

Oakridge Energy District Energy System

Thermal Energy Services Tariff

Containing

Definitions, Terms and Conditions, Rates, and Fees for Service

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SECTION A – DEFINITIONS

Unless the context otherwise requires, in this Tariff and the Schedules attached hereto, the following words and terms have the following meanings:

Affiliate: means, with respect to any Person (i) any entity over which such Person exercises, directly or indirectly, Control, (ii) any entity that is under the common Control of the same entity as such Person, or (iii) any entity which exercises control over such Person by virtue of ownership, financial participation or the rules which govern it.

BCUC: British Columbia Utilities Commission.

Buildings: means the buildings, structures and improvements on the Lands, and **Building** means any one or more Buildings comprising the residential or commercial component, as applicable, that may be situated on any parcel created upon the subdivision of the Lands and includes a subdivision by air space plan or strata plan, or a Building operated as a separate component of the development on the Lands, and which may be subject to a separate Customer Service Agreement.

Building System: means the system of water pipes and heat and domestic hot water delivery and storage equipment to be installed and used for distributing and storing Thermal Energy in a Building, connected to but downstream of and excluding the Energy Transfer Stations.

Contaminants: means any radioactive materials, asbestos materials, urea formaldehyde, underground or above ground tanks, pollutants, contaminants, deleterious substances, dangerous substances or goods, hazardous, corrosive, or toxic substances, hazardous waste, waste, pesticides, defoliants, or any other solid, liquid, gas, vapour, odour, heat, sound, vibration, radiation, or combination of any of them, the storage, manufacture, handling, disposal, treatment, generation, use, transport, remediation, or Release into the environment of which is now or hereafter prohibited, controlled, or regulated under Environmental Laws.

Control: means more than fifty per cent (50%) of the securities having ordinary voting power for the election of directors of such Person or to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

Customer: means a Person receiving Energy Services pursuant to a Customer Service Agreement.

Customer Service Agreement: means an agreement between the Utility and a Customer for the provision of Energy Services to a Building or Buildings, which agreement is comprised of a Service Application bearing the information and signature of the Customer and the Terms and Conditions.

Design Capacity: means the load for which the District Energy System has been designed.

Distribution Extension: means an extension or upgrade of the Distribution System to provide service to Customers not previously approved by the BCUC.

Distribution System: means, collectively, the system of pipes, fittings and ancillary components and equipment within the DES Area distributing Thermal Energy to the Energy Transfer Station.

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Encumbrance: means any mortgage, lien, pledge, judgement, execution, financial charge, security interest, claim or other financial encumbrance, excluding any financial encumbrance in favour of the City of Vancouver and any non-financial encumbrances.

Energy Services: means the provision by the Utility of Thermal Energy via the District Energy System.

Energy Transfer Station: means the separate heat exchanger for heating and domestic hot water (excluding domestic hot water storage tanks), energy meter including temperature sensors and flow meter, control panel and all pipes, fittings and other associated equipment that control the transfer, and measure Thermal Energy from the Distribution System to a Building System.

Environment: includes the air (including all layers of the atmosphere), land (including soil, sediment deposited on land, fill, lands submerged under water, buildings, and improvements), water (including oceans, lakes, rivers, streams, groundwater, and surface water), and all other external conditions and influences under which humans, animals, and plants live or are developed and “**Environmental**” has a corresponding meaning.

Environmental Laws: means any and all applicable statutes, laws, regulations, orders, bylaws, standards, guidelines, protocols, permits, and other lawful requirements of any Governmental Authority now or hereafter in force relating to or for the Environment or its protection, environmental assessment, health, occupational health and safety, protection of any form of plant or animal life, or transportation of dangerous goods, including the principles of common law and equity.

Governmental Authority: means any federal, provincial, regional, municipal, local or other government, governmental or public department, court, tribunal, arbitral body, commission, board, bureau or agency and any subdivision, agent, commission, board or authority.

Lands: means those lands and premises situated in Vancouver, British Columbia, and as more particularly described on the signature page forming part of this Customer Service Agreement.

Meter: means an energy consumption meter owned and operated by the Utility and comprising part of an Energy Transfer Station, excluding any energy consumption meter owned by a Customer or a Person other than the Utility comprising part of a Building System.

DES Area: means, collectively, the areas within the City of Vancouver known as South Cambie, within which the Lands are situated.

District Energy System: means the energy system by which the Utility delivers Thermal Energy to Customers, including the Distribution System and the Energy Transfer Stations.

Person: means an individual or his or her legal personal representative, an unincorporated organization or association, or a corporation, partnership, limited partnership, trust, trustee, strata corporation, syndicate, joint venture, limited liability company, union, Governmental Authority or other entity or organization.

Rate Schedule: means the schedule forming part of this Tariff setting out the rates and other fees and charges charged by the Utility in connection with the Energy Services all as amended from time to time by the Utility with the approval of the BCUC.

