for operating and maintaining ERHDC Facilities and Equipment in accordance with Good Utility Practice, all Applicable Laws, the Code and this Agreement.

1.6 **Communication Between the Parties**

1.6.0 Upon planning any changes that could affect the reliability of the Distribution System, the Customer shall promptly submit a written report to ERHDC describing any and all changes in the information that it submitted as registered system planning data in the connection application form, including, without limitation, changes to Customer Equipment, and associated protective relaying or protective relaying settings, or any other changes of any kind whatsoever that might affect the reliability of Distribution System. The portion of this protection that affects the Distribution System must be designed, and installed in a manner that is acceptable to ERHDC in order for the Customer to remain connected.

1.6.1 All communications between the Parties about day-to-day operating and maintenance matters shall at all times go through the controlling authorities, or those other persons to whom a Controlling Authority has delegated the communication authority.

1.6.2 Each Party shall provide the other with the name of a current 24- hour contact to respond to operating and maintenance matters, which shall be listed in a schedule to the Agreement.

1.6.3 Each Party shall provide the other with all necessary instructions for Emergency responses, including reporting procedures and the names of site Emergency coordinators as and when necessary.

1.6.4 Each Party shall provide the other with all required Work Protection documentation and written notices.

1.6.5 Where one Party's work requires the other's participation or cooperation, or in the other's opinion could adversely affect normal operation of its facilities and equipment, the Parties shall establish procedures and cost sharing criteria for the work and adhere to them in performing the work unless they agree otherwise in writing.

1.7 **Switching**

1.7.0 A Party's Controlling Authority shall be responsible for establishing the appropriate conditions for and the coordination of switching on the equipment under its control from time to time throughout the term of this Agreement.

1.8 **Isolation of Customer Equipment**

1.8.0 If the Customer requires isolation of its Customer Equipment or ERHDC Facilities and Equipment, then the Customer's Controlling Authority shall deliver a written notice to ERHDC's Controlling Authority to ask for isolation.

1.8.1 Upon the request of one Party's Controlling Authority, the other Party's Controlling Authority or its designate shall provide the required timely isolation of equipment as required for Emergency switching or to establish work protection.

1.8.2 ERHDC shall provide to the Customer the isolation and reconnection of Customer Equipment at the Customer's request at no cost to the Customer, once per year, during normal business hours. The Customer shall pay ERHDC's Actual Costs for isolating and reconnecting Customer Equipment if the requested isolation and reconnection is for a time outside of normal business hours.

1.8.3 ERHDC shall charge the Customer, and the Customer shall pay, ERHDC's Actual Costs for isolating and reconnecting Customer Equipment for any isolation and reconnection request in excess of one per calendar year as specified in this Agreement.

1.9 **Isolation of ERHDC Facilities and Equipment**

1.9.0 If ERHDC requires isolation from Customer Equipment then ERHDC shall request the Customer's Controlling Authority to provide isolation.

1.10 **Alternative Method of Isolation**

1.10.0 Either Party may establish its own Work Protection.

1.10.1 The Controlling Authority of the facilities and equipment required to establish the Work Protection shall provide the other Party with access to such facilities and equipment.

1.10.2 Establishing Work Protection shall be limited to hanging tags and locking of devices.

1.11 **Forced Outage**

1.11.0 When a Forced Outage by one Party adversely affects the others facilities, the first Party's Controlling Authority shall give prompt notice to the Controlling Authority of the second Party.

1.11.1 Each Party's Controlling Authority shall have sole authority to identify the need for and initiate a Forced Outage on equipment under its control.

1.12 **Planned Outages**

1.12.0 The Customer shall schedule all planned work with ERHDC's Controlling Authority to co-ordinate Planned Outages that directly affect ERHDC Facilities and Equipment.

1.12.1 At least ten Business Days in advance of planned work that requires a feeder breaker to be opened or operated and at least thirty Business Days in advance of planned work that requires operations of multiple feeder breakers, station bus or a whole transformer station, the Customer's Controlling Authority shall provide written requests to the appropriate ERHDC contact.

1.12.2 At least ten Business Days in advance of planned work, the Customer's Controlling Authority shall provide written requests to the appropriate ERHDC if the planned work involves:

1.12.2.1 any Disconnection from the Distribution System e.g. Disconnection from a feeder breaker owned by ERHDC or by the Customer

1.12.2.2 load changes, transfers or switching operations that directly affect ERHDC Facilities and Equipment.

1.12.3 ERHDC's Controlling Authority shall notify the Customer's Controlling Authority at least ten Business Days in advance of any planned work that requires a feeder breaker to be opened or operated and at least thirty Business Days in advance of planned work that requires operations of multiple feeder breakers, station bus or a whole transformer station that directly affects Customer Equipment, by contacting the appropriate Customer contact.

