Rates
Rate DTS  Demand Transmission Service
Rate FTS  Fort Nelson Demand Transmission Service
Rate DOS  Demand Opportunity Service
Rate XOS  Export Opportunity Service
Rate XOM  Export Opportunity Merchant Service
Rate UFLS  Demand Underfrequency Load Shedding Credits
Rate PSC  Primary Service Credit
Rate STS  Supply Transmission Service
Rate IOS  Import Opportunity Service

Riders
Riders A1-A4  Transmission Duplication Avoidance Adjustments
  A1: Dow Chemical Canada Inc. / Dow Hydrocarbons / ASU2
  A2: NOVA Chemicals Corporation – Joffre Industrial System
  A3: Shell Canada Corporation – Scotford Industrial System
  A4: Imperial Oil Resources Limited – Cold Lake Industrial System
Rider C  Deferral Account Adjustment Rider
Rider E  Losses Calibration Factor Rider
Rider F  Balancing Pool Consumer Allocation Rider
Rider J  Wind Forecasting Service Cost Recovery Rider

Terms and Conditions
Section 1  Applicability and Interpretation of ISO Tariff
Section 2  Provision of and Limitations to System Access Service
Section 3  System Access Service Connection Requirements
Section 4  System Access Service Requests
Section 5  Financial Obligations for Connection Projects
Section 6  Metering
Section 7  Provision of Information by Market Participants
Section 8  Construction Contributions for Connection Projects
Section 9  Changes to System Access Service After Energization
Section 10  Generating Unit Owner’s Contribution
Section 11  Ancillary Services
Section 12  Demand Opportunity Service
Section 13  Financial Security, Settlement and Payment Terms
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Section 15  Miscellaneous
Appendices

Appendix A  Regulated Generating Units
Appendix B  System Access Service Agreement Proformas
Appendix C  Procedure for Foreseeable Transmission Must-Run Service
Applicability
1 Rate DTS applies to system access service provided at a point of delivery to:

(a) the legal owner of an electric distribution system;

(b) a person who has entered into an arrangement directly with the ISO for the provision of system access service under subsection 101(2) of the Act;

(c) the legal owner of an industrial system that has been designated as such by the Commission; or

(d) the City of Medicine Hat.

Rate
2 The ISO must determine the charge under Rate DTS in a settlement period in accordance with subsections 3 through 6 below as the sum of the connection charge, the operating reserve charge, the voltage control charge and the other system support services charge.

Connection Charge
3(1) The ISO must determine the connection charge as the sum, over all rows, of the products calculated by multiplying the volume and charge in each row (a) through (i) of the following table.

<table>
<thead>
<tr>
<th>Volume in Settlement Period</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bulk System Charge</td>
<td></td>
</tr>
<tr>
<td>(a) Coincident metered demand</td>
<td>$7,867.00/MW/month</td>
</tr>
<tr>
<td>(b) Metered energy</td>
<td>$1.02/MWh</td>
</tr>
<tr>
<td>Local System Charge</td>
<td></td>
</tr>
<tr>
<td>(c) Billing capacity</td>
<td>$2,048.00/MW/month</td>
</tr>
<tr>
<td>(d) Metered energy</td>
<td>$0.67/MWh</td>
</tr>
<tr>
<td>Point of Delivery Charge</td>
<td></td>
</tr>
<tr>
<td>(e) Substation fraction</td>
<td>$2,258.00/month</td>
</tr>
<tr>
<td>(f) First (7.5 × substation fraction) MW of billing capacity</td>
<td>$3,644.00/MW/month</td>
</tr>
<tr>
<td>(g) Next (9.5 × substation fraction) MW of billing capacity</td>
<td>$1,814.00/MW/month</td>
</tr>
<tr>
<td>(h) Next (23 × substation fraction) MW of billing capacity</td>
<td>$1,254.00/MW/month</td>
</tr>
<tr>
<td>(i) All remaining MW of billing capacity</td>
<td>$802.00/MW/month</td>
</tr>
</tbody>
</table>
(2) The ISO must determine the coincident metered demand as the metered demand at the point of delivery averaged over the 15-minute interval in which the sum of the metered demands for all Rate DTS and Rate FTS market participants is greatest in the settlement period.

Operating Reserve Charge

4(1) The ISO must determine the operating reserve charge as the sum, over all hours in the settlement period, of the amount calculated in each hour as the product of:

(a) metered energy for the Rate DTS market participant in the hour; and

(b) the total cost of operating reserves in the hour divided by the total metered energy for all Rate DTS and Rate FTS market participants in the hour.

(2) The ISO must estimate the operating reserve charge, if unable to determine it for a settlement period in accordance with subsection 4(1) above, as the sum, over all hours in the settlement period, of the amount calculated in each hour as the product of:

(a) metered energy for the Rate DTS market participant in the hour; and

(b) pool price in the hour multiplied by 7.98%.

Voltage Control Charge

5 The ISO must determine the voltage control charge as the product of metered energy in the settlement period multiplied by $0.03/MWh.

Other System Support Services Charge

6 The ISO must determine the other system support services charge as the sum of:

(a) the highest metered demand in the settlement period multiplied by $20.00/MW/month; and

(b) when power factor is less than 90% during the interval of highest metered demand in the settlement period, $400.00/MVA multiplied by the apparent power difference calculated during the interval of highest metered demand in the settlement period as the difference between the metered apparent power and 111% of metered demand.

Terms

7(1) The ISO must apply Rate DTS separately at each point of delivery, except where Rate DTS applies to totalized points of delivery under subsection 5 of section 13 of the ISO tariff.

(2) The ISO must determine metered energy under Rate DTS, in an hour for which a Rate DOS transaction has been approved by the ISO at a point of delivery where Rate DOS applies, as the sum of:

(a) metered energy up to the Rate DTS contract capacity; plus

(b) any additional metered energy determined under subsection 2(2) of Rate DOS.

(3) The ISO must apply Rider C, Deferral Account Adjustment Rider, to system access service provided under this rate.

(4) The ISO must apply Rider F, Balancing Pool Consumer Allocation Rider, to system access service provided under this rate.
(5) The terms and conditions of the ISO tariff form part of this rate.

**Revision History**

<table>
<thead>
<tr>
<th>Effective</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-07-17</td>
<td>Updated to reflect current authoritative document guidelines and applied for as part of 2014 ISO tariff.</td>
</tr>
<tr>
<td>2011-07-01</td>
<td>Revised and reformatted all subsections, as approved in Commission Decision 2011-275 issued on June 24, 2011.</td>
</tr>
</tbody>
</table>
Applicability

1  Rate FTS applies to system access service provided at the point of delivery to BC Hydro at Fort Nelson, British Columbia:

Rate

2  The ISO must determine the charge under Rate FTS in a settlement period in accordance with subsections 3 through 6 below as the sum of the connection charge, the operating reserve charge, the voltage control charge and the other system support services charge.

Connection Charge

3(1)  The ISO must determine the connection charge as the sum, over all rows, of the products calculated by multiplying the volume and charge in each row (a) through (d) of the following table.

<table>
<thead>
<tr>
<th>Volume in Settlement Period</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bulk System Charge</td>
<td></td>
</tr>
<tr>
<td>(a) Coincident metered demand</td>
<td>$7,867.00/MW/month</td>
</tr>
<tr>
<td>(b) Metered energy</td>
<td>$1.02/MWh</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Local System Charge</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(c) Billing capacity</td>
<td>$2,048.00/MW/month</td>
</tr>
<tr>
<td>(d) Metered energy</td>
<td>$0.67/MWh</td>
</tr>
</tbody>
</table>

(2)  The ISO must determine the coincident metered demand as the metered demand at the point of delivery averaged over the 15-minute interval in which the sum of the metered demands for all Rate DTS and Rate FTS market participants is greatest in the settlement period.

(3)  The ISO must determine the rate for the local system charge in subsections 3(1)(c) and 3(1)(d) above as the greater of:

(a) the rate for the local system charge in subsections 3(1)(c) and 3(1)(d) of Rate DTS; or

(b) a specific Fort Nelson rate based on the levelized cost of the original ATCO Electric line providing service to Fort Nelson.

Operating Reserve Charge

4(1)  The ISO must determine the operating reserve charge as the sum, over all hours in the settlement period, of the amount calculated in each hour as the product of:

(a) metered energy for the Rate FTS market participant in the hour; and

(b) the total cost of operating reserves in the hour divided by the total metered energy for all Rate DTS and Rate FTS market participants in the hour.
(2) The ISO must estimate the operating reserve charge, if unable to determine it for a settlement period in accordance with subsection 4(1) above, as the sum, over all hours in the settlement period, of the amount calculated in each hour as the product of:

(a) metered energy for the Rate FTS market participant in the hour; and

(b) pool price in the hour multiplied by 7.98%.

Voltage Control Charge

5 The ISO must determine the voltage control charge as the sum of:

(a) the product of metered energy in the settlement period multiplied by $0.03/MWh; and

(b) the sum, over all hours in the settlement period in which Rainbow area load exceeds 145 MW and transmission must-run generation is required in the Rainbow area, of the cost associated with transmission must-run generation in the Rainbow area in an hour multiplied by the ratio in the hour of:
   (i) Fort Nelson load in excess of 38.5 MW; to
   (ii) the sum of Fort Nelson load in excess of 38.5 MW and Alberta Rainbow area load (excluding Fort Nelson load) in excess of 106.5 MW.

Other System Support Services Charge

6 The ISO must determine the other system support services charge as the sum of:

(a) the highest metered demand in the settlement period multiplied by $20.00/MW/month; and

(b) when power factor is less than 90% during the interval of highest metered demand in the settlement period, $400.00/MVA multiplied by the apparent power difference calculated during the interval of highest metered demand in the settlement period as the difference between the metered apparent power and 111% of metered demand.

Terms

7(1) BC Hydro must, if it terminates the system access service provided under this rate prior to the full payment of the levelized cost of the original ATCO Electric line providing service to Fort Nelson under subsection 3(3)(b) above, pay the amount the ISO determines as the remaining unpaid balance of those costs net of any residual value, in addition to any financial obligations under section 9 of the ISO tariff.

(2) The ISO must apply Rider C, Deferral Account Adjustment Rider, to system access service provided under this rate.

(3) The terms and conditions of the ISO tariff form part of this rate.

Revision History

<table>
<thead>
<tr>
<th>Effective</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-07-17</td>
<td>Removed outdated voltage control charge provisions from subsection 5, updated to reflect current authoritative document guidelines and applied for as part of 2014 ISO tariff.</td>
</tr>
<tr>
<td>2011-07-01</td>
<td>Revised and reformatted all subsections, as approved in Commission Decision 2011-275 issued on June 24, 2011.</td>
</tr>
</tbody>
</table>
Applicability

Rate DOS applies to system access service provided at a point of delivery to a market participant who:

(a) receives system access service under Rate DTS, Demand Transmission Service;
(b) is eligible for demand opportunity service under section 12 of the ISO tariff; and
(c) is recallable in accordance with the provisions of this rate.

Metered Energy

(1) The ISO must apply a Rate DOS charge to metered energy received at a point of delivery in every hour:

(a) for which a Rate DOS transaction has been approved by the ISO;
(b) above the Rate DTS contract capacity for the system access service; and
(c) up to the sum of the Rate DTS contract capacity and the approved Rate DOS transaction capacity for the system access service.

(2) The ISO must add to the market participant's metered energy received at a point of delivery under Rate DTS any metered energy received at the point of delivery in an hour that exceeds the sum of the Rate DTS contract capacity and the approved Rate DOS transaction capacity for the system access service, in the same settlement period.

Rate

(1) The ISO must provide the three types of demand opportunity service in accordance with the charges, recall directive response times and recall priorities in the following table.

<table>
<thead>
<tr>
<th>Rate DOS Type</th>
<th>Rate DOS Charge</th>
<th>Recall Directive Response Time</th>
<th>Recall Priority</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) DOS 7 Minutes</td>
<td>$5.58/MWh</td>
<td>7 minutes</td>
<td>Before Rates DTS, FTS, DOS Term and DOS 1 Hour</td>
</tr>
<tr>
<td>(b) DOS 1 Hour</td>
<td>$14.20/MWh</td>
<td>1 hour</td>
<td>Before Rates DTS, FTS and DOS Term</td>
</tr>
<tr>
<td>(c) DOS Term</td>
<td>$75.74/MWh</td>
<td>7 minutes</td>
<td>Before Rates DTS and FTS</td>
</tr>
</tbody>
</table>

(2) The ISO must determine the amount billed for demand opportunity service in a settlement period as the greater of:

(a) (i) the Rate DOS charge from subsection 3(1)(a), 3(1)(b), or 3(1)(c) above, as applicable, multiplied by the metered energy during the settlement period; plus
(ii) an incremental losses charge calculated as the sum, over all transaction hours in the settlement period, of metered energy in the hour multiplied by pool price in the hour multiplied by a loss factor for the facility, where the loss factor is determined in accordance with section 501.10 of the ISO rules, Transmission Loss Factor Methodology and Requirements, and is available to market participants in the loss factors section of the ISO website;

or

(b) a minimum amount equal to the Rate DOS charge from subsection 3(1)(a), 3(1)(b), or 3(1)(c) above, as applicable, multiplied by the approved Rate DOS transaction capacity multiplied by the number of hours in total transactions in the settlement period multiplied by 75%.

(3) The ISO must add a transaction fee of $500.00 to the amount billed for demand opportunity service in a settlement period in which the ISO approved at least one Rate DOS transaction at the point of delivery.

Terms

4(1) The ISO must apply Rate DOS separately at each point of delivery.

(2) The market participant must, if the ISO recalls a market participant’s demand opportunity service, curtail load by the amount directed by the ISO which:

(a) may be an amount up to the approved Rate DOS transaction capacity; and

(b) must not require curtailment below the market participant’s Rate DTS contract capacity for the system access service.

(3) The market participant must, in response to a directive from the ISO, achieve curtailment of its demand opportunity service load within the response time specified in subsection 3(1)(a), 3(1)(b), or 3(1)(c) above, as applicable.

(4) The ISO must apply Rider E, Losses Calibration Factor Rider, to system access service provided under this rate.

(5) The ISO must apply Rider F, Balancing Pool Consumer Allocation Rider, to system access service provided under this rate, with the exception of the City of Medicine Hat.

(6) The terms and conditions of the ISO tariff form part of this rate.

Revision History

<table>
<thead>
<tr>
<th>Effective Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-07-17</td>
<td>Updated to reflect current authoritative document guidelines and applied for as part of 2014 ISO tariff.</td>
</tr>
<tr>
<td>2011-07-01</td>
<td>Revised and reformatted all subsections, as approved in Commission Decision 2011-275 issued on June 24, 2011.</td>
</tr>
</tbody>
</table>
Applicability

1 Rate XOS applies to system access service provided to market participants who export electric energy from the interconnected electric system utilizing an intertie that existed on August 12, 2004, as referred to in section 16 of the Transmission Regulation.

Availability

2 The ISO must make export opportunity service available:

(a) only when sufficient capacity exists on the transmission system to accommodate the capacity scheduled for export; and

(b) a minimum of twenty-four (24) hours following execution of an agreement for system access service for export opportunity service.

Rate

3(1) The ISO must provide export opportunity service in accordance with the charge, recall directive response time and recall priority in the following table.

<table>
<thead>
<tr>
<th>Rate</th>
<th>Charge</th>
<th>Recall Directive Response Time</th>
<th>Recall Priority</th>
</tr>
</thead>
<tbody>
<tr>
<td>XOS</td>
<td>$6.39/MWh</td>
<td>1 hour</td>
<td>Before Rates DTS, FTS and DOS (any type)</td>
</tr>
</tbody>
</table>

(2) The ISO must determine the amount billed for export opportunity service in a settlement period as the greater of:

(a) (i) the Rate XOS charge from subsection 3(1) above multiplied by the market participant’s export interchange transaction during the settlement period; plus

(ii) an incremental losses charge calculated as the sum, over all transaction hours in the settlement period, of the market participant’s export interchange transaction in the hour multiplied by pool price for the hour multiplied by a loss factor for the intertie, where the loss factor is determined in accordance with section 501.10 of the ISO rules, Transmission Loss Factor Methodology and Requirements, and is available to market participants in the loss factors section of the AESO website;

or

(b) a minimum amount calculated as the sum, over all transaction hours in the settlement period, of:

(i) the Rate XOS charge from subsection 3(1)(a) or 3(1)(b) above, as applicable, multiplied by the market participant’s hour-ahead scheduled capacity multiplied by 75%; plus

(ii) an incremental losses charge calculated as the market participant’s hour-ahead scheduled capacity multiplied by 75% multiplied by pool price for the hour multiplied by a loss factor for the intertie, where the loss factor is determined in accordance with section 501.10 of the ISO rules, Transmission Loss Factor Methodology and Requirements.
Requirements, and is available to market participants in the loss factors section of the AESO website.

(3) The ISO must add an operating reserve charge, an other system support services charge or both to the amount billed for export opportunity service in a settlement period when the transaction requires the ISO to procure incremental operating reserves, incremental system support services or both.

(4) The ISO must add a transaction fee of $500.00 to the amount billed for export opportunity service in a settlement period in which at least one Rate XOS transaction was approved for the market participant.

Terms

4(1) The ISO must apply Rate XOS separately at each point of interconnection.

(2) A market participant must achieve curtailment of its export opportunity service within the response time specified in subsection 3(1) above in response to a directive from the ISO.

(3) The market participant may contract for export opportunity service for a term within the minimum and maximum terms in the following table.

<table>
<thead>
<tr>
<th>Rate</th>
<th>Minimum Term</th>
<th>Maximum Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>XOS</td>
<td>1 hour</td>
<td>1 month</td>
</tr>
</tbody>
</table>

(4) The ISO must apply Rider E, Losses Calibration Factor Rider, to system access service provided under this rate.

(5) The terms and conditions of the ISO tariff form part of this rate.

Revision History

<table>
<thead>
<tr>
<th>Effective</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-07-17</td>
<td>Removed XOS 1 Month type of Rate XOS, updated to reflect current authoritative document guidelines and applied for as part of 2014 ISO tariff.</td>
</tr>
<tr>
<td>2011-07-01</td>
<td>Revised and reformatted all subsections, as approved in Commission Decision 2011-275 issued on June 24, 2011.</td>
</tr>
</tbody>
</table>
Applicability

1  Rate XOM applies to system access service provided to market participants who export electric energy from the interconnected electric system utilizing a merchant intertie, defined in accordance with subsection 27(4) of the Transmission Regulation as an intertie for which the cost of planning, designing, constructing, operating and interconnecting is paid by the person who proposed the intertie and other persons that directly benefit from the intertie.

Availability

2  The ISO must make export opportunity merchant service available:

   (a) only when sufficient capacity exists on the transmission system to accommodate the capacity scheduled for export; and

   (b) a minimum of twenty-four (24) hours following execution of an agreement for system access service for export opportunity merchant service.

Rate

3(1)  The ISO must provide export opportunity merchant service in accordance with the charge, recall directive response time and recall priority in the following table.

<table>
<thead>
<tr>
<th>Rate</th>
<th>Charge</th>
<th>Recall Directive Response Time</th>
<th>Recall Priority</th>
</tr>
</thead>
<tbody>
<tr>
<td>XOM</td>
<td>$6.39/MWh</td>
<td>1 hour</td>
<td>Before Rates DTS, FTS and DOS (any type)</td>
</tr>
</tbody>
</table>

(2)  The ISO must determine the amount billed for export opportunity merchant service in a settlement period as the greater of:

   (a) the Rate XOM charge from subsection 3(1) above multiplied by the market participant’s export interchange transaction during the settlement period; or

   (b) a minimum amount calculated as the sum, over all transaction hours in the settlement period, of the Rate XOM charge from subsection 3(1) above multiplied by the market participant’s hour-ahead scheduled capacity multiplied by 75%.

(3)  The ISO must add an operating reserve charge, an other system support services charge or both to the amount billed for export opportunity merchant service in a settlement period when the transaction requires the ISO to procure incremental operating reserves, incremental system support services or both.

(4)  The ISO must add a transaction fee of $500.00 to the amount billed for export opportunity merchant service in a settlement period in which at least one Rate XOM transaction was approved for the market participant.
Terms

4(1) The ISO must apply Rate XOM separately at each point of interconnection.

(2) A market participant must achieve curtailment of its export opportunity merchant service within the response time specified in subsection 3(1) above in response to a directive from the ISO.

(3) The market participant may contract for export opportunity merchant service for a term within the minimum and maximum terms in the following table.

<table>
<thead>
<tr>
<th>Rate</th>
<th>Minimum Term</th>
<th>Maximum Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>XOM</td>
<td>1 hour</td>
<td>1 month</td>
</tr>
</tbody>
</table>

(4) The terms and conditions of the ISO tariff form part of this rate.

Revision History

<table>
<thead>
<tr>
<th>Effective</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-07-17</td>
<td>Introduced for export service over Alberta-Montana intertie as part of 2014 ISO tariff.</td>
</tr>
</tbody>
</table>
Applicability

Rate UFLS applies to system access service provided at a point of delivery to a market participant who:

(a) receives system access service under Rate DTS, Demand Transmission Service; and

(b) is directed by the ISO to install and activate an underfrequency load shedding relay satisfactory to the ISO.

Underfrequency Load Shedding Capacity Requirements

1. The ISO may require that a market participant maintain a minimum of 50% of its aggregate load, across all points of delivery through which the market participant receives system access service under Rate DTS, connected to an underfrequency load shedding device in order to maintain the integrity of the interconnected electric system.

2. The ISO must determine the Rate UFLS capacity requirement as the share of the Rate DTS contract capacity, in MW, for each relay trip setting specified in subsection 3(2) below for which the market participant has agreed to be shed.

3. The ISO may from time to time revise a market participant's Rate UFLS capacity requirement to maintain the minimum of 50% of the market participant's aggregate load.

4. The market participant must ensure the aggregate Rate UFLS capacity, across all points of delivery through which the market participant receives system access service under Rate DTS, continues to meet a revised Rate UFLS capacity requirement.

Rate

1. The ISO must determine the underfrequency load shedding credit to compensate a market participant who has load connected to underfrequency load shedding devices and therefore faces a higher risk of forced outage.

2. The ISO must calculate the underfrequency load shedding credit by multiplying the connected Rate UFLS capacity times the credit level for each relay trip setting in the following table.

