

CONDITIONS OF SERVICE



TABLE OF CONTENTS

SECTION 1 INTRODUCTION

- 1.1 Identification of Distributor and Territory**
 - 1.1.1 Distribution Overview
- 1.2 Related Codes and Governing Laws**
- 1.3 Interpretations**
- 1.4 Amendments and Changes**
- 1.5 Contact Information**
- 1.6 Customer Rights**
- 1.7 Distributor Rights**
 - 1.7.1 Supply Equipment on the Customer’s Property
 - 1.7.2 Repair to Defective Customer Electrical Equipment and Physical Structures
 - 1.7.3 Right to Disconnect
- 1.8 Disputes**

SECTION 2 DISTRIBUTION ACTIVITIES (GENERAL)

- 2.1 Connections**
 - 2.1.1 Building that “Lies Along”
 - 2.1.1.1 Connections
 - 2.1.2 Expansions / Offer to Connect
 - 2.1.2.1 General
 - 2.1.2.2 Securities and Rebates related to Expansions
 - 2.1.3 Connection Denial
 - 2.1.4 Inspections Before Connections
 - 2.1.5 Relocation of Plant
 - 2.1.6 Easements
 - 2.1.7 Contracts and Agreements
 - 2.1.7.1 General
- 2.2 Disconnections**
 - 2.2.1 Disconnections & Reconnections – Process and Charges
 - 2.2.1.1 Non-Payment of Accounts
 - 2.2.1.2 Electrical Hazards or Disturbances
 - 2.2.2 Non-authorized Use of Energy
- 2.3 Conveyance of Electricity**
 - 2.3.1 Limitations on the Guarantee of Supply

TABLE OF CONTENTS

- 2.3.2 Power Quality
 - 2.3.2.1 Power Quality Testing
- 2.3.3 Electrical Disturbances
 - 2.3.3.1 Voltage Distortion from Customer Equipment
 - 2.3.3.2 System Disturbances
 - 2.3.3.3 Planned and Unplanned System Interruptions
- 2.3.4 Standard Voltage Offerings
 - 2.3.4.1 Supply Voltage
- 2.3.5 Voltage Guidelines
- 2.3.6 Back-up Generators
- 2.3.7 Metering
 - 2.3.7.1 General
 - 2.3.7.2 Demand Metering
 - 2.3.7.3 Interval Metering
 - 2.3.7.4 Meter Reading
 - 2.3.7.5 Final Meter Reading
 - 2.3.7.6 Faulty Registration of Meters
 - 2.3.7.7 Meter Dispute Testing

2.4 Tariffs and Charges

- 2.4.1 Service Connection Charges
- 2.4.2 Energy Supply
 - 2.4.2.1 Standard Service Supply (SSS)
 - 2.4.2.2 Retailer Supply
 - 2.4.2.3 Wheeling Charges
- 2.4.3 Deposits
 - 2.4.3.1 Security Deposit
- 2.4.4 Billing
- 2.4.5 Payments and Late Payment Charges

2.5 Customer Information

- 2.5.1 Historical Load Information
- 2.5.2 Access to Interval Metering Point

SECTION 3 CUSTOMER CLASS SPECIFIC

3.1 Residential Class

- 3.1.1 General
- 3.1.2 Overhead Supply
- 3.1.3 Underground Supply from Overhead Facilities
- 3.1.4 Underground Supply from Underground Facilities
- 3.1.5 Metering

3.2 General Service Class (includes General Service classes above and below 50kW and above 1000kW)

- 3.2.1 General
- 3.2.2 Overhead Supply

TABLE OF CONTENTS

- 3.2.3 Underground Supply
 - 3.2.3.1 from Road Allowance
 - 3.2.3.2 from Pad-Mounted Transformer
 - 3.2.3.3 from Transformer Vault
- 3.2.4 Supply from Customer Owned Transformation
 - 3.2.4.1 General
 - 3.2.4.2 Operating Control
 - 3.2.4.3 Supply Limitations
 - 3.2.4.4 Design Requirements
 - 3.2.4.5 Loadbreak Switches
 - 3.2.4.6 Transformers
 - 3.2.4.7 Pre-Service Testing
- 3.2.5 Temporary Services
- 3.2.6 Metering
 - 3.2.6.1 General
 - 3.2.6.2 Multi-unit Buildings
 - 3.2.6.3 Apartment Buildings
 - 3.2.6.4 Approval of Metering Assemblies and Switchgear
 - 3.2.6.5 Metering Cabinet and Socket Information
 - 3.2.6.6 Meter Location
 - 3.2.6.7 Primary Metered Services

3.3 New Residential Developments

- 3.3.1 Townhouse Developments
- 3.3.2 New Residential Subdivisions

3.4 Embedded Generation

- 3.4.1 Design Requirements

3.5 Embedded Market Participant

3.6 Embedded Distributor

3.7 Unmetered Connections

- 3.7.1 General

SECTION 4 GLOSSARY OF TERMS

SECTION 5 TABLES and APPENDICES

- Table 1 Demarcation Points and Charges for Connection Assets**
- Table 2 Available Voltages and Service Limitations**
- Table 3 Metering Cabinet and Socket Information**
- Table 4 Recommended Voltage Variation Limits**
- Appendix A Dispute Resolution Policy ADM-9**
- Appendix B General Service and Residential Service Deposit Policies**

Section 1 – INTRODUCTION

1 INTRODUCTION

The Ontario Energy Board (OEB) requires that each Distributor publish a Conditions of Service document following the template appended to the Distribution System Code (DSC). Guelph Hydro's Conditions of Service document has expanded on this template to encompass Guelph Hydro specific characteristics and requirements.

The purpose of this document is to inform customers of the types and levels of service available within the Guelph Hydro's service territory. The Conditions of Service document is also filed with the Ontario Energy Board (OEB) for the purpose of facilitating dispute resolutions.

1.1 Identification of Distributor and Territory

Guelph Hydro Electric Systems Inc. referred to herein as "Guelph Hydro" is incorporated under the laws of the Province of Ontario.

Guelph Hydro is licensed as a local distribution company by the Ontario Energy Board (OEB) to deliver electricity to Customers within the boundary of the City of Guelph.

Guelph Hydro may only operate distribution facilities within its Licensed Territory as defined in the Distribution License. This territory is subject to change with the OEB's approval.

1.1.1 Distribution Overview

Guelph Hydro distributes electricity through an integrated 13.8/8.0 kV three phase four wire primary distribution system.

The primary supply of electricity by Guelph Hydro to any Customer will generally be at 13.8/8.0 kV. This voltage can be stepped down to the Customer's utilization voltage in accordance with connection policies in **section 3**. For connection at a higher primary voltage, Guelph Hydro may carry out a special study to determine the feasibility and cost benefit of that higher distribution voltage delivery. The cost of this study may be charged to the Customer.

1.2 Related Codes and Governing Laws

The supply of electricity or related services by Guelph Hydro to any Customer shall be subject to the provisions of the latest editions of the following documents:

1. Electricity Act, 1998
2. Ontario Energy Board Act, 1998
3. Distribution License

Section 1 – INTRODUCTION

4. Affiliate Relationships Code
5. Transmission System Code
6. Distribution System Code
7. Retail Settlement Code
8. Standard Service Supply Code

In the event of a conflict between this document and the Distribution License or regulatory Codes issued by the OEB, or the Energy Competition Act, 1998, the provisions of the Act, the Distribution License and associated regulatory Codes shall prevail in the order of priority indicated above.

When planning and designing for an electricity service, Customers and their agents shall refer to all applicable federal, provincial, and municipal laws, regulations, codes and by-laws to ensure compliance with their requirements.

1.3 Interpretations

In these Conditions, 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; and
- Words referring to a gender include any gender.

1.4 Amendments and Changes

The provisions of these Conditions of Service and any amendments made from time to time form part of any Contract made between Guelph Hydro and any connected Customer, Retailer, or Generator, and these Conditions of Service supercedes all previous Conditions of Service, oral or written, of Guelph Hydro.

In the event of changes to these Conditions of Service, Guelph Hydro will include a notice with the normal Customer billing and will post these changes on the Guelph Hydro web site at www.guelphhydro.com.

The Customer or agent working on behalf of the Customer is responsible to contact Guelph Hydro to obtain a current version of the Conditions of Service. Guelph Hydro may charge a reasonable fee to provide a copy of this document.

1.5 Contact Information

Guelph Hydro can be contacted during regular business hours at (519) 822-3017 or such other numbers as Guelph Hydro may advise through its web site, invoices or otherwise. Normal business hours are Monday to Friday between 8:00 a.m. and 4:30 p.m. For emergencies after normal business hours, Guelph Hydro can be

Section 1 – INTRODUCTION

contacted at (519) 822-3010. The corporate mailing address is 104 Dawson Road, Guelph, Ontario N1H 1A7.

1.6 Customer Rights

The Customer has a right to receive safe reliable power in accordance with these conditions and subject to the latest editions of the various codes and laws as outlined in **section 1.2**.

1.7 Distributor Rights

1.7.1 Supply Equipment on the Customer's Property

The location of Guelph Hydro's supply equipment (ie. transformers, cable, switches and metering equipment) on the Customer's property is subject to the approval of Guelph Hydro and is to be located in a manner that does not create a safety hazard to Guelph Hydro's personnel, the Customer's employees or the general public. In addition, the location of transformers or other grade level equipment may be subject to applicable City of Guelph Zoning By-Laws and the Ontario Electrical Safety Code.

All Guelph Hydro equipment located on the Customer's property is in the care of the Customer and if damaged, other than by normal usage, the Customer will be charged for any repair or replacement cost. The Customer is responsible for providing and maintaining any physical protection in accordance with Guelph Hydro standards deemed necessary to protect Guelph Hydro's equipment.

The Customer shall not build, plant or maintain any structure, tree, shrub or landscaping that would or could obstruct access to and/or maintenance of Guelph Hydro equipment or facilities.

