

# ISO Tariff – Appendix B System Access Service Agreement Proformas

## Applicability

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

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

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

## Revision History

Effective	Description
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.

# ISO Tariff – Appendix B System Access Service Agreement Proforma for Rate DTS, Demand Transmission Service



This **DTS Agreement** effective the 1st day of \_\_\_\_\_, 201\_\_ (the “**effective date**”).

Between:

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

and

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

## RECITALS:

- A. This **DTS Agreement** sets out the particular details of the **system access service** that the **ISO** will provide to the **market participant** under Rate DTS of the **ISO tariff**.
- B. The **ISO tariff** contains additional terms and conditions of **system access service**. This **DTS Agreement** is comprised of both this document and the **ISO tariff**, and accordingly, both this document and the **ISO tariff** must be referred to and administered by the parties, even though the **ISO tariff** is not attached but incorporated into this **DTS Agreement** by reference.

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

## 1. DEFINITIONS AND INTERPRETATION

- (a) Unless otherwise defined in this **DTS Agreement**, bolded terms, not including headings, used in this document have the meanings given to them in the *Consolidated Authoritative Documents Glossary*. In the event of any conflict or inconsistency between this document and the *Consolidated Authoritative Documents Glossary*, the latter shall prevail.
- (b) The **ISO tariff** shall be the **ISO tariff** in effect from time to time.
- (c) In the event of any conflict or inconsistency between this document and the **ISO tariff**, the latter shall prevail.

## 2. POINT OF DELIVERY, CONTRACT CAPACITY AND OTHER DETAILS

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

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

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

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

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

**ISO tariff** in effect on date of permit and licence: \_\_\_\_\_  
Total Project Costs: \$ \_\_\_\_\_  
Participant-Related Costs: \$ \_\_\_\_\_  
System-Related Costs: \$ \_\_\_\_\_  
Investment: \$ \_\_\_\_\_

(d) Key dates:

(i) Date **Commission** issued permit and licence: [insert date] or n/a  
(ii) Energization authorization date: \_\_\_\_\_  
(iii) **Commissioning** period will commence on: \_\_\_\_\_  
(iv) **Commercial operation** date: \_\_\_\_\_  
(v) Investment term: [insert number of years] years  
commencing on [insert date] and  
terminating on [insert date].

### 3. SETTLEMENT

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

### 4. CONTRIBUTIONS

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

### 5. ISO OBLIGATION TO PROVIDE SERVICE

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

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

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

### 7. MARKET PARTICIPANT'S PAYMENT OBLIGATION

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

8. **OTHER RATES AND CONDITIONS**

- (a) The primary service credit is applicable under this **DTS Agreement**.  
Yes  No
- (b) This **point of delivery** is designated to provide **underfrequency load shedding**.  
Yes  No
- (c) The **market participant** is required to comply with a connection **remedial action scheme** for this **point of delivery**.  
Yes  No

9. **TERM**

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

10. **PRIOR AGREEMENTS**

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

11. **COMMISSIONING**

- (a) The **market participant** must undertake and complete **commissioning** in accordance with the requirements set out in the **ISO rules**.
- (b) **Commissioning** must be completed within ninety (90) **days** from the date that it commences.
- (c) The **market participant** may request changes to the **commissioning** period, energization **authorization** date and **commercial operation** date but such changes will only be effective if the **ISO** approves them in writing.

12. **COMMERCIAL OPERATION**

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

13. **MARKET PARTICIPANT'S REPRESENTATIONS AND WARRANTIES**

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

- (a) the **market participant** is duly incorporated or organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization, and duly registered and authorized to carry on business in the Province of Alberta;
- (b) this **DTS Agreement** has been duly authorized, executed and delivered by the **market participant** and constitutes a legal, valid and binding obligation of the **market participant**, enforceable against it in accordance with its terms, except to the extent that such enforceability may be limited by bankruptcy, insolvency, winding-up, reorganization,

and similar laws affecting the enforceability of creditors' rights generally and the availability of equitable remedies such as specific performance or injunction; and

- (c) the authorization, execution and performance by the **market participant** of this **DTS Agreement**:
  - (i) does not and will not violate any laws applicable to the **market participant**; and
  - (ii) is not in contravention of its constituting documents or its by-laws or the provisions of any loan agreement or other agreement to which it is a party or by which it is bound.

14. **NOTICES**

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

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

Attention: \_\_\_\_\_

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

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

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

Attention: \_\_\_\_\_

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

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

15. **AMENDMENTS**

- (a) The parties acknowledge that either may request an amendment to this **DTS Agreement**, including without limitation an amendment to the **contract capacity**. A party may request such an amendment by complying with the procedure for amending **DTS Agreements** posted by the **ISO** on its website. If such procedure is not posted, the party requesting an amendment may provide a notice to the other requesting such amendment.
- (b) Notwithstanding the foregoing, the parties acknowledge that the **ISO tariff** and the **ISO rules** may be amended from time to time during the term of this **DTS Agreement** by approval of the **Commission** and that this **DTS Agreement** shall be deemed amended upon each such approval.

- (c) Subject to Section 15(b), this **DTS Agreement** may only be amended by written instrument executed by the **ISO** and the **market participant**.