<table>
<thead>
<tr>
<th>Relay Trip Setting</th>
<th>Credit Level ($/MW of Rate UFLS Capacity/month)</th>
</tr>
</thead>
<tbody>
<tr>
<td>59.1 Hz</td>
<td>$65.00</td>
</tr>
<tr>
<td>58.9 Hz</td>
<td>$60.00</td>
</tr>
<tr>
<td>58.7 Hz</td>
<td>$55.00</td>
</tr>
<tr>
<td>58.5 Hz</td>
<td>$50.00</td>
</tr>
<tr>
<td>58.3 Hz</td>
<td>$45.00</td>
</tr>
<tr>
<td>58.1 Hz</td>
<td>$40.00</td>
</tr>
</tbody>
</table>
## Effect of Non-Compliance

4. The ISO may limit, reduce, withhold or terminate system access service to a market participant to whom Rate UFLS applies if the market participant fails to comply with the requirements of Rate UFLS.

## Terms

5(1) The ISO provides no assurance as to the number or duration of any future forced outages due to underfrequency load shedding.

(2) The terms and conditions of the ISO tariff form part of this rate.

## Revision History

<table>
<thead>
<tr>
<th>Effective</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-07-17</td>
<td>Updated to reflect current authoritative document guidelines and applied for as part of 2014 ISO tariff.</td>
</tr>
<tr>
<td>2011-07-01</td>
<td>Revised and reformatted all subsections, as approved in Commission Decision 2011-275 issued on June 24, 2011.</td>
</tr>
</tbody>
</table>
Applicability

1(1) Rate PSC applies to **system access service** provided at a **point of delivery** to a **market participant** who receives **system access service** under Rate DTS, **Demand Transmission Service**, and:

   (a) does not utilize transformation facilities owned by a **legal owner** of **transmission facilities** to step transmission voltage down to 25 kV or less; or

   (b) is served through an unconventional connection such as one using metering transformers.

(2) Rate PSC does not apply to **system access service** to an isolated community as defined under the **Isolated Generating Units and Customer Choice Regulation**.

Rate

2(1) The **ISO** must determine the primary service credit to compensate a **market participant** whose connection does not include conventional transformation facilities owned by a **legal owner** of **transmission facilities**, including a connection for a **market participant** who has purchased, owns and operates its transformer.

(2) The **ISO** must determine the primary service credit as the sum of the products calculated by multiplying the volume and credit in each row (a) through (e) of the following table.

<table>
<thead>
<tr>
<th>Volume in Settlement Period</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Substation fraction</td>
<td>$1,784.00/month</td>
</tr>
<tr>
<td>(b) First (7.5 × substation fraction) MW of billing capacity</td>
<td>$2,879.00/MW/month</td>
</tr>
<tr>
<td>(c) Next (9.5 × substation fraction) MW of billing capacity</td>
<td>$1,433.00/MW/month</td>
</tr>
<tr>
<td>(d) Next (23 × substation fraction) MW of billing capacity</td>
<td>$991.00/MW/month</td>
</tr>
<tr>
<td>(e) All remaining MW of billing capacity</td>
<td>$802.00/MW/month</td>
</tr>
</tbody>
</table>

Terms

3(1) The **ISO** must apply Rate PSC separately at each **point of delivery**, except where Rate PSC applies to totalized **points of delivery** under subsection 5 of section 13 of the **ISO tariff**.

(2) The **ISO** must provide the primary service credit in conjunction with a reduced maximum local investment in accordance with subsection 8 of section 8 of the **ISO tariff**.

(3) The terms and conditions of the **ISO tariff** form part of this rate.
## Revision History

<table>
<thead>
<tr>
<th>Effective</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-07-17</td>
<td>Updated to reflect current authoritative document guidelines and applied for as part of 2014 ISO tariff.</td>
</tr>
<tr>
<td>2011-07-01</td>
<td>Revised and reformatted all subsections, as approved in Commission Decision 2011-275 issued on June 24, 2011.</td>
</tr>
</tbody>
</table>
Applicability

1(1) Rate STS applies to system access service provided at a point of supply to:

(a) the legal owner of a generating unit a generating unit or an aggregated generating facility that is not subject to a power purchase arrangement;

(b) the holder of the power purchase arrangement for a generating unit that is subject to a power purchase arrangement;

(c) the legal owner of an industrial system that has been designated as such by the Commission;

(d) the legal owner of an electric distribution system where a generating unit or an aggregated generating facility connected to the electric distribution system results in electricity flowing into the transmission system; or

(e) the City of Medicine Hat.

2(1) The ISO must determine the charge under Rate STS in a settlement period as the losses charge calculated as the sum, over all hours in the settlement period, of metered energy in the hour multiplied by pool price multiplied by a loss factor for the facility, where the loss factor is determined in accordance with section 501.10 of the ISO rules, Transmission Loss Factor Methodology and Requirements, and is available to market participants in the loss factors section of the AESO website.

2(2) The ISO must measure metered energy on a 15-minute interval for the purpose of calculating the losses charge under subsection 2(1) above.

Regulated Generating Unit Connection Cost

3 The ISO must apply an additional charge of $176.00/MW per month for each regulated generating unit MW only to the regulated generating units identified in Appendix A of the ISO tariff and only to the end of the base life year of the regulated generating units as provided in that Appendix.

Terms

4(1) The ISO must apply Rate STS separately at each point of supply, except where Rate STS applies to totalized points of supply under subsection 5 of section 13 of the ISO tariff.

2(2) The ISO must apply Rider E, Losses Calibration Factor Rider, to system access service provided under this rate.
(3) The ISO must apply Rider J, *Wind Forecasting Service Cost Recovery Rider*, to system access service provided under this rate for a wind-powered generating unit or aggregated generating facility.

(4) The terms and conditions of the *ISO tariff* form part of this rate.

**Revision History**

<table>
<thead>
<tr>
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<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
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<td>2011-07-01</td>
<td>Revised and reformatted all subsections, as approved in <em>Commission</em> Decision 2011-275 issued on June 24, 2011.</td>
</tr>
</tbody>
</table>
ISO Tariff – Rate IOS
Import Opportunity Service

Applicability

1 Rate IOS applies to system access service provided to market participants who import electric energy to the interconnected electric system.

Availability

2 The ISO must make Import opportunity service available:

(a) only when sufficient capacity exists on the transmission system to accommodate the capacity scheduled for import; and

(b) a minimum of twenty-four (24) hours following execution of an agreement for system access service for import opportunity service.

Rate

2(1) The ISO must determine the charge under Rate IOS in a settlement period as the losses charge calculated as the sum, over all hours in the settlement period, of the market participant’s import interchange transaction in the hour multiplied by pool price multiplied by a loss factor for the intertie, where the loss factor is determined in accordance with section 501.10 of the ISO rules, Transmission Loss Factor Methodology and Requirements, and is available to market participants in the loss factors section of the AESO website.

(2) The ISO must add a transaction fee of $500.00 to the amount billed for import opportunity service in a settlement period in which at least one Rate IOS transaction was approved for the market participant.

Terms

4(1) The ISO must apply Rate IOS separately at each point of interconnection.

(2) A market participant must achieve curtailment of its import opportunity service within one (1) hour in response to a directive from the ISO.

(3) The ISO must apply Rider E, Losses Calibration Factor Rider, to system access service provided under this rate.

(4) The terms and conditions of the ISO tariff form part of this rate.

Revision History

<table>
<thead>
<tr>
<th>Effective</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
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</tr>
<tr>
<td>2011-07-01</td>
<td>Revised and reformatted all subsections, as approved in Commission Decision 2011-275 issued on June 24, 2011.</td>
</tr>
</tbody>
</table>
Applicability

1 Rider A1 applies to system access service provided to TransAlta Utilities Corporation / FortisAlberta at certain points of delivery associated with Dow’s facility, as more particularly described in Alberta Energy and Utilities Board Decision U98125 (Grid Company of Alberta Inc. – Transmission Avoidance Rate – Dow Transmission Bypass).

Rate

2(1) The charge under Rider A1 is an adjustment to otherwise applicable rates to be made in each settlement period pursuant to the Decision.

(2) The forecast of the benefit to the ISO arising from the construction contributions made by Dow Chemicals Canada Inc. to TransAlta Utilities Corporation are provided in the following table.

<table>
<thead>
<tr>
<th>Year</th>
<th>Forecast Benefit to ISO (Annual)</th>
<th>Forecast Benefit to ISO (Monthly)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>$544,093</td>
<td>$45,341</td>
</tr>
<tr>
<td>1999</td>
<td>$865,378</td>
<td>$72,115</td>
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<tr>
<td>2000</td>
<td>$836,603</td>
<td>$69,717</td>
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<tr>
<td>2001</td>
<td>$807,828</td>
<td>$67,319</td>
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<tr>
<td>2002</td>
<td>$779,053</td>
<td>$64,921</td>
</tr>
<tr>
<td>2003</td>
<td>$750,278</td>
<td>$62,523</td>
</tr>
<tr>
<td>2004</td>
<td>$721,503</td>
<td>$60,125</td>
</tr>
<tr>
<td>2005</td>
<td>$692,728</td>
<td>$57,727</td>
</tr>
<tr>
<td>2006</td>
<td>$663,953</td>
<td>$55,329</td>
</tr>
<tr>
<td>2007</td>
<td>$635,178</td>
<td>$52,932</td>
</tr>
<tr>
<td>2008</td>
<td>$606,403</td>
<td>$50,534</td>
</tr>
<tr>
<td>2009</td>
<td>$577,628</td>
<td>$48,136</td>
</tr>
<tr>
<td>2010</td>
<td>$548,853</td>
<td>$45,738</td>
</tr>
<tr>
<td>2011</td>
<td>$520,078</td>
<td>$43,340</td>
</tr>
<tr>
<td>2012</td>
<td>$491,303</td>
<td>$40,942</td>
</tr>
<tr>
<td>2013</td>
<td>$462,528</td>
<td>$38,544</td>
</tr>
<tr>
<td>2014</td>
<td>$433,754</td>
<td>$36,146</td>
</tr>
<tr>
<td>2015</td>
<td>$404,979</td>
<td>$33,748</td>
</tr>
</tbody>
</table>
### Year Forecast Benefit to ISO (Annual) | Forecast Benefit to ISO (Monthly)
--- | ---
2016 | $376,204 | $31,350
2017 | $347,429 | $28,952
2018 | $318,654 | $26,554
2019 | $289,879 | $24,157
2020 | $261,104 | $21,759
2021 | $232,329 | $19,361

### Terms
3. The terms and conditions of the ISO tariff form part of this rider.

### Revision History

<table>
<thead>
<tr>
<th>Effective</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011-07-01</td>
<td>Revised and reformatted all subsections, as approved in Commission Decision 2011-275 issued on June 24, 2011.</td>
</tr>
</tbody>
</table>
Applicability

1 Rider A2 applies to system access service provided to NOVA Chemicals Corporation (NOVA Chemicals) at the 535S transmission station point of delivery and point of supply at NOVA Chemicals’ Joffre industrial system, as designated by Alberta Energy and Utilities Board Order No. HE 9826.

Rate

2(1) For each metering time interval, the metered demand and metered energy for the point of delivery and point of supply at the 535S transmission station will be totalized for the purpose of settlement under Rate DTS and Rate STS, as described in subsections 4 and 5 below. Charges under Rate DTS and Rate STS will be calculated using the totalized metered demand and the totalized metered energy. The meters to be totalized are on 330 Line-1, 330 Line-2, 298L, 297L, 535ST1 and 535ST2.

(2) NOVA Chemicals will make the following payments to the ISO:

(a) Capital Charge: A lump-sum payment of $2,375,000 to be made immediately upon implementation of this rider;

(b) Incremental Losses Charge:

(i) Commencing on January 1, 2001, metered demand and metered energy will be adjusted through the metering balance calculation for the 535S transmission station, using the loss factors in subsection 6 below. If the metered demand in a metering interval is between two levels in subsection 6 below, the applicable loss factor will be calculated by interpolating between the loss factors for the two levels of metered demand. If the metered demand in a metering interval is less than 10 MW, including 0 MW, the incremental loss will be deemed to be 0.14 MW. The meters to be compensated in the metering balancing calculation are on 298L, 297L, 535ST1 and 535ST2.

(ii) For each settlement period, commencing on the effective date of this rider, a payment equal to the totalized metered energy multiplied by the applicable loss factor and multiplied by the pool price, calculated on an hourly basis. The applicable loss factor for each hour will be the loss factor in subsection 6 below that corresponds with the totalized metered energy for the hour; and

(c) Other Expenses Charge: For each settlement period commencing on January 1, 2001, an amount equal to the “Monthly Payment” in subsection 7 below for the applicable year.

Terms

3 All terms in the ISO’s 23 June Application for a Duplication Avoidance Tariff for NOVA Chemicals Corporation Joffre Industrial System will be applicable.

Metering and Totalizing

4(1) See Application, Section 2.5: Terms for the Duplication Avoidance Tariff; Section 2.5.1: Metering and Totalizing.
(2) If NOVA Chemicals were to build the duplicate facilities, the 535S transmission station would be a **point of supply** for metering when the Joffre Site power generation exceeds the load requirements. Likewise, it would be a **point of delivery** when the Joffre site generation does not meet the load requirements. The duplication avoidance tariff will simulate this result by deeming the separate **point of delivery** and **point of supply** at the 535S transmission station to be a single point of exchange for the purpose of totalizing **metered demand** and **metered energy** in applying the ISO’s Rate DTS and Rate STS.

(3) During the term of the duplication avoidance tariff, the ISO would totalize the metered data at the 535S transmission station for the load of NOVA Chemicals’ existing facilities and the generation from its cogeneration facility. The totalized metered data would also include a debit to NOVA Chemicals to account for the deemed duplicate transformer losses. This would ensure that payments by NOVA Chemicals to the ISO under Rate DTS and Rate STS are equivalent to the costs NOVA Chemicals would have incurred had they built the duplicate facilities.

(4) The amount of load of the existing facilities included in the totalizing calculation would be limited to the deemed capacity of the duplicate transformer in NOVA Chemicals’ duplicate facilities design, which is 80 MVA. If the **metered demand** at the 535S transmission station for the existing facilities exceed this deemed capacity of 80 MVA, additional costs of upgrading the deemed duplicate transformer would be estimated and invoiced to NOVA Chemicals.

### Example of Totalizing

(1) See Application, Appendix C: Example of Totalizing. The following is an example of the totalizing calculation for **metered demand** and **metered energy** for two different metering time intervals:

<table>
<thead>
<tr>
<th></th>
<th>Time Interval 1</th>
<th>Time Interval 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>535S point of delivery (A)</td>
<td>+65 MW</td>
<td>+130 MW</td>
</tr>
<tr>
<td>535S point of supply (B) (cogeneration facility)</td>
<td>−365 MW</td>
<td>0 MW</td>
</tr>
<tr>
<td>Totalized <strong>metered demand</strong> and <strong>metered energy</strong> (C)</td>
<td>−300 MW</td>
<td>+130 MW</td>
</tr>
</tbody>
</table>

(2) In time interval 1, under the duplication avoidance tariff, NOVA Chemicals’ **demand** requirement is 65 MW at the 535S transmission station. At the same time, NOVA Chemicals’ cogeneration facility is delivering 365 MW of power to the **interconnected electric system** at the 535S transmission station. If NOVA Chemicals built the duplicate facilities, the **metered energy** delivered from the **interconnected electric system** for NOVA Chemicals’ load requirement at point A would be 0 MW, and the **metered energy** received by the **interconnected electric system** from the generator output at point B would be 300 MW. This energy balance is simulated by the proposed totalizing procedure. Combining the **point of delivery** (A) and **point of supply** (B) produces a totalized **metered demand** of −300 MW, where the negative sign signifies a net energy receipt by the **interconnected electric system**.

(3) In time interval 2, the cogeneration facility is not operating, supplying 0 MW of power, and NOVA Chemicals’ load remains at 65 MW for the existing facilities and 65 MW for the new facilities. The result is a net load of +130 MW for that time interval, where the positive sign signifies a net energy delivery from the **interconnected electric system**.
### Schedule 1 — Incremental Loss Factors

<table>
<thead>
<tr>
<th>Metered Demand of Existing Facilities (MW)</th>
<th>Loss Factor (% of metered demand of existing facilities)</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; 0 ≤ 10</td>
<td>1.41 %</td>
</tr>
<tr>
<td>&gt; 10 ≤ 20</td>
<td>0.76 %</td>
</tr>
<tr>
<td>&gt; 20 ≤ 30</td>
<td>0.57 %</td>
</tr>
<tr>
<td>&gt; 30 ≤ 40</td>
<td>0.49 %</td>
</tr>
<tr>
<td>&gt; 40 ≤ 50</td>
<td>0.46 %</td>
</tr>
<tr>
<td>&gt; 50 ≤ 60</td>
<td>0.45 %</td>
</tr>
<tr>
<td>&gt; 60 ≤ 70</td>
<td>0.45 %</td>
</tr>
<tr>
<td>&gt; 70 ≤ 80</td>
<td>0.47 %</td>
</tr>
</tbody>
</table>

### Schedule 2 — Other Expenses Charge

<table>
<thead>
<tr>
<th>12-Month Period</th>
<th>Monthly Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan. 1, 2009 – Dec. 31, 2009</td>
<td>$ 2,204</td>
</tr>
<tr>
<td>Jan. 1, 2016 – Dec. 31, 2016</td>
<td>$ 4,343</td>
</tr>
<tr>
<td>12-Month Period</td>
<td>Monthly Payment</td>
</tr>
<tr>
<td>----------------------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>Jan. 1, 2018 – Dec. 31, 2018</td>
<td>$4,745</td>
</tr>
<tr>
<td>Jan. 1, 2019 – Dec. 31, 2019</td>
<td>$2,211</td>
</tr>
<tr>
<td>Jan. 1, 2020 – Dec. 31, 2020</td>
<td>$6,835</td>
</tr>
<tr>
<td>Jan. 1, 2022 – Dec. 31, 2022</td>
<td>$2,225</td>
</tr>
<tr>
<td>Jan. 1, 2024 – Dec. 31, 2024</td>
<td>$7,790</td>
</tr>
<tr>
<td>Jan. 1, 2025 – Dec. 31, 2025</td>
<td>$2,417</td>
</tr>
<tr>
<td>Jan. 1, 2026 – Dec. 31, 2026</td>
<td>$2,184</td>
</tr>
<tr>
<td>Jan. 1, 2027 – Dec. 31, 2027</td>
<td>$2,300</td>
</tr>
<tr>
<td>Jan. 1, 2028 – Dec. 31, 2028</td>
<td>$2,256</td>
</tr>
<tr>
<td>Jan. 1, 2029 – Dec. 31, 2029</td>
<td>$2,197</td>
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<tr>
<td>Jan. 1, 2030 – Dec. 31, 2030</td>
<td>$36,105</td>
</tr>
<tr>
<td>Jan. 1, 2031 – Dec. 31, 2031</td>
<td>$2,273</td>
</tr>
<tr>
<td>Jan. 1, 2032 – Dec. 31, 2032</td>
<td>$5,154</td>
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<tr>
<td>Jan. 1, 2033 – Dec. 31, 2033</td>
<td>$2,340</td>
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<tr>
<td>Jan. 1, 2035 – Dec. 31, 2035</td>
<td>$2,440</td>
</tr>
<tr>
<td>Jan. 1, 2036 – Dec. 31, 2036</td>
<td>$7,595</td>
</tr>
<tr>
<td>Jan. 1, 2037 – Dec. 31, 2037</td>
<td>$2,310</td>
</tr>
<tr>
<td>Jan. 1, 2038 – Dec. 31, 2038</td>
<td>$2,239</td>
</tr>
<tr>
<td>Jan. 1, 2039 – Dec. 31, 2039</td>
<td>$2,386</td>
</tr>
<tr>
<td>Jan. 1, 2040 – Dec. 31, 2040</td>
<td>$4,518</td>
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</tbody>
</table>

**Revision History**

<table>
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</tr>
<tr>
<td></td>
<td>2011-275 issued on June 24, 2011.</td>
</tr>
</tbody>
</table>
Applicability

1 Rider A3 applies to system access service provided to Shell Canada Corporation (Shell Canada) at the 409S transmission station point of delivery and point of supply at Shell Canada’s Scotford industrial system, as designated by Alberta Energy and Utilities Board Order No. HE U2000-109.

Rate

2(1) For each metering time interval, the metered demand and metered energy for each point of delivery and point of supply (409ST1, 409ST2, 337S and 746L feeders) around the 409S transmission station will be synchronized, totalized and adjusted to measure electricity at the 138 kV bus for the purpose of settlement under the ISO tariff. Charges under the ISO tariff will be calculated using the totalized metered demand and metered energy.

(2) Shell Canada will make the following payments to the ISO:

(a) Capital Charge: A payment of $2,907,800 is due immediately upon implementation of this rider.

(b) Incremental Losses Charge:

(i) Commencing on the effective date of this rate rider, metered demand and metered energy will be adjusted through the metering balancing calculation for the 409S transmission station, using the loss factors in subsection 6 below. If the metered demand in a metering interval is between two levels in subsection 6 below, the applicable loss factor will be calculated by interpolating between the loss factors for the two levels of metered demand. If the metered demand in a metering interval is less than 10 MW, including 0 MW, the incremental loss will be deemed to be 0.083 MW. The meters to be compensated in the metering balancing calculation are on 409ST1, 409ST2, 337S and 746L.

(ii) For each settlement period, commencing on the effective date of this rate rider, a payment equal to the totalized metered energy multiplied by the applicable loss factor and multiplied by the pool price, calculated on an hourly basis. The applicable loss factor for each hour will be the loss factor in subsection 6 below that corresponds with the totalized metered energy for the hour; and

(c) Other Expenses Charge: The other expenses charge is shown in subsection 7 below.

(3) Shell Canada will receive a primary service credit in respect of the duplicate facilities as is provided to other Rate DTS customers of the ISO who provide their own transmission station, pending the decision of the Alberta Energy and Utilities Board on the ISO’s 2002 tariff application.

Terms

3 All terms and conditions in the ISO tariff apply in addition to the terms in this Application for a Duplication Avoidance Tariff for Shell Canada’s Scotford Industrial System. If either the ISO or Shell Canada were to terminate the Duplication Avoidance Tariff at a future date, Shell Canada would receive a partial refund of the lump sum capital charge payment. The amount of the partial refund would be the deemed remaining undepreciated dollar amount of the avoided duplicate facilities, in the year that the ISO or Shell Canada gives notice to terminate the Duplication Avoidance Tariff. The undepreciated dollar
value would be calculated based on the lump sum capital charge payment using a straight-line
depreciation over the first twenty-four (24) years of the term of the Duplication Avoidance Tariff. At the
day of twenty-four (24) years, the undepreciated value would be zero. The termination notice period, for
both the ISO and Shell Canada, will be twenty-four (24) months.