Only employees or agents of Guelph Hydro shall remove, replace, alter, repair, or inspect Guelph Hydro's equipment.

1.7.2 Repair of Defective Customer Electrical Equipment and Physical Structures

The Customer shall repair or replace any equipment or structures owned by the Customer that may affect the integrity or reliability of Guelph Hydro's distribution system. If the Customer does not take such action within a reasonable time, Guelph Hydro may disconnect the supply of power to the Customer. Guelph Hydro's policies and procedures with respect to the disconnection process are further described in these Conditions.

Section 1 – INTRODUCTION

1.7.3 Right to Disconnect

Guelph Hydro reserves the right to disconnect a Customer's service as described in **section 2.2**.

1.8 Disputes

To resolve disputes, Guelph Hydro will follow the procedures of the Guelph Hydro Policy ADM-9. A copy of the current policy is attached to these conditions as **Appendix A**.

Section 2 – DISTRIBUTION ACTIVITIES (GENERAL)

2 DISTRIBUTION ACTIVITIES (GENERAL)

2.1 Connections

Under the terms of the Distribution System Code, Guelph Hydro has the obligation to either connect or to make an offer to connect any Customer that lies in its service territory.

The Customer or their representative shall consult with the Technical Services Department of Guelph Hydro, well in advance of requiring a connection to determine the availability of supply, the servicing options and location, metering requirements and other details. These requirements are separate from and in addition to those of the Electrical Safety Authority.

2.1.1 Building that “Lies Along”

For the purpose of these Conditions "lies along" means a property or parcel of land that is directly adjacent to or abuts the public road allowance where Guelph Hydro has primary distribution facilities.

Under the terms of the Distribution System Code, Guelph Hydro has the obligation to connect a building or facility that “lies along” its distribution line, provided:

- a) The building can be connected to the Guelph Hydro’s distribution system without an Expansion or Enhancement; and
- b) The service installation meets the conditions listed in these Conditions of Service.

2.1.1.1 Connections

In general, Guelph Hydro may, depending on Customer Class, recover costs associated with the installation of “Connection Assets” via a Basic Connection Fee or a Variable Connection Charge, as further described below. Connection charges and available connection types for Residential and General Service class Customers are further described in **Section 3**. A Basic Connection is defined as the actual or equivalent costs to supply and install overhead distribution transformer capacity and up to 30 metres of overhead service conductor. Residential class Customers receive this Basic Connection without charge. Variable Connection Charges are based on 100% of actual costs to install connection assets. For Residential class Customers, the equivalent Basic Connection cost is deducted from these Variable Connection Charges. For General Service class Customers, only

Section 2 – DISTRIBUTION ACTIVITIES (GENERAL)

the base material cost of the transformer is deducted from these Variable Connection Charges unless otherwise indicated in these conditions.

2.1.2 Expansions / Offer to Connect

2.1.2.1 General

Under the terms of the Distribution System Code, should Guelph Hydro be required to construct new facilities to its distribution system or increase capacity of an existing distribution system in order to accommodate a connection, Guelph Hydro will perform an economic evaluation and make an “offer to connect”.

Guelph Hydro will perform an economic evaluation to determine if the future revenue from the Customer will pay for the capital and on-going maintenance costs of the Expansion project. The economic evaluation will be based on the Customer’s proposed load.

In performing the economic evaluation, should the Net Present Value (NPV) of future revenue not cover the expansion costs, a capital contribution in the amount of the shortfall is to be paid by the Customer.

Guelph Hydro’s offer will generally be based on an estimate of the costs to construct the expansion and not a firm offer. The final amount charged to the Customer will be based on actual costs following completion of the work. Guelph Hydro will calculate one estimate and the final payment at no expense to the Customer.

Where the offer to connect meets the conditions identified in the Distribution System Code, Guelph Hydro will inform the Customer that the Customer may obtain other bids from contractors pre-qualified by Guelph Hydro for this type of work.

2.1.2.2 Securities and Rebates related to Expansions

The Customer may be required to submit to Guelph Hydro a security deposit in the amount of the total estimated costs of the Expansion. This security deposit is in addition to any other charges or deposits and is to be paid prior to allocation of material by Guelph Hydro.

If after two (2) years from the connection date, the Customer’s actual average monthly peak demand is not equal to or within 10% of the Customer’s proposed load (winter/summer) of the project, Guelph Hydro will re-calculate the economic evaluation based on the Customer’s actual

Section 2 – DISTRIBUTION ACTIVITIES (GENERAL)

peak demand load to determine the shortfall as described under **section 2.1.2.1.**

If there is no shortfall, Guelph Hydro will refund the full security deposit plus any applicable earned interest. If there is a shortfall, Guelph Hydro will apply the security deposit to this amount and will refund any credit as applicable. If there is a net balance owing the Customer will be required to pay Guelph Hydro the outstanding balance.

In scenarios where Guelph Hydro installs new plant solely for the connection of a Customer, the Customer will be required to pay Guelph Hydro 100% of the calculated shortfall. If within 5 years of the connection date, new Customers (not originally projected) are connected to this new plant, the first Customer will be entitled to a rebate without interest based on an apportioned benefit for the remaining period.

2.1.3 Connection Denial

The Distribution System Code allows a Distributor to deny a connection of a building within its service territory 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 a Distributor's License;
- Adverse affect on the reliability and 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 material adverse effect on the quality of distribution services received by an existing connection;
- Discriminatory access to distribution services;
- Potential increases in monetary amounts that already are in arrears with the distributor; or
- Any other conditions documented in the Guelph Hydro's Conditions of Service document that are consistent with the conditions identified above and with the goals delineated in the Energy Competition Act, 1998.

Guelph Hydro will advise the party requesting the connection of the reasons for not connecting. Where Guelph Hydro is able to provide a remedy it will do so and then make an offer to connect. If Guelph Hydro is unable to provide a remedy to resolve the issue, it is the responsibility of the appropriate party to do so before a connection can be made.

Section 2 – DISTRIBUTION ACTIVITIES (GENERAL)

2.1.4 Inspections Before Connections

All electrical installations requiring a service connection from Guelph Hydro shall be inspected by and connection authorization received from the Electrical Safety Authority prior to being connected by Guelph Hydro. Where a service has been disconnected to permit repairs, or has been disconnected for a period of six months or longer, authorization from the Electrical Safety Authority is also required prior to reconnection.

All Guelph Hydro supply related facilities installed by the Customer such as trenches, conduit systems, transformer bases and rooms and provision for metering are subject to Guelph Hydro inspection and approval prior to installation of supply facilities.

2.1.5 Relocation of Plant

The placement of Guelph Hydro distribution facilities including poles, guying, surface mounted equipment and underground systems is governed by various acts, regulations, and easements. Unless the conditions for relocation are included under an act or regulation, Guelph Hydro is not obligated to relocate these facilities. However, if Guelph Hydro receives a request to relocate facilities, Guelph Hydro will make its best effort to resolve the issue in a fair and reasonable manner with associated costs being charged to the requesting party.

2.1.6 Easements

As a condition of service, the property owner may be required to grant an easement for the purpose of ensuring the right of access by Guelph Hydro personnel and equipment to facilities located on private property.

Where required, the Customer shall prepare and register at their expense a reference plan and associated easement documents to the satisfaction of Guelph Hydro prior to completing supply arrangements associated with a new connection. Details will be provided upon application for service.

2.1.7 Contracts and Agreements

2.1.7.1 General

The Customer may be required to enter into one or more of the following contracts or agreements with Guelph Hydro:

Section 2 – DISTRIBUTION ACTIVITIES (GENERAL)

- i. Application for Service – outlines terms and conditions associated with receiving electrical energy from Guelph Hydro. At this time, Guelph Hydro only requires General Service Customers to sign the agreement. Residential Customers are not required to sign an agreement.
- ii. Implied Contract - In all cases, notwithstanding the absence of a written contract, the taking and/or use of electricity from Guelph Hydro by any Person or Persons shall be deemed to be acceptance of a binding contract with Guelph Hydro, including the acceptance of all conditions established by Guelph Hydro from time to time.
- iii. Subdivision Servicing Agreement – outlines terms and conditions associated with servicing developments involving the creation of new lots, blocks and/or public road allowances.
- iv. Service Connection Agreement – outlines terms and conditions associated with servicing private developments.
- v. Operations Agreement – outlines terms and conditions associated with the Customer operating Customer owned primary equipment and/or Customer owned generating facilities in parallel with Guelph Hydro’s distribution system.

2.2 Disconnections

Guelph Hydro reserves the right to disconnect the delivery of electrical energy to a Customer for causes not limited to:

- i) Overdue amounts payable to Guelph Hydro for the delivery or retail of electricity;
- ii) Hazardous conditions; and
- iii) Electrical disturbance propagation caused by Customer equipment that is not corrected in a timely fashion.

2.2.1 Disconnections & Reconnections – Process and Charges

2.2.1.1 Non-Payment of Accounts

Immediately following the due date, steps will be taken to collect the full amount of the bill. If the bill is still unpaid 30 calendar days after the due date and 7 calendar days after a disconnect notice has been given to the Customer, the service may be disconnected and not restored until satisfactory payment arrangements have been made, including costs of reconnection. Such discontinuance of service does not relieve the Customer of the liability for arrears or minimum bills for the balance for the term of contract, nor shall Guelph Hydro be liable for any damage on

Section 2 – DISTRIBUTION ACTIVITIES (GENERAL)

the Customer's premise resulting from such discontinuance of service. Disconnect notices will be in writing and hand delivered.

