

APPENDIX A

Conditions of Service

APPENDIX A - CONDITIONS OF SERVICE DOCUMENT

CONDITIONS OF SERVICE TEMPLATE

The Distribution System Code (DSC) requires that every Distributor produce its own "Conditions of Service" document. The purpose of this document is to provide a means of communicating the types and level of service available to the Customers within the Distributor's service territory. The DSC requires that the Conditions of Service be readily available for review by the general public. In addition, the most recent version of the document must be provided to the Ontario Energy Board (OEB), who in turn will retain it on file for the purpose of facilitating dispute resolutions in the event that a dispute cannot be resolved locally.

This template has been prepared to assist Distributors in developing their own "Conditions of Service" document based on current practice and the DSC. The template outlines the minimum requirements; however, Distributors are encouraged to expand on the content to encompass local characteristics and other specific requirements. The form and general content of the Condition of Service document must be as required by the OEB. If a Distributor chooses a different format, then the Distributor must provide a cross-reference to the sections contained in this appendix.

The template also will serve as a reference for Distributors that may require changes to their existing documents in order to reflect new changes prescribed by governing Legislation, Licenses, and Codes.

The "Distribution Activities (General)" section contains references to services and requirements, which span across all Customer classes. This section should cover such items as Rates, Billing, Hours of Work, Emergency Response, Power Quality, Available Voltage, etc.

The "Customer Class Specific" section contains references to services and requirements, which are specific to individual Customer classes. This section would cover such items as Metering, Service Entrance Requirements, Delineation of Ownership, Special Contracts, etc.

Appendices to a distributor's Conditions of Service document should include Connection Agreements, along with any other documentation that requires more elaboration than may be described in each section of the document.

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SECTION 1 INTRODUCTION

1.1 Identification of Distributor and Territory

In this section, the distributor should identify their service territory as defined in the distributor's Licence.

1.2 Related Codes and Governing Laws

This section should reference any legislation that is applicable to the distributor - customer relationship.

1.3 Interpretations

This section should describe the rules for interpretation of the Conditions of Service document.

1.4 Amendments and Changes

This section should outline the process for making changes to this document. Include any public notice provisions.

1.5 Contact Information

This section should provide information on how a customer can contact the distributor. Include such items as:

- C Address of the distributor,
- C Telephone numbers,
- C Normal business hours, and
- C Emergency contact numbers.

1.6 Customer Rights

This section should outline the rights and obligations a customer or embedded generator has with respect to the distributor that are not covered elsewhere in this document.

1.7 Distributor Rights

This section should outline the rights a distributor has with respect to a customer or embedded generator that are not covered elsewhere in this document.

1.8 Disputes

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Any dispute between Customers or Retailers and the Distributor shall be settled according to the dispute resolution process specified in the Distributor Licence. In this section, the Distributor should outline the Customer Complaint and Dispute Resolution processes that has been established as a condition of licence.

SECTION 2 DISTRIBUTION ACTIVITIES (GENERAL)

This section should include information that is applicable to all customer classes of the distributor. Items that are applicable to only a specific customer class are covered in Section 3.

2.1 Connections

2.1.1 Building that Lies Along

As provided in Section 28 of the Electricity Act 1998 , the Distributor has the Obligation to Connect any Building that "lies along" its distribution system. A building "lies along" a distribution line if it can be connected to the distributor's distribution system without an expansion or enhancement, and meets the conditions listed in the Conditions of Service of the distributor who owns or operates the distribution line.

In this section, the Distributor should describe the standard connection allowance or charge used by the Distributor in its service territory and describe any variable connection fees that would be charged beyond the standard allowance.

The Distributor also may stipulate in this section other terms and conditions by which that a customer requesting a Connection must abide.

2.1.2 Expansions / Offer to Connect

Under the terms of the DSC, a Distributor has the Obligation to make an Offer to Connect any Building that is in the distributor's service territory that cannot be connected without an expansion or enhancement, or "lies along" its distribution system, but may be denied connection for the reasons described in subsection 2.1.3 of the distributor's Conditions of Service.

The Offer to connect must be Fair and Reasonable and be based on the distributor's design standard. The Offer to Connect also must be made within a reasonable time from the request for connection.

In this section, the Distributor should outline, in detail, the process followed to determine any required capital contributions. This section also should describe any fixed connection fees as well as variable connection fees, by customer class.

