

AltaGas Utilities Inc.

**NATURAL GAS UTILITY
SERVICE RULES**

A Guide to These Rules

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|---------|--|----|
| Part 1 | What these Rules are about..... | 3 |
| Part 2 | Signing up for gas distribution service | 4 |
| Part 3 | Installing or changing your gas distribution service | 5 |
| Part 4 | Rights and responsibilities once gas distribution service begins | 9 |
| Part 5 | Measuring use and charges | 11 |
| Part 6 | Service charges | 13 |
| Part 7 | Paying your bills | 14 |
| Part 8 | Arranging your gas supply..... | 18 |
| Part 9 | Stopping gas distribution service | 19 |
| Part 10 | Liability, responsibility and other legal matters | 22 |
| Part 11 | List of definitions..... | 23 |
| | Special Charges Schedule..... | 26 |
| | Contact Information..... | 29 |

AltaGas Utilities Inc. NATURAL GAS UTILITY SERVICE RULES

Part 1 What these Rules are about

We run the system that brings natural gas to you

We are AltaGas Utilities Inc., a gas utility committed to providing our customers with safe, reliable, and economical natural gas *utility service*. Our *utility service* can be *gas distribution service* by itself, or *gas distribution service* and *default supply* combined.

Everyone on our system helps pay for it, so we need rules

All our customers help pay the costs of building, operating and maintaining *our system* – the things we install to provide *gas distribution service* to our customers, including you. The lower the costs are, the lower our rates can be. Keeping costs down, while maintaining safety and reliability, takes cooperation and rules.

These Rules govern the relationship between us

These are the rules for *our system*. They govern how we serve you, and how you take service from us. They are part of every *service agreement* – the agreement between us as the provider of *utility service* and you as our customer. We have that agreement with you whether you sign a contract or we simply begin providing you with *utility service* on the basis of these Rules.

These Rules are approved by the Alberta Energy and Utilities Board

These Rules are approved by the Alberta Energy and Utilities Board (which we refer to as the “*Board*”) and can't be changed without its approval. Once the *Board* approves the Rules, they are legally binding on you and us.

Some special terms in these Rules are defined at the end

In these Rules some words are in italics and have special meanings. All the special terms and their definitions are collected together in a List of Definitions at the end of these Rules for easy reference.

Part 2 Signing up for gas distribution service

To get gas distribution service, you have to apply

1. If you want us to start providing you with *gas distribution service*, you have to tell us. We may not be able to provide service until you sign an application or give us written confirmation that you accept responsibility for an account with us.

If you have a retailer, you still have a responsibility to contact us

2. If you have a *retailer*, you must still contact us directly to apply for *gas distribution service*. Regardless of who your gas supplier is, we have to set up an account for you on *our system*.

To provide good service, we need to know you

3. For us to give you the right service and charge the right rates, you will need to give us some information when you apply. For example, you will need to tell us the amount of gas you expect to use and how it will be used. We will need information such as credit references and how we can reach you or someone who can act for you, in an emergency.

Our agreement starts when we start providing gas distribution service

4. No matter how you apply, you have a *service agreement* with us as soon as you tell us to provide the service and, we either begin providing the *gas distribution service* to you or start doing the things necessary to provide the *gas distribution service*. We don't have a *service agreement*, or an obligation to serve you, simply because you have given us an application form for installation of a new service, a cash deposit, or you have signed an agreement with a *retailer*.

Special agreements are possible

5. If you are a large-usage customer or have special service needs, we can also make a *service agreement* with you by signing a service contract. That contract will say when it takes effect.

These Rules always apply

6. In any case, however a *service agreement* is made, it includes these Rules as if they were in a paper contract we signed with you.

You let us use your land to serve you

7. To serve you, we need some rights to use the *service land* – the parcel of land on which the *service site* is located. The *service site* is the building or thing to which we provide *gas distribution service* under the *service agreement*. For example, for typical *gas distribution service* to a home, the *service site* would be the house and the *service land* would be the parcel of land on which the house is built. If the *service agreement* isn't clear, we can name anything as the *service site* that fits in with the general intent of our agreement.

You don't charge us for using your land to serve you

8. When you make a *service agreement* with us, you are granting us at no charge, all reasonable land-related rights we need to provide *gas distribution service* to your *service site* and to install and maintain our *lines and equipment*. Those rights may include easements and utility rights-of-way for *lines and equipment* required to serve your *service site*, on any of your land even if it isn't the *service land*. They also include the right to enter the land and dig it up to install, repair, replace, maintain and inspect the *lines and equipment*. We will try our best to minimize the inconvenience to you and the damage to your property when we do this work and we will reasonably restore your land when we are finished. Finally, if someone other than you has to give us the right to use the land, we may ask for your help in getting the land rights needed to serve you. If we cannot acquire these land rights, we may not be able to serve you.