2.2.1.2 Electrical Hazards or Disturbances

Upon discovery that an electrical hazard or disturbance (see **section 2.3.3.1**) exists involving Customer owned facilities, Guelph Hydro will notify the Customer to rectify the condition. Should, in the opinion of Guelph Hydro, the hazard have the potential of causing injury to persons or further damage to equipment, little or no notice will be given before Guelph Hydro disconnects the service. Where the hazard or disturbance does not have an immediate potential of causing injury to persons or further damage to equipment, the Customer will be given a reasonable amount of time to correct the condition. Should the Customer fail to correct the condition, Guelph Hydro may:

- a) Request the Electrical Safety Authority investigate the hazard if applicable to the Ontario Electrical Safety Code. Any associated inspection costs will be directed to the Customer; or
- b) Proceed with disconnecting the service where the condition relates to an electrical hazard or disturbance which does not fall under the Electrical Safety Authority's jurisdiction.

Once disconnected, the service will not be restored until satisfactory arrangements to correct the condition have been made including where applicable, clearance is received from the Electrical Safety Authority. Guelph Hydro shall not be liable for any damage on the Customer's premise resulting from such discontinuance of service. Disconnect notices will be in writing and hand delivered.

2.2.2 Non-authorized Use of Energy

Guelph Hydro reserves the right to disconnect the delivery of electrical energy to a Customer for such actions as energy diversion, fraud or abuse on the part of the Customer, a tenant or occupant. Such service will not be reconnected until the Customer rectifies the condition and provides full payment costs of energy used (estimated or actual) as well as costs related to the disconnection, reconnection and repair of Guelph Hydro facilities as needed.

Once disconnected, the service will not be restored until satisfactory arrangements to correct the condition have been made including where applicable, clearance is received from the Electrical Safety Authority. Guelph

Section 2 – DISTRIBUTION ACTIVITIES (GENERAL)

Hydro shall not be liable for any damage on the Customer's premise resulting from such discontinuance of service. Disconnect notices will be in writing and hand delivered.

2.3 Conveyance of Electricity

2.3.1 Limitations on the Guarantee of Supply

Guelph Hydro will endeavour to use reasonable diligence in providing a regular and uninterrupted supply but does not guarantee a constant supply or the maintenance of unvaried frequency or voltage and will not be liable in damages to the Customer by reason of any failure in respect thereof.

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 on 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.

2.3.2 Power Quality

2.3.2.1 Power Quality Testing

In response to a Customer power quality concern, where the utilization of electric energy adversely affects the performance of electrical equipment, Guelph Hydro will perform investigative analysis to attempt to identify the underlying cause. Depending on the circumstances, this may include review of relevant power interruption data and/or use of power measurement tools. Connection of power measurement tools will be at the demarcation point or nearest safely accessible point of connection.

Upon determination by Guelph Hydro that the power quality concern is deemed to be a system delivery issue where industry standards are not being met, Guelph Hydro will recommend and/or take appropriate mitigation measures. Guelph Hydro will use appropriate industry standards (such as IEC, IEEE or CSA standards) and good utility practice as a guideline. If the problem lies on the Customer side of the system and provided the problem does not impact on other Customers connected to the system, Guelph Hydro will take no further action.

Section 2 – DISTRIBUTION ACTIVITIES (GENERAL)

2.3.3 Electrical Disturbances

2.3.3.1 Voltage Distortion from Customer Equipment

The Customer shall not connect electrical equipment, which may produce an undesirable system disturbance. Examples of equipment, which may cause disturbances either individually or collectively are large motors, welders, variable speed drives and other non-linear loads. In planning the installation of such equipment, the Customer is required to consult with Guelph Hydro.

If the Customer's use of electrical energy interferes with the electrical energy supplied to other Customers, Guelph Hydro reserves the right to disconnect the supply to the Customer causing the interference. Reasonable notice will be given before disconnection unless the interference is, in the opinion of Guelph Hydro, intolerable. The Customer will be responsible to correct the problem at their cost and to Guelph Hydro's satisfaction before the supply is reconnected.

To ensure the distribution system is not adversely affected, non-linear loads must comply with IEEE Standard 519-1992 including a limit on individual voltage harmonic distortion of 3% and Total Harmonic Distortion of 5%.

2.3.3.2 System Disturbances

Normal operation of an electrical distribution system includes capacitor bank and feeder switching, both of which may create transient over-voltages which may cause operating difficulties on some computer controlled processes. The Customer should consult with the manufacturer of their equipment regarding steps to mitigate these disturbances.

2.3.3.3 Planned and Unplanned System Interruptions

Guelph Hydro's operating practice is to minimize inconvenience to Customers. However, situations may arise which make it necessary to interrupt a Customer's supply. To permit work on the distribution system to be completed safely and efficiently, Guelph Hydro will endeavor to provide the Customers with reasonable notice and, where practical, make arrangements suitable to the Customer. Notice may not be given where work is of an emergency nature involving public safety or damage to equipment. Guelph Hydro's electrical distribution system also incorporates a number of automated features, which will interrupt power

Section 2 – DISTRIBUTION ACTIVITIES (GENERAL)

in response to a system problem. Most interruptions are momentary to clear transient faults on overhead lines thereby avoiding a prolonged interruption.

2.3.4 Standard Voltage Offerings

2.3.4.1 Supply Voltage

See **Table 2** for available supply voltages and service limitations.

2.3.5 Voltage Guidelines

Guelph Hydro maintains service voltage at the Customer's service entrance within the guidelines of CSA Standard CAN3-C235-87 (latest edition) which allows variations from nominal voltage in accordance with **Table 4**.

Where voltages lie outside the indicated limits for Normal Operating Conditions but within the indicated limits for Extreme Operating Conditions, improvement or corrective action should be taken on a planned and programmed basis, but not necessarily on an emergency basis. Where voltages lie outside the indicated limits for Extreme Operating Conditions, improvement or corrective action should be taken on an emergency basis. The urgency for such action will depend on many factors such as the location and nature of load or circuit involved, the extent to which limits are exceeded with respect to voltage levels and duration, etc.

Guelph Hydro will practice reasonable diligence in maintaining voltage levels, but is not responsible for variation in voltage as a result of external forces. Guelph Hydro shall not be liable for any delay or failure in the performance of its obligations under any part of these Conditions due to any events or other causes beyond Guelph Hydro's reasonable control including, without limitation, the actions of a transmitter or other distributor, unusually severe weather, flood, fire, lightning, other forces of nature, acts of animals, epidemic, quarantine restriction, war, sabotage, act of a public enemy, earthquake, insurrection, riot, civil disturbance, strike, restraint by court order or public authority, or action or non-action by or inability to obtain authorization or approval from any governmental authority, or any combination of these causes (Force Majeure).

2.3.6 Back-up Generators

Customers with portable or permanently connected generation shall comply with all applicable criteria of the Ontario Electrical Safety Code and in

Section 2 – DISTRIBUTION ACTIVITIES (GENERAL)

particular, shall ensure that Customer emergency generation is not capable of being operated in parallel with Guelph Hydro's distribution system without Guelph Hydro approved interface protection. See **section 3.4** for embedded generation requirements.

2.3.7 Metering

2.3.7.1 General

Guelph Hydro will supply, install, own, and maintain all meters, instrument transformers (except Customer installed metering facilities where specified in these Conditions), ancillary devices, and secondary wiring required for revenue metering. Guelph Hydro will provide specific meter types by Customer. Customers with metering requirements not normally provided in their class will be charged for the additional metering facilities.

As a condition of service, the Customer shall make provision for revenue metering facilities including providing a convenient and safe location satisfactory to Guelph Hydro, for the installation of meters, wires and ancillary equipment. See **section 3** for technical standards.

No person, except those authorized by Guelph Hydro, shall remove, connect, or otherwise interfere with meters, wires, or ancillary equipment.

2.3.7.2 Demand Metering (replaces *Current Transformer Boxes in appendix A of the DSC*)

In general, demand meters will be installed for all new or upgraded services equal to or greater than 100 Amperes at 600 volts or 400 Amperes at 208 volts or existing Customers with consumption greater than 200 MWh over the previous 12 months.

2.3.7.3 Interval Metering

In general, interval meters will be installed for all new or upgraded services equal to or greater than 600 Amperes at 600 volts or existing Customers with loads greater than 300 kW average monthly peak demand over the previous 12 months. In the event that an interval metered Customer's average monthly peak demand over the previous 12 months has moved below 240 kW, interval metering is no longer required. The interval meters will be

Section 2 – DISTRIBUTION ACTIVITIES (GENERAL)

removed by Guelph Hydro unless the meter had been previously paid for by the Customer or the Customer requests the meter remain and reimburses Guelph Hydro for the meter costs.

Customers requesting to be or required to be on interval meters shall provide Guelph Hydro access to a telephone line as outlined in Guelph Hydro standard ME3-1.

2.3.7.4 Meter Reading

The Customer shall provide or arrange free, safe and unobstructed access during regular business hours to any authorized representative of Guelph Hydro for the purpose of meter reading, meter changing, or meter inspection. Where premises are closed during Guelph Hydro's normal business hours, the Customer shall, on reasonable notice, arrange such access at a mutually convenient time.

2.3.7.5 Final Meter Reading

When a service is no longer required, the Customer shall provide sufficient notice of the date the service is to be discontinued so that Guelph Hydro can obtain a final meter reading as close as possible to the final reading date. The Customer shall provide access to Guelph Hydro or its agents for this purpose. If a final meter reading is not obtained, the Customer shall pay a sum based on an estimated demand and/or energy for electricity used since the last meter reading.

2.3.7.6 Faulty Registration of Meters

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, Industry Canada. Guelph Hydro's revenue meters are required to comply with the accuracy specifications established by the regulations under the above Act.

In the event of incorrect electricity usage registration, Guelph Hydro will determine the correction factors based on the specific cause of the metering error and the Customer's electricity usage history. The Customer shall pay for all the energy supplied based on the reading of any meter formerly or subsequently installed on the premises by Guelph Hydro, due regard being given to any change in the character of the installation and/or

Section 2 – DISTRIBUTION ACTIVITIES (GENERAL)

the demand. If Measurement Canada, Industry Canada determines that the Customer was overcharged, Guelph Hydro will reimburse the Customer for the amount incorrectly billed.