1.12.4 Either Party's Controlling Authority shall provide written notice of a change in the date and time of preplanned work.

1.12.5 Notice of the requested change shall be given at least four Business Days in advance of the planned date.

1.12.6 If the change can be reasonably accommodated, both Parties shall establish a new date. If the Parties cannot agree, ERHDC will have the right to set the date of the Planned Outage upon providing the Customer with not less than ten Business Days prior written notice.

1.13 **Emergency Operations -- ERHDC** may be required from time to time to interrupt the provision of Connection Service to the Customer during an Emergency to protect the stability, reliability, and integrity of ERHDC Facilities and Equipment, or to maintain its equipment availability. This section only covers manually initiated interruptions. During an Emergency, either Party may take whatever immediate action it deems necessary and is Qualified to perform to safeguard public safety, life, and property without first notifying the other Party.

1.13.0 The Party taking such actions shall promptly report them to the other Party's Controlling Authority.

1.13.1 ERHDC may be required from time to time to implement Load Shedding at the direction of the IMO.

1.13.2 ERHDC may review rotational load-shedding schedules with the Customer whenever schedules are revised or when required.

1.13.3 The Customer shall comply with all requests by ERHDC's Controlling Authority to shed load. Such requests shall be initiated to protect Distribution System security and reliability in response to a request by the IMO. When the IMO Controlled Grid returns to normal, ERHDC's Controlling Authority shall notify such Customer's Controlling Authority to re-energize Customer Equipment.

1.14 **Telemetry, Monitoring, and Telecommunications**

1.14.0 ERHDC shall advise Customers of the performance and details of required telemetering facilities that serve them. Some requirement depend on the size and specific location of the connection to the Distribution System. ERH shall determine the requirements for telemetry.

1.15 **Access and Security of Facilities**

1.15.0 Each Party shall co-operate with the other to ensure that its respective facilities and assets are secure at all times.

1.15.1 Each Party shall follow all applicable procedures and staff training procedures required for expeditious access to the other Party's equipment or premises, including, without limitation, any procedures regarding access codes and keys.

1.15.2 Certain of each Party's facilities and equipment may, at the date of this Agreement or later, be on one or more of the other Party's sites, in accordance with each Party's policies and procedures.

1.15.3 Either Party and its representatives shall be entitled to access to the other's facilities, equipment or site, and the host Party shall grant such access as required for operation, maintenance, disconnection or reconnection of that Party's facilities and equipment, to carry out work at all reasonable times on reasonable prior notice to the host Party, subject to each Party's policies and procedures. The other Party shall not unreasonably withhold access to its facilities and equipment.

1.15.4 At any time when the accessing Party or its representatives are on or in the host Party's site, the accessing Party and its representatives shall:

1.15.4.1 use all reasonable precautions not to damage or interfere with the host Party's site, facilities and equipment;

1.15.4.2 observe the host Party's requirements for reporting occupational health and safety, electrical safety, environmental requirements, technical requirements, and matters of industrial relations; and

1.15.4.3 neither ask questions, nor give any direction, instruction or advice to any person involved in operating or maintaining the site, facilities or equipment of the host Party, other than the person whom the host Party has designated for that purpose.

1.15.5 If the accessing Party or its representatives cause any loss or damage when given access to the host Party's site, the accessing Party shall promptly advise the host's Controlling Authority of the loss or damage.

1.15.6 Subject to subsection 8.13.6, a Party shall not, and shall ensure that its representatives do not, intentionally interfere with any of the other Party's facilities and equipment in or on its sites.

1.15.7 In an Emergency a site owner may, as far as reasonably necessary in the circumstances, have access to and interfere with the other Party's facilities and equipment.

2 Communication

2.1 In the event that either Party undergoes any change in business circumstance or load which affects it's qualifications or requirements in association with the Code, the Conditions of Service or this Agreement, or changes which require or inhibits work to be done, shall be communicated to the other Party in writing.

2.2 All notices communicated between the Parties shall be delivered by hand, fax or registered mail, and addressed as follows:

2.2.0 To contact Espanola Regional Hydro Distribution Corporation:

ESPANOLA REGIONAL HYDRO
DISTRIBUTION CORPORATION
765 Queen Street East,
Sault Ste Marie, Ontario
P6A 6P2

2.2.1 _____
_____
_____
_____

2.3 Notice sent in accordance with this section shall be deemed to have been delivered and received:

2.3.1 If delivered by hand, upon receipt;

2.3.2 If delivered by fax, 48 hours after the time of distribution, excluding from the calculation weekends and public holidays;

2.3.3 If delivered by registered mail, six Business Days after the mailing thereof, provided that if there is a postal strike such notice shall be delivered by hand.

