

SECTION 13– EPC INVESTMENT IN RESIDENTIAL DEVELOPMENTS

We have different investment policies for standard and non-standard residential developments

13.1 Standard and Non-standard Residential Developments

As described in section 13.2 below, we have different investment policies for standard and non-standard residential developments.

A standard residential development has the following characteristics:

- there will be at least 15 lots or dwellings in any single development area,
- the development is made up of individually serviced dwellings,
- there is no subdivision of existing lots that we already provide service to (such as for infill developments),
- an average lot will be no wider than 23 metres,
- at least 7 lots or dwellings will be serviced from each new transformer,
- we may use transformers to serve the residential development that were previously installed to serve earlier parts of the development,
- the distance from the nearest primary supply point to the first transformer divided by the greater of the number of lots or the number of individually serviced dwellings will be no more than 12 metres, and
- no dwelling will have more than a 200 Amp service.

A residential development that does not have all of these characteristics is a non-standard residential development.

We will invest in a modified underground residential distribution system for a standard residential development

13.2 Responsibility for Residential Development Costs

For standard residential development, we will invest the full amount necessary to provide a modified underground residential distribution system. This includes an overhead feeder, underground services to individual lots and the material cost associated with the service coil, as defined in our **Requirements for Distribution Wires Access**. You are responsible for the maintenance and replacement of the service coil on **Your Property**.

If you want a total underground residential distribution system, with an underground feeder rather than an overhead feeder, you must pay us the difference between the cost of an underground feeder and an overhead feeder.

For non-standard residential and multi-family dwelling developments, you must pay the actual cost of the **Service Connection** less the applicable non-standard residential investment level.

You can find the amount we will invest in residential developments in the Investment Level Schedule that forms part of these **Terms and Conditions**.

Where a residential development includes one or more **Generating Units** that are **Micro-Generators**, we will comply with the metering and connection provisions of the **Micro-Generation Regulation**.

You must make a **Customer Contribution** to us if there is a difference between the cost of your **Service Connection** and the amount we invest. As described in section 1.6 above, we will provide you with an estimate of your **Customer Contribution**. However, the **Customer Contribution** that you must pay will always be based on the actual cost of your **Service Connection**, not the estimated cost.

SECTION 14—EPC INVESTMENT IN NON-RESIDENTIAL DEVELOPMENTS

We offer Meter-based and Demand-based investments

14.1 Meter-based and Demand-based Non-residential Investments

Where applicable, you may select one of our two investment options for non-residential investments. The first is a fixed investment per **Meter**. The second is a **Demand**-based investment amount that is determined based on the **Minimum Contract Demand**.

Not all non-residential developments qualify for a **Demand**-based investment. In order to qualify for a **Demand**-based investment, you must meet the requirements for rate classes D300, D310 or D410, you must have a **Meter** that is capable of recording **Demand**, and you must enter into one of our **Minimum Demand Agreements** for a term of 5, 10 or 15 years.

If you meet the eligibility requirements for both types of investment, you may choose which type of investment you want us to make.

Our investment depends on the characteristics of your development, but we do not invest in any transmission facilities

14.2 EPC Standard Non-Residential Investment

The **EPC Standard Non-Residential Investment** for non-residential developments depends on your development, its expected characteristics, and the **Rate Class** into which it will fall. You can find the **EPC Standard Non-Residential Investments** in the Investment Level Schedule that forms part of these **Terms and Conditions**. We may invest an amount that is less than the **EPC Standard Non-Residential Investment** in the circumstances described elsewhere in this section. If Section 14.8 applies, we may invest more than the **EPC Standard Non-Residential Investment**. We do not invest in transmission facilities.

You must make a **Customer Contribution** to us if there is a difference between the cost of the **Service Connection** and the applicable **EPC Standard Non-Residential Investment**. As described in section 1.6 above, we will provide you with an estimate of your **Customer Contribution**. However, the **Customer Contribution** that you must pay will always be based on the actual cost of your **Service Connection**, not the estimated cost.

Different terms apply to the connection of different Distributed Energy Resources

14.3 Connection of Distributed Energy Resources

If your development has a **Generating Unit** that is a **Micro-Generator**, we will comply with the connection requirements under the **Micro-Generation Regulation**.

If your development has a **Distributed Energy Resource** other than a **Micro-Generator**, you must pay the cost of all **Facilities** that are required for us to provide you with **Distributed Energy Resource Interconnection Services**.

We will only invest if you meet these conditions

14.4 Applicable Conditions

For non-residential developments, we will only invest in new **Service Connections** or where additional **Facilities** are required to serve new **Load** at an existing **Service Connection**.

To receive an investment that is based on **Demand** (as shown in the Investment Level Schedule that forms part of these **Terms and Conditions**), you must also enter into our **Minimum Demand Agreement** with a term of 5, 10 or 15 years. The term of the **Minimum Demand Agreement** will affect the **EPC Investment**: the longer the term, the more we will invest.

If you assign your **Minimum Demand Agreement**, the **Person** to whom you assign it will be subject to your past billing and **Demand** history under that agreement.

If you sell or otherwise dispose of **Your Property** without formally assigning your **Minimum Demand Agreement**, you will be deemed to have assigned that agreement to the **Person** to whom you sell or otherwise dispose of **Your Property**, and that **Person** will be subject to your past billing and **Demand** history under that agreement.