If the incorrect measurement is due to reasons other than the accuracy of the meter, such as incorrect meter connection, incorrect connection of auxiliary metering equipment, or incorrect meter multiplier used in the bill calculation, the billing correction will apply for the duration of the error. Guelph Hydro will correct the bills for that period in accordance with the regulations under the Act.

2.3.7.7 Meter Dispute Testing

Metering inaccuracy is an extremely rare occurrence. Most billing inquiries can be resolved between the Customer and Guelph Hydro without resorting to the meter dispute test.

Either Guelph Hydro or the Customer may request the service of Measurement Canada to resolve a dispute. If the Customer initiates the dispute, Guelph Hydro will charge the Customer a meter dispute fee if the meter is found to be accurate by Measurement Canada.

2.4 Tariffs and Charges

2.4.1 Service Connection Charges

Guelph Hydro will recover costs associated with connection assets as outlined in **section 2.1** and **section 3**.

2.4.2 Energy Supply

2.4.2.1 Standard Service Supply (SSS)

All existing Guelph Hydro Customers are Standard Service Supply (SSS) Customers until Guelph Hydro is informed of their switch to a competitive electricity supplier. The Service Transfer Request (STR) must be made by the Customer or the Customer's authorized retailer.

New Customers wishing to obtain a connection for the supply of electrical energy from Guelph Hydro shall comply with **section 2.4.1** of this document.

Section 2 – DISTRIBUTION ACTIVITIES (GENERAL)

2.4.2.2 Retailer Supply

At the request of a Customer, Guelph Hydro will provide a list of retailers who have Service Agreements in effect within its distribution territory. The list will inform the Customer that an alternative retailer does not have to be chosen in order to ensure that the Customer receives electricity and the terms of service that are available under Standard Supply Service.

Customers transferring from Standard Service Supply (SSS) to a retailer shall comply with the Service Transfer Request (STR) requirements as outlined in sections 10.5 through 10.5.6 of the Retail Settlement Code.

All requests shall be in an electronic file transmitted by way of a regulated HUB. Such Service Transfer Request (STR) shall contain information as set out in section 10.3 of the Retail Settlement Code.

If the information is incomplete, Guelph Hydro shall notify the retailer or Customer about the specific deficiencies and await a reply before proceeding to process the transfer request.

2.4.2.3 Wheeling Charges

All Customers considering delivery of electricity through the Guelph Hydro distribution system are required to contact Guelph Hydro for technical requirements and applicable tariffs.

2.4.3 Deposits

2.4.3.1 Security Deposit

General Service and Residential Service Customers are required to pay a security deposit in accordance with Guelph Hydro policies attached to these conditions as **Appendix B**.

2.4.4 Billing

Guelph Hydro may, at its option, render bills to its Customers on either a monthly, bi-monthly, quarterly or annual basis. Bills for the use of electrical energy may be based on either a metered rate or a flat rate, as determined by Guelph Hydro.

A Customer may elect totalized billing for multiple services provided all of the following conditions are met:

Section 2 – DISTRIBUTION ACTIVITIES (GENERAL)

- The premises and businesses are situated on one contiguous parcel of land i.e. not separated by public roadway;
- All premises are under one ownership;
- The services are supplied and metered at the same voltage class;
- The meters are of the interval type, allowing logical totalization of the coincident demands. If interval meters are not already in place, the Customer will install the necessary equipment, at the Customer's cost, to Guelph Hydro specifications; and
- The Customer meets the requirements of this document for having more than one metered service.

2.4.5 Payments and Late Payment Charges

Bills are payable in full by the due date; otherwise, a late payment charge will apply. Where a Customer makes a partial payment on or before the due date, the late payment penalty will apply only to the amount of the bill outstanding at the due date, inclusive of arrears from previous billings. In the event of partial payment by a Customer, payments shall be allocated by the portions of the bill covering competitive and non-competitive electricity costs based on the ratios of the amount billed for competitive and non-competitive costs.

Outstanding bills are subject to the collection process and may ultimately lead to the service being discontinued. Service will be restored once satisfactory payment has been made. Discontinuance of service does not relieve the Customer of the liability for arrears.

Guelph Hydro shall not be liable for any damage on the Customer's premises resulting from such discontinuance of service. A reconnection charge will apply where the service has been disconnected due to non-payment.

The Customer will be required to pay additional charges for the processing of non-sufficient fund (NSF) cheques.

Section 2 – DISTRIBUTION ACTIVITIES (GENERAL)

2.5 Customer Information

2.5.1 Historical Load Information

Guelph Hydro will only provide historical load data and other account information to a third party with the written authorization of the Customer. The historical load data will be limited to a maximum of the previous two years' history, where available. The reports provided will be in a standard format determined by Guelph Hydro. Fees for this service may apply.

2.5.2 Access to Interval Metering Point

A Customer may request read only access to an interval metering point where it exists. The Customer shall provide and maintain a communication link to the metering point for remote interrogation by both Guelph Hydro and the Customer.

An agreement shall be signed by the Customer to cover all the terms and conditions associated with being given read only access including payment of applicable setup and installation costs and/or fees.

Section 3 – CUSTOMER CLASS SPECIFIC

3 CUSTOMER CLASS SPECIFIC

3.1 Residential Class

3.1.1 General

This section applies to the delivery of electrical energy to detached, semi-detached and freehold townhouse units that lie along a public road allowance.

For the purpose of these Conditions:

- Apartment buildings are considered as General Service Class connections;
- Townhouse sites or other private developments where individual units are serviced internally (ie. not directly from a public road allowance) are considered as connections and will require a Service Connection Agreement between Guelph Hydro and the Developer; and
- Residential subdivisions involving creation of new lots, blocks and/or public road allowances are considered as expansions and will require a Subdivision Servicing Agreement between Guelph Hydro and the Developer.

The Customer or his agent is to consult with Guelph Hydro in advance of requiring power to ensure supply facilities are available and to obtain a "Service Layout" which will identify the meter location and any other servicing instructions. Detached and semi-detached residences and freehold townhouses are permitted one point of supply per unit.

All new developments consisting of three (3) or more adjacent lots or all new developments within areas having existing underground facilities will be supplied from an underground system.

3.1.2 Overhead Supply

Overhead supply may be available in areas with existing overhead distribution lines, provided such connections may be made without crossing other properties. In all other cases an underground supply will be required. Guelph Hydro will provide the Basic Connection or an allowance for the equivalent as defined in **section 2.1.1.1** at no cost to the Customer. Supply facilities in excess of the above may be installed by Guelph Hydro or the Customer. Facilities installed by Guelph Hydro will be based on the Variable Connection Charge. Facilities installed by the Customer are to comply with the requirements of the Ontario Electrical Safety Code and Guelph Hydro standards.

Section 3 – CUSTOMER CLASS SPECIFIC

3.1.3 Underground Supply from Overhead Facilities

The Customer shall provide a trench and conduit system from the property line to the building as per standard 1000582-STD-B for services not in excess of 200 Amperes. Alternatively, Guelph Hydro can provide the trench and conduit on a chargeable basis.

Guelph Hydro will supply and install facilities on the road allowance and all secondary conductor. The Customer will be charged actual costs for these facilities including any restoration less the Basic Connection allowance as defined in **section 2.1.1.1**.

3.1.4 Underground Supply from Underground Facilities

Guelph Hydro will supply and install service conductor and trench from the road allowance to each residential unit at no additional cost to the Customer, provided the conditions of the original subdivision servicing agreement are met. Additional cost may be applicable for installations involving frost conditions, service cables in excess of 30 metres, work around obstructions, services in excess of 200 Amperes or additional residential units not provided for in the original subdivision servicing agreement.

3.1.5 Metering

The meter shall be located in a Guelph Hydro approved location 1.0 metre from the front corner of the building. Locations where 1.0 metre is not practical due windows, porches or other obstructions will be reviewed by Guelph Hydro on an individual basis. Notwithstanding the above, no location shall exceed 3 metres from the front corner of the building. The mounting height above finished grade shall be 1.7 metres to the centre of the meter.

The Customer shall provide a socket type meter base with a minimum rating of 100 Amperes for overhead services and 200 Amperes for underground services.

Meters for blocks of condominium townhouses are to be located on an end wall in a location approved by Guelph Hydro. Meter bases are to consist of dual gang socket type for pairs of units and shall clearly and permanently identify each meter location with the associated unit number.

Section 3 – CUSTOMER CLASS SPECIFIC

3.2 General Service Class

3.2.1 General

This section applies to the delivery of electrical energy to Industrial, Commercial and Apartment buildings.

All individual properties will be permitted one point of supply at a specific voltage. Special consideration may be given to large developments involving multiple buildings or other applications where a single point of supply is not practical. Where permitted, multiple pad-mounted transformers or vaults on a single development are to be interconnected between two points of connection on the primary distribution system (looped system).

The Customer shall construct or install civil infrastructure including but not limited to underground conduit systems, cable chambers, and transformer room, vault or base on private property that is deemed required by Guelph Hydro to facilitate the service connection. The civil infrastructure shall be constructed in accordance with Guelph Hydro's current standards, practices and specifications and are subject to Guelph Hydro's inspection and acceptance.

Alternatively, the Customer may request that Guelph Hydro complete the civil infrastructure that forms part of Guelph Hydro's Connection Assets on private property. The Customer shall be responsible for all costs as part of the Variable Connection Charge.

The Customer is responsible for repairing civil infrastructures required by Guelph Hydro to facilitate the service connection that are on the Customer's property and that forms part or is part of the Customer's Building / Structure / Facility and/or for costs where repairs are completed by Guelph Hydro

All connection costs associated with General Service Class service connection are recovered from the Customer through a Basic Connection fee or Variable Connection Charge as outlined in **section 2.1.1.1**.

To initiate Guelph Hydro's design process and to ensure the Customer's needs are properly met, the Customer shall provide the following information:

Section 3 – CUSTOMER CLASS SPECIFIC

- i. An electrical single line drawing including metering facilities;
- ii. An architectural and electrical site plan showing the Customer's preferred transformer location when applicable;
- iii. Details of electrical room; and
- iv. Detailed load information.

