

# Blackline ISO Tariff Terms and Conditions

## Terms and Conditions

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## Applicability

**3.1(1)** This section applies to a **market participant** who has requested a new **system access service** or changes to an existing **system access service** under:

- (a) Rate DTS, *Demand Transmission Service*;
- [\(b\) Rate DOS, \*Demand Opportunity Service\*](#);
- (b) Rate FTS, *Fort Nelson Demand Transmission Service*;
- (c) Rate PSC, *Primary Service Credit*; or
- (d) Rate STS, *Supply Transmission Service*.

## Applying for System Access Service or Change to an Existing System Access Service

**3.2(1)** A **market participant** wishing to receive a new **system access service** or change an existing **system access service** must submit a request for **system access service** to the **ISO**, in the form specified by the **ISO** on the AESO website.

**3.2(2)** A **market participant** must provide the following critical information, as part of its request under subsection 3.2(1) above:

- (a) the requested Rate STS **contract capacity** or requested change in Rate STS **contract capacity**, including **contract capacity** by stage, if applicable;
- (b) the **maximum capability** of each **generating unit** or **aggregated generating facility**;
- (c) the requested Rate DTS **contract capacity** or requested change in Rate DTS **contract capacity**, including **contract capacity** by stage, if applicable;
- (d) generation type(s) in the case of a **generating unit** or **aggregated generating facility**;
- (e) in-service date, including the dates relating to any staged **contract capacity** request;
- (f) location of the load or generation related to the request of the **market participant**; and
- (g) if load or generation related to the request of the **market participant** are or will be part of a **Commission**-designated industrial system, or if the **market participant** has otherwise obtained an approval from the **Commission** that permits the export to the **interconnected electric system** of electric energy in excess of the **market participant**'s own self-supply requirements, whether the load and generation will be metered on a gross or net basis.

**3.2(3)** In addition to the critical information set out in subsection 3.2(2) above, the **ISO** may establish additional critical information as part of the **ISO**'s connection process and a **market participant** must provide any additional critical information that exists at the time the **market participant** makes a **system access service** request.

**3.2(4)** If a **market participant** requesting **system access service** is the **legal owner** of an **electric distribution system** and its **system access service** request contemplates a load transfer from one **point of delivery** to another **point of delivery**, or is related to another **system access service**, then the **market participant** must include the following additional critical information as part of its **system access service** request:

- (a) a list of the related **system access service** request(s);
- (b) the amount of any load transfer from one **point of delivery** to another **point of delivery**;
- (c) all distribution and transmission connection alternatives, or combinations of both, that have been considered by the **legal owner** of the **electric distribution system**;
- (d) the larger geographical area considered, including any **point of delivery** or **point of supply** in the area;
- (e) a complete description of why the **system access service** request is necessary; and
- (f) any other information that the **ISO** determines to be relevant.

**3.2(5)** 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 point of connection, unless the **market participant** is requesting or currently receiving **system access service** under both Rate DTS, *Demand Transmission Service*, and under Rate STS, *Supply Transmission Service*, at a single **point of connection**.

### Review of System Access Service Request

**3.3(1)** The **ISO** may, at any point in the **ISO**'s connection process, reject a **system access service** request submitted to the **ISO** under subsection 3.2 above if the **ISO** determines the request to be incomplete.

**3.3(2)** If the **ISO** determines a **system access service** request under subsection 3.2 above to be complete, then the **ISO** must determine whether the construction of **transmission facilities** is required to respond to the request, [except in the case of a system access service request under Rate DOS](#).

**3.3(3)** If the construction of **transmission facilities** is required under subsection 3.3(2) above, then the **market participant** must follow the connection process described on the AESO's website and pay a **construction contribution** in accordance with section 4, of the **ISO tariff**, *Classification and Allocation of Connection Projects Costs*.

**3.3(4)** If the construction of **transmission facilities** is not required under subsection 3.3(2) above, then the **market participant** must follow the **ISO**'s behind the fence or contract change process. The **ISO** must prepare an amendment to the **market participant**'s *System Access Service Agreement* substantially in the form included in Appendix A of the **ISO tariff**, *System Access Service Agreement Proformas*, and may require an adjustment to the **construction contribution** in accordance with section 5 of the **ISO tariff**, *Changes to System Access Service*.

### ISO Preferred Alternative

**3.4(1)** If the construction of **transmission facilities** is required for a connection project, the **ISO** must determine how to respond to the **system access service** request, and select the **ISO**'s preferred connection alternative taking into account relevant factors including the following:

- (a) the overall long-term cost of a connection alternative, including, as applicable:
  - (i) if the **system access service** request was submitted by the **legal owner** of an **electric distribution system**, all distribution costs;
  - (ii) costs classified as participant-related in accordance with subsection 4.2(2) of the **ISO tariff**, *Classification and Allocation of Connection Projects Costs*;

- (iii) costs associated with system **transmission facilities**, being **transmission facilities** that the **ISO** determines will benefit many **market participants**, identified in subsections 3.4(1)(b) and (c) below; and
  - (iv) all other transmission costs (including the costs of any non-wires solutions) not included in subsections 3.4(1)(a)(i), (ii) and (iii) above required for the connection;
- (b) if the **system access service** request is for Rate DTS, the effect of a connection alternative on the **transmission system**, including all transmission constraints, under Category A and Category B conditions as described in **reliability standards**, as a result of the connection alternative, and the system **transmission facilities** required to resolve the transmission constraints; and
- (c) if the **system access service** request is for Rate STS, the effect of a connection alternative on the **transmission system**, including:
- (i) all transmission constraints under Category A conditions as described in **reliability standards**, that are a result of the connection alternative, and the system **transmission facilities** required to resolve the transmission constraints;
  - (ii) all transmission constraints under Category B conditions as described in **reliability standards**, that are a result of the connection alternative, the system **transmission facilities** required to operationally manage the transmission constraints, and the operating procedures required to manage the Category B transmission constraints; and
  - (iii) all transmission constraints under Category B conditions as described in **reliability standards**, that are a result of the connection alternative and cannot be managed operationally, then the system **transmission facilities** required to resolve the transmission constraints.
- and;
- (d) if the **system access service** request is for both Rate DTS and Rate STS, the **ISO** must consider the effect on the **transmission system** separately for Rate DTS and Rate STS.

**3.4(2)** For a **system access service** request for Rate DTS under subsections 3.4(1)(b) or (d) above, if the **ISO**'s preferred alternative includes system **transmission facilities**, then the **market participant** must:

- (a) accept the preferred alternative and pay any applicable advancement costs determined by the **ISO** in accordance with subsection 4.2(3)(a) of the **ISO tariff**, *Classification and Allocation of Connection Projects Costs*;
- (b) amend the **market participant's system access service** request to connect at a reduced **contract capacity** that:
  - (i) can be accommodated by the existing **transmission system**; and
  - (ii) as determined by the **ISO**, allows for a minimum of 5 years of area growth following the **market participant's** projected in-service date, or such other reduced **contract capacity** or period of time that the **ISO** determines to be consistent with the **ISO's transmission system** planning obligations and the safe, reliable and economic operation of the **interconnected electric system**;
- (c) amend the **market participant's system access service** request to connect at an in-service date that is a minimum of 5 years following the execution of an agreement for **system**

**access service** for Rate DTS substantially in the form included in Appendix A of the **ISO tariff**, *System Access Service Agreement Proformas*; or

(d) withdraw the **system access service** request.

**3.4(3)** For a **system access service** request for Rate STS under subsections 3.4(1)(c) or (d) above, if the **ISO's** preferred alternative includes system **transmission facilities**, then the **market participant** must:

(a) accept the **ISO's** preferred alternative;

(b) amend the **market participant's system access service** request to connect at a reduced **contract capacity** that the **ISO** determines to be consistent with the **ISO's transmission system** planning obligations and the safe, reliable and economic operation of the **interconnected electric system**; or

(c) withdraw the **system access service** request.

**3.4(4)** If the construction of **transmission facilities** is required for a connection project, the **ISO** must examine a connection alternative that does not give rise to any transmission constraints as described in subsection 3.4(1)(b) or (c) above.

**3.4(5)** Estimates required by the **ISO** to compare connection alternatives must be prepared with the same accuracy range, completed, at a minimum, to the level required for **need identification documents** and include all costs that have identified in subsection 3.4(1)(a) above.

**3.4(6)** The **ISO** must calculate a **construction contribution** for a connection project and must classify all transmission costs of the connection project as either participant-related or system-related in accordance with section 4 of the **ISO tariff**, *Classification and Allocation of Connection Projects Costs*.

## Construction Commitment Agreement

**3.5(1)** The **market participant** providing **financial security, construction contribution** or both for a connection project must enter into a *Construction Commitment Agreement* with the **legal owner** of the **transmission facility**, substantially in the form included in Appendix A of the **ISO tariff**, *System Access Service Agreement Proformas* with the **legal owner** of a **transmission facility**, unless:

(a) the **market participant** is a **legal owner** of an **electric distribution system**; or

(b) the **market participant** and the **legal owner** of the **transmission facility** are **affiliates**.

**3.5(2)** The **market participant** providing **financial security, construction contribution** or both for a connection project must provide the **ISO** with an executed copy of a *Construction Commitment Agreement* referred to in subsection 3.5(1), as well as a record of the **financial security** and **construction contribution** unless the **legal owner** of the **transmission facility** provides a copy of the same to the **ISO**.

## Execution of Agreement for System Access Service

**3.6(1)** A **market participant** must execute a *System Access Service Agreement* for Rate DTS or for Rate STS substantially in the form included in Appendix A of the **ISO tariff**, *System Access Service Agreement Proformas*, as applicable:

(a) if the construction of **transmission facilities** is required for a connection project, before the **ISO** submits a **needs identification document** to the **Commission** or, before the **ISO**

approves the connection project under the abbreviated needs approval process provided for under the *Transmission Deficiency Regulation*; or

- (b) if the construction of **transmission facilities** is not required for a connection project, within 30 days of the issuance of a letter by the **ISO** acknowledging completion of an engineering connection assessment for the project, or within such later time period that the **ISO** determines to be reasonable in the circumstances.

**3.6(2)** A **market participant** must execute a *System Access Service Agreement* for Rate DTS for a **contract capacity** that, in the **ISO's** determination approximates the expected maximum coincident sum of the flows from the **transmission system**, excluding any **contract capacity** under a *System Access Service Agreement* for Rate DOS.

**3.6(3)** A **market participant** must execute a *System Access Service Agreement* for Rate DOS for a **contract capacity** that, in the **ISO's** determination approximates the expected maximum coincident sum of the flows from the **transmission system**, excluding any **contract capacity** under a *System Access Service Agreement* for Rate DTS.

**3.6(43)** A **market participant** must execute a *System Access Service Agreement* for Rate STS for a **contract capacity** that, in the **ISO's** determination approximates the expected maximum coincident sum of the flows to the **transmission system**.