Part 3 Installing or changing your gas distribution service

3.1 Connecting you to our system

There is a fee to assume service

1. You may be able to receive *gas distribution service* from *our system* without us needing to install any new *lines and equipment*. If you assume *gas distribution service* at a *service site*, you must pay the Account Activation Fee to cover the cost of activating your account. An account is required for all customers, including customers who purchase *retail supply*. The Account Activation Fee does not apply if we are installing new *lines and equipment* to provide you with *gas distribution service*. The amounts of the Account Activation Fee and other Special Charges are set out in the Special Charges Schedule located at the end of these Rules.

If someone else turned the gas off, we normally will not charge a reconnection fee

2. If your *service site* was temporarily disconnected from *our system* (the gas was turned off), you are not expected to pay a reconnection fee to have the gas turned back on – unless you are the customer who originally requested that the gas be turned off. Please refer below to Part 6 – Service charges about temporarily disconnecting from *our system*.

We do all work on our system

3. When it comes to *our system*, we have a basic rule – only our employees or our agents can work on it. That includes installing, maintaining, or removing a service line as well as doing extensions, replacements, changes, connections to, or disconnections from, *our system*. No one else can do any of this kind of work unless we have given them specific permission in writing. This rule is necessary because we are very concerned about safety.

You are responsible for getting permits and/or inspections

4. Municipal bylaws or provincial laws may require you to get permits and/or inspections before we can provide you with *gas distribution service* at a new *delivery point* or continue *gas distribution service* at a *delivery point* where there have been changes to your piping or appliances. Getting those permits and/or inspections is your responsibility and we might not start work or provide *gas distribution service* until you have them completed. We may also stop *gas distribution service* if you don't have a legally required permit.

We will schedule installation after all requirements have been met

5. We will schedule the installation of a service line after you have complied with our application and contribution requirements, have acquired all necessary permits, inspections, and approvals, and we have accepted your application for *gas distribution service*.

We may not be able to provide gas distribution service right away

6. We will try to install a service line as soon as we can after you apply for it, but that may not be right away. For example, it may not make sense to try to bury pipe in frozen ground. In short, we won't start an installation until we think it makes sense.

You pay to install and remove temporary gas distribution service

7. If you want us to install a service line that we don't think will be permanent, you will have to provide payment in advance to cover installation and removal costs.

We don't have to install a service line if the costs are greater than the benefits

8. Because all our customers share the cost of building and operating *our system*, we will not install a service line unless we think the benefit to *our system* of doing so justifies the cost. If we decide it does not make sense to serve you and you disagree, you can apply to the *Board* for an order that we provide the *gas distribution service*.

3.2 Placing the lines and equipment

We decide where to put the lines and equipment

1. We are very concerned about safety and efficiency. Before we provide *gas distribution service*, we have to decide what *lines and equipment* will be installed, where they will be placed, and how much clear space must be left around them.

If you can't provide a suitable location for the *lines and equipment*, we can't provide the *gas distribution service*.

We may allow a different location

2. You may want the *lines and equipment* put somewhere other than the location we have selected. We can only do that if we consider your proposed location safe and serviceable. The same applies for moving any part of the *lines and equipment* after they are installed.

We will pick the best place for the meter

3. We decide where to put the meter. Normally, that will be on the outside of the *service site*. If we agree to put it inside, we will likely put it as close as possible to the point where the service line enters the building. You may be charged the extra cost of running the connecting pipe from the meter to where the service line enters the *service site*.

To get gas distribution service at more than one point takes a special agreement

4. Unless you make some other agreement with us, there is only one *delivery point* for your *service site* and that is the outlet of the meter installed at the *service site*. If you want more than one *delivery point* at the *service site*, we can put them in provided you pay the extra cost.

3.3 Charges for installing or changing the lines and equipment

Our installation charges are set by the Board

1. The *Board* approves the way we determine what to charge for installing a service line. The basic approach we take is described in the Special Charges Schedule attached to these Rules. You will be charged based on the costs in effect at the time of installation, not what was in effect at the time you applied for *gas distribution service*.

If you want a different location, you pay the extra costs

2. If we agree to install the *lines and equipment* in a location different than where we have selected, you may pay extra installation costs that result.

After the *lines and equipment* are in, if you need any part moved (like a meter) and we agree, you will have to pay the cost of moving it.

We will notify you of the contribution required to install the service line you request

3. As soon as reasonably possible, we will inform you if we require an amount greater than the standard non-refundable contribution to support the cost of installing the service line you request. Normally, you will have been advised of the standard non-refundable contribution at the time you applied for *gas distribution service*. However, if an additional non-refundable contribution is needed, we will advise you in writing. Unless we specify otherwise, the cost information we provide is applicable for the current construction season and under frost-free conditions.

You will have to pay an additional contribution to build a gas main

4. In some cases, we may have to build or expand a gas main to provide you with *gas distribution service*. To be fair to the other customers sharing the costs of *our system*, if a gas main is required we will require you to make a contribution for the main.

If we must build or expand a gas main to provide you with gas distribution service, a portion of your contribution may be refundable

5. We will forecast the short term and long term financial benefits and costs of the new gas main, also taking into consideration the cost of the service lines expected to connect to the gas main. If the short term benefits are greater than the costs, we will ask you for a contribution towards the costs. If however, the long term

benefits are greater than the costs, we may refund a portion of your contribution over time. If the costs are more than the benefits, part or all of your contribution will be non-refundable. A separate agreement will clearly state how much you need to pay in advance and how much is eligible for possible refund.