3 Force Majeure

"Force Majeure Event" shall include, but not be limited to an act of God, strikes, lockouts, or other labour or industrial disturbances, civil disturbances, interruptions by Government or Court Orders, power failure, telecommunication line failure, delay in transmission, future valid orders of or delay in obtaining the approval or consent of any regulatory body having jurisdiction, acts of the public enemy, wars, riots, sabotage, epidemics, landslides, lightning, earthquake, fire, storm, flood, washout; and inclement weather including without limiting the generality of the foregoing rendering the roads dangerous or hazardous, to men or equipment, or impassable to vehicles of the kind necessary to carry out the work or undertaking, or blockage or stoppages of road traffic over the route specified caused by events beyond the reasonable control of the parties hereto, or explosions and any other event or occurrence beyond the reasonable control of the parties hereto whether or not the nature of those hereinabove mentioned.

Other than for any amounts due and payable by the Customer to ERHDC neither ERHDC nor the Customer shall be held to have committed an event of default in respect of any obligation under these Conditions of Service if prevented from performing that obligation, in whole or in part, because of a Force Majeure Event.

If a Force Majeure Event prevents either party from performing any of its obligations under this Agreement that party shall:

• other than for Force Majeure Events related to acts of God, promptly notify the other party of the

Force Majeure Event and its assessment in good faith of the effect that the event will have on its ability to perform any of its obligations. If the immediate notice is not in writing, it shall be confirmed in writing as soon as reasonably practical;
• not be entitled to suspend performance of any of its obligations under this Agreement to any greater extent or for any longer time than the Force Majeure Event requires it to do;
• use its best efforts to mitigate the effects of the Force Majeure Event, remedy its inability to perform, and resume full performance of its obligations;
• keep the other party continually informed of its efforts;
• other than for Force Majeure Events related to acts of God, provide written notice to the other party when it resumes performance of any obligations affected by the Force Majeure Event; and
• if the Force Majeure Event is a strike or a lock out of ERHDC's employees, ERHDC shall be entitled to discharge its obligations to notify its Customers in writing by means of placing an ad in the local newspaper.

4 Liability

ERHDC shall only be liable to a Customer and a Customer shall only be liable to ERHDC for any damages that arise directly out of the willful misconduct or negligence:

- of ERHDC in providing Distribution Services and/or Connection Services to the Customer;
- of the Customer in being connected to the Distribution System; or
- of ERHDC or the Customer in meeting their respective obligations under the Conditions of Service, this Agreement, the Code, their licences and any other Applicable Laws.

Neither ERHDC nor the Customer shall be liable under any circumstances whatsoever for any loss of profits or revenues, business interruption losses, loss of contract or loss of goodwill, or for any indirect, consequential, incidental or special damages, including but not limited to punitive or exemplary damages, whether any of the said liability, loss or damages arise in contract, tort or otherwise.

5 Term and Termination of Connection Agreement

5.1 **Coming into Force**

The term of this Agreement shall commence on the later of the date that this Agreement was executed by both Parties; or the date that subsection 26(1) of the Electricity Act is proclaimed, and shall remain in full force and effect until terminated in accordance with the provisions of this Agreement.

5.2 **Termination by Either Party**

Either Party may terminate the Agreement at any time during the term or any renewal thereof by giving the other Party six month's prior written notice setting out the termination date. Termination in the event of Disconnection shall follow the procedures set out in Section 12.5 of this Agreement.

5.3 **Right to Disconnect and Remove Assets**

Upon termination of this Agreement, ERHDC may disconnect at the Ownership Demarcation Point or Point of Supply and shall be entitled to de-commission and remove any of its ERHDC Facilities and Equipment associated with the connection and the Demarcation Point. ERHDC shall notify the Customer in writing of the days the decommissioning and removal of its ERHDC Facilities and Equipment shall occur, and the Customer shall provide ERHDC with any and all access to the Customer's site, provided such dates and times are reasonable, that may be required by ERHDC to de-commission and remove its ERHDC Facilities and Equipment.

Events of Disconnection and Termination

5.4 **Occurrence of a Disconnection**

Disconnection of a Customer may occur for the reasons and by the processes described in the Conditions of Service.

5.5 **Right to Terminate and Disconnect**

In the event a Customer is disconnected for any reason, ERHDC shall have the right to terminate this Agreement by written notice to the Customer.