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Release: means any release, spill, leak, pumping, pouring, emission, emptying or discharge, injection, escape, leaching, migration, disposal, or dumping.

Standard Fees and Charges: means the standard fees and charges which are exclusive of third-party payment processing fees and may be charged to the Customer by the Utility and set out in the Rate Schedule.

Tariff: means this Tariff, which sets out the rates, fees and charges for Energy Services and certain related terms and conditions, as amended from time to time by the Utility with the approval of, and as filed with, the BCUC.

Terms and Conditions: means these Terms and Conditions forming part of the Tariff, including Sections A and B herein, all as amended from time to time by the Utility with the approval of, and as filed with, the BCUC to the extent required by the BCUC.

Thermal Energy: means all thermal energy for heating and cooling purposes, which includes domestic hot water.

Utility: means Oakridge Energy Limited Partnership carrying on the business of a public utility.

Utility's Representatives: means any Person who is an officer, director, employee, agent, contractor, subcontractor, consultant or advisor of either the Utility or any Affiliate of the Utility.

SECTION B – NATURE OF AGREEMENT

1. THE LANDS

1.1 If a Customer wishes to subdivide the Lands, including by way of air space or strata plan or both, such Customer shall provide prior notice of such subdivision to the Utility, together with subdivision plans for the Lands and such further information as the Utility may require, and the Customer will execute and deliver, or will cause the applicable Person to complete, execute and deliver, to the Utility at its option forthwith following such subdivision, a Customer Service Agreement in respect of any one or more of the following:

- (a) any Building;
- (b) any legal parcel, including without limitation an air space parcel or a remainder parcel, that is subdivided from the Lands or any portion thereof; and
- (c) a strata corporation that is formed within any Building by way of the deposit of a strata plan, and in each such case the applicable Customer Service Agreement shall be executed and delivered to the Utility by the strata corporation prior to the first conveyance of a strata lot within the applicable strata plan.

1.2 A Customer may not assign a Customer Service Agreement or any of its rights or obligations thereunder without the prior written consent of the Utility, such consent not to be unreasonably withheld. A Customer will cause any Person to whom the Customer transfers or otherwise disposes, whether directly or indirectly, all or any portion of its interest in the Lands to complete, execute and deliver to the Utility a Customer Service Agreement covering the applicable portion of the Lands.

Sections 1.1 and 1.2 will not apply in respect of any Building or legal parcel transferred, or to be transferred, to the City of Vancouver, or to any associated subdivision. For certainty, the Customer will not be required to sign, or to cause the City of Vancouver to sign, a Customer Service Agreement in respect of any such Building or legal parcel or in connection with any associated subdivision.

The Utility may assign a Customer Service Agreement or any of its rights or obligations thereunder (including, without limitation, by way of the sale of the majority of its shares or business or its material assets or by way of an amalgamation, merger or other corporate reorganization) to any of its Affiliates or to any other Person without the consent of the Customer, provided such Affiliate or Person is duly qualified to carry out the Customer Service Agreement and agrees to be bound by the terms and conditions of the Customer Service Agreement. Forthwith upon such assignment, the Utility shall be released from its obligations and responsibilities under the Customer Service Agreement.

2. PROVISION OF ENERGY SERVICES

2.1 The Utility will provide Energy Services to Customers solely in accordance with these Terms and Conditions.

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- 2.2 Subject to the provisions herein relating to the curtailment of Energy Services or the refusal to provide Energy Services, the Utility will endeavour to provide Thermal Energy to the Building at the relevant design temperatures for such Building.
- 2.3 A Customer may be required to provide reference information and identification acceptable to the Utility.
- 2.4 The Utility may refuse to provide Energy Services to a Customer if there is an unpaid account for Energy Services in respect of such Customer or the relevant Building(s) beyond the expiry of the applicable cure period.
- 2.5 This Customer Service Agreement relates only to the provision of the Energy Services by the Utility to the Customer, upon the terms and conditions contained herein. The Utility shall not be responsible for the provision of any utility services other than the Energy Services, such as electricity and natural gas, and the Customer shall be solely responsible for any fees and charges associated with such utility services, in addition to the fees and charges payable to the Utility hereunder.

3. USE OF THERMAL ENERGY

- 3.1 A Customer will use Thermal Energy only for space heating, space cooling, and domestic hot water within the Building.

Unless authorized by the Utility in writing and in advance, a Customer will not sell or supply to any other Person Thermal Energy provided by the Utility, nor use Thermal Energy supplied by the Utility for any purpose other than as specified in this section.