If we must build or expand a gas main to provide you with gas distribution service, we will notify you in writing of any contributions or other conditions that apply

6. If we have to build or expand a gas main to provide you with *gas distribution service*, we will provide to you, in writing, information about the required refundable and non-refundable contributions and any other conditions which apply before we proceed with construction. Unless we specify otherwise, the cost information we provide is applicable for the current construction season and under frost-free conditions.

Should costs change, you will be advised

7. Should costs change for reasons that were unforeseen or beyond our control (example: cold weather results in frost charges coming into effect), we will advise you in writing before we proceed and give you the option of canceling or proceeding with your *gas distribution service* request.

Part 4 Rights and responsibilities once gas distribution service begins

You are responsible for reporting problems and preventing waste

1. Once *gas distribution service* begins, you have a responsibility to make sure gas is used properly and to help prevent waste. You must notify us immediately if you notice a gas leak on any of our *lines and equipment* or if you have other problems with the *gas distribution service*.

We will maintain our lines and equipment but you must help protect them

2. We will maintain the *lines and equipment* we put in but you must take reasonable steps to protect them. In particular:
 - You must tell Alberta One-Call at least two full working days before you or anyone working for you does any excavation work on the *service land*. Alberta One-Call will notify us and other utilities in your area when work that could damage *lines and equipment* is planned. Contact information for Alberta One-Call is provided at the end of these Rules. Even if their

contact information changes, you must still contact Alberta One-Call and tell them your plans.

- You can't start digging until we have had a chance to mark the approximate location of our *lines and equipment*, including gas mains and service lines, in the area to be excavated. We will make reasonable efforts to have the lines marked within the time you have requested, provided the minimum notification period is met. Even if we have not marked the lines within the requested time, you must not dig until we have marked the lines.
- You must let us know immediately if you, or someone doing work for you, damage the *lines and equipment*. Our emergency response personnel are available to respond to gas leaks 24 hours per day.

If one of our lines or equipment is damaged, call us immediately from a safe location using our emergency phone number provided at the end of these Rules. Alternatively, call the fire department. Do not return to the location of the gas leak or allow any non-emergency personnel to do so.

You can't make changes to your land or site that interfere with our lines and equipment

3. As long as the *lines and equipment* are in place, you may not, without our written consent, do anything to the *service land* or *service site* that will make it difficult for us to maintain our *lines and equipment*. That includes, for example, placing a building, planting a tree, or digging a dugout, over or near the *lines and equipment*. If you put anything in the way, and we damage it trying to work on our *lines and equipment*, we are not responsible for the damage. If you make changes to the *service land* or *service site* that increases the costs of operating, maintaining or repairing the *lines and equipment*, you may have to pay those extra costs.

We can enter when necessary, and use force in an emergency

4. We can access the *service land* or enter the *service site* at any reasonable time to do anything necessary to maintain, repair, and operate *our system* safely and efficiently. That includes reading meters, turning gas on or off, examining and repairing the *lines and equipment*, and checking to see how you are using the gas. We can also dig and do any other work necessary to fix *our system*.

At any time we think there is an emergency, we can use reasonable force, if we have to, to access the *service land* or enter the *service site*.

We will try to provide you advance notice

5. When we can, we will notify you in advance that we will be performing work on the *service land* or *service site*. Depending on the type of work we will be performing, we may contact you directly or in writing, or we may inform you by other means such as newspaper ads or messages with your bill. However, in situations such as emergencies where we must act immediately, we normally will not provide advance notice. Similarly, for routine activities such as meter reading, we normally will not provide notice.

You pay for any damage that's not our fault

6. As long as the *lines and equipment* are in place, you must pay for any damage done to them through your negligence or your actions, or the actions of anyone working for you. That applies even if the work is being done off the *service land*. You are not responsible for normal wear and tear or for any damage caused by our actions or our negligence.

We own the lines and equipment

7. Our ownership of all the *lines and equipment* continues until we give it up. We can remove any part at any time. When our *service agreement* with you ends, we do not need to remove the *lines and equipment*, provided we leave them in a safe condition.

Part 5 Measuring use and charges

We can use actual or estimated usage when determining our charges

1. The amount of gas you use is measured in units of energy, or gigajoules. Charges that are calculated on the amount of gas you use will be based on your actual or estimated energy usage. In addition to the length of time the estimate covers, the estimate can also be based on other factors such as:
 - The amount of gas used previously in a similar period at the *service site*,
 - Past and current weather,
 - The connected load, and
 - Other relevant information that may be available.

We will read the meter when necessary

2. We will determine usage by reading the meter as often as we think is necessary.

You pay for special meter readings

3. If we cannot access the meter, we will try to arrange with you to read the meter in coordination with other meters being read in your area. However, if we must read the meter at any time other than when the meter is normally scheduled to be read, we can charge you the special meter reading fee.
4. If your *gas services* provider changes, we may read the meter when the change occurs. If we read your meter, a special meter reading charge will apply.

