

CONDITIONS OF SERVICE

Festival Hydro  INC.

Issued on May 1, 2003
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PREFACE

The Distribution System Code (DSC) requires that each distributor produce a Conditions of Service document. The purpose of this document is to provide a means for communicating the types and levels of service available to the Customers within Festival Hydro Inc.'s ("Festival Hydro") service area. The DSC requires that the Conditions of Service be readily available for review by the public. In addition, the most recent version of the document must be filed with the Ontario Energy Board (OEB) for facilitating dispute resolutions if a dispute cannot be resolved between the Customer and Festival Hydro.

Festival Hydro's Conditions of Service document is based on the template presented in Appendix A of the DSC and is organized as follows:

Section 1 (Introduction): contains references to the legislation that covers the Conditions of Service, the rights of the Customer and of Festival Hydro, and the dispute resolution process.

Section 2 (Distribution Activities [General]): contains references to services and requirements that are common to all Customer classes. This section covers items such as Rates, Billing, Hours of Work, Emergency Response, Power Quality, Available Voltages, and Metering.

Section 3 (Customer Class Specific): contains references to services and requirements specific to individual Customer Classes. This section covers items such as Service Entrance Requirements, Delineation of Ownership, Special Contracts, etc.

Other sections in the document include the **Section 4** Glossary of Terms and **Section 5** Appendices.

The proposed changes to Festival Hydro's Conditions of Service released for Customer consultation between November 28, 2022 and January 21, 2023.

These Conditions of Service reflect the latest edition of the DSC as of October 1, 2022, and Festival Hydro's operational and customer service practices as of the date of implementation.

The following is a brief summary of the major changes made from the previous Festival Hydro Conditions of Service document:

Section 1 INTRODUCTION – Additional content describing self help options available to customers and changes to regulatory and operational practices evolving from the Covid 19 pandemic.

Section 2 DISTRIBUTION ACTIVITIES – Additional and reorganized content reflective of evolving operational practices.

Section 3 CUSTOMER CLASS SPECIFIC – Revised and reorganized content related to Conditions of Service for Customer Class Specific connections including more defined variable connection charges for general service and large user Customers.

Section 4 GLOSSARY OF TERMS – Revisions included additional definitions and a new Acronym subsection.

APPENDICES – New APPENDIX B – Demarcation Point Interpretive Drawings. Removal of Metering Appendix with a reference to the Festival Hydro website where content is now available at

the customers convenience.

A more detailed listing of the Conditions of Service revisions is provided to the OEB and to be made available during the Customer consultation process.

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SECTION 1 – INTRODUCTION

These Conditions of Service set out the terms and conditions upon which Festival Hydro offers and the Customer accepts Distribution Services.

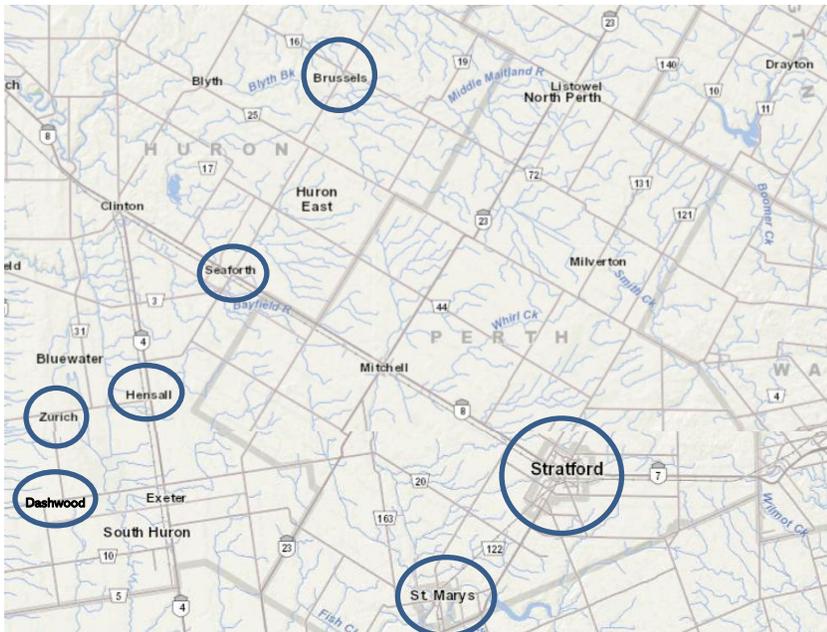
Customer safety and the safety of others are of primary concern to Festival Hydro. As such, these Conditions of Service shall not prejudice or affect any rights, privileges, or powers vested in Festival Hydro by law under Act of Legislature of Ontario or the Parliament of Canada, or any Regulations there under.

We have included a glossary of terms and listing of acronyms used in these Conditions of Service to assist you, which can be found in [Section 4.0 Glossary of Terms.](#)

1.1 IDENTIFICATION OF DISTRIBUTOR AND SERVICE TERRITORY

Festival Hydro is a corporation, incorporated under the laws of the Province of Ontario to distribute electricity and carry on the business of an electricity distributor within its licensed service area as defined in Schedule 1 of the Electricity Distribution Licence ED-2002-0513 issued to Festival Hydro by the Ontario Energy Board.

Festival Hydro owns, operates and manages the assets associated with the distribution of electrical power to approximately 22,000 Customers in the City of Stratford, Town of St. Marys, and communities of Seaforth, Hensall, Zurich, Brussels and Dashwood as illustrated below.



The licensed service area can change from time to time and Customers may find the most recent detailed description of the Festival Hydro service area in the Festival Hydro Distribution License ED 2002-0513 Schedule 1 which can be found at <https://www.festivalhydro.com/projects-operations/conditions-service>.

1.2 RELATED CODES AND GOVERNING LAWS

The supply of electricity or related services by Festival Hydro to any Customer shall be subject to various laws, regulations, and codes, including the provisions of the *latest editions* of the following documents:

- a) Electricity Act, 1998, S.O. 1998, c. 15, Schedule A (“Electricity Act, 1998”) as part of the Energy Competition Act 1998
- b) Ontario Energy Board Act
- c) Electricity Distribution Licence (DL)
- d) Electricity Distribution Rate Handbook
- e) Affiliate Relationships Code (“ARC”)
- f) Digital Privacy Act (“DPA”)
- g) Distribution System Code (“DSC”)
- h) Retail Settlement Code (“RSC”)
- i) Standard Supply Service Code (“SSSC”)
- j) Transmission System Code (“TSC”)
- k) Electricity and Gas Inspection Act
- l) Ontario Electrical Safety Code (“OESC”)
- m) Public Service Works on Highways Act
- n) Ontario Building Code
- o) Employment Standards Act
- p) Personal Information Protection and Electronic Documents Act (“PIPEDA”)
- q) Municipal Freedom of Information and Protection of Privacy Act (“MFIPPA”)
- r) Bank Act
- s) Bankruptcy Act
- t) Accessibility for Ontarians with Disabilities Act (“AODA”)
- u) Independent Electric System Operator (IESO) – Market Rules
- v) Occupational Health and Safety Act
- w) Environmental Protection Act
- x) Law Enforcement and Forfeited Property Management Statute Law Amendment Act, 2005
- y) Customer Protection Act
- z) Canada’s Anti-Spam Law (“CASL”)
- aa) Emergencies Act R.S.C., 1985
- bb) Emergency Management and Civil Protection Act
- cc) Species at Risk Act
- dd) Income Tax Act
- ee) Family Law Act
- ff) Residential Tenancies Act
- gg) Any other obligation or requirement as prescribed by legislation or regulations

In the event of a conflict between this document and the Distribution License or regulatory codes issued by the OEB, or the Energy Competition Act, 1998 (the “Act”), the provisions of the Act, the Distribution License and associated regulatory codes shall prevail. Festival Hydro will endeavor to modify its Conditions of Service document to align with the changes to regulatory codes, government

acts and statutory requirements. The most recent version of applicable codes and governing laws will apply to these Conditions of Service. If there is a conflict between a Connection Agreement with a Customer and this Conditions of Service, this Conditions of Service shall govern.

When planning and designing for electricity service, Customers and their agents must refer to all applicable provincial and Canadian electrical codes, and all other applicable federal, provincial, and municipal laws, regulations codes and by-laws to also ensure compliance with their requirements. Without limiting to the foregoing, the work shall be conducted in accordance with the latest edition of the Ontario Occupational Health and Safety Act (OHSA), the Regulations for Construction Projects, the Electric Utility Safety Rules (EUSR), and all Safe Practice Guides issued by the Infrastructure Health and Safety Association (IHSA).

1.3 INTERPRETATIONS

Words and phrases contained herein have the meanings ascribed to them in these Conditions of Service and in the documents listed in [Section 1.2](#).

Questions as to the interpretation or intent of any part of this document should be directed to Festival Hydro who shall have the sole right to make such interpretation:

- a) Headings and underlining are for convenience only and do not affect the interpretation of these Conditions of Service.
- b) Words referring to the singular include the plural and vice versa.
- c) Words referring to a gender include any gender identity.
- d) Reference to a document, act, code or bylaw shall be reference to the document, act, code or bylaw as amended, re-enacted or replaced from time to time.
- e) Any reference to duration of time in working days shall be a reference to the normal working days of Festival Hydro and will not include any weekends, statutory holidays or holidays recognized by Festival Hydro.

Recognized holidays mean the days designated by Festival Hydro from time to time. Until otherwise designated, these holidays are:

New Year's Day	Family Day
Good Friday	Easter Monday
Victoria Day	Canada Day
August Civic Holiday	Labour Day
Thanksgiving Day	Christmas Day
Boxing Day	

Festival Hydro's offices may also be closed during the Christmas holidays. Holiday hours will be posted on the Festival Hydro website.

When any of the above recognized holidays falls on a Saturday, or Sunday, either the preceding Friday or the following Monday the office will be closed as determined by Festival Hydro. The office closure dates will be posted on the Festival Hydro website www.festivalhydro.com and at the service locations for Customers to view.

A reference to a document or a provision of a document includes any amendment or supplement to, or a replacement of, that document or that provision of that document.

A request for clarification on the issue of the interpretation of any word appearing in these Conditions of Service shall be submitted in writing, and the final arbitrator between Customer and distributor shall be the OEB.

1.4 AMENDMENTS AND CHANGES

Festival Hydro reserves the right to make changes to these Conditions of Service at any time. The provisions of this Conditions of Service and any amendments made from time to time form part of any Contract made between Festival Hydro and any connected Customer, Retailer, or Generator, and this Conditions of Service supersedes all previous Conditions of Service, oral or written, of Festival Hydro or any of its predecessor municipal electric utilities as of its effective date.

In the event of changes to the Condition of Service, in addition to an on bill notice, a public notice shall be made in the form of either a notice on the Festival Hydro website, www.festivalhydro.com or Festival Hydro social media.

The Customer is responsible for contacting Festival Hydro to ensure that the Customer has, or to obtain the current version of this Conditions of Service. Festival Hydro may charge a reasonable fee for providing the Customer with a copy of this document. The current version of the document is also posted on the Festival Hydro website and can be downloaded from www.festivalhydro.com.

1.5 CONTACT INFORMATION

Festival Hydro has the following business office location and contacting options to serve its Customers:

Business Address:

Festival Hydro Inc.

187 Erie Street

P.O. Box 397

Stratford ON N5A 6T5

Web Site:

www.festivalhydro.com

Phone Numbers:

Toll Free: 1-866-444-9370

Customer Service: 519-271-4700

Fax: 519-271-7204

For account inquiries, past due accounts, meter readings, and moves during normal business hours please call 519-271-4700 fax 519-271-7204 or e-mail at customerservice@festivalhydro.com.

Festival Hydro offers online services and forms for the convenience of Customers. A complete listing of the current online services and forms may be found on the Festival Hydro website link:

<https://www.festivalhydro.com/accounts-services/online-forms-services/forms>

Locate Request: 1-800-400-2255 (service is available 24 hours a day, seven days a week) for an underground locate. ON1CALL website is ontariooncall.ca.

For emergency, no power calls at any time please call 519-271-4700 and your call will be automatically transferred to the after hours dispatch center.

For all other inquiries please call 519-271-4700 or email to customerservice@festivalhydro.com

Business Hours

Call Centre Core Business Hours: 8:30 a.m. to 4:30 p.m. weekdays except recognized holidays described in [Section 1.3](#).

Office hours open to the public may not coincide with core business hours. Public access walk in hours will be posted on Festival Hydro's website. In addition, Customers can request an in-person appointment with Festival Hydro Engineering, Operations, Administrative or Management staff.

1.6 CUSTOMER RIGHTS

The Customer has the right to access Festival Hydro's Distribution System and services in accordance with the Conditions of Service and the applicable acts, regulations and codes. A Customer has the right to make application for service or modification to an existing service in accordance with these Conditions of Service. An application for and the provision of electrical service in accordance with these Conditions of Service shall constitute an implied contract between the Customer and Festival Hydro.

The Customer has the right to request one annual disconnect and reconnect at no cost to the Customer during normal business hours. Subsequent disconnect/reconnect requests may be subject to Customer Costs at the discretion of Festival Hydro. Festival Hydro, at its sole discretion, may charge the full overtime costs for a disconnect or reconnect beyond normal call center business hours.

1.6.1 Obligation to Sell Electricity

Festival Hydro is obliged to sell electricity to every Customer connected to its Distribution System in accordance with:

- a) Section 29 of the Electricity Act, 1998; and
- b) Its Electricity Distribution Licence; and
- c) The requirements of the codes and laws in [Section 1.2](#).

A Customer may request a list of Retailers who have service agreements with Festival Hydro. Customers have the right to receive Standard Supply Service from Festival Hydro, or its agent, where:

- a) The Customer has not chosen a Retailer;
- b) The Customer chooses to return from a Retailer;

- c) The Customer's Retailer is unable to supply; or
- d) The Customer's Retailer returns the Customer to Festival Hydro.

1.6.2 Access to Meter Information

The Customer has the right to interrogate the Customer's meter, and access meter information, or to assign these rights to others, in accordance with Section 11 of the Retail Settlement Code (RSC) and subject to any relevant technical specifications and codes.

1.6.3 Identification

The Customer is entitled to demand identification from any person purporting to be an authorized agent or employee of Festival Hydro.

1.6.4 Liability for Damages

Festival Hydro will only be liable to the Customer and the Customer will only be liable to Festival Hydro for any damages that arise directly out of the willful misconduct or negligence of:

- a) Festival Hydro in providing distribution services to the Customer; or
- b) The Customer in being connected to Festival Hydro's Distribution System; or
- c) Festival Hydro or the Customer in meeting their respective obligations under the Conditions of Service, their licences, and any other applicable codes and laws.

Neither Festival Hydro nor the Customer will be liable under any circumstances whatsoever for any loss of profits or revenues, business interruption losses, loss of contract or goodwill, or for any indirect, consequential, incidental, or special damages including, but not limited to, punitive or exemplary damages, whether any of the said liability, loss or damages arise in contract, tort or otherwise.

The Customer shall indemnify and hold harmless Festival Hydro, its directors, officers, employees, and agents from any claims made by any third parties in connection with the construction, installation, and operation of the Customer's equipment.

Festival Hydro assumes no risk and will not be liable for damages resulting from the presence of its equipment on the Customer's premises or approaches, or for any action, omission, occurrence, or negligence by any persons over whom Festival Hydro has no control as detailed in the Conditions of Service.

A Customer who believes that he has incurred damages to his property or equipment as a result of negligence or willful misconduct on the part of Festival Hydro, or from an electrical disturbance outside of the reasonable conduct of Festival Hydro, may submit a claim for damages to Festival Hydro.

Festival Hydro will investigate the claim and respond in writing within 10 business days of the receipt of the claim.

1.7 DISTRIBUTOR RIGHTS

No employee, representative or agent of Festival Hydro has the authority to make any promise, agreement or representation, whether verbal or otherwise, which is inconsistent with these Conditions of Service and no such promise, agreement or representation shall be binding on Festival Hydro.

Any notice under these Conditions of Service will be considered to have been given to the Customer on the date it is received by the Customer; or, when received by electronic transmission as confirmed by the sender's transmission report or read receipt, or 3 business days following the date it was delivered by electronic mail or mailed by Festival Hydro to the Customer's last known address, whichever is sooner.

Where the Customer has chosen to hire a contractor to construct distribution facilities that will form part of Festival Hydro's Distribution System, Festival Hydro has the right to require the contractor to submit proof of previous experience/certification and satisfactory performance acceptable to Festival Hydro prior to work commencing.

The Customer is required to provide Festival Hydro enough lead-time to ensure:

- a) The timely provision of supply to new and upgraded premises; or
- b) The availability of adequate capacity for additional loads to be connected in existing premises.

If special equipment is required or if equipment delivery problems occur, then longer lead times may be required. The Customer will be notified of any extended lead times.

The supply of energy is conditional upon Festival Hydro being permitted and able to provide such a supply, obtaining the necessary apparatus and material, and constructing works to provide the service. Should Festival Hydro not be permitted to supply or not be able to do so, it is under no responsibility to the Customer whatsoever.

1.7.1 Assignment

Festival Hydro may, on notice to the Customer, assign all of its rights and obligations under this Agreement, in whole or in part, to any Affiliate which is a Distributor or to any other Person which is a Distributor (including by way of amalgamation) without the consent of the Customer; and upon such notice and assignment, Festival Hydro shall have no further obligations or liabilities whatsoever under this Agreement.

1.7.2 Access to Customer Property

The Customer hereby grants Festival Hydro, its successors and assigns, the unrestricted right, privilege and easement, free of charge or rent, to use so much of the service location and to enter on, in, upon, along and over the service location at any time as Festival Hydro may deem it necessary or desirable for purposes of performing any work and for its employees, servants, agents, contractors and subcontractors to pass and re-pass with or without vehicles, supplies, machinery and equipment, on, in, upon, along and over the service location at any time to perform any work and for all purposes necessary or convenient to the exercise and enjoyment of the right, privilege and easement hereby granted.

Inspection of Festival Hydro's Distribution System may be performed at heights well above its distribution poles using aerial devices or remote control drones equipped with camera technology.

Festival Hydro or its authorized agents may, under Section 40 of the Electricity Act, 1998, enter private property at any time for any of the following purposes¹:

- a) To install, inspect, read, calibrate, maintain, repair, alter, remove, or replace a meter;
- b) To inspect, maintain, repair, alter, remove, replace, or disconnect wires or other facilities used to transmit or distribute electricity;
- c) To inspect, maintain, repair, alter, remove, and replace Festival Hydro Facilities and Equipment;
- d) To perform vegetation management to maintain and protect distribution wires, poles and any accessories.

Festival Hydro will use reasonable efforts to exercise the statutory Power of Entry rights during normal business hours. The Festival Hydro employee or authorized agent exercising this Power of Entry will identify themselves with proper identification upon request.

The Customer will provide Festival Hydro space and cleared rights-of-way on private property for lines and equipment required to service the Customer. At the request of Festival Hydro, the Customer is required to provide keys and/or an area for mounting a key box to allow access to the above equipment. The Customer shall not unreasonably interfere with Festival Hydro's access to its property. Where the owner of private property upon which lies a portion or portions of Festival Hydro's Distribution System, has forbidden Festival Hydro entry onto the private lands, Festival Hydro will exercise its Power of Entry statutory rights under the Electricity Act and contact local police authorities for assistance if necessary. Where an Emergency condition or safety hazard exists, at the sole discretion of Festival Hydro, Festival Hydro may choose to immediately exercise its statutory Power of Entry rights and enter onto private lands without prior notice to the Customer.

If access to a Customer's property is not made available within a reasonable time, Festival Hydro may disconnect the supply of electricity to the Customer. Festival Hydro's policies and procedures with respect to the disconnection process are further described [Section 2.2 Disconnections](#).

Festival Hydro may install a device at the metering point which allows Festival Hydro access to safely connect or disconnect the supply of electricity. Festival Hydro reserves the right to relocate the meter to an accessible location on the Customer's property at the Customer's expense.

1.7.3 Safety of Equipment

The Customer will comply with all aspects of the Ontario Electrical Safety Code (OESC), current issue, with respect to ensuring that equipment is properly identified and connected for metering and operation purposes and will take, whatever steps necessary to correct any deficiencies, in particular cross wiring situations, in a timely fashion. If the Customer does not take such action within a reasonable time, Festival Hydro may disconnect the supply of electricity to the Customer.

The Customer shall not build, plant or maintain or cause to be built, planted or maintained any structure,

¹ Section 6.1.5 Distributors Responsibilities – Distribution System Code – October 1, 2022 edition.

tree, shrub or landscaping that would or could obstruct the running of distribution lines, endanger the equipment of Festival Hydro, interfere with the proper and safe operation of Festival Hydro's facilities or adversely affect compliance with any applicable legislation in the sole opinion of Festival Hydro. For example, Festival Hydro requires a minimum clearance of 3 m in front of the access side of pad mounted equipment; additionally, 1.5 m is required from the other three sides.

Where an obstruction or encroachment is discovered, Festival Hydro will notify the Customer and provide a reasonable time for the Customer to correct any obstructions or reduce any encroachment. If the Customer does not remove such obstruction or reduce any encroachment within the reasonable time designated by Festival Hydro, Festival Hydro may disconnect the supply of electricity to the Customer and/or remove, relocate or, in the case of shrubs or other vegetation, trim such obstructions at the Customer's expense, and Festival Hydro shall not be liable to the Customer for any damages arising as a result thereof. Festival Hydro's policies and procedures with respect to the disconnection process are further described in [Section 2.2 Disconnections](#).

The Customer shall not use or interfere with the facilities of Festival Hydro except in accordance with a written agreement with Festival Hydro.

The Customer shall not attach wires, cables or other fixture to Festival Hydro's poles or other property except by prior written permission from Festival Hydro.

1.7.4 Operating Control

The Customer will provide a convenient and safe place, satisfactory to Festival Hydro, for installing, maintaining and operating its equipment in, on, or about the Customer's premises.

Unless an employee or an agent of Festival Hydro, or other Person lawfully entitled to do so, no Person shall remove, replace, alter, operate, repair, inspect or tamper with Festival Hydro's equipment.

The physical location on Customer premises, at which a distributor's responsibility for operation control of distribution equipment ends, is defined by the DSC as the Operational Demarcation Point.

1.7.5 Damaged Electrical Equipment

The Customer will be required to pay the cost of repair or replacement of equipment owned by Festival Hydro that has been damaged through the willful misconduct or negligence of the Customer and/or his agent(s) and/or employee(s) and/or constructor(s). The Customer is required to pay for such repair and replacement costs prior to reconnection of the service. Festival Hydro shall notify the Electrical Safety Authority (ESA) of all serious electrical incidents incurred by the Customer and/or their agent(s), Contractors, and/or employee(s) and/or Constructor(s) within 48 hours.

If a third-party Constructor or Contractor who is not under contract to the Customer damages equipment owned by Festival Hydro such as an accidental dig into energized underground cable, such third party will be responsible for the damages caused. Festival Hydro will report all electrical contacts above 750 Volts caused by a Constructor or Contractor to the Ministry of Labour.

1.7.6 Repairs of Defective Customer Owned Electrical Equipment

The Customer will be required to repair or replace any equipment owned by the Customer that may affect the integrity or reliability of Festival Hydro's Distribution System. If the Customer does not take such action within a reasonable time, Festival Hydro may disconnect the supply of power to the Customer. Festival Hydro policies and procedures with respect to the disconnection process are further described in [Section 2.2 Disconnections](#).

1.7.7 Repairs of Customer's Owned Physical (Civil) Structures

Construction and maintenance of all civil works owned by the Customer, including such items as but not limited to; poles, transformer vaults, transformer pads, cable chambers, cable pull vaults and underground conduit, will be the responsibility of the Customer. All civil work may be inspected and accepted by Festival Hydro and the ESA as necessary.

The Customer is responsible for the maintenance and safe keeping conditions satisfactory to Festival Hydro of its structural and mechanical facilities.

1.7.8 Allocation of Electricity During Emergencies

If the supply of electricity to Festival Hydro is interrupted or reduced as a result of an Emergency or equipment failure on the transmission or Distribution System, Festival Hydro, in its sole judgment, may allocate the available electricity among the Customer and other Customers in its service area. An allocation of electricity under this Section shall be deemed not to be a breach of any contract.

1.7.9 Force Majeure

Neither the Customer nor Festival Hydro shall be held to have committed an event of default in respect of any obligation under these Conditions of Service or the DSC if prevented from performing that obligation because of a force majeure event pursuant to Section 2.3 of the DSC.

If a force majeure event prevents Festival Hydro from performing any of its obligations under these Conditions of Service and any applicable Connection Agreement, then Festival Hydro shall²:

- a) Promptly notify the Customer of the force majeure event and its assessment in good faith of the effect that the event will have on its ability to perform any of its obligations. If the immediate notice is not in writing, it shall be confirmed in writing as soon as reasonably practicable;
- b) Not be entitled to suspend performance of any of its obligations under these Conditions of Service to any greater extent or for any longer time than the force majeure event requires it to do so;
- c) Use its best efforts to mitigate the effect of the force majeure event, remedy its inability to perform, and resume full performance of its obligations;
- d) Keep the Customer continually informed of its efforts, where practicable; and,
- e) Provide written notice to the Customer when it resumes performance of any obligations affected by the force majeure event.

² Section 2.3.2 Force Majeure – Distribution System Code – October 1, 2022 Edition

Notwithstanding any of the foregoing, settlement of any strike, lockout, or labour dispute constituting a force majeure event shall be within the sole discretion of Festival Hydro. The requirement that Festival Hydro must use its best efforts to remedy the cause of the force majeure event, mitigate its effects, and resume full performance under these Conditions of Service shall not apply to strikes, lockouts, or labour disputes.

1.8 DISPUTES

Any disputes which shall arise between Festival Hydro and a Customer(s) and other market participants subject to the terms of these Conditions of Service concerning the rights, duties or obligations of Festival Hydro or others subject to these Conditions of Service, shall be settled subject to the following dispute resolution procedure:

- a) The Customer should endeavour to resolve the dispute by contacting the Customer's Retailer or, if appropriate a Festival Hydro representative during regular business hours or email the complaint to customerservice@festivalhydro.com
- b) Upon receipt of the complaint, a Festival Hydro representative will acknowledge its receipt within 10 days and attempt to resolve the dispute through investigation and follow-up. If the Festival Hydro representative cannot resolve the dispute to the satisfaction of the Customer, it will be referred to the Manager/Supervisor. The Manager/Supervisor of Festival Hydro will attempt to resolve the dispute within 10 business days. If the complaint is un-resolved to the satisfaction of the Customer, it will be referred to the appropriate Festival Hydro Executive (Vice-President/President) who will attempt to resolve the complaint.
- c) If, following good faith negotiations between the Customer and Festival Hydro, a resolution cannot be reached, the dispute may be referred to an independent third-party complaints' resolution agency approved by the OEB.
- d) Upon resolution of the dispute, the Customer may request and will receive a summary of the actions taken by Festival Hydro in resolving the dispute. The Customer may also request and receive a copy of the code, policy or other document that affected the outcome of the dispute.

The Customer reserves the right to submit their dispute into the OEB Consumer Complaint Response Process using the OEB E-Portal. Where a Customer complaint follows the OEB Consumer Complaint Response Process, the Customer complaint is forwarded to Festival Hydro through the OEB E-Portal. Festival Hydro shall adhere to the timelines specified by the OEB and submit the required information through the OEB E-Portal system as the means of resolving the dispute.

SECTION 2 – DISTRIBUTION ACTIVITIES (General)

2.0.1 Locating Underground Powerlines

It is vitally important that a Customer is aware of any underground wiring prior to digging or excavating. Festival Hydro is a member of ON1CALL. A Customer who requires that Festival Hydro locate underground powerlines owned by Festival Hydro shall call Ontario One Call at 1-800-400-2255 or access their website at ontarioonecall.ca to request a location of underground powerlines. Festival Hydro shall locate underground power lines or other equipment owned by Festival Hydro up to the ownership demarcation point at no charge to the Customer. See [Appendix B](#) for typical ownership demarcation points.

2.0.2 Temporary Connections

A temporary connection, otherwise known as a temporary Service, is a connection asset that is intended to provide distribution services to a Customer for a finite connection period after which the temporary connection shall be replaced with a permanent connection asset or disconnected and removed from service.

Where a Customer requires a temporary connection, the types and applicable charges are as follows:

- a) For a service that at a later date will become a Residential or a General Service, connection conditions, connection fees and Standard Connection Allowances as defined in [Section 2.1.1.1](#) for Residential Class Customers and [Section 2.1.1.2](#) for General Service Class Customers shall apply;
- b) For a service that has a finite connection period with a known or approximate disconnection date (for example, service to a construction site), the Customer shall pay Festival Hydro the estimated cost to install and remove the temporary connection, in advance, in accordance with the Contribution in Aid of Construction (CIAC) policy and methodology [Section 2.1.2.2](#). The labour, equipment, sundry and material costs to install and remove the service will be charged to the Customer based on actual costs. The Standard Connection Allowance found in [Section 2.1.1](#) shall not apply.
- c) A temporary connection may remain in service for a period of up to one-year after which the service shall be:
 - i) Replaced with a permanent connection asset; or
 - ii) Disconnected and removed from service; or
 - iii) At the sole discretion of Festival Hydro subject to ESA authorization, the temporary connection may remain in service for one additional year.
- d) In the case of temporary underground connections, the Customer shall supply and install trenching, suitable service duct and secondary conductor. The Customer shall install the cable along a route approved by Festival Hydro.