**3.6(54)** Prior to executing a *System Access Service Agreement* for Rate DTS or Rate STS for a connection project when the construction of **transmission facilities** is required, a **market participant** must inform the **ISO** of any regulatory approvals and non-financial matters that the **market participant** expects could cause a delay or prevent the achievement of the in-service date that has been requested by the **market participant**, together with the expected dates for the receipt of the regulatory approvals and successful resolution of the non-financial matters.

**3.6(65)** The **ISO** must include as a condition precedent in Section 2 of the *System Access Service Agreement*, the receipt of any regulatory approvals identified by the **market participant** pursuant to subsection 3.6(54) above that the **ISO** determines could cause a delay or prevent the achievement of the in-service date that has been requested by the **market participant**.

**3.6(76)** The **ISO** may, in its discretion, include as a condition precedent in Section 2 of the *System Access Service Agreement*, the successful resolution of any non-financial matters identified by the **market participant** pursuant to subsection 3.6(54) above.

**3.6(87)** If the construction of **transmission facilities** is not required for a connection project, the **ISO** may reject a system access service request if a **market participant** does not execute a *System Access Service Agreement* for Rate DTS or Rate STS by the date required pursuant to subsection 3.6(1)(b) above.

**3.6(98)** At the time of executing a *System Access Service Agreement* for Rate STS, the **market participant** must provide the **ISO** with evidence satisfactory to the **ISO** that the owner of the generating facility (as that term is used in section 7 of **ISO tariff**, *Generating Unit Owner's Contribution*) has sufficient funds available to pay any contribution for a generating facility calculated in accordance with section 7 of the **ISO tariff**, *Generating Unit Owner's Contribution*. For purposes of the foregoing, such evidence may include a fully executed, enforceable and irrevocable assignment of funds, satisfactory to the **ISO**, that unconditionally directs the payment when due of any contribution for a generating facility calculated in accordance with section 7 of the **ISO tariff**, *Generating Unit Owner's Contribution*.



**3.6(109)** For a connection project that requires a *System Access Service Agreement* for Rate STS, the contribution for a generating facility calculated in accordance with section 7 of the **ISO tariff**, *Generating Unit Owner's Contribution* must be paid by the owner of the generating facility in full to the **ISO**:

- (a) if the construction of **transmission facilities** is required for the connection project, within 30 days of the *System Access Service Agreement* for Rate STS becoming effective pursuant to subsection 3.7(1) below; or
- (b) if the construction of **transmission facilities** is not required for the connection project, within 30 days of the *System Access Service Agreement* for Rate STS becoming effective pursuant to subsection 3.7(4) of the **ISO tariff** below.

### Effective Date of Agreement for System Access Service

**3.7(1)** If the construction of **transmission facilities** is required for a connection project, a *System Access Service Agreement* for Rate DTS or Rate STS becomes effective immediately following the later of:

- (a) the issuance by the **Commission** of the permit(s) and licence(s) required to construct and operate the **transmission facilities**;
- (b) the receipt by the **market participant** of any regulatory approvals included as a condition precedent in Section 2 of the *System Access Service Agreement*; and
- (c) the successful resolution of any non-financial matters included as a condition precedent in Section 2 of the *System Access Service Agreement*.

**3.7(2)** Until such time as conditions precedent related to any regulatory approvals or non-financial matters included in Section 2 of a *System Access Service Agreement* have been satisfied, the **market participant** must provide the **ISO** with quarterly updates or as otherwise specified by the **ISO** regarding the status of the regulatory approvals or non-financial matters, including updates to the expected dates for the receipt of any regulatory approvals and the successful resolution of non-financial matters.

**3.7(3)** A **market participant** must promptly inform the **ISO** when any regulatory approvals that are the subject of conditions precedent have been received or non-financial matters that are the subject of conditions precedent have been successfully resolved.

**3.7(4)** If the construction of **transmission facilities** is not required for a connection project, a *System Access Service Agreement* for Rate DTS or Rate STS becomes effective the day it is executed.

**3.7(5)** If the construction of **transmission facilities** is required for a connection project, the **ISO** may cancel a **system access service** request and terminate the related *System Access Service Agreement* for Rate DTS or Rate STS if the *System Access Service Agreement* for Rate DTS or Rate STS does not become effective within 1 year of issuance by the **Commission** of the permit(s) and licence(s) required to construct and operate the **transmission facilities**.

**3.7(6)** The **ISO** must include the critical information of a specific connection project in the **ISO's** forecast, **transmission system** plans and engineering connection assessments when the related *System Access Service Agreement* for Rate DTS or Rate STS becomes effective in accordance with subsection 3.7(1) or (4) above.

**3.7(7)** A *System Access Service Agreement* for Rate DOS is conditional upon the **market participant** having an effective *System Access Service Agreement* for Rate DTS, and shall become effective upon the later of:

(a) the effective date of the *System Access Service Agreement* for Rate DTS; or

(b) the execution date of the *System Access Service Agreement* for Rate DOS.

### Transitional Election of GUOC and System Access Service Agreement Provisions

**3.8(1)** If, prior to the effective date of this **ISO tariff**, a connection project that requires the construction of **transmission facilities** is in Stage 4 or 5 of the **ISO's** connection process or if a connection project that does not require the construction of **transmission facilities** is in Stage 5 of the AESO's behind the fence process and a power plant approval has been issued by the **Commission** for any associated generating facility, then the **market participant** may elect, by no later than 11:59 pm Mountain Time of the 14<sup>th</sup> day following the effective date of this **ISO tariff** to pay the contribution for a generating facility according to either:

- (a) the **ISO tariff** that was in effect immediately prior to this **ISO tariff**, in which case:
  - (i) a *System Access Service Agreement* for Rate STS must be executed at the time and in the form specified in the prior **ISO tariff**;
  - (ii) the contribution for a generating facility must be calculated and paid in accordance with the prior **ISO tariff**; and
  - (iii) subsection 3.6(8) above does not apply; or
- (b) this **ISO tariff**, in which case:
  - (i) if the permit(s) and licence(s) required to construct and operate the **transmission facilities** have been issued by the Commission prior to the effective date of this **ISO tariff**:
    - (A) a *System Access Service Agreement* for Rate STS must be executed within 90 days from the effective date of this **ISO tariff**;
    - (B) the *System Access Service Agreement* for Rate STS becomes effective either immediately upon execution of the *System Access Service Agreement* for Rate STS if it does not include conditions precedent referred to in subsections 3.6(5) and 3.6(6) above or in accordance with subsection 3.7(1) above if the *System Access Service Agreement* for Rate STS includes an unsatisfied condition precedent referred to in one or both of subsections 3.6(5) and 3.6(6) above;
    - (C) the evidence required to be provided in accordance with subsection 3.6(8) above must be provided to the **ISO** within the 14-day election period; and
    - (D) the contribution for a generating facility must be calculated in accordance with section 7 of this **ISO tariff**, *Generating Unit Owner's Contribution*, and paid either within 30 days from the execution of the *System Access Service Agreement* for Rate STS if it becomes effective upon execution, or in accordance with subsection 3.6(9)(a) above if the *System Access Service Agreement* for Rate STS includes an unsatisfied condition precedent referred to in one or both of subsections 3.6(5) and 3.6(6) above; or
  - (ii) if the permit(s) and licence(s) required to construct and operate the **transmission facilities** have not been issued by the Commission prior to the effective date of this **ISO tariff**:



- (A) a *System Access Service Agreement* for Rate STS must be executed within 90 days from the effective date of this **ISO tariff** and becomes effective in accordance with subsection 3.7(1) above;
  - (B) the evidence required to be provided in accordance with subsection 3.6(8) above must be provided to the **ISO** within the 14-day election period; and
  - (C) the contribution for a generating facility must be calculated in accordance with section 7 of this **ISO tariff**, *Generating Unit Owner's Contribution*, and it must be paid within 30 days of the *System Access Service Agreement* for Rate STS becoming effective; or
- (iii) if the construction of **transmission facilities** is not required:
- (A) a *System Access Service Agreement* for Rate STS must be executed within 90 days from the effective date of this **ISO tariff** and becomes effective immediately upon execution;
  - (B) the evidence required to be provided in accordance with subsection 3.6(8) above must be provided to the **ISO** within the 14-day election period; and
  - (C) the contribution for a generating facility must be calculated in accordance with section 7 of this **ISO tariff**, *Generating Unit Owner's Contribution*, and must be paid within 30 days of the *System Access Service Agreement* for Rate STS becoming effective.

**3.8(2)** The ISO may deny the election of a **market participant** to pay the contribution for a generating facility according to this **ISO tariff** if the **ISO** determines such denial would be consistent with the **ISO's transmission system** planning obligations and the safe, reliable and economic operation of the **interconnected electric system**.

**3.8(3)** If a **market participant** that is eligible to make an election in accordance with subsection 3.8(1):

- (a) does not make the election within 14 days from the effective date of this **ISO tariff**, or
- (b) elects to pay the contribution for a generating facility according to subsection 3.8(1)(b) but fails to provide the evidence required in accordance with subsections 3.6(8) and 3.8(1)(b) above, or fails to execute a *System Access Service Agreement* for Rate STS within 90 days from the effective date of this **ISO tariff**,

then subsection 3.8(1)(a) above shall be deemed to apply to the **market participant**.

**3.8(4)** If prior to the effective date of this **ISO tariff**, a connection project that requires the construction of **transmission facilities** is in Stage 4 or Stage 5 of the **ISO's** connection process, or Stage 5 of the **ISO's** "Behind the Fence" process, for **system access service** under Rate DTS, *Demand Transmission Service*, then a *System Access Service Agreement* for Rate DTS must be executed at the time and in the form specified in the prior **ISO tariff**.

## Amending a System Access Service Request

**3.9(1)** A **market participant** must, in a timely manner, amend or withdraw a **system access service** request if the information provided in, or in connection with, a **system access service** request ceases to be accurate and, in the case of an amended **system access service** request, the **market participant** must clearly identify the change and reasons for the change.

**3.9(2)** The **ISO**, upon receipt of an amended **system access service** request that includes changes to critical information, may:

- (a) accept the amendment, subject to such requirements or further amendments as the **ISO** determines to be necessary that may include:
  - (i) revised or new connection studies; and
  - (ii) revised or new connection alternatives;

or

- (b) reject the amended **system access service** request.

**3.9(3)** The **ISO** may, at any point in the **ISO**'s connection process, cancel a **system access service** request if a **market participant** fails to notify the **ISO** of a change to the critical information required under subsections 3.2(2), 3.2(3) and 3.2(4) above in a timely manner.

**3.9(4)** A **market participant** may reapply for **system access service** under subsection 3.2(1) above, if the **ISO** rejects or cancels the **system access service** request.

### Alternative Processes

**3.10** The **ISO** may satisfy the provisions of this section through processes other than those described above and, in particular, alternative processes may be utilized if the **ISO** anticipates the impact on the **transmission system** may be significant.

### Revision History

Effective	Description
2021-01-01	Revised and reformatted all subsections, as approved in <b>Commission</b> Decision 25175-D02-2020 issued on November 30, 2020.
2015-07-01	Updated subsections, as approved in <b>Commission</b> Decision 3473-D01-2015 issued on June 17, 2015.