You can provide us with a meter reading when we plan to estimate

5. For those months of normal billing where we plan to estimate your gas usage, you have the option of providing us with actual meter readings by phone. However, if you wish to provide us with meter readings, we require you to follow a schedule that we set. Please contact us to make the necessary arrangements.

If the meter wasn't working properly, we will estimate the amount used and adjust your charges

6. If the meter stops working properly we will determine when that happened and estimate the amount of gas you used. We will adjust your charges accordingly. The estimate will only be for the time we think the meter was not working properly. If we can't reasonably determine when the meter stopped working properly, we will correct your charges in compliance with applicable laws and Board direction.

Disputes over our meter measurements can be taken to the federal government, but you may have to pay the cost

7. You have the right, under the *Electricity and Gas Inspection Act* (R.S., 1985, c. E-4), to dispute our meter measurements. We have the same right. If you register a dispute with the federal government and our meter measurements are found to be within the limits of error allowed in the Act, you will have to pay us the cost of removing the meter for testing – the amount is shown in the Special Charges Schedule. You don't have to pay that cost if it turns out our meter measurements are not within the limits of error in the Act. You also don't have to pay that cost if we register the dispute with the federal government. No matter who questions it, if it turns out the meter measurements are not within the limits of error in the Act, your billing charge will be adjusted to comply with the Act.

When you stop gas distribution service, you may have to read the meter for us

8. If you tell us you no longer want *gas distribution service*, we can ask you to take a final reading of the meter and report it to us.

Part 6 Service charges

The Board decides all our rates and charges

1. All our rates and charges, including those in the Special Charges Schedule, are approved by the *Board*. If you think any charge is unfair, you should advise us and we will attempt to resolve your concern quickly. If you are not satisfied, you can submit a complaint to the *Board*.

If you purchase *retail supply*, the price for the natural gas is determined by a contract between you and your *retailer* and not by us or the *Board*.

To change your rate class, talk to us

2. If we think you are not in the rate class that is best for you, we will let you know. We will change the rate class you are in only if you ask us to do so. If you ask us to help you decide on the best rate class for your service, we will provide you with the information we think you need to help you decide.

You begin paying within three months after lines and equipment are installed

3. Within three months after we have installed the *lines and equipment* to serve you, you must begin paying the minimum charge, whether you have started using gas or not.

If you want, we can turn your gas off temporarily, but charges will apply

4. If you ask us to turn your gas off (disconnect you from *our system*) temporarily, we will as long as doing so does not conflict with these Rules and you have provided the notice described under Part 9 – Stopping gas distribution service. If we temporarily disconnect you from *our system* for any of the reasons set out in these Rules, the minimum charge still applies while the gas is turned off, to a maximum of twelve (12) months. This is because we must continue to operate and maintain *our system* whether you are using gas or not.

If after one (1) year the gas remains off, the disconnection is considered permanent and there will be no minimum charge thereafter. There will be no reconnection fee if you later ask to have the gas turned back on. However, because it is a permanent disconnection, there will be an account activation fee for turning the gas back on.

Disconnections can be permanent, as described in Part 9 – Stopping gas distribution service. There may be reasons why you do not want a temporary

disconnection to become a permanent disconnection (e.g. possible removal of *lines and equipment*). If you want the disconnection to remain temporary for a time period greater than one (1) year, you need to tell us in advance.

There is a charge for turning your gas on if it has been temporarily turned off

5. If we temporarily turned your gas off because you asked us to, or because you have not followed these Rules, you will have to pay a reconnection fee every time gas to the *service site* is turned on. You are also required to pay for other costs, such as to reinstall the meter and any other *lines and equipment* necessary to restore *gas distribution service*. Our fees are shown in the Special Charges Schedule. Until these charges and any other debts you owe us are paid, we may refuse to turn on the gas or provide other services.

Irrigation customers are charged a different fee

6. We don't charge the first time we turn gas on at an irrigation *service site* at the start of the irrigation season. Also, we don't charge to turn gas off at an irrigation *service site* when each irrigation season ends. However, if you want gas turned on or off at some special time at an irrigation *service site*, we will charge the irrigation disconnection/reconnection fee as shown in the Special Charges Schedule attached to these Rules.

The minimum charge still applies for the time your gas is turned off during the irrigation season. This is because we must continue to operate and maintain *our system* whether you are using gas or not.

Part 7 Paying your bills

Who you purchase your gas from will determine who bills you

1. These rules apply to customers who receive their bill directly from us. If you are billed by a *retailer*, the payment terms for charges billed by your *retailer* will depend on your contract with your *retailer*.

Our budget payment plan allows equal monthly payments

2. We have a *budget payment plan* that is available to most customers. You must tell us you want to be on the plan before we can put you on it. The *budget payment plan* process begins with estimating your annual costs for the plan year. The plan year starts with July and ends with June of the following year. The estimate is based on our *Board*-approved rates, historic weather information, current and forecast natural gas prices, and historic natural gas consumption at the *service*

site, or similar *service site* if it is a new construction. The monthly payment is calculated by dividing the estimated annual costs by eleven (11). We divide by eleven because the twelfth month of the plan is used to true up your account.

