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Customer Terms and Conditions  
of Electric Distribution Service

Page 64

Effective January 1, 2021

#### 14.4 Responsible Party Liability

In addition to any other liability provisions set out in the Terms and Conditions or any provision in a FortisAlberta Agreement, an Applicable Party (as defined above) shall be liable to the FortisAlberta Parties and indemnify and save harmless the FortisAlberta Parties for any damages, costs, charges, expenses, fees (including legal fees and disbursements on an indemnity basis), judgments, fines, penalties, injuries, losses, or any liabilities in law, equity, tort or contract suffered or incurred by FortisAlberta Parties (as defined above), whether of a direct or indirect nature or whether incurred or suffered directly or as a result of a third party contract, caused by or arising from any acts or omissions of an Applicable Party that result in a breach (“**Breach**”) of the Terms and Conditions or the applicable FortisAlberta Agreement, or any negligent or wilful acts or omissions of an Applicable Party outside of a Breach. Any liability under this Section will be limited to an amount in proportion to the degree to which the Applicable Party is at fault. Any liability and indemnity provisions hereunder are in addition to, but do not limit, the liability protection provisions of the Act and Regulations.

The Responsible Party shall be liable for any loss, damage, expense, charge, cost or other liability of any kind, whether to FortisAlberta, its agents or employees, FortisAlberta property or otherwise, arising directly or indirectly by reason of: (i) the routine presence in or use of Energy over the wires, cables, devices or other Facilities owned or controlled by the Responsible Party; (ii) the Responsible Party’s improper or negligent use of Energy or electric wires, cables, devices or other Facilities; or (iii) the negligent acts or omissions or wilful acts or omissions of the Responsible Party or any person permitted on such Responsible Party’s Land.

#### 14.5 Force Majeure

##### 14.5.1 Force Majeure Relief

If an event or circumstance of Force Majeure occurs that affects FortisAlberta’s ability to provide a Service Connection or other interconnection to its Electric Distribution System or Electric Distribution Service, FortisAlberta’s obligations and responsibilities hereunder and under any agreement relating to Service Connections or other interconnections to its Electric Distribution System or the provision of Electric Distribution Service, so far as they are affected by the Force Majeure or the consequences thereof, shall be suspended without liability to the Responsible Party until such Force Majeure or the consequences thereof are remedied and for such period thereafter as may reasonably be required to restore the Electric Distribution



FortisAlberta Inc.  
Customer Terms and Conditions  
of Electric Distribution Service

Page 65

Effective January 1, 2021

Service. The Minimum Charge, if applicable, will continue to be payable during the period in which FortisAlberta claims relief by reason of Force Majeure.

#### **14.5.2 Notice**

FortisAlberta shall promptly give the relevant party notice of the Force Majeure including full particulars thereof and shall promptly give the relevant party notice when the Force Majeure ceases to prevent performance of FortisAlberta's obligations.

#### **14.5.3 Obligation to Remedy**

FortisAlberta shall promptly remedy the cause and effect of the Force Majeure insofar as it is reasonably able to do so.

#### **14.5.4 Strikes and Lockouts**

Notwithstanding any other provision of the Terms and Conditions, the settlement of any strike, lockout or other industrial disturbance affecting FortisAlberta shall be wholly in the discretion of FortisAlberta and FortisAlberta may settle such strike, lockout or industrial disturbance at such time and on such terms and conditions as it may deem appropriate. No failure or delay in settling of such strike, lockout or industrial disturbance shall constitute a cause or event within the control FortisAlberta or deprive FortisAlberta of the benefits of this Section 14.5.

### **ARTICLE 15 – ARBITRATION**

#### **15.1 Resolution by FortisAlberta and Responsible Party**

If any dispute between FortisAlberta and a Responsible Party shall arise at any time in connection with the Terms and Conditions which is not otherwise resolved, both FortisAlberta and the Responsible Party, acting reasonably and in good faith, shall use all reasonable efforts to resolve the dispute as soon as possible in an amicable manner.