## Applicability

**5.1** This section applies to a **market participant** who has requested or is receiving **system access service** under:

- (a) Rate DTS, *Demand Transmission Service*;
- ~~(a)~~(b) Rate DOS, *Demand Opportunity Service*;
- ~~(b)~~(c) Rate PSC, *Primary Service Credit*; or
- ~~(c)~~(d) Rate STS, *Supply Transmission Service*.

## Events Resulting in Adjustments to Construction Contributions and Contract Capacity

**5.2(1)** A **market participant**, the **ISO** or the **legal owner** of a **transmission facility** may initiate a review of the **construction contribution** that the **ISO** had previously determined for a connection project.

**5.2(2)** If the **ISO** determines that the contract capacity amount in a *System Access Service Agreement* for Rate DTS or Rate STS previously determined by the **ISO** in respect of subsections 3.6(2) and (3) of the **ISO tariff**, *System Access Service Request*, does not reflect the actual flows, the **ISO** may adjust the contract capacity to reflect such actual flows and the **market participant** must pay any recalculated amounts for any **construction contribution** in accordance with this section 5 of the **ISO tariff**, *Changes to System Access Service*, and any contribution for a **generating unit** or **aggregated generating facility** calculated in accordance with section 7 of the **ISO tariff**, *Generating Unit Owner's Contribution*, as applicable, provided that:

- (a) prior to determining whether to adjust any contract capacity amount, the **ISO** must discuss the potential adjustment with the **market participant**; and
- (b) the **ISO** must not adjust contract capacity unless the deviation from actual flows is 10 per cent or greater than the contract capacity amount.

**5.2(3)** A **market participant** may dispute a decision made by the **ISO** under subsection 5.2(2) in accordance with Section 103.2 of the ISO rules, *Dispute Resolution*.

**5.2(4)** The **ISO** must review a **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 an existing **market participant**, resulting in sharing of facilities as provided for in subsection 5.5 below;
- (c) connection project costs previously classified as system-related are reclassified as participant-related to meet changes in **market participant** requirements;
- (d) connection project costs 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.

**5.2(5)** The ISO must determine a **construction contribution** under the provisions of section 4 of the ISO tariff, *Classification and Allocation of Connection Projects Costs*, rather than this section 5, if an increase in **contract capacity** requires the construction of **transmission facilities** at an existing **point of delivery** or **point of supply**.

**5.2(6)** The ISO must not make an adjustment to a **construction contribution** more than 20 years after **commercial operation** of a connection project.

### Reductions or Terminations of Contract Capacity

**5.3(1)** The ISO must make a reduction or termination of **contract capacity** effective 5 years after the date of notice of the request for reduction or termination, subject to subsection 5.3(2) below.

**5.3(2)** A **market participant** may make a lump sum payment determined by the ISO in lieu of all or a portion of the 5-year notice period in subsection 5.3(1) above.

**5.3(3)** The ISO must calculate the payment in lieu of notice (also known as a “PILON”) as a share of the costs of system **transmission facilities**, being **transmission facilities** that the ISO determines exist for the benefit of **market participants**, incurred to reasonably accommodate a **market participant’s contract capacity** over the 5-year planning horizon of the **transmission system**, and must calculate the payment for a **market participant** reducing, terminating or changing the start date or end date for **contract capacity** under Rate DTS, after executing a *System Access Service Agreement*, as the present value of the difference in bulk system and regional system charges that would be attributed to the service:

- (a) with the reduction or termination of or change of date for **contract capacity** during the notice period; and
- (b) with the contract capacity or start date or end date for contract capacity indicated in the System Access Service Agreement last executed by the **market participant**.

**5.3(4)** The ISO must use the discount rate provided in subsection 4.9 of the ISO tariff, *Classification and Allocation for Connection Projects Costs*, in the present value calculation in subsection 5.3(3)(a) and (b) above.

**5.3(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 30 **days** before the reduction or termination of **contract capacity** is effective.

**5.3(6)** The ISO may waive or reduce the requirement for payment in lieu of notice if, as determined by the ISO:

- (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 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) a market participant who has taken service for at least 20 years;~~

- ~~(i) demonstrates to the ISO that a reduction of **contract capacity** results from the **market participant's** energy or **demand** reduction initiative; and~~  
~~(ii)(i) (c) during the 4-5 years prior to the reduction in **contract capacity** becoming effective, **the market participant** has not increased **contract capacity** at the **point of delivery** at which the reduction in **contract capacity** occurs.~~

5.3(7) The ISO must waive any requirement for payment in lieu of notice if a Rate DTS contract reduction request is received within the [contract adjustment period approved in this proceeding].

5.3(87) 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**.

5.3(9) Notwithstanding subsection 5.3(1)-8 above, the ISO must make a reduction or termination of Rate DOS, Demand Opportunity Service, **contract capacity** effective [•] after the date of notice of the request for reduction or termination.

### Metered Demand Above Pre-Notice Contract Capacity

5.4(1) The ISO must determine the **contract capacity** immediately following the 5-year notice period required by subsection 5.3(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.

5.4(2) A **market participant** may provide an additional notice of reduction to request a subsequent reduction of **contract capacity** to the original notice level, if the highest **metered demand** affects the maximum determined under subsection 5.4(1) above.

### Shared Facilities

5.5(1) The ISO must allocate the participant-related costs of shared **transmission facilities** to **market participants** if **transmission facilities** are constructed to serve a **market participant** and then used to serve other but not all **market participants** within 20 years after **commercial operation** of the original connection project.

5.5(2) The ISO must allocate the participant-related costs of shared **transmission facilities**:

- (a) when a transmission line is shared by two or more substations, by allocating the costs of the shared line to those substations in accordance with subsection 5.5(3) below; and
- (b) when a single substation is shared by 2 or more **market participants**, by allocating the shared costs associated with the substation to those **market participants** in accordance with subsection 5.5(4) below.

5.5(3) The ISO must allocate the participant-related costs of a transmission line shared by 2 or more 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 20 years following **commercial operation** of the original transmission line, and assigning a **contract capacity** of zero in a 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 5.5(3)(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 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.

**5.5(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 20 years following **commercial operation** of the original connection project, assigning a **contract capacity** of zero in any year in which a **market participant** did not receive **system access service**;
- (b) calculating the average **substation fraction** over the full 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**.

**5.5(5)** The ISO, as a result of the allocation of costs of shared **transmission facilities** under subsections 5.5(2), (3) and (4) above:

- (a) must reduce the participant-related costs allocated to the original **market participant**; and
- (b) may refund under subsection 5.6 below, where applicable, in part or in full, a **construction contribution** previously paid by that **market participant**.

**5.5(6)** The ISO, as a result of the allocation of costs of shared **transmission facilities** under subsections 5.5(2), (3) and (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 4.2(2)(d) of the ISO tariff, *Classification and Allocation for Connection Projects Costs*; and
- (b) may assess **construction contributions** to the additional **market participants** under section 4 of the ISO tariff, *Classification and Allocation for Connection Projects Costs*.

**5.5(7)** The ISO must reclassify the participant-related costs of a connection project as system-related costs if, within 20 years after **commercial operation** of the original connection project, **transmission facilities** are constructed to serve a **market participant** and are then, in the determination of the ISO, used for the benefit of many **market participants**, based on calculating the average percentage share over the full 20 year period for the original connection project and the time the ISO reclassified the costs as system-related.

## Determination of Construction Contribution



**5.6** 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 facility** at the time construction is completed.

## Payments and Refunds

**5.7(1)** A **market participant** must pay a **construction contribution** adjustment or a payment in lieu of notice:

- (a) at least 30 **days** prior to the effective date of a change to a *System Access Service Agreement*, if the payment arises from changes to **contract capacity** or investment term that do not require construction of a **transmission facility**; and
- (b) within 30 **days** of a request for payment, in all other circumstances.

**5.7(2)** A **legal owner** of a **transmission facility** must refund a **construction contribution** adjustment:

- (a) within 30 **days** after the effective date of a change to a *System Access Service Agreement*, if the refund arises from changes to **contract capacity** or investment term that do not require construction of a **transmission facility**;
- (b) within 90 **days** after the **Commission** issues permit and licence for a **transmission facility**, if the refund results from the construction of the **transmission facility**; and
- (c) within 90 **days** of the **ISO** determining the amount of the adjustment, in all other circumstances.

**5.7(3)** The **market participant** must pay:

- (a) an increase in **construction contribution** by way of electronic funds transfer or wire transfer to the bank account a **legal owner** of a **transmission facility** specifies; and
- (b) a payment in lieu of notice by way of electronic funds transfer or wire transfer to a bank account the **ISO** specifies.

**5.7(4)** A **market participant** must pay and a **legal owner** of a **transmission facility** must refund all adjustments without interest.

**5.7(5)** A **market participant** is not required to pay and a **legal owner** of a **transmission facility** is not required to refund an adjustment amount less than \$10 000.

## Revision History

Effective	Description
2021-01-01	Updated to remove the subsection relating to Regulated Generating Unit Connection Costs, as approved in <b>Commission</b> Decision 26054-D01-2020 issued on December 18, 2020.
2021-01-01	Updated \$0.00/MWh charge, as approved in <b>Commission</b> Decision 25175-D01-2020 issued on November 30, 2020.
2015-07-01	Updated subsections, as approved in <b>Commission</b> Decision 3473-D01-2015 issued on June 17, 2015.
2011-07-01	Revised and reformatted all subsections, as approved in <b>Commission</b> Decision 2011-275 issued on June 24, 2011, and in <b>Commission</b> Decision 2011-333 issued on August 4, 2011 for subsection 5(6).

## Applicability

**9.1** 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

**9.2(1)** A **market participant** must ~~pre~~-qualify ~~on an annual basis~~ for demand opportunity service to receive **system access service** under Rate DOS.

**9.2(2)** A **market participant** ~~wishing to receive a new system access service under Rate DOS or change an existing system access service under Rate DOS~~ who wishes to ~~pre-qualify for demand opportunity service or change an existing qualification for demand opportunity service~~:

must submit to the **ISO** a ~~request for system access service to the ISO in accordance with section 3 of the ISO tariff and comply with the requirements set forth in section 3 of the ISO tariff, completed pre-qualification application, available on the AESO website or from the ISO, at least 45 days~~ prior to submitting a transaction request for demand opportunity service; and

~~(a) pay a non-refundable fee of \$5,000 to the ISO for evaluation of the market participant's eligibility for demand opportunity service at the time the pre-qualification application is submitted.~~

**9.2(3)** The **ISO** ~~may enter into a system access service agreement for Rate DOS only if; must approve a market participant's pre-qualification for demand opportunity service only if:~~

- ~~(a) the market participant meets the commercial eligibility criteria for demand opportunity service provided in subsection 9.3 below;~~
- ~~(b) the market participant's use of demand opportunity service would not occur under any other applicable rate; and~~
- ~~(c) there is sufficient transmission capacity and suitable system operating conditions capable of accommodating the request; and~~
- ~~(d) the market participant has a current system access service agreement for Rate DTS.~~

**9.2(4)** A **market participant** ~~holding a system access service agreement for Rate DOS~~ 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 a lower demand opportunity service contract capacity as the ISO determines is available;~~
- ~~(b) no more than the maximum annual load factor that the ISO determines in accordance with Rate DOS; and~~
- ~~(c) the specific type of demand opportunity service, as listed in Rate DOS, which the market participant requested and is eligible for; and~~
- ~~(e) a maximum of 1 year from the date the ISO approves the market participant's pre-qualification.~~

**9.2(5)** ~~The ISO must notify a market participant, in writing, of approval or denial of pre-qualification for demand opportunity service, within 45 days of receiving a pre-qualification application.~~

## Commercial Eligibility Criteria

**9.3(1)** A market participant must ~~satisfy~~ represent to the **ISO in the system access service agreement for Rate DOS** that the market participant would not increase **metered demand** under Rate DTS, Demand Transmission Service, if Rate DOS was not available.