**Metering and Totalizing**

4(1) Totalization should proceed on the basis of economic indifference to Shell Canada between the
duplication Avoidance Tariff and the construction of duplicate facilities and a net positive benefit to other
transmission customers. These principles are met by the terms proposed for the Duplication Avoidance
Tariff.

(2) There is no direct relationship between the size of 409S (sized for a prior, smaller load-only
Scotford site) and the larger scale operations now reflected in the industrial system. The Duplication
Avoidance Tariff for 409S is the most advantageous arrangement for the ISO compared to construction of
duplicate facilities.

(3) If Shell Canada were to build the duplicate facilities, the 409S transmission station would be a
point of supply when the Scotford site power generation exceeds the load requirements. Likewise, it
would be a point of delivery when the Scotford site generation does not meet the load requirements.
The Duplication Avoidance Tariff will simulate this result by deeming the separate point of delivery and
point of supply at the 409S transmission station to be a single point of delivery and point of supply for
the purpose of totalizing metered demand and metered energy.

(4) During the term of the Duplication Avoidance Tariff, the ISO would totalize the metered data at
the 409S transmission station for the load of Shell Canada’s load facilities and the generation from its
cogeneration facility. This would ensure that payments by Shell Canada to the ISO under the ISO tariff
are equivalent to the costs that Shell Canada would have incurred had they built the duplicate facilities.

(5) The level of load of the load facilities included in the totalization calculation would be limited to the
deemed capacity of the duplicate facilities in Shell Canada’s duplicate facilities design. Given that the
capacity of the duplicate facilities would be identical to that of the 409S transmission station, if the
transformer requires upgrading in order to serve additional load from the load facilities, Shell Canada will
be responsible for the cost of the upgrade.

**Example of Totalizing**

5(1) The following is an example of the totalizing calculation for metered demand and metered
energy for two different metering time intervals:

<table>
<thead>
<tr>
<th>Time Interval 1</th>
<th>Time Interval 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>409S point of delivery (A)</td>
<td>+60 MW</td>
</tr>
<tr>
<td>409S point of supply and point of delivery (B)</td>
<td>–70 MW</td>
</tr>
<tr>
<td>Totalized metered demand and metered energy (C)</td>
<td>–10 MW</td>
</tr>
</tbody>
</table>

(2) In time interval 1, under the Duplication Avoidance Tariff, Shell Canada’s load requirement is
60 MW from the 409S transmission station. At the same time, Shell Canada’s cogeneration facility is
delivering a net supply of 70 MW to the interconnected electric system at the 409S transmission
station. This is net of load directly served from the cogeneration facility downstream of the 409S. If Shell Canada built the duplicate facilities, the level of energy delivered from Shell Canada to the interconnected electric system would be 10 MW. This energy balance is simulated through the proposed totalizing procedure. Combining the point of delivery (A) and point of supply (B) produces a totalized metered demand of –10 MW, where the negative sign signifies a net energy receipt by the interconnected electric system.

(3) In time interval 2, the load served from point of delivery (A) remains at 60 MW but there is a reduced supply of energy from the cogeneration facility. Due to load requirements directly served from the cogeneration facility (net of partial load shedding), energy flows at (B) are reversed, resulting in 20 MW of energy delivered from the interconnected electric system to Shell Canada. Thus (B) is also a point of delivery. If Shell Canada built the duplicate facilities, the level of energy delivered from the interconnected electric system to Shell Canada at (A) and (B) would be 80 MW. Through the proposed totalizing procedure the totalized metered demand would be +80 MW, where the positive sign signifies a net energy delivery from the interconnected electric system to Shell Canada.

Schedule 1 — Incremental Loss Factors

<table>
<thead>
<tr>
<th>Metered Demand of Load Facilities (MW)</th>
<th>Loss Factor (% of metered demand of load facilities)</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; 0 ≤ 10</td>
<td>0.84%</td>
</tr>
<tr>
<td>&gt; 10 ≤ 20</td>
<td>0.46%</td>
</tr>
<tr>
<td>&gt; 20 ≤ 30</td>
<td>0.35%</td>
</tr>
<tr>
<td>&gt; 30 ≤ 40</td>
<td>0.31%</td>
</tr>
<tr>
<td>&gt; 40 ≤ 50</td>
<td>0.30%</td>
</tr>
<tr>
<td>&gt; 50 ≤ 60</td>
<td>0.30%</td>
</tr>
<tr>
<td>&gt; 60 ≤ 70</td>
<td>0.30%</td>
</tr>
<tr>
<td>&gt; 70 ≤ 80</td>
<td>0.32%</td>
</tr>
<tr>
<td>&gt; 80 ≤ 90</td>
<td>0.33%</td>
</tr>
<tr>
<td>&gt; 90 ≤ 100</td>
<td>0.35%</td>
</tr>
</tbody>
</table>

Schedule 2 — Other Expenses Charge

<table>
<thead>
<tr>
<th>12-Month Period</th>
<th>Monthly Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan. 1, 2006 – Dec. 31, 2006</td>
<td>$ 1,820</td>
</tr>
<tr>
<td>12-Month Period</td>
<td>Monthly Payment</td>
</tr>
<tr>
<td>------------------------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>Jan. 1, 2008 – Dec. 31, 2008</td>
<td>$ 1,655</td>
</tr>
<tr>
<td>Jan. 1, 2010 – Dec. 31, 2010</td>
<td>$ 1,701</td>
</tr>
<tr>
<td>Jan. 1, 2015 – Dec. 31, 2015</td>
<td>$ 1,637</td>
</tr>
<tr>
<td>Jan. 1, 2016 – Dec. 31, 2016</td>
<td>$ 16,504</td>
</tr>
<tr>
<td>Jan. 1, 2018 – Dec. 31, 2018</td>
<td>$ 1,737</td>
</tr>
<tr>
<td>Jan. 1, 2019 – Dec. 31, 2019</td>
<td>$ 4,222</td>
</tr>
<tr>
<td>Jan. 1, 2020 – Dec. 31, 2020</td>
<td>$ 1,807</td>
</tr>
<tr>
<td>Jan. 1, 2022 – Dec. 31, 2022</td>
<td>$ 1,954</td>
</tr>
<tr>
<td>Jan. 1, 2023 – Dec. 31, 2023</td>
<td>$ 1,918</td>
</tr>
<tr>
<td>Jan. 1, 2024 – Dec. 31, 2024</td>
<td>$ 1,956</td>
</tr>
<tr>
<td>Jan. 1, 2025 – Dec. 31, 2025</td>
<td>$ 9,933</td>
</tr>
<tr>
<td>Jan. 1, 2026 – Dec. 31, 2026</td>
<td>$ 2,265</td>
</tr>
<tr>
<td>Jan. 1, 2027 – Dec. 31, 2027</td>
<td>$ 2,076</td>
</tr>
<tr>
<td>Jan. 1, 2028 – Dec. 31, 2028</td>
<td>$ 2,201</td>
</tr>
<tr>
<td>Jan. 1, 2029 – Dec. 31, 2029</td>
<td>$ 2,160</td>
</tr>
<tr>
<td>Jan. 1, 2030 – Dec. 31, 2030</td>
<td>$ 2,203</td>
</tr>
<tr>
<td>Jan. 1, 2031 – Dec. 31, 2031</td>
<td>$ 59,074</td>
</tr>
<tr>
<td>Jan. 1, 2032 – Dec. 31, 2032</td>
<td>$ 2,292</td>
</tr>
<tr>
<td>Jan. 1, 2033 – Dec. 31, 2033</td>
<td>$ 7,777</td>
</tr>
<tr>
<td>Jan. 1, 2034 – Dec. 31, 2034</td>
<td>$ 2,479</td>
</tr>
</tbody>
</table>
### Table: 12-Month Period Monthly Payment

<table>
<thead>
<tr>
<th>Period</th>
<th>Monthly Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan. 1, 2035 – Dec. 31, 2035</td>
<td>$ 2,432</td>
</tr>
<tr>
<td>Jan. 1, 2036 – Dec. 31, 2036</td>
<td>$ 2,761</td>
</tr>
</tbody>
</table>

### Revision History

<table>
<thead>
<tr>
<th>Effective</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011-07-01</td>
<td>Revised and reformatted all subsections, as approved in Commission Decision 2011-275 issued on June 24, 2011.</td>
</tr>
</tbody>
</table>
Applicability

1 Rider A4 applies to system access service provided to Imperial Oil Resources Limited (Imperial Oil) at the Leming Lake-715S transmission station point of delivery and point of supply and the Mahihkan-837S transmission station point of delivery at Imperial Oil’s Cold Lake industrial system, as designated by Alberta Energy and Utilities Board Order No. HE 9901 and expanded by Order No. U2006-207, plus any expansions to this industrial system as may be approved by the Commission.

Rate

2(1) For each metering time interval, the metered demand and metered energy for the points of delivery and point of supply, at the 715S and 837S transmission stations, will be totalized for the purpose of settlement under Rate DTS and Rate STS, as described in subsections 4 and 5 below.

(2) Imperial Oil shall make the following payments to the ISO:

   (a) Capital Charge: A lump-sum payment of $5 968 800 collected upon implementation of this rider;

   (b) Incremental Losses Charge: For each settlement period, commencing on the effective date of this rider, a payment equal to the totalized metered energy multiplied by the applicable loss factor and multiplied by the pool price, calculated on an hourly basis. The applicable loss factor for each hour will be the loss factor in subsection 6 below that corresponds with the totalized metered energy for the hour; and

   (c) Other Expenses Charge: For each settlement period, commencing on the effective date of this rider, an amount equal to the “Monthly Payment” in subsection 7 below for the applicable year.

Terms

3 All terms in the ISO’s June 22, 2001 Application for a Duplication Avoidance Tariff for Imperial Oil Resources Limited Cold Lake Site and in the ISO’s 2008 Application for Amendment will be applicable.

Metering and Totalizing

4(1) If Imperial Oil were to build the duplicate facilities, the Leming Lake transmission station would be a point of supply when the Cold Lake site power generation exceeds the load requirements, and a point of delivery when the generation does not meet the load requirements. The duplication avoidance tariff will simulate these conditions by deeming the points of delivery at the Mahihkan and Leming Lake transmission stations, and the point of supply at the Leming Lake transmission station, to be a single point of delivery and point of supply for the purpose of totalizing metered demand and metered energy in applying Rate DTS and Rate STS.

(2) During operation of the duplication avoidance tariff, the ISO will totalize the metered data for Imperial Oil’s load and generation served from the Mahihkan and Leming Lake transmission stations. This will ensure that payments by Imperial Oil to the ISO under Rate DTS and Rate STS are equivalent to the costs Imperial Oil would have incurred for the duplicate facilities.

(3) Charges under Rate DTS and Rate STS will be calculated using the totalized metered demand and the totalized metered energy for Imperial Oil at the Mahihkan-837S transmission station and the
Leming Lake-715S transmission station. The meters to be totalized at Mahihkan-837S are 5L408, 5L409, 5L410 and 7L105. The meters to be totalized at Leming Lake-715S are 5L335, 5L408, 5L575, 5L395, 5L242 and 7L95. These meter points may change from time to time.

(4) The amount of load included in the totalizing calculation will be limited to 157 MVA from November through April and 130 MVA from May through October, which is the maximum amount of load that the duplicate facilities would be able to serve, based on the deemed winter and summer capacities, respectively, of the duplicate transmission line in Imperial Oil’s design. If the combined metered demand at the Mahihkan and Leming Lake transmission stations for the load facilities exceeds the 157 MVA winter or 130 MVA summer limit, the costs that would have been required to service the additional load under the duplicate facilities alternative will be estimated and invoiced to Imperial Oil.

**Example of Totalizing**

5(1) The following is an example of the totalizing calculation for metered demand and metered energy for two different metering time intervals.

<table>
<thead>
<tr>
<th>Time Interval 1</th>
<th>Time Interval 2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Point of delivery (A)</strong> (Mahikan)</td>
<td>+45 MW</td>
</tr>
<tr>
<td><strong>Point of supply and point of delivery (B)</strong> (Leming Lake)</td>
<td>−100 MW</td>
</tr>
<tr>
<td>Totalized <strong>metered demand and metered energy</strong> (C)</td>
<td>−55 MW</td>
</tr>
</tbody>
</table>

(2) In time interval 1, under the duplication avoidance tariff, Imperial Oil’s demand requirement is 45 MW at each of the Mahihkan and Leming Lake transmission stations. At the same time, Imperial Oil’s cogeneration facility is producing 160 MW of power, of which 15 MW is used to directly serve other load requirements. The net delivery to the interconnected electric system is 145 MW at the Leming Lake transmission station. If Imperial Oil built the duplicate facilities, the metered energy delivered by the interconnected electric system to Imperial Oil’s load requirement at the Mahihkan transmission station would be zero, and the metered energy received by the interconnected electric system from the generator output at the Leming Lake transmission station would be 55 MW (160 MW of generation minus 105 MW of load). This energy balance is simulated by the proposed totalizing procedure. Combining the point of delivery (A) and point of supply (B) produces an adjusted metered demand of −55 MW, where the negative sign signifies a net energy receipt by the interconnected electric system.

(3) In time interval 2, the cogeneration facility is not operating and Imperial Oil’s load remains at 105 MW (45 MW at the Mahihkan station, and 45 MW plus 15 MW at Leming Lake station). The result is a net load of +105 MW for that time interval, where the positive sign signifies a net energy delivery from the interconnected electric system.

**Schedule 1 — Incremental Loss Factors**

<table>
<thead>
<tr>
<th>Metered Demand of Load Facilities (MW)</th>
<th>Loss Factor (% of metered demand of load facilities)</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; 0 ≤ 10</td>
<td>1.88%</td>
</tr>
<tr>
<td>&gt; 10 ≤ 20</td>
<td>1.31%</td>
</tr>
<tr>
<td>Metered Demand of Load Facilities (MW)</td>
<td>Loss Factor (% of metered demand of load facilities)</td>
</tr>
<tr>
<td>----------------------------------------</td>
<td>---------------------------------------------------</td>
</tr>
<tr>
<td>&gt; 20 ≤ 30</td>
<td>0.64%</td>
</tr>
<tr>
<td>&gt; 30 ≤ 40</td>
<td>0.54%</td>
</tr>
<tr>
<td>&gt; 40 ≤ 50</td>
<td>0.60%</td>
</tr>
<tr>
<td>&gt; 50 ≤ 60</td>
<td>0.73%</td>
</tr>
<tr>
<td>&gt; 60 ≤ 70</td>
<td>0.90%</td>
</tr>
<tr>
<td>&gt; 70 ≤ 80</td>
<td>1.09%</td>
</tr>
<tr>
<td>&gt; 80 ≤ 90</td>
<td>1.29%</td>
</tr>
<tr>
<td>&gt; 90 ≤ 100</td>
<td>1.51%</td>
</tr>
<tr>
<td>&gt; 100 ≤ 110</td>
<td>1.72%</td>
</tr>
<tr>
<td>&gt; 110 ≤ 115</td>
<td>1.91%</td>
</tr>
<tr>
<td>&gt; 115 ≤ 120</td>
<td>1.99%</td>
</tr>
<tr>
<td>&gt; 120 ≤ 125</td>
<td>2.08%</td>
</tr>
<tr>
<td>&gt; 125 ≤ 130</td>
<td>2.16%</td>
</tr>
<tr>
<td>&gt; 130 ≤ 135</td>
<td>2.25%</td>
</tr>
<tr>
<td>&gt; 135 ≤ 140</td>
<td>2.33%</td>
</tr>
<tr>
<td>&gt; 140 ≤ 145</td>
<td>2.48%</td>
</tr>
<tr>
<td>&gt; 145</td>
<td>2.66%</td>
</tr>
</tbody>
</table>

### Schedule 2 — Other Expenses Charge

<table>
<thead>
<tr>
<th>12-Month Period</th>
<th>Monthly Payment</th>
</tr>
</thead>
</table>
### 12-Month Period Monthly Payment

<table>
<thead>
<tr>
<th>Period</th>
<th>Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan. 1, 2016 – Dec. 31, 2016</td>
<td>$ 5,430</td>
</tr>
<tr>
<td>Jan. 1, 2024 – Dec. 31, 2024</td>
<td>$ 5,905</td>
</tr>
<tr>
<td>Jan. 1, 2025 – Dec. 31, 2025</td>
<td>$ 5,366</td>
</tr>
<tr>
<td>Jan. 1, 2026 – Dec. 31, 2026</td>
<td>$ 19,095</td>
</tr>
<tr>
<td>Jan. 1, 2027 – Dec. 31, 2027</td>
<td>$ 6,492</td>
</tr>
<tr>
<td>Jan. 1, 2028 – Dec. 31, 2028</td>
<td>$ 5,695</td>
</tr>
<tr>
<td>Jan. 1, 2029 – Dec. 31, 2029</td>
<td>$ 5,962</td>
</tr>
<tr>
<td>Jan. 1, 2030 – Dec. 31, 2030</td>
<td>$ 7,811</td>
</tr>
<tr>
<td>Jan. 1, 2031 – Dec. 31, 2031</td>
<td>$ 6,043</td>
</tr>
</tbody>
</table>

### Revision History

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>2011-07-01</td>
<td>Revised and reformatted all subsections, as approved in <strong>Commission</strong> Decision 2011-275 issued on June 24, 2011.</td>
</tr>
</tbody>
</table>
**Applicability**

1 Rider C applies to **system access service** provided under:

   (a) Rate DTS, *Demand Transmission Service*; and

   (b) Rate FTS, *Fort Nelson Demand Transmission Service*.

**Rider**

2(1) The ISO must recover or refund through Rider C accumulated deferral account balances which are comprised of differences between revenues and costs incurred in providing **system access service** to market participants.

(2) The ISO must determine Rider C for each calendar quarter as an additional $/MWh charge or credit that applies to each rate listed in subsection 1 above.

(3) The ISO must publish the Rider C charge or credit, including its calculation, on the ISO website at least thirty (30) days prior to the beginning of the calendar quarter in which it will apply.

(4) The ISO must calculate the Rider C charge or credit as the sum of amounts, based on available recorded and forecast values, required to restore the deferral account balance to zero (0) over the following calendar quarter, or such longer period as determined by the ISO to minimize rate impact, in each of the following rate components:

   (a) connection charge;

   (b) **operating reserve** charge;

   (c) voltage control charge; and

   (d) other system support services charge

   where the ISO assigns revenues and costs to each rate component in accordance with the ISO tariff in effect during the period in which the revenue was collected or the cost was incurred.

(5) The ISO must calculate Rider C to include only transactions settled with the ISO that have occurred after January 1 of the calendar year in which the Rider C charge or credit will apply, although such transactions may involve amounts that relate to prior years.

**Terms**

3(1) The ISO may adjust Rider C amounts collected or refunded, through a deferral account reconciliation application filed with the Commission by the ISO.

(2) The ISO must not add or deduct interest to or from amounts recovered or refunded through Rider C or through a deferral account reconciliation application, unless the Commission orders otherwise in specific circumstances.

(3) The terms and conditions of the ISO tariff form part of this rider.
## Revision History

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>2013-07-17</td>
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<tr>
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</tr>
</tbody>
</table>
ISO Tariff – Rider E  
Losses Calibration Factor Rider

Applicability
1(1) Rider E applies to system access service provided under:
   (a) Rate DOS, Demand Opportunity Service;
   (b) Rate XOS, Export Opportunity Service;
   (c) Rate STS, Supply Transmission Service; and
   (d) Rate IOS, Import Opportunity Service.

(2) Rider E applies in all settlement periods effective January 1, 2006.

Rider
2(1) The ISO must determine Rider E to adjust loss factors to ensure that the actual cost of losses is reasonably recovered through charges and credits on an annual basis.

(2) The ISO must add or subtract an additional calibration factor percentage (%) to or from all loss factors for facilities and interties on each applicable rate.

(3) The ISO must determine a calibration factor every quarter to recover or refund all accumulated and forecast differences between the anticipated costs of transmission system losses and the actual costs of transmission system losses, on a calendar year basis.

(4) The ISO must carry forward any balance between transmission system losses costs and revenues remaining at the end of a year to be recovered or refunded in the following calendar year.

Terms
3 The terms and conditions of the ISO tariff form part of this rider.

Revision History

<table>
<thead>
<tr>
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<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
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<td>Revised and reformatted all subsections, as approved in Commission Decision 2011-275 issued on June 24, 2011.</td>
</tr>
</tbody>
</table>
Applicability

1(1) Rider F applies to system access service provided under:

   (a) Rate DTS, Demand Transmission Service; and

   (b) Rate DOS, Demand Opportunity Service.

(2) Notwithstanding subsection 1(1) above, Rider F does not apply to system access service provided to:

   (a) the City of Medicine Hat; or

   (b) BC Hydro at Fort Nelson, British Columbia.

(3) Rider F applies in all settlement periods from January 1, 2013 to December 31, 2013.

Rider

2(1) The ISO must determine Rider F as a credit of $5.50/MWh of metered energy during the settlement period.

(2) The ISO must determine Rider F to refund or collect an annualized amount estimated by the Balancing Pool and transferred to the ISO under section 82 of the Act, for the market participants receiving system access service from the ISO under subsection 1 above.

Terms

3 The terms and conditions of the ISO tariff form part of this rider.

Revision History

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</tr>
</tbody>
</table>
Applicability

1 Rider J applies to **system access service** provided under Rate STS, **Supply Transmission Service**, for a wind-powered **generating unit** or **aggregated generating facility**.

Rider

2(1) The **ISO** must determine the Rider J amount to recover the costs paid by the **ISO** for provision of a wind forecasting service for wind-powered **generating units** and **aggregated generating facilities** in Alberta.

(2) The **ISO** must calculate the Rider J charge as the product of **metered energy** in the **settlement period** multiplied by $0.12/MWh.

(4) The **ISO** must:

   (a) review Rider J costs and revenues at the end of each calendar year; and

   (b) adjust the Rider J amount in future years to address variances from forecasts of costs and revenues.

Terms

3(1) The **ISO** must apply Rider J separately at each **point of supply**.

(2) The terms and conditions of the **ISO tariff** form part of this rider.

Revision History

<table>
<thead>
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<tbody>
<tr>
<td>2013-07-17</td>
<td>Revised to reflect the review of costs and revenues for 2010-2016 and applied for as part of 2014 <strong>ISO tariff</strong>.</td>
</tr>
<tr>
<td>2011-07-01</td>
<td>Revised and reformatted all subsections, as approved in <strong>Commission</strong> Decision 2011-275 issued on June 24, 2011.</td>
</tr>
</tbody>
</table>
Applicability

1(1) A market participant who applies for or accepts system access service from the ISO agrees to be bound by the ISO tariff.

(2) Both the ISO and market participants are bound by and have the rights and obligations defined in the ISO tariff with respect to system access service the ISO provides, including rates, riders, terms and conditions and appendices.