16. **MISCELLANEOUS**

- (a) The following matters shall be dealt with in accordance with the **ISO tariff** and the **ISO rules**:
  - (i) Assignment – Section 15 of the **ISO tariff**.
  - (ii) Confidentiality – **ISO rule** 103.1.
  - (iii) Dispute Resolution – **ISO rule** 103.2.
- (b) **Force majeure** shall be dealt with in accordance with the **ISO tariff** and the **ISO rules**.
- (c) Section 7 shall survive the termination of this **DTS Agreement** for either the time provided for in such section or the longest period provided by law.
- (d) This **DTS Agreement** will enure to the benefit and be binding upon the parties to this **DTS Agreement** and their respective successors and permitted assigns.
- (e) No waiver by any party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained in this **DTS Agreement** shall take effect or be binding upon that party unless the waiver is expressed in writing under the authority of that party. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.
- (f) Time is of the essence.
- (g) If at any time any one or more of the provisions of this **DTS Agreement** is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions of this **DTS Agreement** will not in any way be affected or impaired thereby to the fullest extent possible by law.
- (h) This **DTS Agreement** shall be governed by and interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein, excluding any conflict of laws principles that may apply therein.
- (i) Whenever possible, each provision of this **DTS Agreement** shall be interpreted in such a manner as to be effective and valid under applicable law, however, each provision of this **DTS Agreement** is intended to be severable and if any provision is determined by a court of competent jurisdiction to be illegal, invalid or unenforceable for any reason whatsoever, such provision shall be severed from this **DTS Agreement** and will not affect the legality, validity or enforceability of the remainder of this **DTS Agreement** or any other provision of this **DTS Agreement**.
- (j) Each party will, from time to time, without further consideration, do such further acts and deliver all such further assurances, deeds and documents as shall be reasonably required in order to fully perform and carry out the terms of this **DTS Agreement**.
- (k) The parties may execute this **DTS Agreement** by fax or other electronic means and in separate counterparts, each of which when so executed and delivered shall be an original, and all such counterparts taken together shall constitute one instrument.

By signing this **DTS Agreement**, the **market participant** acknowledges that it has reviewed the **ISO tariff** and fully understands all rights and obligations contained in it.

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

**Independent System Operator**, operating as AESO

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

Name:

Title:

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

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

Name:

Title:



# ISO Tariff – Appendix B System Access Service Agreement Proforma for Rate STS, Supply Transmission Service



This **STS Agreement** effective the 1st day of \_\_\_\_\_, 201\_\_ (the “**effective date**”).

Between:

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

and

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

## RECITALS:

- A. This **STS Agreement** sets out the particular details of the **system access service** that the **ISO** will provide to the **market participant** under Rate STS of the **ISO tariff**.
- B. The **ISO tariff** contains additional terms and conditions of **system access service**. This **STS Agreement** is comprised of both this document and the **ISO tariff**, and accordingly, both this document and the **ISO tariff** must be referred to and administered by the parties, even though the **ISO tariff** is not attached but incorporated into this **STS Agreement** by reference.

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

## 1. DEFINITIONS AND INTERPRETATION

- (a) Unless otherwise defined in this **STS Agreement**, bolded terms, not including headings, used in this document have the meanings given to them in the *Consolidated Authoritative Documents Glossary*. In the event of any conflict or inconsistency between this document and the *Consolidated Authoritative Documents Glossary*, the latter shall prevail.
- (b) The **ISO tariff** shall be the **ISO tariff** in effect from time to time.
- (c) In the event of any conflict or inconsistency between this document and the **ISO tariff**, the latter shall prevail.

## 2. POINT OF SUPPLY, CONTRACT CAPACITY AND OTHER DETAILS

- (a) **Point of supply** is located and described as follows:

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



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

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

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

**ISO tariff** in effect on date of permit and licence: \_\_\_\_\_  
Total Project Costs: \$ \_\_\_\_\_  
Participant-Related Costs: \$ \_\_\_\_\_  
System-Related Costs: \$ \_\_\_\_\_  
**Generating Unit** Type: \_\_\_\_\_

(d) Key dates:

(i) Date **Commission** issued permit and licence: [insert date] or n/a  
(ii) Energization authorization date: \_\_\_\_\_  
(iii) **Commissioning** period will commence on: \_\_\_\_\_  
(iv) **Commercial operation** date: \_\_\_\_\_

### 3. **SETTLEMENT**

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

### 4. **CONTRIBUTIONS**

As of the effective date of this **STS Agreement**, the **market participant's**:

- (a) **construction contribution** is estimated to be \$ [insert amount] and may be adjusted in accordance with the **ISO tariff**; and
- (b) **legal owner's** contribution for a **generating unit** or an **aggregated generating facility** is \$ [insert amount] and may be adjusted in accordance with the **ISO tariff**.

### 5. **ISO OBLIGATION TO PROVIDE SERVICE**

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

### 6. **MARKET PARTICIPANT'S OBLIGATION IN RELATION TO SERVICE**

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

### 7. **MARKET PARTICIPANT'S PAYMENT OBLIGATION**

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

8. **OTHER CONDITIONS**

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

Yes

No

9. **TERM**

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

10. **PRIOR AGREEMENTS**

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

11. **COMMISSIONING AND COMMERCIAL OPERATION**

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

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

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

12. **COMMERCIAL OPERATION**

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

13. **MARKET PARTICIPANT'S REPRESENTATIONS AND WARRANTIES**

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

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

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

- (c) the authorization, execution and performance by the **market participant** of this **STS Agreement**:
  - (i) does not and will not violate any laws applicable to the **market participant**; and
  - (ii) is not in contravention of its constating documents or its by-laws or the provisions of any loan agreement or other agreement to which it is a party or by which it is bound.