**9.3(2)** A market participant must ~~satisfy~~ represent to the **ISO in the system access service agreement for Rate DOS** that ~~a commercial business opportunity exists for the market participant's use of additional electric energy on either a temporary or repeated short-term basis~~ would not occur under any other applicable rate.

**9.3(3)** A market participant must utilize additional electric energy under the DOS ~~7 Minutes and DOS 4 Hour Dispatchable~~ 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:~~

- ~~(a) has a market or business opportunity that requires additional electric energy;~~
- ~~(b) the cost of receiving additional electric energy under Rate DTS renders the opportunity uneconomic; and~~
- ~~(c) the market participant's alternative is to forego the opportunity.~~

**9.3(4)** A market participant must utilize additional electric energy under the DOS Term type of Rate DOS ~~either:~~

~~(a) for the purposes listed in subsection 9.3(3) above; or~~

~~(b) for scheduled maintenance a **planned outage, unplanned outage, forced outage, or derate** of a **generating unit** or an **aggregated generating facility** where the market participant:~~

- ~~(a) has a planned outage, unplanned outage, forced outage, or derate planned maintenance of an on-site **generating unit** or **aggregated generating facility** that normally supplies electric energy to an industrial complex; and~~
- ~~(b) would reduce the load at its industrial complex in these circumstances rather than pay the cost of receiving additional electric energy under Rate DTS.~~

**9.3(5)** A 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 complex or otherwise displaces consumption of electric energy from the **interconnected electric system**.~~

## Requirement to Bid Transaction Requests

~~9.4(1) A market participant must submit a bid for additional electric energy under Rate DOS into the energy market in accordance with ISO rules and receive a dispatch to use Rate DOS from the ISO before the market participant utilizes such additional electric energy under any type of Rate DOS. may submit a transaction request for demand opportunity service after the ISO approves the market participant's pre-qualification for demand opportunity service under subsection 9.2 above.~~

~~9.4(2) A market participant must not utilize Rate DOS if the market participant receives a dispatch or directive not to use Rate DOS from the ISO. may submit a transaction request for demand opportunity service for a point of delivery only if the request has the following attributes:~~

- ~~(a) it is in accordance with the market participant's confirmed pre-qualification under subsection 9.2(4) above, specifically:
  - ~~(i) up to its pre-qualified capacity; and~~
  - ~~(ii) for the pre-qualified type of demand opportunity service;~~~~
- ~~(b) it is for only one Rate DOS type in any single hour, even if the market participant is eligible for multiple Rate DOS types;~~
- ~~(c) it has a minimum continuous duration of 8 hours and a maximum continuous duration of 1 month; and~~
- ~~(d) it has a start date and end date in the same month.~~

~~9.4(3) A market participant must submit a completed transaction request form, available on the AESO website or from the ISO, at least 1 hour and no more than 10 days before the requested start time of a demand opportunity service transaction.~~

~~9.4(4) The ISO must approve a transaction request for demand opportunity service if it determines that:~~

- ~~(a) the request meets the requirements of subsections 9.4(2) and (3) above;~~
- ~~(b) the request form has been fully and correctly completed; and~~
- ~~(c) sufficient surplus capacity exists on the transmission system to accommodate the requested capacity for the duration of the Rate DOS transaction.~~

~~9.4(5) The ISO must notify a market participant when a transaction request has been approved or has been denied approval.~~

~~9.4(6) A market participant may not cancel or revise a Rate DOS transaction request after it is approved by the ISO.~~

## **Recallable Service**

**9.5(1) The ISO must recall demand opportunity service in advance of recalling 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.**

**9.5(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 System Access Service*.

**9.5(3)** A **market participant** must curtail capacity provided under Rate DOS if the **ISO** issues a **dispatch or directive** to do so, in accordance with the ~~the **ISO rules**~~[response time and recall priority set out in Rate DOS for the Rate DOS type approved for the transaction](#).



## Effect of Disqualification

**9.6(1)** A market participant will be deemed to have misrepresented its use of Rate DOS under the ISO tariff and the system access service agreement for Rate DOS if:

- (a) the market participant fails to respond to a dispatch or directive from the ISO;
- (b) the market participant's use of the demand opportunity service exceeds the demand opportunity service contract capacity;
- (c) the market participant's use of the demand opportunity service exceeds the maximum annual load factor that the ISO determines in accordance with Rate DOS; or
- (d) the market participant no longer has a system access service agreement for Rate DTS.

unless the market participant can demonstrate to the ISO's satisfaction that it is, and continues to be, eligible for the demand opportunity service, and, if requested by the ISO, submits a system access service request to revise its demand opportunity service contract capacity or take such other action that the ISO determines necessary for it to be compliant with and eligible for the demand opportunity service.

**9.6(2)** 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 9.2 above and the commercial eligibility criteria in subsection 9.3 above.

**9.6(32)** The ISO may charge a market participant the cost of an audit conducted in accordance with subsection 9.6(24) above.

**9.6(43)** The system access service agreement for Rate DOS shall terminate and ~~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 market participant has misrepresented its use of Rate DOS or the ISO otherwise~~ determines that the market participant is no longer eligible for demand opportunity service.

**9.6(54)** The ISO may recover retroactive amounts for the period during which a market participant misrepresented its use of Rate DOS or was otherwise determined by the ISO not to be eligible ~~did not qualify~~ for, but was billed under, Rate DOS together with interest and any other costs incurred by the ISO.

**9.6(6)** Notwithstanding anything to the contrary, if a market participant has misrepresented its use of Rate DOS or the ISO otherwise determines that the market participant is no longer eligible for demand opportunity service, neither the market participant nor any of its affiliates shall re-apply for any demand opportunity service for such period of time as the ISO determines in its sole discretion, and the ISO shall have no obligation to provide any demand opportunity service to such market participant or its affiliates during such period of time.

## Revision History

Effective	Description
2021-01-01	Revised and reformatted all subsections, as approved in <b>Commission</b> Decision 25175-D02-2020 issued on November 30, 2020.

2015-07-01	Updated subsections, as approved in <b>Commission</b> Decision 3473-D01-2015 issued on June 17, 2015.
2011-07-01	Revised and reformatted all subsections, as approved in <b>Commission</b> Decision 2011-275 issued on June 24, 2011.

## Applicability

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

## Assignment

**12.2(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 the agreement and the **ISO tariff**, but only with the **ISO's** prior consent.

**12.2(2)** The **ISO's** consent under subsection 12.2(1) above must not be unreasonably withheld.

**12.2(3)** 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 DOS](#), [Demand Opportunity Service](#), Rate FTS, *Fort Nelson Demand Transmission Service*, or Rate STS, *Supply Transmission Service*, has been assigned in accordance with subsection 12.2(1) above, including any and all retrospective adjustments due to deferral account reconciliation or any other adjustments.

## Termination by Mutual Agreement

**12.3(1)** 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.

**12.3(2)** Subsection 12.3(1) above does not limit the **ISO's** ability under subsection 2.4(1) of the **ISO tariff**, *Provision of System Access Service*, to unilaterally limit, reduce, withhold or terminate **system access service** if a **market participant** fails to comply with a provision of the **ISO tariff**.

## Notifications

**12.4(1)** A notice or other document that is required to be given or served by a **market participant** upon the **ISO** under the **ISO tariff**, must be provided as follows:

- (a) in writing;
- (b) by personal service, registered letter, or email; and
- (c) addressed to:

AESO  
2500, 330 – 5th Avenue SW  
Calgary, Alberta T2P 0L4  
Attention: ISO Tariff  
ISOtariiffnotice@aeso.ca

**12.4(2)** A notice or other document that is required to be given or served by the **ISO** upon a **market participant** under the **ISO tariff**, must be provided as follows:

- (a) in writing;
- (b) by personal service, registered letter, or email; and
- (c) sent to the address(es) shown for the **market participant** in the relevant agreement for **system access service**.

**12.4(3)** A **market participant** and the **ISO** must deem all notices to be duly given:

- (a) upon delivery if personally delivered;
- (b) 5 **business days** after posting if sent by registered mail during normal postal service conditions; or
- (c) on the same **day**, if emailed.

**12.4(4)** In the event of disruption of normal postal service, a **market participant** and the **ISO** must provide notice by personal service or email.

## Revision History

Effective	Description
2021-01-01	Revised and reformatted all subsections, as approved in <b>Commission Decision 25175-D02-2020</b> issued on November 30, 2020.
2015-07-01	Updated subsections, as approved in <b>Commission Decision 3473-D01-2015</b> issued on June 17, 2015.
2011-07-01	Revised and reformatted all subsections, as approved in <b>Commission Decision 2011-275</b> issued on June 24, 2011.

## 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 6 of the **ISO tariff**, *Financial Obligations for Connection Projects*.

## Revision History

Effective	Description
2021-01-01	Revised, as approved in <b>Commission</b> Decision 25175-D02-2020 issued on November 30, 2020, revised Appendix naming as approved in <b>Commission</b> Decision 26054-D01-2020 issued on December 18, 2020.
2015-07-01	Updated subsections, as approved in <b>Commission</b> Decision 3473-D01-2015 issued on June 17, 2015.
2011-07-01	Revised and reformatted all subsections, as approved in <b>Commission</b> Decision 2011-275 issued on June 24, 2011.

**[insert Substation Name and No – DTS - Date – Project No]**

**SYSTEM ACCESS SERVICE AGREEMENT  
FOR DEMAND TRANSMISSION SERVICE RATE**  
(“DTS Agreement”)

This DTS Agreement is made effective as of the Effective Date.