The *budget payment plan* is not available to you if you purchase *retail supply* or if you are served under our irrigation or demand/commodity rates.

We may re-estimate your costs and subsequently adjust your monthly budget payment plan amount

3. It may be necessary to adjust your monthly payment to reduce the likelihood of a large over or under-paid balance in June. The review involves first calculating the difference between actual costs you incurred and payments you made since the start of the plan year. The second step involves re-estimating your costs for the remainder of the plan year. Factors such as changes in the weather, rates and gas prices could affect our estimate of your costs. We then combine the difference we calculated in the first step with the re-estimate of costs for the remainder of the current plan year. Dividing the result by the number of months remaining in the plan year less one, equals your adjusted monthly *budget payment plan* amount. We divide by the number of months remaining in the plan year less one because the final month of the plan is used to true up your account.

We true up the budget payment plan accounts once a year

4. In June, the twelfth and final month of the plan year, we calculate the difference between the actual costs you incurred and payments you made during the plan year. We will either charge or credit your June bill for the difference. Generally, we will refund credit balances only if they are large.

Customers can join the budget payment plan at any time

5. Even though the budget payment plan starts in July, customers can join the plan anytime. Your plan amount will depend on when you join. No matter when you join, you will need to pay any balance owing before starting on the plan. If you want to be on the plan, you must tell us.

Your participation in the plan can end on certain conditions

6. Your participation in the budget payment plan can be ended if you:
 - Notify us at least five full working days before you want out of the plan;
 - Stop taking service; or,
 - Don't make your full monthly payments on time.

We bill regularly

7. We will send you a bill every month. Payment for current charges is required by the due date, which is 21 days from the statement date. We must receive your payment by the due date. You should make sure that your method of payment will allow enough time for your payment to reach us before the due date. If the bill has not been fully paid by the due date, you will have to pay a late payment charge on the unpaid amount.

Unpaid charges from any previous bill are considered past due and you should pay these charges immediately.

We will apply a late payment charge to overdue amounts

8. Your current bill will include a late payment charge if you had any unpaid balance after the due date specified on your previous bill. The late payment charge is calculated as 1.5% of the unpaid balance – including unpaid previous late payment charges.

We may correct a previous bill

9. If we discover that we have incorrectly billed you, we will correct the error. Reasons for corrections can include, but are not limited to corrections to meter readings, conversion factors, billing unit estimates, rates, tolls, or other charges. Generally, corrections will be made for up to two years prior to when the error is discovered.

We may need to have a security deposit from you

10. We may require you to give us a security deposit, or some other form of security that we think is acceptable, before we turn the gas on at your *service site*. If we turn the gas on after requiring a security deposit from you, and you do not pay a security deposit when we expect you to, we can turn the gas off as long as doing so does not conflict with these Rules.

We may also ask for a security deposit at any time after service has started if you do not have a *good payment history*, or if we have had to turn your gas off for not paying your bill on time. What we mean by “*good payment history*” is explained in the definitions at the end of these Rules.

The amount of the security deposit won't be more than our estimate of the total of your three highest monthly bills in any 12-month billing period. It will be returned to you, with interest, when you have a *good payment history*. If you are in debt to us for any *utility service* we've previously provided to you anywhere, we will

require that you pay that debt no matter how old it is, before we will turn your gas on.

We can use your security deposit to pay your unpaid bills

11. If you don't pay a bill on time, we can use the security deposit to pay it. If we do, you must immediately pay us enough to restore the security deposit to its full amount. If you stop *utility service*, we will deduct anything you owe us from the security deposit and return any remaining security deposit with interest.

We pay interest on security deposits

12. We will pay interest on your security deposit. At a minimum, the interest rate will be the security deposit interest rates set by the provincial government for mobile home site tenants and residential tenants.

We pay you the interest on your security deposit when certain things happen

13. We will pay you the interest on your security deposit as soon as one of the following things happens:
- The security deposit is returned;
 - The security deposit is applied to your account;
 - We send notice to your last known address that the security deposit is no longer required; or,
 - You stop taking *utility service*.

You pay if there are problems with your payments

14. If you pay us by cheque, and the bank doesn't honour the cheque, we will charge you a dishonoured payment charge. If your cheque needs to be certified, we will charge you a cheque certification charge. If you pay us through the bank using a pre-authorized payment plan and the bank doesn't honour the withdrawal, we will charge you a dishonoured payment charge. The amounts of these charges are shown in the Special Charges Schedule attached to these Rules.

We will not accept unusual forms of payment

15. We follow the Bank of Canada rules limiting the kinds of currency we accept. Payment by cheque must be on a normal bank cheque form.

We recommend you maintain a record of your payments to your retailer

16. If you have a contract with a *retailer*, we recommend you keep a record of all payments you make to your *retailer* in case of any disputes.