It is the sole responsibility of the **Person** who takes over the use or operation of an existing **Site** to undertake thorough due diligence to determine whether any **EPC Agreements** apply to that **Site** and the terms of those agreements.

We may make an additional investment up to five years after we Energize your Service Connection

14.5 Additional Investment

If you demonstrate to our satisfaction, or if we determine that your peak electrical **Load** has changed within five years after the date we **Energize** your non-residential **Service Connection** and that change meets at least one of the requirements for an additional investment from us, we will make that additional investment. These requirements include a) additional metered services, and/or b) additional electrical Demand that you would be willing to contract for under a Minimum Demand Agreement.

We may refuse to invest in temporary Service Connections

14.6 Temporary Service Connections

If we reasonably believe that the **Service Connection** that you have requested will be used for two years or less, then we consider that **Service Connection** to be temporary, and we have the right to refuse to invest in that **Service Connection** and to require that you pay us the following, before we provide the **Service Connection**:

We have the right to withhold or reduce our investment

- the estimated cost of **Facilities**, plus
- the estimated cost of installation and removal of **Facilities** necessary for the requested service, less
- the value of any material that we reasonably believe can be reused.

14.7 Discretion to Withhold or Reduce our Investment in new Service Connections

We have the right to withhold or reduce any investment we would otherwise make under this section. If we do so, we will provide you with a written explanation describing:

- our reasons for withholding or reducing our investment, and
- your right to appeal our decision to the **AUC**.

We will also send a copy of this explanation to the **AUC**.

Some high density developments require us to install different types of Facilities

14.8 High Density Developments

Certain high density developments, particularly zero lot line developments, do not provide sufficient space for us to install, access and maintain **Facilities** required to provide a standard or typical **Service Connection**. If we determine that this is the case with your development, we will invest in and install an underground feeder system and the ancillary equipment and **Facilities** that are needed to operate and maintain the underground feeder, including padmount switches, manholes and switches inside the transformer vault.

Additionally, if we, in our sole discretion, determine that standby transformation is required for us to provide reliable service to the type of development referred to in this section, we will invest in and install that standby transformation.

***You can change your
Minimum Contract
Demand***

14.9 Changing Your Minimum Contract Demand

If the **EPC Standard Non-Residential Investment** for your **Service Connection** is based on a **Minimum Contract Demand**, you may reduce your **Minimum Contract Demand** by repaying part of the investment we originally made. You may do this any time during the term of your **Minimum Demand Agreement**.

The amount you must pay to reduce your **Minimum Contract Demand** is determined using the following formula:

$$(original\ EPC\ investment - revised\ EPC\ investment) \times (1 - (contract\ years\ completed / contract\ term))$$

We may also, at our sole discretion, allow you to increase your **Minimum Contract Demand**, in which case we will increase the investment we originally made. This may only be done once, and must be done within five years of the date we **Energized** your **Service Connection**. The additional investment we will make if you increase your **Minimum Contract Demand** is determined using the following formula:

$$(revised\ EPC\ investment - original\ EPC\ investment) \times (1 - (contract\ years\ completed / contract\ term))$$

***We do not refund
Customer Contributions***

14.10 No Refund of Customer Contributions

We will not refund any part of a **Customer Contribution** you made for your **Service Connection** if some or all of the **Facilities** we built for your **Service Connection** are later used to provide service to other **Customers**.

We also do not endorse, and will not facilitate, the refund of a **Customer Contribution** from one **Customer** to another.

We will allow you to defer the effective date of your Minimum Demand Agreement by up to two years

14.11 Minimum Demand Agreement –Deferred Effective Date

If you enter into a **Minimum Demand Agreement** with us, you may defer the effective date of that agreement by up to two years without affecting the timing or amount of our investment, so long as the deferred effective date is within five years from the date we **Energized your Service Connection.**

If you defer the effective date of your **Minimum Demand Agreement**, the termination date of that agreement will automatically be extended by the same period of time by which you deferred the effective date.

We require a Customer Contribution for all Optional Facilities

14.12 Customer Contribution for Optional Facilities

We will require you to pay the full cost of any **Facilities** that you request and we install that we consider to be **Optional Facilities.**

At the time we install **Optional Facilities**, we will also require you to pay an additional 20% of the full cost of those **Optional Facilities** in order to compensate us for the increased operation and maintenance expenses associated with them.

If you have a primary metered Site, you may convert to a secondary metered Site

14.13 Conversion to Secondary Metered Site

If you receive service from us under rate class D410 and you own (or rent) electric distribution equipment behind the **Meter** that falls within the definition of an **Electric Distribution System**, we consider your **Site** to be a “primary metered” **Site.**

If your **Site** is a primary metered **Site**, you are solely responsible for operating and maintaining the electric distribution equipment behind the **Meter**, and you must comply with the applicable requirements of the *Safety Codes Act* and the *Alberta Electrical Utility Code.*

If you have a primary metered **Site**, it may be possible to convert your **Site** to a secondary metered **Site**. Once converted, we will be responsible for operating and maintaining that equipment, and it will form part of our **Electric Distribution System**.

If you choose to convert your **Site** to a secondary metered **Site**, you must do so at your cost. We may invest in the conversion and will determine the amount, if any, on a case by case basis. In determining that amount, we will take into account factors including the age and condition of the existing equipment and whether it is suitable for continued use as part of our **Electric Distribution System**.