Between:

Independent System Operator, operating as AESO,  
a statutory corporation established pursuant to the  
*Electric Utilities Act (Alberta)*  
with offices in the City of Calgary, in the Province of Alberta  
(the “ISO”)

and

**[insert legal name of corporation or partnership]**,  
a **[corporation, incorporated] [partnership organized]** pursuant to the laws of XXX,  
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 DTS Agreement have the meanings given to them in the *Consolidated Authoritative Document Glossary*. Capitalized terms have the meanings given to them in the preamble or body of this DTS Agreement, including:
  - i. “DTS Agreement” means this System Access Service Agreement for Demand Transmission Service Rate; and



- ii. “Effective Date” means the date that is this DTS Agreement comes into effect, in accordance with Section 2 below.
- (b) Should the **ISO tariff, ISO rules** or *Consolidated Authoritative Document Glossary* be amended from time to time during the term of this DTS Agreement by approval of the **Commission**, then such amended **ISO tariff, ISO Rules or Consolidated Authoritative Document Glossary** will apply to this DTS Agreement and this DTS Agreement shall be deemed amended upon each such approval.
- (c) In the event of any conflict or inconsistency between this document and the **ISO tariff**, the latter shall prevail.

## 2. EFFECTIVE DATE

- (a) If the construction of **transmission facilities** is required for a connection project, this **DTS Agreement** becomes effective immediately following the later of:
  - (i) the issuance by the **Commission** of the permit(s) and licence(s) required to construct and operate the **transmission facilities**;
  - (ii) if applicable, the receipt by the **market participant** of the following regulatory approvals;  
[list approvals, if applicable];  
and
  - (iii) if applicable, the successful resolution of the following non-financial matters:  
[list non-financial matters].
- (b) If the construction of transmission facilities is not required for a connection project, this **DTS Agreement** becomes effective on the day it is executed.,

## 3. POINT OF DELIVERY

**Point of delivery** is located at and described as follows:

Substation name and #: [Name of Substation (123S)]  
Legal Subdivisions (LSD): [insert WxM]  
Measurement Point Identification (MPID): [insert assigned number]

## 4. CONTRACT CAPACITY

**Contract capacity** is the following amounts for and during the following periods:

- MW [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.

## 5. COMMERCIAL OPERATION

Upon completion of **commissioning** and provided that the **ISO** is satisfied with the same, the **ISO** must provide notice to the **market participant** confirming that the facility may begin **commercial operation**.

## 6. SETTLEMENT

The **ISO** must charge, and the **market participant** must pay, amounts in accordance with Rate DTS commencing in the **settlement period** in which the **ISO** commences the provision of **system access service** to the **market participant**.

## 7. ISO OBLIGATION TO PROVIDE SERVICE

Subject to Section 8 and 9 of this DTS Agreement, the **ISO** must provide **system access service** under Rate DTS to the **market participant** at the **point of delivery** at the **contract capacity** pursuant to Sections 2 and 3 of this DTS Agreement.

## 8. MARKET PARTICIPANT'S OBLIGATION IN RELATION TO SERVICE

If the **market participant** takes **system access service** under Rate DTS, the **market participant** must take such **system access service** at the **point of delivery** at the **contract capacity** pursuant to Sections 2 and 3 of this DTS Agreement.

## 9. MARKET PARTICIPANT'S PAYMENT OBLIGATION

The **market participant** must 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.

## 10. 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

## 11. TERM

This DTS Agreement commences on the Effective Date and continues unless it is terminated in accordance with the **ISO tariff**.

## 12. 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**.

## 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) A notice must be provided in accordance with subsection 12.4 of the **ISO tariff, Miscellaneous**. 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 address(es) to the **ISO** using the method posted on the AESO website as updated from time to time.

#### 15. AMENDMENTS

- (a) The parties acknowledge that either may request an amendment to this DTS Agreement. The **market participant** must request such an amendment by complying with the procedure for amending DTS Agreements posted by the **ISO** on its website or, if such procedure is not posted, by providing notice to the **ISO**.

- (b) Notwithstanding the foregoing, the parties acknowledge that the **ISO tariff, ISO rules** and *Consolidated Authoritative Document Glossary* may be amended from time to time during the term of this DTS Agreement by approval of the **Commission** and that this DTS Agreement is deemed amended upon each such approval.
- (c) Subject to subsection 15(b) of this DTS Agreement, this DTS Agreement may only be amended by written instrument executed by the **ISO** and the **market participant**.

## 16. MISCELLANEOUS

- (a) Section 9 will survive the termination of this DTS Agreement for either the time provided for in such section or the longest period provided by law.
- (b) 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.
- (c) 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 will 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 must extend only to the particular breach so waived and must not limit or affect any rights with respect to any other or future breach.
- (d) Time is of the essence.
- (e) This DTS Agreement is 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.
- (f) Whenever possible, each provision of this DTS Agreement must 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 a provision is determined by a court of competent jurisdiction to be illegal, invalid or unenforceable for any reason whatsoever, such provision will 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.
- (g) Each party will, from time to time, without further consideration, do such further acts and deliver all such further assurances, deeds and documents as is reasonably required in order to fully perform and carry out the terms of this DTS Agreement.
- (h) The parties may execute this DTS Agreement by fax, e-mail or other electronic means capable of producing a paper copy, and in separate counterparts, each of which when so executed and delivered, and all such counterparts taken together will 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.

**ISO**, operating as AESO

Per: \_\_\_\_\_ Date: \_\_\_\_\_

Name:

Title:

**[insert legal name of corporation or partnership]**

Per: \_\_\_\_\_ Date: \_\_\_\_\_

Name:

Title:

**[Insert Substation Name and No – STS – Date – Project No]**

**SYSTEM ACCESS SERVICE AGREEMENT  
FOR SUPPLY TRANSMISSION SERVICE RATE  
(“STS Agreement”)**

This STS Agreement is made effective as of the Effective Date.

Between:

Independent System Operator, operating as AESO,  
a statutory corporation established pursuant to the  
*Electric Utilities Act (Alberta)*  
with offices in the City of Calgary, in the Province of Alberta  
(the “ISO”)

and

**[insert legal name of corporation or partnership]**,  
a **[corporation, incorporated] [partnership organized]**, pursuant to the laws of XXX,  
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 STS Agreement have the meanings given to them in the *Consolidated Authoritative Document Glossary*. Capitalized terms have the meanings given to them in the preamble or body of this STS Agreement, including:
  - i. “STS Agreement” means this System Access Service Agreement for Supply Transmission Service Rate; and



- ii. “Effective Date” means the date that this STS Agreement comes into effect in accordance with Section 2 below.
- (b) Should the **ISO tariff, ISO rules** or *Consolidated Authoritative Document Glossary* be amended from time to time during the term of this STS Agreement by approval of the **Commission**, then such amended **ISO tariff, ISO Rules** or *Consolidated Authoritative Document Glossary* will apply to this STS Agreement and this STS Agreement shall be deemed amended upon each such approval.
- (c) In the event of any conflict or inconsistency between this document and the **ISO tariff**, the latter shall prevail.

## 2. EFFECTIVE DATE

- (a) If the construction of **transmission facilities** is required for a connection project, this **STS Agreement** becomes effective immediately following the later of:
  - (i) the issuance by the **Commission** of the permit(s) and licence(s) required to construct and operate the **transmission facilities**;
  - (ii) if applicable, the receipt by the **market participant** of the following regulatory approvals;  
[list approvals, if applicable];  
and
  - (iii) if applicable, the successful resolution of the following non-financial matters:  
[list non-financial matters].
- (b) If the construction of transmission facilities is not required for a connection project, this **STS Agreement** becomes effective on the day it is executed.

## 3. POINT OF SUPPLY

**Point of supply** is located at and described as follows:

Substation name and #: [Name of Substation (123S)]  
Legal Subdivisions (LSD): [insert WxM]  
Measurement Point Identification (MPID): [insert assigned number]

## 4. CONTRACT CAPACITY

**Contract capacity** is the following amounts for and during the following periods:

MW [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.

**5. COMMERCIAL OPERATION**

Upon completion of **commissioning** and provided that the **ISO** is satisfied with the same, the **ISO** must provide notice to the **market participant** confirming that the facility may begin **commercial operation**.

**6. SETTLEMENT**

The **ISO** must charge, and the **market participant** must pay, amounts in accordance with Rate STS commencing in the **settlement period** in which the **ISO** commences the provision of **system access service** to the **market participant**.

**7. ISO OBLIGATION TO PROVIDE SERVICE**

Subject to Section 8 and 9 of this STS Agreement, the **ISO** must provide **system access service** under Rate STS to the **market participant** at the **point of supply** at the **contract capacity** pursuant to sections 2 and 3 of this STS Agreement.

**8. MARKET PARTICIPANT'S OBLIGATION IN RELATION TO SERVICE**

If the **market participant** takes **system access service** under Rate STS, the **market participant** must take such service at the **point of supply** at the **contract capacity** pursuant to sections 2 and 3 of this STS Agreement.

**9. MARKET PARTICIPANT'S PAYMENT OBLIGATION**

The **market participant** must pay to the **ISO** for **system access service** under Rate STS during the term of this **STS Agreement** the amount required pursuant to Rate STS.

**10. OTHER CONDITIONS**

The **market participant** is required to comply with a connection **remedial action scheme** for this **point of supply**.

Yes  No

**11. TERM**

This STS Agreement commences on the Effective Date and continues unless it is terminated in accordance with the **ISO tariff**.

**12. 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**.

**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

- (d) A notice must be provided in accordance with subsection 12.4 of the **ISO tariff, Miscellaneous**. The **market participant's** address for notices is:

\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

- (e) The **market participant's** address for invoices, if different from the address for notices, is:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

- (f) The **market participant** must provide any changes to its address(es) to the **ISO** using the method posted on the AESO website as updated from time to time.

#### 15. AMENDMENTS

- (a) The parties acknowledge that either may request an amendment to this STS Agreement. The **market participant** must request such an amendment by complying with the procedure for amending STS Agreements posted by the **ISO** on its website or, if such procedure is not posted, by requesting providing notice to the **ISO**.
- (b) Notwithstanding the foregoing, the parties acknowledge that the **ISO tariff, ISO rules, and Consolidated Authoritative Document Glossary** may be amended from time to time during the term of this STS Agreement by approval of the **Commission** and that this STS Agreement is deemed amended upon each such approval.
- (c) Subject to Section 15(b) of this STS Agreement, this STS Agreement may only be amended by written instrument executed by the **ISO** and the **market participant**.

**16. MISCELLANEOUS**

- (a) Section 9 will survive the termination of this STS Agreement for either the time provided for in such section or the longest period provided by law.
- (b) 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.
- (c) 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 will 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 must extend only to the particular breach so waived and must not limit or affect any rights with respect to any other or future breach.
- (d) Time is of the essence.
- (e) 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.
- (f) Whenever possible, each provision of this STS Agreement must 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 a provision is determined by a court of competent jurisdiction to be illegal, invalid or unenforceable for any reason whatsoever, such provision will 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.
- (g) Each party will, from time to time, without further consideration, do such further acts and deliver all such further assurances, deeds and documents as is reasonably required in order to fully perform and carry out the terms of this STS Agreement.
- (h) The parties may execute this STS Agreement by fax, e-mail or other electronic means capable of producing a paper copy, and in separate counterparts, each of which when so executed and delivered, and all such counterparts taken together will constitute one instrument.

**[Remainder of page intentionally left blank. Signature page to follow.]**

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.