Part 8 Arranging your gas supply

Starting out, you may receive the default supply

1. If you apply for *gas distribution service*, by default, your gas supply will be *default supply*. If you have a contract with a *retailer*, until your *retailer* arranges for *gas distribution service*, you will receive *default supply*.

You must contact your retailer if you are moving to our system or within our system

2. If you are planning to move to *our system* or within *our system*, and you purchase *retail supply*, you must inform your *retailer* of your moving plans. Advance notice is required by your *retailer* to arrange for *retail supply* at your new location. The amount of time your *retailer* requires will be set by your *retailer*.

If you are moving to a *service site* where new *lines and equipment* are required, such as a new home construction, additional time may be required to facilitate your *retailer* arrangement.

You must also contact us if you are moving to our system, within our system, or from our system

3. Regardless of who provides you with *gas services*, we need to know in advance if you are planning to move to *our system*, within *our system*, or from *our system*.

If you are moving within *our system* or from *our system*, to end *gas distribution service*, please refer to Part 9 – Stopping gas distribution service.

To connect your future *service site* to *our system*, please refer to Part 2 – Signing up for gas distribution service.

If you change gas suppliers, we need to know

4. If you plan to change gas suppliers and remain on *our system*, we need to know in advance to allow enough time to process your request.

If you currently purchase *default supply* and plan to purchase *retail supply*, we expect your *retailer* to notify us in advance of your enrollment. Our notice requirement for enrollment is detailed in our Retailer Distribution Service Regulations. We also expect your *retailer* to provide proper proof that you have authorized them to act as your agent.

If you currently purchase *retail supply* from one *retailer* and plan to purchase from a different *retailer*, we expect the *retailer* you are switching to, to notify us

in advance of your enrollment. Our notice requirement for enrollment is detailed in our Retailer Distribution Service Regulations. We also expect the *retailer* you are switching to, to provide proper proof that you have authorized them to act as your agent.

If you currently purchase *retail supply* and plan to purchase *default supply*, we expect you to notify us in advance of the change. You can do this yourself or your *retailer* can do it for you. Our notice requirement for de-enrollment is detailed in our Retailer Distribution Service Regulations.

Your supplier can change without prior notice from us

5. Without prior notice from us, we will change you from *default supply* to *retail supply*, or from *retail supply* to *default supply*, as long as we have received all the necessary information from your *retailer*, including proper proof that you have authorized that *retailer* to act as your agent.

Without prior notice from us, we will change you from one *retail supply* to another, as long as we have received all the necessary information, which includes proper proof that you have authorized the *retailer* you are switching to, to act as your agent.

Disagreements about Retailer services are between you and your Retailer

6. Any disagreement about the *retail supply* service you receive is between you and your *retailer*. In most cases, we will not be involved if you have a disagreement with your *retailer*. It is important for you to fully understand the terms and conditions of the contract with your *retailer*.

Part 9 Stopping gas distribution service

You have to tell us if you want to stop taking gas distribution service

1. If you decide you no longer want *gas distribution service* at a *service site*, you must tell us to stop providing service to that *service site*. This applies whether you purchase *default supply* or *retail supply*. *Gas distribution service* may be stopped for a number of reasons, including a customer moving to a different location, temporarily turning the gas off for *service site* renovations, permanently ending gas use at the *service site*, or relocation of our *lines and equipment*.

Your responsibilities continue until we receive proper notice

2. Until we receive your notice, you have all the responsibilities set out in these Rules, or in any contract we have with you, whether you are actually taking gas or not.

For example, if you move without telling us, you must continue to pay us for *gas distribution service* provided at the *service site* even if you personally didn't receive it. You will also have to pay for *default supply* provided at the *service site* until you've provided proper notice.

As described in Part 6 – Service charges, you will typically continue to incur charges during a temporary stoppage in *gas distribution service*. In most cases, charges will only cease if *gas distribution service* has been permanently stopped.

You can end gas distribution service by giving us proper notice

3. Unless you have a contract with us containing other termination provisions you can terminate *gas distribution service* at your *service site* by telling us when you want it stopped. We will terminate *gas distribution service* to that *service site* on the date you specify, or within five (5) working days after the date we get the notice, whichever is the latest.

We will normally terminate *gas distribution service* on a working day. If we agree to terminate service on a day other than a working day, you will be charged the actual cost of performing the work.

You may request a permanent disconnection from our system

4. Unless you have a contract with us containing other termination provisions, you may ask us to permanently turn your gas off at the *service site*. We will, as long as doing so does not conflict with these Rules and you have provided proper notice. If you are not the owner of the *service site*, we will require permission in writing from the owner before we perform the disconnection. At our discretion, our *lines and equipment* may be removed from the *service land* and *service site*.
5. If, within three (3) years of permanent disconnection you ask us to restore *gas distribution service* to the *service site*, you will be responsible for all the costs associated with the original disconnection, removal of our *lines and equipment* and restoration of *gas distribution service*. A request after three (3) years of permanent disconnection will be treated as a new application for service.