4. APPLICABLE RATES

- 4.1 The rates to be charged by, and paid to, the Utility for Energy Services are set out in the Rate Schedule from time to time in effect.
- 4.2 The rates have been determined on the basis of the estimated connected loads and Design Capacity which are in turn based on the intended design and use of the Buildings. A Customer must not change its connected load without the prior written approval of the Utility.
- 4.3 The Utility may conduct periodic reviews of the quantity of Thermal Energy delivered and the rate of delivery of Thermal Energy to a Customer for the purpose of, among other things, determining whether to substitute a more applicable Tariff.
- 4.4 If the maximum Thermal Energy demand exceeds the Customer's Design Capacity, the Utility may, subject to BCUC approval, assess additional fees and charges to the Customer for usage exceeding such limits as approved by the BCUC, provided that if usage exceeds such limits, the Utility reserves the right to temporarily suspend or limit the Energy Services to reduce the load on the District Energy System.

5. OWNERSHIP AND CARE OF DISTRICT ENERGY SYSTEM

- 5.1 Notwithstanding any degree of annexation or affixation, or rule of law or equity to the contrary, the Utility owns all components of the District Energy System and all additions or extensions thereto will be and remain the property of and vest in the Utility, whether located inside or outside of any Building. No component of the District Energy System shall be moved or removed from a Customer's lands (whether located inside or outside of any Building) without the advance written permission of the Utility.
- 5.2 The Customer will advise the Utility promptly after becoming aware of any damage to or disappearance of the whole or part of any components of the District Energy System in, on or under the Customer's

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lands. Further, the Customer will pay to the Utility promptly upon request the cost of any broken, missing or damaged component of the District Energy System (or part thereof) where such component (or part thereof) was broken, missing or damaged due to an act or omission of the Customer.

6. METER READING

- 6.1 The amount of Thermal Energy registered by a Meter during each billing period will be converted to megawatt-hour.
- 6.2 The interval between consecutive Meter readings will be at the sole discretion of the Utility. The Meter will typically be read at monthly intervals.

7. METER TESTING

- 7.1 Any Customer who doubts the accuracy of a Meter may request to have the Meter tested by an independent qualified third party.
- 7.2 If the testing indicates that the Meter is recording accurately, the Customer must pay the Utility for the cost of removing, replacing and testing the Meter as set out in the Standard Fees and Charges and the reconnection charge as set out in Section 10.
- 7.3 If the testing indicates that the Meter is recording inaccurately, the Utility will incur the cost of removing, replacing and testing the Meter.

8. MAINTENANCE

- 8.1 The Utility will repair, maintain and replace all components of the District Energy System in, on or under the Customer's lands (whether located inside or outside of the Buildings or any of them), from time to time at its own cost to keep the same in good working order. For greater certainty, except for the Utility's obligation to repair, maintain and replace such components of the District Energy System as aforesaid, the Utility is not, and will not be, responsible for repairing, maintaining or replacing any Building System or part thereof or other facility or equipment in, on or under a Customer's lands (whether located inside or outside of the Buildings or any of them).
- 8.2 The Customer shall not make any alterations to any Building System which may impact the provision of the Energy Services by the Utility without the prior written approval of the Utility.
- 8.3 The Customer will promptly repair, maintain and replace the Building Systems from time to time at its own cost to keep the same in good working order.

9. CONNECTIONS AND DISCONNECTIONS

- 9.1 No connection, disconnection, reconnection, extension, installation, replacement or any other change is to be made to any component of the District Energy System by anyone except by the Utility's Representatives authorized by the Utility.

10. ENERGY SERVICES RECONNECTIONS

- 10.1 If:

- (a) Energy Services are discontinued to a Customer for any of the reasons specified in Section 16 or any other provision of this Customer Service Agreement.

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- (b) a Building System is disconnected from the District Energy System or Energy Services are discontinued to a Customer:
 - i. at the request of the Customer with the approval of the Utility; or
 - ii. to permit a test of a Meter at the request of the Customer, which Meter is subsequently determined to be accurate;

and such Customer or the employee, agent or other representative of such Customer re-applies for Energy Services for the same Building within 12 months of such discontinuance or disconnection (as applicable), then if the Building's Building System is reconnected to the District Energy System or if Energy Services are restored to such Customer, such Customer will pay, as part of fees owing for the first month of Energy Services, a reconnection charge equal to the sum of:

- (a) the actual costs that the Utility will incur in reconnecting the Building's Building System to the District Energy System or restoring Energy Services to such Customer; and
- (b) the Basic Charge (as set out in the Tariff) that such Customer would have paid had Energy Services continued during the period between the date of discontinuance or disconnection (as applicable) and the date of such re-application.

10.2 If a Building System is disconnected from the District Energy System or Energy Services are discontinued to a Customer for public safety or Utility service requirement reasons, there will be no reconnection charge to reconnect the Building's Building System to the District Energy System or to restore Energy Services to such Customer.

11. **DISTRIBUTION EXTENSIONS**

11.1 The Customer acknowledges the following terms and conditions which will apply to the Utility's determination of whether or not to complete a Distribution Extension in order to assess the economic impact of such Distribution Extension on existing Customers.