#### **15.2 Resolution by Arbitration**

If any dispute has not been resolved within 30 days after written notice from FortisAlberta or the Responsible Party to the other of their desire to have the dispute resolved, then upon written notice by either party the dispute may be resolved through other proceedings,



FortisAlberta Inc.  
Customer Terms and Conditions  
of Electric Distribution Service

Page 66

Effective January 1, 2021

including arbitration on the terms set out herein or on such terms as otherwise agreed to by the parties.

Notwithstanding anything herein, any disputed matters between FortisAlberta and a Responsible Party relating to an order or direction made or approved by the Commission or falling within the exclusive jurisdiction of the Commission, shall be referred to the Commission for resolution.

### **15.3 Arbitrators**

Where FortisAlberta and a Responsible Party have agreed to arbitrate a dispute or difference in connection with the Terms and Conditions, the dispute or difference shall be referred to a single arbitrator, agreed upon by both parties. In the event that the parties cannot agree to a single arbitrator within 10 days of agreeing to proceed by way of arbitration, the dispute or difference shall be referred to a Board of Arbitrators consisting of one arbitrator to be appointed by each of FortisAlberta and the Responsible Party, and which arbitrators shall, by instrument in writing, jointly appoint a third arbitrator within 20 days of written notice for arbitration, after they are themselves appointed, unless FortisAlberta and the Responsible Party concur in the appointment of a single arbitrator. The arbitrator or arbitrators shall render a decision within 90 days of the latest appointment.

If an arbitration decision is not made within the time herein provided, then until it is so made and unless the other party has taken any of the actions referred to in this paragraph, a party, upon 30 days' notice to the other party and to the arbitrators, may: (i) cancel the appointment of the arbitrator previously made and initiate new arbitration proceedings by a new notice to the other party pursuant to this Section; or (ii) cancel such arbitration proceedings and proceed in the courts as though Article 15 did not exist.

### **15.4 Refusal to Appoint an Arbitrator**

If either FortisAlberta or the Responsible Party shall neglect or refuse to appoint an arbitrator within 10 days after the other party (provided such other party has appointed their arbitrator) has served FortisAlberta or the Responsible Party, as the case may be, with written notice to make the appointment, the party who has appointed their arbitrator shall be entitled to apply, upon notice to the other party, to a Justice of the Court of Queen's Bench of Alberta to appoint an arbitrator for the party in default.



FortisAlberta Inc.  
Customer Terms and Conditions  
of Electric Distribution Service

Page 67

Effective January 1, 2021

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

If the arbitrators appointed by FortisAlberta and the Responsible Party have not, within 20 days after their appointment or the appointment of the arbitrator last appointed, as the case may be, appointed a third arbitrator, either FortisAlberta or the Responsible Party shall be entitled to apply, upon notice to the other party, to a Justice of the Court of Queen's Bench of Alberta to appoint such an arbitrator.

### **15.6 Technical Competence**

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

### **15.7 Compensation of Arbitrators**

Each party shall be responsible for the costs of the arbitrator appointed by it hereunder. The costs of a single arbitrator or the third arbitrator, as the case may be, shall be determined by the arbitrator(s).

### **15.8 Application of the Arbitration Act**

The arbitration shall be conducted in accordance with the *Arbitration Act* (Alberta), R.S.A. 2000, c. A-43 (the "**Arbitration Act**"), as amended or replaced from time to time. In the event of a conflict between the Terms and Conditions and the Arbitration Act, the Terms and Conditions shall prevail.

### **15.9 Decisions Binding**

A decision of the single arbitrator, or the majority of the three arbitrators named or appointed, shall be final and binding upon each of the parties to the dispute or difference, and not subject to appeal.



FortisAlberta Inc.  
Customer Terms and Conditions  
of Electric Distribution Service

Page 68

Effective January 1, 2021

### **15.10 Continuity of Electric Distribution Service**

All performance required under the Terms and Conditions by FortisAlberta and the Responsible Party and payment shall continue during the dispute resolution proceedings contemplated by this Article.