It is your responsibility to keep your retailer informed

6. It is your responsibility to tell your *retailer* that you have asked us to stop providing *gas distribution service*.

We can stop gas distribution service in emergencies

7. If we think that it will be hazardous to continue delivering gas to the *service site*, we can immediately, without notice, stop *gas distribution service*. We can also do this if we think it is necessary to protect people or property in a fire, flood, or any other situation we consider an emergency.

We can stop gas distribution service for a number of other reasons

8. We can temporarily or permanently stop service we provide you at any *service site* on forty-eight (48) hours notice for any of the following reasons:
 - Gas is not available, either temporarily or permanently;
 - We have to make repairs to *our system*;
 - You haven't paid your bills on time;
 - You haven't paid a security deposit when asked to, or haven't made a payment necessary to restore the security deposit when some or all of it has been applied to your account;
 - You are insolvent, or have assigned essentially all your assets;
 - You have used defective pipe, appliances, or gas fittings, or have insisted on a form of service we think is unsafe;
 - The natural gas lines and equipment you own have not been installed and maintained according to federal, provincial, or municipal laws;
 - You are using gas contrary to the terms of these Rules or to any contract we have with you;
 - You have misrepresented what you are using gas for, or how much you are using;
 - You move from the *service site*;
 - We can't get to our meter at the *service site* for six or more consecutive months;
 - Service has been terminated according to some other provision of these Rules;
 - You stop using gas at the *service site*;
 - You threaten or harass any of our employees or agents as they carry out their duties;
 - You prevent us from doing anything we are entitled or obligated to do;
 - You do not make a proper application for service; or
 - It is necessary to protect people or property.

We can also stop service at the request of your retailer

9. If you purchase *retail supply*, your *retailer* can ask us to terminate the service we provide you, and we will comply with their request unless doing so would violate our procedures for stopping service, these Rules, or our Retailer Distribution Service Regulations.

Notice of service interruption or termination

10. When we notify you about stopping *gas distribution service*, or terminating your *service agreement*, it can be by mail, by facsimile (fax), by electronic mail (e-mail), in person, by telephone, on your bill, or by a notice left at the *service site*.

Land use rights outlive the service

11. We can stop providing *gas distribution service* at a *service site* without losing our rights to use the related *service land* – they continue until terminated under these Rules.

Part 10 Liability, responsibility and other legal matters

Alberta law governs our contract

1. These Rules are part of every *service agreement* and all our service agreements are governed by the laws of Alberta.

The gas is only for use at the service site

2. Unless you have our written consent, you cannot use, or allow anyone else to use, gas supplied to the *service site* in some other place and you can't resell the gas we deliver to you.

Verbal agreements don't apply

3. No employee or anyone else claiming to represent us can promise or agree to do anything that is inconsistent with these Rules and, if they do, the promise or agreement has no effect.

You need our consent to transfer your agreement

4. Your *service agreement* is yours alone, including anyone the law says stands in your place, and it cannot be assigned to anyone else without our written consent.

You are responsible for your property, and we are for ours

5. You are fully responsible for installing, maintaining and operating your property, as we are for ours. You must pay any costs we incur from a claim or demand for injury, death or damage that results from the installation, presence, maintenance and operation of your property, so long as it is not caused by our negligence.

Neither you nor we have to pay for disruptions beyond our control

6. You have no claim against us for damages if we can't distribute or supply gas to you because of an emergency or disruption beyond our control—for example: weather catastrophes, labour disputes, fires, accidents, pipeline or machinery breakdowns or repairs, shortages of gas supply, and orders of a legislative body or other authority. Similarly, in such circumstances we have no claim against you if you are unable to take gas. However, once the emergency or disruption ends, we will resume delivering gas to you, and you will resume taking it, as provided for in these Rules and our *service agreement*.

Part 11 List of definitions

In these Rules,

- *Board* means the Alberta Energy and Utilities Board;
- *budget payment plan* means the plan set out in Part 7;
- *default supply* means *gas services* provided by AltaGas Utilities Inc.;
- *delivery point* means the outlet of the meter at your *service site*;
- *Electricity and Gas Inspection Act* means the *Electricity and Gas Inspection Act (R.S., 1985, c. E-4)*, as amended from time to time;
- *gas distribution service* means the service required to deliver gas to our customers by means of our *gas distribution system*, and includes any services AltaGas Utilities Inc. is required to provide by the *Board* or is required to provide under the Act or Regulations made thereunder;
- *gas distribution system* means all those facilities owned or used by AltaGas Utilities Inc. that deliver gas to our customers through a system of pipelines, works, plant and equipment that is primarily a low pressure system (including without limitation *lines and equipment*, valves, meters, regulators and machinery);

- *gas services* means
 - i. The gas that is provided and delivered, and
 - ii. The services associated with the provision and delivery of the gas, including
 - a) Arranging for the exchange or purchase of the gas,
 - b) Arranging for *gas distribution service*,
 - c) Arranging for delivery of gas to specified point(s) of receipt on the *gas distribution system*,
 - d) Billing, collections and responding to customer billing inquiries,
 - e) Maintaining information systems, and
 - f) Any other services specified by the Minister by order as *gas services*;