- (a) Ownership. All components of Distribution Extensions will be and remain the property of the Utility.
- (b) Economic Test. Applications to extend Energy Services to one or more new Customers will be subject to an economic test. The economic test will be a discounted cash flow analysis of the projected revenue and costs associated with the Distribution Extension, while taking into consideration the implications of any existing long-term deferral account and rate levelization plan for the Utility. The Distribution Extension will be deemed to be economic and constructed if the results of the economic test indicate a zero or positive net present value.
- (c) Revenue. The projected revenue used in the economic test will be established by the Utility by:
 - (i) estimating the number of Customers to be served by the Distribution Extension;
 - (ii) establishing consumption estimates for each Customer;

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- (iii) projecting when the new Customers will be connected to the Distribution Extension; and
 - (iv) applying appropriate revenue margins for each Customer's consumption.
- (d) Costs. The costs used in the economic test will include, without limitation:
- (i) the full projected labour, material, and other costs necessary to serve the new Customers including such costs applicable to new mains (subject to the provisions of this paragraph (d)), Service Connection(s), Energy Transfer Station(s) and related facilities;
 - (ii) the appropriate Utility overhead associated with construction of the Distribution Extension; and
 - (iii) projected incremental operating and maintenance expenses necessary to serve the new Customers.

In addition to these costs, the economic test will incorporate applicable taxes, and the appropriate return on investment as approved by the BCUC.

In cases where a larger Thermal Energy distribution main is installed to satisfy anticipated future demand requirements, the difference in cost between the installed, larger main and a smaller main that would be adequate to serve only those Customers supporting the particular application would be eliminated from the economic test.

- (e) Contributions in Aid of Construction. If the economic test results indicate a negative net present value, the Distribution Extension may proceed provided that the shortfall in revenue is eliminated by contributions in aid of construction by or on behalf of Customers to be served by the Distribution Extension, or if there are non-financial factors offsetting the revenue shortfall that are deemed to be acceptable by the BCUC, the Utility may finance the contributions in aid of construction for Customers.
- (f) Security. In those situations where the financial viability of a Distribution Extension is uncertain, the Utility may require a security deposit in cash or an equivalent form acceptable to the Utility.

12. **BILLING**

- 12.1 Bills will be rendered to the Customer in accordance with the Customer's Customer Service Agreement, including the Tariff.
- 12.2 Subject to Section 12.4 below, if Meter readings cannot be obtained for any reason, consumption may be estimated by the Utility for billing purposes and the next bill that is based on actual Meter readings will be adjusted for the difference between estimated and actual use over the interval between Meter readings.
- 12.3 If any Meter fails to register or registers incorrectly, the consumption may be estimated by the Utility for billing purposes, subject to Section 13.
- 12.4 If the Customer terminates a Customer Service Agreement, the final bill rendered to the Customer will be based on an actual Meter reading, if possible. If a Meter reading cannot be obtained for any reason, the final read will be estimated by the Utility.

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- 12.5 Bills will be rendered as often as deemed necessary by the Utility, but generally on a monthly basis. The due date for payment of bills shown on the face of the bill will be the first business day after:
- (a) the 21st calendar day following the billing date; or
 - (b) such other period as may be specified in the Application for Service or otherwise agreed in writing by the Customer and the Utility.
- 12.6 Bills will be paid in the manner specified therein, which may include payment by regular mail, payment at a designated office of the Utility, payment by on-line banking or payment by electronic funds transfer.
- 12.7 Customers requesting historic billing information may be charged the cost of processing and providing this information.
- 13. BACK-BILLING**
- 13.1 Minor adjustments to a Customer's bill, such as an estimated bill or an equal payment plan billing, do not require back-billing treatment.
- 13.2 Back-billing means the re-billing by the Utility for Energy Services rendered to a Customer because the original billings were discovered to be either too high (over-billed) or too low (under-billed). The discovery may be made by either the Customer or the Utility. The cause of the billing error may include any of the following non-exhaustive reasons or combination thereof:
- (a) stopped Meter;
 - (b) metering equipment failure;
 - (c) inaccurate Meter, as determined pursuant to Section 7;
 - (d) switched Meters;
 - (e) double metering;
 - (f) incorrect Meter connections;
 - (g) incorrect use of any prescribed apparatus respecting the registration of a Meter;
 - (h) incorrect Meter multiplier;
 - (i) the application of an incorrect rate;
 - (j) incorrect reading of Meters or data processing; or
 - (k) tampering, fraud, theft or any other criminal act.
- 13.3 Where the Customer requests that the Meter be tested, the provisions of Section 7 will apply in addition to those set forth in this Section.
- 13.4 Where metering or billing errors occur and the Customer does not request that the Meter be tested, the consumption and demand will be based on the records of the Utility for the Customer or on the Customer's own records to the extent they are available and accurate or, if not available, on reasonable and fair estimates made by the Utility. Such estimates will be on a consistent basis within each Customer class or according to a contract with the Customer, if applicable.
- 13.5 In every case of under-billing or over-billing, the cause of the error will be remedied without delay, and the Customer will be promptly notified of the error and of the effect on the Customer's ongoing bill.

