

Questions and Answers

ENMAX Power – Commercial Investment Policy

1. What is ENMAX Power Corporation’s Commercial Investment Policy?

ENMAX Power Corporation’s (EPC) Commercial Investment Policy may cover up to the full cost of installing the electrical infrastructure required to supply power to new or upgraded facilities. EPC’s investment level is based on either a basic \$13,129 per meter or the customer’s anticipated maximum (electrical) demand.

Note that EPC’s investment cannot exceed the cost of the project to provide electrical service to the site.

2. How do I know what investment amount I will receive?

For small electrical services having an anticipated maximum demand of 40 kVA or less, EPC will invest up to \$13,129 per meter towards the cost of the electrical service.

For larger electrical services having an anticipated maximum demand greater than 40 KVA, the actual investment dollar amount will depend on the minimum contract demand that the customer wishes to sign for with EPC. EPC’s maximum investment will be based on 80% of the anticipated maximum demand. The minimum contract demand established between the customer and EPC is outlined in an agreement called a Minimum Demand Agreement (MDA).

The investment amount depends on the type of service you require, as outlined below.

(Refer to Appendix 16 - Distribution Tariff Customer Terms and Conditions)

Customer Type	EPC Investment Policy (New Load)
Small Commercial – Secondary Metered (Rate Code D200), Streetlights – Secondary metered or unmetered (Rate Code D500)	\$13,129/meter Note: unmetered streetlight services are eligible for a per meter investment based on the number of service points as determined by EPC.
Medium Commercial – Secondary Metered (Rate Code D300), Large Commercial – Secondary Metered (Rate Code D310)	\$13,129/meter (no minimum contract demand required), or \$329/kVA of minimum contract demand up to 80% of anticipated maximum demand (requires a 15 year Minimum Demand Agreement) \$219/kVA of minimum contract demand up to 80% of anticipated maximum demand (requires a 10 year Minimum Demand Agreement) \$109/kVA of minimum contract demand up to 80% of anticipated maximum demand (requires a 5 year Minimum Demand Agreement)
Large Commercial – Primary Metered (Rate Code D410)	\$13,129/meter (no minimum contract demand required), or \$98/kVA of minimum contract demand up to 80% of anticipated maximum demand (requires a 15 year Minimum Demand Agreement) \$65/kVA of minimum contract demand up to 80% of anticipated maximum demand (requires a 10 year Minimum Demand Agreement) \$33/kVA of minimum contract demand up to 80% of anticipated maximum demand (requires a 5 year Minimum Demand Agreement)
Overhead and Underground Commercial Subdivision	\$7,878/lot (not applicable in Network area)
Irrigation Services (Controls), Temporary Services (includes Sign Services)	No applicable investment

3. What is the benefit of signing an MDA?

The following example illustrates the benefits of signing an MDA.

Assume a medium sized secondary metered commercial service has an anticipated maximum demand of 500 kVA. If the customer signs an MDA for 400 kVA** for a 15 year term, the maximum EPC investment would be of \$131,600 towards the cost of their service.

$$\text{EPC maximum investment} = 500\text{kVA} \times 80\% \times \$329/\text{kVA} = \$131,600$$

Should the customer not sign an MDA, the maximum investment would be \$13,129.

The benefit of signing an MDA in this case is an **extra \$118,471** of EPC investment dollars toward the project.

** 400 kVA being the maximum allowable equating to 80% of the 500 kVA anticipated maximum demand

4. What is meant by “demand”?

Electrical demand refers to the amount of electrical energy that is being consumed over a period of time. It is expressed in either kilowatts (kW) or kilovolt amperes (kVA). Knowledge of the customer’s electrical demand enables EPC to efficiently design infrastructure capable of meeting the customer’s requirements. If the customer’s facility requires a large supply of electricity, even for a short period of time, the electrical system must be designed to accommodate that requirement.

5. How do I know what my anticipated maximum demand is?

Your anticipated maximum demand will depend on your electrical requirements. You can request this information from your electrician or electrical design consultant. EPC will use this information as the basis for the MDA.

6. What if my demand exceeds the amount for which I signed in the MDA?

The demand used for monthly billing purposes is the greater of

- the metered demand (i.e. current month actual demand),
- the ratcheted demand (which is 90% of the highest demand in the last 365 days),
or,
- the contracted demand (when an MDA is in place).

The contracted demand in a properly executed MDA should always be less than either the monthly metered demand or the ratcheted demand for a site. As such the MDA should not impact the customer’s monthly billing for a site. Significant changes to business operations that may drive a reduction in electrical usage may influence the effect of the MDA on monthly billing. MDA buy-down options are available to mitigate such changes in business operations.

7. What if I want to reduce the demand amount for which I signed in the MDA?

If you find that your monthly actual or ratcheted demand is less than the amount for which you signed in the MDA, you have the option to reduce your minimum contract demand. This is calculated as follows:

$$\text{Customer "Buy Down" cost} = (\text{Original EPC investment} - \text{revised EPC investment}) \times (1 - (\text{contract years completed}/\text{contract term}))$$

The customer is accountable to pay this amount back to EPC upon execution of a revised MDA reflecting the new contracted demand. The term of the contract remains the same.

8. What if I want to increase the demand amount for which I signed in the MDA?

If you find that your monthly actual or ratcheted demand is higher than the amount for which you signed in the MDA, you have the option to increase your minimum contract demand. This may only be done once and must occur within five years from the date we energized your service connection. This is calculated as follows:

$$\text{EPC Additional Investment} = (\text{Revised EPC investment} - \text{original EPC investment}) \times (1 - (\text{contract years completed}/\text{contract term}))$$

EPC will provide this additional investment to the customer upon execution of a revised MDA reflecting the new contracted demand. The term of the contract remains the same.

9. If I sign a Minimum Demand Agreement with EPC, does it mean that I am obligated to stay with the same electrical retailer for the term of my contract years?

No. The agreement signed with EPC is not associated with your choice of energy retailer. EPC is a regulated wires service provider responsible for delivering the electricity. The customer is free to choose their energy retailer.

10. When does the agreement become effective?

You have a choice of making the effective date up to two years from the date of energization. This allows time for the electrical loads to increase as tenants move in and/or equipment is installed.

11. How do I receive more information?

You can visit our website at www.enmax.com or call 403-514-3000 to speak with one of our representatives.