## **ARTICLE 16 – ADDITIONAL PROVISIONS RELATING TO ELECTRIC DISTRIBUTION SERVICE**

### **16.1 Ownership of Facilities**

FortisAlberta is and remains the owner of all Facilities necessary to provide Electric Distribution Service to Customers and all of the Electric Distribution System in respect of which FortisAlberta provides any portion of the financial investment, unless an agreement between FortisAlberta and the Responsible Party specifically provides otherwise.

Payment made by Customers for costs incurred by FortisAlberta in installing Facilities does not entitle Customers to ownership of any such Facilities, unless an agreement between FortisAlberta and the Customer specifically provides otherwise.

### **16.2 Electric Distribution Service Obtained from Retailer**

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

### **16.3 Proper Use of Services**

A Customer assumes full responsibility for the proper use of the Service Connection and Electric Distribution Service provided by FortisAlberta and for the condition, suitability and safety of any and all wires, cables, devices or appurtenances energized on the Customer's Land or on premises owned or controlled by the Customer where the Customer is not the Registered Owner of the Land.





Effective January 1, 2021

#### **16.4 Independent System Operator or Transmission Facility Owner Requirements**

Each Customer acknowledges and agrees that FortisAlberta is bound by all operating instructions, policies and procedures of the Independent System Operator and Transmission Facility Owners which are needed to maintain the integrity of Alberta's interconnected electric system. Each Responsible Party acknowledges and agrees that they will cooperate with FortisAlberta so that FortisAlberta will be in compliance with all such operating instructions, policies and procedures which include, but are not limited to, those operating instructions, policies and procedures pertaining to minimum and maximum generation emergencies, and supply voltage reduction or full interruption of Customer Load by either manual or automatic means.

#### **16.5 Compliance with Applicable Legal Authorities**

FortisAlberta and the Responsible Parties are subject to, and shall comply with, all existing or future applicable federal, provincial and local laws, all existing or future orders or other actions of the Independent System Operator or of governmental authorities having applicable jurisdiction. FortisAlberta will not violate, directly or indirectly, or become a party to a violation of any applicable requirement of the Independent System Operator or any applicable federal, provincial or local statute, regulation, bylaw, rule or order in order to provide a Service Connection or Electric Distribution Service to the Responsible Parties. FortisAlberta's obligation to provide a Service Connection and Electric Distribution Service is subject to the condition that all requisite governmental and regulatory approvals for the provision of such services will have been obtained and will be maintained in force during such period of service.

#### **16.6 Service Interruption**

FortisAlberta operates its electric system so as to maintain a voltage within the limits set out in Canadian Standards Association Standard C235. While FortisAlberta takes reasonable efforts to guard against interruptions, it does not guarantee uninterrupted service.

Without liability of any kind to FortisAlberta, it shall have the right to disconnect or otherwise curtail, interrupt or reduce Electric Distribution Service to Responsible Parties whenever FortisAlberta reasonably determines, or when FortisAlberta is directed by the Independent System Operator, that such a disconnection, curtailment, interruption or reduction is: (i) necessary to facilitate construction, installation, maintenance, repair, replacement or inspection of any of FortisAlberta's Facilities; (ii) to maintain the safety and reliability of FortisAlberta's Electric Distribution System; or (iii) due to any other reason,



FortisAlberta Inc.  
Customer Terms and Conditions  
of Electric Distribution Service

Page 70

Effective January 1, 2021

including dangerous or hazardous circumstances, emergencies, forced outages, potential overloading of FortisAlberta's Electric Distribution System, system security reasons or as a result of Force Majeure.

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

A Responsible Party shall not assign any of their rights or obligations under the Terms and Conditions, a Commitment Agreement, an Electric Service Agreement, an Interconnection Agreement, a Retail Service Agreement, an Underground Electrical Distribution System Services Agreement or any other agreement with FortisAlberta relating to Electric Distribution Service without obtaining any and all necessary regulatory approvals and FortisAlberta's approval where required in such agreement. No assignment shall relieve the Responsible Party of any of their obligations under the Terms and Conditions or any other agreement with FortisAlberta relating to a Point of Service or Electric Distribution Service until such obligations have been acknowledged by FortisAlberta to have been assumed by the assignee and FortisAlberta has agreed to the assumption. Any assignment in violation of this Section shall be void.