14. **NOTICES**

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

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

Attention: \_\_\_\_\_

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

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

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

Attention: \_\_\_\_\_

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

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

15. **AMENDMENTS**

- (a) The parties acknowledge that either may request an amendment to this **STS Agreement**, including without limitation an amendment to the **contract capacity**. A party may request such an amendment by complying with the procedure for amending **STS Agreements** posted by the **ISO** on its website. If such procedure is not posted, the party requesting an amendment may provide a notice to the other requesting such amendment.
- (b) Notwithstanding the foregoing, the parties acknowledge that the **ISO tariff** and the **ISO rules** may be amended from time to time during the term of this **STS Agreement** by approval of the **Commission** and that this **STS Agreement** shall be deemed amended upon each such approval.
- (c) Subject to Section 14(b), this **STS Agreement** may only be amended by written instrument executed by the **ISO** and the **market participant**.

16. **MISCELLANEOUS**

- (a) The following matters shall be dealt with in accordance with the **ISO tariff** and the **ISO rules**:
  - (i) Assignment – Section 15 of the **ISO tariff**.
  - (ii) Confidentiality – **ISO rule** 103.1.
  - (iii) Dispute Resolution – **ISO rule** 103.2.
- (b) **Force majeure** shall be dealt with in accordance with the **ISO tariff** and the **ISO rules**.
- (c) Section 7 shall survive the termination of this **STS Agreement** for either the time provided for in such section or the longest period provided by law.
- (d) This **STS Agreement** will enure to the benefit and be binding upon the parties to this **STS Agreement** and their respective successors and permitted assigns.
- (e) No waiver by any party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained in this **STS Agreement** shall take effect or be binding upon that party unless the waiver is expressed in writing under the authority of that party. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.
- (f) Time is of the essence.
- (g) If at any time any one or more of the provisions of this **STS Agreement** is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions of this **STS Agreement** will not in any way be affected or impaired thereby to the fullest extent possible by law.
- (h) This **STS Agreement** shall be governed by and interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein, excluding any conflict of laws principles that may apply therein.
- (i) Whenever possible, each provision of this **STS Agreement** shall be interpreted in such a manner as to be effective and valid under applicable law, however, each provision of this **STS Agreement** is intended to be severable and if any provision is determined by a court of competent jurisdiction to be illegal, invalid or unenforceable for any reason whatsoever, such provision shall be severed from this **STS Agreement** and will not affect the legality, validity or enforceability of the remainder of this **STS Agreement** or any other provision of this **STS Agreement**.
- (j) Each party will, from time to time, without further consideration, do such further acts and deliver all such further assurances, deeds and documents as shall be reasonably required in order to fully perform and carry out the terms of this **STS Agreement**.
- (k) The parties may execute this **STS Agreement** by fax or other electronic means and in separate counterparts, each of which when so executed and delivered shall be an original, and all such counterparts taken together shall constitute one instrument.

By signing this **STS Agreement**, the **market participant** acknowledges that it has reviewed the **ISO tariff** and fully understands all rights and obligations contained in it.

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

**Independent System Operator**, operating as AESO

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

Name:

Title:

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

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

Name:

Title:

# ISO Tariff – Appendix B 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.

If approved, this application sets the parameters for a **market participant's** demand opportunity service transaction requests throughout the 12 **months** following such approval. Pre-qualification does not obligate the **ISO** to approve, or the **market participant** to request, any demand opportunity service. A non-refundable fee of \$5000.00 is payable with this application.

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## 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

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## Technical and Commercial Information

The following information is required in order for the **ISO** to determine whether the proposed use of demand opportunity service complies with the criteria set out in the **ISO tariff**.

- Requested start date: \_\_\_\_\_
- End date: 12 **months** from requested start date
- Requested demand opportunity service capacity: \_\_\_\_\_ MW
- Anticipated frequency of use: \_\_\_\_\_
- Total MWhs per **month:** \_\_\_\_\_

- Type of demand opportunity service expected to be used:

DOS 7 minute

DOS 1 hour

DOS Term

**Technical Information:** Please provide the following on an attachment labeled “Schedule A”.

- Load characteristic (static, synchronous machine or induction machine)
- Approximate load factor (demand opportunity service specific load only)
- Expected **power factor**

Schedule A:  Attached

**Commercial Information:** Please read the eligibility criteria in the **ISO tariff** and provide a comprehensive business case, labeled “Schedule B”, demonstrating that the proposed use of demand opportunity service complies with those criteria. The business case must provide enough information to satisfy the **ISO** that the proposed use of electricity under demand opportunity service would not occur at the standard Rate DTS. The business case normally pertains to the end-user’s commercial circumstances and the end-user must be prepared to provide any additional information that the **ISO** reasonably requests.

Schedule B:  Attached

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### Undertaking

The **market participant** undertakes to provide prompt notification to the **ISO** upon the occurrence of any financial, operational, and/or technical changes, where such changes materially impact the assumptions contained within the attached business case (“Schedule B”). Failure to provide such information to the **ISO** in a timely and comprehensive manner may result in the **ISO** auditing and/or reassessing the eligibility of the **market participant** to be pre-qualified for the use of demand opportunity service. Further, the **market participant** undertakes that the use of demand opportunity service contemplated in the business case will not be modified.