3.2.2 Overhead Supply

Overhead supply may be available in areas with existing overhead distribution lines, provided such connections may be made without crossing other properties. In all other cases an underground supply will be required.

3.2.3 Underground Supply

3.2.3.1 from Road Allowance

The Customer shall provide a conduit system to the property line from the supply side of the service main in accordance with standard 02173-STD.

Guelph Hydro will supply and install underground facilities on the road allowance and service cable.

3.2.3.2 from Pad-Mounted Transformer

The Customer shall provide conduit system on private property, service cable and transformer base complete with grounding, guard posts and/or protective barriers (where specified by Guelph Hydro) in accordance with the following standards:

- i. 01551-MS - Concrete Base for Low Profile Single Phase Pad-Mount Transformer
- ii. 01720-STD - Three Phase Transformer Enclosure Base
- iii. 01979-STD-A - Guard Posts for Three Phase Pad- Mount Transformer
- iv. 01979-STD-B - Guard Posts for Single Phase Pad- Mount Transformer

Guelph Hydro will supply and install the transformer, connectors for the service cable, primary cable and all facilities on the road allowance.

The transformer shall be located on the Customer's property in a location approved by Guelph Hydro. In general the location shall be:

Section 3 – CUSTOMER CLASS SPECIFIC

- i. Within 3.0 metres of a driveway accessible to Guelph Hydro vehicles;
- ii. In accordance with the Ontario Electrical Safety Code; and
- iii. Approved by the City of Guelph if located within the setback area as defined in the local Zoning By-Laws.

3.2.3.3 from Transformer Vault

The Customer shall provide conduit system on private property and transformer vault in accordance with standard 02186-STD and the Ontario Building Code.

The transformer vault shall be located at grade level with direct access to a driveway accessible to Guelph Hydro vehicles.

Guelph Hydro will supply and install supply facilities including transformers, secondary cable to the bus stub, primary cable, fusing, switching and all facilities on the road allowance.

3.2.4 Supply from Customer Owned Transformation

3.2.4.1 General

This section applies to the delivery of energy to Customer owned substations including transformer(s) and associated primary switchgear.

The Customer shall provide conduit system on private property, substation and associated equipment. Guelph Hydro will supply and install underground facilities on the road allowance and primary cable.

Substations supplied directly by Guelph Hydro cable must be located in a manner which will allow Guelph Hydro's personnel and equipment clear and direct access at all times.

3.2.4.2 Operating Control

Guelph Hydro will install Guelph Hydro locks on all high voltage Customer owned devices and retain operating control unless the Customer enters into an Operations Agreement. Notwithstanding the above, Guelph Hydro will retain operating control of main incoming and tie loadbreak switches of substations fed from multiple Guelph Hydro supplies (looped system) and all revenue metering facilities including the compartment for metering transformers.

Section 3 – CUSTOMER CLASS SPECIFIC

3.2.4.3 Supply Limitations

Customers requiring transformer capacity in excess of 5000 kV.A will require additional points of connection to Guelph Hydro's distribution system. The maximum transformer capacity permitted for each point of connection is 5000 kV.A. Standard 02161-STD illustrates examples of typical supply arrangements and associated limits.

3.2.4.4 Design Requirements

In addition to the design requirements identified in **section 3.2.1**, the Customer shall provide the following information:

- i. An electrical single line drawing showing all primary and secondary voltage facilities including any interlocking schemes, rating of protective devices or fuses, primary and secondary switchgear and metering facilities;
- ii. Manufacturer's drawings for switchgear complete with foundation details and nameplate information for the transformer;
- iii. Layout of substation including fences, enclosures, equipment placement and grounding; and
- iv. A coordination study of all levels of protective devices is to be performed. The time-current characteristics shall be plotted on a log-log graph paper and submitted for Guelph Hydro's review.

3.2.4.5 Loadbreak Switches

All loadbreak switches shall have lockable operating mechanisms. Tie switches on looped systems shall not be interlocked with the main incoming switches. Open points on looped systems will be determined and controlled by Guelph Hydro and are subject to change without notice.

All switchgear, device configuration and fuse sizes or relay settings are subject to review and approval by Guelph Hydro's Engineering Department.

Device nomenclature and its location will be determined by Guelph Hydro upon receiving switchgear drawings. Nomenclature plates shall consist of "lamicoid" type labels with 25 millimetre high lettering and mounted with rivets or self-tapping screws.

Section 3 – CUSTOMER CLASS SPECIFIC

3.2.4.6 Transformers

Transformers exceeding 1500 kV.A shall be connected Delta-Wye. Transformers with a WYE connected primary winding where permitted shall have an exposed H0 bushing with removable ground strap.

Transformers shall be manufactured to comply with CSA standard C802 (latest edition) when the service metering is located on the load side of the transformer.

3.2.4.7 Pre-Service Testing

Prior to energizing the Customer's substation, a Pre-Service Report shall be prepared in accordance with Guelph Hydro Specification PS1-1 and submitted to Guelph Hydro for review. A contractor who is qualified to perform high voltage testing shall prepare this report. All testing shall be performed after the substation has been assembled and installed on the site. Guelph Hydro shall be given adequate notice to permit witnessing of test procedures.

3.2.5 Temporary Services

Temporary services may be supplied overhead or underground subject to supply facilities and standards as outlined under **section 3.2**. All connection and removal costs associated with temporary service connections are recovered from the Customer through a Basic Connection fee or Variable Connection Charge as outlined in **section 2.1.1.1**.

3.2.6 Metering

3.2.6.1 General

Guelph Hydro will meter the Customer's service at the utilization voltage except for primary metered services as described in **section 3.2.6.7**.

Every metered service or sub-service must have a separate disconnecting device with provision for locking. Metering facilities will be installed on the load side of and adjacent to the disconnecting device for all three-phase services and 240/120 volt services greater than 200 Amperes.

Meter locations are subject to approval by Guelph Hydro. Metering facilities shall not be located in an environment that could be hazardous to Guelph Hydro personnel or equipment. Metering facilities are to be located in an electrical room or contained in appropriate cabinets.

Section 3 – CUSTOMER CLASS SPECIFIC

3.2.6.2 Multi-unit Buildings

To qualify for a separate meter, a unit must be a defined rentable area.

Any adjoining units having a common tenant or occupant are to be supplied by a single meter where practical.

All multiple metering installations are to be contained within an approved electrical room.

The Customer shall provide a floor plan identifying the unit numbers prior to the meters being installed and shall clearly and permanently identify each individual disconnect and meter location with the associated unit number.

Metering for large plazas with multiple supplies shall have the metering grouped with relationship to the supply transformer.

3.2.6.3 Apartment Buildings

As an alternative to an electrical room, a closet with access from a common area may be provided. Metering for very large apartment buildings may be grouped by floors.

The Customer will be charged for the cost of single phase, 208Y/120 volt network type meters.

Small apartment buildings will be permitted up to four grouped meters in an outdoor location without a main disconnecting device providing the main incoming service entrance capacity does not exceed 200 amperes.

3.2.6.4 Approval of Metering Assemblies and Switchgear

Where manufactured switchgear is to be installed, copies of the manufacturer's drawings must be submitted to Guelph Hydro for review with sufficient notice to permit Guelph Hydro to forward current transformers to the manufacturer for installation. Should sufficient notice not be provided, any costs associated with the installation of the current transformers will be chargeable to the development.

3.2.6.5 Metering Cabinet and Socket Information

The Customer shall provide meter bases or cabinets in accordance with **Table 3**.

Section 3 – CUSTOMER CLASS SPECIFIC

Cabinets shall be installed in accordance with standards 01715-STD and 01716-STD complete with metal tabs for locking and removable steel backplate.

Guelph Hydro will supply and install connectors on the cable and make connections to the current transformers.

3.2.6.6 Meter Location

A minimum clear clearance of 1.0 metre is to be maintained in front of meter cabinets and meters at all times.

Access to electrical rooms containing metering facilities shall be direct to the exterior of the building or to a common area and shall not be obstructed in any manner. The Customer shall provide a key to the electrical room and any additional doors necessary for the purpose of gaining access to the electrical room. As an alternative, the Customer may mount a key safe provided by Guelph Hydro for containing the appropriate keys on or adjacent to the door(s) in accordance with standard 01872-STD .

Electrical rooms or the space allocated to contain the electrical metering facilities shall have a minimum ceiling height of 2.1 metres and shall include lights with switch and duplex receptacle. The room shall not be used for storage in any manner. Meter locations shall be free from, or protected against, the adverse effects of moving machinery, vibration, dust, moisture or fumes.

3.2.6.7 Primary Metered Services

The Customer shall supply and install all primary metering current and potential transformers.

Current and potential transformers shall have Measurement Canada approval for revenue metering applications. Test cards shall be supplied to Guelph Hydro before connection.

The Customer shall provide three current transformers sized to accommodate the connected and any future loads with one per phase. The ratio selected shall be approved by Guelph Hydro.

The Customer shall provide three potential transformers with ratios of 8400:120 volts. The installation shall include fuses complete with three spares and a rollout carriage.

Section 3 – CUSTOMER CLASS SPECIFIC

The metering cabinet is to be located not more than 10 metres from the metering transformers. For distances in excess of 10 metres, Guelph Hydro shall verify that the total burden of the metering circuit does not exceed the rated burden of the metering transformer.

Where possible, metering facilities are to be located indoors. However, where this is not practical, the Customer shall provide a weatherproof cabinet which is not to be located within the fenced enclosure of outdoor substations. Outdoor cabinets where permitted shall include a duplex receptacle and heater.

The Customer may be required to pre-wire the metering circuits from the instrument transformers to the metering cabinet in certain installations in accordance with Guelph Hydro standards.