If any provision of the Terms and Conditions, a Commitment Agreement, an Electric Service Agreement, an Interconnection Agreement, a Retail Service Agreement, an Underground Electrical Distribution System Services Agreement or any other agreement with FortisAlberta is to any extent held invalid or unenforceable, the remainder of the Terms and Conditions or the agreement, as the case may be, and the application thereof, other than those provisions which have been held invalid or unenforceable, shall not be affected and shall continue in full force and effect and shall be enforceable to the fullest extent permitted by law or in equity.

### **16.8 No Waiver**

The failure of FortisAlberta or a Responsible Party to insist in any one or more instances upon strict performance of any provisions of the Terms and Conditions, an Electric Service Agreement, a Retail Service Agreement or any other agreement between the Responsible Party and FortisAlberta relating to a Point of Service or Electric Distribution Service, or to take advantage of any of its rights hereunder or thereunder, shall not be construed as a waiver of any such provision or the relinquishment of any such right or any other right hereunder or thereunder, which shall remain in full force and effect. No term or condition of the Terms and Conditions or any other agreement between the Responsible Party and FortisAlberta relating to a Point of Service or Electric Distribution Service shall be deemed to have been



FortisAlberta Inc.  
Customer Terms and Conditions  
of Electric Distribution Service

Page 71

Effective January 1, 2021

waived and no breach excused unless such waiver or consent to excuse is in writing and signed by the party claimed to have waived or consented to excuse.

### **16.9 Law**

The Terms and Conditions and any other agreement between a Responsible Party and FortisAlberta relating to a Point of Service or Electric Distribution Service shall be governed by the laws of the Province of Alberta and the federal laws of Canada applicable in the Province of Alberta, without regard to principles of conflicts of law. Any action or proceeding arising in connection with the Terms and Conditions and any other agreement between a Responsible Party and FortisAlberta relating to a Point of Service or Electric Distribution Service shall be brought in the courts of the Province of Alberta.

### **16.10 New Facilities and Electric Distribution Service Additions**

FortisAlberta reserves the right to communicate directly with the Customer in respect of any requests made by the Customer, the Retailer or any other party acting as agent for the Customer, for the construction of new Facilities or for additional services as provided for in the Billing Regulation made pursuant to the Act, as amended or replaced from time to time. FortisAlberta reserves the right to charge the Customer directly for any amounts required to be provided by the Customer under the Terms and Conditions.

### **16.11 Requirement to Enter into New Contracts**

In accordance with the provisions of the Act and the Regulations made thereunder, after December 31, 2000, FortisAlberta came to act solely as a wire services provider providing Service Connections and Electric Distribution Service and was no longer responsible for providing electricity directly to Customers. As a result of these changes, many of the provisions contained in existing agreements FortisAlberta has with Responsible Parties relating to the provision of a Service Connection or Electric Distribution Service are no longer relevant. As such, FortisAlberta reserves the right to cause applicable Parties to enter into new agreements that reflect the changes necessary to conform to the new role assigned to FortisAlberta.



FortisAlberta Inc.  
Customer Terms and Conditions  
of Electric Distribution Service

Page 72

Effective January 1, 2021

### 16.12 Notice

Unless otherwise stated herein, all notices, demands or requests required or permitted under the Terms and Conditions or any agreement with a Responsible Party with FortisAlberta for a Service Connection or Electric Distribution Service shall be in writing and shall be personally delivered or sent by courier-service or facsimile transmission (with the original transmitted by any of the other aforementioned delivery methods) addressed as follows:

If to the Customer, to the site connection address or the address set out in the Electric Service Agreement between the Customer and FortisAlberta.

If to a DG Customer, to the address set out in their agreement with FortisAlberta.

If to FortisAlberta, to:

FortisAlberta Inc.  
320 – 17<sup>th</sup> Ave. S.W.  
Calgary, Alberta  
T2S 2V1

Fax: (403) 514-4001

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