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The **market participant** confirms that the contents of this application are true.

**Market participant:**

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
(Print name) (Print title)

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

Please complete and send to the Alberta Electric System Operator.

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

Attention: Commercial Services

Fax: (403) 539-2949

Email: dos.applications@aeso.ca



# ISO Tariff – Appendix B System Access Service Agreement Proforma for Rate XOS and Rate XOM, Export Service



This **Export Agreement** effective the 1st day of \_\_\_\_\_, 201\_\_ (the “**effective date**”).

Between:

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

and

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

## RECITALS:

- A. This **Export Agreement** sets out the particular details of the **system access service** that the **ISO** will provide to the **market participant** under:
- Rate XOS of the **ISO tariff**, *Export Opportunity Service*;
  - Rate XOM of the **ISO tariff**, *Export Opportunity Merchant Service*; or
  - both.
- B. The **ISO tariff** contains additional terms and conditions of **system access service**. This **Export Agreement** is comprised of both this document and the **ISO tariff**, and accordingly, both this document and the **ISO tariff** must be referred to and administered by the parties, even though the **ISO tariff** is not attached but incorporated into this **Export Agreement** by reference.

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

## 1. DEFINITIONS AND INTERPRETATION

- (a) Unless otherwise defined in this **Export Agreement**, bolded terms, not including headings, used in this document have the meanings given to them in the *Consolidated Authoritative Documents Glossary*. In the event of any conflict or inconsistency between this document and the *Consolidated Authoritative Documents Glossary*, the latter shall prevail.
- (b) The **ISO tariff** shall be the **ISO tariff** in effect from time to time.
- (c) In the event of any conflict or inconsistency between this document and the **ISO tariff**, the latter shall prevail.

## 2. POINT OF INTERCONNECTION

- British Columbia **Intertie**     Saskatchewan **Intertie**     Montana **Intertie**

3. **SETTLEMENT**

The **ISO** shall charge, and the **market participant** shall pay, amounts in accordance with Rate XOS or Rate XOM, as applicable, commencing on [insert date].

4. **ISO OBLIGATION TO PROVIDE SERVICE**

Subject to Section 7, the **ISO** shall provide **system access service** under Rate XOS or Rate XOM, as applicable, to the **market participant** at the **point of interconnection** pursuant to Section 2 of this **Export Agreement**.

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

If the **market participant** takes **system access service** under Rate XOS or Rate XOM, as applicable, the **market participant** shall take such **system access service** at the **point of interconnection** pursuant to Section 2 of this **Export Agreement**.

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

The **market participant** shall pay to the **ISO** for **system access service** during the term of this **Export Agreement** the amount required pursuant to Rate XOS or Rate XOM, as applicable.

7. **TERM**

This **Export Agreement** will commence on the **effective date** and will continue for a term of one (1) year, expiring on \_\_\_\_\_, 201\_\_.

8. **PRIOR AGREEMENTS**

This **Export Agreement** supersedes and replaces, as of the **Effective Date**, any other agreement for **system access service** under Rate XOS or Rate XOM, as applicable, between the parties at the **point of interconnection**.

9. **MARKET PARTICIPANT'S REPRESENTATIONS AND WARRANTIES**

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

- (a) the **market participant** is duly incorporated or organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization, and duly registered and authorized to carry on business in the Province of Alberta;
- (b) this **Export Agreement** has been duly authorized, executed and delivered by the **market participant** and constitutes a legal, valid and binding obligation of the **market participant**, enforceable against it in accordance with its terms, except to the extent that such enforceability may be limited by bankruptcy, insolvency, winding-up, reorganization, and similar laws affecting the enforceability of creditors' rights generally and the availability of equitable remedies such as specific performance or injunction; and
- (c) the authorization, execution and performance by the **market participant** of this **Export Agreement**:
  - (i) does not and will not violate any laws applicable to the **market participant**; and
  - (ii) is not in contravention of its constating documents or its by-laws or the provisions of any loan agreement or other agreement to which it is a party or by which it is bound.

10. **NOTICES**

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

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

Attention: \_\_\_\_\_

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

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

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

Attention: \_\_\_\_\_

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

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

11. **AMENDMENTS**

- (a) The parties acknowledge that either may request an amendment to this **Export Agreement**. A party may request such an amendment by complying with the procedure for amending **Export Agreements** posted by the **ISO** on its website. If such procedure is not posted, the party requesting an amendment may provide a notice to the other requesting such amendment.
- (b) Notwithstanding the foregoing, the parties acknowledge that the **ISO tariff** and the **ISO rules** may be amended from time to time during the term of this **Export Agreement** by approval of the **Commission** and that this **Export Agreement** shall be deemed amended upon each such approval.
- (c) Subject to Section 11(b), this **Export Agreement** may only be amended by written instrument executed by the **ISO** and the **market participant**.

12. **MISCELLANEOUS**

- (a) The following matters shall be dealt with in accordance with the **ISO tariff** and the **ISO rules**:
- (i) Assignment – Section 15 of the **ISO tariff**.
  - (ii) Confidentiality – **ISO rule** 103.1.
  - (iii) Dispute Resolution – **ISO rule** 103.2.