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- 13.6 In every case of over-billing, the Utility will refund to the Customer money incorrectly collected, with interest computed at the short-term bank loan rate applicable to the Utility on a monthly basis thereon, for the shorter of:
- (a) the duration of the error; or
 - (b) six months prior to the discovery of the error.
- 13.7 Subject to paragraph 13.11 below, in every case of under-billing, the Utility will back-bill the Customer for the shorter of:
- (a) the duration of the error; or
 - (b) six months prior to the discovery of the error.
- 13.8 Subject to paragraph 13.11 below, in every case of under-billing, the Utility will offer the Customer reasonable terms of repayment. If requested by the Customer, the repayment term will be equivalent in length to the back-billing period. The repayment will be interest free and in equal instalments corresponding to the normal billing cycle. Delinquency in payment of such instalments will be subject to the usual late payment charges.
- 13.9 Subject to paragraph 13.11 below, if a Customer disputes a portion of a back-billing due to under-billing based upon either consumption, demand or duration of the error, the Utility will not threaten or cause the discontinuance of Energy Services for the Customer's failure to pay that portion of the back-billing, unless there is no reasonable ground for the Customer to dispute that portion of the back-billing. The undisputed portion of the bill will be paid by the Customer and the Utility may threaten or cause the discontinuance of Energy Services if such undisputed portion of the bill is not paid.
- 13.10 Subject to paragraph 13.11 below, in all instances of back-billing where changes of occupancy have occurred, the Utility will make a reasonable attempt to locate the former Customer. If, after a period of one year, such Customer cannot be located, the over-billing or under-billing applicable to them will be cancelled.
- 13.11 Notwithstanding anything herein to the contrary, if there are reasonable grounds to believe that the Customer has tampered with or otherwise used the Thermal Energy or any component of the District Energy System in an unauthorized way, or there is evidence of fraud, theft or another criminal act, back-billing will be applied for the duration of the unauthorized use, and the provisions of paragraphs 13.7, 13.8, 13.9 and 13.10 above will not apply.
- 13.12 Under-billing resulting from circumstances described in paragraph 13.11 will bear interest at the rate specified in the Tariff on unpaid accounts from the date of the original under-billed invoice until the amount under-billed is paid in full.
- 13.13 In addition, the Customer is liable for the direct administrative costs incurred by the Utility in the investigation of any incident of tampering, including the direct costs of repair, or replacement of equipment.
- 14. LATE PAYMENT CHARGE AND COLLECTION CHARGE**
- 14.1 If the amount due on any bill has not been paid in full on or before the due date shown on such bill, the bill rendered as part of the next bill cycle will include the overdue amount plus a late payment charge as set out in the Standard Fees and Charges. Notwithstanding the due date shown, to allow time for payments made to reach the Utility and to co-ordinate the billing of late payment charges with scheduled billing cycles, the Utility may, in its discretion, waive late payment charges on payments not processed until a

number of days after the due date. If the Customer's account is overdue and requires additional effort to collect, the Utility may charge the Customer a collection charge as set out in the Standard Fees and Charges.

15. DISHONoured PAYMENTS CHARGE

15.1 If a cheque or direct debit received by the Utility from a Customer in payment of any account is returned by the Customer's bank, trust company or financial institution because of insufficient funds (NSF), or any reason other than clerical error, a returned cheque charge as set out in the Standard Fees and Charges will be added to the amount due and payable by the Customer whether or not the applicable Building System has been disconnected from the District Energy System or Energy Services have been discontinued to the Customer.

16. REFUSAL TO PROVIDE ENERGY SERVICES AND DISCONTINUANCE OF ENERGY SERVICES

16.1 The Utility may, after having given 30 days' prior written notice, discontinue providing Energy Services to any Customer, who:

- (a) fails to fully pay for any Energy Services provided to any Building(s) on or before the due date for such payment; or
- (b) fails to provide or pay by the applicable date required any security deposit, equivalent form of security or guarantee or any requisite increase thereof.

16.2 The Utility may, without having to give any notice, discontinue providing Energy Services to any Customer, who:

- (a) refuses to provide reference information and identification acceptable to the Utility when applying for Energy Services or at any subsequent time on request by the Utility;
- (b) breaches any material terms and conditions of the applicable Customer Service Agreement (including, without limitation, these Terms and Conditions);
- (c) has defective pipes, appliances, or Thermal Energy fittings in any part or parts of Building(s) which may adversely impact the provision of the Energy Services by the Utility;
- (d) has failed to properly connect the Building System to the Energy System and properly commission the Building System;
- (e) uses the provided Thermal Energy in a manner that may, in the opinion of the Utility:
 - i. lead to a dangerous situation; or
 - ii. have a negative impact on the District Energy System, or any components thereof;
- (f) fails to make modifications or additions to the Customer's equipment as required by the Utility to prevent the danger or negative impact described in paragraph (e) above;
- (g) negligently or fraudulently misrepresents to the Utility its use of Thermal Energy or the Thermal Energy load requirements of, or Thermal Energy volume consumed within and by, any Building;
- (h) makes any alterations to any Building System which may impact the provision of the Energy Services by the Utility without the prior written approval of the Utility; or

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(i) terminates the applicable Customer Service Agreement pursuant to Section 20 or causes the termination of the applicable Customer Service Agreement for any reason.