**ISO**, operating as AESO

Per: \_\_\_\_\_ Date: \_\_\_\_\_

Name:

Title:

**[insert legal name of corporation or partnership]**

Per: \_\_\_\_\_ Date: \_\_\_\_\_

Name:

Title:

# ISO Tariff – Appendix A

## System Access Service Agreement Proforma for Rate DOS, Demand Opportunity Service



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.

This application, if approved by the **ISO**, 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.

Unless otherwise defined in this application, bolded terms, not including headings, used in this application have the meanings given to them in the *Consolidated Authoritative Document Glossary*. Capitalized terms have the meanings given to them in the preamble or body of 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: \_\_\_\_\_ Twelve (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 in an attachment labeled “Schedule A”:~~

- ~~1. Load characteristic (static, synchronous machine or induction machine);~~
- ~~2. Approximate load factor (demand opportunity service specific load only); and~~
- ~~3. Expected power factor.~~

~~Schedule A:  Attached~~

~~Commercial Information: Please read the eligibility criteria in the ISO tariff and provide a comprehensive business case in an attachment 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 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 notify the ISO upon the occurrence of a financial, operational, and/or technical change, where such changes materially impacts 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:



ISO Tariff – Appendix A  
System Access Service Agreement Proforma for  
Rate DOS, Demand Opportunity Service (continued)



~~Please complete and send to the Alberta Electric System Operator.~~

~~Mail: 2500, 330 5th Avenue SW  
Calgary, Alberta T2P 0L4~~

~~Attention: Commercial Services~~

~~Email: dos.applications@aeso.ca~~

- ii. “Effective Date” means date that the Export Agreement comes into effect, as stated in the preamble of this Export Agreement; and
  - iii. “Point of Interconnection” means the British Columbia **Intertie**, Saskatchewan **Intertie** or Montana **Intertie**, as indicated in section 2 of this Export Agreement.
- (b) Should the **ISO tariff**, **ISO rules** or *Consolidated Authoritative Document Glossary* be amended from time to time during the term of this Export Agreement by approval of the **Commission**, then such amended **ISO tariff**, **ISO Rules** or *Consolidated Authoritative Document Glossary* will apply to this Export Agreement and this Export Agreement shall be deemed amended upon each such approval.
- (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** must charge, and the **market participant** must 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 5 and 6 of this Export Agreement, the **ISO** must 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** must 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** must pay to the **ISO** for **system access service** under Rate XOS or Rate XOM, as applicable, during the term of this Export Agreement the amount required pursuant to Rate XOS or Rate XOM, as applicable.

## 7. TERM

This Export Agreement commences on the Effective Date and continues for a term of one (1) year, expiring on \_\_\_\_\_, 202\_\_\_\_\_.

## 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 pursuant to Section 2 of this Export Agreement.

**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) A notice must be provided in accordance with subsection 12.4 of the **ISO tariff, Miscellaneous**. 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: \_\_\_\_\_

- (d) The **market participant** must provide any changes to its address(es) to the **ISO** using the method posted on the AESO website as updated from time to time.

## 11. AMENDMENTS

- (a) The parties acknowledge that either may request an amendment to this Export Agreement. The **market participant** must request such an amendment by complying with the procedure for amending Export Agreements posted by the **ISO** on its website or, if such procedure is not posted, by providing notice to the **ISO**.
- (b) Notwithstanding the foregoing, the parties acknowledge that the **ISO tariff, ISO rules** and *Consolidated Authoritative Document Glossary* may be amended from time to time during the term of this Export Agreement by approval of the **Commission** and that this Export Agreement is deemed amended upon each such approval.
- (c) Subject to subsection 11(b) of this this Export Agreement, this Export Agreement may only be amended by written instrument executed by the **ISO** and the **market participant**.

## 12. MISCELLANEOUS

- (a) Section 6 will survive the termination of this Export Agreement for either the time provided for in such section or the longest period provided by law.
- (b) 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.
- (c) 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 will 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 must extend only to the particular breach so waived and must not limit or affect any rights with respect to any other or future breach.
- (d) Time is of the essence.
- (e) This Export Agreement is 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.
- (f) Whenever possible, each provision of this Export Agreement must 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 a provision is determined by a court of competent jurisdiction to be illegal, invalid or unenforceable for any reason whatsoever, such provision will 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.
- (g) 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.
- (h) The parties may execute this Export Agreement by fax, e-mail or other electronic means capable of producing a paper copy, and in separate counterparts, each of which when so executed and delivered, and all such counterparts taken together will 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.

**ISO**, operating as AESO

Per: \_\_\_\_\_ Date:

Name:

Title:

**[insert legal name of corporation or partnership]**

Per: \_\_\_\_\_ Date:

Name:

Title:

**SYSTEM ACCESS SERVICE AGREEMENT  
FOR IMPORT OPPORTUNITY SERVICE RATE**  
(“Import Agreement”)

This Import Agreement effective the 1st day of \_\_\_\_\_, 202\_\_\_\_ (the “Effective Date”).

Between:

Independent System Operator, operating as AESO  
a statutory corporation established pursuant to the  
*Electric Utilities Act (Alberta)*  
with offices in the City of Calgary, in the Province of Alberta  
(the “ISO”)

and

**[insert legal name of corporation or partnership],**  
a **[corporation, incorporated] [partnership organized]**, pursuant to the laws of XXX,  
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 Import Agreement have the meanings given to them in the *Consolidated Authoritative Document Glossary*. Capitalized terms have the meanings given to them in the preamble or body of this Import Agreement, including:
  - i. “Import Agreement” means this System Access Service Agreement for Import Opportunity Service Rate;
  - ii. “Effective Date” means date that the Import Agreement comes into effect, as stated in the preamble of this Import Agreement; and

- iii. “Point of Interconnection” means the British Columbia **Intertie**, Saskatchewan **Intertie** or Montana **Intertie**, as indicated in section 2 of this Import Agreement.
- (b) Should the **ISO tariff**, **ISO rules** or *Consolidated Authoritative Document Glossary* be amended from time to time during the term of this Import Agreement by approval of the **Commission**, then such amended **ISO tariff**, **ISO Rules** or *Consolidated Authoritative Document Glossary* will apply to this Import Agreement and this Import Agreement shall be deemed amended upon each such approval.
- (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** must charge, and the **market participant** must pay, amounts in accordance with Rate IOS commencing on [insert date].

## 4. ISO OBLIGATION TO PROVIDE SERVICE

Subject to Section 5 and 6 of this Import Agreement, the **ISO** must 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** must 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** must 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 commences on the Effective Date and continues for a term of 1 year, expiring on \_\_\_\_\_, 202\_\_\_\_\_.

## 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 pursuant to Section 2 of this Import Agreement.

## 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) A notice must be provided in accordance with subsection 12.4 of the **ISO tariff, Miscellaneous**. 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 address(es) to the **ISO** using the method posted on the AESO website as updated from time to time.

**11. AMENDMENTS**

- (a) The parties acknowledge that either may request an amendment to this Import Agreement. The **market participant** must request such an amendment by complying with the procedure for amending Import Agreements posted by the **ISO** on its website or, if such procedure is not posted, by providing notice to the **ISO**.

- (b) Notwithstanding the foregoing, the parties acknowledge that the **ISO tariff, ISO rules**, and *Consolidated Authoritative Document Glossary* may be amended from time to time during the term of this Import Agreement by approval of the **Commission** and that this Import Agreement is deemed amended upon each such approval.
- (c) Subject to subsection 11(b) of this Import Agreement, this Import Agreement may only be amended by written instrument executed by the **ISO** and the **market participant**.

## 12. MISCELLANEOUS

- (a) Section 6 will survive the termination of this Import Agreement for either the time provided for in such section or the longest period provided by law.
- (b) 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.
- (c) 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 will 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 must extend only to the particular breach so waived and must not limit or affect any rights with respect to any other or future breach.
- (d) Time is of the essence.
- (e) This Import Agreement is 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.
- (f) Whenever possible, each provision of this Import Agreement must 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 a provision is determined by a court of competent jurisdiction to be illegal, invalid or unenforceable for any reason whatsoever, such provision will 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.
- (g) Each party will, from time to time, without further consideration, do such further acts and deliver all such further assurances, deeds and documents as is reasonably required in order to fully perform and carry out the terms of this Import Agreement.
- (h) The parties may execute this Import Agreement by fax, e-mail or other electronic means capable of producing a paper copy, and in separate counterparts, each of which when so executed and delivered, and all such counterparts taken together will constitute one instrument.

**[Remainder of page intentionally left blank. Signature page to follow.]**

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.

**ISO**, operating as AESO

Per: \_\_\_\_\_ Date:

Name:  
Title:

**[insert legal name of corporation or partnership]**

Per: \_\_\_\_\_ Date:

Name:  
Title:

# ISO Tariff – Appendix A

## Construction Commitment Agreement Proforma



This Construction Commitment Agreement effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_\_\_ (the “Effective Date”)

BETWEEN:

**[Insert Name of Legal Owner of the Transmission Facility]**,  
a corporation, incorporated pursuant to the laws of XXX,  
with office[s] in the City of [insert city], in the Province of [insert province]

(the “TFO”)

– and –

**[Insert Name of Market Participant]**,  
a [corporation, incorporated] [partnership organized], pursuant to the laws of XXX,  
with office[s] in the City of [insert city], in the Province of [insert province]  
(the “market participant”)

### RECITALS

- A. The **market participant** has requested **system access service** from the **ISO**, operating as the Alberta Electric System Operator, and intends to enter into, or amend, a **system access service** agreement with the **ISO** in relation to [Insert Connection Project Name and Number as provided by the ISO];
- B. The provision or amendment of **system access service** will require the construction of a new **transmission facility** and a commitment by the **market participant** in relation to the expenditure of capital for such construction;
- C. The **ISO tariff** requires the **market participant** to provide **financial security** or a **construction contribution**, or both, to the TFO, in the amounts determined pursuant to the **ISO tariff**;
- D. Prior to commencing the Project Work, as set out in the attached Schedule “A”, the **ISO tariff** requires the **market participant** to enter into an agreement substantially in the form of this Construction Commitment Agreement with the TFO and to hold the TFO harmless from any negative financial consequences related to the cancellation of the Connection Project; and
- E. The **ISO tariff** contains additional terms and conditions of **system access service**. This Construction Commitment 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 Construction Commitment Agreement by reference.

In consideration of the mutual covenants and agreements set forth in this Construction Contribution 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:

### Interpretation and Definitions

1.