(3) The ISO tariff becomes effective as of the date provided in the revision history of each rate, rider, section, or appendix and only when approved by the Commission and each rate, rider, section, or appendix of the ISO tariff remains in effect until the Commission approves its replacement or amendment.

Conflict

2(1) The ISO has certain powers, duties and responsibilities as described in the Act and nothing in the ISO tariff in any way restricts or limits those powers, duties and responsibilities.

(2) In the event of any conflict between the terms and conditions of the ISO tariff and the rates, riders or appendices of the ISO tariff, the terms and conditions govern.

(3) In the event of any conflict between the ISO tariff and a section of an agreement for system access service, the ISO tariff governs the specific section in conflict without affecting or impairing the remaining sections of the agreement for system access service.

Interpretation

3 In the ISO tariff:

(a) tables of contents, section headers and the use of underlining and italicizing are not a part of the ISO tariff but are inserted for convenience of reference only;

(b) words in the singular include the plural and words in the plural include the singular;

(c) words importing male persons include female persons, words importing female persons include male persons and words importing either sex include corporations;

(d) the provisions of the ISO tariff will be construed as always speaking and will be applied to circumstances as they arise;

(e) the use of the word “including” is not to be construed as being restrictive;

(f) “may” is to be construed as permissive and empowering and “must”, “shall” and “will” are to be construed as imperative;

(g) all references to a time of day in the ISO tariff mean mountain standard or mountain daylight time in the Province of Alberta, whichever is in effect on the day in question;

(h) words and phrases in bold type have the meanings given to them in the definitions found in the Consolidated Authoritative Documents Glossary; and
Jurisdiction

4(1) The ISO and market participants must address any dispute concerning the application, interpretation or enforceability of the ISO tariff in accordance with section 103.2 of the ISO rules, Dispute Resolution.

(2) Any such dispute is within the exclusive jurisdiction of the Commission or Courts of the Province of Alberta, as applicable, and any related legal proceedings must be commenced, heard and adjudicated within the applicable Alberta forum.

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</tbody>
</table>
ISO Tariff – Section 2
Provision of and Limitations to System Access Service

Applicability
1 This section applies to a market participant who has requested or is receiving system access service under any rate in the ISO tariff.

Provision of Service
2(1) The ISO must provide system access service, up to and including the applicable point of delivery or point of supply, to a market participant who has a current agreement for system access service and complies with the ISO tariff, subject to subsections 3, 4, 5 and 6 below.

(2) The ISO must provide such system access service up to the contract capacity of the market participant.

(3) The ISO may limit, reduce or interrupt system access service under any applicable ISO rule or due to abnormal operating conditions which include, as defined in the Transmission Regulation, conditions where transmission facilities are out of service, emergency conditions exist, construction or commissioning of transmission facilities occurs or transmission facility maintenance cannot be coordinated with planned outages of a generating unit or an aggregated generating facility.

Metered Demand Limitations
3(1) A market participant receiving system access service under Rate DTS, Demand Transmission Service, or Rate STS, Supply Transmission Service, must ensure metered demand does not exceed the lesser of the rated capacity or the physical capacity of any transmission facilities comprising the market participant’s connection, subject to subsections 3(3) and 3(4) below.

(2) The ISO has the right to discontinue system access service if the metered demand exceeds either the rated capacity or the physical capacity of any transmission facilities comprising a market participant’s connection, until the market participant installs equipment to limit the metered demand to the rated capacity or physical capacity, as applicable.

(3) A market participant receiving system access service under Rate DTS may temporarily exceed the rated capacity of transmission facilities comprising its connection, but only where the ISO has approved a transaction under Rate DOS for the market participant at the applicable point of delivery.

(4) A market participant receiving system access service under Rate STS may temporarily exceed the rated capacity of transmission facilities comprising its connection, but only with the ISO’s consent, obtained on a minimum twenty-four (24) hours’ notice, which the ISO withhold if the ISO determines that the transmission system cannot safely accommodate the proposed energy without risk of disturbance to other market participants.

Withholding Service
4(1) The ISO may limit, reduce, withhold or terminate system access service if a market participant fails to comply with any provision of the ISO tariff.

(2) The ISO must provide a written explanation for limiting, reducing, withholding or terminating system access service to an affected market participant who submits a written request for those details.
Service Not Guaranteed

5(1) The ISO must take reasonable precautions to guard against system access service limitations, reductions and interruptions, but can not and does not guarantee uninterrupted system access service.

(2) Interruptions may be caused by events including:
   - (a) scheduled or planned facility maintenance activities;
   - (b) construction, commissioning and facility testing activities;
   - (c) unscheduled or unplanned emergency equipment maintenance or other emergencies;
   - (d) events of force majeure;
   - (e) breaches of obligations owed to the ISO by its suppliers or market participants; or
   - (f) as otherwise expressly allowed by a rate or rider in the ISO tariff.

(3) The ISO must make reasonable efforts to restore system access service as soon as practicable after a limitation, reduction or interruption, except where the limitation, reduction or interruption is due to the market participant failing to comply with the ISO tariff.

Interruptions for Construction, Commissioning and Facility Testing

6 The ISO must make reasonable efforts to schedule construction, commissioning and facility testing activities in conjunction with planned downtime of an affected market participant’s but, subject to such efforts, may interrupt system access service to perform such activities.

Market Participant’s Continuing Financial Obligations

7 A market participant’s financial obligation to pay any rate, charge or other amount that has accrued or is accruing to the ISO and to fully comply with the ISO tariff are not affected during or as the result of any limitation, reduction, interruption, withholding or termination of system access service.

Reasonable Exercise of Discretion

8 The ISO, the legal owner of the transmission facility and the market participant, individually and collectively, must exercise discretion acting reasonably in every instance, where discretion is permitted by the ISO tariff either explicitly or implicitly through the use of “may”, and whether with respect to granting consent or withholding consent to a particular matter or otherwise.

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</tr>
</tbody>
</table>
Applicability

1 This section applies to a market participant who has requested or is receiving system access service under any rate in the ISO tariff.

Technical Requirements

2(1) A market participant receiving system access service must comply with the technical requirements set out in the ISO rules.

(2) A market participant receiving system access service must also comply with the requirements, obligations and guidelines that apply to the connection of the market participant’s facilities to the interconnected electric system.

(3) The ISO must identify such requirements, obligations and guidelines in documents it prepares, publishes and may amend or supplement from time to time, with respect to matters including transmission lines, generating units and aggregated generating facilities, loads, communications, phasor measurement units, protection, revenue metering, supervisory control and data acquisition and transmission data.

(4) The ISO must make such documents available to market participants on the AESO website and on request.

Facilities Owned by a Market Participant

3(1) A market participant is responsible for all the facilities it owns and which are connected to the interconnected electric system, and the ISO has no responsibility in respect of service provided over market participant facilities.

(2) A market participant is responsible for any costs arising from changes to its facilities required as a result of:

(a) changes to the interconnected electric system that affect the connection;

(b) changes to requirements, obligations and guidelines that apply to the connection, subject to subsection 3(3) below, or

(c) additional studies needed to ensure compliance with such requirements, obligations and guidelines.

(3) The ISO must pay to the legal owner of a generating unit all costs prudently incurred in the installation of an automatic voltage regulator or power system stabilizer when the ISO requires the installation of such equipment on a regulated generating unit listed in Appendix A of the ISO tariff, subject to the approval of the Commission for the recovery of such costs through the ISO tariff.

Use of Transmission Facilities

4 Neither a market participant nor any other person may rearrange, disconnect, remove, connect with or otherwise interfere with any transmission facility without the ISO’s prior written consent.
Compliance

5(1) The ISO may withhold, suspend or terminate the system access service of a market participant for failure to comply with the provisions of the ISO rules, technical requirements, obligations or guidelines described in subsection 2 above.

(2) The ISO may waive compliance with subsection 2 above if the ISO determines that non-compliance would not have a detrimental effect on system reliability and where the imposition of the technical requirements, obligations or guidelines would create severe hardship or unnecessary costs to an existing market participant.

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   (b) Rate FTS, Fort Nelson Demand Transmission Service;
   
   (c) Rate PSC, Primary Service Credit; or
   
   (d) Rate STS, Supply Transmission Service.

Request for System Access Service

2(1) A market participant must apply in writing to the ISO to request a new system access service or to change an existing system access service.

(2) A market participant must make separate requests for changes to existing system access services at each point of delivery and point of supply at a single transmission substation.

(3) The ISO must not accept requests for a net change to an existing system access service agreement.

Review of System Access Service Request

3(1) The ISO must review the requirements to provide system access service in response to the request of a market participant and determine the appropriate process for providing the system access service.

(2) The ISO must determine whether providing the requested system access service requires the construction of transmission facilities.

(3) If the ISO determines that providing system access service requires the construction of transmission facilities:

   (a) the ISO must determine the connection project scope, assign the project to a legal owner of a transmission facility and confirm the process for completing the connection project for the project; and

   (b) the market participant must at all times, throughout the system access service request process, satisfy the financial obligations required by section 5 of the ISO tariff, Financial Obligations for Connection Projects.

(4) If the ISO determines that providing system access service does not require the construction of transmission facilities:

   (a) the ISO must assess whether the request can be accommodated on the existing transmission system and, if so, must proceed to prepare an amendment to the market participant’s agreement for system access service; and
(b) the ISO may require payment of an amount determined in accordance with section 9 of the ISO tariff, Changes to System Access Service After Energization.

**Preparation of Connection Proposal**

4(1) The market participant is responsible for, and may work with the legal owner of the transmission facility or other parties in the preparation of the connection proposal which must include:

(a) the facility design document, including an estimate of project costs and a single-line diagram of the proposed transmission facilities;

(b) technical studies for the connection project; and

(c) any required land and environmental impact assessments.

(2) The ISO may, notwithstanding subsection 5(1) above, complete the technical studies for a connection project when the ISO:

(a) anticipates the impact on the transmission system may be significant; or

(b) is planning transmission system development in the area and must include the connection project in the integrated development plan.

(3) The ISO must, if it considers it necessary, complete one (1) loss factor study for a connection project, at no cost to the market participant, but must charge the market participant $2,500 for each additional loss factor study the market participant requests, if any.

(4) The market participant is responsible for any other studies required to support the connection proposal and the ISO must provide the market participant with ISO information required for the studies.

(5) The ISO must, upon receipt of a complete connection proposal, including all required studies:

(a) review the proposal;

(b) identify and communicate to the market participant any deficiencies to be addressed by the market participant; and

(c) accept the connection proposal after deficiencies, if any, have been addressed.

(6) The ISO must include the connection project in the ISO’s connection queue upon:

(a) accepting the connection proposal;

(b) receiving the technical data required for the preparation of the needs identification document for the connection project; and

(c) receiving confirmation from the legal owner of the transmission facility that the market participant has met the financial obligations of section 5 of the ISO tariff, Financial Obligations for Connection Projects..

**Preparation of Needs Identification Documents and Facility Applications**

5(1) The ISO is responsible for, and may work with the legal owner of the transmission facility or other parties in, the preparation of a needs identification document as required for the connection project.
(2) The ISO may direct the legal owner of the transmission facility to assist in preparing the needs identification document by:

   (a) completing a participant involvement program;
   (b) providing an estimate of project costs; and
   (c) completing other studies for the connection project.

(3) The ISO may direct the legal owner of the transmission facility or request a market participant to prepare a facility application for the connection project, when the ISO includes the connection project in the ISO’s connection queue.

**Submissions to the Commission**

6(1) The ISO must submit to the Commission the needs identification document for the connection project.

(2) The legal owner of the transmission facility or the market participant must submit to the Commission the facility application for the connection project.

(3) The ISO must work cooperatively with the legal owner of the transmission facility or the market participant, as applicable, to facilitate all submissions to the Commission.

(4) The ISO must:

   (a) review a potential requirement for any new or revised section of the ISO rules identified during the preparation of a needs identification document or facility application for the connection project; and
   (b) draft a new or revised section of the ISO rules and submit it to the Commission if applicable.

**Requirement of Market Participant to Act**

7(1) The ISO must establish critical requirements for a connection project, including payment of:

   (a) any construction contribution determined under section 8 of the ISO tariff; and
   (b) any legal owner’s contribution for a generating unit or an aggregated generating facility determined under section 10 of the ISO tariff.

(2) A market participant must meet the critical requirements the ISO establishes.

(3) The ISO may, if a market participant fails to meet the critical requirements:

   (a) cancel the system access service request;
   (b) reassess the inclusion of the project in the ISO’s connection queue; or
   (c) amend the critical requirements.

(4) A market participant may reapply for the system access service under subsection 2 above, if the ISO cancels a system access service request.
Alternative Processes

8 The ISO may, with the agreement of the market participant, satisfy the provisions of this section 4 through processes other than those described above and, in particular, alternative processes may be utilized when the ISO anticipates the impact on the transmission system may be significant.

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   (d) Rate STS, Supply Transmission Service.

Amount of Financial Obligation

2(1) A market participant must provide financial security and construction contribution as described in the following subsections, which financial obligations are illustrated:

   (a) in Figure 5-1 below, for a connection project eligible for local investment; and
   (b) in Figure 5-2 below, for a connection project not eligible for local investment.
(2) The market participant must satisfy the financial obligation for a connection project at all times after the ISO determines the connection project scope in accordance with subsection 3(3) of section 4 of the ISO tariff, System Access Service Requests.

(3) The ISO must determine the total amount of the financial obligation for a connection project which must include but not exceed:

(a) participant-related costs of the connection project estimated or incurred in accordance with section 8 of the ISO tariff, Construction Contributions for Connection Projects, including:

(i) costs estimated in advance or incurred by the legal owner of the transmission facility for preparing the connection proposal and the facility application and for constructing the connection project; and

(ii) costs estimated in advance by the ISO for facilities which are in excess of those required by good electric industry practice;

and

(b) any operations and maintenance charge estimated in advance by the market participant for the connection project, in accordance with subsection 9 of section 8 of the ISO tariff, Construction Contributions for Connection Projects.
The legal owner of the transmission facility must determine the amounts and timing of the financial obligation for the connection project as the project progresses through the stages illustrated in Figure 5-1 or 5-2 above, as applicable, where:

(a) from the determination of the connection project scope to the ISO’s acceptance of the connection proposal, the financial obligation amount is equal to the total estimated or actual cost that the legal owner of the transmission facility incurs during preparation of the connection proposal;

(b) from the ISO’s acceptance of the connection proposal to the Commission’s issuance of permit and licence for the connection project, the financial obligation amount is the sum of:
   (i) the amount from subsection 2(4)(a); and
   (ii) the estimated or actual cost that the legal owner of the transmission facility incurs during preparation and submission of the facility application to the Commission; and

(c) after the Commission’s issuance of permit and licence for the connection project, the financial obligation amount is the sum, up to the total amount established in subsection 2(3) above, of:
   (i) the amount from subsection 2(4)(b); and
   (ii) the estimated or actual cost that the legal owner of the transmission facility incurs during the stages of construction and completion of the connection project, as illustrated in Figures 5-1 or 5-2 above, as applicable.

The legal owner of the transmission facility must include all costs associated with procurement of long lead time equipment in the financial obligation amounts established under subsection 2(4) above, where the procurement occurs prior to the Commission’s issuance of permit and licence for the connection project.

The legal owner of the transmission facility may base the financial obligation amounts on certain assumptions regarding the market participant’s request for system access service and may revise those assumptions from time to time to reflect changes to:

(a) the request for system access service;

(b) factors affecting the connection project, such as the method of construction, the routing of facilities and the approvals and rights of way;

(c) variances in the estimated or actual cost of the connection project compared to the original estimate; and

(d) other relevant considerations.

The legal owner of the transmission facility must document the financial obligation amounts established in subsections 2(4) and 2(5) above in schedule “A” of the construction commitment agreement in the form included in Appendix B of the ISO tariff, System Access Service Agreement Proformas.

The market participant and the legal owner of the transmission facility must enter into the construction commitment agreement for the connection project except where the ISO waives the requirement for construction commitment agreements between a legal owner of an electric distribution system and a legal owner of transmission facilities who are affiliates.
ISO Tariff – Section 5
Financial Obligations for Connection Projects (continued)

(9) The legal owner of the transmission facility must maintain records of the construction commitment agreement, financial security and construction contribution related to the connection project and provide a copy of those records to the ISO upon request.

Form and Provision of Financial Security for Projects Eligible for Local Investment

3(1) A market participant, other than a legal owner of an electric distribution system that is regulated by the Commission, must provide financial security for a connection project in accordance with this subsection 3.

(2) A legal owner of an electric distribution system that is regulated by the Commission is not required to provide financial security for a connection project.

(3) A market participant, other than a legal owner of an electric distribution system that is regulated by the Commission, must provide financial security to the legal owner of the transmission facility as illustrated in Figure 5-1 above:

   (a) in the amount of and at the time defined for the financial obligation described in subsection 2 above; and

   (b) up to the maximum local investment determined for the connection project under section 8 of the ISO tariff, Construction Contributions for Connection Projects.

(4) A market participant, other than a legal owner of an electric distribution system that is regulated by the Commission, must provide financial security in one or more of the forms specified in subsections 8(3) through 8(6) of section 103.3 of the ISO rules, Financial Security Requirements, except that:

   (a) financial security is to be provided to the legal owner of the transmission facilities instead of the ISO;

   (b) a letter of credit must be in a form provided by the ISO and payable on demand with the legal owner of the transmission facilities instead of the ISO as beneficiary;

   (c) the legal owner of the transmission facilities instead of the ISO must be able to register any cash collateral deposit as a first security interest; and

   (d) a written guarantee must be in a form provided by the ISO and payable on a demand by the legal owner of the transmission facilities instead of the ISO.

(5) The legal owner of the transmission facility may accept unsecured credit the ISO authorizes for a market participant to reduce the amount of financial security the market participant must provide for the connection project, up to the limit of such unsecured credit not utilized to reduce other financial security the ISO or the legal owner of the transmission facility requires.

(6) The market participant may provide financial security in amounts greater than those the legal owner of the transmission facility establishes in subsection 2(4) above but this does not reduce the amount of construction contribution required by subsection 4 below.
Form and Provision of Construction Contribution

4(1) The market participant must pay as a construction contribution:

(a) any financial obligation amount in excess of the maximum local investment for a connection project that is eligible for local investment determined under section 8 of the ISO tariff Construction Contributions for Connection Projects; or

(b) the total amount of the financial obligation for a connection project that is not eligible for local investment, such as for system access service provided under Rate STS.

(2) The market participant must pay the construction contribution:

(a) as documented in schedule “A” of the construction commitment agreement required by subsections 2(7) above; and

(b) by way of electronic funds transfer or wire transfer to the bank account the legal owner of the transmission facility specifies.

(3) The market participant may pay the construction contribution in amounts greater than those documented in schedule “A” of the construction commitment agreement required by subsections 2(7) above.

Cancellation

5(1) The market participant must, upon cancellation of a connection project at any time prior to commercial operation, pay:

(a) all costs the legal owner of the transmission facility incurs or is required to incur in the preparation of the connection proposal, preparation of the facility application and construction of the project, as documented in the construction commitment agreement required by subsection 2(7) above; and

(b) any other costs the legal owner of the transmission facility incurs or is required to incur with respect to the project, including all cancellation costs, penalties and costs for material salvage and reclamation of the construction site.

(2) The legal owner of the transmission facility must, upon failure by a market participant to pay the costs described in subsection 5(1) above on the payment due date:

(a) make reasonable efforts to enforce and realize on any financial security provided by the market participant without further notice;

(b) retain any realized financial security, construction contribution or other amounts paid by the market participant to offset costs the legal owner of the transmission facility incurs or is required to incur due to the cancellation of the connection project;

(c) assign to the ISO any interest in any agreement provided by the market participant or its guarantor and the ISO must be subrogated to the rights of the legal owner of the transmission facility in respect of the recovery of costs from the market participant and the market participant’s guarantor; and

(d) take any other reasonable actions prescribed by the ISO with respect to the recovery of costs arising from the cancellation of the connection project.
(3) The ISO must support recovery through the tariff of the legal owner of the transmission facility any costs that are unrecoverable under subsection 5(2) above, where such costs are incurred in accordance with the ISO tariff.

(4) The legal owner of the transmission facility must return to the market participant any financial security, construction contribution or other amounts paid by the market participant in excess of the costs described in subsection 5(1) above.

(5) The legal owner of the transmission facility may deem a connection project to be cancelled pursuant to subsection 5(1) above if a market participant takes action that, in the opinion of the legal owner of the transmission facility, indicates the market participant has terminated or abandoned its intention to proceed to commercial operation of the connection project.

(6) The ISO may deduct, set off and net out any debts, liquidated demands, unliquidated demands, damages or other amounts the ISO owes to the market participant, under any agreement between the ISO and the market participant, on partial or full satisfaction of any costs owing by the market participant under subsection 5(1) above.

(7) The ISO has no liability or cost obligation whatsoever in relation to the financial obligation associated with the connection project, including all cancellation costs in the event the project is cancelled for any reason or the Commission does not issue permit and licence for the project, and neither the market participant nor the legal owner of the transmission facility may make any claim for any costs from the ISO.

Release of Financial Security

6(1) The legal owner of the transmission facility must return any financial security held for the connection project to the market participant, within ninety (90) days after commercial operation of the connection project.

(2) The legal owner of the transmission facility must return to the market participant any construction contribution paid by the market participant in excess of the actual cost of the connection project, within ninety (90) days after the legal owner of the transmission facility provides the final cost report for the connection project to the ISO.

Compliance

7(1) A market participant must satisfy a request for financial security or construction contribution or for additional or replacement financial security or construction contribution, within thirty (30) days of such request.

(2) A market participant must report any event of default by it to a lender for borrowed funds or any material adverse changes in its financial position within two (2) business days of such event.

(3) The legal owner of the transmission facilities must suspend all work related to the connection project if:

(a) a market participant fails to provide financial security or construction contribution; or

(b) the ISO or the legal owner of the transmission facility becomes aware of an unreported event or change under subsection 7(2) above.

(4) The legal owner of the transmission facilities must continue the suspension of work on the connection project until the market participant provides the required financial security or construction contribution or the market participant’s financial position is reassessed, as appropriate.
(5) The ISO may cancel the **system access service** request or reassess the inclusion of the project in the ISO’s connection queue if the **market participant** fails to meet any critical requirements under subsection 7 of section 4 of the **ISO tariff, System Access Service Requests**.

(6) The **market participant** must continue to meet all **financial obligations** for amounts that have accrued or are accruing, to the ISO or to the **legal owner** of the **transmission facility** with respect to the connection project, notwithstanding any suspension of work on the connection project under subsection 7(3) above.