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2.1.3 Connection Denial

The DSC sets out the conditions for a Distributor to deny connections. The DSC lists reasons for which a Building that "lies along" a distribution line may be refused connection to that line. This section should describe reasons why a distributor may not be obligated to connect the customer and provide additional details, where relevant, about specific conditions that may result in a refused connection. For example, the criteria for establishing an unsafe connection or a connection, which adversely affects the system, should be further documented within the Conditions of Service.

2.1.4 Inspections Before Connections

In this section, the Distributor should state the requirement for inspection by the Electrical Safety Authority prior to the commencement of electricity supply.

2.1.5 Relocation of Plant

This section should specify the distributor's policy with respect to relocation of plant as a result of a Customer's request. Conditions under which the Customer is or may be required to pay for the relocation of plant should be specified. Sharing arrangements also should be noted.

2.1.6 Easements

In this section, any requirements for easements should be described.

2.1.7 Contracts

This section should outline the types of contracts that are available for each type of Customer, including standard, implied and special contracts. Connection agreements and operating agreements should be listed and referenced as appendices to the Conditions of Service, if applicable.

2.2 Disconnection

In this section, the Distributor should specify under what circumstances it has the right or obligation to disconnect a Customer. This section also should outline the business processes used by the distributor, including notification and timing provisions.

2.3 Conveyance of Electricity

2.3.1 Limitations on the Guaranty of Supply

In this section, the Distributor should specify its limitations on the guaranty of supply. The Distributor also should reference the provisions for "Powers of Entry" described in

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section 40 of the *Electricity Act, 1998*.

2.3.2 Power Quality

This section should outline the guidelines and policies that the Distributor will endeavor to adhere to in conveying electricity supply, such as service voltage guidelines and outage notification processes. This section also should indicate the process the distributor uses for handling voltage disturbances and power quality testing and remedial action.

This section also should include conditions under which supply of electricity to customers may be interrupted. Additionally, conditions under which the supply may become unreliable or intermittent should be described.

2.3.3 Electrical Disturbances

This section should outline the guidelines that the Distributor and the Customer will be expected to adhere to with regards to electrical disturbances.

2.3.4 Standard Voltage Offerings

This section should specify the voltages that the distributor may provide to each type of Customer, based on their supply requirements. This section should include both the primary and secondary voltages that are available. Additionally, any physical or geographic constraints on a particular voltage, or conditions under which voltages may not be provided should be detailed in this section.

2.3.5 Voltage Guidelines

This section should specify what voltages the distributor's customers can reasonably expect, with reference to CSA Standard CAN3-235 current edition.

2.3.6 Back-up Generators

Distributors should include the following statements in this section:

- C Customers with portable or permanently connected emergency generation capability shall comply with all applicable criteria of the Ontario Electrical Safety Code and in particular, shall ensure that customer emergency generation does not back feed on the Distributor's system.

- C Customers with permanently connected emergency generation equipment shall notify their Distributor regarding the presence of such equipment.

Any other requirements the Distributor imposes on customers with backup generation

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equipment should be described in this section.

2.3.7 Metering

This section should specify the options available to a Customer for metering equipment. The Distributor also should outline the technical requirements for meter installations including location and associated main switch.

2.3.7.1 *General*

Describe the Distributor's access to meter installation requirements here.

2.3.7.2 *Current Transformer Boxes*

Where current transformers are required, the Distributor should outline the technical requirements to be followed for such installations.

2.3.7.3 *Interval Metering*

Where interval metering is required or requested, the Distributor should outline the technical requirements to be followed for such installations. Included with the technical specifications should be the conditions under which interval metering will be supplied.

2.3.7.4 *Meter Reading*

This section should outline the requirements for access to meters for the purposes of obtaining readings and the process to be used if a reading is not obtained.

2.3.7.5 *Final Meter Reading*

This section should outline any requirements associated with obtaining a final meter reading on termination of a contract for service.

2.3.7.6 *Faulty Registration of Meters*

In this section, the Distributor should outline the process for dealing with metering errors.

2.3.7.7 *Meter Dispute Testing*

This section should outline the process by which a customer can dispute a meter measurement or read and seek redress.

2.4 Tariffs and Charges

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2.4.1 Service Connection

The Distributor should outline the rates that have been established for providing the customer with a connection to the electrical distribution system and all services provided by the Distributor as per the rules and regulations laid out by all applicable codes.