3.3 New Residential Developments

3.3.1 Townhouse Developments

Townhouse sites and other private developments where individual units are serviced internally (i.e. not directly from a public road allowance) are considered as connections and will require a Service Connection Agreement between Guelph Hydro and the Developer.

Where Guelph Hydro installs the distribution facilities within the development, the cost of installing these facilities, less an allowance based on the equivalent of a Basic Connection to each residential unit, as defined in **section 2.1.1.1**, shall be paid for by a capital contribution from the Developer.

The Developer may undertake the expansion work within the development provided such work does not involve existing Guelph Hydro distribution system facilities. All material supplied and work performed shall be in accordance with Guelph Hydro specifications and the terms of the Service Connection Agreement. All design work including service locations and trench routes will be performed by Guelph Hydro.

3.3.2 New Residential Subdivisions

New residential subdivisions involving the creation of new lots, blocks and municipal roadways are treated as Non-Residential Class Customers and will require a subdivision servicing agreement between Guelph Hydro and the Developer.

Section 3 – CUSTOMER CLASS SPECIFIC

Guelph Hydro will perform an economic evaluation in accordance with **section 2.1.2.1** to identify any shortfall relating to the cost of the required expansion work, and this shortfall shall be paid for by a capital contribution from the Developer. The Developer will provide financial security sufficient to cover the cost of facilities being installed until the individual residential services are connected.

Where a capital contribution is required, the Developer may undertake the expansion work within the development provided such work does not involve existing Guelph Hydro distribution system facilities. All material supplied and work performed shall be in accordance with Guelph Hydro specifications and the terms of the subdivision servicing agreement. All design work including service locations and trench routes will be performed by Guelph Hydro.

3.4 Embedded Generation

Operation of a Customer's embedded generator shall not endanger workers or jeopardize public safety, or adversely affect or compromise equipment owned or operated by Guelph Hydro, or the security, reliability and the quality of electrical supply to other Customers connected to Guelph Hydro's distribution system.

When the Customer connects an embedded generator to the Guelph Hydro's distribution system, an interface protection system shall be provided to minimize the severity and extent of disturbances to the Guelph Hydro's distribution system and to minimize the effect on other Customers. Guelph Hydro may require this protection to include a transfer-trip scheme tied to the Guelph Hydro distribution feeder protection. The interface protection shall be capable of automatically isolating the generator(s) from the Guelph Hydro's distribution system and is subject to review and acceptance by Guelph Hydro. Further Guelph Hydro may require the ability to monitor the status of the protection components at the generator.

The generating facilities shall be constructed in accordance with the Ontario Electrical Safety Code and Guelph Hydro requirements including Appendix F (Process for Connecting an Embedded Generator) of the Distribution System Code. The Customer will be required to enter into an Embedded Generation Agreement for operating the generating facilities in parallel with Guelph Hydro's distribution system.

3.4.1 Design Requirements

The Customer shall provide the following information:

Section 3 – CUSTOMER CLASS SPECIFIC

- i. An electrical single line drawing showing all primary and secondary voltage facilities connected to the generator(s) including any interlocking schemes, rating of protective devices or fuses, primary and secondary switchgear and metering facilities;
- ii. Trip settings and delays at the interface devices;
- iii. Layout of generating facilities including all associated switchgear and metering facilities; and
- iv. A coordination study of all levels of protective devices is to be performed. The time-current characteristics shall be plotted on a log-log graph paper and submitted for Guelph Hydro’s review.

3.5 Embedded Market Participant

Under the “Market Rules for the Ontario Electricity Market” section 1.2.1, “No persons shall participate in the IMO-administered markets or cause or permit electricity to be conveyed into, through or out of IMO-controlled grid unless that person has been authorized by the IMO to do so”.

All Embedded Market Participants, within the service jurisdiction of Guelph Hydro, once approved by the IMO are required to inform Guelph Hydro of their approved status in writing, 30 days prior to their participation in the Ontario Electricity Market.

3.6 Embedded Distributor

The terms and conditions applicable to the connection of an Embedded Distributor shall be defined in the Connection Agreement with Guelph Hydro. This agreement is to be negotiated and executed prior to any connections to Guelph Hydro’s distribution system.

All embedded distributors within the service jurisdiction of Guelph Hydro are required to inform Guelph Hydro of their status, in writing, 30 days prior to the supply of energy.

3.7 Unmetered Connections

3.7.1 General

At Guelph Hydro’s discretion, very small loads may be serviced without meters. Examples of typical unmetered services are traffic and pedestrian signals, Cable TV power supplies and bus shelters.

Section 3 – CUSTOMER CLASS SPECIFIC

The Customer shall provide a detailed list of connected loads for unmetered services. Energy consumption will be calculated using the estimated connected loads over the total hours of the bill period.

Unmetered services may be supplied overhead or underground subject to supply facilities and standards as outlined under **section 3.2**. All connection costs associated with unmetered service connections are recovered from the Customer through a Basic Connection fee or Variable Connection Charge as outlined in **section 2.1.1.1**.

Section 4 – GLOSSARY OF TERMS

“Affiliate Relationship Code” means the code, approved by the OEB 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.

“apartment building” refers to a building containing four or more dwelling units having access from an interior corridor system or common entrance.

“application for service” is the agreement or contract with Guelph Hydro under which electrical service is requested.

“billing demand” is the metered demand or connected load after necessary adjustments have been made for power factor, intermittent rating, transformer losses and minimum billing. A measurement in kiloWatts (kW) of the maximum rate at which electricity is consumed during a billing period.

“building” means a building, portion of a building, structure or facility.

“Conditions of Service” means the document developed by a distributor in accordance with subsection 2.1 of the DSC Code that describes the operating practices and connection rules for the distributor.

“connected load” is the total kW rating of all the electrical equipment on the customer’s premises that is connected to the main service.

“connection” means the installation and activation of connection assets.

“connection assets” means the assets installed by a distributor to connect a customer that lies along the distributor’s distribution system, and consists of the assets between the point of connection on a distributor’s distribution system and the ownership demarcation point.

“customer” means a person that has contracted for or intends to contract for connection of a building or facility.

“demand” means the average value of power measured over a specified interval of time, usually expressed in kilowatts (kW). Typical demand intervals are 15, 30 and 60 minutes.

“demand meter” means a meter that measures a customer’s peak usage during a specified period of time.

“developer” means the person(s) owning property for which new or modified electrical services are to be installed.

Section 4 – GLOSSARY OF TERMS

“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 losses” means energy losses that result from the interaction of intrinsic characteristics of the distribution network such as electrical resistance with network voltages and current flows.

“distribution loss factor” means a factor or factors by which metered loads must be multiplied such that when summed equal the total measured load at the supply point(s) to the distribution system.

“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 the Guelph Hydro system for distributing electricity, and includes any structures, equipment or other things (located along streets, highways, or easements on private property) used for that purpose.

“Distribution System Code (DSC)” means the code, approved by the OEB, and in effect at the relevant time, which, among other things, establishes the obligations of the 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 who owns or operates a distribution system.

“Electricity Act” means the Electricity Act, 1998, S.O. 1998, c.15, Schedule A.

“easement” means a legal right-of-way on a customer’s property for Guelph Hydro facilities, personnel and equipment.

“Electrical Safety Authority (ESA)” means the person or body designated under the Electricity Act regulations as the Electrical Safety Authority.

“embedded distributor” means a distributor who is not a wholesale market participant and that is provided electricity by a host distributor.

“embedded generator” or “embedded generation facility” means a generator whose generation facility is not directly connected to the IMO-controlled grid but instead is connected to a distribution system.

Section 4 – GLOSSARY OF TERMS

“embedded retail generator” means an embedded generator that settles through a distributor’s retail settlement system and is not a wholesale market participant.

“embedded wholesale generator” means an embedded generator that is a wholesale market participant.

“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” means the product of power multiplied by time, usually expressed in kilowatt-hours (kWH).

“Energy Competition Act” means the Energy Competition Act, 1998, S.O. 1998, c. 15.

“energy diversion” means unaccounted for electricity consumption which can be quantified through various measures upon review of the meter mechanism, such as unbilled meter readings, tap off load(s) before revenue meter or meter tampering.

“enhancement” means a modification or upgrade to an existing distribution system component that is made for purposes of improving system operating characteristics or for relieving system capacity constraints.

“expansion” means an addition to a distribution system that increases the capacity or the length of the distribution system or allows additional customer connections that otherwise could not be made.

“Extreme Operating Conditions” are as defined in the Canadian Standards Association (CSA) Standard CAN3-C235-87 (latest edition).

“general service” means any service supplied to premises other than those designated as Residential, Large User, or Municipal Street Lighting. This includes multi-unit residential establishments such as apartments buildings.

“generate”, 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

Section 4 – GLOSSARY OF TERMS

the operation of a transmission or distribution system, and includes any structures, equipment or other things used for that purpose.

“generator” means a person who owns or operates a generation facility.

“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 judgement 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.

“house service” means that portion of the electrical service in a multiple occupancy facility which is common to all occupants, (i.e. parking lot lighting, sign service, corridor and walkway lighting, et cetera).

“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.

“interval meter” means a meter that measures and records electricity use on an hourly or sub-hourly basis.

“large user” means a customer with a monthly peak demand of 5000 kW or greater, regardless the demand occurs in the peak or off-peak periods, averaged over 12 months.

“load factor” means the ratio of average demand for a designated time period (usually one month) to the maximum demand occurring in that period.

“main service” refers to the incoming cables, bus duct, disconnecting and protective equipment for a Building or from which all other metered sub-services are taken.

“Market Rules” means the rules made under section 32 of the Electricity Act.

“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). The purpose of the Agency is to ensure the integrity and accuracy of measurement in Canada and has jurisdiction over the accuracy of electricity meters.

Section 4 – GLOSSARY OF TERMS

“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.

“meter socket” means the mounting device for accommodating a socket type revenue meter.

“metering services” means installation, testing, reading and maintenance of meters.