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1. This section applies to a market participant who has requested or is receiving system access service under any rate in the ISO tariff.

AESO Measurement System Standard

2(1) A market participant must comply with applicable provisions of the AESO Measurement System Standard, including ensuring that all metering equipment the market participant provides also complies at all times.

(2) The ISO must prepare, amend and supplement from time to time, the AESO Measurement System Standard and must make it available to a market participant on the AESO website and on request.

Requirement to Install Metering Equipment

3(1) The ISO may require a market participant to install metering equipment on the market participant’s premises, at the market participant’s sole cost.

(2) The ISO may direct the legal owner of the transmission facility to enter and install metering equipment on the market participant’s premises at the market participant’s sole cost, if the market participant fails to comply in a timely manner with a requirement under subsection 3(1) above.

(3) The market participant must reasonably allow the legal owner of the transmission facility access to carry out any work required under subsection 3(2) above.

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System Access Information

2(1) A market participant must provide, upon the ISO’s request, information that the ISO requires in order to discharge its duties and functions under the Act or in compliance with any external agency’s reporting requirements, which includes:

   (a) information the ISO requires in respect of new or expanding system access service; and

   (b) technical information during construction and prior to the issuance of energization authorization, including pre-commissioning information.

(2) The ISO must specify the information the market participant must provide.

Operating and Forecast Information

3(1) A market participant must provide any of the following information which the ISO may request from time to time but generally not more than once during a 12-month period:

   (a) a copy of the market participant’s operating procedures;

   (b) a schedule of planned outages for the following two (2) calendar years; or

   (c) forecast information for the following five (5) calendar years, including:

      (i) forecast maximum contract capacity by point of delivery or point of supply, by month;

      (ii) the location and size of any required new point of delivery and point of supply, by year; and

      (iii) the name and location of any existing point of delivery or point of supply which may no longer be required, by year.

(2) The ISO may provide forms for provision of the required update and forecast information.

Effect of Non-Compliance

4(1) The ISO may, if a market participant fails to provide information that may have an impact on safety or system reliability:

   (a) delay or withhold the system access service of the market participant’s until the market participant provides the information to the ISO; or

   (b) terminate the market participant’s agreement for system access service.

(2) The ISO is not responsible for any delay, interruption, damage or other problems affecting the system access service of a market participant caused by a delay in the provision of information required from a market participant.
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(a) Rate DTS, Demand Transmission Service;
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(c) Rate STS, Supply Transmission Service.

Connection Costs

2 The ISO must determine the costs of a connection project for a market participant to be those costs reasonably associated with facilities that:

(a) a legal owner of a transmission facility owns and operates;
(b) are required in order to:
   (i) provide system access service to a new point of delivery or point of supply; or
   (ii) increase the capacity of or improve system access service to an existing point of delivery or point of supply; and
(c) are reasonably required to meet the market participant’s:
   (i) demand and supply forecast; and
   (ii) reliability and operating requirements.

Classification of Participant-Related and System-Related Costs

3(1) The ISO must classify all costs of a connection project as either participant-related or system-related.

(2) The ISO must include as participant-related those costs related to a contiguous connection project that are associated with:

(a) the connection substation for the point of delivery or point of supply, generally located near the market participant’s facilities;
(b) new radial transmission line, including double-radial and in-out line configurations, where required, with only one (1) transmission source from the transmission system to the connection substation;
(c) a new switching or transformation substation when required for the connection of the new radial transmission line to the transmission system;
(d) a share of existing transmission facilities that were constructed to connect another market participant, where the existing facilities originally began commercial operation within the past twenty (20) years and where the share is determined in accordance with subsection 3 of section 9 of the ISO tariff;
(e) line moves or burials of existing transmission line;

(f) communication at the point of delivery or point of supply;

(g) communication enhancements required at the nearest substation with communications equipment to allow direct communication between it and the connection substation;

(h) breakers and associated equipment required for the connection of the new radial transmission line to an existing substation;

(i) salvage labour required to remove existing transmission facilities to allow the installation of new or replacement facilities for a connection project, except where the cost of the removed facilities is treated as a capital maintenance cost by the legal owner of the transmission facility;

(j) changes to protection systems, equipment or settings related to the addition of a generating unit or an aggregated generating facility on an electric distribution system served through the connection substation;

(k) a remedial action scheme, if required;

(l) a phasor measurement unit, if required;

(m) facilities previously classified as system-related under subsection 3(3)(c) below and now reclassified as participant-related to meet the requirements of the connection project; and

(n) other facilities required to complete the market participant’s connection, including transmission facilities required to enable the market participant to meet all relevant technical requirements for the connection project.

(3) The ISO must include as system-related those costs related to a connection project that are associated with:

(a) non-contiguous components of the project unless such components are included in subsection 3(2) above;

(b) looped transmission facilities, which are facilities that increase the number of electrical paths between any two (2) substations, excluding the substation serving the market participant and which exclude any new radial transmission line;

(c) radial transmission facilities which, within five (5) years of commercial operation, are planned to become looped as part of a critical transmission development or regional transmission system project:

(i) in the ISO’s most recent long-term transmission system plan;

(ii) in a needs identification document filed with the Commission; or

(iii) as the ISO reasonably expects are required in the future;

(d) upgrades or expansions to existing transmission facilities which were previously classified as system-related and which are utilized by several market participants; and

(e) transmission facilities in excess of the minimum size required to serve the market participant where, in the opinion of the ISO, economics or system planning support the development of such facilities.
Facilities in Excess of Good Electric Industry Practice

4 A market participant must pay, as part of the construction contribution, any participant-related costs of facilities which the ISO deems, in its opinion, to be in excess of those required by good electric industry practice.

Valuation of Facilities for Contribution Determination

5(1) The ISO must generally determine connection project costs based on the replacement costs new value of equipment, which is the current cost of similar new equipment having the nearest equivalent capability to the equipment being valued.

(2) The ISO must, when a connection project involves the installation of a transformer that replaces a smaller transformer which was removed from service at a substation, determine connection project costs by:

(a) reducing the participant-related costs for the connection project by the replacement cost new of the removed transformer when the legal owner of the transmission facility either:
   (i) deems the transformer which is removed to be re-deployable for use at another substation or suitable for use as an operating spare; or
   (ii) treats the cost of the transformer which is removed as a capital maintenance cost;

or

(b) not reducing the participant-related costs in any other circumstances including when the legal owner of the transmission facility scraps the transformer which is removed without treating its cost as a capital maintenance cost.

Allocation of Costs to Market Participants

6(1) The ISO must allocate to the market participant at the substation at which system access service is provided the balance of participant-related costs remaining after:

(a) the exclusion of costs, if any, under subsection 4 above reflecting facilities in excess of those required by good electric industry practice; and

(b) the reduction of costs, if any, under subsection 5 above reflecting replacement of a transformer removed from service.

(2) The ISO must allocate the participant-related costs determined in subsection 6(1) above among market participants receiving system access service at a single substation, which services may be solely under Rate DTS, solely under Rate STS or under a combination of both.

(3) The ISO must allocate the participant-related costs referred to in subsections 6(1) and 6(2) above to each market participant by multiplying those costs by the average substation fraction for the market participant determined in accordance with subsection 3(3) of section 9 of the ISO tariff, Changes to System Access Service After Energization.

(4) The ISO must deem costs allocated to a market participant taking service under Rate DTS to be demand-related costs.

(5) The ISO must deem costs allocated to a market participant taking service under Rate STS to be supply-related costs.
Determination of Construction Contribution

7(1) The ISO must calculate the construction contribution in accordance with the construction contribution provisions of the ISO tariff in effect on the date on which the Commission issues permit and licence for the connection project.

(2) A market participant must pay construction contribution amounts to the legal owner of the transmission facility in accordance with the financial obligation provisions of section 5 of the ISO tariff, Financial Obligations for Connection Projects.

(3) The ISO must calculate the construction contribution:

   (a) for a market participant receiving service under Rate DTS, as the demand-related costs less the local investment determined under subsection 8 below.

   (b) for a market participant receiving service under Rate STS, as the supply-related costs.

(4) A market participant receiving service under Rate STS must also pay the ISO any legal owner’s contribution for a generating unit or an aggregated generating facility required under section 10 of the ISO tariff, Generating Unit Owner’s Contribution.

Determination of Local Investment

8(1) The ISO must calculate the maximal local investment:

   (a) based on the contract capacity and investment term set out in the system access service agreement for a connection project for a market participant taking service under Rate DTS or under Rate DTS with Rate PSC;

   (b) excluding any contract capacity transferred from another point of delivery; and

   (c) using an investment term from five (5) to twenty (20) years inclusive, commencing on the date of commercial operation.

(2) The ISO must calculate the maximum local investment for a connection project for a new point of delivery as the sum of annual amounts for each year in the investment term by adding the products of the values from each of rows (c) through (g) of the table below, where the product for a row is calculated by multiplying:

   (a) the substation fraction or contract capacity, as applicable, from column A; and

   (b) the investment amounts from column B or column C, as applicable.

<table>
<thead>
<tr>
<th>Column A</th>
<th>Column B</th>
<th>Column C</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tier</strong></td>
<td>Investment for Service Under Rate DTS</td>
<td>Investment for Service Under Rate DTS with Rate PSC</td>
</tr>
<tr>
<td>(c) Substation fraction (for new points of delivery only)</td>
<td>$21 700/year</td>
<td>$4 560/year</td>
</tr>
<tr>
<td>(d) First (7.5 x substation fraction) MW of contract capacity</td>
<td>$35 000/MW/year</td>
<td>$7 350/MW/year</td>
</tr>
</tbody>
</table>
### Column A | Column B | Column C
--- | --- | ---
(e) Next (9.5 × substation fraction) MW of contract capacity | $17,450/MW/year | $3,665/MW/year
(f) Next (23 × substation fraction) MW of contract capacity | $12,050/MW/year | $2,530/MW/year
(g) All remaining MW of contract capacity | $7,700/MW/year | $0/MW/year

(3) The ISO must calculate the maximum local investment for a connection project that accommodates a contract capacity increase at an existing point of delivery using:

(a) the contract capacity representing the incremental contract capacity since the most recent change in construction contribution at the point of delivery;

(b) the substation fraction based on contract capacities after the increase;

(c) the existing contract capacity to establish the initial tier in which investment becomes available for the incremental contract capacity; and

(d) investment available from subsequent tiers, as appropriate, where the sum of existing and incremental contract capacities exceeds the remaining MW in the initial tier.

(4) The ISO must calculate the maximum local investment for a connection project that includes increases or decreases to contract capacity over the investment term as the sum of the investment for each incremental amount of contract capacity, to be:

(a) calculated in accordance with subsections 8(2) and 8(3) above, based on each increment of contract capacity and the years for which each increment is contracted, and

(b) discounted from the beginning of the first month in which the increment of contract capacity exists back to the date of commercial operation of the connection project, using the discount rate provided in subsection 11 below.

(5) The ISO must determine the maximum local investment as the lesser of:

(a) the amount calculated in subsection 8(2), 8(3) or 8(4) above; or

(b) the demand-related costs.

#### Operations and Maintenance

9(1) A market participant taking service under Rate DTS must pay, as part of the construction contribution, an operations and maintenance charge to be added to any participant-related costs of facilities which are deemed to be in excess of those required by good electric industry practice in subsection 4 above.

(2) The market participant must estimate and the ISO must agree to the operations and maintenance charge calculated:

(a) as the present value of the full incremental maintenance cost, incremental operations cost, and overheads associated with the operations and maintenance of the facilities which are deemed to be in excess of those required by good electric industry practice,
(b) over the useful life of those facilities or twenty (20) years, whichever is less.

(3) The market participant must use the discount rate provided in subsection 11 below in the present value calculation.

Limitations

10 The ISO may exercise discretion in the application of the construction contribution provisions in the ISO tariff, including the determination of costs to be system-related in certain circumstances that might, under strict application of the construction contribution provisions, have been classified as participant-related.

Discount Rate

11(1) The ISO must determine the discount rate applicable to the calculation of construction contributions under this section 8 of the ISO tariff and payments in lieu of notice under section 9 of the ISO tariff as:

\[
\text{discount rate} = \left[ (1 - E) \times (YLD + 1\%) \right] + \left( \frac{E \times ROE}{1 - T} \right)
\]

where:

(a) \(E\) is equal to the Commission-approved equity ratio applicable to the legal owner of transmission facilities, as amended from time to time;

(b) \(YLD\) is equal to the yield on 30-year Government of Canada bonds;

(c) \(ROE\) is equal to the Commission-approved rate of return on equity applicable to the legal owner of the transmission facilities, as amended from time to time; and

(d) \(T\) is equal to the combined federal and provincial income tax rate applicable to the legal owner of the transmission facilities.

(2) The ISO must use zero (0) as the tax rate \(T\) in subsection 11(1) above for a legal owner of transmission facilities that does not pay income tax, including a non-income tax paying municipal legal owner of transmission facilities.

Miscellaneous

12(1) The ISO must make reasonable efforts to ensure that, where transmission facilities must be relocated, the party causing the relocation pays all reasonable costs associated with the relocation.

(2) The ISO must, where new facilities between adjacent balancing authority areas are required, allocate the costs of such facilities to the ISO and to the party responsible for costs in the other balancing authority area based on the extent to which each benefits directly from the facilities.
### Revision History

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</table>
Applicability

1 This section applies to a market participant who is receiving system access service under:

(a) Rate DTS, Demand Transmission Service;

(b) Rate PSC, Primary Service Credit; or

(c) Rate STS, Supply Transmission Service.

Events Resulting in Adjustments to Construction Contributions

2(1) A market participant, the ISO or the legal owner of the transmission facilities may initiate a review of the construction contribution that the ISO had previously determined for a connection project when warranted by certain events.

(2) The ISO must review the construction contribution determination and may determine a construction contribution adjustment is required when:

(a) a market participant materially increases or decreases contract capacity or investment term or terminates system access service, prior to the expiry of the investment term for a connection project;

(b) one or more additional market participants use facilities originally installed for any existing market participant, resulting in sharing of facilities as provided for in subsection 3 below;

(c) facilities previously classified as system-related are reclassified as participant-related to meet changes in market participant requirements;

(d) facilities previously classified as participant-related are reclassified as system-related;

(e) a material error in the original construction contribution is identified; or

(f) the estimated or actual cost of the connection project materially varies from the original estimate.

(3) The ISO must determine the construction contribution under the provisions of section 8 of the ISO tariff, Construction Contributions for Connection Projects, rather than this section 9, when an increase in contract capacity requires the addition of new equipment at an existing point of delivery or point of supply.

(4) The ISO must not make any adjustment to a construction contribution more than twenty (20) years after commercial operation of a connection project.

Reductions or Terminations of Contract Capacity

3(1) The ISO must make a reduction or termination of contract capacity effective five (5) years after the date of the request for reduction or termination, subject to subsection 3(2) below.

(2) A market participant reducing or terminating contract capacity may choose to make a lump sum payment determined by the ISO in lieu of all or a portion of the 5-year notice period in subsection 3(1) above.
(3) The ISO must determine the payment in lieu of notice to represent a share of system costs potentially incurred to reasonably accommodate the contract capacity of a market participant over the 5-year planning horizon of the transmission system and must calculate the payment:

(a) for any market participant reducing or terminating contract capacity under Rate DTS, as the present value of the difference in bulk system and local system charges which would be attributed to the service with and without the reduction or termination of contract capacity during the notice period; or

(b) for any market participant terminating contract capacity under Rate STS for a regulated generating unit listed in Appendix A of the ISO tariff, Regulated Generating Units, as the difference in regulated generating unit connection cost charges which would be attributable to the service with and without the termination of the service during the notice period.

(4) The ISO must use the discount rate provided in subsection 11 of section 8 of the ISO tariff, Construction Contributions for Connection Projects, in the present value calculation in subsection 3(3)(a) above.

(5) A market participant may make a payment in lieu of notice at any time prior to or during the 5-year notice period, for the remainder of the notice period and the ISO must receive such payment at least thirty (30) days before the reduction or termination of contract capacity is effective.

(6) The ISO may waive or reduce the requirement for payment in lieu of notice if the ISO considers that circumstances warrant where:

(a) contract capacity is transferred to a system access service of the same market participant at a nearby transmission substation;

(b) transmission system benefits arise from the reduction or termination of contract capacity, which benefits may include relief of regional transmission constraints, removal of capacity limitations which would restrict system access service to other market participants or avoidance of future upgrades to the transmission system; or

(c) the reduction of contract capacity results from an energy or demand reduction initiative of the market participant who has taken service for at least twenty (20) years who:

(i) provides to the ISO a clear, thorough and convincing case, with supporting facts, that demonstrates the energy or demand reduction resulting from the initiative and

(ii) during the ten (10) years prior to the reduction in contract capacity becoming effective, has not increased contract capacity at the point of delivery at which the reduction in contract capacity occurs.

(7) The ISO may, at any time during the remainder of a notice period for which a payment in lieu of notice was made:

(a) re-assess the payment in lieu of notice if material differences arise between the requested and actual contract capacities or between expected and actual load; and

(b) require additional payment from the market participant if appropriate.
Metered Demand Above Pre-Notice Contract Capacity

4(1) The ISO must determine the contract capacity immediately following the 5-year notice period required by subsection 3(1) above to be the maximum of:

(a) the pre-notice contract capacity less the reduction of contract capacity the market participant requested; or

(b) the highest metered demand during the 5-year notice period less the reduction of contract capacity the market participant requested.

(2) A market participant may provide an additional notice of reduction to request a subsequent reduction of contract capacity to the original notice level, when the highest metered demand affects the maximum determined under subsection 4(1) above.

Shared Facilities

5(1) The ISO must allocate the participant-related costs of shared transmission facilities to market participants when transmission facilities are constructed to serve a market participant and then used to serve other market participants within twenty (20) years after commercial operation of the original connection project.

(2) The ISO must allocate the participant-related costs of shared transmission facilities by:

(a) first, where transmission line is shared by two or more substations, allocating the costs of the shared line to those substations in accordance with subsection 5(3) below; and

(b) second, where a single substation is shared by two or more market participants, allocating the shared costs associated with the substation to those market participants in accordance with subsection 5(4) below.

(3) The ISO must allocate the participant-related costs of transmission line shared by two or more substations to the substations by:

(a) determining the higher of the sum of all Rate DTS contract capacities or the sum of all Rate STS contract capacities for each substation in each of the twenty (20) years following commercial operation of the original transmission line, assigning a contract capacity of zero (0) in any year in which a substation did not exist;

(b) calculating the percentage share of the transmission line attributable to each substation by dividing the contract capacity determined in subsection 3(2)(a) above for the substation in a year by the sum of contract capacities determined for all sharing substations in that year;

(c) calculating the average percentage share over the full twenty (20) year period for each substation; and

(d) multiplying the cost of the shared transmission line by the average percentage share determined for each substation.

(4) The ISO must allocate the participant-related costs of transmission facilities used to provide system access services to more than one market participant at a single substation to the market participants at the substation by:

(a) determining the substation fraction for each market participant in each of the twenty (20) years following commercial operation of the original connection project, assigning a
contract capacity of zero (0) in any year in which a market participant did not receive system access service;

(b) calculating the average substation fraction over the full twenty (20) year period for each market participant; and

(c) multiplying the cost of the shared transmission facilities by the average substation fraction determined for each market participant.

(5) The ISO, as a result of the allocation of costs of shared transmission facilities under subsections 5(2), 5(3) and 5(4) above:

(a) must reduce the participant-related costs allocated to the original market participant; and

(b) may refund under subsection 6 below, where applicable, in part or in full, a construction contribution previously paid by that market participant.

(6) The ISO, as a result of the allocation of costs of shared transmission facilities under subsections 5(2), 5(3), and 5(4) above:

(a) must include the allocated share of existing transmission facilities in the determination of participant-related costs for the additional market participants under subsection 3(2)(d) of section 8 of the ISO tariff, Construction Contributions for Connection Projects; and

(b) may assess construction contributions to the additional market participants under section 8 of the ISO tariff, Construction Contributions for Connection Projects.

Determination of Construction Contribution

6 The ISO must determine the amount of an adjustment to a construction contribution paid for a connection project in accordance with the construction contribution provisions described in the ISO tariff as applied to the transmission facilities when constructed.

Payments and Refunds

7(1) The market participant must pay a construction contribution adjustment or a payment in lieu of notice:

(a) at least thirty (30) days prior to the effective date of a change to a system access service agreement, when the payment arises from changes to contract capacity or investment term that do not require construction of transmission facilities; and

(b) within thirty (30) days of a request for payment, in all other circumstances.

(2) The legal owner of the transmission facilities must refund a construction contribution adjustment:

(a) within thirty (30) days after the effective date of a change to a system access service agreement, when the refund arises from changes to contract capacity or investment term that do not require construction of transmission facilities;

(b) within ninety (90) days after the Commission issues permit and licence for transmission facilities, where the refund results from the construction of the transmission facilities; and

(c) within ninety (90) days of the ISO determining the amount of the adjustment, in all other circumstances.
(3) The market participant must pay:

(a) any increase in construction contribution by way of electronic funds transfer or wire transfer to the bank account the legal owner of the transmission facilities specifies; and

(b) a payment in lieu of notice by way of electronic funds transfer or wire transfer to the bank account the ISO specifies.

(4) The market participant must pay and the legal owner of the transmission facilities must refund all adjustments without interest.

(5) The market participant is not required to pay and the legal owner of the transmission facilities is not required to refund any adjustment amount less than $10 000.

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ISO Tariff – Section 10
Generating Unit Owner’s Contribution

Applicability
1 Section 10 of the ISO tariff applies to:

(a) a market participant:
   (i) who has requested or is receiving system access service under Rate STS, Supply Transmission Service;
   (ii) whose agreement for system access service will be or was signed on or after January 1, 2006; and
   (iii) whose Rate STS contract capacity will be or is greater than one (1) MW;

and

(b) the ISO.

Allocation of Rate STS Contract Capacity
2 The ISO must allocate Rate STS contract capacity to each generation facility, being a generating unit or an aggregated generating facility, connected under a Rate STS system access service agreement to which this section of the ISO tariff is applicable, as follows:

(a) for a new system access service agreement for a single new generation facility, the Rate STS contract capacity specified in the agreement must be allocated in its entirety to the new generation facility;

(b) for an existing system access service agreement which is amended to add incremental Rate STS contract capacity for a single new generation facility, the incremental Rate STS contract capacity added to the agreement must be allocated in its entirety to the new generation facility;

(c) for a new system access service agreement for two (2) or more new generation facilities, the Rate STS contract capacity specified in the agreement must be allocated among each new generation facility in proportion to its maximum capability; and

(d) for an existing system access service agreement which is amended to add incremental Rate STS contract capacity for two (2) or more new generation facilities, the incremental Rate STS contract capacity added to the agreement must be allocated among each new generation facility in proportion to its maximum capability.