The Customer's electrical installation will require an authorization from the ESA prior to being connected to the Distribution System by Festival Hydro.

2.0.3 Number of Services

Festival Hydro permits only one service per property. Where exceptional circumstances exist, Festival Hydro at its discretion may connect additional services, on the same property.

In circumstances where two existing services are installed to a dwelling, and one service is to be

upgraded, the upgraded service will replace both of the existing services at the discretion of Festival Hydro.

2.0.4 Services and Swimming Pools

Although the OESC allows electrical conductors to be located at adequate height above a swimming pool, Festival Hydro will not allow utility owned electrical conductors to be located above swimming pools. Swimming pool separation from underground electrical conductors owned by the utility shall meet the requirements of the OESC and/or CSA.

Where a new swimming pool is to be installed it will be necessary to relocate, in accordance with [Section 2.1.5](#), any electrical conductors located directly over or buried under the proposed pool location.

2.1 CONNECTIONS

This section contains the information that is applicable to all Customer classes of Festival Hydro. Information that is particular to a specific Customer class is covered in [Section 3 – Customer Class Specific](#).

Under the terms of the DSC, Festival Hydro has an obligation to make an Offer to Connect³ to any Customer located within its service territory. The Customer shall contact Festival Hydro providing sufficient lead-time to ensure timely provision of service and adequate capacity. The Customer or its agent shall consult with Festival Hydro on matters of location, loading, service voltage, metering and any other pertinent details of the service.

Although Festival Hydro has an obligation to make an Offer to Connect within its service territory, the obligation to meet all statutory municipal building approval requirements from an authority of competent jurisdiction lies solely with the Customer requesting service.

2.1.1 Building that Lies Along

By definition a building “Lies Along” Festival Hydro’s Distribution System if it is:

- a) Located within Festival Hydro’s defined territory and along a public right-of-way;
- b) The building can be connected to the existing Distribution System without an expansion or enhancement; and
- c) It meets the conditions listed in these Conditions of Service.

A Customer may obtain the appropriate application information by contacting Festival Hydro.

Upon application for service by an applicant Customer whose building Lies Along the Distribution System and abuts on, or has access to, a maintained public right-of-way, and where Festival Hydro has distribution facilities of the appropriate voltage and capacity, Festival Hydro is obligated to offer a connection to the Distribution System.

2.1.1.1 Connection Charges - Residential Class Customers

Standard Connection Allowance - Each Distributor must define a basic connection for Residential Customers⁴. The basic connection cost is recovered in the rates and shall not be charged to a Residential Customer requesting a service. The value of the basic connection, the Standard Connection Allowance,

³ Section 28 – *Electricity Act, 1998*, as amended.

⁴ Section 3.1.4 Connections – *Distribution System Code – October 1, 2022 edition*.

shall be a credit against any Variable Connection charges⁵ estimated with respect to a connection.

The Basic Connection includes the following distribution services for all Residential Service Class Customers:

- a) Equivalent credit for supply and installation up to 30 m of overhead Secondary Voltage conductor for up to a 200 A service for new installations.
- b) One connection plan or estimate for a service connection at the discretion of Festival Hydro. There may be charges by Festival Hydro if the Customer requires more than one estimate and layout due to changes in the Customer's needs.
- c) Connectors required to connect the service conductor to the Distribution System and to the Customer's mast.
- d) Supply and installation of miscellaneous tape, sealants, protectors and corrosion inhibitors as required.
- e) One trip to the Customer's site to connect a service.
- f) 24-hour Emergency response service.
- g) Equivalent credit for installation of overhead pole mounted transformation.

Variable Connection Charge - for all connection costs above and beyond the basic connection a Residential Customer shall be subject to a Variable Connection Charge. Festival Hydro may provide the Variable Connection Charge as a fixed cost estimate, an estimated cost of connection that would be revised based upon the actual costs incurred, or a combination of both. Festival Hydro shall identify the Standard Connection Allowance and any fixed cost estimates or estimated costs that shall be invoiced at actual cost on the Offer to Connect.

2.1.1.2 Connection Charges - General Service Class Customers

Variable Connection Charge - All connection costs for a General Service Class Customer shall be subject to a Variable Connection Charge. Festival Hydro may provide the Variable Connection Charge as a fixed cost estimate, an estimated cost of connection that would be revised based upon the actual costs incurred, or a combination of both. Festival Hydro shall identify any fixed cost estimates or estimated costs that shall be invoiced at actual cost and any work that may be eligible for an Alternative Bid ([See Section 2.1.2.4](#)) on the Offer to Connect.

2.1.2 Expansions/Offer to Connect

2.1.2.1 General

Upon application for service by a Customer whose building is located within Festival Hydro's defined territory, Festival Hydro is obligated to make an Offer to Connect. This connection may include an expansion to Festival Hydro's existing Distribution System in the form of a physical extension of the existing Distribution System and/or enhancements to the existing Distribution System.

Enhancements to the existing Distribution System shall be designed, constructed, owned and maintained by Festival Hydro and the Customer shall pay all costs associated with the enhancements, subject to [Section 2.1.2.2](#).⁶

Any portion of an expansion to be owned by Festival Hydro shall be constructed such that it is on a municipal right-of-way, First Nations land, crown land and/or easements, preferably accessible from a

⁵ Section 3.1.6 Connections – Distribution System Code - October 1, 2022 edition.

⁶ Section 3.3 Enhancements – Distribution System Code – October 1, 2022 edition.

maintained roadway, to allow for initial construction and any and all maintenance that may be required from time to time. It shall be the responsibility of the Customer to obtain property rights, acceptable to Festival Hydro, for all portions of the expansion that will not lie along the municipal right-of-way. All system expansions constructed on the municipal right of way shall be owned and operated by Festival Hydro.

Normally, it shall be the responsibility of the Customer to negotiate and acquire land rights for, construct, own and maintain any portion of the required expansion which does not lie upon a municipal right-of-way. Festival Hydro shall normally provide, and the Customer shall pay Festival Hydro for, the design and engineering of any extension that does not lie upon private property⁷. All Customer costs associated with an expansion and/or enhancement are subject to [Section 2.1.2.2](#).

In certain cases, Festival Hydro, at its sole discretion, may assume ownership of all or part of the expansion which lies upon private land or lands, subject to the Customer obtaining registered easements. [See Section 2.1.6](#) for further information on easements.

Festival Hydro will respond to requests for connection within the following time frames, as prescribed in the DSC⁸, from time to time:

- a) For Customers, no later than 15 calendar days from receipt of the request. At this time, Festival Hydro will specify any information that must be provided, and any obligations that must be met, by the Customer in order for Festival Hydro to process the request. An Offer to Connect will be made by no later than 60 calendar days following Festival Hydro's receipt of all necessary information and the Customer meeting of all their obligations⁸; and
- b) For Embedded Generators and Embedded Distributors, Festival Hydro will follow the terms and processes outlined in the related appendices of the DSC. In the response, Festival Hydro will specify any information that must be provided and any obligations that must be met, by the Embedded Generator or Embedded Distributor in order for Festival Hydro to process the request. An Offer to Connect will be made within the time frame specified in the DSC.

Further to the requirements of the DSC⁹, at a minimum, the "Offer to Connect" will contain:

- a) A statement as to whether the offer is a firm offer or is an estimate of the costs that would be revised in the future to reflect actual costs incurred;
- b) A reference to Festival Hydro's Conditions of Service and information on how the Customer requesting the connection may obtain a copy of them;
- c) A statement as to whether an expansion deposit will be required from the Customer ([See Section 2.1.2.3](#) for further information) and if so, the amount of the deposit;
- d) A statement as to whether the connection charges will be charged separately from the capital contribution, and a description of, and if known, the amount for, those connection charges;
- e) A statement as to whether a CIAC (Contributed Capital) will be required ([See Section 2.1.2.2](#) and [2.1.2.3](#) for further information);
- f) If a CIAC is required from the Customer:
 - i. The amount of the CIAC; and,
 - ii. The calculation used to determine the amount of the CIAC to be paid by the Customer including all assumptions and inputs used to produce the economic evaluation ([See Appendix A](#)) as described in Appendix B of the DSC; and,

⁷ Section 3.2.15 Expansions – Distribution System Code – October 1, 2022 edition

⁸ Section 6.1.1 Responsibilities to Load Customers – Distribution System Code – October 1, 2022 edition.

⁹ Sections 3.2.8 and 3.2.9 Expansions – Distribution System Code – October 1, 2022 edition.

- iii. A statement as to whether the offer includes work for which the Customer may obtain an alternate bid, and if so, the process by which the Customer may obtain the alternative bid (See [Section 2.1.2.4](#)); and,
- iv. A description of, and the costs for, the work that is eligible for alternative bid and the work that is not eligible for alternative bid associated with the expansion (See [Section 2.1.2.4](#) for more information) broken down into the following categories:
 - a. Labour, including design, engineering and construction; and,
 - b. Materials; and,
 - c. Equipment; and,
 - d. Overhead, including administration;
- g) An amount for any additional costs that will occur as a result of the alternative bid option being chosen, including but not limited to, Inspection costs;
- h) If the offer is for a residential Customer, a description of, and the amount for, the cost of the basic connection (Standard Connection Allowance) referred to in [Section 2.1.1.1](#) that has been factored into the economic evaluation; and
- i) If the offer is for a non-residential Customer and if Festival Hydro has chosen to recover the non-residential basic connection charge as part of its revenue requirement, a description of, and the amount for, the connection charges referred to in [Section 2.1.1.2](#) that have been factored into the economic evaluation.
- j) Terms and conditions for payments and deposits required; and,
- k) Any additional information pertinent to the offer; and
- l) Identification of other work the Customer is responsible for.

2.1.2.2 Contribution in Aid of Construction (CIAC) - also known as Capital Contribution

The Customer may be required to pay Festival Hydro a CIAC to offset the cost of the expansion to the Distribution System¹⁰. In addition to the CIAC, the Customer may (at the discretion of Festival Hydro) be required to provide an expansion deposit in a form acceptable to Festival Hydro¹¹. Such an expansion deposit may be held as guarantee of the Customer's load projections.

Festival Hydro will use good utility practices, and guidelines as defined from time to time by the OEB to determine the Distribution System expansion and related costs required to service the Customer's building based on the service requirements provided by the Customer. Festival Hydro will provide service without a CIAC from the Customer, if Festival Hydro determines that the capital cost and on-going maintenance costs of the expansion will be recovered by future incremental revenue from the Customer. In the event that the capital cost and on-going maintenance costs exceed the future incremental revenue recovered from the Customer, then a CIAC will be required from the Customer prior to execution of the project.

The CIAC will be calculated using the guidelines set out in the DSC¹². Other fixed costs not subject to the CIAC, if any, are detailed in [Section 3 Customer Class Specific](#).

¹⁰ Section 3.2.9 Expansions – Distribution System Code – October 1, 2022 edition.

¹¹ Section 3.2.25 Expansions – Distribution System Code – October 1, 2022 edition.

¹² See Appendix B – Distribution System Code – October 1, 2022 edition.

2.1.2.3 Expansion Deposit

For expansions that require a CIAC, Festival Hydro shall require the Customer to provide an expansion deposit¹³. The amount may be up to 100% of the present value of the forecasted revenue.

For expansions that do not require a CIAC, the Customer will provide, if required by Festival Hydro, an expansion deposit for up to 100% of the present value of the projected capital costs and on-going maintenance costs of the expansion project.

The expansion deposit shall be in the form of cash, letter of credit from a bank as defined in the Bank Act S.C. 1991 c.46, or surety bond¹⁴. Festival Hydro shall allow the Customer to select the form of the expansion deposit.

If the expansion deposit is in the form of cash¹⁵, Festival Hydro shall return the expansion deposit to the Customer together with interest in accordance with the following conditions:

- a) Interest shall accrue monthly on the expansion deposit commencing on receipt of the total deposit required by Festival Hydro; and,
- b) The interest rate shall be as set out in the DSC.

2.1.2.4 Alternative Bids

Where Festival Hydro requires a CIAC (Contributed Capital) from the Customer, Festival Hydro shall allow the Customer to obtain and use alternative bids for the work that is eligible for alternative bid.

The following activities are not eligible for alternative bid¹⁶:

- a) Distribution system planning; and
- b) Work by others on Festival Hydro's existing circuits; and,
- c) The development of specifications for any of the following:
 - i. The design of an expansion.
 - ii. The engineering of an expansion; and
 - iii. The layout or routing of an expansion.
- d) Providing the design specifications for the construction; and
- e) Inspection of electrical infrastructure, cable terminations, testing and authorizing the line for connection.

In the event the Customer chooses to use an alternative bidder to construct those portions of an expansion that are eligible for alternative bid, the Customer shall¹⁷:

- a) Complete all of the work that is eligible for alternative bid;
- b) Pay the cost for all design specifications; and,
- c) Select, hire, and pay the qualified contractor all the costs for the work eligible for the alternative bid; and,
- d) Assume full responsibility for the construction of the alternative bid portion of the expansion project; and,

¹³ Section 3.2.20 Expansions – Distribution System Code – October 1, 2022 edition.

¹⁴ Section 3.2.25 Expansions – Distribution System Code – October 1, 2022 edition.

¹⁵ Section 3.2.26 Expansions – Distribution System Code – October 1, 2022 edition.

¹⁶ Section 3.2.15 Expansions – Distribution System Code – October 1, 2022 edition.

¹⁷ Section 3.2.16 Expansions – Distribution System Code – October 1, 2022 edition.

- e) Administer the contract and provide onsite supervision. Administering the contract includes acquisition of all required permissions, permits, and property rights as required; and,
- f) Pay the cost of any easements or property agreements as required by Festival Hydro; and,
- g) Ensure that the work that is eligible for alternative bid is done in accordance with Festival Hydro's distribution system planning and Festival Hydro's specifications for any of the following:
 - i. The design of the expansion;
 - ii. The engineering of the expansion; and,
 - iii. The layout of the expansion
- h) Prior to construction, submit plans for the design, engineering, layout and work execution for approval by Festival Hydro; and
- i) Assume full responsibility for the construction of any portion of the expansion project to be constructed on private property; and,
- j) Pay all applicable ESA inspection fees; and,
- k) Pay an inspection and commissioning fee to Festival Hydro for inspection and commissioning of the construction;
- l) The Customer shall agree to transfer ownership of the expansion facilities that are constructed under the alternative bid option to Festival Hydro upon completion.

Festival Hydro reserves the right to inspect and commission the expansion prior to connection and will be reimbursed by the Customer on a fee for service basis. As well, the Customer shall reimburse Festival Hydro for incidental costs incurred as a result of the work being performed by the alternative bidder; this includes, but is not limited to, items such as establishing work protection and costs associated with connecting the expansion to the existing Distribution System. All expansion facilities shall be constructed in compliance with the design approved by Festival Hydro.

Upon final inspection and approval by Festival Hydro, the Customer will transfer the expansion facilities to Festival Hydro, and the Customer will be paid a transfer price. The transfer price shall be the lower of the cost to the Customer to construct the expansion facilities or the amount set by Festival Hydro in its initial offer to do the work eligible for alternative bid.

Where Festival Hydro is required to pay a transfer price, the transfer price shall be considered a cost to Festival Hydro for the purposes of completing the final economic evaluation of the system expansion.

2.1.2.5 Rebates for Contributions in Aid of Construction Customers - Capital Contributions

In accordance with the DSC, un-forecasted Customer(s) that connect to the Distribution System during the Customer connection horizon (See Appendix B of the DSC), and who benefit from an earlier expansion, shall contribute their share and the initial contributor(s) shall be entitled to a rebate, without interest, from Festival Hydro. The apportioned benefit shall be determined by considering such factors as the relative load level and the relative line length (in proportion to the line length being shared by both parties). Festival Hydro will use the economic evaluation guidelines set out in the DSC to recalculate the CIAC (Capital Contribution) of both the original and the new Customer(s), based on the forecasted load and revenue of the new Customer.

Note: If the original economic evaluation had included additional Customers within the Customer connection horizon, no rebate will be given.

In accordance with the DSC, no rebates will occur after the Customer connection horizon, as defined

in the DSC, has expired.

Rebates will normally be made to the original contributor. It is the original contributor's obligation to inform Festival Hydro of any change of address.

Once facilities are energized, Festival Hydro shall annually return the percentage of the expansion deposit in proportion to the actual connections (for residential developments) or actual demand (for commercial and industrial developments) that materialized in that year¹⁸. This annual calculation shall only be done for the duration of the Customer connection horizon as defined in the DSC. If, at the end of the Customer connection horizon, the forecasted connections (for residential developments) or forecasted demand (for commercial and industrial developments) have not materialized, Festival Hydro shall retain the remaining portion of the expansion deposit.

If the Customer chooses an alternate bid, as described in [Section 2.1.2.4](#), Festival Hydro may collect and/or retain 10% of the expansion deposit described above, or \$15,000, whichever is greater, for a warranty period of up to two years¹⁹. This portion of the expansion deposit can be applied to any work required to repair the expansion facilities within the two-year warranty period. The two-year warranty period begins:

- a) When the last forecasted connection in the expansion project materializes (for residential developments) or the last forecasted demand materializes (for commercial and industrial developments); or
- b) At the end of the Customer connection horizon as defined in the DSC, whichever comes first.

Festival Hydro shall return any remaining portion of this part of the expansion deposit at the end of the two-year warranty period.

2.1.2.6 Transmission System Expansions or Enhancements

Where Festival Hydro is required to provide a CIAC (Capital Contribution) to a transmitter under the Transmission System Code (TSC) for the purpose of a new or modified transmitter-owned connection facility, and the new or modified transmitter-owned connection facility also meets the needs of:

- a) An embedded distributor connected to Festival Hydro's Distribution System and/or;
- b) A load Customer connected to Festival Hydro's Distribution System with a non-coincident peak demand that is equal to or greater than 5 MW, and/or ;
- c) A Distributed Energy Resource (DER) connected to the Festival Hydro's Distribution System with a connected capacity of;
 - i. 1 MW for a non-renewable generation or;
 - ii. 2 MW for renewable generation then;

Festival Hydro shall require a capital contribution from the Customer defined in (a) or (b) or (c) or any other beneficiary as required in the DSC²⁰. Festival Hydro shall request that the transmitter, who owns the connection facility, calculate the capital contribution amount for each beneficiary using the methodology and inputs described in the TSC.

¹⁸ Section 3.2.23 Expansions – Distribution System Code – October 1, 2022 edition.

¹⁹ Section 3.2.24 Expansions – Distribution System Code – October 1, 2022 edition.

²⁰ Section 3.6.1 Upstream Transmission Connections – Distribution System Code – October 1, 2022 edition.

2.1.2.7 Bypass Compensation and Gross Load Billing

Festival Hydro shall require bypass compensation from a Customer with a non-coincident peak demand that meets or exceeds 5 MW, if:

- a) The Customer disconnects its load facility from Festival Hydro's Distribution System and connects that facility to a generation facility or to another load facility that is not owned by Festival Hydro such that Festival Hydro will no longer receive rate revenues in relation to that disconnected facility; or
- b) The Customer, while retaining its connection to Festival Hydro's Distribution System, also connects its load facility to a generation facility or to another load facility that is not owned by Festival Hydro such that the Customer reduces its load served directly by Festival Hydro's Distribution System, and Festival Hydro's rate revenues in relation to that facility will be reduced.

Where authorized, Festival Hydro shall apply gross load billing to Embedded Generation Customers if any single generating unit at the facility exceeds the threshold listed below, regardless of cumulative size of generation;

- a) Non-renewable generation > 1 MW
- b) Renewable generation > 2 MW

2.1.3 Connection Denial

The DSC sets out the conditions for Festival Hydro to deny connections. Festival Hydro is not obligated to connect or Offer to Connect a Customer within its service territory if the connection would result in any of the following²¹:

- a) Contravention of existing laws of Canada and the Province of Ontario, including the OESC.
- b) Violations of conditions in the Festival Hydro Inc. License.
- c) Use of a Distribution System line for a purpose that it does not serve, and that Festival Hydro does not intend to serve.
- d) Materially adverse effect on the reliability and safety of the Distribution System.
- e) Imposition of an unsafe work situation beyond normal risks inherent in the operation of the Distribution System.
- f) A material decrease in the efficiency of Festival Hydro Distribution System.
- g) A material adverse effect on the quality of distribution services received by an existing connection.
- h) If the electrical connection to Festival Hydro's Distribution System does not meet Festival Hydro's design requirements.
- i) Discriminatory access to distribution services;
- j) The Customer requesting the connection is currently in arrears, owes Festival Hydro money for: Distribution Services²², electricity supplies, or other invoices, or a security deposit;

²¹ Section 3.1.1 Connections – Distribution System Code – October 1, 2022 edition.

²² See Definitions – Distribution system Code – October 1, 2022 edition.

- k) Refusal by the Customer to sign any agreements required under these Conditions of Service;
- l) The connection is not in compliance with these Conditions of Service;
- m) By order of the ESA;
- n) The Customer does not have the requisite approval of the ESA for the connection;
- o) The premises being connected are the subject of a stop work order under the Building Code Act (“Ontario”); or
- p) The Customer is within another distributor’s service area.

Festival Hydro shall notify the Customer of the connection denial with reasons in writing. Remedies will be suggested to the Customer and where Festival Hydro is able after implementing such a remedy Festival Hydro shall make an Offer to Connect. If it is not possible for Festival Hydro to resolve the issue it is the responsibility of the Customer to do so before a connection will be made.

2.1.4 Inspections before Connections

All Customers electrical installations shall be approved by the ESA and must also meet the requirements of Festival Hydro. Festival Hydro requires notification from the ESA of this approval prior to the energization of a Customer’s supply of electricity. Services that have been disconnected for a period of six months or longer must also be re-inspected and approved by the ESA prior to reconnection.

Temporary services, typically used for construction purposes, must be approved by the ESA for a period of twelve months and must be re-inspected should the period of use exceed twelve months.

Duct banks which are intended to contain Festival Hydro owned cable, must be inspected prior to encasement by sand or concrete, and again before backfilling. The completed ducts must be rodded by the site contractor and be clear of all debris. If requested by Festival Hydro a mandrel, to the nominal diameter of the duct, will be passed through in the presence of a Festival Hydro representative for verification purposes. If any blockage in the conduit is discovered, the owner’s representative will be responsible for clearing or repairing prior to cable installation.

All work done on existing duct banks must be authorized by Festival Hydro and be carried out in accordance with all applicable safety acts and regulations. No work shall be performed on vaults or manholes that contain energized equipment without the prior knowledge of Festival Hydro and only in the presence of Festival Hydro representative.

Provision for metering may be inspected and approved by Festival Hydro prior to energization.

2.1.5 Relocation of Plant

When requested to relocate distribution plant, Festival Hydro shall exercise its rights and discharge its obligations in accordance with existing legislation such as the Public Service Works on Highways Act, regulations, formal agreements, easements and common law. In the absence of existing arrangements, Festival Hydro is not obligated to relocate the plant; however, Festival Hydro shall resolve the issue in a fair and reasonable manner. Resolution in a fair and reasonable manner shall include a response to the requesting party that explains the feasibility or infeasibility of the relocation and the costs of relocating that distribution plant, except to the extent Festival Hydro cost recovery is limited under law. In situations where Festival Hydro has already identified facilities to be relocated in its approved

Distribution System Plan, these costs may be limited to advancement costs if requested to perform this work sooner.

2.1.6. Easements

2.1.6.1 Registered Easements

To maintain the reliability, integrity and efficiency of the Distribution System, Festival Hydro has the right to have supply facilities on private property and to have easements registered against title to the property.

The costs associated with establishing easements required for system expansions such as servicing a subdivision, or vacant lands shall be borne by the Customer. In those cases where, at the sole discretion of Festival Hydro, an easement is required as the result of a road relocation, Festival Hydro shall hold the road authority responsible to negotiate, pay for and acquire the easement.

Festival Hydro requires registered easements for its facilities under any of the following conditions:

- a) Any single or multi-phase line, underground or sub-marine cables, poles, anchors, or aerial occupation, serving more than one Customer, where the line crosses private property, including any Common Service Taps;
- b) Anchors on private property supporting distribution lines, three-phase feeders, and any (single or multi-phase) structures supporting re-closers, voltage regulators or capacitor banks where the poles are located on road allowance;
- c) Any new plant being added to Festival Hydro's facilities and equipment, which is the subject of an existing, unregistered easement that does not include replacement/maintenance of the existing Festival Hydro facilities and equipment.
- d) Any offset to the existing alignment of the existing distribution line facilities.

Where the requirement for an easement is driven by Festival Hydro, Festival Hydro shall negotiate and pay for the registration of the easement.

Where the requirement for an easement is driven by the Customer, the Customer shall grant, at no cost to Festival Hydro, where required, an easement to permit installation and maintenance of Festival Hydro's Distribution System. The Customer will prepare at its own cost any required reference plan and associated easement documents to the satisfaction of Festival Hydro prior to its registration. Details will be provided upon application for service. The width and extent of any and all easements shall be determined solely by Festival Hydro. In order to receive permission to process an easement Festival Hydro requires that the property owner approve the request.

Festival Hydro will provide its standard grant of easement agreement form to the Customer for review and execution. The Customer shall provide an executed copy of the grant of easement agreement along with four copies of the reference plan. Festival Hydro will arrange for the registration of the easement on title.

Where Customer-owned facilities are planned to cross over private property not owned by the Customer, the Customer shall, at the Customer's cost, negotiate and acquire a registered agreement for the Customer owned facilities. The Customer will provide proof of the registered agreement to Festival Hydro, prior to connection at Festival Hydro's demarcation point. The requirement of a registered agreement will be determined, at the consultation phase of the Offer to Connect process.

In the event that Festival Hydro requires ongoing access to any such facilities through one or more

adjacent properties, the Customer shall also provide any access rights necessary to Festival Hydro, at no cost to Festival Hydro.

When determined by Festival Hydro, the Customer shall provide to Festival Hydro, free and clear of all encumbrances, sufficient easements to enable the servicing of all existing and proposed developments or subdivisions from plant located on the Customer's property. The Customer shall not erect any buildings or obstructions on Festival Hydro's easements, lands or alter the grading of such lands without prior written approval of Festival Hydro.

Sufficient property at suitable locations shall be made available for the purpose of the installation of Festival Hydro's assets.

2.1.6.2 Unregistered Easements

Festival Hydro has what are known as unregistered easements, which gives it the right to have its assets on private property by virtue of Section 46(1) of the Electricity Act, 1998²³.

Essentially, the Electricity Act permits Festival Hydro the right to continue to occupy portions of private property which it did historically. It is an effort to strike a balance between the rights of private property owners and the need for Local Distribution Companies to be able to maintain the electricity Distribution System across the province.

Festival Hydro holds unregistered rights to use real estate in connection with its Distribution System. These rights were obtained when Festival Hydro installed its distribution poles and wires on private lands with the consent of the property owner and, in some cases, these rights are evidenced by a legal agreement between the property owner and Festival Hydro.

By virtue of Section 46.1(1) of the Electricity Act, 1998, Festival Hydro is able to rely on unregistered rights which continue to exist and bind subsequent owners of private lands.

Where practical Festival Hydro may work with Customers to establish a new registered easement where an unregistered easement currently exists at Festival Hydro expense.

2.1.7 Contracts

2.1.7.1 Contract for New or Modified Electricity Service

Festival Hydro shall only connect a Building for a new or modified supply of electricity upon receipt by Festival Hydro of a contract²⁴ in a form acceptable to Festival Hydro, payment to Festival Hydro of any applicable connection charge, and an inspection and approval by the ESA of the electrical equipment for the new service.

The existence of an implied contract does not, in any manner, limit Festival Hydro's right to disconnect a Customer's service for any of the causes listed under [Section 2.2](#) and Festival Hydro may require the Customer to pay a security deposit.

²³ Section 46(1) Electricity Act 1998.

²⁴ Sections 2.8.4 and 2.8.4A Opening and Closing of Accounts – Distribution System Code October 1, 2022 edition.

2.1.7.2 Implied Contract

In all cases, notwithstanding, the absence of a written contract, Festival Hydro has an implied contract with any Customer that is connected to Festival Hydro's Distribution System and receives distribution services from Festival Hydro. The terms of the implied contract are embedded in Festival Hydro's Conditions of Service, the Rate Handbook, Festival Hydro's rate schedules, Festival Hydro's Distribution License and the DSC, the Standard Supply Service Code (SSSC) and the RSC, all as amended from time to time.

Any Person or Persons who take or use electricity from Festival Hydro shall be liable for payment for such electricity. Any implied contract for the supply of electricity by Festival Hydro shall be binding upon the heirs, administrators, executors, successors or assigns of the Person or Persons who took and/or used electricity supplied by Festival Hydro.