16.3 The Utility may, without having to give notice, discontinue providing Energy Service to any Customer who stops consuming Thermal Energy in any of the Buildings for a period of time determined by the Utility, acting reasonably, which period of time shall not be less than six months, unless otherwise agreed by the Customer.

16.4 The Utility will not be liable for any loss, injury or damage suffered by any Customer by reason of the discontinuation of or refusal to provide Energy Services as set out in this Section.

17. SECURITY FOR PAYMENT OF BILLS

17.1 Customer who has not established or maintained credit to the satisfaction of the Utility may be required to provide a security deposit or equivalent form of security, the amount of which may not exceed the estimated total bill for the two highest consecutive months' consumption of Thermal Energy by the Customer.

17.2 A security deposit or equivalent form of security is not an advance payment.

17.3 The Utility will pay interest on a security deposit at the rate and at the times specified in the Standard Fees and Charges. If a security deposit is returned to a Customer for any reason, the Utility will credit any accrued interest to the Customer's account at that time. No interest is payable on any unclaimed deposit left with the Utility after the account for which it is security is closed, or on a deposit held by the Utility in a form other than cash.

17.4 A security deposit (plus any accrued interest) will be returned to the Customer after one year of good payment history, or when the Customer's Customer Service Agreement is terminated pursuant to Section 20, whichever occurs first.

17.5 If a Customer's bill is not paid when due, the Utility may apply all or any part of the Customer's security deposit or equivalent form of security and any accrued interest towards payment of the bill. Under these circumstances, the Utility may still elect to discontinue Energy Services to the Customer for failure to pay for Energy Services.

17.6 If a Customer's security deposit or equivalent form of security is appropriated by the Utility for payment of an unpaid bill, the Customer must re-establish the security deposit or equivalent form of security before the Utility will reconnect or continue Energy Services to the Customer.

18. ACCOUNT CHARGE

18.1 When a change of Customer occurs, an account charge, as set out in the Standard Fees and Charges, will be paid by the new Customer with respect to each account in that Customer's name for which a separate bill is rendered by the Utility.

19. TERM OF CUSTOMER SERVICE AGREEMENT

19.1 The initial term of a Customer Service Agreement will be the number of years set out in the Service Application forming part of this Customer Service Agreement, from the commencement of the Energy Services and will thereafter automatically be renewed from year to year unless the Customer Service Agreement is terminated pursuant to Section 20 below.

20. TERMINATION OF CUSTOMER SERVICE AGREEMENT

20.1 A Customer may, following the initial term specified in Section 19, terminate the applicable Customer Service Agreement by giving at least 60 days' written notice to the Utility at the address specified in the most recent bill rendered to the Customer.

21. EFFECT OF TERMINATION

21.1 The Customer is not released from any previously existing obligations to the Utility by terminating the Customer Service Agreement.

21.2 If this Customer Service Agreement is terminated for any reason other than termination for default of the Utility, in addition to any other amounts due and owing by the Customer to the Utility and despite any other remedies available at law or in equity, the Customer shall pay to the Utility, within 60 days of invoicing, such amount as the Utility, acting reasonably, determines is necessary to ensure other Customers are not adversely impacted by such termination. This could include the net book value of all infrastructure associated with the provision of Energy Services to the Customer.

21.3 Notwithstanding any termination by the Customer pursuant to this Section, and without derogating from the generality of Section 5, all components of the District Energy System will remain the property of and vest in the Utility.

22. LIABILITY

22.1 Neither the Utility, nor any of the Utility's Representatives is responsible or liable for any loss, injury (including death), damage or expense incurred by any Customer or any Person claiming by or through a Customer, that is caused by or results from, directly or indirectly, any discontinuance, suspension, or interruption of, or failure or defect in the supply, delivery or transportation of, or any refusal to supply, deliver, or transport Thermal Energy, or provide Energy Services, except to the extent the loss, injury (including death), damage or expense is attributable to the negligence or wilful misconduct of the Utility or any of the Utility's Representatives, provided however that neither the Utility nor any of the Utility's Representatives is responsible for any loss of profit, loss of revenue or other economic loss, even if the loss is directly attributable to the negligence or wilful misconduct of the Utility or any of the Utility's Representatives. In no event will the Customer or any of its officers, directors, employees, agents, contractors, subcontractors, consultants or advisors of either the Customer or any Affiliate of the Utility Customer (collectively, the "**Customer's Representatives**") be responsible for any loss of profit, loss of revenue or other economic loss, even if the loss is directly attributable to the negligence or wilful misconduct of the Customer or any of the Customer's Representatives, excepting any charges or costs payable by the Customer hereunder.