Determination of Legal Owner’s Contribution for a Generation Facility
3(1) A market participant must pay a legal owner’s contribution for a generation facility for:

(a) new Rate STS contract capacity requirements at a new point of supply for system access service under Rate STS; and

(b) incremental Rate STS contract capacity requirements at an existing point of supply for system access service under Rate STS, where such additional requirements are the result of the addition of a new generation facility.
(2) The ISO must average the twelve (12) months of highest new or incremental Rate STS contract capacity, during the ten (10) years following the date a connection project enters commercial operation, for the determination of a legal owner’s contribution for a generation facility when new or incremental Rate STS contract capacity is staged to include increases or decreases to contract capacity.

(3) The ISO must calculate the legal owner’s contribution for a generation facility as:
   
   (a) the amount of new or incremental Rate STS contract capacity calculated in subsection 3(2) above;

   multiplied by

   (b) the contribution rate the ISO determines for the area of the transmission system where the generation facility will be located.

(4) The ISO must:

   (a) determine the legal owner’s contribution rate in accordance with section 29 of the Transmission Regulation, which rate will vary between $10 000/MW and $50 000/MW based on the area of the transmission system where the generation facility will be located; and

   (b) make the contribution rates publicly available on the AESO website in advance of their effective dates.

(5) The ISO must calculate an additional legal owner’s contribution for a generating facility when a market participant materially increases Rate STS contract capacity during the ten (10) years following the date a connection project enters commercial operation, where the additional contribution:

   (a) reflects the resulting increase, if any, to the average Rate STS contract capacity determined in subsection 3(2) above; and

   (b) is prorated based on any annual amounts previously determined in subsection 5(3) below for years prior to the increase.

Payment of Legal Owner’s Contribution for a Generation Facility

4(1) The market participant must pay the legal owner’s contribution for a generation facility in full to the ISO by the later of:

   (a) ninety (90) days after the Commission issues permit and licence for the connection project;

   (b) thirty (30) days before the start of brushing or other vegetation management activities required for the connection project; or

   (c) where brushing and other vegetation management activities are not required, thirty (30) days before the installation of any conductors, transformers, switches or other equipment required for the connection project.

(2) The market participant must pay the additional legal owner’s contribution for a generating facility calculated under subsection 3(5) above at least thirty (30) days before the effective date of the increase in Rate STS contract capacity.

(3) The market participant must pay the legal owner’s contribution for a generation facility in full to the ISO by way of electronic funds transfer or wire transfer to the bank account the ISO specifies:
(4) The market participant must pay the legal owner’s contribution for a generation facility in addition to the construction contribution determined in section 8 of the ISO tariff, Construction Contributions for Connection Projects.

Refund of Legal Owner’s Contribution for a Generation Facility

5(1) The ISO must refund to the market participant the legal owner’s contribution for a generation facility where the generation facility meets the ISO rules regarding satisfactory annual performance, in accordance with the provisions of this subsection 5.

(2) The ISO must refund the legal owner’s contribution for a generation facility in annual amounts during the refund period, which begins on January 1 following the date the generation facility enters commercial operation and ends nine (9) calendar years later on December 31.

(3) The ISO must calculate the annual amounts during the refund period as:

(a) 5.6% of the legal owner’s contribution for the generation facility, in each of the first through fourth calendar years in the refund period;

(b) 11.2% of the legal owner’s contribution for the generation facility, in the fifth calendar year in the refund period; and

(c) 16.6% of the legal owner’s contribution for the generation facility, in each of the sixth through ninth calendar years in the refund period.

(4) The ISO must refund to the market participant, for each calendar year during the refund period, the annual amount determined under subsection 5(3) above:

(a) in full when the generation facility fully satisfies the performance criteria established in section 505.2 of the ISO rules, Performance Criteria for Refund of Generating Unit Owner’s Contribution, during that calendar year; or

(b) reduced in proportion to the performance assessment calculated in accordance with section 505.2 of the ISO rules, Performance Criteria for Refund of Generating Unit Owner’s Contribution, when the generation facility does not fully satisfy the performance criteria during that calendar year.

(5) The ISO must determine annual amounts and provide refunds in accordance with subsections 5(2), 5(3) and 5(4) above even if the Rate STS contract capacity is zero (0) in one or more calendar years during the refund period.

(6) The ISO may reduce a refund if:

(a) the refund would have otherwise been reduced in proportion to the performance assessment described in subsection 5(4) above except for a material decrease to Rate STS contract capacity during the ten (10) years following the date a connection project enters commercial operation;

(b) the ISO could have potentially avoided an upgrade to or expansion of the transmission system if the lower Rate STS contract capacity had been originally requested; and

(c) no transmission system benefits arise from the decrease to Rate STS contract capacity.
(7) The ISO must refund to the market participant the amount determined in accordance with subsections 5(4), 5(5), and 5(6) above by February 28 of the year following the calendar year to which the refund relates.

(8) The ISO must refund the annual amounts without interest.

Return of Refunds

6 The market participant must return a refund of an annual amount, in whole or in part, if the ISO determines that an error was made or that an inappropriate amount was refunded.

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General

1 Ancillary services are provided by market participants when the ISO determines there is a need for such services to maintain system reliability and ensure the reliable operation of the interconnected electric system. Market participants required by the ISO to provide ancillary services shall be directed to do so in accordance with ISO rules and will be compensated as provided in subsections 2 through 7 below, as applicable.

Contracted Ancillary Services

2 If at the time the market participant is directed to provide ancillary services the market participant has an existing contract with the ISO to provide the ancillary services in question from the directed facility (the “existing contract”), then the amount to be paid to the market participant by the ISO for the ancillary services shall be determined according to the terms of the existing contract.

Directed Ancillary Services Other Than Transmission Must-Run Services

3 If at the time the market participant is directed to provide an ancillary service other than transmission must-run service, the market participant does not have an existing contract, then the amount to be paid to the market participant by the ISO in respect of each ancillary service provided shall be the greater of the following monthly amounts. Each amount is the sum for the month of hourly compensation amounts:

   (a) The product of the MW hour directed and the highest price paid in the hour to market participants providing the same ancillary service pursuant to subsection 2 above and that the existing contract was the result of a competitive process conducted in the prior twelve (12) months; or

   (b) The verifiable net opportunity cost related to foregone electricity sales incurred by the market participant to supply the directed ancillary service, taking into account offsetting power pool energy receipts.

Transmission Must-Run Services

4(1) Transmission must-run services are ancillary services provided by market participants with generating units in response to a directive provided by the ISO to ensure safe and reliable electrical service for a region of the interconnected electric system.

   (2) Transmission must-run services are foreseeable if the ISO, taking into account reasonable procurement timing requirements, determines transmission must-run services are required to meet ISO transmission reliability criteria which includes consideration of expected operating conditions and transmission planned outages. Transmission must-run services are unforeseeable transmission must-run services if they do not constitute foreseeable transmission must-run services.

Arrangements and Compensation for Foreseeable Transmission Must-Run Services

5 Arrangements and compensation for foreseeable transmission must-run services will be made in accordance with the Foreseeable TMR Service Procurement Procedure (Appendix C of the ISO tariff).

Compensation for Unforeseeable Transmission Must-Run Services
6(1) If at the time the market participant is directed to provide unforeseeable transmission must-run service the market participant does not have an existing contract, then the amount to be paid to the market participant in the applicable settlement period for unforeseeable transmission must-run service is equal to variable costs plus fixed costs, where:

(a) variable costs means the hourly difference of the pool price subtracted from the energy price, which shall not be less than zero (0), multiplied by the corresponding hourly energy generated (MWh) by the specific directed generating unit in compliance with the directive to provide unforeseeable transmission must-run service, where:

(i) Energy price ($/MWh) is the product of the heat rate multiplied by the fuel cost, added to the sum of the variable Rate STS charges and variable O&M charge.

(ii) Heat rate (GJ/MWh) is the actual heat rate of the market participant’s generating unit during the period when the unit was complying with the directive.

(iii) Fuel cost for a gas generating unit is the natural gas market price ($/GJ), being the “Daily Spot Price at AECO-C and NIT”, excluding weekends, as published in the Canadian Gas Price Reporter, for natural gas on the applicable day. The fuel cost for a coal generating unit shall be provided by the market participant.

(iv) Variable Rate STS charge ($/MWh) is the actual cost of all variable charges from Rate STS of the ISO tariff, including the applicable loss factor charge or credit.

(v) Variable O&M charge ($/MWh) is the all-in cost (including major/minor overhauls), fixed at $4.00/MWh, of providing incremental output from the unit, excluding fuel costs and variable Rate STS charges.

(b) Fixed costs are equal to the average monthly fixed cost multiplied by the greater of the must-run ratio or the minimum must-run ratio, where:

(i) Average monthly fixed cost is equal to one-twelfth of the sum of the annual costs in items (A) through (H) as follows:

(A) annual amortization and depreciation amounts for the market participant’s investment or for the power purchase arrangement acquisition cost related to the specific directed generating unit, consistent with amounts reported in the market participant’s audited financial statements and adjusted for cogeneration infrastructure not utilized for generation purposes;

(B) the product of the unamortized or undepreciated capital investment multiplied by a deemed debt percentage of 70% and multiplied by a debt interest rate that is equal to the current 10-year Government of Canada bond interest rate plus 0.5% and where the unamortized or undepreciated capital investment is the greater of

(1) the market participant’s initial cost of property, plant and equipment for the specific directed generating unit or the market participant’s initial power purchase arrangement acquisition cost related to the specific directed generating unit, less accumulated depreciation or amortization, as the case may be, related to the specific directed generating unit; or

(2) 25% of the market participant’s initial cost of property, plant and equipment for the specific directed generating unit or the market participant’s initial power purchase arrangement acquisition cost related to the specific directed power purchase arrangement.

(C) the product of unamortized or undepreciated capital investment, as described in (B) above, multiplied by a deemed 30% common equity percentage of capital structure multiplied by a deemed 12% rate of return on equity;

(D) if the market participant provides verifiable actual values for the items in both (B) and (C) then those will be used instead of the deemed values;
(E) the product of the tax rates multiplied by the rate of return on equity amount
determined in (C), where income tax costs reflect the marginal income tax rates for
both federal and provincial portions of income tax;
(F) total annual direct fixed operation and maintenance costs associated with the specific
directed generating unit;
(G) total annual direct fixed fuel costs associated with the specific directed generating
unit; and
(H) fixed charges from applicable power purchase arrangements associated with the
specific directed generating unit.

(ii) Must-run ratio is the ratio of the number of hours in the month when unforeseeable
transmission must-run services were provided to the total number of hours in the month;
(iii) Minimum must-run ratio is:
(A) 12% for the first or second unforeseeable transmission must-run service event within
a rolling 12-month period in which transmission must-run service is directed by the
ISO;
(B) 20% for the third unforeseeable transmission must-run service event within a rolling
12-month period in which transmission must-run service is directed by the ISO;
(C) 30% for the fourth unforeseeable transmission must-run service event within a rolling
12-month period in which transmission must-run service is directed by the ISO;
(D) 40% for the fifth unforeseeable transmission must-run service event within a rolling
12-month period in which transmission must-run service is directed by the ISO;
(E) 50% for the sixth or any additional unforeseeable transmission must-run service
event within a rolling 12-month period in which transmission must-run service is
directed by the ISO.

If there is more than one unforeseeable transmission must-run service event in a
settlement period, the minimum must-run ratio shall be the highest applicable
percentage described in (A) through (E) above.

(2) In lieu of the variable and fixed costs in subsections 6(1)(a) and 6(1)(b) above, if a market participant can demonstrate foregone future energy sales due to a transmission must-run directive, then the verifiable net opportunity cost related to foregone electricity sales incurred by the market participant to supply the directed transmission must-run service, taking into account offsetting power pool energy receipts. This applies only to market participants that have responded to a transmission must-run directive using hydroelectric generating units.

Maximum Transmission Must-Run Services Compensation

7 The maximum monthly amount to be paid by the ISO for transmission must-run service results in the recovery of fixed, operating and maintenance costs, including a reasonable rate of return for the service provider and is equal to the average monthly fixed cost plus variable costs as provided for in subsection 6 above.

Invoicing

8 A market participant that provide unforeseeable transmission must-run service in response to a directive from the ISO will submit an invoice to the ISO within fifteen (15) business days after the end of the month in which the service was provided. The amount of the invoice shall be determined in accordance with the method in subsection 6 above and will separately itemize the values used for each component specified (fixed and variable costs).
Audit Rights

9. The ISO has the right to audit a market participant's invoices and source information related thereto for transmission must-run services, provided that any such audit is:

(a) conducted only on reasonable prior notice to the market participant;

(b) conducted on the market participant's premises during normal business hours;

(c) not conducted by or the information gathered made available to, those individuals at the ISO that determine contestability for purposes of the ISO procuring transmission must-run competitively;

(d) conducted subject to section 103.1 of the ISO rules regarding confidential information; and that

(e) no copies of records reviewed during the audit shall be made without the market participant's prior written consent.

Revision History

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<tr>
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</table>
Applicability
1. This section applies to a market participant who has requested or is receiving system access service under Rate DOS, Demand Opportunity Service.

Eligibility and Pre-Qualification
2(1) A market participant must pre-qualify on an annual basis for demand opportunity service to receive system access service under Rate DOS.

(2) A market participant who applies to pre-qualify for demand opportunity service must:

(a) submit to the ISO a completed pre-qualification application, available in the demand opportunity service section of the AESO website or from the ISO;

(b) submit the pre-qualification application at least forty-five (45) days prior to submitting a transaction request for demand opportunity service; and

(c) pay a non-refundable fee of $5,000 to the ISO for evaluation of the market participant’s eligibility for demand opportunity service when the pre-qualification application is submitted.

(3) The ISO must approve the market participant’s pre-qualification for demand opportunity service only when:

(a) the market participant meets the commercial eligibility criteria for demand opportunity service provided in subsection 3 below;

(b) the market participant’s use of demand opportunity service would not proceed on any other applicable rate; and

(c) there is sufficient transmission capacity and suitable system operation conditions capable of accommodating the request.

(4) A market participant who pre-qualifies for demand opportunity service must limit use of the service to:

(a) no more than the demand opportunity service contract capacity which the market participant requested or such lower demand opportunity service contract capacity as the ISO determines is available;

(b) the specific type or types of demand opportunity service, as listed in Rate DOS, which the market participant requested and is eligible for; and

(c) a maximum of one (1) year from the date the ISO approves the market participant’s pre-qualification.

(5) The ISO must notify a market participant in writing of approval or denial of approval of pre-qualification for demand opportunity service, within forty-five (45) days of receiving a pre-qualification application.
Commercial Eligibility Criteria

3(1) A market participant must provide to the ISO a clear, thorough and convincing case, with supporting facts, that demonstrates that the market participant would not increase metered demand under Rate DTS, Demand Transmission Service, if Rate DOS was not available.

(2) The market participant must satisfy the ISO that a commercial business opportunity exists for the use of additional electric energy on either a temporary or repeated short-term basis.

(3) The market participant must utilize additional electric energy under the DOS 7 Minutes and DOS 1 Hour types of Rate DOS either:

   (a) to replace an alternative source of energy where the market participant:
      (i) has an available alternative source of energy, including means to employ it, that could rationally be used instead of electric energy from the interconnected electric system; and
      (ii) the cost of utilizing the alternative source of energy is less than the cost of receiving additional electric energy under Rate DTS;
   
   or

   (b) to take advantage of a market opportunity where the market participant:
      (i) has a market or business opportunity that requires additional electric energy;
      (ii) the cost of receiving additional electric energy under Rate DTS renders the opportunity uneconomic; and
      (iii) the market participant’s alternative is to forego the opportunity.

(4) The market participant must utilize additional electric energy under the DOS Term type of Rate DOS either:

   (a) for the purposes listed in subsection 3(3)(a) or 3(3)(b) above; or

   (b) for scheduled maintenance of a generating unit or an aggregated generating facility where the market participant:
      (i) has planned maintenance of an on-site generating unit or aggregated generating facility that normally supplies electric energy to an industrial process on the same premises; and
      (ii) would reduce the load of its industrial process in these circumstances rather than pay the cost of receiving additional electric energy under Rate DTS.

(5) The market participant must not utilize additional electric energy under any type of Rate DOS when:

   (a) the market participant has the opportunity to install facilities that will reduce the consumption of electric energy from the interconnected electric system; or

   (b) the requirement for additional electric energy is the result of a forced outage, unplanned outage or derate of an on-site generating unit or aggregated generating facility that normally supplies electric energy to an industrial process on the same premises or otherwise displaces consumption of electric energy from the interconnected electric system.
Transaction Requests

4(1) The market participant may submit a transaction request for demand opportunity service after the ISO approves a market participant’s pre-qualification for demand opportunity service under subsection 2 above.

(2) A market participant may submit a transaction request for demand opportunity service for a point of delivery:

(a) only in accordance with its confirmed pre-qualification under subsection 2(4) above, specifically:
   (i) up to its pre-qualified capacity; and
   (ii) for the pre-qualified type or types of demand opportunity service;

(b) for only one Rate DOS type in any single hour, even if the market participant is eligible for multiple Rate DOS types;

(c) with a minimum continuous duration of eight (8) hours and a maximum continuous duration of one (1) month; and

(d) with a start date and end date in the same month.

(3) A market participant must submit a completed transaction request form, available in the demand opportunity service section of the AESO website or from the ISO, at least one (1) hour and no more than ten (10) days before the requested start time of the demand opportunity service transaction.

(4) The ISO must approve a transaction request for demand opportunity service if it determines that:

(a) the request meets the requirements of subsection 4(2) and 4(3) above;

(b) the request form has been fully and correctly completed and submitted; and

(c) sufficient surplus capacity exists on the transmission system to accommodate the requested capacity for the duration of the Rate DOS transaction.

(5) The ISO must notify a market participant when a transaction request has been approved or has been denied approval.

(6) A market participant may not cancel or revise a Rate DOS transaction request after it is approved by the ISO.

Recallable Service

5(1) The ISO must recall demand opportunity service in advance of system access service provided to market participants under Rate DTS and Rate FTS, Fort Nelson Demand Transmission Service, to the extent practicable in an emergency.

(2) The ISO must recall demand opportunity service:

(a) in accordance with the provisions of Rate DOS;

(b) whenever transmission system capacity becomes insufficient to sustain demand opportunity service, either temporarily or permanently;

(c) when the Alberta balancing authority area lacks sufficient ancillary services; and
(d) in accordance with the provisions of section 2 of the ISO tariff, Provision of and Limitations to System Access Service.

(3) A market participant must curtail capacity provided under Rate DOS when the ISO issues a directive to do so, in accordance with the response time and recall priority set out in Rate DOS for the Rate DOS type approved for the transaction.

**Effect of Disqualification**

6(1) The ISO may audit a market participant’s eligibility for and use of demand opportunity service from time to time to verify compliance with the eligibility requirements in subsection 2 above and in particular with the commercial eligibility criteria in subsection 3 above.

(2) The ISO may charge the market participant the cost of an audit conducted in accordance with subsection 7(1) above.

(3) The ISO must terminate billing under Rate DOS and bill all metered energy delivered to the market participant under Rate DTS starting on the date of termination of billing under Rate DOS, if the ISO determines that the market participant is no longer eligible for demand opportunity service.

(4) The ISO may, in its sole discretion, recover retroactive amounts for the period during which such market participant did not qualify for, but was billed under, Rate DOS.

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</table>
Applicability

1(1) This section applies to a market participant who has requested or is receiving system access service under any rate of the ISO tariff.

(2) A legal owner of an electric distribution system that is regulated by the Commission is not required to comply with the ISO’s financial security requirements applicable to system access service charges in subsection 2 below.

(3) All other market participants must comply with the ISO’s financial security requirements.

Financial Security Requirements

2 A market participant must provide financial security for system access service in accordance with section 103.3 of the ISO rules, Financial Security Requirements.

Billing Procedures

3(1) The ISO must issue a statement of account for system access service no later than fifteen (15) business days after the end of each settlement period, which statement may include:

   (a) amounts determined on an initial basis for that settlement period;

   (b) amounts determined on an interim basis for the period two (2) months prior to that settlement period; and

   (c) amounts determined on a final basis for the period four (4) months prior to that settlement period.

(2) The ISO may review any statement of account and may issue a new statement of account based on that review.

(3) The ISO may choose not to issue a statement of account on an interim or final basis if it would result in a charge or refund of less than $1,000.

(4) The ISO may use estimated values to produce a statement of account when metered demand or metered energy data is not available or is incomplete, metering equipment fails or the data is under dispute.

(5) The ISO may also use estimated values to produce a statement of account if the ISO’s billing and settlement system is unable to produce a statement of account.

(6) The ISO must, when a statement of account is based on estimated values, make an adjustment on a subsequent statement of account issued in accordance with subsection 3(1)(b) or 3(1)(c) above to reflect the use of actual or more appropriate estimated values.

(7) The ISO may deduct from a statement of account any amounts it owes to the market participant or its affiliates.
**Totalized Billing**

4(1) The ISO may totalize points of delivery and points of supply and produce one statement of account for a market participant that is an industrial facility with multiple points of delivery, points of supply or both.

(2) The ISO must base its decision to totalize on a review of:

(a) the economics of providing more than a single point of delivery or point of supply;

(b) reclassification of the site as a Commission-designated industrial system; or

(c) the existence of a credible transmission bypass alternative.

**Adjustments**

5(1) A market participant may request that a statement of account be recalculated and reissued forty-five (45) or more days after an amount has been determined on a final basis for a settlement period, as a result of:

(a) unavailable or incomplete meter data;

(b) inaccurate estimates of meter data; or

(c) reconciliation with updated estimates of meter data;

(2) The ISO may recover the cost of recalculating and reissuing a statement of account from the market participant that is receiving service through the relevant metering equipment.

(3) The market participant must pay the ISO $1 000 for each recalculated and reissued statement of account.

**Request for Settlement Data**

6(1) The ISO must make available to a market participant during regular business hours any data required to verify a statement of account for system access service.

(2) The market participant must pay all of the costs of retrieval and provision of the data.

**Payment Terms**

7(1) A market participant must pay the amounts shown on the statement of account no later than the twentieth business day after the end of the settlement period.

(2) The market participant must make payment by way of electronic funds transfer or wire transfer to the bank account the ISO specifies.