2.1.7.3 Special Contracts

Special contracts that are customized in accordance with the service requested by the Customer normally include, but are not necessarily limited to, the following examples:

- a) Construction sites
- b) Mobile facilities
- c) Non-permanent structures
- d) Special occasions, etc.
- e) Generation
- f) Large loads

Where an Embedded Generator, Embedded Distributor, Large User or Customer Owned Sub-Station system is connected to Festival Hydro's Distribution System but has not executed a Connection Agreement, provision of Distribution Services to such Customer by Festival Hydro shall imply acceptance of all the terms contained in Appendix D of the DSC (as amended) until such time as Festival Hydro and the Customer execute a new Connection Agreement.

A Customer wishing to close their account must provide Festival Hydro five business days notice. This allows time for a final meter read and issuing of the final bill. When a Customer requests that service be cancelled, Festival Hydro may remove certain delivery equipment, such as service lines, transformers and meters. If a subsequent request is made for reconnection, charges to re-install appropriate delivery equipment will apply. Services disconnected for six months or longer require an ESA inspection prior to reconnection.

2.1.7.4 Payment by Building Owner

The owner of a Building is responsible for paying for the supply of electricity by Festival Hydro to the owner's Building except for any supply of electricity to the Building by Festival Hydro in accordance with a request for electricity by an occupant(s) of the Building.

A Building owner wishing to terminate the supply of electricity to its Building must notify Festival Hydro. Until Festival Hydro receives such notice from the Building owner, the Building owner or

the occupant(s), as applicable, shall be responsible for payment to Festival Hydro for the supply of electricity to such Building. Festival Hydro may refuse to terminate the supply of electricity to an owner's Building when there are occupant(s) in the Building (i.e. during certain periods of the winter).

When a tenant contacts Festival Hydro to take responsibility for service, the Contract for Electrical Service is with the tenant. Notwithstanding, if the Property Owner confirms they wish to keep the service in their name or want the service to remain off, Festival Hydro will follow the instructions of the Property Owner. Therefore, whenever the tenant advises Festival Hydro that he or she will no longer accept responsibility as of a specific date, Festival Hydro is obliged to adhere to the date given, despite any lease or verbal agreement between the landlord and tenant. If a tenant advises Festival Hydro that he or she is no longer responsible for the account, a final bill will be issued. At that time, the services will be set up in the landlord's/owner's name, unless otherwise notified by the landlord/owner. Festival Hydro, at the request of the landlord/owner, will be able to switch the tenant account over once the tenant has closed the account and vacated, or in the case where a Property Owner wants services discontinued or put in their name, Festival Hydro will provide the tenant 5 days to work out other arrangements with the Property Owner. If other arrangements are not made, Festival Hydro will follow the instructions of the Property Owner. If a new account is set up in the landlord's/owner's name, a new account setup charge may apply, and even though the property may be vacant, monthly service charges and electricity used will be billed.

If the landlord/owner refuses responsibility for account set up for continued service and a new tenant hasn't assumed responsibility for the account, Festival Hydro may disconnect and remove delivery equipment from the property. Likewise, for new connections, if a person hasn't completed the Contract for Electrical Service, the account set up process and assumed responsibility for electricity service charges, Festival Hydro reserves the right to disconnect and remove Festival Hydro's delivery equipment from the property.

2.1.7.5 Opening and Closing of Accounts

A Customer who wishes to open an account for the supply of electricity by Festival Hydro may conveniently do so by the following means:

- a) Online through the Festival Hydro website "Open An Account" web request form; or
- b) by telephone; or
- c) by written request (including facsimile); or
- d) other means acceptable to Festival Hydro a minimum of five business days in advance.

Requests for opening an account must be provided to Festival Hydro at a minimum of five business days prior to the opening of an account. Festival Hydro may require Customers who wish to open an account to provide a telephone number, email address, date of birth, drivers license and recent employer all of which are used to verify the account holder on subsequent calls.

Should a Customer not advise Festival Hydro of their acceptance of account responsibility, Festival Hydro may disconnect the supply of electricity to the property. Festival Hydro's policies and procedures with respect to the disconnection process are further described in [Section 2.2](#). Festival Hydro will not be held liable for any damages arising from such disconnection.

If an account is opened in more than one person's name, all such persons are deemed to be Customers of Festival Hydro, and all, jointly and severally, agree to comply with, and to pay, the rates and charges in accordance with the Conditions of Service.

Until Festival Hydro receives such notification, the Customer is responsible for payment to the Corporation for the supply of electricity. Notification of the closing of an account will not be accepted for a historical date. If a Customer wishes to close an account where a Retailer is involved, the closing will be governed by applicable regulatory codes including, but not limited to, the RSC.

If the new account is for a service other than a residential account an "Application for Service" must be completed and returned to this office within 10 business days of starting the new account or the service may be disconnected. The Customer must provide identification if requested.

If a request is made for the reconnection, the new Customer setting up the account at the service address will incur the applicable costs to reconnect the service during regular business hours. If the electricity service has been disconnected for longer than 6 months the Customer must arrange for an ESA inspection. Upon receipt of the ESA inspection authorizing connection, Festival Hydro will proceed with connection of the service.

If a Customer wishes to close their account and cancel service with Festival Hydro, they may conveniently do so by the following means:

- a) Online through the Festival Hydro website "Cancel my Account" web request form; or
- b) by notifying Festival Hydro by telephone; or
- c) by written request (including facsimile); or
- d) other means acceptable to Festival Hydro a minimum of three business days in advance.

A Customer's relocation or disconnection of services does not relieve the Customer of the responsibility to pay their account.

Landlord and Tenant Agreement – When an account has been opened for a tenant by a tenant, the contract for supply of services is between Festival Hydro and the tenant. When the tenant closes the account, Festival Hydro will adhere to the date provided by the tenant, regardless of any agreements between the tenant and the landlord or owner.

A landlord/owner agrees to assume responsibility for paying continued service to the rental property after closure of the tenant's account unless the landlord/owner has signed an agreement to allow disconnection of the service between tenants.

2.2 DISCONNECTIONS

Festival Hydro shall not disconnect or install a load control device in an occupied residential property solely on the grounds of non-payment during the winter disconnection ban as outlined by the OEB.

Festival Hydro reserves the right to disconnect the supply of electrical energy for causes not limited to:

- a) Contravention of the laws of Canada of the Province of Ontario, including the

OESC and Ontario Regulation 22/04.

- b) Adverse effect on the reliability and safety of the Distribution System.
- c) Imposition of an unsafe worker situation beyond normal risks inherent in the operation of the Distribution System.
- d) A material decrease in the efficiency of Festival Hydro's Distribution System.
- e) A materially adverse effect on the quality of distribution services received by an existing connection.
- f) Inability of Festival Hydro to perform planned inspections and maintenance.
- g) Failure of the Customer or Customers to comply with a directive of Festival Hydro that Festival Hydro makes for purposes of meeting its license obligations.
- h) Overdue amounts payable to Festival Hydro for the distribution or retail of electricity or for a security deposit.
- i) Failure to notify Festival Hydro of Customer responsibility for electricity account when a new party moves into an existing connection property.
- j) Where the service has been discontinued.
- k) Where, in the opinion of Festival Hydro, the Customer's electrical system is defective and represents a danger to life or property, or has an adverse effect on the reliability and safety of the Distribution System;
- l) Where there is a power quality issue or electrical disturbance propagation caused by Customer equipment that is not corrected in a timely fashion;
- m) Where the Customer has a building or structure under Festival Hydro's wires which is within clearance outlined by CSA;
- n) Where Festival Hydro is ordered to do so by any authority having the legal right to issue such an order;
- o) Where the Customer owes Festival Hydro money for distribution services, an expansion deposit or security deposit;
- p) Where the Customer fails to maintain Customer-owned equipment that Festival Hydro believes poses a safety or system reliability risk.
- q) Where Festival Hydro reasonably believes that there is energy diversion, fraud or abuse;
- r) Where Festival Hydro has the inability to access revenue meter data, or perform planned inspections, installations, or maintenance of revenue-metering equipment.
- s) Any other conditions identified in this Conditions of Service document.

When a property is disconnected for non-payment, Festival Hydro shall leave a copy of the "Fire Safety Notice" on the premises.

Festival Hydro may disconnect the supply of electricity to a Customer without notice in accordance with a court order, or for emergency, safety or system reliability reasons. In some instances, an inspection by the ESA may be required prior to Festival Hydro reconnecting the supply of electrical energy. Festival Hydro may remove the meter and or service conductor from a service address when the electric service has been disconnected for a period of one-year or more. It shall be the responsibility of the party requiring the reconnection to arrange for the inspection and the payment of Festival Hydro reconnection charges and other associated costs. Thereafter, [Section 2.1](#) of this Conditions of Service document will be applied.

Festival Hydro will not be liable for any damage to the Customer's premises resulting from such discontinuance of service.

An owner of a serviced premise is responsible for the supply of electricity to the building and may request that Festival Hydro terminate supply. Festival Hydro may refuse to terminate the supply of electricity to an owner's building when there are occupants in the building (i.e., during certain periods of the winter).

Where an occupant (not being the owner) has entered into a contract with Festival Hydro for the supply of electricity service, Festival Hydro will also require consent from the occupant prior to disconnection of service.

For service defects requiring disconnection to be performed by Festival Hydro, the Customer will be notified as per the following procedure:

- a) Festival Hydro will communicate with the Customer by mail, email, electronic messaging (text messaging), telephone or in person immediately upon discovering the problem. Such things may be discovered during routine maintenance inspections. A copy of the Festival Hydro correspondence with the Customer may also be sent to the local representatives of the ESA.
- b) If a letter is sent to the Customer, receipt of the letter will be confirmed by telephone or direct contact (i.e. site visit).
- c) Depending on the severity of the problem, as determined by Festival Hydro, the Customer may be asked to fix the problem within the following 24 hours. In extreme cases, power may be disconnected within minutes of notification.
- d) Where the severity of the problem is less, Festival Hydro will make every effort to contact the Customer either directly or by phone and develop a schedule for repairs that can best accommodate the concerns of both parties.
- e) If Festival Hydro has not been notified in writing that the problem has been fixed by the due date a Disconnection will be scheduled for the following day. On the Disconnection day, a letter will be issued re-iterating the problem and the previously agreed upon date.
- f) Once disconnected, the Customer must contact Festival Hydro in writing requesting reconnection of service.
- g) Reconnection of the service may incur a fee if scheduled after hours or during a holiday or weekend.

Festival Hydro requires that the repair work to correct the defective service be inspected and approved by ESA. Festival Hydro may disconnect a service to make repairs or alterations to the Distribution System. Where reasonable and practical, Festival Hydro shall give prior notice to the Customer.

- a) Festival Hydro may schedule outages in order to: perform routine maintenance, construct new plant, or to correct problems discovered during the course of its activities.
- b) Festival Hydro will endeavor to provide Customers with as much advanced notice as possible and, where practical, make arrangements suitable to the Customer in order to minimize the economic impact to their business.

2.2.1 Disconnection and Reconnection – Process and Charge

Immediately following the due date, steps will be taken to collect the full amount of the bill. See

Section 2.4.5 – Payments.

Upon completion of notification requirements to the Customer as stipulated in the DSC Section 4.2 and section 31(2) of the Electricity Act, 1998 the service may be disconnected and not restored until satisfactory payments or payment arrangements have been made, including costs of reconnection. Such discontinuance of service does not relieve the Customer of the liability for arrears. Festival Hydro will not be liable for any damage to the Customer's premises resulting from such discontinuance of service.

When a service has been disconnected due to arrears, reconnection or restoration of the electricity service will occur only during regular business hours once the reason for disconnection or limitation has been remedied. Festival Hydro may recover from the party requesting the reconnection any Festival Hydro OEB approved reconnection charges in any payment format accepted by Festival Hydro.

Upon receipt of a reconnect request from a Customer, Festival Hydro will reconnect connection assets at the Customer's cost. Reconnection will be subject to the ESA rules and regulations.

2.2.2 Unauthorized Energy Use

The unauthorized use of electricity from Festival Hydro's Distribution System through means such as tampering with meters, meter sockets, metering devices, wiring etc., is a violation of these Conditions of Service and is illegal. Festival Hydro will investigate all reports of suspected unauthorized use of energy. If the investigation leads to the conclusion of probable theft of service, Festival Hydro may release all necessary information to the legal authorities to conduct a criminal investigation.

Festival Hydro will recover from the Customer or party responsible for the unauthorized energy use, all costs incurred by Festival Hydro arising from the unauthorized use including, but not limited to, security deposit, inspection and repair costs.

If, in the opinion of Festival Hydro, the unauthorized use of energy has created an unsafe connection, Festival Hydro shall disconnect the service with or without notice and it will remain disconnected until such time as:

- a) the Customer rectifies the condition to the satisfaction of Festival Hydro, acting reasonably, and provides full payment to Festival Hydro of all uncollected charges and costs incurred by Festival Hydro arising from unauthorized energy use, including inspections and repair costs, and the cost of disconnection and reconnection; and,
- b) authorization to reconnect is issued by the ESA.

2.3 CONVEYANCE OF ELECTRICITY

2.3.1 Guaranty of Supply

Festival Hydro agrees to use reasonable diligence in providing a regular and uninterrupted supply but does not guarantee a constant supply or the maintenance of unvaried frequency or voltage and will not be liable in damages to the Customer by reason of any failure in respect thereof.

Customers requiring a higher degree of security than that of normal supply, are responsible to provide their own back-up or standby facilities. Customers may require special protective equipment on their

premises to minimize the effect of momentary power interruptions. Customers requiring a three-phase supply should install protective apparatus to avoid damage to their equipment, which may be caused by the interruption of one phase, or non-simultaneous switching of phases of Festival Hydro's supply.

Festival Hydro will endeavour to notify Customers prior to interrupting the supply to any individual service. However, if an unsafe or hazardous condition is found to exist, or if the use of electricity by apparatus, appliances, or other equipment is found to be unsafe or damaging to Festival Hydro or the public, service may be discontinued without notice.

2.3.2 Power Quality

Festival Hydro will follow good utility practices and industry standards where applicable but cannot guarantee an unvaried voltage or frequency. Customers with power quality complaints are expected to ensure that their own equipment is not the source of the problem. A vast majority of power quality problems are the result of poor grounding, undersized conductors, and non-linear loads connected to the Customer's side of the meter.

If the Customer has concluded that the source of the power quality problem is the utility grid, they should contact Festival Hydro with the results of their investigation. If warranted, Festival Hydro at its sole discretion may hire an independent third party to perform investigative analysis to identify the underlying cause. Depending on the circumstances, this may include review of relevant power interruption data, trend analysis, and/or use of diagnostic measurement tools.

Upon determination that the cause resulting in the power quality concern is deemed a system delivery issue, and where industry standards are not met, Festival Hydro will recommend and/or take appropriate mitigation measures. Festival Hydro will endeavour to control harmonics generated by its own system where these are found to be detrimental to the Customers. If Festival Hydro is unable to correct the problem due to the impact on other Customers, then it is not obligated to make the corrections. Festival Hydro will use appropriate industry standards (such as IEC or IEEE standards) as a guideline.

Upon determination that the cause resulting in the power quality concern is deemed to be from the Customer's connected electrical equipment, Festival Hydro may seek reimbursement for the costs associated with investigating the problem. In addition, if the Customer's load is creating a disturbance on the system that may have an adverse effect on other Customers, Festival Hydro may exercise its right to disconnect the Customer as outlined in [Section 1.7.6](#).

2.3.2.1 Prevention of Voltage Distortion on Distribution

Customers having non-linear load shall not be connected to Festival Hydro's Distribution System unless power quality is maintained by implementing proper corrective measures such as installing proper filters, and/or grounding, and/or any other appropriate electronic equipment. Further, to ensure the Distribution System is not adversely affected, power electronics equipment installed must comply with IEEE Standard 519 (Latest Edition).

2.3.2.2 Obligation to Help in the Investigation

If Festival Hydro is conducting an investigation at the Customer's request, the Customer is obligated to help Festival Hydro by providing required equipment information, relevant data and necessary safe access for monitoring the equipment.

2.3.2.3 Timely Correction of Deficiencies

If an undesirable system disturbance is being caused by Customer's equipment, the Customer will be required to remedy the source of the system disturbance at the Customer's expense within a reasonable time as specified by Festival Hydro. If the Customer does not take such action within a reasonable time, Festival Hydro may disconnect the supply of power to the Customer refer to [Section 2.2 Disconnections](#).

2.3.2.4 Notification for Planned Interruptions

Although it is Festival Hydro's policy to minimize inconvenience to Customers, it is necessary to occasionally interrupt a Customer's supply to maintain or improve the overall system, or to provide new or upgraded services to other Customers. Whenever practical and cost effective, as determined by Festival Hydro, arrangements suitable to the Customer and Festival Hydro will be made to minimize any inconvenience. Festival Hydro will endeavour to provide the Customer with reasonable advance notice of a planned interruption²⁵.

Festival Hydro will endeavour to notify Customers prior to interrupting the supply to any individual service.

Customers requesting planned outages to their properties shall be responsible for notifying all tenants or affected parties in advance of the planned outage prior to the arrival of Festival Hydro representatives.

Depending on the outage duration and the number of Customers affected, Festival Hydro may issue communications to advise the general public of the outage.

2.3.2.5 Emergency Interruptions for Safety

Festival Hydro will endeavour to notify Customers prior to interrupting the supply to any service. However, if an unsafe or hazardous condition is found to exist, or if the misuse of electricity by apparatus, appliances, or other equipment is found to be unsafe or damaging to Festival Hydro or the public, service may be interrupted without notice.

2.3.2.6 Emergency Service (Trouble Calls)

Festival Hydro will exercise reasonable diligence and care to deliver a continuous supply of electrical energy to the Customer. However, Festival Hydro cannot guarantee a supply is free from interruption.

When power is interrupted, the Customer should first ensure that failure is not due to internal fuses or breakers within the installation. If there is a partial power failure, the Customer should obtain the services of an electrical contractor to carry out necessary repairs. If, on examination, it appears that

²⁵ Section 4.4.7 System Inspection Requirements and Maintenance – Distribution System Code – October 1, 2022 edition.

Festival Hydro's main source of supply has failed, the Customer should report these conditions at once to Festival Hydro by calling 519-271-4700 (1-866-444-9370 also available within Festival Hydro Service Area).

Festival Hydro operates 24 hours a day to provide emergency service to Customers. Festival Hydro will initiate restoration efforts as rapidly as practicable.

2.3.2.7 Voltage Fluctuations

Voltage fluctuations within the limits defined in the CSA Standard CAN3-C235 (Latest Edition), are inherent in the normal operation of the Distribution System. However, longer term voltage fluctuations, also called voltage sags and swells, can be found in many Distribution Systems. Festival Hydro will follow Good Utility Practice to minimize the magnitude and extent of voltage sags and swells.

2.3.2.8 Frequency Fluctuations

In general, the frequency of AC power of the Festival Hydro Distribution System is dictated by the supply frequency of the transmission system to which the Distribution System is connected and will vary within prescribed limits from time to time.

2.3.2.9 Voltage Flicker Limits

Festival Hydro may refer to the IEC 61000 series of Standards and the CAN-CSA C61000 series of Standards adopted therefrom when establishing maximum permissible voltage flicker from sources such as motor starting or load cycling and resistance welders. Festival Hydro may also refer to suitable IEEE documents and Standards.

2.3.2.10 Voltage Unbalance Limits

The Customer will be required to correct, at the Customer's expense, a phase unbalance in its load that causes an increase of more than 1% in the voltage unbalance of the system at the point of high voltage supply. Festival Hydro may define voltage unbalance as either the ratio of negative-sequence voltage to positive-sequence voltage (as found in IEEE Std. 1159) or the average voltage divided by the maximum voltage deviation (NEMA method).

2.3.2.11 Neutral-to-Earth Voltage

In a properly functioning electrical Distribution System, some voltage will always exist between the system neutral and the earth (NEV). The level of NEV may change on a moment-to-moment basis, depending on changes in electrical loading on the system, climatic conditions or other factors. The Distribution System is designed and maintained to result in less than 10 volts of NEV voltage. Typically, readings are much lower. A Customer can also experience NEV that is caused by the Customer's own electrical facilities, such as poor or faulty wiring, improper grounding, defective equipment or ground currents from telephone lines or pipelines. Festival Hydro provides NEV testing and mitigation at the Customer's premise on Customer owned facilities, in accordance with DSC²⁶.

²⁶ Appendix H – Distribution System Code October 1, 2022 edition.

Where permitted by the DSC, an hourly charge is applicable for testing.

2.3.3 Electrical Disturbances

Festival Hydro shall follow Good Utility Practice in managing the power quality of Festival Hydro's Distribution System and to meet the guidelines of [Section 2.3.5](#) of this document. In the event that the source of the disturbance originates with Festival Hydro, Festival Hydro may notify all Customers affected and will correct the problem without further delay. In the event an outage is required, Festival Hydro will follow the procedure outlined in [Section 2.3.2.4](#). However, there are levels of voltage fluctuation and other electrical disturbances beyond Festival Hydro's reasonable control, including without limitation Customer's equipment and the effects of lightning and storms. Customers must ensure that their equipment does not cause any disturbances such as harmonics and spikes that might interfere with the operation of adjacent Customer equipment. All Customer equipment and appliances must be certified by CSA, ESA or other official standards agency and be operated so that the electrical service to other Customers will not be adversely affected. Examples of equipment that may cause disturbances include large motors, welders and variable speed drives. In planning the installation of such equipment, the Customer must consult with Festival Hydro. If the Customer connects such equipment without consulting with Festival Hydro, the Customer shall be responsible for any and all damages and repair work associated with and arising from the use of such equipment.

Festival Hydro will assist in attempting to resolve any such difficulties at the Customer's expense.

If it is determined that unacceptable conditions are being caused by any Customers equipment, the Customer shall, at the Customer sole expense, take appropriate remedial action to correct the condition. Depending on the severity of the power quality, Festival Hydro may require such equipment to be disconnected from the Distribution System until corrective measures are taken.²⁷

Customers who may require an uninterrupted source of power supply or a supply completely free from fluctuation and disturbance must provide their own power conditioning equipment for these purposes.

The Customer shall provide such protective devices as may be necessary to protect their property and equipment from any disturbance beyond the reasonable control of Festival Hydro.

Customers taking three-phase supply are responsible for providing their own protective apparatus to avoid damage to their equipment that may be caused by the interruption of a single phase or non-simultaneous switching of the three-phase supply.

Festival Hydro shall not be liable to the Customer for complete or partial failure or interruption of service, or for fluctuations in voltage, resulting from causes beyond its reasonable control or through acts of negligence by its employees, servants or agents.

2.3.3.1 Unplanned Outages and Emergency Conditions

Festival Hydro may require a Customer or a party to a joint use agreement to comply with reasonable and appropriate instructions from Festival Hydro during an unplanned outage or Emergency situation.

During an Emergency, Festival Hydro may interrupt supply to a Customer in response to a shortage of supply or to effect repairs on the Distribution System or while repairs are being made to Customer-owned equipment.

²⁷ Section 4.2.6 Disconnection and Reconnection – Distribution System Code – October 1, 2022 edition.

Festival Hydro requires Customers with permanently connected emergency generation equipment to notify Festival Hydro regarding the presence of such equipment.

2.3.4 Standard Voltage Offerings

Generally, loads and generation are connected to a specific Primary Voltage level based on their nameplate size and the Primary Voltage available in the service area (See Table 1).

2.3.4.1 Primary Voltages

Festival Hydro has a variety of available Primary Voltages, as listed below:

- a) 16,000/27,600 volts, four wire multi-grounded neutral
- b) 8,000/13,800 volts, four-wire multi-grounded neutral
- c) 4,800/8,320 volts, four-wire multi-grounded neutral
- d) 2,400/4,160 volts, four-wire multi-grounded neutral

Not all voltage offerings are available in every community served by Festival Hydro. Table 1 specifies the voltages available by community, at the time this Conditions of Service was prepared. Festival Hydro will provide current Primary Voltage level information, as required, during the application for service process.

Table 1: Primary Voltages available in the various Communities served by Festival Hydro

<u>Community</u>	<u>Available Primary Voltages</u>
Brussels	4.8/8.32 kV
Dashwood	4.8/8.32 kV
Hensall	16/27.6 kV
Seaforth	2.4/4.16 kV
Stratford	16/27.6 kV
St. Marys	8/13.8 kV
Zurich	16/27.6 kV

2.3.4.2 Secondary Voltages

Festival Hydro will normally provide and maintain transformation to one of the following standard Secondary Voltages depending upon the requirements of the load and the characteristics of the Distribution System:

- a) Single phase, three-wire, 120/240 volts
- b) Three-phase, four-wire, 120/208 volts
- c) Three-phase, four-wire 347/600 volts

Transformation to all other Secondary Voltages will be provided, installed, and maintained by the Customer.

2.3.4.2.1 Determining the Supply Voltage for a Connection Asset

When determining the supply voltage for a Connection Asset it is necessary for Festival Hydro to carefully consider the electrical characteristics of the Customer, so that Festival Hydro may:

- a) Ensure the adequacy of supply to the Customer: and,
- b) Maintain the integrity, reliability and quality of Distribution Service to other Customers; and,
- c) Ensure safe delivery of Distribution Services to all Customers.

A Customer may have loads, generation, electrical storage or any combination thereof. Supplying a Connection Asset with the appropriate voltage level: Transmission, Primary or Secondary; requires the application of Good Utility Practice and Engineering principles.

Connection Assets serving loads will normally be connected to a Secondary voltage. However, the size of the property and physical layout of the Customer's facilities or characteristics of the load may require the Connection Asset to be served by Primary Voltage. Further, very large loads, loads located far from the Festival Hydro substation, or loads with certain characteristics, may require the Customer to be served by Primary Voltage or Transmission voltage. The level of voltage to be provided to the Connection Asset shall be determined by Festival Hydro early in the connection process.

The choice of voltage level supplying Connection Assets serving generation or electrical storage are impacted by the size, location and characteristics of any generation or electrical storage proposed. In addition, the effect or effects of any generation or electrical storage already connected to the Festival Hydro Distribution System may impact the voltage level (Transmission, Primary or Secondary) supplying the Connection Asset. The characteristics of the generation or electrical storage may require the Customer to be served by the Transmitter. Due to the potential complexity of this type of connection, the process may be lengthy and require many back-and-forth discussions with the Customer. Festival Hydro shall endeavour to determine the length and complexity of the connection process and discuss this aspect with the Customer as soon as required in the DSC.

2.3.4.2.2 Maximum Transformer Size Supplied by Festival Hydro

Festival Hydro will supply and install transformers to a maximum size as detailed in Table 2. Customers requiring transformers larger than those listed in Table 2, shall supply and install their own transformation.

Table 2: Maximum Transformer Sizes Supplied by Festival Hydro

<u>Voltage Level</u>	<u>Primary Voltage of 27.6 kV</u>	<u>Primary Voltage 13.8 kV</u>	<u>Primary Voltage 8.32 kV</u>	<u>Primary Voltage 4.16 kV</u>
<u>Single-Phase three-wire 120/240</u>	<u>167 kVA</u>	<u>100 kVA</u>	<u>100 kVA</u>	<u>100 kVA</u>
<u>Three-Phase four-wire 120/208</u>	<u>500 kVA</u>	<u>500 kVA</u>	<u>300 kVA</u>	<u>300 kVA</u>
<u>Three-Phase four-wire 347/600</u>	<u>1,500 kVA</u>	<u>1,000 kVA</u>	<u>300 kVA</u>	<u>300 kVA</u>

2.3.4.3 Over-current Protection

The ability of the over-current protection scheme to provide adequate protection from electrical faults may be a factor in Festival Hydro’s assignment of a voltage level to the Connection Asset.

2.3.5 Voltage Guideline

Festival Hydro will endeavor to maintain service voltage to the Customer’s service entrance within the guidelines of CSA Standard CAN3-C235 (latest edition), which allows approximate variations from nominal voltages of:

- a) 6% for normal operating conditions
- b) 8% for extreme operating conditions

Where voltages lie outside the indicated limits for normal operating conditions but within the indicated limits for extreme operating conditions, improvement or corrective action will be taken on a planned and programmed basis, but not necessarily on an emergency basis. Where voltages lie outside the indicated limits for extreme operating conditions, improvement or corrective action will be taken on an emergency basis. The urgency for such action will depend on many factors such as the location and nature of load or circuit involved, the extent to which limits are exceeded with respect to voltage levels and duration, etc.

Festival Hydro shall practice reasonable diligence in maintaining voltage levels but cannot be held responsible for variations in voltage from external forces such as operating contingencies, exceptionally high loads and low voltage supply from the transmitter or host distributor.

2.3.6 Back-up Generators

Customers with portable or permanently connected generation equipment used for emergency back-up, shall comply with all applicable criteria of the Ontario Electrical Safety Code. In particular the Customer shall ensure that emergency generation does not parallel with Festival Hydro’s system, without proper interface protection and does not adversely affect Festival Hydro’s Distribution System.