- (a) Unless otherwise defined in this Construction Commitment Agreement, bolded terms, not including headings, used in this Construction Commitment Agreement have the meanings

given to them in the *Consolidated Authoritative Document Glossary*. Capitalized terms have the meanings given to them in the preamble or body of this Construction Commitment Agreement, including:

- (i) “Cancellation Costs” means all Connection Project costs actually incurred by the TFO prior to cancellation of a Connection Project, or reasonably required to be incurred by the TFO after cancellation of a Connection Project, including costs arising from preparation of a connection proposal, preparation of a facility application and construction of a Connection Project, as documented in the construction commitment agreement required by section 5 of the **ISO tariff**; third-party cancellation costs and penalties; costs for material salvage; and reclamation of any related construction;
- (ii) “Cancellation Event” means an event described in paragraph 10 or 11 of this Construction Commitment Agreement which leads to or may lead to the cancellation of the Connection Project;
- (iii) “Connection Project” means a new **transmission facility** constructed by the TFO at the request of the **market participant** for **system access service**;
- (iv) “Construction Commitment Agreement” means this Construction Commitment Agreement;
- (v) “Effective Date” means date that this Construction Commitment Agreement comes into effect, as stated in the preamble of this Construction Commitment Agreement;
- (vi) “Guarantor” means an entity that provides a guarantee on behalf of the **market participant**;
- (vii) “Project Work” means the work for the Connection Project as set out in Schedule “A” to this Agreement.
- (viii) “Schedules” means the following Schedules attached to this Agreement, and all amendments to such Schedules:

Schedule “A” – Project Work and Financial Obligation

Schedule “B” – Construction Contribution and Financial Security; and

- (b) Should the **ISO tariff**, **ISO rules**, or *Consolidated Authoritative Document Glossary* be amended from time to time during the term of this Construction Commitment Agreement by approval of the **Commission**, then such amended **ISO tariff**, **ISO Rules**, or *Consolidated Authoritative Document Glossary* will apply to this Construction Commitment Agreement and this Construction Commitment Agreement shall be deemed amended upon each such approval.
- (c) In the event of any conflict or inconsistency between this document and the **ISO tariff**, the latter shall prevail.

## Term of Agreement

- 2. This Construction Commitment Agreement takes effect on the Effective Date and remains in full force and effect until:
  - (a) the Connection Project begins **commercial operation**; or

- (b) upon the occurrence of a Cancellation Event, the Connection Project is cancelled and all amounts owing to the TFO hereunder have been paid in full.

### Construction Contribution and Financial Security

4. The **market participant** must pay to the TFO a **construction contribution** required in respect of its **financial obligation** for the Connection Project in accordance with section 6 of the **ISO tariff**. The **market participant** will pay the **construction contribution** in the amounts and at the times set out and described in the Schedules, each such payment being an absolute transfer of ownership in the funds to the TFO as a payment for the Project Work.
5. For a Connection Project that is eligible for local investment, the **market participant** will also provide or cause to be provided to the TFO the **financial security** required in accordance with section 6 of the **ISO Tariff** as security for the payment and performance of all present and future debts, costs and **financial obligations** of the **market participant** to the TFO arising pursuant to this Construction Commitment Agreement other than those for which the **construction contribution** is paid. The **market participant** will provide or cause to be provided the **financial security** in the amounts and at the times set out and described in the Schedules.
6. The **construction contribution** and **financial security** must in aggregate be in an amount adequate to fund the **financial obligation** arising from the Project Work, as determined pursuant to section 6 of the **ISO tariff**.
7. All changes to the **construction contribution** and **financial security** must be documented in duly executed amended Schedules by the parties reflecting the change.
8. If all or part of the **financial obligation** of the **market participant** is unsecured, or if its Guarantor has provided a guarantee as **financial security**, and the **market participant** becomes aware of a **material adverse change** in respect of the **market participant** or Guarantor, the **market participant** must provide written notice thereof to the TFO and to the **ISO** within 2 **business days** of becoming aware of the occurrence of such **material adverse change**. Upon the occurrence of a **material adverse change**, the TFO may require the **market participant** to provide additional or replacement **financial security**.
9. In determining whether a **material adverse change** has occurred, consideration must be given to an event, circumstance or change which affects or is reasonably expected to affect:
  - (a) the financial condition of the **market participant** or its Guarantor;
  - (b) the ability of the **market participant** or its Guarantor to perform its obligations under a Financial Security; or
  - (c) the assets or business of the **market participant** or its Guarantor.

### Cancellation of Connection Project

10. The Connection Project must be cancelled if:
  - (a) the **market participant** informs the **ISO** or the TFO of the cancellation of the Connection Project;
  - (b) the **ISO** cancels the Connection Project due to the **market participant's** failure to meet a critical information under subsection 3.2 of the **ISO tariff**; or
  - (c) the **ISO** cancels the Connection Project after reasonably concluding, based on the action or inaction of the **market participant**, that the **market participant** is not proceeding with the Connection Project.
  
11. The Connection Project may be cancelled by the TFO upon the occurrence of any of the following events:
  - (a) the **market participant** fails to provide or cause to be provided the **financial security** in the form and amount set out in Schedule “B” concurrently with the execution and delivery of this Construction Commitment Agreement, or subsequently in forms and amounts set out in any amended Schedule “B”, or fails to provide or cause to be provided such additional guarantee(s), security or other documents as it may be required to deliver to the TFO pursuant to the terms and conditions of this Construction Commitment Agreement;
  - (b) the **Commission** rejects or fails to approve the relevant application for the Connection Project;
  - (c) the **market participant** fails to:
    - (i) execute a **system access service** agreement as set out in Appendix A of the **ISO tariff**; or
    - (ii) enter into an amendment of its existing **system access service** agreement with respect to the Connection Project as set out in Appendix A of the **ISO tariff**,in accordance with the **ISO tariff**;
  - (d) the **market participant** or its Guarantor breaches a term, condition, agreement or covenant under this Construction Commitment Agreement or the **financial security** and fails to remedy the breach within 5 **business days** of receipt of written notice of the breach by the TFO to the **market participant**;
  - (e) a representation or warranty made or given by the **market participant** in connection with this Construction Commitment Agreement is shown to be untrue or incorrect when it was made or given at the Effective Date or ceases to be true and correct during the term of this Construction Commitment Agreement;
  - (f) the **market participant** or its Guarantor is found to be insolvent or bankrupt by a court of competent jurisdiction or makes an authorized assignment of its assets or a compromise or arrangement for the benefit of its creditors, makes a proposal to its creditors under the *Bankruptcy and Insolvency Act (Canada)*, seeks relief under the *Companies' Creditors Arrangement Act (Canada)*, the *Winding Up Act (Canada)* or any other bankruptcy, insolvency or analogous law in Canada or the United States, files a petition or proposal to take advantage of any act of insolvency, consents to or acquiesces in the appointment of a trustee, receiver, receiver and manager, interim receiver, custodian or other person with similar powers over all or any substantial portion of its assets, files a petition or



otherwise commences a proceeding seeking a reorganization, arrangement, composition or readjustment under a applicable bankruptcy, insolvency, moratorium, reorganization or other similar law affecting creditor's rights or consents to, or acquiesces in, the filing of such a petition; or if a petition in bankruptcy is filed or presented against the **market participant** or its Guarantor;

- (g) a formal or informal proceeding is instituted by or against the **market participant** or its Guarantor for the dissolution or liquidation of, settlement of claims against, or winding up of the affairs of, the **market participant** or its Guarantor, or a resolution is passed for dissolution, liquidation or winding up the **market participant** or its Guarantor;
  - (h) the **market participant** or its Guarantor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets or commits or threatens to commit an act of bankruptcy;
  - (i) a receiver, receiver and manager or interim receiver is appointed for all or any part of the property, assets or undertaking of the **market participant** or its Guarantor;
  - (j) the **market participant** creates or permits to exist a charge, security interest, lien, encumbrance or claim against any of the collateral charged under the **financial security** which ranks or could in any event rank in priority to or equally with the **financial security**;
  - (k) the holder of a charge, security interest, lien, encumbrance or claim against a collateral charged under the **financial security** does anything to enforce or realize on the charge, security interest, lien, encumbrance or claim; or
  - (l) with respect to a letter of credit provided to the TFO, if replacement **financial security** is requested and not provided by the **market participant** within 2 **business days** of the request due to any of the following events:
    - (i) the issuer of the letter of credit is no longer acceptable to the TFO, at its sole discretion;
    - (ii) the issuer of the letter of credit fails to comply with or perform its obligations under such letter of credit if such failure continues after the lapse of an applicable grace period;
    - (iii) the issuer of the letter of credit disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, such letter of credit;
    - (iv) the letter of credit expires or terminates, or ceases to be in full force and effect for the purposes of this Construction Commitment Agreement (in either case other than in accordance with its terms) prior to the satisfaction of all obligations of the **market participant** under this Construction Commitment Agreement without the written consent of the TFO;
    - (v) there are less than 20 **business days** remaining until expiry of the letter of credit; or
    - (vi) an event analogous to a **material adverse change** occurs with respect to the issuer of the letter of credit.
12. If, the Connection Project is cancelled due to the occurrence of a Cancellation Event, the TFO, without limiting or restricting other rights or remedies under contract, at law or in equity:
- (a) must:

- (i) cease to perform any Project Work;
  - (ii) demand immediate payment of all Cancellation Costs; and
  - (iii) if applicable, demand immediate payment under any guarantee granted to the TFO;
- and
- (b) may do one or both of the following:
  - (iv) exercise its rights under all or any part of the **financial security**, and any other security in respect of the Connection Project provided by the **market participant** to the TFO under separate construction commitment agreements; and
  - (v) commence a legal action or proceeding against the **market participant** or its Guarantor.
- 13. Upon the occurrence of a Cancellation Event, the TFO must use, and must cause its contractors to use, reasonable commercial efforts to minimize the amount of the Cancellation Costs to the extent within their control.
- 14. The TFO must at all times maintain accurate accounts, records, invoices and third-party invoices for all Connection Project costs, including all Cancellation Costs, which are prima facie evidence of the amounts owing to the TFO by the **market participant**.
- 15. The **market participant** must, upon demand having been made by the TFO following the occurrence of a Cancellation Event, pay the Cancellation Costs to the TFO without delay. If the **market participant** fails to pay to the TFO the Cancellation Costs upon demand, the TFO has all remedies available pursuant to the **ISO tariff** and may charge the **market participant** interest calculated at the TFO's bank prime rate plus 6% on all amounts outstanding from the date of demand to the date of payment to the TFO.

### Representations and Warranties

- 15. The **market participant** represents and warrants to the TFO 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;
  - (b) the **construction contribution** and **financial security** are provided to the TFO free and clear of any and all security interests, mortgages, liens, charges, and encumbrance of any nature;
  - (c) this Construction Commitment 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
  - (d) the authorization, execution and performance by the **market participant** of this Construction Commitment 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.
16. The TFO represents and warrants to the **market participant** as follows:
- (a) the TFO is duly incorporated or organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization;
  - (b) this Construction Commitment Agreement has been duly authorized, executed and delivered by the TFO and constitutes a legal, valid and binding obligation of the TFO, 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 TFO of this Construction Commitment Agreement:
    - (i) does not and will not violate any laws applicable to the TFO; 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.