**Effect of Non-Compliance**

8(1) The ISO may charge interest and other amounts, suspend or terminate system access service and take other action in accordance with section 103.7 of the ISO rules, Financial Default and Remedies, if a market participant:

(a) fails to comply with a requirement to provide financial security to the ISO for system access service; or

(b) fails to pay in full any financial obligation to the ISO for system access service, on or before a specified due date for that financial obligation.
(2) The ISO must not reinstate system access service to a market participant until the market participant has paid all financial obligations owing to the ISO in full and has restored or secured its credit facility in a manner satisfactory to the ISO.

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</tbody>
</table>
Applicability

1 This section applies to a **market participant** who is receiving **system access service** under:
   
   (a) Rate DTS, **Demand Transmission Service**; or
   
   (b) Rate FTS, **Fort Nelson Demand Transmission Service**.

Causes Eligible for Peak Metered Demand Waivers

2(1) The **ISO** may waive peak **metered demand** for a **market participant** for the purpose of calculating **billing capacity** when the peak **metered demand** was caused by one of the following:

   (a) **commissioning**;
   
   (b) activities required to repair and maintain **transmission facilities**;
   
   (c) load restoration activities that:
      
      (i) follow a **forced outage**, **planned outage** or **unplanned outage** of **transmission facilities** or facilities that are part of an **electric distribution system**; or
      
      (ii) are caused by an **emergency** on the **transmission system**;
   
   (d) compliance with a **directive** the **ISO** issues during an **emergency**; or
   
   (e) an event of **force majeure** that impacts the **ISO**.

(2) The **ISO** may also waive peak **metered demand** for a **legal owner** of an **electric distribution system** for pre-scheduled activities required to maintain facilities that are part of its **electric distribution system**.

Requests for Peak Metered Demand Waivers

3(1) A **market participant** may request a peak **metered demand** waiver by submitting a completed **Peak Metered Demand Waiver Request** form, available on the AESO website or from the **ISO**.

(2) The **market participant** must submit the **Peak Metered Demand Waiver Request** form to the **ISO** no later than seven (7) **business days** after the end of the **settlement period** for which the waiver is being requested.

(3) The **ISO** must, upon receipt of a peak **metered demand** waiver request, confirm whether:

   (a) the peak **metered demand** was caused by an event set out in subsection 1(1) above; and
   
   (b) the **ISO** has sufficient information to make a determination on the request.

(4) The **ISO** must, if it does not have sufficient information to make a determination on a peak **metered demand** waiver request:

   (a) request additional information from the **market participant**; or
   
   (b) request permission to audit the **market participant**'s relevant records associated with the event.
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</table>
Appliability

1 This section applies to a market participant who has requested or is receiving system access service under any rate in the ISO tariff.

Assignment

2(1) A market participant may assign its agreement for system access service or any rights under it to another market participant who is eligible for the system access service available under such agreement and the ISO tariff, but only with the consent of the ISO, such consent not to be unreasonably withheld.

(2) The ISO must apply to the account of the assignee all rights and obligations associated with the system access service when a system access service agreement for Rate DTS, Demand Transmission Service, Rate FTS, Fort Nelson Demand Transmission Service, or Rate STS, Supply Transmission Service, has been assigned in accordance with subsection 2(1) above, including any and all retrospective adjustments due to deferral account reconciliation or any other adjustments.

Termination by Mutual Agreement

3 The ISO and a market participant may, by mutual written agreement, terminate any agreement entered into with respect to system access service under the ISO tariff, provided such termination does not relieve either the ISO or the market participant of any obligations accrued or accruing under the agreement prior to its termination.

Compliance With ISO Directives

4 A market participant must comply with all directives of the ISO in real-time, including those related to technical requirements and provision of ancillary services.

Notifications

5(1) The market participant must give or serve all notices upon the ISO in accordance with the ISO tariff, in writing, marked “Important” and by personal service, registered letter or fax, addressed to:

AESO
2500, 330 – 5th Avenue SW
Calgary, Alberta T2P 0L4

Attention: Commercial Services
Fax (403) 539-2509

with a copy to:

AESO
2500, 330 – 5th Avenue SW
Calgary, Alberta T2P 0L4

Attention: General Counsel
Fax (403) 539-2949
(2) The ISO must give or serve all notices upon the market participant in writing and by personal service, registered letter or fax and sent to the address or addresses shown for such market participant in the relevant agreement for system access service.

(3) The market participant and the ISO must deem all notices to be duly given:

(a) upon delivery if personally delivered;

(b) five (5) business days after posting if sent by registered mail during normal postal service conditions; or

(c) on the same day, if emailed or faxed.

(4) The market participant and the ISO must send all notices by personal delivery in the event of disruption of normal postal services.

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**Applicability**

1. Under Rate STS, *Supply Transmission Service*, a regulated *generating unit* connection cost charge applies to the regulated *generating unit* ("RGU") MW listed in the table below.

<table>
<thead>
<tr>
<th>Regulated Generating Unit</th>
<th>Legal Owner</th>
<th>Type of Plant</th>
<th>RGU MW</th>
<th>Base Life</th>
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<td>TransAlta</td>
<td>Coal-fired thermal</td>
<td>353.0</td>
<td>2020</td>
</tr>
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<td>Sundance 5</td>
<td>TransAlta</td>
<td>Coal-fired thermal</td>
<td>353.0</td>
<td>2020</td>
</tr>
<tr>
<td>Sundance 6</td>
<td>TransAlta</td>
<td>Coal-fired thermal</td>
<td>357.0</td>
<td>2020</td>
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<tr>
<td>Sundance Total</td>
<td></td>
<td></td>
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<tr>
<td>Three Sisters</td>
<td>TransAlta</td>
<td>Hydro</td>
<td>2.7</td>
<td>2020</td>
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**Revision History**

<table>
<thead>
<tr>
<th>Effective</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>2013-07-17</td>
<td>Updated to remove units with base lives ending before 2014 and applied for as part of 2014 ISO tariff.</td>
</tr>
<tr>
<td>2011-07-01</td>
<td>Revised and reformatted all subsections, as approved in Commission Decision 2011-275 issued on June 24, 2011.</td>
</tr>
</tbody>
</table>
Applicability

1(1) The attached system access service agreement proformas are used for system access services provided under:

(a) Rate DTS, Demand Transmission Service;
(b) Rate STS, Supply Transmission Service;
(c) Rate DOS, Demand Opportunity Service;
(d) Rate XOS and Rate XOM, Export Service; and
(a) Rate IOS, Import Opportunity Service.

(2) The attached construction commitment agreement proforma is used for requests for system access service under section 5 of the ISO tariff, Financial Obligations for Connection Projects.

[Note: The construction commitment agreement proforma was not available at the time of filing and will be filed as an addendum as soon as possible.]

Revision History

<table>
<thead>
<tr>
<th>Effective</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-07-17</td>
<td>Updated to reflect current authoritative document guidelines and applied for as part of 2014 ISO tariff.</td>
</tr>
<tr>
<td>2011-07-01</td>
<td>Revised and reformatted all subsections, as approved in Commission Decision 2011-275 issued on June 24, 2011.</td>
</tr>
</tbody>
</table>
This DTS Agreement effective the 1st day of __________________, 201__ (the “effective date”).

Between:

Independent System Operator, operating as AESO
a body corporate with offices in the City of Calgary,
in the Province of Alberta
(the “ISO”)

and

[insert legal name of corporation or partnership],
a body corporate or a partnership with office[s] in the City of [insert city],
in the Province of [insert province]
(the “market participant”)

RECITALS:

A. This DTS Agreement sets out the particular details of the system access service that the ISO will provide to the market participant under Rate DTS of the ISO tariff.

B. The ISO tariff contains additional terms and conditions of system access service. This DTS Agreement is comprised of both this document and the ISO tariff, and accordingly, both this document and the ISO tariff must be referred to and administered by the parties, even though the ISO tariff is not attached but incorporated into this DTS Agreement by reference.

In consideration of the premises to this DTS Agreement, the mutual covenants and agreements set forth in this DTS Agreement and other good and valuable consideration (the receipt and sufficiency of which is acknowledged by each of the parties), the parties agree as follows:

1. DEFINITIONS AND INTERPRETATION

(a) Unless otherwise defined in this DTS Agreement, bolded terms, not including headings, used in this document have the meanings given to them in the Consolidated Authoritative Documents Glossary. In the event of any conflict or inconsistency between this document and the Consolidated Authoritative Documents Glossary, the latter shall prevail.

(b) The ISO tariff shall be the ISO tariff in effect from time to time.

(c) In the event of any conflict or inconsistency between this document and the ISO tariff, the latter shall prevail.

2. POINT OF DELIVERY, CONTRACT CAPACITY AND OTHER DETAILS

(a) Point of delivery is located and described as follows:

Substation name and #:    [Name of Substation (123S)];
Legal Subdivisions (LSD):   [insert WxM];
Measurement Point Identification (MPID):   [insert assigned number]
(b) **Contract capacity** is the following amounts for and during the following periods:

MW from [insert date] up to and including [insert date];
MW [insert date] up to and including [insert date]; and
MW [insert date] for the balance of the term of this DTS Agreement.

(c) Other details related to the connection project include:

**ISO tariff** in effect on date of permit and licence: ___________________

Total Project Costs: $________________

Participant-Related Costs: $________________

System-Related Costs: $________________

Investment: $________________

(d) Key dates:

(i) Date **Commission** issued permit and licence: [insert date or n/a]

(ii) Energization authorization date: ___________________

(iii) **Commissioning** period will commence on: ___________________

(iv) **Commercial operation** date: ___________________

(v) Investment term: [insert number of years] years commencing on [insert date] and terminating on [insert date].

3. **SETTLEMENT**

The ISO shall charge, and the market participant shall pay, amounts in accordance with Rate DTS commencing in the **settlement period** in which the energization authorization date occurs.

4. **CONTRIBUTIONS**

As of the effective date of this DTS Agreement, the market participant’s construction contribution is estimated to be $[insert amount] and may be adjusted in accordance with the ISO tariff.

5. **ISO OBLIGATION TO PROVIDE SERVICE**

Subject to Section 7, the ISO shall provide **system access service** under Rate DTS to the market participant at the **point of delivery** at the **contract capacity** pursuant to Section 2 of this DTS Agreement.

6. **MARKET PARTICIPANT’S OBLIGATION IN RELATION TO SERVICE**

If the market participant takes **system access service** under Rate DTS, the market participant shall take such **system access service** at the **point of delivery** at the **contract capacity** pursuant to Section 2 of this DTS Agreement.

7. **MARKET PARTICIPANT’S PAYMENT OBLIGATION**

The market participant shall pay to the ISO for **system access service** under Rate DTS during the term of this DTS Agreement the amount required pursuant to Rate DTS.
8. OTHER RATES AND CONDITIONS

(a) The primary service credit is applicable under this DTS Agreement.
   
   Yes ☐ No ☐

(b) This point of delivery is designated to provide underfrequency load shedding.
   
   Yes ☐ No ☐

(c) The market participant is required to comply with a connection remedial action scheme for this point of delivery.
   
   Yes ☐ No ☐

9. TERM

This DTS Agreement will commence on the effective date and will continue unless it is terminated in accordance with the ISO tariff.

10. PRIOR AGREEMENTS

This DTS Agreement supersedes and replaces, as of the effective date, any other agreement for system access service under Rate DTS between the parties at the point of delivery.

11. COMMISSIONING

(a) The market participant must undertake and complete commissioning in accordance with the requirements set out in the ISO rules.

(b) Commissioning must be completed within ninety (90) days from the date that it commences.

(c) The market participant may request changes to the commissioning period, energization authorization date and commercial operation date but such changes will only be effective if the ISO approves them in writing.

12. COMMERCIAL OPERATION

Upon completion of commissioning, provided the market participant has met its obligations and the ISO is satisfied that the market participant’s facility will be safely and reliably integrated into the interconnected electric system, the ISO must issue a commissioning certificate certifying the date the facility may begin commercial operation.

13. MARKET PARTICIPANT’S REPRESENTATIONS AND WARRANTIES

The market participant represents and warrants to the ISO as follows:

(a) the market participant is duly incorporated or organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization, and duly registered and authorized to carry on business in the Province of Alberta;

(b) this DTS Agreement has been duly authorized, executed and delivered by the market participant and constitutes a legal, valid and binding obligation of the market participant, enforceable against it in accordance with its terms, except to the extent that such enforceability may be limited by bankruptcy, insolvency, winding-up, reorganization,
and similar laws affecting the enforceability of creditors’ rights generally and the availability of equitable remedies such as specific performance or injunction; and

(c) the authorization, execution and performance by the market participant of this DTS Agreement:

(i) does not and will not violate any laws applicable to the market participant; and

(ii) is not in contravention of its constating documents or its by-laws or the provisions of any loan agreement or other agreement to which it is a party or by which it is bound.

14. NOTICES

(a) Notices will be provided as per Section 15(4) of the ISO tariff. The market participant’s address for notices is:

__________________________________
__________________________________
__________________________________
Attention: _________________________
Telephone: ______________
Fax: ______________
Email: ______________

(b) The market participant’s address for invoices, if different from the address for notices, is:

__________________________________
__________________________________
__________________________________
Attention: _________________________
Telephone: ______________
Fax: ______________
Email: ______________

(c) The market participant must provide any changes to its addresses to the ISO using the method posted on the ISO website as updated from time to time.

15. AMENDMENTS

(a) The parties acknowledge that either may request an amendment to this DTS Agreement, including without limitation an amendment to the contract capacity. A party may request such an amendment by complying with the procedure for amending DTS Agreements posted by the ISO on its website. If such procedure is not posted, the party requesting an amendment may provide a notice to the other requesting such amendment.

(b) Notwithstanding the foregoing, the parties acknowledge that the ISO tariff and the ISO rules may be amended from time to time during the term of this DTS Agreement by approval of the Commission and that this DTS Agreement shall be deemed amended upon each such approval.
16. MISCELLANEOUS

(a) The following matters shall be dealt with in accordance with the ISO tariff and the ISO rules:

(i) Assignment – Section 15 of the ISO tariff.


(iii) Dispute Resolution – ISO rule 103.2.

(b) Force majeure shall be dealt with in accordance with the ISO tariff and the ISO rules.

(c) Section 7 shall survive the termination of this DTS Agreement for either the time provided for in such section or the longest period provided by law.

(d) This DTS Agreement will enure to the benefit and be binding upon the parties to this DTS Agreement and their respective successors and permitted assigns.

(e) No waiver by any party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained in this DTS Agreement shall take effect or be binding upon that party unless the waiver is expressed in writing under the authority of that party. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

(f) Time is of the essence.

(g) If at any time any one or more of the provisions of this DTS Agreement is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions of this DTS Agreement will not in any way be affected or impaired thereby to the fullest extent possible by law.

(h) This DTS Agreement shall be governed by and interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein, excluding any conflict of laws principles that may apply therein.

(i) Whenever possible, each provision of this DTS Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, however, each provision of this DTS Agreement is intended to be severable and if any provision is determined by a court of competent jurisdiction to be illegal, invalid or unenforceable for any reason whatsoever, such provision shall be severed from this DTS Agreement and will not affect the legality, validity or enforceability of the remainder of this DTS Agreement or any other provision of this DTS Agreement.

(j) Each party will, from time to time, without further consideration, do such further acts and deliver all such further assurances, deeds and documents as shall be reasonably required in order to fully perform and carry out the terms of this DTS Agreement.

(k) The parties may execute this DTS Agreement by fax or other electronic means and in separate counterparts, each of which when so executed and delivered shall be an original, and all such counterparts taken together shall constitute one instrument.
By signing this DTS Agreement, the market participant acknowledges that it has reviewed the ISO tariff and fully understands all rights and obligations contained in it.

IN WITNESS WHEREOF the ISO and the market participant have executed this DTS Agreement as of the effective date.

Independent System Operator, operating as AESO

Per: ________________________________  Date: ________________________________
Name: ________________________________
Title: ________________________________

[insert legal name of corporation or partnership]

Per: ________________________________  Date: ________________________________
Name: ________________________________
Title: ________________________________
This STS Agreement effective the 1st day of ___________________, 201__ (the “effective date”).

Between:

Independent System Operator, operating as AESO
a body corporate with offices in the City of Calgary,
in the Province of Alberta
(the “ISO”)

and

[insert legal name of corporation or partnership],
[a body corporate or a partnership] with office[s] in the City of [insert city],
in the Province of [insert province]
(the “market participant”)

RECITALS:

A. This STS Agreement sets out the particular details of the system access service that the ISO will provide to the market participant under Rate STS of the ISO tariff.

B. The ISO tariff contains additional terms and conditions of system access service. This STS Agreement is comprised of both this document and the ISO tariff, and accordingly, both this document and the ISO tariff must be referred to and administered by the parties, even though the ISO tariff is not attached but incorporated into this STS Agreement by reference.

In consideration of the premises to this STS Agreement, the mutual covenants and agreements set forth in this STS Agreement and other good and valuable consideration (the receipt and sufficiency of which is acknowledged by each of the parties), the parties agree as follows:

1. DEFINITIONS AND INTERPRETATION

(a) Unless otherwise defined in this STS Agreement, bolded terms, not including headings, used in this document have the meanings given to them in the Consolidated Authoritative Documents Glossary. In the event of any conflict or inconsistency between this document and the Consolidated Authoritative Documents Glossary, the latter shall prevail.

(b) The ISO tariff shall be the ISO tariff in effect from time to time.

(c) In the event of any conflict or inconsistency between this document and the ISO tariff, the latter shall prevail.

2. POINT OF SUPPLY, CONTRACT CAPACITY AND OTHER DETAILS

(a) Point of supply is located and described as follows:

Substation name and #: [Name of Substation (123S)];
Legal Subdivisions (LSD): [insert WxM];
Measurement Point Identification (MPID): [insert assigned number]
(b) **Contract capacity** is the following amounts for and during the following periods:

MW from [insert date] up to and including [insert date];
MW [insert date] up to and including [insert date]; and
MW [insert date] for the balance of the term of this STS Agreement.

(c) Other details related to the connection project include:

- **ISO tariff** in effect on date of permit and licence: ___________________
- **Total Project Costs**: $____________________
- **Participant-Related Costs**: $____________________
- **System-Related Costs**: $____________________
- **Generating Unit Type**: ___________________

(d) Key dates:

(i) Date **Commission** issued permit and licence: [insert date or n/a]
(ii) Energization authorization date: ___________________
(iii) **Commissioning** period will commence on: ___________________
(iv) **Commercial operation** date: ___________________

3. **SETTLEMENT**

The ISO shall charge, and the market participant shall pay, amounts in accordance with Rate STS commencing in the settlement period in which the energization authorization date occurs.

4. **CONTRIBUTIONS**

As of the effective date of this STS Agreement, the market participant’s:

(a) **construction contribution** is estimated to be $ [insert amount] and may be adjusted in accordance with the **ISO tariff**, and

(b) **legal owner**’s contribution for a generating unit or an aggregated generating facility is $ [insert amount] and may be adjusted in accordance with the **ISO tariff**.

5. **ISO OBLIGATION TO PROVIDE SERVICE**

Subject to Section 7, the ISO shall provide system access service under Rate STS to the market participant at the point of supply at the contract capacity pursuant to Section 2 of this STS Agreement.

6. **MARKET PARTICIPANT’S OBLIGATION IN RELATION TO SERVICE**

If the market participant takes system access service under Rate STS, the market participant shall take such service at the point of supply at the contract capacity pursuant to Section 2 of this STS Agreement.

7. **MARKET PARTICIPANT’S PAYMENT OBLIGATION**

The market participant shall pay to the ISO for system access service under Rate STS during the term of this STS Agreement the amount required pursuant to such rate.
8. OTHER CONDITIONS

The **market participant** is required to comply with a connection **remedial action scheme** for this **point of supply**.

Yes ☐  No ☐

9. TERM

This **STS Agreement** will commence on the **effective date** and will continue unless it is terminated in accordance with the **ISO tariff**.

10. PRIOR AGREEMENTS

This **STS Agreement** supersedes and replaces, as of the **effective date**, any other agreement for **system access service** under Rate STS between the parties at the **point of supply**.

11. COMMISSIONING AND COMMERCIAL OPERATION

(a) The **market participant** must undertake and complete **commissioning** in accordance with the requirements set out in the **ISO rules**.

(b) **Commissioning** must be completed within ninety (90) **days** from the date that it commences.

(c) The **market participant** may request changes to the **commissioning** period, energization authorization date and **commercial operation** date but such changes will only be effective if the **ISO** approves them in writing.

12. COMMERCIAL OPERATION

Upon completion of **commissioning**, provided the **market participant** has met its obligations and the **ISO** is satisfied that the **market participant's generating unit** or **aggregated generating facility** will be safely and reliably integrated into the **interconnected electric system**, the **ISO** must issue a **commissioning** certificate certifying the date the **generating unit** or **aggregated generating facility** may begin **commercial operation**.

13. MARKET PARTICIPANT'S REPRESENTATIONS AND WARRANTIES

The **market participant** represents and warrants to the **ISO** as follows:

(a) the **market participant** is duly incorporated or organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization, and duly registered and authorized to carry on business in the Province of Alberta;

(b) this **STS Agreement** has been duly authorized, executed and delivered by the **market participant** and constitutes a legal, valid and binding obligation of the **market participant**, enforceable against it in accordance with its terms, except to the extent that such enforceability may be limited by bankruptcy, insolvency, winding-up, reorganization, and similar laws affecting the enforceability of creditors’ rights generally and the availability of equitable remedies such as specific performance or injunction; and
(c) the authorization, execution and performance by the market participant of this STS Agreement:
(i) does not and will not violate any laws applicable to the market participant; and
(ii) is not in contravention of its constating documents or its by-laws or the provisions of any loan agreement or other agreement to which it is a party or by which it is bound.

14. NOTICES

(a) Notices will be provided as per Section 15(4) of the ISO tariff. The market participant’s address for notices is:

________________________________________________________________________
________________________________________________________________________
Attention: __________________________
Telephone: ____________
Fax: ____________
Email: ____________

(b) The market participant’s address for invoices, if different from the address for notices, is:

________________________________________________________________________
________________________________________________________________________
Attention: __________________________
Telephone: ____________
Fax: ____________
Email: ____________

(c) The market participant must provide any changes to its addresses to the ISO using the method posted on the ISO website as updated from time to time.

15. AMENDMENTS

(a) The parties acknowledge that either may request an amendment to this STS Agreement, including without limitation an amendment to the contract capacity. A party may request such an amendment by complying with the procedure for amending STS Agreements posted by the ISO on its website. If such procedure is not posted, the party requesting an amendment may provide a notice to the other requesting such amendment.

(b) Notwithstanding the foregoing, the parties acknowledge that the ISO tariff and the ISO rules may be amended from time to time during the term of this STS Agreement by approval of the Commission and that this STS Agreement shall be deemed amended upon each such approval.