- (b) **Force majeure** shall be dealt with in accordance with the **ISO tariff** and the **ISO rules**.
- (c) Section 6 shall survive the termination of this **Export Agreement** for either the time provided for in such section or the longest period provided by law.
- (d) This **Export Agreement** will enure to the benefit and be binding upon the parties to this **Export Agreement** and their respective successors and permitted assigns.
- (e) No waiver by any party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained in this **Export Agreement** shall take effect or be binding upon that party unless the waiver is expressed in writing under the authority of that party. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.
- (f) Time is of the essence.
- (g) If at any time any one or more of the provisions of this **Export Agreement** is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions of this **Export Agreement** will not in any way be affected or impaired thereby to the fullest extent possible by law.
- (h) This **Export Agreement** shall be governed by and interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein, excluding any conflict of laws principles that may apply therein.
- (i) Whenever possible, each provision of this **Export Agreement** shall be interpreted in such a manner as to be effective and valid under applicable law, however, each provision of this **Export Agreement** is intended to be severable and if any provision is determined by a court of competent jurisdiction to be illegal, invalid or unenforceable for any reason whatsoever, such provision shall be severed from this **Export Agreement** and will not affect the legality, validity or enforceability of the remainder of this **Export Agreement** or any other provision of this **Export Agreement**.
- (j) Each party will, from time to time, without further consideration, do such further acts and deliver all such further assurances, deeds and documents as shall be reasonably required in order to fully perform and carry out the terms of this **Export Agreement**.
- (k) The parties may execute this **Export Agreement** by fax or other electronic means and in separate counterparts, each of which when so executed and delivered shall be an original, and all such counterparts taken together shall constitute one instrument.

By signing this **Export Agreement**, the **market participant** acknowledges that it has reviewed the **ISO tariff** and fully understands all rights and obligations contained in it.

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

**Independent System Operator**, operating as AESO

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

Name:

Title:

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

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

Name:

Title:

# ISO Tariff – Appendix B System Access Service Agreement Proforma for Rate IOS, Import Opportunity Service



This **Import Agreement** effective the 1st **day** of \_\_\_\_\_, 201\_\_ (the “**effective date**”).

Between:

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

and

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

## RECITALS:

- A. This **Import Agreement** sets out the particular details of the **system access service** that the **ISO** will provide to the **market participant** under Rate IOS of the **ISO tariff**, *Import Opportunity Service*.
- B. The **ISO tariff** contains additional terms and conditions of **system access service**. This **Import Agreement** is comprised of both this document and the **ISO tariff**, and accordingly, both this document and the **ISO tariff** must be referred to and administered by the parties, even though the **ISO tariff** is not attached but incorporated into this **Import Agreement** by reference.

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

## 1. DEFINITIONS AND INTERPRETATION

- (a) Unless otherwise defined in this **Import Agreement**, bolded terms, not including headings, used in this document have the meanings given to them in the *Consolidated Authoritative Documents Glossary*. In the event of any conflict or inconsistency between this document and the *Consolidated Authoritative Documents Glossary*, the latter shall prevail.
- (b) The **ISO tariff** shall be the **ISO tariff** in effect from time to time.
- (c) In the event of any conflict or inconsistency between this document and the **ISO tariff**, the latter shall prevail.

## 2. POINT OF INTERCONNECTION

- British Columbia **Intertie**     Saskatchewan **Intertie**     Montana **Intertie**

3. **SETTLEMENT**

The **ISO** shall charge, and the **market participant** shall pay, amounts in accordance with Rate IOS commencing on [insert date].

4. **ISO OBLIGATION TO PROVIDE SERVICE**

Subject to Section 7, the **ISO** shall provide **system access service** under Rate IOS to the **market participant** at the **point of interconnection** pursuant to Section 2 of this **Import Agreement**.

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

If the **market participant** takes **system access service** under Rate IOS, the **market participant** shall take such **system access service** at the **point of interconnection** pursuant to Section 2 of this **Import Agreement**.

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

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

7. **TERM**

This **Import Agreement** will commence on the **effective date** and will continue for a term of one (1) year, expiring on \_\_\_\_\_, 201\_\_.

8. **PRIOR AGREEMENTS**

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

9. **MARKET PARTICIPANT'S REPRESENTATIONS AND WARRANTIES**

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

- (a) the **market participant** is duly incorporated or organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization, and duly registered and authorized to carry on business in the Province of Alberta;
- (b) this **Import Agreement** has been duly authorized, executed and delivered by the **market participant** and constitutes a legal, valid and binding obligation of the **market participant**, enforceable against it in accordance with its terms, except to the extent that such enforceability may be limited by bankruptcy, insolvency, winding-up, reorganization, and similar laws affecting the enforceability of creditors' rights generally and the availability of equitable remedies such as specific performance or injunction; and
- (c) the authorization, execution and performance by the **market participant** of this **Import Agreement**:
  - (i) does not and will not violate any laws applicable to the **market participant**; and
  - (ii) is not in contravention of its constituting documents or its by-laws or the provisions of any loan agreement or other agreement to which it is a party or by which it is bound.



10. **NOTICES**

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

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

Attention: \_\_\_\_\_

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

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

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

Attention: \_\_\_\_\_

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

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

11. **AMENDMENTS**

- (a) The parties acknowledge that either may request an amendment to this **Import Agreement**. A party may request such an amendment by complying with the procedure for amending **Import Agreements** posted by the **ISO** on its website. If such procedure is not posted, the party requesting an amendment may provide a notice to the other requesting such amendment.
- (b) Notwithstanding the foregoing, the parties acknowledge that the **ISO tariff** and the **ISO rules** may be amended from time to time during the term of this **Import Agreement** by approval of the **Commission** and that this **Import Agreement** shall be deemed amended upon each such approval.
- (c) Subject to Section 11(b), this **Import Agreement** may only be amended by written instrument executed by the **ISO** and the **market participant**.