Customers with permanently connected emergency generation equipment shall notify Festival Hydro regarding the presence of such equipment and nominal capacity.

2.3.7 Metering

In this section, Festival Hydro will specify the options available to Customers for metering equipment. Festival Hydro will also outline the technical requirements including location and associated main switch.

Festival Hydro will supply, install, own and maintain all meters, instrument transformers, ancillary devices, and secondary wiring required for revenue metering.

2.3.7.1 General

Festival Hydro will provide and install revenue meters and associated equipment at the Customer's expense. Festival Hydro will normally maintain revenue-metering equipment, instrument transformers, test panels and all interconnecting wiring required for retail settlement and billing of all Customers connected to Festival Hydro's Distribution System, excluding un-metered loads.

The Customer shall provide at their expense:

- a) Space acceptable to Festival Hydro, as outlined further in this section, for the installation of revenue metering equipment.
- b) Facilities for attachment, including a CSA or ESA approved meter socket and/or lockable enclosure.
- c) Installation of Festival Hydro-supplied instrument transformers, and conduit for instrument transformer leads, where required.
- d) Adequate protection for metering equipment during any construction/renovations taking place.
- e) For commercial and industrial (three-phase) services, the Customer's main switch shall be installed within 1.0 m. of and on the line side of the metering and have provisions for padlocking the switch handle in the open position, and the switch cover or door in the closed position.

The Customer shall ensure that meters located adjacent to narrow driveways, or other areas deemed hazardous, be physically protected to the satisfaction of Festival Hydro. Meter protection is defined as a steel pipe 100 mm (4 in) in diameter filled with concrete, extending from grade level to 150-200 mm (6-8 in) below the meter base and placed directly in front of the base. Other types of meter protection will be approved at the discretion of Festival Hydro.

The meters shall be grouped where practicable and be accessible from a public area, preferably from the exterior of the building. Either a dual locking arrangement or a key arrangement will be required on the access door. In any case, a copy of the metering layout plan shall be forwarded to Festival Hydro for review.

For Non-residential or mixed-use buildings, the Customer will dictate by choice individual metering or bulk metering.

When a disconnect device has been locked in the "OFF" position by Festival Hydro, under no circumstances shall anyone remove the lock and energize it without first receiving approval from Festival Hydro.

In order to preserve the integrity and accuracy of Festival Hydro's metering systems, no devices other than those required for Festival Hydro purposes shall be permitted to be connected to the metering circuits. Any metering or load control equipment required by the Customer must be connected to the

Customer's own current and voltage transformers, which must be installed on the load side of Festival Hydro metering equipment. The Customer's own metering or load control equipment cannot be installed in the same metering cabinet, or metering cell, as those of Festival Hydro.

Wholesale Market Participants and including Embedded Generators shall own, operate and maintain their own IESO compliant metering. The Customer shall provide Festival Hydro with direct access to metering facilities and maintain environmental and physical conditions satisfactory to Festival Hydro. The location and installation of indoor and outdoor metering shall always be approved by Festival Hydro and readily accessible to Festival Hydro.

Festival Hydro may, at its discretion, install any meter deemed necessary for purposes of measuring demand to assign the Customer to a Rate Class or to set the appropriate distribution services rate for that Customer.

Each meter base in multiple metered location shall be permanently identified with Municipal number or unit number.

Generally, metering will be at the Secondary Voltage. Where Festival Hydro owns the Primary Voltage transformation, Primary Voltage metering will be permitted at the discretion of Festival Hydro. However, Primary Voltage transformation owned by the Customer may be Primary Voltage metered, unless the building qualifies for individual tenant metering, as outlined in [Section 3 Customer Class Specific](#) section of this document.

The Customer must also grant Festival Hydro the right to seal and lock any point where a connection may be made on the line side of the metering equipment.

2.3.7.2 Meter Location

All meters are required to be located outside unless subject to [2.3.7.2.1](#). All meters shall be located in accordance with the OESC. Outdoor metering shall be mounted such that the midpoint of the meter is 1.7m [+/- 100 mm] above finished grade. Normal meter locations will be a maximum of 3m from the front corner of the building unless otherwise approved by Festival Hydro. If a fence is constructed to enclose the property, the meter shall not be enclosed within the fenced area. The Customer shall ensure that at all times, the meter is readily accessible to Festival Hydro, and allow for the possibility of future landscaping modifications, including but not limited to, fence installation and shrub planting. A space of 1 m clear of all obstructions shall be provided in front of the meter and service panel. Electrical meters shall be located away from combustible gas equipment in accordance with ESA Bulletin 2-10-13.

All non-residential meters must be in one location at the main service entrance, unless otherwise agreed to by the Festival Hydro.

Festival Hydro must approve the location and installation of the metering equipment.

2.3.7.2.1 Meter Rooms and Meter Access

Where Festival Hydro requires metering to be installed in a metering room, the metering shall be grouped in common electrical room and:

- a) The Customer shall provide unimpeded and safe access to Festival Hydro at all times for the purpose of installing, removing, maintaining, operation or changing electric meters, as per the Electricity Act. The electrical room shall provide access from the outside, a main public

hallway, or as approved by Festival Hydro and not from an adjoining room, so that it is readily accessible to Festival Hydro.

- b) All doors shall be clearly and permanently labelled “Electrical Room”.
- c) The Customer shall supply a dual locking system or a key to the electrical room to Festival Hydro at no charge.
- d) The owner shall supply and maintain an electrical room of sufficient size to accommodate the service entrance and meter requirements of the tenants and provide clear working space in accordance with the OESC. A clear working space of at least 1m (3’4”) is required in front of the installation, from floor to ceiling. A minimum ceiling height of 2.1 m (84”) for the full width of the installation is to be provided to ensure the safety of Festival Hydro staff. Adequate lighting levels of 65-75 foot-candle shall be maintained.
- e) This electric room shall be used for Customer electrical equipment and utility metering purposes only and not for general storage.
- f) If individual meters for residential dwellings are grouped, the meters shall be located outside.
- g) If the building is a high-rise structure where a single metering room is not feasible and one or more of the electrical rooms are to be located above the main floor level, they shall be directly accessible from a hallway, which is open to the public. The door shall be clearly and permanently labelled “Electrical Room”.
- h) All meters will be located in a single meter room on site with outside access when possible. Separate meter rooms must be approved by Festival Hydro prior to connection.
- i) Where excessive vibration may affect or damage metering equipment, adequate shock-absorbing mounting shall be provided and installed by the Customer.

2.3.7.3 Metering Cabinets (Current Transformer Boxes)

Where metering cabinets are required, the Customer shall supply and install the cabinet to Festival Hydro’s specifications. The metering cabinet shall be CSA approved, stainless steel, and constructed of No. 16 gauge (minimum) sheet metal and include a provision for sealing and locking. The dimensions of the metering cabinet will depend on the size of the service. See <https://www.festivalhydro.com/projects-operations/contractor-information> for details and specifications related to Current Transformer Boxes.

Wherever metering cabinets are required, the Customer is required to provide and install the cabinet. Cabinets must be equipped with removable steel back panels to facilitate shop work for installation of metering equipment Festival Hydro will supply, install and connect any current and potential transformers required.

Problems may arise in using the specified size of cabinet particularly in rewiring older buildings. Approval for size or wiring deviations from the standard must be obtained prior to installation.

Metering cabinets must have double doors with the first opening door on the right hand side when facing the cabinet and must be designed to accommodate a Festival Hydro utility style padlock or seal. Doors must open to at least 90°.

Metering cabinets shall normally be installed indoors, except where otherwise approved by Festival Hydro. Cabinets installed outdoors shall be suitable for an outdoor environment and approved by Festival Hydro. Cabinets shall be installed such they are not less than 0.6 m to the bottom and not more than 1.9 m to the top of the cabinet as measured from the floor. A minimum safe working space of 1.0 m in front of the installation from floor to ceiling with a minimum ceiling height of 2.1 m is required. The Customer’s main switch immediately preceding the meter shall be installed with provisions for

sealing and locking with the handle in the OPEN position and the door closed.

2.3.7.4 Metering when Using Switchgear (Over 400A)

Normally, for services greater than 400 amperes, the current transformers, and potential transformers where applicable, shall be installed in the Secondary Voltage bus of the switchgear, at the Customer's expense. The Customer shall submit the appropriate shop drawings to Festival Hydro for approval prior to purchase.

Where instrument transformers are to be installed in the secondary bus of metal clad switchgear, shop drawings must be submitted to Festival Hydro for approval to ensure that the instrument transformers (ITs) will fit. In cases where the ITs only meter a portion of the metal clad switchgear (such as house loads), a separate disconnect switch must be installed ahead of the metering compartment so that the service can be de-energized without any interruption to the main service supply. Generally, one house meter only will be allowed. Additional house meters will require authorization from Festival Hydro. Festival Hydro shall supply ITs for the Customer to install in the switchgear instrument transformer (utility) compartment. The instrument transformer compartment must be lockable see <https://www.festivalhydro.com/projects-operations/contractor-information>.

The Customer will be required to install a 1-1/4" conduit preferably without bends to connect the section containing the instrument transformers to the metering cabinet. The conduit must not pass through any area in the switchgear that contains conductors, which are connected to the line side of the main switch or breaker. The conduit cannot exceed 15.24m (50 ft.) in length without special arrangements being made with the Metering Department. LBs are not permitted as part of the conduit.

2.3.7.5 Manufactured Metering Load Centres

Festival Hydro requires the use of manufactured metering load centers at the sole discretion of Festival Hydro. If an electrical design requires more than 4 sub-services, Festival Hydro shall review the design and decide if the Customer/contractor is required to supply and install a CSA approved, manufactured metering load centre. The Customer/contractor should contact the Festival Hydro Metering Department early in the consultation process to determine the necessary requirements. When a CSA approved, manufactured metering load centre is used at a Customer location, all sub-services must be downstream from a common main disconnect switch and grouped in one location.

The metering center to be used will be mounted as follows:

- a) The minimum height allowed for the bottom row of meters is 0.61 m (2 ft.) from finished floor elevation to the center of the meter face/glass.
- b) The maximum height allowed for the top row of meters is 1.68 m (5'6") from finished floor elevation to the center of the meter face/glass.
- c) Any deviations must be approved by Festival Hydro.

2.3.7.6 Interval Metering

Interval Metering shall be provided as per the DSC. Where interval metering is required or requested, Festival Hydro will outline the technical requirements to be followed for such installations.

The Customer will be responsible for the cost of the communication network, including any initial setup and ongoing costs. Access to metering data is available to the Customer upon request (See

[Section 2.3.7.6.1\).](#)

Festival Hydro shall provide an interval meter within a reasonable period to any Customer or his agent who submits a written request either directly or through an authorized party, in accordance with the RSC.

2.3.7.6.1 Customer Access to Interval Meters

While the meter data belongs to the Customer, Festival Hydro requires the information to determine the Customer's electricity bill. Festival Hydro will maintain the usage profile of all Customers and shall make this non-real time information available to Customers provided that the Customer agrees to the access conditions contained in [Section 1.7.2](#).

The Customer has the following two options to obtain real time interval meter data:

- a) **Direct access by Customer** – The Customer may elect to access the unverified real time interval meter data directly using Customer purchased software. The Customer may be required to pay incremental costs to facilitate metering upgrades to accommodate this installation. Festival Hydro will provide the information required to access and use the unverified real time meter data; or
- b) **Customer owned metering** – The Customer may elect to supply and install at their expense metering equipment downstream of the Festival Hydro metering.

If a Customer requires access to real-time information from an interval meter, the Customer shall be responsible for installing and maintaining a telecommunications line at its own expense, in accordance with Festival Hydro requirements, as well as the incremental cost to upgrade the metering if required.

2.3.7.7 Meter Reading

The Customer must provide or arrange free, safe, and unobstructed access during regular business hours to any authorized representative of Festival Hydro for the purpose of meter reading, meter changing, or meter inspection. Where premises are closed during Festival Hydro's normal business hours, the Customer must, on reasonable notice, arrange such access at a mutually convenient time.

All Festival Hydro metering equipment located on the Customer's premises is in the care and at the risk of the Customer, and if destroyed or damaged, other than by normal usage, the Customer will compensate Festival Hydro for the cost of repair or replacement.

If Festival Hydro is unable to obtain a meter reading due to circumstances beyond its reasonable control, Festival Hydro may estimate the reading.

2.3.7.8 Final Meter Reading

When a service is no longer required, the Customer is switching energy providers or the Customer is moving, the Customer shall provide Festival Hydro with a minimum prior notice of five (5) business days of the date that the service is to be discontinued so that a final meter reading can be obtained. The Customer shall provide access to Festival Hydro or its agents for this purpose.

If a final meter reading is not obtained, the Customer shall pay a sum based on an estimated demand and/or energy for electricity used since the last meter reading.

2.3.7.9 Faulty Registration of Meters

Metering electricity usage for the purpose of billing is governed by the Federal Electricity and Gas Inspection Act and associated regulations, under the jurisdiction of Measurement Canada. Festival Hydro's revenue meters are required to comply with the accuracy specifications established by the regulations under the above Act.

In the event of incorrect electricity usage registrations, Festival Hydro will determine the correction factors based on the specific cause of the metering error and the Customer's electricity usage history. The Customer shall pay for all the energy supplied, a reasonable sum based on the reading of any meter formerly or subsequently installed on the premises by Festival Hydro, due regard being given to any change in the character of the installation and/or the demand.

If the incorrect measurement is due to reasons other than the accuracy of the meter, such as incorrect meter connection, incorrect connection of auxiliary metering equipment, or incorrect meter multiplier used in the bill calculation, the billing correction will apply for the duration of the error. Festival Hydro will correct the bills for that period in accordance with the regulations under the Act.

2.3.7.10 Meter Dispute Testing

Metering inaccuracy is an extremely rare occurrence. Most billing inquiries can be resolved between the Customer and Festival Hydro without resorting to the Measurement Canada meter dispute investigation.

Either Festival Hydro or the Customer may request the service of Measurement Canada to resolve a dispute. If the Customer initiates the dispute, Festival Hydro will charge the Customer a meter dispute fee. If the meter is found to be accurate and Measurement Canada rules in favour of Festival Hydro, the Customer shall be required to pay the meter dispute fee. If the test indicates that the meter is not accurate, the Customer's historic billing will be adjusted, and the meter dispute fee will be borne by Festival Hydro.

2.3.7.11 Distributed Energy Resources and Net Metering

Customers who generate electricity from a renewable source (for e.g. wind, water, solar or biomass) are eligible to apply for Net Metering under the O.REG. 541/05.

To comply with Section 84 of the OESC, Customers are required to have an isolation switch (visible, accessible and lockable) located between the meter and the Customer equipment.

Distributed Energy Resource Customers may be required to pay for the cost and installation of metering and any service upgrades on a time and material basis as detailed in the DSC. Customers may need to enter into a Servicing Agreement which will outline cost obligations for the connection of the project. Please contact Festival Hydro early in the consultation process for the most current information.

2.4 TARIFFS AND CHARGES

2.4.1 Service Connection

Festival Hydro's Distribution Rates and Specific Service Charges are approved by the OEB as they

pertain to services applicable to the recognized Customer classes as defined in [Section 3](#). The Customer will pay for all services at the OEB approved rates as listed in the applicable Decision and Rate Order issued by the OEB. Please contact Festival Hydro for a copy of the applicable Decision and Rate Order or visit www.festivalhydro.com for more details.

The Customer commences paying from the date of connection to the Festival Hydro Distribution System. Festival Hydro determines electricity usage for which its approved rates apply, either by meter reading, or by an estimate, in cases where a meter reading has not been taken.

Notice of rate revisions may be published on Festival Hydro website www.festivalhydro.com, and/or a billing insert mailed out to all Customers publishing the revised rates.

2.4.2 Energy Supply

There are no physical service connection differences between Standard Supply Service (SSS) Customers and third party Retailer's Customers. Both Customer energy supplies are delivered through the local Distributor with the same distribution requirements. Therefore, all service connection requirements applicable to the SSS Customers are applicable to third party Retailer's Customers.

Customers have the right to receive SSS from Festival Hydro, or its agent, where:

- a) The Customer has not chosen a Retailer;
- b) The Customer chooses to return from a Retailer;
- c) The Customer's Retailer is unable to supply; or
- d) The Customer's Retailer returns the Customer to Festival Hydro.

Festival Hydro shall provide SSS for 100% of the electricity consumed by SSS Customers.

Customers transferring from SSS to a Retailer shall comply with the Service Transfer Request (STR) requirements as outlined in sections 10.5 through 10.5.6 of the RSC.

All requests shall be submitted as electronic files and transmitted through Festival Hydro's hub provider for electronic business transactions. STR shall contain information as set out in section 10.3 of the RSC.

If the information is incomplete, Festival Hydro shall notify the Retailer about the specific deficiencies and await a reply before proceeding to process the transfer.

The transfer will be effective as of the next scheduled meter read date.

Festival Hydro may, at its discretion, refuse to process a STR for a Customer to switch to a Retailer if that Customer owes money to Festival Hydro for distribution services and/or SSS.

2.4.3 Deposits

Where an owner proposes the development of premises that require Festival Hydro to place orders for equipment for a specific project and before actual construction begins, the owner is required to sign the necessary Supply Agreement and furnish a suitable deposit before such equipment is ordered by

Festival Hydro.

An irrevocable (standby) letter of credit or a letter of guarantee, or surety bond, from a chartered bank, trust company, or credit union is acceptable in lieu of a cash deposit.

2.4.3.1 Security Deposit

Festival Hydro may require a security deposit from a new or existing Customer as a condition of supplying or reconnecting a service in accordance with the OEB rules for electricity consumers²⁸. In addition to charging approved distribution rates, Festival Hydro must, in accordance with regulation, purchase and pass through charges from the Independent Electricity System Operator (IESO). In order to manage the non-payment risk costs, Festival Hydro, as permitted by law, assesses, charges, and manages deposits to new and existing Customers.

The form of payment of a security deposit for a residential Customer shall be cash or cheque at the discretion of the Customer or such other forms as is acceptable to Festival Hydro.

The form of a security deposit for a non-residential Customer shall be cash, cheque or an automatically renewing, irrevocable letter of credit from a bank as defined in the Bank Act, S.C. 1991, c. 46 at the discretion of the Customer. Festival Hydro may also accept other forms of security such as surety bonds and third party guarantees.

Customers are allowed to pay their initial security deposit over six equal monthly installments.

Any *existing* Customer receiving service from Festival Hydro, who accumulates a poor credit history, will also be required to pay a security deposit. A poor credit history can include any Customer who has more than one payment returned by their bank, has their service disconnected for non-payment, or requires a trip to their door to collect arrears. Any residential Customer who has provided Festival Hydro with proof of their eligibility as a low-income Customer can request and receive a refund of any security deposit previously paid to Festival Hydro, after application of the security deposit to any outstanding amounts owing on the Customer's account.

Accounts will be reviewed once a year to determine if a deposit needs to be revised. If the current deposit is more than required, the difference will be refunded back to the Customer's account and a letter will be sent to notify the Customer. If the deposit needs to be increased, the new deposit will be billed in installments and a letter will be sent to notify the Customer.

Any security deposit received from the Customer, upon closure of the Customer account, shall be applied to the final bill prior to change in service and can be used to off-set other amounts owing by the Customer to Festival Hydro.

All normal collection procedures will apply to the collection of security deposits.

Before requiring a security deposit from a new residential Customer, Festival Hydro shall offer the Customer the option of enrolling in an equal monthly billing plan in accordance with the Standard Supply System Code, a pre-authorized payment plan, or both, and where the Customer elects to enroll,

²⁸ Sections 2.4.9 – 2.4.36 Conditions of Service – Distribution System Code – October 1, 2022 edition.

no security deposit shall be required.

Festival Hydro may require a security deposit from the Customer if within 12 months of enrollment in an equal monthly billing plan, a pre-authorized payment plan, or both, where:

- a) The Customer terminates the plan;
- b) The Customer receives more than one disconnection notice from Festival Hydro;
- c) More than one payment by the Customer has been returned for insufficient funds;
- d) A disconnect / collect trip has occurred; or
- e) In the case of an equal monthly billing plan, the plan has been cancelled due to non- payment by Festival Hydro in accordance with the SSSC.

2.4.3.2 Use of Security Deposits in Arrears Management Program

Security deposits will be applied against any residential arrears before a disconnection notice can be issued to a residential account.

When a security deposit has been applied against any arrears, the Customer will be advised and will have to repay the security deposit in six equal monthly installments

2.4.3.3 Amount of Deposit

Deposits for Residential and General service < 50 kW under SSS or Distributor Consolidated billing will be based on 2.5 months average billing for non-competitive and competitive electricity costs. Where the account/location is new and does not have previous consumption history, consumption from similar installations will be used to determine deposit amount.

Despite section 2.4.12 of the DSC, where a non- residential Customer in any rate class other than a <50 kW demand rate class has a credit rating from a recognized credit rating agency, the maximum amount of a security deposit which Festival Hydro may require the non residential Customer to pay shall be reduced in accordance with the following table²⁹:

Credit Rating <i>(Using Standard and Poor's Rating Terminology)</i>	Allowable Reduction In Security Deposit
AAA- and above or equivalent	100%
AA-, AA, AA+ or equivalent	95%
A-, From A, A+ to below AA or equivalent	85%
BBB-, From BBB, BBB+ to below A or equivalent	75%
Below BBB – or equivalent	0%

2.4.3.4 Waiver Policy

Festival Hydro adheres to the requirements of the DSC latest edition regarding its policy to waive the requirement of a security deposit from its new or existing Customers.

²⁹ Section 2.4.13 Conditions of Service – Distribution System Code – October 1, 2022 edition.

Reduction or full refund of a security deposit by Festival Hydro will only be considered if the applicable security reduction provisions described in the DSC³⁰ have been met by the Customer.

2.4.4 Billing

Festival Hydro has the right to adjust billing cycles and frequency as required. Bills for the use of electrical energy may be based on either a metered rate or a flat rate, as determined by Festival Hydro. Festival Hydro will bill the Customer or the Customer's Retailer, as applicable, for distribution services provided.

A bill will be deemed to have been issued to a Customer:

- a) If sent by mail, on the third day after the date on which the bill was printed by Festival Hydro;
- b) If made available over the internet, on the date on which an e-mail is sent to the Customer notifying the Customer that the bill is available for viewing over the internet;
- c) If sent by e-mail, on the date on which the e-mail is sent; or
- d) If sent by more than one of the methods listed in paragraphs (a) to (c), on whichever date of deemed issuance occurs last.

A Customer may dispute charges shown on their bill by contacting and advising Festival Hydro of the reason for the dispute. Festival Hydro will investigate all disputes and advise the Customer of the results. Please see [Section 1.8](#) for further details on dispute resolution.

2.4.4.1 Billing Options

Festival Hydro provides billing options for Retailers as per the RSC. The preferred billing option offered by Festival Hydro is:

- a) Distributor-Consolidated Billing: Festival Hydro will issue a bill to the Customer that includes the full cost of the electricity delivered to the Customer, along with the portion of the bill attributable to competitive electricity costs based on the contract terms between the Customer and the Retailer, or fixed pricing.

2.4.4.2 Prorating Bills and service Charges

Service charges may be prorated for the first bill, final bill, and over a rate change. Charges are based on a straight ratio calculation of the number of days occupied by the Customer to a standard 30-day month.

2.4.4.3 Estimating Bills

Reasonable attempts will be made to obtain a meter reading for all regular electricity bills. Bills will only be estimated when Festival Hydro has been unsuccessful in obtaining a meter reading. If a bill is estimated, whenever possible it will be based on the Customer's consumption history. Where

³⁰ Sections 2.4.9 – 2.4.36 Conditions of Service – Distribution System Code – October 1, 2022 edition.

Customer's consumption history is not available a reasonable estimate based on the account history will be determined.

Demand will only be estimated after current practices for retrieving a reading have been exhausted. When a demand reading cannot be obtained, it will be estimated after reviewing the demand history and considering, for example, seasonality and change in use. This does not apply to interval metering.

2.4.4.4 Adjustment Factor

When electricity is delivered over a powerline, a small amount of power is lost as heat dissipation. The adjustment factors applied to meter readings to account for these losses, known as Total Loss Factors. Total Loss Factors are approved by the OEB. Details of the applicable Total Loss Factors can be found in the most recent Decision and Rate Order issued by the OEB. Please see www.festivalhydro.com for a current copy.

2.4.4.5 Power Factor

For General Service (Greater than 50 kW) Customers, Festival Hydro assumes that a Customer's electrical and mechanical equipment has a minimum power factor of 90 per cent when operating at maximum loads. If, in any billing period, the Customer's maximum kilovolt Ampere (kVA) demand times 90% is higher than the Customer's maximum kilowatt (kW) demand, the amount to be billed will be 90 per cent of the kVA demand for that billing period.

2.4.4.6 Billing Breakdown Request

If a Customer requests a detailed breakdown of a service billing, Festival Hydro may, at its discretion, charge the Customer for the cost of providing the breakdown.

2.4.5 Payments and Late Payment Charges

Bills are payable in full by the due date. Payments received after the due date will be subject to a late payment interest charge from the date the bill was printed. The minimum payment period is 20 days from the date on which the bill was issued to the Customer. If the bill is sent by mail, Festival Hydro will add 3 days, providing a total of 23 days from the date the bill was printed. A Customer may pay the bill without the application of a late payment charge up to the due date. The due date will be identified clearly on the Customer's bill.

Outstanding bills are subject to the collection process and may ultimately lead to the service being discontinued. Service will be restored once satisfactory payment has been made. Discontinuance of service does not relieve the Customer of the liability for arrears.

A reconnection charge will apply where the service has been disconnected due to non-payment.

Payments can also be budgeted to equalize each payment. The budget amount is recalculated on a semi-annual basis in order to reduce the amount of credit or debit that naturally accumulates throughout the year. Contact Festival Hydro for more details.

The Customer will be required to pay additional charges for processing of payments returned by their financial institution.

2.4.5.1 Payment Allocation

Any payments received will be applied to the total outstanding balance of the electricity account. An outstanding balance could include the billed amounts, security deposits, late payment, or other charges. Payment cannot be directed to specific portions of the outstanding balance.

Where payment on account of a bill is not sufficient to cover electricity charges, security deposits and billing adjustments, Festival Hydro shall allocate the payments in the following order:

- a) Electricity charges
- b) Payments towards an arrear's payment agreement,
- c) Outstanding security deposit,
- d) Under-billing adjustments
- e) And non-electricity charges.

2.4.5.2 Arrears Payment Agreement

Festival Hydro offers an Arrears Payment Agreement to all eligible General Service <50 kW Customers, Low-Income Customers and/or Residential Customers to assist with the payment of billed charges and to avoid disconnection of the electricity supply for non-payment of account. At a minimum the standard terms of the Arrears Payment Agreement shall meet with the requirements outlined in the DSC³¹. Offer of the Arrears Payment Agreement by Festival Hydro to a General Service <50 kW Customer need not include those terms and conditions but may be offered by Festival Hydro on reasonable terms.

Prior to entering an Arrears Payment Agreement, any or all a security deposit would be used to reduce arrears. The Customer will be required to pay an initial down-payment and will agree to keep any subsequently billed amounts current. Failure to maintain the agreement contract results in removal from the Arrears Payment Agreement and collections activities may resume immediately.

Festival Hydro is not required to waive any late payment charges that accrue to the date of the Arrears Payment Agreement, but no further late payment charges may be imposed on a Residential Customer after he or she has entered into an Arrears Payment Agreement with Festival Hydro in respect of the amount that is the subject of that agreement.

In the event a Customer failed to perform their obligations under a previous Arrears Payment Agreement and Festival Hydro terminated the agreement, Festival Hydro may require that the Customer wait one-year after termination of the previous Arrears Payment Agreement before entering into another Arrears Payment Agreement with Festival Hydro as per the DSC.

2.4.5.3 Payment Options

Customers may pay their electricity bills using any of the following methods:

³¹ Section 2.7 Arrears Payment Agreements – Distribution System Code - October 1, 2022 edition.

- a) Mailing a cheque or money order to Festival Hydro at the remit to address printed on the bill; or
- b) Depositing a cheque or money order in a designated drop-off box location noted on the bill; or
- c) Pre-authorized payment agreement with Festival Hydro direct debit bank payments; or
- d) Using a Visa or Mastercard Credit Card via the Festival Hydro third party service provider noted on the Festival Hydro Website www.festivalhydro.com or contacting the number listed on the bill (subject to third party processing fees); or
- e) Using interac/debit at Festival Hydro office, the days it is open to the public.

All payments must be in Canadian dollars or US dollars.

All cheques received are typically processed for payment upon receipt. Festival Hydro assumes no responsibility for any related charges, including, but not limited to, non-sufficient fund charges to the Customer.

Where payment is made by mail, payment will be deemed to be made on the date postmarked. Where payment is made at an acceptable financial institution, payment will be deemed to be made when the bill is stamped or acknowledged by the financial institution or an equivalent transaction record is made.