“multiple dwelling” refers to a building which contains more than one self-contained dwelling unit.

“Normal Operating Conditions” are as defined in the Canadian Standards Association (CSA) Standard CAN3-C235-87 (latest edition).

“Ontario Energy Board (OEB) Act” means the Ontario Energy Board Act, 1998, S.O. 1998, c.15, Schedule B.

“operational demarcation point” means the physical location at which a distributor’s responsibility for operational control of distribution equipment ends at the customer.

“owner” is a person or corporation owning property within the City of Guelph.

“ownership demarcation point” means the physical location at which a distributor’s ownership of distribution equipment ends at the customer.

“person” includes an individual, a corporation, sole proprietorship, partnership, unincorporated organization, unincorporated association, body corporate, and any other legal entity.

“plaza” refers to any building containing two or more commercial business tenants.

“power factor” refers to the ratio between Real Power and Apparent Power (i.e. kW/kV.A).

“primary supply” includes any service or distribution system which is supplied with a nominal voltage greater than 750 volts, typically 13.8/8.0 kilovolts.

“private property” means the property beyond the existing public road allowances.

Section 4 – GLOSSARY OF TERMS

“rate” means any rate, charge or other consideration, and includes a penalty for late payment.

“Rate Handbook” means the document approved by the OEB that outlines the regulatory mechanisms that will be applied in the setting of distributor rates.

“Regulations” means the regulations made under the Electricity Act or the Ontario Energy Board Act.

“residential” refers to all services less than 50 kW supplied to single-family dwelling units for domestic or household purposes.

“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 consumer with respect to the sale or offering for sale of electricity.

“Retail Settlement Code (RSC)” means the code approved by the OEB 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 customers and provides for tracking and facilitating customer transfers among competitive retailers.

“retailer” means a person who retails electricity.

“secondary supply” includes any service or distribution system which is supplied with a nominal voltage less than 750 volts.

“service area”, with respect to a distributor, means the area in which the distributor is authorized by its license to distribute electricity.

“service date” is the date that the customer and Guelph Hydro mutually agree upon to begin the supply of electricity by Guelph Hydro.

“Standard Supply Service (SSS) Code” means the code approved by the OEB and in effect at the relevant time, which, among other things, establishes the minimum conditions that a distributor must meet in carrying out its obligations to sell electricity under section 29 of the Electricity Act.

“subservice” refers to a separately metered service that is taken from the main building service.

Section 4 – GLOSSARY OF TERMS

“supply voltage” is the voltage at the customer's main service entrance equipment (typically below 750 volts). Operating conditions are defined in the Canadian Standards Association (CSA) Standard CAN3-C235 (latest edition).

“temporary service” refers to an electrical service granted temporarily for such purposes as construction, real estate sales, trailers, et cetera.

“total losses” means the sum of distribution losses and unaccounted for energy.

“transformer room” means an enclosure built within a building to applicable codes to house transformers and associated electrical equipment.

“transmission system” means a system for transmitting electricity, and includes any structures, equipment or other things used for that purpose.

“Transmission System Code” means the code, approved by the OEB, that is in force at the relevant time, which regulates the financial and information obligations of the Transmitter with respect to its relationship with customers, as well as establishing the standards for connection of customers to, and expansion of a transmission system.

“unmetered loads” means electricity consumption that is not metered and is billed based on estimated usage.

“upgrade” means replacement of an existing component of a distribution system with a new component for purposes of improving the distribution system’s operating characteristics.

“validating, estimating and editing (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” means a person that sells or purchases electricity or ancillary services through the IMO-administered markets.

Section 5 – TABLES AND APPENDICES

TABLES AND APPENDICES

TABLE 1 – Demarcation Points and Charges for Connection Assets

Service Class	Service Type	Ownership Demarcation Point	Service Charges
Residential	Overhead ¹	Connections at top of mast	No charge for basic connection or equivalent. Variable connection charge for additional facilities.
	Underground	Line side of meter base	Variable connection charge less basic connection allowance.
General Service	Overhead ¹	Connections at top of mast	Variable connection charge.
	Underground from overhead transformer	Line side of main switch or exterior meterbase where applicable	Variable connection charge.
	Underground from pad mounted transformer	Connections at load side of transformer	Variable connection charge.
	Transformer vault in building	Bus stub between electrical room & vault	Variable connection charge.
	Underground supplied customer owned station	13,800 volt terminations at first point of isolation	Variable connection charge.
	Overhead supplied customer owned station	First point of attachment on customers property	Variable connection charge.

¹ supply from overhead facilities is available in limited areas

TABLE 2 - Available Voltages and Service Limitations

UTILIZATION VOLTAGE	Overhead Transformers¹		Pad-mounted Transformers		Transformer Vault	
	Maximum Service Size²	Maximum Transformer Size	Maximum Service Size²	Maximum Transformer Size	Maximum Service Size²⁻	Maximum Transformer Size
240/120 V 3 wire	400 A	75 kV.A	600 A	100 kV.A	N/A	N/A
208Y/120 V 4 wire	N/A	N/A	1600 A	500 kV.A	2500 A	750 kV.A
600Y/347 V 4 wire	200 A	150 kV.A	1600 A	1500 kV.A	1600 A	1500 kV.A

1 supply from overhead facilities is available in limited areas

2 limitations to service entrance size are intended as a guide and may be further reduced depending on the nature of the load. In all cases, the transformer capacity in kilovolt-amperes will be the limiting factor.

N/A - not available

TABLE 3 - Metering Cabinet and Socket Information

Voltage	Wire	Phase	Service Size	Socket Type No. of Jaws	Size of Metering Cabinet containing CTs & PTs	Size of Metering Cabinet for Switchgear containing CTs & PTs
240/120 V	3	1	up to 200 A	4	N/A	N/A
			400 A	N/A	36" x 36" x 12"	30" x 30" x 10"
			600 A	N/A	48" x 48" x 12"	30" x 30" x 10"
208Y/120 V	3	1	up to 200 A	5 ¹	N/A	N/A
	4	3	up to 200 A	7	N/A	N/A
			400 A	N/A	36" x 36" x 12"	30" x 30" x 10"
			600 A and up	N/A	48" x 48" x 12" ³	30" x 30" x 10" ³
600Y/347 V	4	3	up to 100 A	7	N/A	N/A
			200A	see note ²	36" x 36" x 12"	N/A
			400 A	N/A	36" x 36" x 12"	30" x 30" x 10"
			600 to 800 A	N/A	48" x 48" x 12" ³	30" x 30" x 10" ³
			1000 A and up	N/A	N/A	30" x 30" x 10" ³
13860/8000 V	4	3	See Section 4	N/A	N/A	30" x 30" x 10" ³

¹ See section 3.2.6.3 regarding additional charges for single phase, 208Y/120 V meters.

² Socket type (7 jaw) meter bases will be permitted in buildings with multiple metered sub-services. Guelph Hydro continues to require metering cabinets as specified for individual buildings with 200A, 600Y/347V services and single metering point.

³ Provision is to be made for a remote interrogated metering system (RIMS), see Guelph Hydro standards

TABLE 4
Recommended Voltage Variation Limits
for Circuits up to 1000 V, at Service Entrances

Nominal System Voltages	Voltage Variation Limited Application at Service Entrances			
	Extreme Operating Conditions			
	Normal Operating Conditions			
Single Phase 120/240 240	106/212 212	110/220 220	125/250 250	127/254 254
Three-Phase 4-Conductor 120/208Y 347/600Y	110/190 306/530	112/194 318/550	125/216 360/625	127/220 367/635
Three-Phase 3-Conductor 600	530	550	625	635

APPENDIX A

DISPUTE RESOLUTION POLICY

ADMINISTRATION POLICY	Subject: DISPUTE RESOLUTION Number: ADM-9 Date: April 2003 Revised: <p style="text-align: right;">Page 1 of 1</p>
Approved by: J.A. MacKenzie	Signature:

1.0 PURPOSE

The purpose of this procedure is to outline a complaint resolution process consistent with the Guelph Hydro Electric Systems Distribution License.

2.0 VERBAL COMPLAINT

- A customer who calls with a complaint will be asked to provide name, address, telephone number and the nature of the complaint. The call will be logged in the Contact Management System.
- The complaint will be sent to the Supervisor of the receiving department.
- This Supervisor will decide to proceed with an investigation or to ask another Supervisor to take the complaint.
- The Supervisor will contact the customer and investigate the complaint.
- The Supervisor will advise the appropriate Vice-President of the results of the investigation and advise the customer of our findings in writing within five business days of the receipt of the complaint.

3.0 WRITTEN COMPLAINT

- A customer complaint in writing is to be delivered to the CEO.
- The CEO will assign the complaint investigation to the appropriate Vice-President.
- The investigation will be completed in no more than five business days and the results will be reported to the CEO.
- The customer is to be advised of the results of the investigation by letter immediately following the report to the CEO.

4.0 THIRD PARTY COMPLAINTS RESOLUTION

Customers are to be advised that if they are not satisfied with the resolution the matter can be addressed by the Third Party Complaints Resolution agency created by the OEB.

APPENDIX B

GENERAL SERVICE AND RESIDENTIAL SERVICE DEPOSIT POLICIES



GENERAL SERVICE DEPOSIT POLICY

Effective August 1, 2004

Revised October 18, 2004

INTRODUCTION

Guelph Hydro Electric Systems Inc. (GHESI) is a Local Distribution Company (LDC) regulated by the Ontario Energy Board (OEB) by the powers granted to the OEB by the Provincial Government through the enactment of Bill 35, 1998; *The Energy Competition Act*, *The Electricity Act*, and *The Ontario Energy Board Act 1998*.

Deposit policies are an integral component of GHESI's risk management processes. The deposit policies contained herein are established in accordance with the aforementioned legislation and are consistent with the applicable guidelines established by the OEB (Retail Settlement Code, Standard Supply Service Code, the Distribution System Code and the Electricity Distribution Rate Handbook).