6 Treatment of Currently Connected Customer Equipment

6.1 ERHDC may require that Customer Equipment that is now or hereafter connected to the Distribution System be brought into compliance with the performance standards specified in the Conditions of Service within a period of time acceptable to ERHDC not exceeding five years where it has been identified that:

6.1.1 there is a material deterioration of Distribution System reliability resulting from the performance of the Equipment; or

6.1.2 there are material negative impacts on an existing or a new Customer's power quality resulting from the performance of the Customer Equipment; or

6.1.3 there is a material increase in capacity or load at the site where the Customer Equipment is located.

6.2 The Customer shall indemnify and hold harmless ERHDC, its directors, officers, employees and agents from any claims made by any third parties related to the construction, installation, or connection of a Generation Facility by or on behalf of the Customer.

7 Ownership of Facilities and Equipment

7.1 All right, title and interest in and to ERHDC Facilities and Equipment shall continue to be vested in ERHDC, unless the Parties have specified otherwise in this Agreement.

7.2 All right, title and interest in and to Customer Equipment shall continue to be vested in the Customer, unless the Parties have specified otherwise in this Agreement.

8 Incorporation of Schedules

Set out below are the schedules and appendices that form a part of, and that are hereby incorporated by reference into, this Agreement:

Schedule "A" - Single Line Diagram and Description of the Customer's Connection Point
Schedule "B" - Future Use
Schedule "C" – Future Use

9 Waiver

The failure of any Party to exercise any right, power or option or to enforce any remedy or to insist upon the strict compliance with the terms, conditions and covenants of this Agreement shall not constitute a waiver of the terms, conditions and covenants herein with respect to that or any other or subsequent breach thereof nor a waiver by the Party at any time thereafter to require strict compliance with all terms, conditions and covenants hereof, including the terms, conditions and covenants with respect to which the Party has failed to exercise such right, power or option. Nothing shall be construed or have the effect of a waiver except an instrument in writing signed by a duly authorized officer of the Party which expressly or impliedly waives a right, power or option under this Agreement.

10 Entire Agreement

This Agreement, together with the schedules attached hereto, constitutes the entire agreement between the Parties and supersedes all prior oral or written representations and agreements of any kind whatsoever with respect to the matters dealt with herein.

11 Amendments
Except as otherwise provided herein, no amendment, modification or supplement to this Agreement shall be valid or binding unless set out in writing and executed by the Parties with the same degree of formality as the execution of this Agreement. The Parties acknowledge and agree that the OEB may require amendments to this Agreement or the Schedules hereto in which case the Parties shall forthwith, upon receipt of notice from the OEB, do all things and take all actions necessary to amend this Agreement so as to meet the OEB's requirements.

12 Severability
If any provision of this Agreement is found by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such provision shall be deemed severed and shall not affect the validity, legality or enforceability of the remaining provisions of this Agreement, unless such invalidity or unenforceability renders the operation of this Agreement impossible.

13 Applicable Laws
This Agreement shall be construed and enforced in accordance with, and the rights of the Parties shall be governed by, the laws of Ontario and the laws of Canada applicable therein.

14 Interpretation
In this Agreement:
(a) the singular includes the plural and vice versa;
(b) the use of one gender includes the other;
(c) the word person includes a firm, a body corporate, an unincorporated association or an authority;
(d) a reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including, but not limited to, persons taking by novation) and assigns;
(e) an agreement, representation or warranty on the part of or in favour of two or more persons binds or is for the benefit of them jointly and severally;
(f) specified periods of time refer to business days, and dates from a given day or the day of an act or event is to be calculated exclusive of that day;

IN WITNESS WHEREOF the Customer has set his hand and seal, and ERHDC has caused this Agreement to be executed by the signature of its proper officer duly authorized in that behalf as of the day and year first above written.

SIGNED, SEALED AND DELIVERED

_____

in the presence of:

_____

Witness (Insert Customer Name)

ESPANOLA REGIONAL HYDRO DISTRIBUTION CORPORATION

_____

Name:
Title:
I have the authority to bind the Corporation

[WHERE CUSTOMER IS A CORPORATION]
IN WITNESS WHEREOF, the Parties hereto, intending to be legally bound, have caused this Agreement to be executed by the signatures of their proper officers duly authorized in their behalf.

ESPANOLA REGIONAL HYDRO DISTRIBUTION CORPORATION

_____
Name:
Title:
I have the authority to bind the Corporation

INSERT CUSTOMER'S FULL CORPORATE NAME

_____
Name:
Title:
I have the authority to bind the Corporation

Section 5 – Schedule 5 Appendix

(A) Connection Agreement

(B) Construction Agreement

(C) Easement Agreement

(D) Application for Customer Connection

(E) Subdivision Agreement

(F) Prequalification Form

***Please contact Espanola Regional Hydro Distribution Corporation for updated information**