12. **MISCELLANEOUS**

- (a) The following matters shall be dealt with in accordance with the **ISO tariff** and the **ISO rules**:
- (i) Assignment – Section 15 of the **ISO tariff**.
  - (ii) Confidentiality – **ISO rule** 103.1.
  - (iii) Dispute Resolution – **ISO rule** 103.2.

- (b) **Force majeure** shall be dealt with in accordance with the **ISO tariff** and the **ISO rules**.
- (c) Section 6 shall survive the termination of this **Import Agreement** for either the time provided for in such section or the longest period provided by law.
- (d) This **Import Agreement** will enure to the benefit and be binding upon the parties to this **Import Agreement** and their respective successors and permitted assigns.
- (e) No waiver by any party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained in this **Import Agreement** shall take effect or be binding upon that party unless the waiver is expressed in writing under the authority of that party. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.
- (f) Time is of the essence.
- (g) If at any time any one or more of the provisions of this **Import Agreement** is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions of this **Import Agreement** will not in any way be affected or impaired thereby to the fullest extent possible by law.
- (h) This **Import Agreement** shall be governed by and interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein, excluding any conflict of laws principles that may apply therein.
- (i) Whenever possible, each provision of this **Import Agreement** shall be interpreted in such a manner as to be effective and valid under applicable law, however, each provision of this **Import Agreement** is intended to be severable and if any provision is determined by a court of competent jurisdiction to be illegal, invalid or unenforceable for any reason whatsoever, such provision shall be severed from this **Import Agreement** and will not affect the legality, validity or enforceability of the remainder of this **Import Agreement** or any other provision of this **Import Agreement**.
- (j) Each party will, from time to time, without further consideration, do such further acts and deliver all such further assurances, deeds and documents as shall be reasonably required in order to fully perform and carry out the terms of this **Import Agreement**.
- (k) The parties may execute this **Import Agreement** by fax or other electronic means and in separate counterparts, each of which when so executed and delivered shall be an original, and all such counterparts taken together shall constitute one instrument.



By signing this **Import Agreement**, the **market participant** acknowledges that it has reviewed the **ISO tariff** and fully understands all rights and obligations contained in it.

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

**Independent System Operator**, operating as AESO

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

Name:  
Title:

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

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

Name:  
Title:

# ISO Tariff – Appendix B Construction Commitment Agreement Proforma



**THIS CONSTRUCTION COMMITMENT AGREEMENT** made as of the \_\_\_ day of \_\_\_\_\_, 201\_\_ (the “**Effective Date**”)

BETWEEN:

**[Insert Name of Legal Owner of the Transmission Facility]**,  
a corporation incorporated under the  
laws of the Province of Alberta (hereinafter referred to as the “**TFO**”)

– and –

**[Insert Name of Market Participant]**,  
a corporation incorporated under the  
laws of the Province of • (hereinafter referred to as the “**Market Participant**”)

## RECITALS

- A. **WHEREAS** the Market Participant has requested system access service from the Independent System Operator, operating as the Alberta Electric System Operator, (the “**ISO**”) 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. **AND WHEREAS** the provision or amendment of system access service will require the construction of new transmission facilities and a commitment by the Market Participant in relation to the expenditure of capital for such construction;
- C. **AND WHEREAS** the ISO Tariff requires the Market Participant to provide Financial Security to the TFO, to pay a Construction Contribution to the TFO, or both, with respect to the Market Participant’s Financial Obligation for the Connection Project in amounts determined pursuant to the ISO Tariff;
- D. **AND WHEREAS** prior to commencing the Project Work set out in Schedule “A” hereto, the ISO Tariff requires the Market Participant to enter into an agreement substantially in the form of this Construction Commitment Agreement with the TFO to hold the TFO harmless from any negative financial consequences related to the cancellation of the Connection Project.

**NOW THEREFORE** in consideration of the mutual covenants and agreements set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties, the parties hereby agree as follows:

## Interpretation and Definitions

- 1. In this Agreement:
  - (a) unless the context requires otherwise, words in the singular include the plural and words in the plural include the singular;
  - (b) “may” is to be construed as permissive and empowering and “must”, “shall” and “will” are to be construed as imperative;
  - (c) the use of the word “including” is not to be construed as being restrictive; and