Festival Hydro engages in a comprehensive notification process with its Customers to avoid the disconnection of services. If, after that process, payment has not been received or an agreed upon payment plan has been set up, a disconnection of the service will take place including additional charges not limited to collection and reconnection charges, a requirement to post a security deposit, and/or the forfeiture of all or part of an existing security deposit. Reconnection charges shall be applied only after reconnection has occurred. If the Customer is unable to pay the reconnection charges, Festival Hydro shall offer reasonable payment arrangements. For eligible low-income Customers reconnection charges shall be waived.

2.4.5.4 Late Payment Interest Charges and Non-Payment Charges

All classes of electricity Customers have 20 days from the date on which the bill was issued to pay their account. Bills are payable in full by the due date; otherwise, late payment interest charges will be applied from the billed date; calculated on a daily compounded rate (effective annual rate 19.56% per annum or 0.04896% compounded daily rate). Where a partial payment has been made by the Customer on or before the bill date, the Late Payment Interest Charge will apply only to the amount of the bill outstanding from the bill date.

Outstanding bills are subject to the collection process and may ultimately lead to the service being disconnected. Service will be restored once satisfactory payment and/or payment arrangements have been made (see [Section 2.2.1](#)).

The Customer will be required to pay additional charges for the processing of non-sufficient fund (N.S.F.) cheques.

2.5 CUSTOMER INFORMATION

Festival Hydro reserves the right to request specific information from the Customer in order to facilitate the normal operation of its business. Failure of a Customer to supply such information may prevent the normal continuance of service.

Festival Hydro is subject to provincial and federal privacy legislation that contains specific restrictions concerning the collections, use and disclosure of personal information. Festival Hydro will comply with its Privacy Policy and shall not disclose specific information about a Customer unless that Customer has authorized the release of information in writing or unless necessary for compliance with the IESO's Market Rules, any OEB approved Code or Standard, or any law or court order. Festival Hydro shall not disclose Customer information to a third party without the consent of the Customer in writing, except where the Customer information is required to be disclosed, as follows:

- a) To comply with any legislation or regulatory requirements, including the conditions of the Distribution System Licence;
- b) For billing, settlement or market operations purposes;
- c) For complying with legal requirements; or
- d) To a debt collection agency for the processing of past due accounts of the Customer

Customers have the obligation to provide Festival Hydro with information that is true, complete, up to date and correct. The information is used to provide Customer service, deliver and/or supply energy, manage Customer accounts and assess credit history regarding the need for account security. Festival Hydro may verify the accuracy of all information provided and may obtain additional credit information from a credit-reporting agency as required.

Festival Hydro's Distribution License also permits the disclosure of information regarding a Customer where the information has been sufficiently aggregated such that the Customer's particular information cannot reasonably be identified.

The RSC as amended from time to time specifies the rights of Customers and their Retailers to access current and historical usage information and related data and the obligations of distributors in providing access to such information.

A third party who is not a Retailer may request historical usage information with the written authorization of the Customer to provide their historical usage information.

Festival Hydro will provide information appropriate for operational purposes that has been aggregated sufficiently, such that an individual's Customer information cannot reasonably be identified, at no charge to another distributor, a transmitter, the IESO or the OEB. Festival Hydro may charge a fee that has been approved by the OEB for all other requests for aggregated information.

At the request of a Customer, Festival Hydro will provide a list of Retailers who have Service Agreements in effect within its distribution service area. The list will inform the Customer that an alternative Retailer does not have to be chosen in order to ensure that the Customer receives electricity and the terms of service that are available under SSS.

Upon receiving an inquiry from a Customer connected to its Distribution System, Festival Hydro will either respond to the inquiry if it deals with its own distribution services or provide the Customer with contact information for the entity responsible for the item on inquiry, in accordance with Chapter 7 of the RSC.

An embedded distributor that receives electricity from Festival Hydro shall provide load forecasts or any other information related to the embedded distributor's system load to Festival Hydro, as determined and required by Festival Hydro. A Distributor shall not require any information from another Distributor unless it is required for the safe and reliable operation of either Distributor's Distribution System or to meet a Distributor's license obligations.

2.5.1 Provision of Current Usage Data to Customers

Customers with cumulative volume and Demand Meters shall receive their current usage data on their electricity bill from Festival Hydro.

Festival Hydro will provide access to a Customer's meter or meter information under the following conditions:

- a) Festival Hydro will select the access windows it requires to read the meter;
- b) If Festival Hydro's access to the meter is hindered or a Customer's access to the meter corrupts usage information, Festival Hydro may suspend a Customer's right to access until any outstanding problems are resolved;
- c) A Customer shall pay the reasonable cost of any software, hardware or other services required for a Customer to obtain direct access to meter information. This may include installation of a secondary meter access system;
- d) A Customer shall bear any cost incurred by Festival Hydro to correct problems caused by a Customer's direct access to the meter;
- e) If a Customer assigns his or her right to direct meter access to a Retailer or third party, the Customer shall be responsible for the actions of the assigned party.

Festival Hydro will provide a Customer with 24 billing periods, where available, of historical usage information, information about their meter configuration, and payment information ("historical information"). The historical information can be released to the Customer or any third party designated by the Customer provided that if the third party is:

- a) A Retailer, that the Customer has provided written authorization to Festival Hydro for the release; or
- b) Someone other than a Retailer and the Customer has provided Festival Hydro with written authorization for the release.

Festival Hydro will honour requests from Retailers for historical data delivered electronically through the electronic business transaction (EBT) system at no charge. Festival Hydro will honour requests from Customers and Retailers for historical data not delivered through the EBT system twice a year for any one account at no charge. Festival Hydro at its discretion, may charge a fee for any additional requests for the same account in one-year.

Section 11 of the RSC specifies the rights of consumers and Retailers to access current and historical usage information and related data and the obligations of Distributors in providing access to such information.

Upon written authorization by the Customer, Festival Hydro shall make available the following information to the Customer or the Customer's Retailer:

- a) The Festival Hydro meter number for the meter or meters located at the Customer's service address;
- b) The Customer's service address;
- c) The Customer's account number;
- d) The date of the most recent meter reading;
- e) The date of the previous meter reading;
- f) Multiplied kilowatt-hours recorded at the time of the most recent meter reading;
- g) Multiplied kilowatt-hours recorded at the time of the previous meter reading;
- h) Multiplied kW for the billing period (if Demand Metered);
- i) Multiplied kVA for the billing period (if available);
- j) Usage (kWh) for each hour during the billing period for interval- metered consumers;
- k) An indicator of the read type (e.g., Distributor read, Consumer read, Distributor estimate, etc.);
and
- l) Average distribution loss factor for the billing period.

SECTION 3 – CUSTOMER CLASS SPECIFIC

This section refers to services and requirements that are unique to individual Customer classes. This includes items such as ownership demarcation, metering, service requirements, ownership and operational responsibilities, special contracts and other conditions specific to a Customer class. Inspection of works not normally within the scope of the ESA is also defined.

Festival Hydro will abide by the DSC when it comes to reclassification of Customers. Customers will be reviewed and reclassified when warranted on an annual basis. The Customer is allowed under the DSC to make only one interim request annually to Festival Hydro for re-classification review and Festival Hydro shall reclassify the Customer if warranted.

3.1 RESIDENTIAL-SERVICE CLASSIFICATION

A Customer is classed as residential when all the following conditions are met:

- a) The property is zoned strictly residential by the local municipality,
- b) The account is created and maintained in the Customer's name, and
- c) The building is used for dwelling purposes.

Customers who are classed as General Service but consider themselves to be residential, must provide Festival Hydro with a copy of their tax assessment, which clearly demonstrates the zoning is for residential use only.

Exceptions may be made for properties zoned for farming use, under the following conditions: the principal use of the service is for the residence, the service size is 400 amperes or less, and the service is 120/240 volt single phase.

3.1.1 General Information

Normally, Festival Hydro will provide one service or delivery point to each residential Customer. The normal Secondary service voltage will be 120/240 volts, 60 Hz. The minimum service entrance size for new services shall be 200 amperes and the maximum size for a single service entrance shall be 400 amperes. Residential services requiring three-phase supply shall require consultation with and the approval of Festival Hydro prior to construction.

3.1.2 Early Consultation for New or Upgraded Service

To avoid unexpected delays and/or expenses to the Customer, the location of the service entrance and the meter base shall be established through early consultation between the Customer and Festival Hydro for both new and upgraded services. This consultation should be initiated by the Customer and take place in a reasonable timeframe prior to the required in- service date. Additional time (months or over a year in some cases) shall be required in the cases where advance lead time is required for procurement of materials or the Distribution System, operating at a suitable Primary Voltage, does not exist near the residential Customer building site (expansions in accordance with [Section 2.1.2 Expansions/Offer to Connect](#) of this document) or where the existing Distribution System, operating at a suitable Primary Voltage, requires enhancements. The Customer shall contact the Festival Hydro Engineering

Department to discuss service requirements and supply the following information during the consultation:

- a) Proposed location of the service including municipal address
- b) Customer contact information and, if the Customer chooses to use an electrician, the contact information for the electrician;
- c) The required service date;
- d) Service capacity and voltage rating;
- e) The type of service requested to be installed, underground or overhead;
- f) The distance from the existing Festival Hydro Distribution System;
- g) Drawings as requested and necessary (site plan, grading plan, survey, etc.);
- h) A plan showing the proposed location of the service entrance with respect to the lot lines;
- i) Details of any equipment which may demand a high consumption of electricity if applicable;
- j) Location of existing and/or proposed utilities.

3.1.3 Residential Class - Service Types

3.1.3.1 Overhead – Secondary Voltage Service

Festival Hydro shall designate the pole (or span) from which the service shall be supplied and the location of the point of attachment, or a rigid service mast.

For distances up to 30 m, Festival Hydro shall provide, all Secondary Voltage conductor necessary to attach to the Festival Hydro system. Festival Hydro shall provide a Standard Connection Allowance for all new Residential Class Customers as per [Section 2.1.1.1](#) of this document. If the estimated cost exceeds this amount, the Customer shall pay the Variable Connection Charge in accordance with [Section 2.1.1.2](#). Festival Hydro shall supply and install transformation at no cost to the Customer. Where the distance from the main line exceeds 30 m, the Customer may be required to design, provide, construct, maintain and own additional service poles and secondary conductor at no cost to Festival Hydro.

The Customer, at their sole expense, may be required to obtain property rights. Festival Hydro shall obtain municipal consents and/or road authority approval.

The Customer shall provide a rigid service stack or mast to ESA requirements. In addition to the requirements of the OESC (latest edition), the following conditions shall apply:

- a) A clevis type insulator is to be supplied by the Customer and located within 914 mm (3 ft.) of the face of the building.
- b) This point of attachment device must be located:
 - i. Not less than 4.5 m (15 ft.) nor greater than
 - ii. 5.5 m (18 ft.) above grade (to facilitate proper ladder handling techniques). Buildings must have a minimum offset from property line of 1.2 m (4 ft).
 - iii. Within 150 mm and 300 mm (6-12 in.) of the service head.
- c) Meter base type and location in accordance with [Section 2.3.7 – Metering](#).
- d) Proper clearance from windows, doors and porches as per OESC (latest edition).

Festival Hydro shall provide, and the Customer shall pay for all revenue metering equipment, with the exception of the meter socket. The Customer shall supply, install and pay for the meter socket.

Where the Customer wants to install an overhead Secondary Voltage service but, the characteristics of the load or the distance from the existing Distribution System to the desired point of Connection result in the calculated voltage at the point of Connection falling below the voltage guidelines of the OESC, then [Section 3.1.3.2](#) may apply.

3.1.3.2 Overhead - Primary Voltage Service

When the distance from the Distribution System or the load characteristics prevent the Connection Asset located on private property, from operating exclusively at a Secondary Voltage, the Customer shall be responsible to design, supply, construct, own and maintain their own Primary Voltage pole line and Secondary service to their point of attachment.

Where the Customer point of Connection is located on the opposite side of the road from the existing Distribution System, the Customer shall supply and install a road crossing in accordance with the requirements of the Road Authority and to the Standards of Festival Hydro. Festival Hydro shall own and maintain this road crossing upon acceptance of installation.

The Customer, at their sole expense, may be required to obtain property rights. Festival Hydro shall obtain municipal consents and/or road authority approval.

Festival Hydro shall provide, and the Customer shall pay for all Revenue metering equipment, with the exception of the meter socket. The Customer shall supply, install and pay for the meter socket.

Festival Hydro shall provide a Standard Connection Allowance for all new Residential Class Customers as per [Section 2.1.1.1](#) of this document. If the estimated cost exceeds this amount, the Customer shall pay the Variable Connection Charge in accordance with [Section 2.1.1.2](#). Festival Hydro shall supply and install transformation at no cost to the Customer.

This line must be constructed in compliance with the current version of the OESC. The transformer pole must also comply with Festival Hydro's approved construction standards. Festival Hydro shall require a Connection Authorization from the ESA prior to connection of such a line to Festival Hydro's Distribution System.

Festival Hydro shall designate the pole from which the service shall be supplied, the location of the transformer pole, and the location of Secondary Voltage metering equipment.

Festival Hydro shall supply, install, and maintain all hardware and anchoring required on Festival Hydro's Distribution System to facilitate the connection, including a Primary Voltage disconnect device (fused). Festival Hydro shall also supply, install, and maintain a distribution transformer and appropriate Secondary Voltage metering on the Customer's property.

3.1.3.3 Underground - Secondary Voltage Service

Underground services in overhead areas are approved at the discretion of Festival Hydro and/or at the direction of the local municipality. Backlot areas with existing overhead services shall stay overhead unless underground service is available at the front of their property.

Festival Hydro shall specify the connection point of the proposed service to Festival Hydro's Distribution System, as well as the underground conductor route and the location of the Customer-

owned meter base.

For distances up to 100 m, Festival Hydro shall provide all Secondary Voltage conductor necessary to attach to the Festival Hydro system. Festival Hydro shall provide a Standard Connection Allowance for all new Residential Class Customers as per [Section 2.1.1.1](#) of this document. If the estimated cost exceeds this amount, the Customer shall pay the Variable Connection Charge in accordance with [Section 2.1.1.2](#). Festival Hydro shall supply and install transformation at no cost to the Customer.

The Customer is required to supply and install the trench and conduit to the latest revision of Festival Hydro's standards, or as identified on the service layout/Offer to Connect.

Where the Customer point of Connection is located on the opposite side of the road from the existing Distribution System, the Customer shall supply and install a road crossing in accordance with the requirements of the Road Authority and to the Standards of Festival Hydro. Festival Hydro shall own and maintain this road crossing upon acceptance of installation.

The Customer, at their sole expense, may be required to obtain property rights. Festival Hydro shall obtain municipal consents and/or road authority approval.

Where the distance from the main line exceeds 100 m, the Customer may be required to design, provide, construct, maintain and own underground duct and secondary conductor at no cost to Festival Hydro.

Festival Hydro shall provide, and the Customer shall pay for all Revenue metering equipment, with the exception of the meter socket. The Customer shall supply, install and pay for the meter socket.

It is the responsibility of the Customer or their contractor to obtain clearance from all the Utilities (including Festival Hydro) before digging.

3.1.3.4 Underground – Secondary Voltage Service - Residential Subdivision

This section pertains to servicing of electricity in underground residential subdivisions established with a Subdivision Servicing Agreement executed by a developer.

Festival Hydro or its representative shall install the service wires from Festival Hydro's transformer to the meter base on each dwelling unit in the Customer installed duct. Festival Hydro shall own and maintain this duct upon acceptance of installation. All secondary servicing costs and allowances are included in the developers costs as determined by an economic evaluation.

Each individual property shall have its own meter base. Festival Hydro must approve all service locations and trench routes. The meter base shall be located on the same side of the house as that side where the duct carrying the secondary conductor enters the lot.

Where a builder or developer is able to develop an additional lot in an underground subdivision, they will be required to pay the actual costs involved for Festival Hydro to provide a service to this new lot, net of the required standard connection allowance.

3.1.3.5 Underground - Primary Voltage Service

When the distance from the Distribution System or the load characteristics prevent the application of an underground Secondary Voltage Service, the Customer may be serviced with an underground Primary service. In general, the Customer shall:

- a) Supply and construct all civil works for primary and Secondary Voltage cables and transformer, as well as transformer foundation and ground grid to the latest Festival Hydro Standards.

In general, Festival Hydro shall:

- a) Design, supply, install, own, maintain primary and Secondary Voltage cable and transformer.
- b) Own and maintain civil works for primary and Secondary Voltage cables and transformer upon acceptance of installation.
- c) Make connection to Festival Hydro distribution system including a Primary Voltage disconnect device (fused).
- d) Provide, and the Customer shall pay for, all Revenue metering equipment., with the exception of the meter socket. The Customer shall supply, install and pay for the meter socket.

Alternate ownership arrangements may be made at the discretion of Festival Hydro.

The installation may be inspected by Festival Hydro at the time of connection. Festival Hydro shall require a Connection Authorization from the ESA prior to connection of the primary line, secondary line and transformer to Festival Hydro's Distribution System.

Festival Hydro shall provide a Standard Connection Allowance for all new Residential Class Customers as per [Section 2.1.1.1](#) of this document. If the estimated cost exceeds this amount, the Customer shall pay the Variable Connection Charge in accordance with [Section 2.1.1.2](#).

Where the Customer point of Connection is located on the opposite side of the road from the existing Distribution System, the Customer shall supply and install a road crossing in accordance with the requirements of the Road Authority and to the Standards of Festival Hydro. Festival Hydro shall own and maintain this road crossing upon acceptance of installation. The Customer, at their sole expense, may be required to obtain or grant property rights (Easements – [See Section 2.1.6](#)). Festival Hydro shall obtain, municipal consents and/or road authority approval.

Festival Hydro shall designate the pole, or pad mounted switchgear from which the Primary Voltage Service shall be supplied, the route of the underground conductor, location of the transformer pad, and the location of metering equipment.

3.1.4 Basic Connection and Variable Connection Charge

See [Section 2.1.1.1](#) and [Section 2.1.1.2](#).

3.1.5 Point of Demarcation

The Point of Demarcation is where Festival Hydro's operational and ownership responsibilities end, and the Customer's begins.

Unless specific arrangements between Festival Hydro and the Customer are made, ownership and Operational Demarcation Points are described in the interpretive drawings in [Appendix B](#).

3.1.6 Access

See [Section 1.7.2](#) – Access to Customer Property

3.1.7 Metering

See [Section 2.3.7 - Metering](#).

3.1.7.1 Metering - Service Entrance/Meter Location Changes

Festival Hydro shall be consulted in advance of any changes to the metering facilities and/or service entrance. For service changes, including upgrades and temporary removal of the stack, Festival Hydro will require any meter located indoors to be relocated outside at the Customer's expense.

Where a service upgrade necessitates that the existing underground service cable be changed, the Customer will be required to provide a trench and 4" Festival Hydro-approved duct (to the satisfaction of Festival Hydro) from the meter base to the point of Connection, where none exists.

3.1.8 Inspection

The electrical installation inside and outside of the residence, including the meter base, service stack or mast and any Customer-owned Primary Voltage equipment, must be approved by ESA and an authorization issued prior to connection.

The service entry components including the meter base and service wire attachment point must be acceptable to Festival Hydro prior to connection.

Any work on a Customers' service requiring ESA connection authorization may require the service mast, point of attachment and/or meter base to be upgraded to meet the current OESC and Festival Hydro standards or if the existing service is underground the duct may need to be upgraded.

3.1.9 Subdivision, Multi-Unit and Townhouse Development

Developers proposing subdivision, multi-unit and townhouse projects shall consult with Festival Hydro prior to submitting a design for electrical service. All work within the limits of the Development shall be according to Festival Hydro's specification on Subdivision Electrical Distribution, please contact Festival Hydro for the current specification. Prior to preparing a design the developer shall submit, at a minimum, the following to Festival Hydro:

- a) A grading and site servicing plan showing the proposed buildings in relationship to existing and proposed property lines as well as other buildings, streets and other services such as water, gas, telephone and cable television,
- b) Civic addresses,
- c) Legal reference plan,
- d) A layout showing the number of units and electrical service requirements,
- e) Required service date.

Property drawings for the Development must be submitted to the Engineering department of Festival Hydro within a reasonable timeframe to allow for engineering design to be completed. The drawings are to be submitted in electronic form compatible with Festival Hydro's design software. The Developer will have the opportunity to review the drawings and request revisions as necessary. Minor changes are permitted as long as they do not compromise Festival Hydro's standards and practices. The Developer must approve the electrical distribution supply plan in writing before construction is scheduled to begin.

It is the responsibility of the Developer to coordinate the design and construction of the Electrical

Distribution System with that for telephone and cable TV systems. Festival Hydro requires a Joint Use Trench, built to Festival Hydro standards.

The terms and conditions applicable to a Customer Connection (described in [Section 2.1](#)) and to an expansion (described in [Section 2.1.2](#)) also apply to subdivisions and developments.

The developer is responsible for all civil works. Civil works are required to meet Festival Hydro standards. If the developer intends to place meter bases anywhere other than on the individual residential Customers being served, the developer is required to furnish, at no cost to Festival Hydro, a registered easement (in Festival Hydro's favour) that encompasses any land that Festival Hydro may need to cross or fixtures to which Festival Hydro may need to attach for the service(s).

Festival Hydro will follow the guidelines established in the DSC to determine any required CIAC (See [Section 2.1.2.2](#)) and Expansion Deposit (See [Section 2.1.2.3](#)).

3.1.9.1 Commencement of Construction

Installation of civil and electrical facilities may commence at Festival Hydro's sole discretion. Normally, installation of sewer and water facilities, including lateral connections, and gravel road bases, curb bases or curbs and the first layer of asphalt must be completed before work to install the electrical system can commence.

All portions of the lands involved with the Electrical Plant must be graded to within plus or minus 15 cm of final grade before work can begin.

As per the DSC, all electrical contractors, including sub-contractors, whether contracted with the Developer or Festival Hydro, must be pre-approved by Festival Hydro and certified as qualified in good standing as to the current Festival Hydro requirements.

3.1.9.2 Inspection

Civil and electrical infrastructure must be inspected to ensure Festival Hydro standards are met. Inspection shall be completed by a Festival Hydro representative, or an approved contractor. Responsibilities and inspection requirements will be determined and outlined at the time of the Subdivision Servicing Agreement.

The Developer shall give written notice as per the Subdivision Servicing Agreement.

3.1.9.3 Streetlights

All streetlights unless on private property are owned by the Municipality.

The Developer is responsible for all actual costs relating to streetlight design and installation within the Land Development as well as on adjacent streets directly servicing the Subdivision. The Municipality is the final arbitrator on this issue and will determine what is and is not the Developers responsibility.

3.2 GENERAL SERVICE (LESS THAN 50 kW)

For purposes of these Conditions of Service, the classification known as General Service (Less than 50 kW) shall apply to a non-residential account taking electricity at 750 volts or less whose average monthly billing demand is less than or is forecasted to be less than 50 kW when calculated in the prescribed manner. Customers are assigned to these individual rate classes consistent with rules described in Section 2.5 of the DSC, as relating to gross load demand, and the rate classifications set out in Festival Hydro's Tariff of Rates and Charges.

3.2.1 General Information

Normally, Festival Hydro will provide one service or delivery point for each General Service (Less than 50 kW) Class Customer. At Festival Hydro's sole discretion, more than one delivery point may be allowed. Any such arrangement with a Customer must also be acceptable to the ESA.

3.2.2 Early Consultation for New or Upgraded Service

To avoid unexpected delays and/or expenses to the Customer, the location of the service entrance and the meter base shall be established through early consultation between the Customer and Festival Hydro for both new and upgraded services. This consultation should be initiated by the Customer and take place within a reasonable timeframe prior to the required in-service date. Additional time (months or over a year in some cases) shall be required in the cases where the Distribution System, operating at a suitable Primary Voltage, does not exist near the Customer building site (expansions in accordance with [Section 2.1.2 Expansions/Offer to Connect](#) of this document) or where the existing Distribution System, operating at a suitable Primary Voltage, requires enhancements. The Customer shall contact the Festival Hydro Engineering Department to discuss service requirements and supply the following information during the consultation:

- a) Site address as provided by municipality;
- b) Customer contact information and, if the Customer chooses to use an electrician, the contact information for the electrician; and,
- c) The required service date; and,
- d) Service capacity, number of revenue meters required and voltage rating; and,
- e) Load calculations, following proper OESC requirements in kVA and kW when required; and,
- f) The type of service requested to be installed, underground or overhead;
- g) The distance from the existing Festival Hydro Distribution System;
- h) Location of property bars, the building footprint, proposed pole or duct bank locations;
- i) Proposed transformer location;
- j) A plan showing the proposed location of the service entrance with respect to the lot lines and other proposed services;
- k) Details of any equipment which may demand a high consumption of electricity if applicable.
- l) Drawings as requested and necessary (e.g. approved site plan, Single Line Diagram, grading plan, electrical room, metering room, etc.)

If a Customer is required to own and install Primary Voltage equipment as part of a new or upgraded service connection, it is imperative that the Customer consult with Festival Hydro regarding planned Primary Voltage conversion programs. Festival Hydro may require the installation of equipment rated

to operate at a future nominal Primary Voltage in addition to the nominal Primary Voltage available at the time of connection.

3.2.3 Overhead - Secondary Voltage Service

The maximum overhead Secondary Voltage Service size that Festival Hydro provides is 400A at 120/240 and 120/208 and 200A at 347/600V.

Festival Hydro shall designate the pole (or span) from which the service shall be supplied and the location of the point of attachment or rigid service mast.

For distances up to 30 m Festival Hydro shall provide, all Secondary Voltage conductor necessary to attach to the Festival Hydro system. The estimated cost of secondary conductor, and all related time and material to connect the service shall constitute the Variable Connection Charge in accordance with [Section 2.1.1.2](#), which the Customer shall pay. Festival Hydro shall supply and install transformation at no cost to the Customer.

Where the distance from the main line (or Secondary Voltage crossing pole) exceeds 30 m, the Customer may be required to design, provide, construct, maintain and own additional service poles and secondary conductor at no cost to Festival Hydro.

Where the Customer point of Connection is located on the opposite side of the road from the existing Distribution System, the Customer shall supply and install a road crossing in accordance with the requirements of the Road Authority and to the Standards of Festival Hydro. Festival Hydro shall own and maintain this road crossing upon acceptance of installation.

The Customer, at their sole expense, may be required to obtain property rights. Festival Hydro shall obtain municipal consents and/or road authority approval.

The Customer shall provide a rigid service stack or mast to ESA requirements. In addition to the requirements of the OESC (latest edition), the following conditions shall apply:

- a) A clevis type insulator is to be supplied by the Customer and located within 914mm (3 ft.) of the face of the building.
- b) This point of attachment device must be located:
 - ii) Not less than 4.5m (15 ft.) nor greater than
 - iii) 5.5m. (18 ft.) above grade (to facilitate proper ladder handling techniques). Buildings must have a minimum offset from property line of 1.2m (4 ft.).
 - iv) Within 150mm and 300mm (6-12 in) of the service head.
- c) Meter base type and location in accordance with [Section 2.3.7 – Metering](#).
- d) Proper clearance from windows, doors and porches as per OESC (latest edition).

Festival Hydro shall provide, and the Customer shall pay for all revenue metering equipment, with the exception of the meter socket. The Customer shall supply, install and pay for the meter socket.

3.2.4 Overhead - Primary Voltage Service

When the distance from the Distribution System or the load characteristics prevent the Connection Asset located on private property, from operating exclusively at a Secondary Voltage, the Customer shall be responsible to design, supply, construct, own and maintain their own Primary Voltage pole line

and secondary service.

Where the Customer point of Connection is located on the opposite side of the road from the existing Distribution System, the Customer shall supply and install a road crossing in accordance with the requirements of the Road Authority and to the Standards of Festival Hydro. Festival Hydro shall own and maintain this road crossing upon acceptance of installation.

The Customer, at their sole expense, may be required to obtain property rights. Festival Hydro shall obtain, municipal consents and/or road authority approval.

Festival Hydro shall provide, and the Customer shall pay for all Revenue metering equipment., with the exception of the meter socket. The Customer shall supply, install, and pay for the meter socket.

The Customer shall pay the Variable Connection Charge, as per [Section 2.1.1.2](#) of this document. If requested, and where feasible, Festival Hydro shall supply and install transformation at no cost to the Customer.

This line must be constructed in compliance with the current version of the OESC. When transformer is owned by Festival Hydro, the transformer pole must also comply with Festival Hydro's approved construction standards. Festival Hydro shall require a Connection Authorization from the ESA prior to connection of such a line to Festival Hydro's Distribution System.

Festival Hydro shall designate the pole from which the service shall be supplied, the location of the transformer pole, where applicable, and the location of metering equipment.

Festival Hydro shall supply, install, and maintain all hardware and anchoring required on Festival Hydro's Distribution System to facilitate the connection including a Primary Voltage disconnect device (fused). As needed, Festival Hydro shall also supply, install, and maintain a distribution transformer and appropriate metering on the Customer's property.