2.4.2 Energy Supply

This section should outline the process the Distributor has established for the following:

- C Provision of Standard Service Supply to the Customer, per the rules and regulations laid out in the Retail Settlements Code and the Standard Service Supply Code.
- C Provision of Supply to the Customer through a Retailer, per the rules and regulations laid out in the Retail Settlements Code.
- C Wheeling of energy and all associated tariffs.

2.4.3 Deposits

This section should outline any deposit and prudential requirements the Distributor has established for providing a Customer with Distribution Services, Supply through Standard Service Supply or through a Retailer, per the rules and regulations laid out in the Retail Settlements Code.

2.4.4 Billing

This section should outline the billing methods and billing cycles the Distributor has established to provide a customer with Distribution Services, Supply through Standard Service Supply or through a Retailer, per the rules and regulations laid out in the Retail Settlements Code.

2.4.5 Payments and Late Payment Charges

This section should outline payment methods that the Distributor has established to provide the customer with Distribution Services, Supply through Standard Service Supply or through a Retailer as per the rules and regulations laid out in the Retail Settlements Code.

2.5 CUSTOMER INFORMATION

Section 11 of the Retail Settlement Code specifies the rights of consumers and retailers to access current and historical usage information and related data and the obligations

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of distributors in providing access to such information. Reference to the RSC and provision of customer information should be described in this section of the Conditions of Service, including information subject to privacy regulations and load profile information.

Any processes for handling requests for information outside of the requirements of the RSC should be described in this section.

SECTION 3 CUSTOMER CLASS SPECIFIC

The Customer Class Specific section shall contain references to services and requirements, which are specific to individual Customer classes. This section should cover such items as:

- C Line of Demarcation.
- C Metering.
- C Service Entrance Requirements.
- C Delineation of Ownership and Operational Jurisdiction.
- C Special Contracts.
- C Other conditions specific to Customer class.

The following are examples of Customer Specific subsections. It is recognized that Customer Classifications are unique to each Distributor. The Distributor is not limited by these examples to the range and scope of their Customer Classifications. Each Distributor therefore should review their current Classifications and ensure that all of their existing Customer Classifications are adequately covered by the Distributor's Conditions of Service document. Also in this section, the Distributor should specify its requirements with respect to inspection of civil work installed by a customer or its own contractor that are not covered by ESA.

3.1 Residential

Include all items that apply specifically to Residential Customers not covered under the General section.

3.2 General Service

Include all items that apply specifically to General Service customers not covered under the General section.

3.3 General Service (Above 50 kW)

Include all items that apply specifically to General Service Customers (above 50 kW) not covered under the General section. Describe the criteria to determine how a customer is classified as being above 50 kW.

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3.4 General Service (Above 1000 kW)

Include all items that apply specifically to General Service Customers (above 1000 kW) not covered under the General section. Describe the criteria to determine how a customer is classified as being above 1000 kW.

3.5 Embedded Generation

This section should include all terms and conditions applicable to the connection of embedded generation to the distributor (e.g., application process, engineering standards and operating agreements).

3.6 Embedded Market Participant

Criteria for a Customer that is classified as being a Market Participant needs to be established. This section should describe any specific requirements for Customers that also are Market Participants.

3.7 Embedded Distributor

This section should include all terms and conditions applicable to the connection of an embedded distributor.

3.8 Unmetered Connections

This section will include all terms and conditions applicable to unmetered connections such as but not limited to the following;

3.8.1 Street Lighting

3.8.2 Traffic Signals

3.8.3 Bus Shelters

SECTION 4 GLOSSARY OF TERMS

The Conditions of Service document may contain a variety of terms that should be defined in the context of this document. Where possible, glossary terms should reflect definitions in existing documents that apply to the distributor, such as the DSC, the licence and Standard Supply Service Code. The text of the Conditions of Service document should be used to expand on these definitions as applicable to the Distributor.

Examples of terms that should be defined:

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Customer
Connection
Distributor
Embedded Distributor
Embedded Generator
Interval meter
Metering installation
Retailer
Point of demarcation

SECTION 5 APPENDICES

The following are samples of documents that could be appended to the Distributor's Conditions of Service document:

1. Economic Evaluation Model for Distribution System Expansion
2. Sample Operations Agreement between the Distributor and an Embedded Generator.
3. Standard Connection Agreements.