- (d) capitalized words and phrases have the meanings given to them in the preamble or body of this Agreement, and in addition the following terms shall have the meanings provided below:
- (i) **“Act”** means the *Electric Utilities Act* and any regulations made under it.
  - (ii) **“Agreement”** means this Construction Commitment Agreement and all amendments hereto, including all Schedules attached herewith and amendments thereto.
  - (iii) **“Cancellation Costs”** means all Connection Project costs actually incurred by the TFO prior to cancellation of the Connection Project, or reasonably required to be incurred by the TFO after cancellation of the Connection Project, including costs arising from preparation of the connection proposal, preparation of the facility application and construction of the Connection Project, as documented in the construction commitment agreement required by subsection 2 of section 5 of the ISO Tariff; third-party cancellation costs and penalties; costs for material salvage; and reclamation of the construction site.
  - (iv) **“Cancellation Event”** means an event described in paragraph 10 or 11 of this Agreement which leads to or may lead to the cancellation of the Connection Project.
  - (v) **“Commercial Operation”** means the date upon which a load, generating unit or aggregated generating facility begins to operate on the transmission system in a manner which is acceptable to the ISO and which is expected to be normal for it to so operate, after energization and commissioning.
  - (vi) **“Commission”** as defined in the Act means the Alberta Utilities Commission established by the *Alberta Utilities Commission Act*.
  - (vii) **“Connection Project”** means new transmission facilities constructed by the TFO at the request of the Market Participant for system access service.
  - (viii) **“Construction Contribution”** means the financial contribution in aid of construction, in excess of any available maximum local investment, that a Market Participant must pay for the construction and associated costs of transmission facilities required to provide system access service.
  - (ix) **“Financial Obligation”** for the purpose of this Agreement means any debt, payment or similar obligation of the Market Participant actually incurred or likely to be incurred in accordance with section 5 of the ISO Tariff or under any terms of an agreement or other document between the Market Participant and the TFO.
  - (x) **“Financial Security”** for the purpose of this Agreement means sufficient enforceable credit support to secure the Financial Obligations of the Market Participant to the ISO or the TFO.
  - (xi) **“Guarantor”** means an entity that provides a guarantee on behalf of the Market Participant.
  - (xii) **“ISO Tariff”** as defined in the Act means the tariff prepared by the ISO under section 30 of the Act that has been approved by the Commission, as amended from time to time.
  - (xiii) **“Material Adverse Change”** for the purpose of this Agreement means a downgrade in the credit rating of the Market Participant or its Guarantor by any credit rating agency, or an event that may result in the materially weaker

creditworthiness of the Market Participant or its Guarantor as would be reasonably determined by the TFO.

- (xiv) **“Project Work”** means the work for the Connection Project as set out in Schedule “A” to this Agreement.
- (xv) **“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

### Term of Agreement

2. This Agreement shall take effect on the Effective Date and shall remain in full force and effect until:
  - (a) the Connection Project begins Commercial Operation; or
  - (b) if 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.

### ISO Tariff

3. In addition to the obligations of the parties pursuant to this Agreement:
  - (a) the Market Participant shall remain fully subject to the ISO Tariff in respect of the Connection Project; and
  - (b) with the exception of terms stated to be defined for the purpose of this Agreement, in the event of any conflict or inconsistency between the provisions of this Agreement and the ISO Tariff, the provisions of the ISO Tariff shall prevail.

### Construction Contribution and Financial Security

4. The Market Participant will pay to the TFO a Construction Contribution required in respect of its Financial Obligation for the Connection Project in accordance with section 5 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 (as amended from time to time), 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 5 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 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, as amended from time to time.
6. The Construction Contribution and Financial Security shall in aggregate be in an amount adequate to fund the Financial Obligation arising from the Project Work, as determined pursuant to section 5 of the ISO Tariff.
7. All changes to the Construction Contribution and Financial Security shall 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 pursuant hereto are unsecured, or its Guarantor has provided a guarantee as Financial Security, and the Market Participant

becomes aware of any Material Adverse Change in respect of the Market Participant or Guarantor, the Market Participant shall provide written notice thereof to the TFO and to the ISO within two (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 an event of Material Adverse Change has occurred, consideration must be given to any event, circumstance or change which affects or would reasonably be expected to affect:
- (a) the financial condition of the Market Participant or any Guarantor;
  - (b) the ability of the Market Participant or any Guarantor to perform its obligations under any Financial Security; or
  - (c) the assets or business of the Market Participant or any Guarantor.

### **Cancellation of Connection Project**

10. The Connection Project will 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 any critical requirements under subsection 7 of section 4 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 in accordance with the ISO Tariff 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 Agreement, or thereafter 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 hereof;
  - (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 (in the ISO's standard form); or
    - (ii) enter into an amendment of its existing system access service agreement with respect to the Connection Project (in the ISO's standard form),at least three (3) business days prior to the start of the month of planned energization;
  - (d) the Market Participant or any Guarantor breaches any term, condition, agreement or covenant under this Agreement or the Financial Security and fails to remedy such breach within five (5) business days of receipt of written notice of such breach by the TFO to the Market Participant;



- (e) any representation or warranty made or given by the Market Participant in connection with this Agreement is shown to be untrue or incorrect as at the date given or ceases to be true and correct during the term of this Agreement;
- (f) the Market Participant or any 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 any proceeding seeking any reorganization, arrangement, composition or readjustment under any 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 any Guarantor;
- (g) there is instituted by or against the Market Participant or any Guarantor any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against, or winding up of the affairs of, the Market Participant or any Guarantor, or a resolution is passed for dissolution, liquidation or winding up the Market Participant or any Guarantor;
- (h) the Market Participant or any 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 any Guarantor;
- (j) the Market Participant creates or permits to exist any 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 pari passu with the Financial Security;
- (k) the holder of any charge, security interest, lien, encumbrance or claim against any of the collateral charged under the Financial Security does anything to enforce or realize on such charge, security interest, lien, encumbrance or claim; or
- (l) with respect to any letter of credit provided to the TFO, if replacement Financial Security is requested and not provided by the Market Participant within two (2) business days 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 any applicable grace period;
  - (iii) the issuer of such letter of credit disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, such letter of credit;
  - (iv) such letter of credit expires or terminates, or ceases to be in full force and effect for the purposes of this Agreement (in either case other than in accordance with its terms) prior to the satisfaction of all obligations of the Market Participant under this Agreement without the written consent of the TFO;