3.2.5 Underground – Secondary Voltage Service

Underground services in overhead areas are approved at the discretion of Festival Hydro and/or the municipality. Backlot areas with existing overhead services shall stay overhead, unless underground service is available at the front of their property.

Festival Hydro shall specify the connection point of the proposed service to Festival Hydro's Distribution System, as well as the underground conductor route and the location of the Customer-owned meter base.

The Customer shall design, supply, install, own and maintain all civil and electrical material needed to attach to the Festival Hydro system in accordance with the requirements of any road authority and ESA.

The estimated cost of this work shall constitute the Variable Connection Charge in accordance with [Section 2.1.1.2](#), which the Customer shall pay. Festival Hydro shall supply transformation at no cost to the Customer.

It is the responsibility of the Customer or their contractor to obtain clearance from all the utilities (including Festival Hydro) before digging.

Festival Hydro shall provide, and the Customer shall pay for all revenue metering equipment, with the exception of the meter socket. The Customer shall supply, install and pay for the meter socket.

3.2.6 Underground –Primary Voltage Service

When the distance from the Distribution System or the load characteristics prevent the application of an underground Secondary Voltage Service, the Customer may be serviced with an underground Primary service.

In general, the Customer shall:

- a) Supply and construct all civil works for Primary Voltage cables and transformer, as well as transformer foundation and ground grid to the latest Festival Hydro Standards
- b) Design, supply, construct, own and maintain civil and electrical infrastructure for Secondary Voltage Service.

Festival Hydro shall:

- a) Design, supply, install, own, maintain Primary Voltage cable and transformer.
- b) Own and maintain civil works for Primary Voltage cables and transformer upon acceptance of installation.
- c) Make connection to Festival Hydro Distribution System including a Primary Voltage disconnect device (fused).
- d) Provide, and the Customer shall pay for, all Revenue metering equipment, with the exception of the meter cabinet. The Customer shall supply, install and pay for the meter cabinet.

Alternate ownership arrangements may be made at the discretion of Festival Hydro.

The installation may be inspected by Festival Hydro at the time of connection. Festival Hydro shall require a Connection Authorization from the ESA prior to connection of the primary line, secondary line and transformer to Festival Hydro's Distribution System.

The Customer, at their sole expense, may be required to obtain or grant property rights (Easements – See [Section 2.1.6](#)). Festival Hydro shall obtain, municipal consents and/or road authority approval.

Festival Hydro shall designate the pole, or pad mounted switchgear from which the Primary Voltage Service shall be supplied, the route of the underground conductor, location of the transformer foundation, and the location of metering equipment.

3.2.7 Variable Connection Charge

See [Section 2.1.1.2](#)

3.2.8 Point of Demarcation

The Point of Demarcation is where Festival Hydro's operational and ownership responsibilities end, and the Customer's begins.

Unless specific arrangements between Festival Hydro and the Customer are made, ownership and Operational Demarcation Points are described in the interpretive drawings in [Appendix B](#)

3.2.9 Access

See [Section 1.7.2](#) – Access to Customer Property.

3.2.10 Metering

See [Section 2.3.7 – Metering](#).

3.2.11 Inspection

The electrical installation inside and outside of the building, including the meter base and/or cabinet, service stack or mast and any Customer-owned Primary Voltage equipment, must be approved by Festival Hydro and ESA and a connection authorization issued prior to connection.

The service entry components including the meter base and service wire attachment point must be acceptable to Festival Hydro prior to connection.

Any work on a Customers' service requiring ESA connection authorization may require the service mast, underground duct, point of attachment and/or meter base to be upgraded to meet the current OESC and Festival Hydro standards.

3.3 GENERAL SERVICE (GREATER THAN 50 kW)

For purposes of these Conditions of Service, the classification known as General Service (Greater than 50 kW) shall apply to a non-residential account whose average monthly billing demand is greater than, or is forecast to be greater than, 50 kW but less than 5000 kW, when calculated in the prescribed manner. Customers are assigned to these individual rate classes consistent with rules described in Section 2.5 of the DSC, as relating to gross load demand, and the rate classifications set out in Festival Hydro's Tariff of Rates and Charges.

3.3.1 General Information

Normally, Festival Hydro will provide one service or delivery point for each General Service (Greater than 50 kW) Class Customer. At Festival Hydro's sole discretion, more than one delivery point may be allowed. Any such arrangement with a Customer must also be acceptable to the ESA.

3.3.2 Early Consultation

To avoid unexpected delays and/or expenses to the Customer, the character of the service (overhead or underground), the type of service (Secondary Voltage, Primary Voltage or Transmission), the location of the service entrance and the metering equipment shall be established through early consultation between the Customer and Festival Hydro for both new and upgraded services. This consultation should be initiated by the Customer and take place within a reasonable timeframe prior to the required in-service date. Additional time (months or over a year in some cases) shall be required in the cases where the Distribution System, operating at a suitable Primary Voltage, does not exist near the Customer building site (expansions in accordance with [Section 2.1.2 Expansions/Offer to Connect](#) of this document) or where the existing Distribution System, operating at a suitable Primary Voltage, requires enhancements. The Customer shall contact the Festival Hydro Engineering Department to discuss service requirements and supply the following information during the consultation:

- a) Site address as provided by municipality;
- b) Customer contact information and, if the Customer chooses to use an electrician, the contact information for the electrician; and,
- c) The required service date; and,
- d) Service capacity, number of revenue meters required and voltage rating; and,
- e) Load calculations, following proper OESC requirements in kVA and kW when required; and,
- f) The type of service requested to be installed, underground or overhead;
- g) The distance from the existing Festival Hydro Distribution System;
- h) Location of property bars, the building footprint, proposed pole or duct bank locations;
- i) Proposed transformer location;
- j) A plan showing the proposed location of the service entrance with respect to the lot lines and other proposed services;
- k) Details of any equipment which may demand a high consumption of electricity if applicable.
- l) Drawings as requested and necessary (e.g. approved site plan, Single Line Diagram, grading plan, electrical room, metering room, etc.)

If a Customer is required to own and install Primary Voltage equipment as part of a new or upgraded service connection, it is imperative that the Customer consult with Festival Hydro regarding planned Primary Voltage conversion programs. Festival Hydro may require the installation of equipment rated to operate at a future nominal Primary Voltage in addition to the nominal Primary Voltage available at the time of connection.

3.3.3 General Service (50 kW to 4999 kW) Class Customer – Service Types

3.3.3.1 Overhead - Secondary Voltage Service

The requirements for this type of service are the same as those found in [Section 3.2.3](#).

3.3.3.2 Overhead - Primary Voltage Service

The requirements for this type of service are the same as those found in [Section 3.2.4](#).

3.3.3.3 Underground - Secondary Voltage Service

The requirements for this type of service are the same as those found in [Section 3.2.5](#).

3.3.3.4 Underground - Primary Voltage Service

The requirements for this type of service are the same as those found in [Section 3.2.6](#).

3.3.4 General Service (Greater than 50 kW) Class Customer Owned Primary Voltage Service (Transformer or Substation)

Based on the size and location of the load that the Customer wants to connect and the available Primary Voltages and circuit characteristics, Festival Hydro will identify, early in the connection process, the Standard Voltage (If any, See [Section 2.3.4.1](#)) at which Festival Hydro shall supply the Customer.

Where the size of the load is such that the Customer may be connected to the Primary Voltage system and either:

- a) The Customer requires a non-standard Secondary Voltage (See [Section 2.3.4.2](#)), or
- b) The size of the load requires a transformer larger than that supplied by Festival Hydro (See [Section 2.3.4.2.2 – Table 2](#)), or
- c) The Customer requests to supply and own the transformer, and the request is granted at the sole discretion of Festival Hydro.

The Customer shall then, in general:

- a) Supply, install, own, and maintain the distribution transformer. Operational and ownership Demarcation Points shall be defined and specified in the Offer to Connect or;
- b) Supply, install, own, and maintain a substation. A substation shall include, but not be limited to, the power transformer and all equipment within the station, with the possible exception of revenue-metering as stipulated by Festival Hydro. Operational and ownership Demarcation Points shall be defined and specified in the Connection Agreement between the parties. Connection Agreements are contemplated in [Section 2.1.7 – Contracts](#).
- c) Provide high voltage protection that shall meet and co-ordinate with Festival Hydro's Distribution System protection. The Customer or their representative will coordinate fuse selection and/or relay settings with Festival Hydro prior to commissioning. The Customer shall maintain an adequate supply of fuses to ensure service availability.
- d) Supply the station site, pad, transformers, fencing, structure, and distribution line on private property in accordance with the OESC.
- e) Provide shop drawings of the switchgear, transformer nameplate data and a single line diagram of the proposed system for Festival Hydro review and approval.
- f) Propose commissioning tests, which may include, but are not limited to, protection testing, insulation and ratio testing of all equipment, to Festival Hydro and Festival Hydro shall approve or provide comments on the proposed, alternative or additional commissioning tests; and
- g) The final approval of the commissioning tests required shall be at the sole discretion of Festival Hydro, and, once approved by Festival Hydro, the Customer shall engage a qualified engineering firm to perform the approved commissioning tests and provide to the Customer and Festival Hydro a certified test report, showing that the facility has passed all the required commissioning tests.

Festival Hydro shall:

- a) Supply, install, own and maintain Primary metering at the Customer's expense.

It is recommended that Customer's transformers have high voltage taps ranging from 105% to 95% at 2.5% increments.

The transformer no load and full load specifications must be submitted to Festival Hydro for approval before the transformer is ordered. The Customer's transformer shall meet the efficiency requirements of CSA C802.1(latest edition).

An appropriate transformation ownership allowance shall be applied to the monthly bill.

All Customer-owned substations and transformer installations must be inspected by the ESA.

To facilitate and encourage maintenance of the Customer-owned substations, Festival Hydro will provide one power interruption annually. This is a free service if scheduled during Festival Hydro's normal business hours. Beyond normal business hours Festival Hydro will charge the Customer the

premium above the normal business hours cost. Additional work will be chargeable to the Customer. There is no Basic Connection allowance associated with Primary Voltage Service/Substation – Customer Owned Transformer.

All costs associated with any system expansion or enhancement shall be borne by the Customer in accordance with Festival Hydro’s CIAC methodology (See [Section 2.1.2.2](#)).

3.3.4.1 Switching – Customer Stations

Festival Hydro reserves the right to operate Customer-owned switches as required in emergency scenarios, or as otherwise agreed to between Festival Hydro and the Customer. In most cases, Festival Hydro has operating control on the Customer owned main Load Interrupter Switch and will install a Festival Hydro lock on this switch. In either case, Festival Hydro shall not be liable to the Customer for any damages resulting from the operation of Customer-owned switches.

3.3.5 Point of Demarcation

The Point of Demarcation is where Festival Hydro’s operational and ownership responsibilities end, and the Customer’s begin.

Unless specific arrangements between Festival Hydro and the Customer are made, the Ownership and Operational Demarcation Points shall be as defined in the Festival Hydro Operating Agreement. A typical example can be found in [Appendix B](#).

3.3.6 Supply of Equipment

Normally, Festival Hydro and the Customer will supply, install and construct all equipment in accordance with [Section 2.1.2](#). Details as to the appropriate supply of equipment will be determined in the early consultation phase of the project.

3.3.7 Short Circuit Capacity

The Customer shall ensure that their service entrance equipment has an adequate short circuit interrupting capability. Festival Hydro will provide, on request, the maximum available short circuit symmetrical fault level at any specific location.

3.3.8 Metering

See [Section 2.3.7 - Metering](#).

3.4 LARGE USER GENERAL SERVICE (GREATER THAN 5000 kW)

This classification applies to an account whose average monthly maximum billing demand, as determined in the prescribed manner is equal to or greater than or is forecast to be equal to or greater than, 5,000 kW. Class A and Class B consumers are defined in accordance with O. Reg. 429/04.

3.4.1 General Information

Normally, Festival Hydro will provide one service or delivery point for each Large User General Service (Greater Than 5000 kW) Class Customer. At Festival Hydro's sole discretion, more than one delivery point may be allowed. Any such arrangement with a Customer must also be acceptable to the ESA.

3.4.2 Early Consultation

See section [3.3.2 – Early Consultation](#)

3.4.3 Large User General Service (Greater than 5000 kW) Class Customer – Service Types

At the sole discretion of Festival Hydro, Large Users shall either be:

- a) Connected to the Festival Hydro Primary Voltage system, but shall supply, install, own and maintain a Customer-owned substation in accordance with [Section 3.3.4](#); or
- b) Connected to the Transmission System, or

All the conditions of Sections [3.3.5](#), [3.3.6](#), [3.3.7](#), and [3.3.8](#) shall be also be met.

3.5 EMBEDDED GENERATION

Festival Hydro will make every reasonable effort to respond promptly to an Embedded Generator's request to connect to the Distribution System. Festival Hydro will provide an opportunity for initial consultation with the Embedded Generator regarding the process to connect to the Distribution System within the timeline prescribed in the DSC³² after receiving a written request from the Embedded Generator. The Connection and operation of a Customer's embedded generator must not endanger workers or jeopardize public safety, or adversely affect or compromise equipment owned or operated by Festival Hydro, or the security, reliability, efficiency or the quality of electrical supply to other Customers connected to Festival Hydro's Distribution System.

The generation Customer must meet all requirements outlined by the IESO, DSC, and ESA. For further technical requirements contact Festival Hydro's Engineering Department. Festival Hydro reserves the right to perform a Connection Impact Assessment at the Customer's expense.

An Embedded Generator must enter into a Connection Agreement in a form acceptable to Festival Hydro prior to connection of generation facilities to Festival Hydro's Distribution System. Provided the Embedded Generator has provided Festival Hydro with all the information requested in a timely manner, Festival Hydro will make a final Offer to Connect the Generator within the number of days specified in the DSC.

The maximum Festival Hydro may charge an Embedded Generator for Enhancements and/or Additions to the Distribution System required to connect the Embedded Generator is as prescribed in the DSC. Festival Hydro's costs associated with preliminary review, study and final proposal are the responsibility of the Embedded Generator.

Prior to being connected to the Distribution System, the Embedded Generator will pay Festival Hydro all charges determined by the applicable economic evaluation methodology prescribed in the DSC,

³² Section 6.2 Responsibilities to Generators – Distribution System Code – October 1, 2022 edition.

together with Festival Hydro's costs for review and consultation. In addition, the Embedded Generator may be required to enter into a connection agreement with Festival Hydro for the operation and connection of the Embedded Generator's facilities. The form of this connection agreement shall conform to the requirements of the DSC. Any existing Customer with a Generation Facility connected to Festival Hydro's Distribution System who does not have a Connection Agreement with Festival Hydro shall be deemed to have accepted and agreed to be bound by these Conditions of Service.

3.5.1 Technical Requirements for Generation Facilities

The Customer shall ensure that the Connection of its Generation Facility to the Distribution System does not materially adversely affect the safety, reliability and efficiency of the Distribution System. The most current technical requirements for new or significantly modified generation facilities are available from Festival Hydro Engineering.

The Customer with an embedded Generation Facility connected to Festival Hydro's Distribution System (other than a micro-embedded Generation Facility) shall reimburse Festival Hydro for any damage to the Distribution System or increased operating costs that may result from the Connection of a Generation Facility.

Festival Hydro may determine that equipment that was deemed to be in compliance with the technical requirements of the DSC as noted in the immediately preceding paragraph is not in actual compliance with the technical requirements due to any of the following conditions:

- a) A material deterioration of the reliability of the Distribution System resulting from the performance of the Generator's equipment; or
- b) A materially negative impact on the quality of power of an existing or a new Customer resulting from the performance of the Generator's equipment; or
- c) A material increase in Generator capacity at the site where the equipment deemed compliant is located.

In such a case, Festival Hydro will provide the Customer with rules and procedures for requiring such equipment to be brought into actual compliance. The Customer shall then bring its equipment into actual compliance with the technical requirements and within a reasonable time period specified by Festival Hydro.

The Customer shall disconnect the embedded Generation Facility from the Distribution System:

- a) At the request of Festival Hydro where a remote trip or transfer trip is included in the interface protection; and
- b) At the request of Festival Hydro, when Festival Hydro, at its sole discretion, transfers the generator to an alternative source.
- c) At the request of Festival Hydro, in an emergency.

3.6 EMBEDDED MARKET PARTICIPANT

Under the "Market Rules for the Ontario Electricity Market", Chapter 2, Section 1.2.1, "No persons shall participate in the IESO-administered markets or cause or permit electricity to be conveyed into, through or out of IESO-controlled grid unless that person has been authorized by the IESO to do so".

All Embedded Market participants, within the service jurisdiction of Festival Hydro, once approved by the IESO, are required to inform Festival Hydro of their approved status in writing, 30 days prior to

their participation in the Ontario Electricity Market.

A Customer who is also an embedded market participant will be treated in terms of Connection and servicing as a General Service or Large User Customer as appropriate. A special Connection Agreement for embedded market participants is required.

Festival Hydro will make every reasonable effort to respond promptly to a Market Participant's request to connect to the Distribution System. Festival Hydro will provide an opportunity for initial consultation with the Market Participant regarding the process to connect to the Distribution System within 15 calendar days of receiving a written request from the Market Participant. Provided the Market Participant has provided Festival Hydro with all the information requested in a timely manner, Festival Hydro will make a final Offer to Connect the Market Participant within 60 calendar days of receiving the initial request. [Section 3.1](#), [Section 3.2](#), [Section 3.3](#) or [Section 3.4](#) of these Conditions of Service shall apply with respect to applicable charges to connect.

An Embedded Market participant must enter into a Connection Agreement in a form acceptable to Festival Hydro and agreed to be bound by all the Connection Agreement Terms and Conditions.

In order for Festival Hydro to make the necessary changes to its billing systems, Customers who wish to register or de-register with the IESO as Wholesale Market Participant shall notify Festival Hydro in writing at least 60 days in advance. The Customer must ensure that sufficient time is provided for IESO registration or de-registration.

3.7 EMBEDDED DISTRIBUTOR

Festival Hydro will make every reasonable effort to respond promptly to an Embedded Distributor's request to connect to the Distribution System. Festival Hydro will provide an opportunity for initial consultation with the Embedded Distributor regarding the process to connect to the Distribution System within 30 calendar days of receiving a written request from the Embedded Distributor. Provided the Embedded Distributor has provided Festival Hydro with all the information requested in a timely manner, Festival Hydro will make a final Offer to Connect the Embedded Distributor within 90 calendar days of receiving the initial request.

[Section 3.3](#) or [Section 3.4](#) of these Conditions of Service shall apply with respect to applicable charges to connect.

An Embedded Distributor or a Distributor that extends a Festival Hydro feeder may be required to install reclosers and /or other protective devices as determined by Festival Hydro. The criteria for deciding whether such a device is required will depend on the extent of the feeder extension and its relative exposure to possible outages generated by storms, tree contact, significant Customer load, etc.

The need for reclosers or other protective devices will be determined by Festival Hydro for the purposes of minimizing risk to existing Festival Hydro Customers.

Festival Hydro will make a good faith effort to enter into a connection agreement with the Embedded Distributor to connect to Festival Hydro's Distribution System. The form of this connection agreement shall conform to the requirements of the DSC.

3.8 UNMETERED CONNECTIONS

3.8.1 General

Unmetered connections are treated as General Service less than 50kW rate class accounts. The point of demarcation and ownership for unmetered connections is provided in [Appendix B](#).

Unmetered connections are intended for use within the road right-of-way and are subject to approval by Festival Hydro. This type of service is for companies licensed for equipment access with the road authority, such as telecommunication companies and government agencies. Festival Hydro will work with the Customer and apply its discretion in determining if the service should be metered.

The Customer may require a joint-use attachment agreement before attaching equipment to Festival Hydro's asset. The Customer will be subject to Festival Hydro's applicable connection, isolation and re-energization fees.

The Customer must keep accurate records of any underground plant so that accurate locating of the plant can be performed for damage prevention and public safety purposes.

The Customer is responsible for the cost of work by Festival Hydro beyond a simple connection to the Distribution System.

3.8.2 Unmetered Connections - Customer Obligations

Customers that have unmetered connections, shall contact Festival Hydro to report changes to the locations, quantities and/or electrical characteristics of such connections so that records are updated and any subsequent changes to the electrical billing quantities are communicated from Festival Hydro to that Customer.

All unmetered connection load Customers must file descriptions of their load requirements, including the nature of the device and the associated wattage, prior to installation. In the event that the device is replaced, changed or modified, the Customer is to notify Festival Hydro 30 business days prior to the change occurring. It is the responsibility of the Customer to notify Festival Hydro of any such changes in a timely manner. Festival Hydro accepts no responsibility for billing discrepancies that may arise from any lack of such notification. In the event that Festival Hydro discovers that one or more such connections were created or modified without notification, Festival Hydro reserves the right to apply retroactive billing, dating back to the time when such notifications should have taken place. In addition, the Customer shall:

- a) Comply with the Festival Hydro standards, instructions, and specifications, and the OESC to ensure public safety. Unmetered Customers cannot use power from the Festival Hydro Distribution System without written consent from Festival Hydro.
- b) Provide Festival Hydro with the estimated load of the unmetered connected service, as well as manufacturer's data sheets for all devices to be connected at the service.
- c) Establish an account for the connection.
- d) Retain all information provided to and by Festival Hydro per the terms outlined in these Conditions of Service.
- e) Install, operate, and maintain secondary conductor from Festival Hydro' designated Supply Point

- to the intended load.
- f) Provide timely and accurate electrical profile, power quality and usage data to Festival Hydro as outlined in these Conditions of Service.
 - g) Accept energy consumption based on either;
 - i. the maximum continuous calculated load, or
 - ii. the results of Festival Hydro' meter analysis.
 - h) Allow no external party to connect to the unmetered service or the unmetered secondary bus.
 - i) Relocate, at the unmetered Customer's cost, the secondary conductors of an unmetered service to another designated Supply Point at the request of Festival Hydro.
 - j) Refrain from connecting generation facilities to the unmetered connection.
 - k) Provide the location of supply point and load equipment by GPS coordinates in degrees: minutes: and seconds or decimal format.
 - l) Provide electrical profile, power quality, and usage accuracy studies that comply with Festival Hydro requirements and specifications.
 - m) Provide the method proposed to calculate the time the device is on, such as location specific schedule, adaptive controls, or other approved method;
 - n) Provide the manufacturer's documentation on measurement devices proposed to calculate energy usage charges;
 - o) Provide data from approved measurement devices on a schedule and in a format specified by Festival Hydro.

Re-design and inspection services are at the expense of the Customer. The Customer is responsible for maintaining and repairing its equipment and/or facilities.

3.8.3 Unmetered Connections – Festival Hydro Obligations

For any changes related to cost allocation studies, load profile studies or other rate-related materials that may materially impact unmetered load Customers, Festival Hydro will communicate with all unmetered load Customers in a timely fashion via the email address on file for the account(s). This communication will provide a summary of the proposed changes and impacts, with instructions on how to provide feedback or become engaged, if the Customer desires to do so. In addition, Festival Hydro shall:

- a) Provide a service layout for each unmetered service location that identifies the Supply Point and prescribes any Festival Hydro standards and conditions;
- b) Make new unmetered service connections within 5 business days of meeting all Festival Hydro's connection conditions;
- c) Provide reasonable notice to the unmetered Customer should the Supply Point require relocation;
- d) Ensure that unmetered service billing information accurately reflects calculated electrical consumption by unit, quantity, load profile and demand. Devices of the same class by type or load, where possible, can be grouped together and assigned the same billing determinants.

In the event that the unmetered load requirements are variable or unmetered loads are subject to metering under [Section 2.3.7](#), Festival Hydro will:

- a) Require that a meter be installed, or, alternatively,
- b) Initiate a Customer-specific cost allocation study, for which the cost will be borne by the Customer.

3.8.4 Unmetered Load Types

Examples of services that Festival Hydro may approve for unmetered connection, subject to requirements and specifications, are:

- a) Street lighting on public roads;
- b) Bus Shelters on public roads;
- c) Parks & Pathway Lighting on Publicly owned property;
- d) Privately Owned Occasional Decorative Lighting on public roads
- e) Signage;
- f) Communications equipment amplifiers;

3.8.5 Unmetered Connections Electric Servicing

Provision of electrical service for unmetered connections is subject to the following conditions:

- a) Nominal service voltage, at the discretion of Festival Hydro, will be 120/240 volt 3 wire;
- b) New installations shall meet Ontario Regulation 22/04, the OESC, and pass ESA inspection.
- c) The method and location of the service will be established by Festival Hydro in consultation with the Customer;
- d) Billing will be based on the connected wattage and the calculated hours of use and/or data from measurement devices used for adaptive controlled loads;
- e) Where transformation does not exist, Festival Hydro shall supply and install the transformer and the cost will be recovered through a Variable Connection Fee, based on actual costs
- f) The Customer will provide and install all overhead or underground service conductors. All civil work associated with the provision for underground service will be at the expense of the Customer;
- g) Any addition and/or enhancement to the Distribution System required to connect the service will be at the expense of the Customer.

Re-design and inspection services are at extra cost to the Customer. The Customer is responsible for maintaining and repairing its equipment and/or facilities.

SECTION 4 – GLOSSARY OF TERMS

Reference Sources for definitions:

A	Electricity Act, 1998 Schedule A, Section 2, Definitions
DL	Section 57(a) of the Ontario Energy Board Act, 1998
MR	Market Rules for the Ontario Electricity Market, Chapter 11, Definitions
TDL	Transitional Distribution License, Part I, Definitions
TTL	Transitional Transmission License, Part I, Definitions
DSC	Distribution System Code Definitions
RSC	Retail Settlement Code Definitions

“Accounting Procedures Handbook” means the handbook approved by the Board and in effect at the relevant time, which specifies the accounting records, accounting principles and accounting separation standards to be followed by Festival Hydro; (TDL, DSC)

“Affiliate Relationships Code” means the code, approved by the Board and in effect at the relevant time, which among other things, establishes the standards and conditions for the interaction between electricity, distributors or transmitters and their respective affiliated companies; (TDL, DSC)

“ancillary services” means services necessary to maintain the reliability of the IMO-controlled grid; including frequency control, voltage control, reactive power and operating reserve services ; (MR, TDL, DSC).

“apartment building” means a structure containing four or more dwelling units having access from an interior corridor system or common entrance;

“apparent power” means the total power measured in kilovolt Amperes (kVA);

“application for service” means the agreement or contract with Festival Hydro under which electrical service is requested;

“bandwidth” means a distributor’s defined tolerance used to flag data for further scrutiny at the stage in the VEE (validating, estimating and editing) process where a current reading is compared to a reading from an equivalent historical billing period. For example, a 30 percent bandwidth means a current readings that is either 30 percent lower or 30 percent higher than the measurement from an equivalent historical billing period will be identified by the VEE process as requiring further scrutiny and verification; (DSC)

“billing demand” means the metered demand or connected load after necessary adjustments have been made for power factor, intermittent rating, transformer losses and minimum billing. A measurement in kilowatts (kW) of the maximum rate at which electricity is consumed during a billing period;

“Board” or “OEB” means the Ontario Energy Board; (A, TDL, DSC)

“building” means a building, portion of a building, structure or facility;

“competitive Retailer” is a person who retails electricity to consumers who do not take Standard Supply Service (“SSS”).

“complex metering installation” means a metering installation where instrument transformers, test blocks, recorders, pulse duplicators and multiple meters may be employed; (DSC)

“Conditions of Service” means the document developed by a distributor in accordance with subsection 2.4 of the Code that described the operating practices and connection rules for Festival Hydro; (DSC)

“connection” means the process of installing and activating connection assets in order to distribute electricity; (DSC)

“Connection Agreement” means an agreement entered into between a distributor and a person connected to its distribution system that delineates the conditions of the connection and delivery of electricity to or from that connection; (DSC)

“connection assets” means that portion of the distribution system used to connect a Customer to the existing main distribution system and consist of the assets between the point of connection on a distributor’s main distribution system and the ownership demarcation point with that Customer; (DSC)

“Customer” means a generator or consumer whose facilities are connected to or are intended to be connected to Festival Hydro’s distribution system. This includes developers of residential or commercial sub-divisions. For the purposes of section 3 of the Distribution System Code (except section 3.3), an embedded distributor is deemed to be a Customer; (DSC)

“demand meter” means a meter that measures a consumer’s peak usage during a specified period of time; (DSC)

“disconnect/collect trip” is a visit to a Customer’s premises by an employee or agent of the distributor to demand payment of an outstanding amount or to shut off or limit distribution of electricity to the Customer failing payment.”