22.2 Energy Services may be temporarily suspended to make repairs or improvements to the District Energy System or in the event of fire, flood or other sudden emergency. The Utility will, whenever reasonably practicable, give notice of such suspension to the Customer and will restore Energy Services as soon as possible. Telephone, newspaper, flyer, radio or other acceptable announcement method may be used for notice purposes.

22.3 Intentionally Deleted.

22.4 The Customer agrees to indemnify and hold harmless the Utility and all of the Utility's Representatives from all claims, losses, damages, liabilities, costs, expenses and injury (including death) suffered by the Customer or any person claiming by or through the Customer or any third party and caused by or resulting from the use of Thermal Energy by the Customer or the presence of Thermal Energy on or in any part of

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the Building(s) or from the Customer or the Customer's employees, contractors or agents damaging any component of the District Energy System. This paragraph will survive any termination of the Customer Service Agreement.

- 22.5 The Customer acknowledges and agrees that the Utility will not in any way be responsible for any aspect of the design, engineering, permitting, construction or installation of any Building System.
- 22.6 Not used
- 22.7 The Customer will obtain and maintain at its own expense appropriate insurance coverage (including property and liability) throughout the term of the Customer Service Agreement and will provide the Utility with evidence of same upon request.

23. ACCESS TO BUILDINGS AND EQUIPMENT

- 23.1 The Utility's Representatives will have, at all reasonable times, free access to all components of the District Energy System in, on or under the Customer's lands (whether located inside or outside of Building(s)) to ascertain the quantity or method of use of Energy Services, as well as for the purpose of reading, testing, repairing or removing the whole or any such component (or part thereof), turning Thermal Energy on or off, conducting system leakage surveys, stopping leaks, and examining pipes, fittings, connections and appliances.

In furtherance of the above, the Customer hereby grants and covenants to secure for the Utility and its subcontractors, agents, employees and representatives, by licenses, statutory rights of way, easements, leases or other agreements, and for nominal consideration, non-exclusive access to, on, over and under the Customer's lands for the purposes of performing its obligations under the Customer Service Agreement. Without limiting the generality of the foregoing, the Customer will, forthwith upon the Utility's request, grant or cause to be granted to the Utility and duly register in the relevant Land Title Office a statutory right of way in the Utility's standard form in respect of each lot comprising a part of the Customer's lands and otherwise as required to allow the Utility to perform its obligations under the Customer Service Agreement. Each statutory right of way granted pursuant to this Section will have priority over any financial encumbrance registered against title. For greater certainty, the access granted pursuant to this Section will be adequate, in the sole discretion and determination of the Utility, to allow the Utility to efficiently and effectively carry out its obligations pursuant to the Customer Service Agreement without undue disturbance or interference from the Customer or any of its contractors, agents, employees or representatives.

The Customer acknowledges and agrees that each statutory right of way, lease or other registrable interest granted pursuant to this Section may be registered by the Utility in the relevant Land Title Office, together with any priority agreements as the Utility may deem necessary or advisable.

To the extent there is a statutory right of way in favour of the Utility registered against the Customer's lands, the Customer hereby covenants and agrees to be bound by, and to comply with, such registered statutory right of way. If there is any inconsistency between the terms and conditions of the Customer Service Agreement and the terms and conditions of any such statutory right of way, the terms and conditions provided in the Customer Service Agreement will prevail.

24. CURTAILMENT OF ENERGY SERVICES

- 24.1 If there is a breakdown or failure of any component of the District Energy System, or at any time to comply with the requirements of any law, the Utility will have the right to require any Customer or class or classes of Customers or all its Customers, until notice of termination of the requirement is given, or between specified hours, to discontinue use of Thermal Energy for any purpose or purposes or to reduce in any specified degree or quantity such Customer(s)' consumption of Thermal Energy for any purpose or purposes.
- 24.2 Any such requirement may be communicated to any Customer or Customers or to all Customers by either or both of public notices in the press and announcements over the radio, and may be communicated to any individual Customer by either or both of notice in writing (via e-mail, regular mail or personal delivery, or left at the relevant Building) and oral communication (including by telephone). Any notice of the termination of any such requirement may be communicated similarly.
- 24.3 If in the opinion of the Utility any Customer has failed to comply with any requirement of the Utility communicated in accordance with this Section, the Utility will be at liberty, after notice to the Customer is communicated in accordance with this Section, to discontinue Energy Service to such Customer.
- 24.4 The Utility will not be liable for any loss, injury, damage or expense occasioned to or suffered by any Customer for or by reason of any discontinuance of Energy Services as contemplated by this Section.