(c) Subject to Section 14(b), this STS Agreement may only be amended by written instrument executed by the ISO and the market participant.
16. MISCELLANEOUS

(a) The following matters shall be dealt with in accordance with the ISO tariff and the ISO rules:
   (i) Assignment – Section 15 of the ISO tariff.
   (iii) Dispute Resolution – ISO rule 103.2.

(b) Force majeure shall be dealt with in accordance with the ISO tariff and the ISO rules.

(c) Section 7 shall survive the termination of this STS Agreement for either the time provided for in such section or the longest period provided by law.

(d) This STS Agreement will enure to the benefit and be binding upon the parties to this STS Agreement and their respective successors and permitted assigns.

(e) No waiver by any party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained in this STS Agreement shall take effect or be binding upon that party unless the waiver is expressed in writing under the authority of that party. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

(f) Time is of the essence.

(g) If at any time any one or more of the provisions of this STS Agreement is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions of this STS Agreement will not in any way be affected or impaired thereby to the fullest extent possible by law.

(h) This STS Agreement shall be governed by and interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein, excluding any conflict of laws principles that may apply therein.

(i) Whenever possible, each provision of this STS Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, however, each provision of this STS Agreement is intended to be severable and if any provision is determined by a court of competent jurisdiction to be illegal, invalid or unenforceable for any reason whatsoever, such provision shall be severed from this STS Agreement and will not affect the legality, validity or enforceability of the remainder of this STS Agreement or any other provision of this STS Agreement.

(j) Each party will, from time to time, without further consideration, do such further acts and deliver all such further assurances, deeds and documents as shall be reasonably required in order to fully perform and carry out the terms of this STS Agreement.

(k) The parties may execute this STS Agreement by fax or other electronic means and in separate counterparts, each of which when so executed and delivered shall be an original, and all such counterparts taken together shall constitute one instrument.
By signing this **STS Agreement**, the **market participant** acknowledges that it has reviewed the **ISO tariff** and fully understands all rights and obligations contained in it.

IN WITNESS WHEREOF the ISO and the **market participant** have executed this **STS Agreement** as of the effective date.

**Independent System Operator**, operating as AESO

Per: ________________________________  Date: ________________________________
Name: ________________________________
Title: ________________________________

[insert legal name of corporation or partnership]

Per: ________________________________  Date: ________________________________
Name: ________________________________
Title: ________________________________
A market participant applying for pre-qualification for demand opportunity service should review the terms and conditions of such service contained in the ISO tariff and any other related information documents that appear on the ISO’s website from time to time.

If approved, this application sets the parameters for a market participant’s demand opportunity service transaction requests throughout the 12 months following such approval. Pre-qualification does not obligate the ISO to approve, or the market participant to request, any demand opportunity service. A non-refundable fee of $5000.00 is payable with this application.

---

Application Details

Market participant:

Party administering demand opportunity service on behalf of the market participant:

market participant ☐ or ☐ company name:

Name of primary contact of administrator:

Phone: Fax: Email:

Facility name:

Facility location: LSD SEC TWP RGE MER

Connected substation (name and number):

Point of delivery:

Current demand transmission service contract capacity at the point of delivery:

Is this an application to renew a current pre-qualification? Yes ☐ No ☐

---

Technical and Commercial Information

The following information is required in order for the ISO to determine whether the proposed use of demand opportunity service complies with the criteria set out in the ISO tariff.

- Requested start date:
- End date: 12 months from requested start date
- Requested demand opportunity service capacity: ______ MW
- Anticipated frequency of use:
- Total MWhs per month:
• Type of demand opportunity service expected to be used:

   DOS 7 minute [ ]    DOS 1 hour [ ]    DOS Term [ ]

**Technical Information:** Please provide the following on an attachment labeled “Schedule A”.

1. Load characteristic (static, synchronous machine or induction machine)
2. Approximate load factor (demand opportunity service specific load only)
3. Expected **power factor**

Schedule A: [ ] Attached

**Commercial Information:** Please read the eligibility criteria in the ISO tariff and provide a comprehensive business case, labeled “Schedule B”, demonstrating that the proposed use of demand opportunity service complies with those criteria. The business case must provide enough information to satisfy the ISO that the proposed use of electricity under demand opportunity service would not occur at the standard Rate DTS. The business case normally pertains to the end-user’s commercial circumstances and the end-user must be prepared to provide any additional information that the ISO reasonably requests.

Schedule B: [ ] Attached

---

**Undertaking**

The **market participant** undertakes to provide prompt notification to the ISO upon the occurrence of any financial, operational, and/or technical changes, where such changes materially impact the assumptions contained within the attached business case (“Schedule B”). Failure to provide such information to the ISO in a timely and comprehensive manner may result in the ISO auditing and/or reassessing the eligibility of the **market participant** to be pre-qualified for the use of demand opportunity service. Further, the **market participant** undertakes that the use of demand opportunity service contemplated in the business case will not be modified.

---

The **market participant** confirms that the contents of this application are true.

**Market participant:**

Name: (Print name) 
Title: (Print title)

Signature:  
Date: 

Please complete and send to the Alberta Electric System Operator.

Mail: 2500, 330 – 5th Avenue SW  
Calgary, Alberta T2P 0L4

Attention: Commercial Services

Fax: (403) 539-2949  
Email: dos.applications@aeso.ca
This **Export Agreement** effective the 1st day of ________________, 201__ (the “**effective date**”).

Between:

**Independent System Operator**, operating as AESO
a body corporate with offices in the City of Calgary,
in the Province of Alberta
(the "**ISO**")

and

[insert legal name of corporation or partnership],
[a body corporate or a partnership] with office[s] in the City of [insert city]
in the Province of [insert province]
(the "**market participant**")

**RECITALS:**

A. This **Export Agreement** sets out the particular details of the system access service that the **ISO** will provide to the **market participant** under:
   - Rate XOS of the **ISO tariff**, Export Opportunity Service;
   - Rate XOM of the **ISO tariff**, Export Opportunity Merchant Service; or
   - both.

B. The **ISO tariff** contains additional terms and conditions of system access service. This **Export Agreement** is comprised of both this document and the **ISO tariff**, and accordingly, both this document and the **ISO tariff** must be referred to and administered by the parties, even though the **ISO tariff** is not attached but incorporated into this **Export Agreement** by reference.

In consideration of the premises to this **Export Agreement**, the mutual covenants and agreements set forth in this **Export Agreement** and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by each of the parties), the parties agree as follows:

1. **DEFINITIONS AND INTERPRETATION**
   
   (a) Unless otherwise defined in this **Export Agreement**, bolded terms, not including headings, used in this document have the meanings given to them in the Consolidated Authoritative Documents Glossary. In the event of any conflict or inconsistency between this document and the Consolidated Authoritative Documents Glossary, the latter shall prevail.
   
   (b) The **ISO tariff** shall be the **ISO tariff** in effect from time to time.

   (c) In the event of any conflict or inconsistency between this document and the **ISO tariff**, the latter shall prevail.

2. **POINT OF INTERCONNECTION**

   ☐ British Columbia **Intertie** ☐ Saskatchewan **Intertie** ☐ Montana **Intertie**
3. SETTLEMENT

The ISO shall charge, and the market participant shall pay, amounts in accordance with Rate XOS or Rate XOM, as applicable, commencing on [insert date].

4. ISO OBLIGATION TO PROVIDE SERVICE

Subject to Section 7, the ISO shall provide system access service under Rate XOS or Rate XOM, as applicable, to the market participant at the point of interconnection pursuant to Section 2 of this Export Agreement.

5. MARKET PARTICIPANT’S OBLIGATION IN RELATION TO SERVICE

If the market participant takes system access service under Rate XOS or Rate XOM, as applicable, the market participant shall take such system access service at the point of interconnection pursuant to Section 2 of this Export Agreement.

6. MARKET PARTICIPANT’S PAYMENT OBLIGATION

The market participant shall pay to the ISO for system access service during the term of this Export Agreement the amount required pursuant to Rate XOS or Rate XOM, as applicable.

7. TERM

This Export Agreement will commence on the effective date and will continue for a term of one (1) year, expiring on ______________, 201__.

8. PRIOR AGREEMENTS

This Export Agreement supersedes and replaces, as of the Effective Date, any other agreement for system access service under Rate XOS or Rate XOM, as applicable, between the parties at the point of interconnection.

9. MARKET PARTICIPANT’S REPRESENTATIONS AND WARRANTIES

The market participant represents and warrants to the ISO as follows:

(a) the market participant is duly incorporated or organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization, and duly registered and authorized to carry on business in the Province of Alberta;

(b) this Export Agreement has been duly authorized, executed and delivered by the market participant and constitutes a legal, valid and binding obligation of the market participant, enforceable against it in accordance with its terms, except to the extent that such enforceability may be limited by bankruptcy, insolvency, winding-up, reorganization, and similar laws affecting the enforceability of creditors’ rights generally and the availability of equitable remedies such as specific performance or injunction; and

(c) the authorization, execution and performance by the market participant of this Export Agreement:

(i) does not and will not violate any laws applicable to the market participant; and

(ii) is not in contravention of its constating documents or its by-laws or the provisions of any loan agreement or other agreement to which it is a party or by which it is bound.
10. **NOTICES**

   (a) Notices will be provided as per Section 15(4) of the Iso tariff. The market participant’s address for notices is:

   __________________________________________
   __________________________________________
   __________________________________________

   Attention: __________________________

   Telephone: ____________
   Fax: ____________
   Email: ____________

   (b) The market participant’s address for invoices, if different from the address for notices, is:

   __________________________________________
   __________________________________________
   __________________________________________

   Attention: __________________________

   Telephone: ____________
   Fax: ____________
   Email: ____________

   (c) The market participant must provide any changes to its addresses to the ISO using the method posted on the ISO website as updated from time to time.

11. **AMENDMENTS**

   (a) The parties acknowledge that either may request an amendment to this Export Agreement. A party may request such an amendment by complying with the procedure for amending Export Agreements posted by the ISO on its website. If such procedure is not posted, the party requesting an amendment may provide a notice to the other requesting such amendment.

   (b) Notwithstanding the foregoing, the parties acknowledge that the ISO tariff and the ISO rules may be amended from time to time during the term of this Export Agreement by approval of the Commission and that this Export Agreement shall be deemed amended upon each such approval.

   (c) Subject to Section 11(b), this Export Agreement may only be amended by written instrument executed by the ISO and the market participant.

12. **MISCELLANEOUS**

   (a) The following matters shall be dealt with in accordance with the ISO tariff and the ISO rules:

   (i) Assignment – Section 15 of the ISO tariff.


   (iii) Dispute Resolution – ISO rule 103.2.
(b) **Force majeure** shall be dealt with in accordance with the ISO tariff and the ISO rules.

(c) Section 6 shall survive the termination of this Export Agreement for either the time provided for in such section or the longest period provided by law.

(d) This Export Agreement will enure to the benefit and be binding upon the parties to this Export Agreement and their respective successors and permitted assigns.

(e) No waiver by any party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained in this Export Agreement shall take effect or be binding upon that party unless the waiver is expressed in writing under the authority of that party. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

(f) Time is of the essence.

(g) If at any time any one or more of the provisions of this Export Agreement is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions of this Export Agreement will not in any way be affected or impaired thereby to the fullest extent possible by law.

(h) This Export Agreement shall be governed by and interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein, excluding any conflict of laws principles that may apply therein.

(i) Whenever possible, each provision of this Export Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, however, each provision of this Export Agreement is intended to be severable and if any provision is determined by a court of competent jurisdiction to be illegal, invalid or unenforceable for any reason whatsoever, such provision shall be severed from this Export Agreement and will not affect the legality, validity or enforceability of the remainder of this Export Agreement or any other provision of this Export Agreement.

(j) Each party will, from time to time, without further consideration, do such further acts and deliver all such further assurances, deeds and documents as shall be reasonably required in order to fully perform and carry out the terms of this Export Agreement.

(k) The parties may execute this Export Agreement by fax or other electronic means and in separate counterparts, each of which when so executed and delivered shall be an original, and all such counterparts taken together shall constitute one instrument.
By signing this Export Agreement, the market participant acknowledges that it has reviewed the ISO tariff and fully understands all rights and obligations contained in it.

IN WITNESS WHEREOF the ISO and the market participant have executed this Export Agreement as of the effective date.

Independent System Operator, operating as AESO

Per: ________________________________  Date: 
Name: 
Title: 

[Insert legal name of corporation or partnership]

Per: ________________________________  Date: 
Name: 
Title:
This Import Agreement effective the 1st day of ________________, 201__ (the “effective date”).

Between:

Independent System Operator, operating as AESO
a body corporate with offices in the City of Calgary,
in the Province of Alberta
(the "ISO")

and

[insert legal name of corporation or partnership],
[a body corporate or a partnership] with office[s] in the City of [insert city],
in the Province of [insert province]
(the "market participant")

RECITALS:

A. This Import Agreement sets out the particular details of the system access service that the ISO will provide to the market participant under Rate IOS of the ISO tariff, Import Opportunity Service.

B. The ISO tariff contains additional terms and conditions of system access service. This Import Agreement is comprised of both this document and the ISO tariff, and accordingly, both this document and the ISO tariff must be referred to and administered by the parties, even though the ISO tariff is not attached but incorporated into this Import Agreement by reference.

In consideration of the premises to this Import Agreement, the mutual covenants and agreements set forth in this Import Agreement and other good and valuable consideration (the receipt and sufficiency of which is acknowledged by each of the parties), the parties agree as follows:

1. DEFINITIONS AND INTERPRETATION

   (a) Unless otherwise defined in this Import Agreement, bolded terms, not including headings, used in this document have the meanings given to them in the Consolidated Authoritative Documents Glossary. In the event of any conflict or inconsistency between this document and the Consolidated Authoritative Documents Glossary, the latter shall prevail.

   (b) The ISO tariff shall be the ISO tariff in effect from time to time.

   (c) In the event of any conflict or inconsistency between this document and the ISO tariff, the latter shall prevail.

2. POINT OF INTERCONNECTION

   □ British Columbia Intertie    □ Saskatchewan Intertie    □ Montana Intertie
3. **SETTLEMENT**

The ISO shall charge, and the market participant shall pay, amounts in accordance with Rate IOS commencing on [insert date].

4. **ISO OBLIGATION TO PROVIDE SERVICE**

Subject to Section 7, the ISO shall provide system access service under Rate IOS to the market participant at the point of interconnection pursuant to Section 2 of this Import Agreement.

5. **MARKET PARTICIPANT’S OBLIGATION IN RELATION TO SERVICE**

If the market participant takes system access service under Rate IOS, the market participant shall take such system access service at the point of interconnection pursuant to Section 2 of this Import Agreement.

6. **MARKET PARTICIPANT’S PAYMENT OBLIGATION**

The market participant shall pay to the ISO for system access service under Rate IOS during the term of this Import Agreement the amount required pursuant to Rate IOS.

7. **TERM**

This Import Agreement will commence on the effective date and will continue for a term of one (1) year, expiring on ____________, 201__.

8. **PRIOR AGREEMENTS**

This Import Agreement supersedes and replaces, as of the effective date, any other agreement for system access service under Rate IOS between the parties at the point of interconnection.

9. **MARKET PARTICIPANT’S REPRESENTATIONS AND WARRANTIES**

The market participant represents and warrants to the ISO as follows:

(a) the market participant is duly incorporated or organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization, and duly registered and authorized to carry on business in the Province of Alberta;

(b) this Import Agreement has been duly authorized, executed and delivered by the market participant and constitutes a legal, valid and binding obligation of the market participant, enforceable against it in accordance with its terms, except to the extent that such enforceability may be limited by bankruptcy, insolvency, winding-up, reorganization, and similar laws affecting the enforceability of creditors’ rights generally and the availability of equitable remedies such as specific performance or injunction; and

(c) the authorization, execution and performance by the market participant of this Import Agreement:

(i) does not and will not violate any laws applicable to the market participant; and

(ii) is not in contravention of its constating documents or its by-laws or the provisions of any loan agreement or other agreement to which it is a party or by which it is bound.
10. NOTICES

(a) Notices will be provided as per Section 15(4) of the ISO tariff. The market participant’s address for notices is:

__________________________________
__________________________________
__________________________________
Attention: _________________________
Telephone: _____________
Fax: _____________
Email: _____________

(b) The market participant’s address for invoices, if different from the address for notices, is:

__________________________________
__________________________________
__________________________________
Attention: _________________________
Telephone: _____________
Fax: _____________
Email: _____________

(c) The market participant must provide any changes to its addresses to the ISO using the method posted on the ISO website as updated from time to time.

11. AMENDMENTS

(a) The parties acknowledge that either may request an amendment to this Import Agreement. A party may request such an amendment by complying with the procedure for amending Import Agreements posted by the ISO on its website. If such procedure is not posted, the party requesting an amendment may provide a notice to the other requesting such amendment.

(b) Notwithstanding the foregoing, the parties acknowledge that the ISO tariff and the ISO rules may be amended from time to time during the term of this Import Agreement by approval of the Commission and that this Import Agreement shall be deemed amended upon each such approval.

(c) Subject to Section 11(b), this Import Agreement may only be amended by written instrument executed by the ISO and the market participant.

12. MISCELLANEOUS

(a) The following matters shall be dealt with in accordance with the ISO tariff and the ISO rules:

(i) Assignment – Section 15 of the ISO tariff.


(iii) Dispute Resolution – ISO rule 103.2.
(b) **Force majeure** shall be dealt with in accordance with the ISO tariff and the ISO rules.

(c) Section 6 shall survive the termination of this **Import Agreement** for either the time provided for in such section or the longest period provided by law.

(d) This **Import Agreement** will enure to the benefit and be binding upon the parties to this **Import Agreement** and their respective successors and permitted assigns.

(e) No waiver by any party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained in this **Import Agreement** shall take effect or be binding upon that party unless the waiver is expressed in writing under the authority of that party. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

(f) Time is of the essence.

(g) If at any time any one or more of the provisions of this **Import Agreement** is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions of this **Import Agreement** will not in any way be affected or impaired thereby to the fullest extent possible by law.

(h) This **Import Agreement** shall be governed by and interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein, excluding any conflict of laws principles that may apply therein.

(i) Whenever possible, each provision of this **Import Agreement** shall be interpreted in such a manner as to be effective and valid under applicable law, however, each provision of this **Import Agreement** is intended to be severable and if any provision is determined by a court of competent jurisdiction to be illegal, invalid or unenforceable for any reason whatsoever, such provision shall be severed from this **Import Agreement** and will not affect the legality, validity or enforceability of the remainder of this **Import Agreement** or any other provision of this **Import Agreement**.

(j) Each party will, from time to time, without further consideration, do such further acts and deliver all such further assurances, deeds and documents as shall be reasonably required in order to fully perform and carry out the terms of this **Import Agreement**.

(k) The parties may execute this **Import Agreement** by fax or other electronic means and in separate counterparts, each of which when so executed and delivered shall be an original, and all such counterparts taken together shall constitute one instrument.
By signing this Import Agreement, the market participant acknowledges that it has reviewed the ISO tariff and fully understands all rights and obligations contained in it.

IN WITNESS WHEREOF the ISO and the market participant have executed this Import Agreement as of the effective date.

Independent System Operator, operating as AESO

Per: ________________________________  Date:
Name:
Title:

[insert legal name of corporation or partnership]

Per: ________________________________  Date:
Name:
Title:
CONSTRUCTION COMMITMENT AGREEMENT

[Note: The construction commitment agreement proforma was not available at the time of filing and will be filed as an addendum as soon as possible.]
PROCEDURE FOR FORESEEABLE TRANSMISSION MUST-RUN SERVICE

1. This appendix shall come into force upon the approval of the Settlement Agreement by the Alberta Energy and Utilities Board and remain in force until replaced or revised through the creation of an ISO rule following reasonable efforts by all parties hereto to develop same.

2. The ISO shall issue an expression of interest inviting eligible market participants to express interest in contracting with the ISO for the supply of transmission must-run service, where an existing contract is not in effect. (Reference #1 in below diagram)

3. Based on market participant response to the expression of interest, the ISO shall fairly and reasonably determine if the expression of interest is contestable (Reference #2 in below diagram). The advice and direction of the Market Surveillance Administrator will be sought in all such matters and, should the subsequent determination be disputed the issue of whether the expression of interest is contestable may be determined by the Commission. (Reference #4 in below diagram)

4. Upon determination by the ISO that the expression of interest is contestable a request for proposal shall be issued by the ISO (Reference #3 in below diagram). The ISO shall fairly and reasonably determine if the request for proposal is contestable, again after seeking the advice and direction of the Market Surveillance Administrator. (Reference #5 in below diagram)

5. If either of the expression of interest or request for proposal is deemed by the ISO not to be contestable the ISO shall issue written reasons in that regard and a bilateral negotiation process shall commence. The bilateral negotiation process:
   (a) shall be subject to the maximum transmission must-run price specified by subsection 7 of section 11 of the ISO tariff,
   (b) may include all market participants who are effective providers of the required transmission must-run service, although preference will be given to those who responded to the expression of interest or request for proposal, and
   (c) shall not be limited by the pricing provisions of subsection 6 of section 11 of the ISO tariff in respect of unforeseeable transmission must-run service.

(Reference #6 in below diagram)

6. Any party to the bilateral negotiation process may declare it unsuccessful after thirty (30) days, at which time a binding arbitration process shall commence between the ISO and the market participant (Reference #7 in below diagram). In circumstances where multiple market participants may provide transmission must-run services to the ISO, the ISO shall act fairly and reasonably in its selection as to the party that is subject to binding arbitration. The binding arbitration process shall:
   (a) be subject to the maximum transmission must-run price specified by subsection 7 of section 11 of the ISO tariff, and
   (b) not be limited by the pricing provisions of subsection 6 of section 11 of the ISO tariff in respect of unforeseeable transmission must-run service.

(Reference #8 in below diagram)
The binding arbitration process shall employ the dispute resolution process established under section 103.2 of the ISO rules and proceed directly to arbitration as per section 103.2 of the ISO rules. Any arbitrator appointed pursuant to that dispute resolution process shall have an expert understanding and knowledge of the Alberta electricity marketplace. (Reference #8 in below diagram)

**PROCEDURE FOR FORESEEABLE TRANSMISSION MUST-RUN SERVICE DIAGRAM**

**Revision History**

<table>
<thead>
<tr>
<th>Effective</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011-07-01</td>
<td>Revised and reformatted all subsections, as approved in Commission Decision 2011-275 issued on June 24, 2011.</td>
</tr>
</tbody>
</table>