“disconnection” means a deactivation of connection assets that results in cessation of distribution services to a Customer; (DSC)

“distribute”, with respect to electricity, means to convey electricity at voltages of 50 kilovolts or less; (DSC)

“distribution losses” means energy losses that result from the interaction of intrinsic characteristics of the distribution network such as electrical resistance with network voltages and current flows; (DSC)

“distribution loss factor” means a factor or factors by which metered loads must be multiplied such that when summed equal the total measured load at the supply point(s) to the distribution system; (RSC)

“distribution services” means services related to the distribution of electricity and the services the Board has required distributors to carry out; (RSC, DSC)

“distribution system” means a system for distributing electricity, and includes any structures, equipment or other things used for that purpose. A distribution system is comprised of the main system capable of distributing electricity to many Customers and the connection assets used to connect a Customer to the main distribution system; (A, MR, TDL, DSC)

“Distribution System Code” means the code, approved by the Board, and in effect at the relevant time, which, among other things, establishes the obligations of Festival Hydro with respect to the services and terms of service to be offered to Customers and Retailers and provides minimum technical operating standards of distribution systems; (TDL, DSC)

“distributor” means a person who owns or operates a distribution system; (A, MR,, TDL, DSC)

“duct bank” means two or more ducts that may be encased in concrete used for the purpose of containing and protecting underground electric cables;

“Electricity Act” means the Electricity Act, 1998, S.O. 1998, c.15, Schedule A; (MR, TDL, DSC)

“Electrical Safety Authority” or “ESA” means the person or body designated under the Electricity Act regulations as the Electrical Safety Authority; (A)

“electric service” means the Customer’s conductors and equipment for energy from Festival Hydro.

“embedded distributor” means a distributor who is not a wholesale market participant and that is provided electricity by a host distributor; (RSC, DSC)

“embedded generation facility” means a generation facility which is not directly connected to the IMO-controlled grid but instead is connected to a distribution system; (DSC)

”embedded load displacement generation facility” means an embedded generation facility connected to the Customer side of the revenue meter where the generation facility does not inject electricity into the distribution system for the purpose of sale; (DSC)

“embedded wholesale Customer” means a Customer who is a wholesale market participant whose facility is not directly connected to the IMO-controlled grid but is connected to a distribution system; (DSC)

“emergency” means any abnormal system condition that requires remedial action to prevent or limit loss of distribution system or supply of electricity at could adversely affect the reliability of the electricity system; (DSC)

“emergency backup generation facility” means a generation facility that has a transfer switch that isolates it from a distribution system; (DSC)

“energy” means the product of power multiplied by time, usually expressed in kilowatt-hours (kWh);

“Energy Competition Act” means the Energy Competition Act, 1998 S.O. 1998, c. 15; (MR)

“energy diversion” means the electricity consumption unaccounted for but that can be quantified through various measures upon review of the meter mechanism, such as unbilled meter readings, tap off load(s) before revenue meter or meter tampering;

“enhancement” means a modification to an existing distribution system that is made for purposes of improving system operating characteristics such as reliability or power quality or for relieving system capacity constraints resulting, for example, from general load growth; (DSC)

“expansion” means an addition to a distribution system in response to a request for additional Customer connections that otherwise could not be made; for example, by increasing the length of the distribution system; (DSC)

“extreme operating conditions” means extreme operating conditions as defined in the Canadian Standards Association (“CSA”) Standard CAN3-C235-87 (latest edition);

“four-quadrant interval meter” means an interval meter that records power injected into a distribution system and the amount of electricity consumed by the Customer; (DSC)

“general service” means any service supplied to premises other than those designated as Residential and less than 50kW, Large user, or Municipal Street Lighting. This includes multi- unit residential establishments such as apartment buildings supplied through one service;

“generate”, with respect to electricity, means to produce electricity or provide ancillary services, other than ancillary services provided by a transmitter or distributor through the operation of a transmission or distribution system; (A, TDL, DSC)

“generation facility” means a facility for generating electricity or providing ancillary services, other than ancillary services provided by a transmitter or distributor through the operation of a transmission or distribution system, and includes any structures, equipment or other things used for that purpose; (A, MR, TDL, DSC)

“generator” means a person who owns or operates a generation facility; (A, MR, TDL, DSC)

“geographic distributor,” with respect to a load transfer, means the distributor what is licensed to service a load transfer Customer and is responsible for connecting and billing the load transfer Customer; (DSC)

“good utility practice” means any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry in North America during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good practices, reliability, safety and expedition.

Good utility practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in North America; (MR, DSC)

“host distributor” means the registered wholesale market participant distributor who provides electricity to an embedded distributor; (RSC, DSC)

“house service” means that portion of the electrical service in a multiple occupancy facility which is common to all occupants, (i.e. parking lot lighting, sign service, corridor and walkway lighting, et cetera);

“IEC” means International Electro technical Commission;

“IEEE” means Institute of Electrical and Electronics Engineers;

“IMO” means the Independent Electricity Market Operator established under the Electricity Act” (A, TDL, DSC)

“IMO-controlled grid” means the transmission systems with respect to which, pursuant to agreements, the IMO has authority to direct operation; (A, TDL, DSC)

“interval meter” means a meter that measures and records electricity use on an hourly or sub-hourly basis; (RSC, DSC)

“large embedded generation facility” means an embedded generation facility with a name-plate rated capacity of 10 MW or more; (DSC)

“large user” means a Customer with a monthly peak demand of 5000 kW or greater, regardless the demand occurs in the peak or off-peak periods, averaged over 12 months;

“load factor” means the ratio of average demand for a designated time period (usually one month) to the maximum demand occurring in that period;

“load transfer” means a network supply point of one distributor that is supplied through the distribution network of another distributor and where this supply point is not considered a wholesale supply or bulk sale point; (DSC)

“load transfer Customer” means a Customer that is provided distribution services through a load transfer; (DSC)

“main service” refers to Festival Hydro’s incoming cables, bus duct, disconnecting and protective equipment for a Building or from which all other metered sub-services are taken;

“Market Rules” means the rules made under Section 32 of the Electricity Act; (MR, TDL, DSC)

“Measurement Canada” means the Special Operating Agency established in August 1996 by the Electricity and Gas Inspection Act, 1980-81-82-83, c.87, and Electricity and Gas Inspection Regulations (SOR/86-131; (DSC)

“meter service provider” means any entity that performs metering services on behalf of a distributor or generator; (DSC)

“meter installation” means the meter and, if so equipped, the instrument transformers, wiring, test links, fuses, lamps, loss of potential alarms, meters, data recorders, telecommunication equipment and spin-off data facilities installed to measure power past a meter point, provide remote access to the metered data and monitor the condition of the installed equipment; (RSC, DSC)

“meter socket” means the mounting device for accommodating a socket type revenue meter;

“metering services” means installation, testing, reading and maintenance of meters; (DSC)

“micro-embedded load displacement generation facility” means an embedded generation facility with a name-plate rated capacity of 10 MW or less; (DSC)

“mid-sized embedded generation facility” means an embedded generation facility with a name-plate rated capacity of less than 10 MW and:

- (a) more than 500 kW in the case of a facility connected to a less than 15 kV line; and
- (b) more than one MW in the case of a facility connected to a 15 kV or greater line.

“MIST meter” means an interval meter from which data is obtained and validated within a designated settlement timeframe. MIST refers to “Metering Inside the Settlement Timeframe;” (RSC, DSC)

“MOST meter” means an interval meter from which data is only available outside of the designated settlement timeframe. MOST refers to “Metering Outside the Settlement Timeframe;” (RSC, DSC)

“multiple dwelling” means a Building which contains more than one self-contained dwelling unit;

“municipal street lighting: means all services supplied to street lighting equipment owned and operated for a municipal corporation;

“non-competitive electricity costs” means costs for services from the IMO that are not deemed by the Board to be competitive electricity services plus costs for distribution services, other than Standard Supply Service (SSS; RSC)

“normal operating conditions” means the operating conditions comply with the standards set by the Canadian standards Association (“CSA”) Standard CAN3-C235-87 (latest edition);

“Ontario Electrical Safety Code” means the code adopted by O. Reg. 164/99 as the Electrical Safety Code; (DSC)

“Ontario Energy Board Act” means the Ontario Energy Board Act, 1998, S.O. 1998, c.15, Schedule B; (MR, DSC)

“Operational Demarcation Point” means the physical location at which a distributor’s responsibility

for operational control of distribution equipment including connection assets ends at the Customer; (DSC)

“ownership demarcation point” means the physical location at which a distributor’s ownership of distribution equipment including connection assets ends at the Customer; (DSC)

“performance standards” means the performance targets for the distribution and connection activities of the distributor as established by the Board pursuant to the Ontario Energy Board Act and in the Rate Handbook; (DSC)

“person” includes an individual, a corporation, sole proprietorship, partnership, unincorporated organization, unincorporated association, body corporate, and any other legal entity;

“physical distributor” with respect to a load transfer, means the distributor that provides physical delivery of electricity to a load transfer Customer, but is not responsible for connecting and billing the load transfer Customer directly (DSC)

“plaza” means any Building containing two or more commercial business tenants;

“point of supply”, with respect to an embedded generation facility, means the connection point where electricity produced by the generation facility is injected into a distribution system; (DSC)

“power factor” means the ratio between Real Power and Apparent Power (i.e. kW/kVA);

“primary service” means any service which is supplied with a nominal voltage greater than 750 volts;

“private property” means the property beyond the existing public street allowances;

“rate” means any rate, charge or other consideration, and includes a penalty for late payment; (TDL, DSC)

“Rate Handbook” means the document approved by the Board that outlines the regulatory mechanisms that will be applied in the setting of distributor rates; (RSC, DSC)

“reactive power” means the power component which does not produce work but is necessary to allow some equipment to operate, and is measured in kilovolt Amperes Reactive (kVAR);

“real power” means the power component required to do real work, which is measured in kilowatts (kW);

“Regulations” means the regulations made under the Ontario Energy Board Act or the Electricity Act; (TDL, DSC)

“residential service” means a service which is less than 50kW supplied to single family dwelling units that is for domestic or household purposes, including seasonal occupancy. At Festival Hydro’s discretion residential rates may be applied to apartment buildings with 6 or less units by

simple application of the residential rate or by blocking the residential rate by the number of units;

“retail”, with respect to electricity means,

- (a) to sell or offer to sell electricity to a Customer
- (b) to act as agent or broker for a Retailer with respect to the sale or offering for sale of electricity, or
- (c) to act or offer to act as an agent or broker for a Customer with respect to the sale or offering for sale of electricity; (A, MR, TDL, DSC)

“Retail Settlement Code” means the code approved by the Board and in effect at the relevant time, which, among other things, establishes a distributor's obligations and responsibilities associated with financial settlement among Retailers and Customers and provides for tracking and facilitating Customers transfers among competitive Retailers; (TDL, DSC)

“Retailer” means a person who retails electricity; (A, MR, TDL, DSC)

“secondary service” means any service which is supplied with a nominal voltage less than 750 Volts;

“service agreement” means the agreement that sets out the relationship between a licensed Retailer and a distributor, in accordance with the provisions of Chapter 12 of the Retail Settlement Code; (RSC)

“service area” with respect to a distributor, means the area in which Festival Hydro is authorized by its license to distribute electricity; (A, TDL, DSC)

“service date” means the date that the Customer and Festival Hydro mutually agree upon to begin the supply of electricity by Festival Hydro.;

“small embedded generation facility” means an embedded generation facility which is not a micro-embedded generation facility with a name-plate rated capacity of 500 kW or less in the case of a facility connected to a less than 15 kV line and 1MW or less in the case of a facility connected to a 15 kV or greater line: (DSC)

“Standard Supply Service Code” means the code approved by the Board and in effect at the relevant time, which, among other things, establishes the minimum conditions that a distributor must meet in carrying out its obligations to sell electricity under section 29 of the Electricity Act; (TDL)

“sub-service” means a separately metered service that is taken from the main Building service;

“supply voltage” means the voltage measured at the Customer's main service entrance equipment (typically below 750 volts). Operating conditions are defined in the Canadian Standards Association (“CSA”) Standard CAN3-C235 (latest edition).

“temporary service” means an electrical service granted temporarily for such purposes as

construction, real estate sales, trailers, et cetera;

“terminal pole” refers to the Festival Hydro’s distribution pole on which the service supply cables are terminated.

“total losses” means the sum of distribution losses and unaccounted for energy; (DSC)

“transformer room” means an isolated enclosure built to applicable codes to house transformers and associated electrical equipment;

“transmission system” means a system for transmitting electricity, and includes any structures, equipment or other things used for that purpose; (A, MR, TDL, DSC)

“Transmission System Code” means the code, approved by the Board, that is in force at the relevant time, which regulates the financial and information obligations of the Transmitter with respect to its relationship with Customers, as well as establishing the standards for connection of Customers to, and expansion of a transmission system; (DSC)

“transmit”, with respect to electricity, means to convey electricity at voltages of more than 50 kilovolts; (A, TDL, DSC)

“transmitter” means a person who owns or operates a transmission system; (A, MR, TDL, DSC)

“unaccounted for energy” means all energy losses that can not be attributed to distribution losses. These include measurement error, errors in estimates of distribution losses and unmetered loads, energy theft and non-attributable billing errors; (DSC)

“unmetered loads” means electricity consumption that is not metered and is billed based on estimated usage; (DSC)

“validating, estimating and editing (“VEE”) means the process used to validate, estimate and edit raw metering data to produce final metering data or to replicate missing metering data for settlement purposes; (MR; DSC)

“wholesale buyer” means a person that purchases electricity or ancillary services in the IMO-administered markets or directly from a generator; (TDL, DSC)

“wholesale market participant” means a person that sells or purchases electricity or ancillary services through the IMO-administered markets; (RSC, DSC)

“wholesale supplier” means a person who sells electricity or ancillary services through the IMO-administered markets or directly to another person, other than a Customer; (TDL, DSC)

4.1 ACRONYMS

ACT	– Electricity Act, 1998 Schedule A,
AODA	– Accessibility for Ontarians with Disabilities Act
ARC	– Affiliate Relationships Code
CASL	– Canada’s Anti-Spam Law
CSA	– Canadian Standards Association
CIAC	– Contribution In Aid of Construction
DSC	– Distribution System Code
DPA	– Digital Privacy Act
ESA	– Electrical Safety Authority
EUSR	– Electrical Utility Safety Rules
IEC	– International Electrotechnical Commission
IEEE	– Institute of Electrical and Electronic Engineers
IESO	– Independent Electricity System Operator
IHSA	– Infrastructure Health and Safety Association
MFIPPA	– Municipal Freedom of Information and Protection of Privacy Act
NEMA	– National Electrical Manufacturers Association
OEB	– Ontario Energy Board
OESC	– The Ontario Electrical Safety Code
RSC	– Retail Settlement Code
SSSC	– Standard Supply Service Code
TSC	– Transmission System Code

SECTION 5 - APPENDICES

APPENDIX A - OFFER TO CONNECT METHODOLOGY AND ASSUMPTIONS

Methodology and Assumptions for an Offer to Connect

To achieve consistent business principles for the development of the elements of an economic evaluation model, the following parameters for a discounted cash flow (DCF) approach will be followed by Festival Hydro. This will standardize the elements to be used in the DCF analysis as well as establish the parameters for the costs and revenues that are the inputs to that analysis.

The DCF calculation for individual projects will be based on a set of common elements and related assumptions listed below:

Overview

- 1.1. The Festival Hydro Economic Evaluation Model is used by Festival Hydro for cases where Festival Hydro must construct new facilities to its main Distribution System or increase the capacity of existing Distribution System facilities in order to be able to connect a specific Customer or group of Customers. The economic evaluation determines if the future revenue from the Customer(s) will pay for the capital cost and on-going maintenance costs of the Expansion project.
- 1.2. The Festival Hydro Conditions of Service [Section 2.1.2](#) defines when an Expansion occurs requiring an economic evaluation.
- 1.3. The methodology and assumptions are consistent with the DSC Appendix B METHODOLOGY AND ASSUMPTIONS FOR AN OFFER TO CONNECT ECONOMIC EVALUATION revised by the Ontario Energy Board (OEB) on October 21, 2009.
- 1.4. Key Assumptions Used in the Model:
 - 1.4.1. Customer Connection Horizon: A maximum Customer Connection horizon of five (5) years will be used. Five (5) years will be typical for most evaluations. Only Customers connected in the first five years are considered in the evaluation.
 - 1.4.2. Customer Revenue Horizon: A maximum Customer revenue horizon of twenty-five (25) years will be used calculated from the in-service date of the new Customer(s).
 - 1.4.3. Revenue: Revenue per year is calculated by considering the number of Customer connections for fixed monthly charges, the average energy (monthly kWh) for kWh-based charges and the average demand consistent with the Customer Connection
 - 1.4.4. Capital Costs: The capital cost of the new facilities or capacity Expansion of existing facilities includes those costs which connect and serve new load to a specific Customer or group of Customers. Specific types of Incremental costs for Expansion are realized in the Economic Evaluation when costs are reasonably certain to have been excluded from Festival Hydro's most recently approved Cost of Service.
 - 1.4.4.1. For expansions to the Distribution System, costs of the following elements, where applicable should be included
 - 1) Distribution stations;
 - 2) Distribution Lines;

- 3) Distribution transformers;
 - 4) Secondary busses;
 - 5) Services;
 - 6) Land and land rights
- 1.4.4.2. Estimate of incremental overheads related to the system Expansion
 - 1.4.4.3. For residential Customers, costs related to basic connections as per section 3.1.4 of the DSC
 - 1.4.4.4. For non-residential Customers, distributors have the choice of including or not in their revenue requirement the costs related to residential basic Connection charges
 - 1.4.4.5. Expenses: Attributable incremental operating and maintenance expenditures associated with the addition of new Customers are included in the economic evaluation along with income, capital and municipal property (where applicable) taxes.
- 1.5. Economic Evaluation
- 1.5.1. The economic evaluation will result in a Net Present Value over the Revenue Horizon period. If the Net Present Value (per Section 6: Methodology and Assumptions for an Offer to Connect Economic Evaluation) over the Revenue Horizon period including the effect of taxes is positive, no capital contribution will be required from the Customer. If the Net Present Value over the Revenue Horizon period including the effect of taxes is negative, a capital contribution will be required from the Customer. Festival Hydro will still require the Customer to post security until, at a minimum, electricity starts to be consumed. No rebates will be made until the Customer begins to use electricity.
 - 1.5.2. In some cases, load guarantees and/or other financial arrangements may be required to ensure that facilities are not constructed that are not used to the extent originally contemplated in the economic evaluation.
 - 1.5.3. After the economic evaluation has been completed, Festival Hydro will make an “Offer to Connect”, in accordance with [Section 2.1.2](#) of these Conditions of Service.

2.0 Methodology and Assumptions for an Offer to Connect Economic Evaluation

PV of Operating Cash Flow	=	PV of Net Operating Cash (before taxes) – PV of Taxes
PV of Net Operating Cash Flow	=	PV of Net Operating Cash Discounted at the Company's discount rate for the Customer revenue horizon. Mid-year discounting is applied. Incremental after tax weighted average cost of capital will be used in discounting.
Net (Wires) Operating Cash	=	Annual (Wires) Revenues - Annual (Wires) O&M
Annual (Wires) Revenue	=	Customer Additions * [Appropriate (Wires) Rates * Rate Determinant]
Annual (Wires) O&M	=	Customer Additions * Annual Marginal (Wires) O&M Cost/Customer
PV of Taxes	=	PV of Municipal Taxes + PV of Income Taxes (before Interest tax shield)
Annual Municipal Tax	=	Municipal Tax Rate * (Total Capital Cost)

Note: Above is discounted, using mid-year discounting, over the Customer revenue horizon.

PV of Capital	=	PV of Total Annual Capital Expenditures
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Note: Above is discounted to the beginning of year one over the Customer addition horizon

PV of Net Operating Cash	=	Total Annual Capital Expenditures over the Customer's revenue horizon discounted to time zero
Total Annual Capital Expenditure	=	(for New Facilities and/or Reinforcement Investments + Customer Specific Capital + Overheads at the project level). This applies for implicated system elements at the utility side of the “Ownership Demarcation Line”.

PV of CCA Tax Shield = PV of the CCA Tax Shield on [Total Annual Capital]

The PV of the perpetual tax shield may be calculated as:

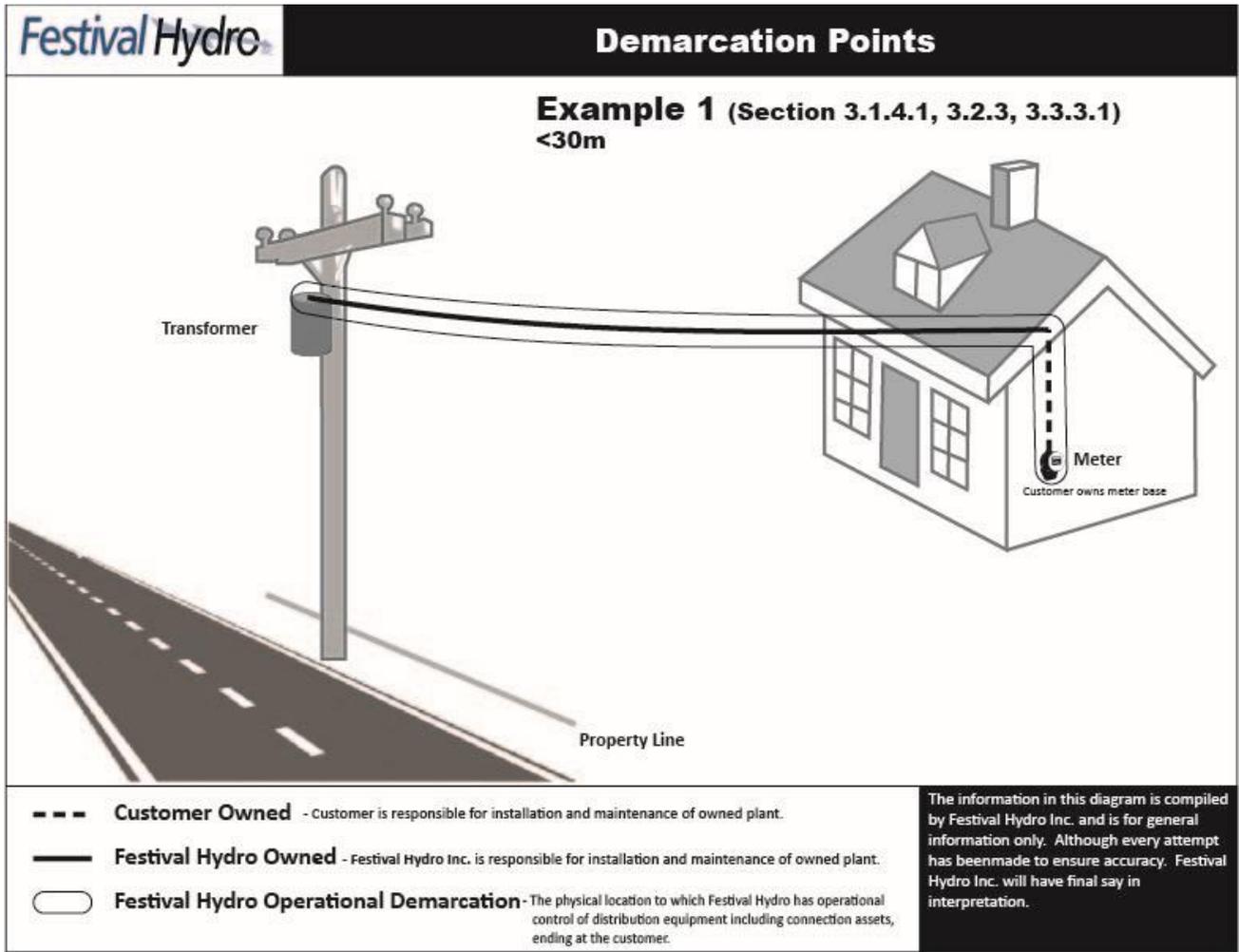
PV at time zero of: = $\frac{[(\text{Income tax Rate}) * (\text{CCA Rate}) * \text{Annual Total Capital}]}{(\text{CCA Rate} + \text{Discount Rate})}$

OR
Calculated annually and present valued in the PV of Taxes calculation

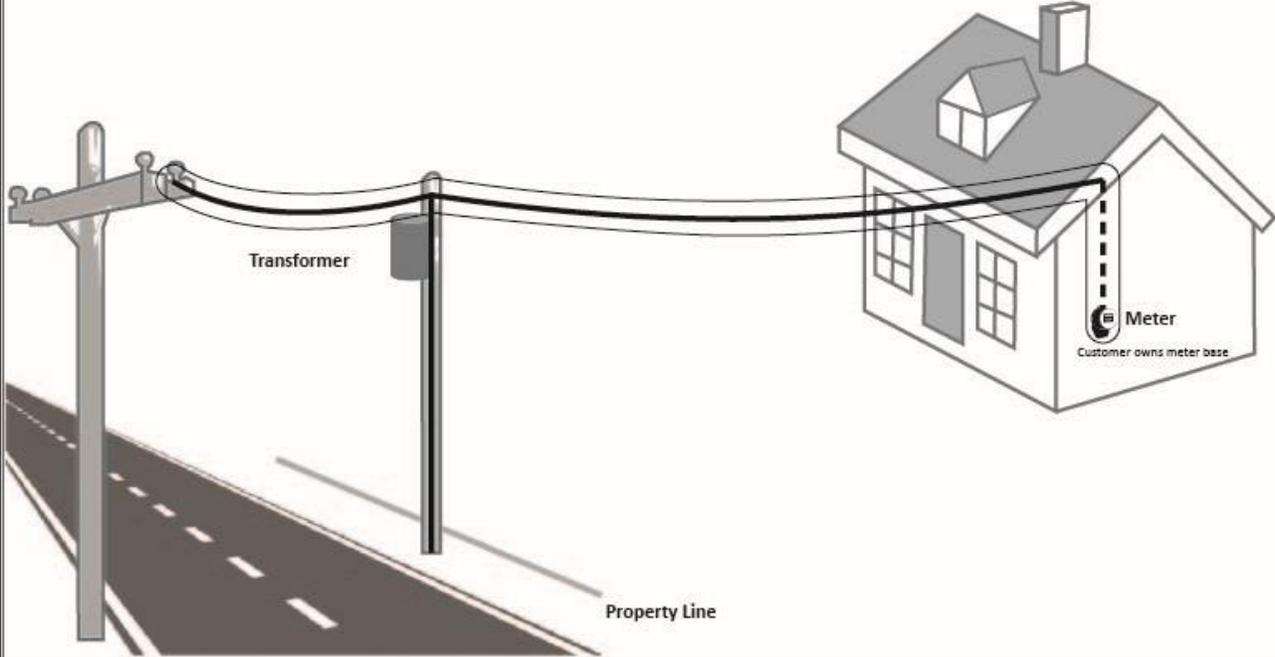
Note: An adjustment is added to account for the 1/2 year CCA rule.

Discount Rate = PV is calculated with an incremental, after-tax discount rate.

APPENDIX B - FESTIVAL HYDRO INC POWER INC. DEMARCATION POINT INTERPRETIVE DRAWINGS



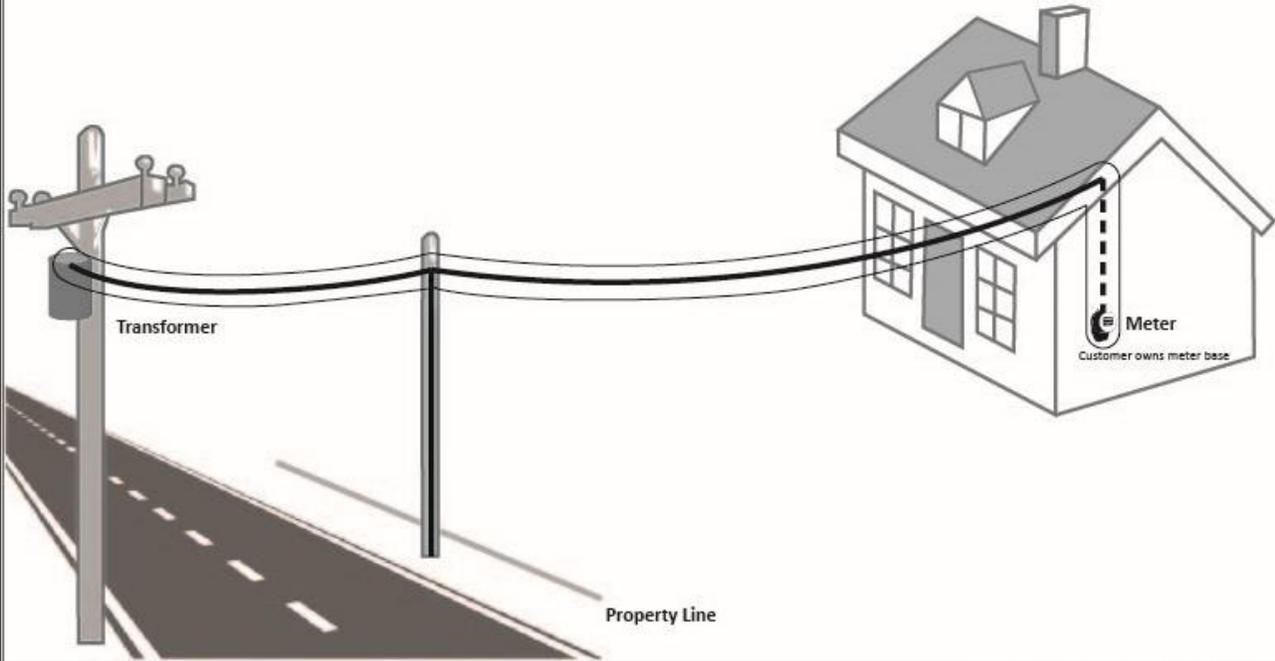
Example 2 (Section 3.1.4.1, 3.2.3, 3.3.3.1)
<30m



- - - **Customer Owned** - customer is responsible for installation and maintenance of owned plant.
- **Festival Hydro Owned** - Festival Hydro is responsible for installation and maintenance of owned plant.
- **Festival Hydro Operational Demarcation** - The physical location to which Festival Hydro has operational control of distribution equipment including connection assets, ending at the customer.