 - *Gas Utilities Act* means the *Gas Utilities Act (R.S.A. 2000, c. G-5)*, as amended from time to time;

 - *good payment history* means, at a particular time, your account has not been in 60-days arrears more than once, or 30-days arrears more than twice, in the previous 12 months;

 - *lines and equipment* means all the facilities of our *gas distribution system* that lead up to the *delivery point* and anything else we own and install to provide you with *gas distribution service* – *lines and equipment* exclude gas appliances or secondary gas lines we may sell to you or install for you;

 - *our system* means our *gas distribution system*;

 - *retail supply* means *gas services* provided by a *retailer*;

 - *retailer* means a person or company other than us that sells *gas services* directly to our customers and is entitled to enroll our customers for that purpose within our service area;

 - *service agreement* means the agreement between us as the provider of *utility service* and you as our customer, whether the agreement is made by signing a contract or simply by providing you with *utility service* on the basis of these Rules;

 - *service land* means the parcel of land where the *service site* is located;

 - *service site* means the building or thing we deliver gas to, or provide *gas distribution service* at, under the *service agreement*;
-

- *utility service* means *gas distribution service* by itself, or *gas distribution service* and *default supply* together, as defined in the *Gas Utilities Act* (R.S.A. 2000, c. G-5).

AltaGas Utilities Inc.
Special Charges Schedule

In a number of places the Service Rules refer to special charges for some services. Here is a list of those charges, as approved by the Alberta Energy and Utilities Board:

| Special Charge | Fee |
|--|-------------|
| Account Activation Fee | \$35 |
| Remove and test meter - per meter: | |
| Residential..... | \$ 75 |
| Other | Actual Cost |
| Special meter readings - each time | \$ 35 |
| Reconnection Fee: | |
| Residential..... | \$ 50 |
| Other (except Irrigation) | Actual Cost |
| Irrigation Disconnection/Reconnection Fee: | |
| Each time (except normal season start and end)..... | \$ 75 |
| Reinstallation of Meter/Regulator: | |
| Residential..... | \$ 75 |
| Other | Actual Cost |
| Dishonoured payment charge (NSF cheque, etc.) - each time..... | \$ 25 |
| Cheque certification charge - each time..... | \$ 10 |
| Any other service at Customer's Request..... | Actual Cost |
| Late Payment Percentage | |
| Applied to any unpaid balance from previous bills | 1.5% |

Note: "Actual Cost", where referenced, means our direct costs for labour, materials, services and equipment plus applicable overheads.

AltaGas Utilities Inc.

Special Charges Schedule (continued)

Non-Refundable Contributions

Applications for service will require a non-refundable contribution. In most cases, a standard contribution is all that is required. Services uneconomic with a standard contribution will require an additional non-refundable contribution.

Standard Non-Refundable Contributions

| | |
|---------------------------------------|----------|
| Rate 1/11 Service – Town | \$ 0 |
| Rate 1/11 Service – Rural Subdivision | \$ 500 |
| Rate 1/11 Service – Rural Other | \$ 3,500 |
| Other rates | N/A |

Non-Standard Non-Refundable Contributions

Winter Construction – Should the service be requested for installation under winter construction conditions, the customer is responsible for the incremental frost charges.

Other – If it is not appropriate to consider an application for service under a standard contribution, it will be evaluated individually to determine a specific non-refundable contribution.

Calculation of Specific Non-Refundable Contributions

The calculation of a specific non-refundable contribution will be based on a net present value analysis applying the following criteria:

- a) An estimate of the total capital costs of providing service;
- b) An estimate of the total annual operating costs of providing service;
- c) The *Board*-approved return on common equity, interest rate, depreciation rates, income taxes and capital structure;
- d) An estimate of the expected net revenue that will accrue from the addition of the service.

The additional contribution will be the amount required to make the net present value of the revenue stream equal the revenue requirement stream.

AltaGas Utilities Inc.

Special Charges Schedule (continued)

Additional Criteria:

- Rate 1/11 – Town – A *service site* located within an incorporated municipality including a village, town or city;
- Rate 1/11 – Rural Subdivision – A *service site* not defined as ‘Town’, but located in an AltaGas Utilities Inc. designated subdivision;
- Rate 1/11 – Rural Other – A *service site* which is neither defined as ‘Town’ nor ‘Rural Subdivision’
- Other – A *service site* which is served under any rate, with exception to Rate 1/11.

Contact Information

The following information was current at the time these Rules were prepared. Please refer to your local telephone listings or other trustworthy source for updates to this information.

AltaGas Utilities Inc.

General Inquiry (toll-free).....1-866-222-2067
Credit & Collections (toll-free).....1-866-222-2069
Meter Reads (toll-free).....1-866-222-2070

24-HOUR EMERGENCY

Toll-Free1-866-222-2068
Direct.....1-780-980-6701

Websitewww.altagasutilities.com

Alberta One-Call

Toll-Free1-800-242-3447

Websitewww.albertacall.com