DEFINITIONS

“Distributor Consolidated Billing” – Under this billing scenario, GHESI issues a bill to the Retailer's customer for all applicable charges, including the cost of electricity. GHESI bears all customer non-payment risk.

“NSF Payments” – NSF payments are defined as payments returned by financial institutions for reasons of non-sufficient funds, and include cheques and automatic withdrawals.

“Retailer Consolidated Billing” – Under this billing scenario, the Retailer issues the bill to the customer for all applicable charges, including distribution charges. In this case, the Retailer is responsible for all non-payment risk.

“Satisfactory Payment History” – A satisfactory payment history is achieved when there has been not more than one NSF or Pre-Authorized Payment returned NSF presented by the customer in the previous five years, as well, the customer must have received not more than one disconnection notice or collection trip in the past five years. The same conditions apply for a seven year period for a non-residential customer in the greater than 50 kW demand rate class.

“Standard Supply Service” – Customers who have not enrolled with a Retailer are provided “standard supply service” by GHESI. Electricity is supplied to standard supply service customers at wholesale market or fixed prices. Under this billing option, GHESI issues bills to the customer for all charges and GHESI bears all customer non-payment risk.

TYPE OF DEPOSITS

- Deposits may be paid in Cash, Cheque, Money Order, Irrevocable Letter of Credit, or Letter of Guarantee from a recognised financial institution, or a Power Bond.
- A Letter of Guarantee or a Letter of Credit issued by a recognized financial institution must be irrevocable instruments, issued for a minimum of one year and contain a clause to automatically extend the Letter of Guarantee or Letter of Credit until GHESI provides a letter authorizing its cancellation.
- A Power Bond issued by an Insurance Company must be irrevocable and proof of premium payments must be provided to GHESI annually.
- In special circumstances, deposits may be paid in installments with the approval of the Credit Supervisor.
- Deposits are not transferable from one customer to another unless approved by the Credit Supervisor.

DEPOSIT REQUIREMENTS AND DEPOSIT REFUNDS

All General Service Customers shall pay a deposit, with the following exceptions:

- Existing General Service Customers (as of August 1st, 2004) who do not have a deposit currently posted with GHESI are exempt provided they have maintained a satisfactory payment history as defined above.
- Customers whom are billed under the Retailer Consolidated option are not required to post a deposit.
- Where an existing General Service Customer (as of August 1st, 2004) moves location or expands to an additional facility, the Chief Financial Officer, or the Credit Supervisor, has the authority to waive a security deposit where that customer has established a satisfactory payment history in the previous five years if they are in the less than 50 kW demand rate class. The same applies for a seven year period for a non-residential customer in the greater than 50 kW demand rate class.
- New Customers may provide to GHESI a letter of reference from their former utility or a credit report from a recognized credit rating agency stating that they have maintained an account for five consecutive years in the previous six years for General Service Customers in the less than 50 kW demand rate class. The same applies for a seven consecutive year period in the previous eight years for any other non-residential Customer in the greater than 50 kW demand rate class. The letter or Credit Bureau Report must indicate a Satisfactory Payment history. A utility is defined as an Electricity or Gas Distribution Company.
- A non-residential customer in any rate class other than a < 50 kW demand rate class may have their security deposit reduced upon receipt of a Credit Bureau rating as follows:

Credit Rating (Standard and Poor's ratings)	Reduction
AAA- and above or equivalent	100%
AA-, AA, AA+ or equivalent	95%
A-, from A, A+ to below A or equivalent	85%
BBB-, from BBB, BBB+ to below A or equivalent	75%
Below BBB- or equivalent	0%

- **Note:** Any letter of reference or Credit Bureau presented must be in the same Company name as the Company requesting service.
- New customers who receive a satisfactory credit rating from a recognized credit agency, the cost and responsibility for attaining a credit report are with the customer.
- New customers who receive a credit reference from a gas or hydro Utility with a satisfactory payment history, the cost and responsibility for attaining a credit reference are with the customer.

Deposits will be refunded to the customer once a satisfactory payment history as defined above, has been established for a period of five years if they are in the less than 50 kW demand rate class and a period of seven years if they are in the greater than 50 kW demand rate class, as long as the customer remains a standard supply service or distributor consolidated customer. If the customer switches from distributor consolidated or standard supply service to the retailer consolidated billing option, or terminates service with GHESI, any deposit on record will be refunded. Deposits are refunded as a credit on the customer's final account. The deposit and interest will be used to pay the customer's final account. Any remaining credit will be refunded to the customer. Deposits will only be refunded to the customer whose name appears on the bill.

In the event the customer chooses not to provide a deposit, GHESI reserves the right to discontinue service in accordance with the GHESI Conditions of Service document and the OEB code.

DEPOSIT AMOUNT

Should a deposit be necessary, the amount of the deposit will be 2.5 times the average consumption for a like business in the past 12 months.

A new customer will be required to provide information on its premises, intended uses and electricity requirements to enable GHESI to estimate monthly consumption. If a new customer is moving to a location that has previously been occupied and is unable to provide data on electricity consumption, the distributor will make a reasonable estimate. If the previous occupant was not a similar type of business, GHESI may use the consumption of another business of a similar type and size in Guelph to estimate the deposit amount.

Deposit requirements will be reviewed annually and will be adjusted for variance in rates, OEB requirements, payment history, and customer consumption. If the customer's price is fixed, the deposit amount will be based on the fixed price.

INTEREST

Interest will be paid to a customer on a yearly basis.

Interest will be calculated at the rate prescribed by the OEB, currently the prime business rate, less 2% and updated quarterly.



RESIDENTIAL SERVICE DEPOSIT POLICY

Effective August 1, 2004

INTRODUCTION

Guelph Hydro Electric Systems Inc. (GHESI) is a Local Distribution Company (LDC) regulated by the Ontario Energy Board (OEB) by the powers granted to the OEB by the Provincial Government through the enactment of Bill 35, 1998; *The Energy Competition Act*, *The Electricity Act*, and *The Ontario Energy Board Act 1998*.

Deposit policies are an integral component of GHESI's risk management processes. The deposit policies contained herein are established in accordance with the aforementioned legislation and are consistent with the applicable guidelines established by the OEB (Retail Settlement Code, Standard Supply Service Code, the Distribution System Code and the Electricity Distribution Rate Handbook).

DEFINITIONS

“Distributor Consolidated Billing” – Under this billing scenario, GHESI issues a bill to the Retailer's customer for all applicable charges, including the cost of electricity. GHESI bears all customer non-payment risk.

“NSF Payments” – NSF payments are defined as payments returned by financial institutions for reasons of non-sufficient funds, and include cheques and automatic withdrawals.

“Retailer Consolidated Billing” – Under this billing scenario, the Retailer issues the bill to the customer for all applicable charges, including distribution charges. In this case, the Retailer is responsible for all non-payment risk.

“Satisfactory Payment History” – A satisfactory payment history is achieved when there has been not more than one NSF or Pre-Authorized Payment returned NSF presented by the customer in the previous 12 months and not more than one disconnection/collection notice in the previous 12 months. As well, a customer must not have had any disconnection or collection trips in the previous 12 months.

New customers may provide to GHESI a letter of reference from their former utility stating that they have maintained an account for 12 consecutive months within the past 24 months (alternatively, the customer may provide a credit report from a recognized credit rating agency). The letter or credit bureau report must indicate a satisfactory payment history. A utility is defined as an electricity or gas distribution company.

“Standard Supply Service” – Customers who have not enrolled with a Retailer are provided “standard supply service” by GHESI. Electricity is supplied to standard supply service customers at wholesale market or fixed prices. Under this billing option, GHESI issues bills to the customer for all charges and GHESI bears all customer non-payment risk.

DEPOSIT REQUIREMENTS

All Residential Service Customers are required to post a deposit, except in the following circumstances:

- Customers who have maintained a satisfactory payment history as defined above.
- New customers who receive a satisfactory credit rating from a recognized credit agency. The cost and the responsibility for attaining a credit report are with the customer.
- Customers who are billed under a Retailer Consolidated Billing agreement.
- New customers who receive a credit reference from a gas or hydro utility with a satisfactory payment history.

In the event the customer chooses not to provide a deposit, GHESI reserves the right to discontinue service in accordance with the GHESI Conditions of Service document and the OEB Code.

DEPOSIT AMOUNT

In the event that a deposit is required, the amount of the deposit will be determined as follows:

For bi-monthly accounts, the deposit will be based on 1.75 times the average consumption for a like residence in the past 12 months. For customers who received more than one disconnection/ collection notice in the relevant 12 month period, a deposit will be calculated based on the highest actual or estimated bill in the past 12 months.

Deposit requirements will be reviewed annually and will be adjusted for variances in rates, OEB requirements, payment history and customer consumption. If a fixed rate is applicable at the time the deposit is being calculated, the bills used as a reference point will be adjusted to reflect the fixed price.

TYPE OF DEPOSITS

Deposits may be paid by cash, cheque or money order.

In special circumstances, deposits may be paid in up to four monthly installments with the approval of the Credit Supervisor.

DEPOSIT REFUNDS AND INTEREST

- Deposits will be refunded to the customer once a satisfactory payment history, as defined above, has been established for a period of 12 consecutive months.
- Deposits will be refunded when a customer switches from distributor consolidated billing or standard supply service, to retailer consolidated billing. Deposits will also be refunded when a customer terminates their account with GHESI.
- Deposits are refunded as a credit to the customer's account. For a final account, the deposit and interest will be used to pay the customer's final account. Any remaining credit will be refunded to the customer. Deposits will only be refunded to the customer whose name appears on the bill.
- Deposit refunds for final accounts will be sent to the customer within six weeks after closing their account.
- Deposits are not transferable from one customer to another unless approved by the Credit Supervisor.
- Interest will be paid to the customer on a yearly basis.
- Interest will be calculated at the rate prescribed by the OEB, currently prime business rate, less 2%, and updated quarterly.