The information in this diagram is compiled by Festival Hydro and is for general information only. Although every attempt has been made to ensure accuracy, Festival Hydro will have final say in interpretation.

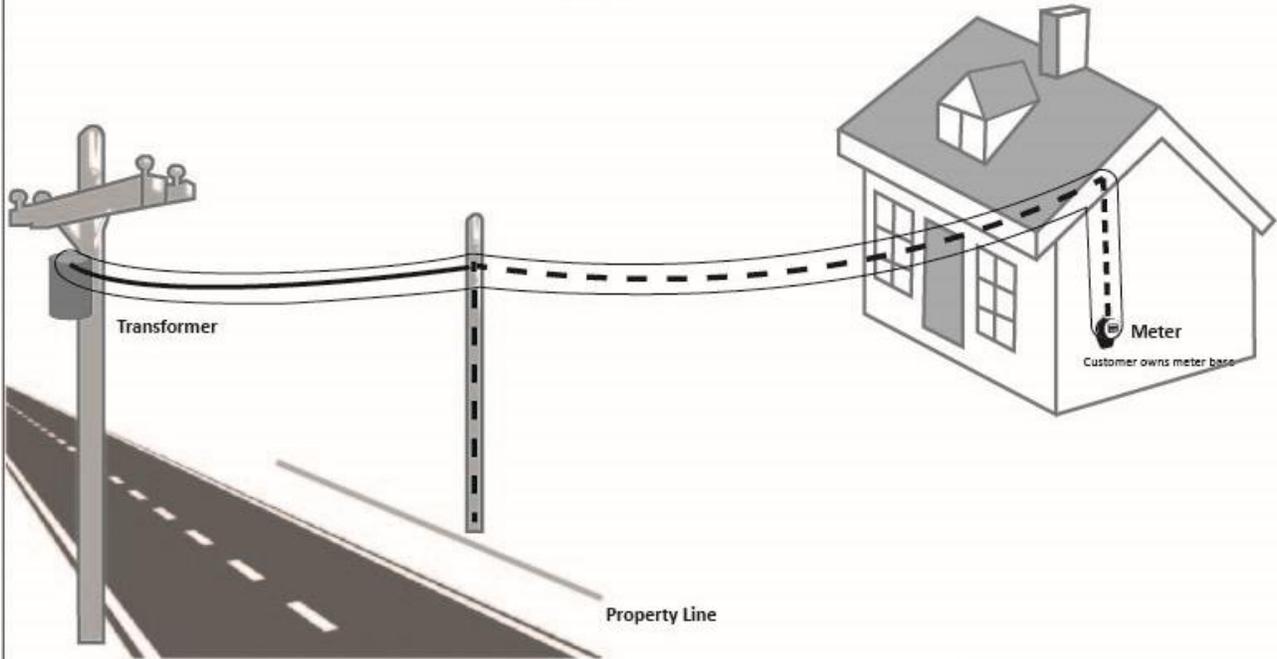
Example 3 (Section 3.1.4.1, 3.2.3, 3.3.3.1)
 <30m



- - - **Customer Owned** - Customer is responsible for installation and maintenance of owned plant.
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Example 4 (Section 3.1.4.1, 3.2.3, 3.3.3.1, 3.8)
>30m

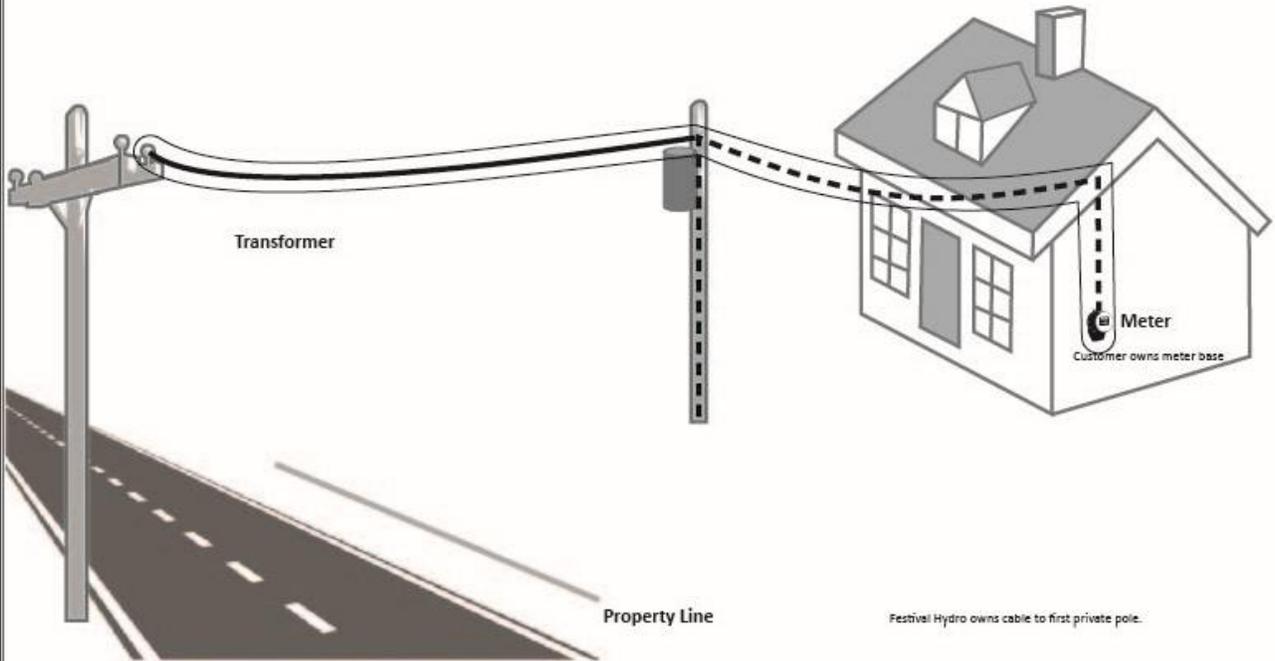


- - - **Customer Owned** - Customer is responsible for installation and maintenance of owned plant.
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Demarcation Points

Example 6 (Section 3.1.4.2, 3.2.4, 3.3.3.2)

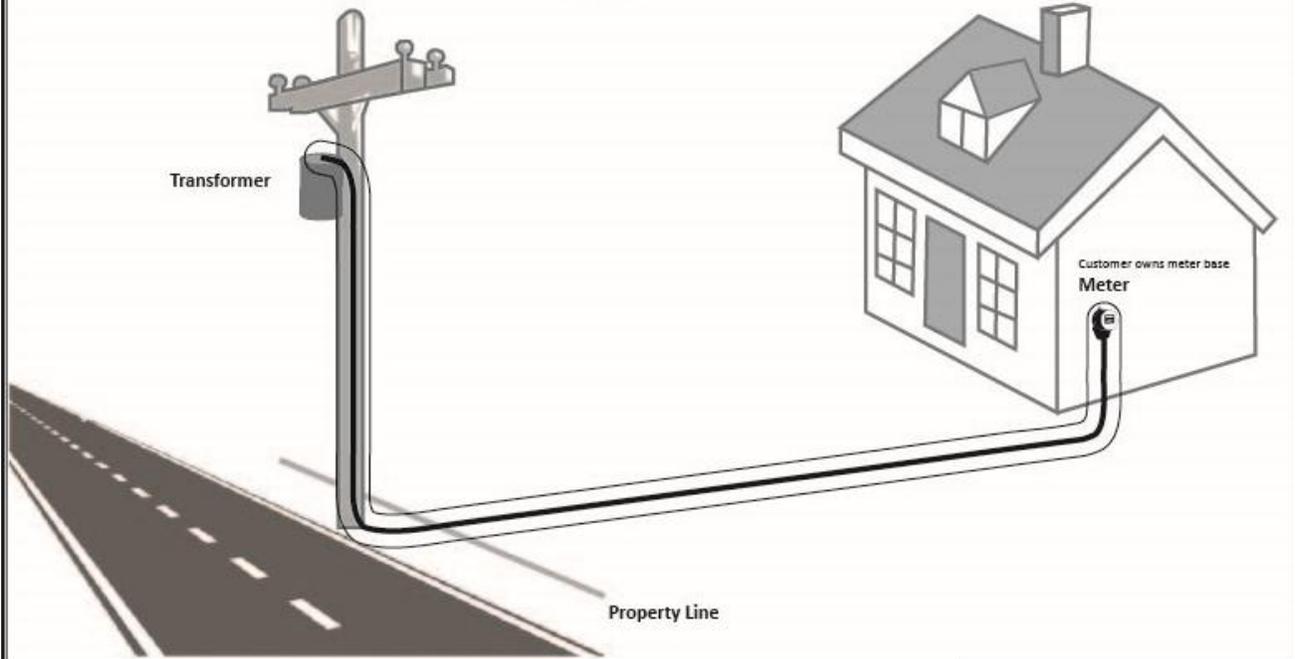


- - - **Customer Owned** - Customer is responsible for installation and maintenance of owned plant.
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Demarcation Points

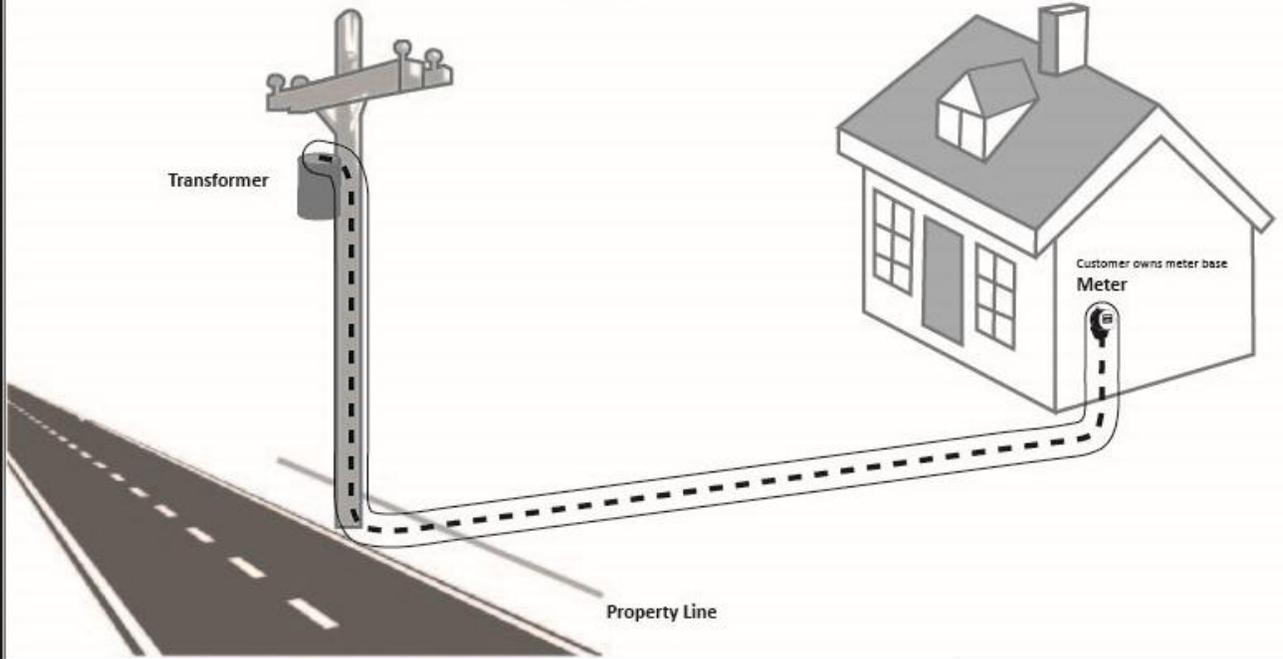
Example 7 (Section 3.1.4.3)
<100m



- - - Customer Owned** - Customer is responsible for installation and maintenance of owned plant.
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- Festival Hydro Operational Demarcation** - The physical location to which Festival Hydro has operational control of distribution equipment including connection assets, ending at the customer.

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Example 8 (Section 3.1.4.3)
<100m

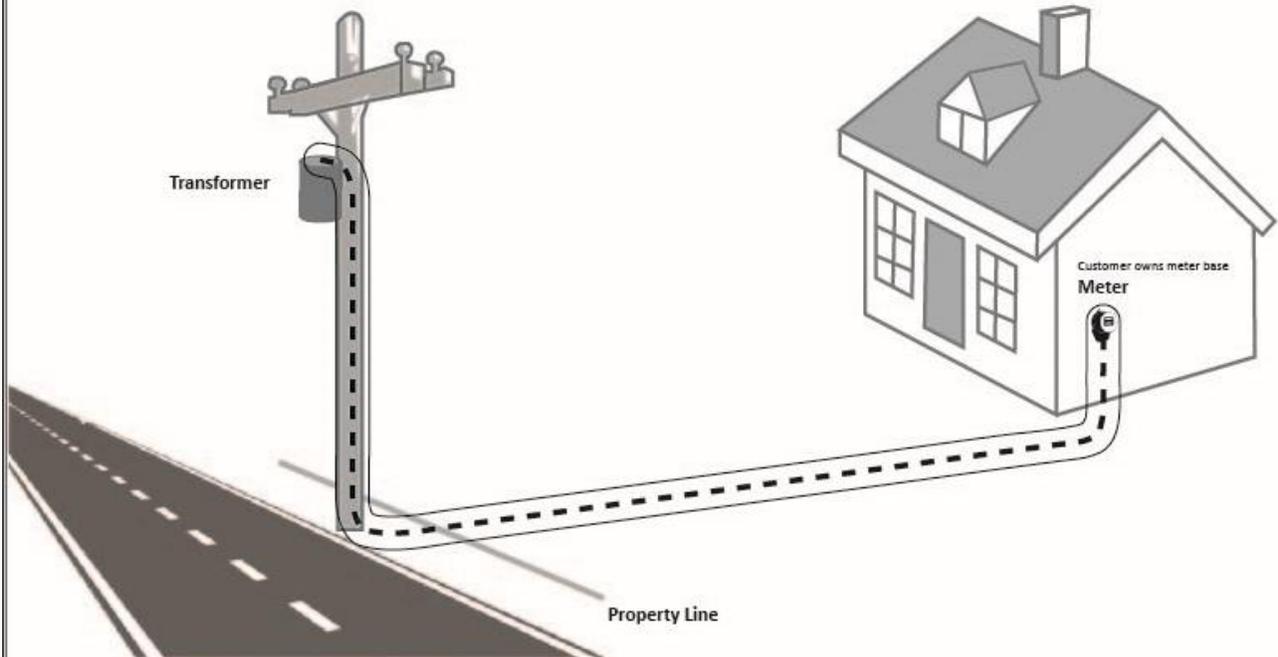


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Demarcation Points

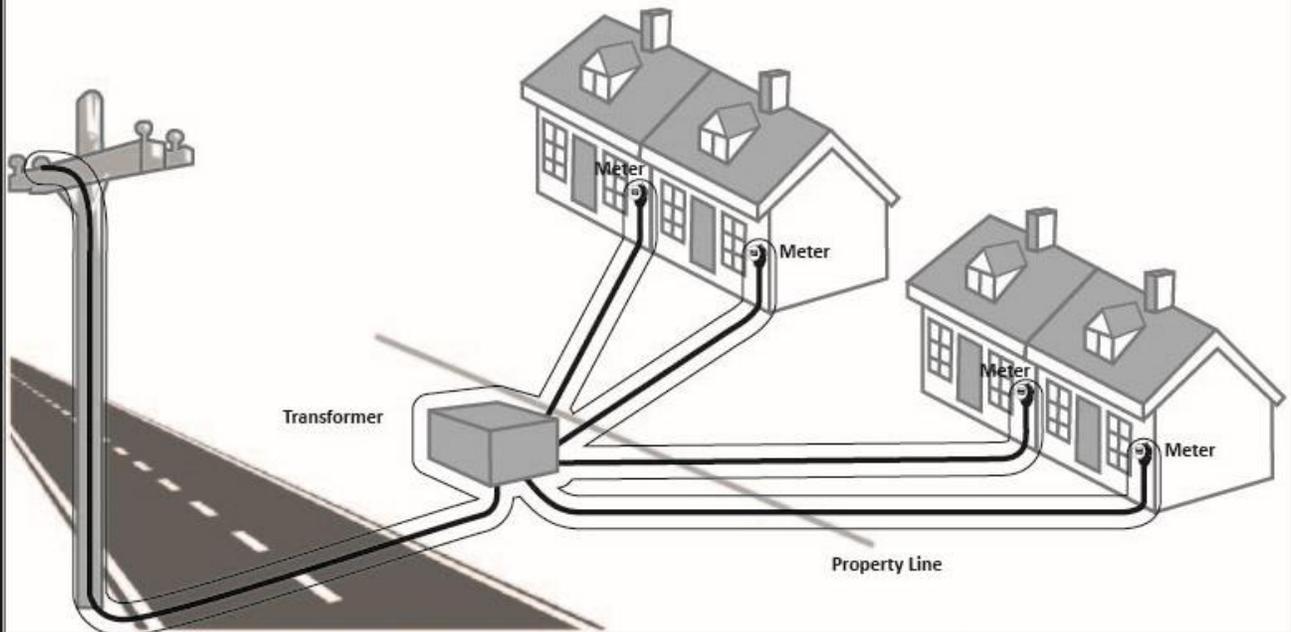
Example 9 (Section 3.2.5, 3.3.3.3, 3.8)



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Example 10 (Condo / Multi Residential) (Section 3.1.4.4)

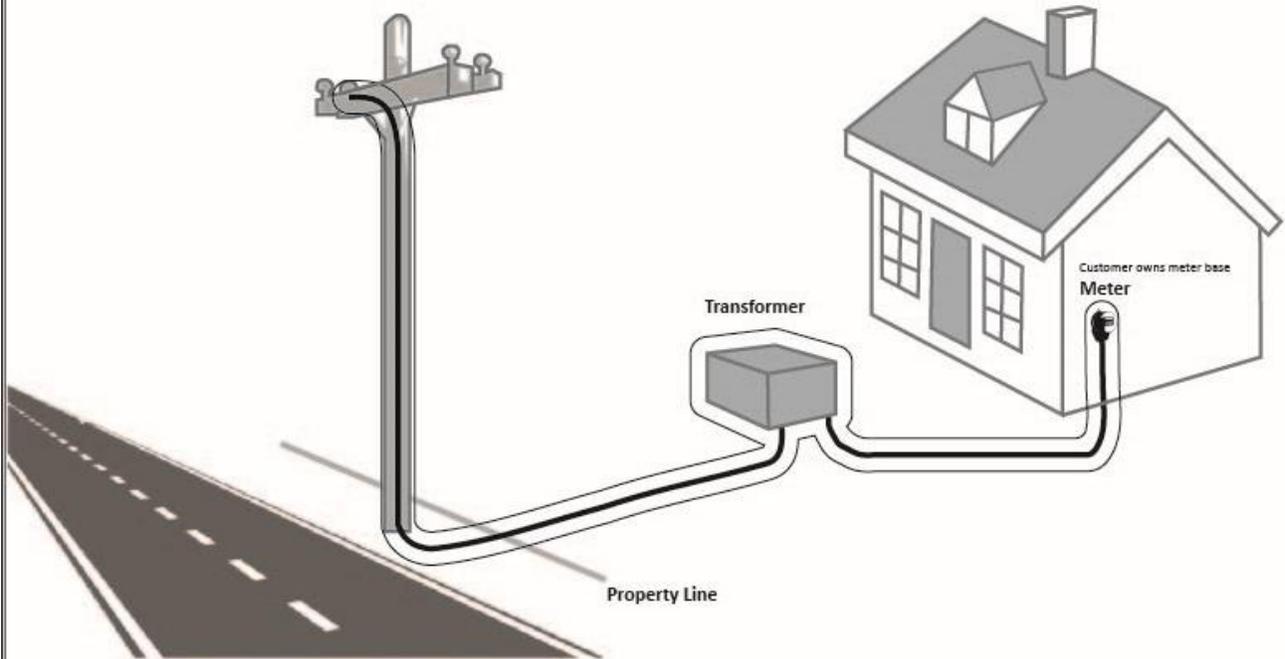


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Demarcation Points

Example 11 (Section 3.1.4.5)

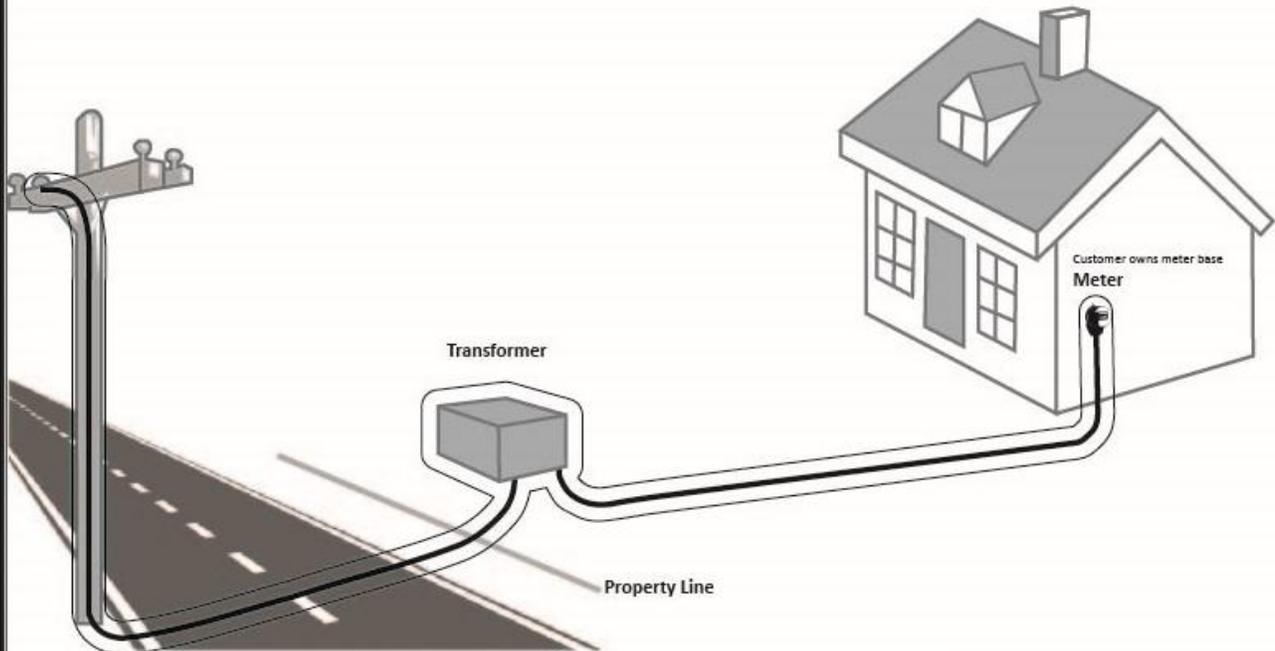


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Demarcation Points

Example 12 (Section 3.1.4.5)

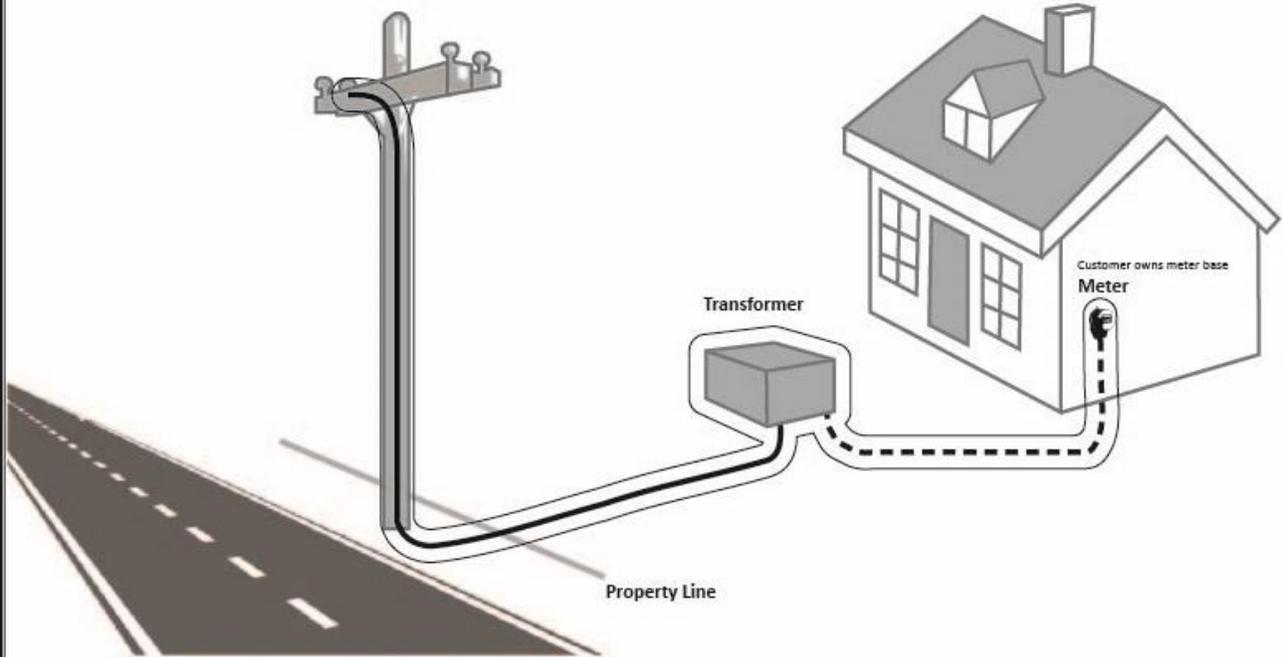


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Demarcation Points

Example 13 (Section 3.2.6, 3.3.3.4)

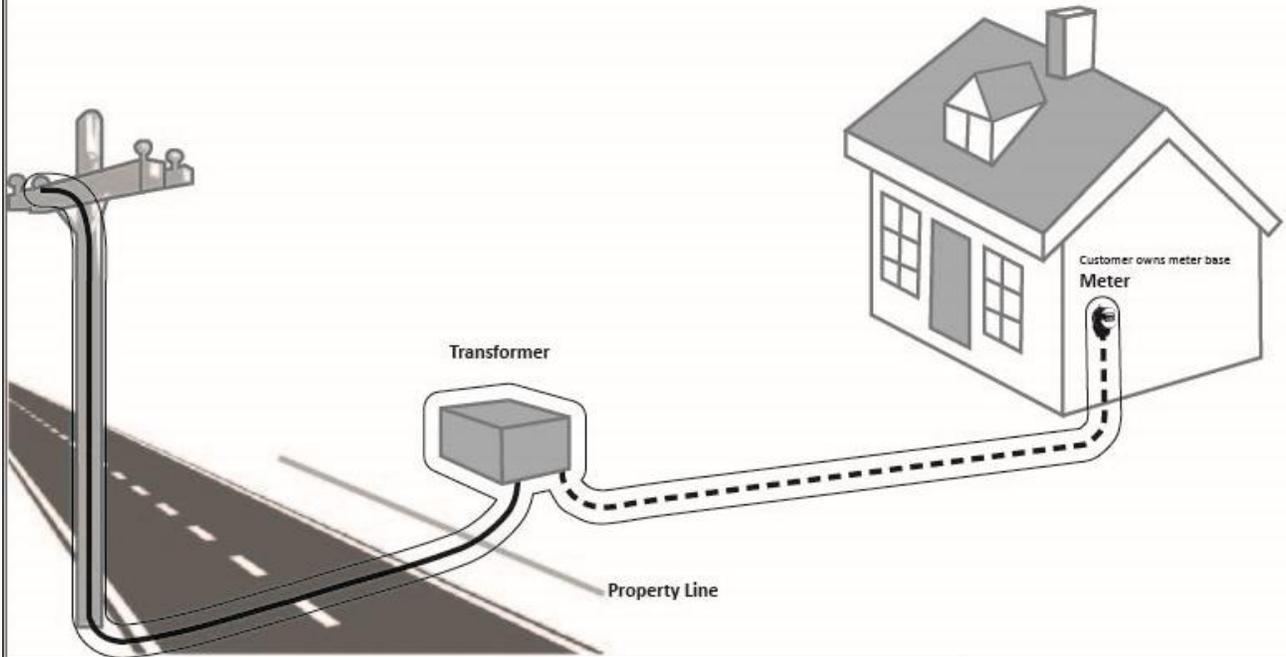


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Demarcation Points

Example 14 (Section 3.2.6, 3.3.3.4)



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