### General

17. The **market participant** must pay for the TFO's legal fees (on a solicitor and client basis) and other costs, charges and expenses in respect of the enforcement of this Construction Commitment Agreement and the **financial security** by the TFO.
18. In this Construction Commitment Agreement:
- (a) a notice or communication required or permitted to be given under this Construction Commitment Agreement must be in writing and is considered to have been duly given if delivered by hand or courier, transmitted by fax, or delivered by e-mail, to each party set out below:
    - (i) if to the **market participant**:
      - 
      - Attention: •
      - Fax No: •
      - E-mail: •
    - (ii) if to the TFO:
      - 
      - Attention: •
      - Fax No: •
      - E-mail: •
    - (iii) if to the ISO:
      - Alberta Electric System Operator
      - 2500, 330 – 5th Ave SW

Calgary, Alberta T2P 0L4  
E-mail: ISOtariiffnotice@aeso.ca

- (iv) to another address, fax or email as a party may designate by providing notice of the same to all parties.
  - (b) notice or communication is considered to have been received if delivered by hand or courier during business hours on a **business day**, upon receipt by a responsible representative of the receiver, and if not delivered during business hours, upon the commencement of business hours on the next **business day**, and if sent by fax or e-mail during business hours on a **business day**, upon the sender receiving confirmation of the fax or e-mail delivery, and if not sent during business hours, upon the commencement of business hours on the next **business day**.
19. The **market participant** must not assign this Construction Commitment Agreement without the prior written consent of the TFO.
  20. The TFO must not assign this Construction Commitment Agreement without the prior written consent of the **market participant**, except that the TFO may assign its interest in this Construction Commitment Agreement to the **ISO** without the consent of the **market participant**.
  21. Without prejudice to the **market participant**'s obligation to pay Cancellation Costs, nothing in this Construction Commitment Agreement is to be construed as an obligation on the part of the **market participant** to proceed with the Connection Project.
  22. This Construction Commitment Agreement enures to the benefit of and will be binding upon the parties and their respective successors and permitted assigns.
  23. No failure or delay on the TFO's part in exercising a power or right as provided in this Construction Commitment Agreement operates as a waiver of this Construction Commitment Agreement.
  24. The TFO's rights and remedies as provided in this Construction Commitment Agreement are cumulative and not exclusive of a right or remedy at law or in equity.
  25. Time is of the essence.
  26. Whenever possible, each provision of this Construction Commitment Agreement must be interpreted in such a manner as to be effective and valid under applicable law, however, each provision of this Construction Commitment Agreement is intended to be severable and if a provision is determined by a court of competent jurisdiction to be illegal, invalid or unenforceable for any reason whatsoever, such provision will be severed from this Construction Commitment Agreement and will not affect the legality, validity or enforceability of the remainder of this Construction Commitment Agreement or any other provision of this Construction Commitment Agreement.
  27. This Agreement is to be governed by and interpreted in accordance with the laws of the Province of Alberta and the laws of Canada. The **market participant** and the TFO submit to the nonexclusive jurisdiction of the Courts of the Province of Alberta and agree to be bound by a suit, action or proceeding commenced in such Courts and by an order or judgment resulting from such suit, action or proceeding, but the foregoing in no way limits the right of the TFO to commence suits, actions or proceedings based on this Construction Commitment Agreement in any jurisdiction it may deem appropriate.
  28. This Construction Commitment Agreement may be varied or amended only by or pursuant to an agreement in writing signed by the parties.

- 29. All Schedules are deemed fully to be a part of this Agreement. The Schedules may be varied or amended provided such amendments are signed by the parties, as provided in the Schedules.
- 30. This Agreement may be signed in one or more counterparts, originally or by fax, e-mail or other electronic means capable of producing a paper copy, and each such counterpart taken together will form one and the same agreement.

**IN WITNESS WHEREOF** the TFO and the **market participant** have executed this Construction Commitment Agreement:

**[INSERT FULL NAME OF TFO]**

**[INSERT FULL NAME OF MARKET PARTICIPANT]**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name (print): \_\_\_\_\_

Name (print): \_\_\_\_\_

Title (print): \_\_\_\_\_

Title (print): \_\_\_\_\_

## SCHEDULE “A”

To the Construction Commitment Agreement

Between

**[Insert Name of Legal Owner of the Transmission Facility],**  
a **[corporation, incorporated] [partnership organized]**, pursuant to the laws of XXX,  
with office[s] in the City of **[insert city]**, in the Province of **[insert province]**  
(the “TFO”)

– and –

**[Insert name of Market Participant],**  
a **[corporation, incorporated] [partnership organized]**, pursuant to the laws of XXX,  
with office[s] in the City of **[insert city]**, in the Province of **[insert province]**  
(the “market participant”)

### PROJECT WORK AND FINANCIAL OBLIGATION

For Connection Project **[insert project name]**

**[Author: If this is an amended Schedule “A”, keep the language in the following first three paragraphs and the word “amended” in the fourth paragraph and in the “IN WITNESS WHEREOF” paragraph:**

The TFO and **market participant** have agreed to amend the Construction Commitment Agreement pursuant to the terms and conditions contained this amended Schedule “A”.

In consideration of the premises in this amended Schedule “A”, the mutual covenants and agreements set forth and for other good and valuable consideration (the receipt and sufficiency of which is acknowledged by each of the parties), the parties agree to amend this Schedule “A” as provided below.

Effective upon execution of this amended Schedule “A”, being the latest date of signature stated below, the Schedule “A” effective on **[insert date]** is deleted in its entirety and replaced with this amended Schedule “A”.]

This **[amended]** Schedule “A” describes the Project Work to be performed by the TFO for the Connection Project. The Project Work as referenced in the Construction Commitment Agreement includes the following:

**[Author: The table below should be revised to reflect the agreed upon Project Work and payment schedule, including any agreed upon changes to the description of work, number of stages or number of steps.]**

Project Work	Estimated Costs	Date of Issue
<b>[add description of work. For example: Stages 1 and 2 Activities: preparation and support for connection proposal, including connection study scope, technical studies, order-of-magnitude cost estimates, and project management]</b>	Amount in words Canadian dollars plus GST (CND \$ Amount in numbers + GST).	
Stages 3 and 4 Activities: preparation and support for submission and approval of a proposal to provide service (PPS), participant involvement program (PIP) and facilities application (FA) <b>[add description of any additional work]</b>	Amount in words Canadian dollars plus GST (CND \$ Amount in numbers + GST).	
Stages 5 and 6 Costs: Construction Costs – Step 1 <b>[add description of any additional work]</b>	Amount in words Canadian dollars plus GST (CND \$ Amount in numbers + GST).	
Stages 5 and 6 Costs: Construction Costs – Step 2 <b>[add description of any additional work]</b>	Amount in words Canadian dollars plus GST (CND \$ Amount in numbers + GST).	
Stages 5 and 6 Costs: Construction Costs – Step 3 <b>[add description of any additional work]</b>	Amount in words Canadian dollars plus GST (CND \$ Amount in numbers + GST).	
<b>[Additional construction steps as required]</b>	Amount in words Canadian dollars plus GST (CND \$ Amount in numbers + GST).	
<b>[Additional detail for any stages as required]</b>	Amount in words Canadian dollars plus GST (CND \$ Amount in numbers + GST).	
Total Costs as of <b>[Insert Date]</b>		

Provided the TFO has confirmed to the ISO that the **market participant** has delivered the **financial obligation** for the Project Work to the TFO, and provided that the Cancellation Costs for the Project Work do not exceed Insert Connection Project total in words Canadian dollars plus GST (CDN \$ Connection Project total in numbers + GST), the **ISO** will direct the TFO to proceed with Project Work issued prior to permit and licence being granted by the **Commission**.

The required **construction contribution**, if any, is set out in Schedule “B”.

**[Remainder of page intentionally left blank. Signature page to follow.]**



**IN WITNESS WHEREOF**, the parties acknowledge that they have read this **[amended]** Schedule “A”, understand it, and agree to be bound by it and have caused it to be executed by their duly authorized representatives effective as of the latest date of signature stated below.

**[INSERT FULL NAME OF TFO]**

**[INSERT FULL NAME OF MARKET PARTICIPANT]**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name (print): \_\_\_\_\_

Name (print): \_\_\_\_\_

Title (print): \_\_\_\_\_

Title (print): \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## SCHEDULE “B”

To the Construction Commitment Agreement

Between

**[Insert Name of Legal Owner of the Transmission Facility],**  
a **[corporation, incorporated] [partnership organized]**, pursuant to the laws of XXX,  
with office[s] in the City of **[insert city]**, in the Province of **[insert province]**  
(the “TFO”)

– and –

**[Insert name of Market Participant],**  
a **[corporation, incorporated] [partnership organized]**, pursuant to the laws of XXX,  
with office[s] in the City of **[insert city]**, in the Province of **[insert province]**  
(the “market participant”)

### **CONSTRUCTION CONTRIBUTION AND FINANCIAL SECURITY**

For Connection Project **[insert project name]**

**[Author: If this is an amended Schedule “B”, keep the language in the following first three paragraphs and the word “amended” in the fourth paragraph and in the “IN WITNESS WHEREOF” paragraph:**

The TFO and **market participant** have agreed to amend the Construction Commitment Agreement pursuant to the terms and conditions contained this amended Schedule “B”.

In consideration of the premises in this amended Schedule “B”, the mutual covenants and agreements set forth and for other good and valuable consideration (the receipt and sufficiency of which is acknowledged by each of the parties), the parties agree to amend this Schedule “B” as provided below.

Effective upon execution of this amended Schedule “B”, being the latest date of signature stated below, the Schedule “B” effective on **[insert date]** is deleted in its entirety and replaced with this amended Schedule “B”.]

This **[amended]** Schedule “B” describes the **construction contribution** and **financial security** to be provided to the TFO as of **[Insert Current Date]**. The **construction contribution** and **financial security** as referenced in the Construction Commitment Agreement includes the following:

1. Upon execution of the Construction Commitment Agreement, the **market participant** must provide to the TFO one or more of the following as determined in accordance with section 6 of the **ISO tariff**:
  - (a) **Construction contribution** (cash payment) in the amount of **Amount in words** Canadian dollars plus GST (CDN \$ **Amount in numbers** + GST); and
  - (b) **Financial security** in one or more of the following forms:
    - (i) an unconditional and irrevocable standby letter of credit payable on demand to the TFO and issued from a Canadian chartered bank or other comparable

financial institution acceptable to the TFO in the amount of **Amount in words** Canadian dollars plus GST (CDN \$ **Amount in numbers** + GST);

- (ii) a cash collateral deposit capable of being registered as a first security interest held by the TFO in the amount of **Amount in words** Canadian dollars plus GST (CDN \$ **Amount in numbers** + GST); or
- (iii) alternative **financial security** in a form, substance and amount determined at the sole discretion of the TFO.

2. The **market participant** must execute and if applicable, cause to have executed all security agreements and documentation in form and substance required from time to time by the TFO in its sole absolute discretion.

**IN WITNESS WHEREOF**, the parties acknowledge that they have read this **[amended]** Schedule “B”, understand it, and agree to be bound by it and have caused it to be executed by their duly authorized representatives effective as of the latest date of signature stated below.

**[INSERT FULL NAME OF TFO]**

**[INSERT FULL NAME OF MARKET PARTICIPANT]**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name (print): \_\_\_\_\_

Name (print): \_\_\_\_\_

Title (print): \_\_\_\_\_

Title (print): \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_