- (v) there are less than twenty (20) business days remaining until expiry of such letter of credit; or
  - (vi) any event analogous to a Material Adverse Change occurs with respect to the issuer of such letter of credit.
12. If upon the occurrence of a Cancellation Event the Connection Project is cancelled, the TFO, without limiting or restricting other rights or remedies under contract, at law or in equity:
- (a) shall:
    - (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 such legal actions or proceedings against the Market Participant or its Guarantor as it determines.
13. Upon the occurrence of a Cancellation Event the TFO shall use, and shall 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 shall at all times maintain accurate accounts, records, invoices and third-party invoices for all Connection Project costs, including all Cancellation Costs, which will be prima facie evidence of the amounts owing to the TFO by the Market Participant.
15. The Market Participant shall forthwith, upon demand having been made therefore by the TFO following the occurrence of a Cancellation Event, pay the Cancellation Costs to the TFO. If the Market Participant fails to pay to the TFO the Cancellation Costs upon demand, the TFO shall have 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 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 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 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 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 will 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 Agreement and the Financial Security by the TFO.

18. In this Agreement:

- (a) any notice or communication required or permitted to be given under this Agreement will be in writing and will be considered to have been duly given if delivered by hand or courier, transmitted by facsimile transmission address or facsimile transmission number, or delivered by e-mail, of 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
    - Attention: •
    - Fax No: •
    - E-mail: •
  - (iv) to such other address or facsimile transmission number as any party may designate by providing notice of the same to all parties.
  - (b) notice or communication will be 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 on the next business day, and if sent by facsimile transmission or e-mail during business hours on a business day, upon the sender receiving confirmation of the transmission or e-mail delivery, and if not transmitted during business hours, upon the commencement of business on the next business day.
19. This Agreement may not be assigned by the Market Participant without the prior written consent of the TFO.
  20. This Agreement may not be assigned by the TFO without the prior written consent of the Market Participant, except that the TFO may assign its interest in this 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 Agreement is to be construed as an obligation on the part of the Market Participant to proceed with the Connection Project.
  22. This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.
  23. No failure or delay on the TFO's part in exercising any power or right hereunder will operate as a waiver thereof.
  24. The TFO's rights and remedies hereunder are cumulative and not exclusive of any rights or remedies at law or in equity.
  25. Time is of the essence of this Agreement and all documents or instruments delivered hereunder.
  26. If at any time any one or more of the provisions hereof is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions hereof will not in any way be affected or impaired thereby to the fullest extent possible by law.
  27. This Agreement will be governed by and interpreted in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein. 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 any suit, action or proceeding commenced in such Courts and by any order or judgment resulting from such suit, action or proceeding, but the foregoing will in no way limit the right of the TFO to commence suits, actions or proceedings based on this Agreement in any jurisdiction it may deem appropriate.
  28. This Agreement may be varied or amended only by or pursuant to an agreement in writing signed by the parties hereto.



- 29. All Schedules attached hereto will be deemed fully a part of this Agreement. The Schedules may be varied or amended provided such amendments are signed by the parties hereto, as provided in the Schedules.
- 30. This Agreement may be signed in one or more counterparts, originally or by facsimile, each such counterpart taken together will form one and the same agreement.

**THE TFO AND THE MARKET PARTICIPANT** have executed this Agreement as of the Effective Date:

**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 under the  
 laws of the Province of Alberta (hereinafter referred to as the “TFO”)

– and –

**[Insert name of Market Participant],**  
 a corporation incorporated under the  
 laws of the Province of • (hereinafter referred to as the “Market Participant”)

**PROJECT WORK AND FINANCIAL OBLIGATION**

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

**[Author: If this is a replacement Schedule “A” keep the following language:**

The TFO and Market Participant have agreed to amend the Construction Commitment Agreement pursuant to the terms and conditions contained herein.

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

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

This 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:

**[Insert amounts next to applicable selections]**

<b>Project Work</b>	<b>Estimated Costs</b>	<b>Date of Issue</b>
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>[add description of any additional work]</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).	

Project Work	Estimated Costs	Date of Issue
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 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 on Schedule “B”.

**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 under the  
laws of the Province of Alberta (hereinafter referred to as the “TFO”)

– and –

**[Insert name of Market Participant],**  
a corporation incorporated under the  
laws of the Province of • (hereinafter referred to as the “Market Participant”)

### CONSTRUCTION CONTRIBUTION AND FINANCIAL SECURITY

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

**[Author: If this is a replacement Schedule “B” keep the following language:**

The TFO and Market Participant have agreed to amend the Construction Commitment Agreement pursuant to the terms and conditions contained herein.

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

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

This 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. Pursuant to subsection 3 of section 5 of the ISO Tariff, a legal owner of an electric distribution system that is regulated by the Commission is not required to provide Financial Security up to the maximum local investment.
2. Upon execution of the Construction Commitment Agreement, the Market Participant shall provide to the TFO one or more of the following as determined in accordance with section 5 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 able to be 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.

3. The Market Participant shall 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: \_\_\_\_\_