25. DISTURBING USE

- 25.1 The Customer will take and use the Thermal Energy supplied by the Utility so as not to endanger or negatively impact the District Energy System.
- 25.2 The Utility may require the Customer, at the Customer's expense, to provide equipment which will reasonably limit such fluctuations or disturbances and may refuse to supply Thermal Energy or suspend the supply thereof until such equipment is provided.

26. SOURCES OF ENERGY

- 26.1 The Customer acknowledges and agrees that the Utility may, without the need to obtain any approval from the Customer and without any recourse by the Customer, from time to time incorporate other sources of energy or other energy supply systems into the District Energy System, provided the Utility is still able to meet its obligations to the Customer hereunder.

27. TAXES

- 27.1 The rates and charges set out in these Terms and Conditions do not include provincial sales tax, goods and services tax, harmonized sales tax or any other tax that the Utility may be lawfully authorized or required to add to its normal rates and charges.

28. SPECIAL CONTRACTS AND SUPPLEMENTS

- 28.1 In unusual circumstances, special contracts and supplements to these Terms and Conditions may be negotiated between the Utility and the Customer and submitted for approval by the BCUC where a minimum rate or revenue stream is required by the Utility to ensure that the provision of Energy Services to the Customer is economic.

29. CONFLICTING TERMS AND CONDITIONS

29.1 Whenever anything in these Terms and Conditions is in conflict with any special terms or conditions provided in the Tariff, the terms or conditions provided in the Tariff will prevail and whenever anything in these Terms and Conditions or in the Tariff is in conflict with the terms of any special contract the terms of such special contract will prevail.

30. AUTHORITY OF AGENTS OF THE UTILITY

30.1 None of the Utility's Representatives has authority to make any promise, agreement or representation not incorporated in a Customer Service Agreement, and any such unauthorized promise, agreement or representation is not binding on the Utility.

31. UTILITY CONTACT INFORMATION

31.1 Section E attached to and forming part of these Terms and Conditions sets out the contact information and hours of operation for the Utility in the event of an emergency or in the event the Customer has any inquiries with respect to the Energy Services or the fees and charges payable by the Customer to the Utility hereunder or in the event of any disputes.

32. COLLECTION AND USE OF DATA

32.1 The Customer acknowledges and agrees that the Utility may from time to time collect and provide to the City of Vancouver data regarding the performance of the District Energy System on a system-wide basis or on the basis of a specified area within the system.

SECTION C – RATE SCHEDULE

Thermal Energy Service

Heating Service:

Effective:	July 1, 2024	January 1, 2025	January 1, 2026
1. Capacity Charge, per kilowatt (kW)	\$ 24.72	\$ 25.21	\$ 25.72

Effective:	July 1, 2024	April 1, 2025	April 1, 2026
2. Energy Charge, per kilowatt-hour (kWh)	\$ 0.061	TBD ^{2,3}	TBD ^{2,3}

Cooling Service:

Effective:	July 1, 2024	January 1, 2025	January 1, 2026
1. Capacity Charge, per kilowatt (kW)	\$ 24.20	\$ 24.69	\$ 25.18

Effective:	July 1, 2024	April 1, 2025	April 1, 2026
2. Energy Charge, per kilowatt-hour (kWh)	\$ 0.135	TBD ^{2,3}	TBD ^{2,3}

Notes:

- 1) The above rates do not include third-party payment processing fees.
- 2) TBD = To be determined
- 3) From 2025 onwards, the Heating Energy Charge and the Cooling Energy Charge will be set April 1st of each year based on the rate-setting mechanism approved by the BCUC through Order G-342-24.

SECTION D – STANDARD FEES AND CHARGES SCHEDULE

Account Charge: **\$25.00**

The Account Charge is a single initial set up charge payable by each Applicant for Energy Services.

ADMINISTRATIVE CHARGES

Collection Charge: **\$45.00**

Dishonoured Payments Charge: Equivalent to the Utility’s lead bank’s NSF charge effective 1st of April of each year.

Late Payment Charge: Interest on outstanding balance equal to the lesser of 1.5% per month (19.6 compounded annually) and the maximum legal interest rate allowable.

Disputed Meter Testing Fees: Actual costs of removal, replacement and/or testing.

Interest on Cash Security Deposit:

The Utility will pay interest on any cash security deposit at the Utility’s prime interest rate minus 2%. The Utility’s prime interest rate is defined as the floating annual rate of interest which is equal to the rate of interest declared from time to time by the Utility’s lead bank as its “prime rate” for loans in Canadian dollars.

Payment of interest will be credited to the Customer’s account in January of each year.

SECTION E – CONTACT INFORMATION & HOURS OF OPERATION

Emergencies

Phone: 1-604-788-6613 (24 hours)

General inquiries and billing

Customer Service Hours: Monday to Friday, 8 a.m. to 5 p.m. Pacific Time (PT)

For all account, billing, and general inquiries, please email us at: contact@oakridge.energy

Website

For the most current contact information, please visit the Utility website at www.oakridge.energy