



Retailer Handbook

A Retailer's Guide for Accessing
AUI's Gas Distribution Service

Issued: March 26, 2021

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CHAPTER 1 INTRODUCTION

The Retailer Handbook (the Handbook) was developed by Apex Utilities Inc. (AUI, the Company) to be used by Retailers and Self-Retailers who have entered into a Retailer Distribution Service Contract with AUI for Gas Distribution Service, in accordance with the Gas Utilities Act and the regulations thereunder. The Handbook also applies to any party who will be acting as an Agent on behalf of a Retailer or Self-Retailer with respect to transactions including, but not limited to, retail billing and load settlement.

Unless otherwise specified, the term “Retailer” includes Self-Retailers and Agents.

The Handbook is intended to provide Retailers an overview of AUI’s business processes and to facilitate effective interactions with AUI. Consequently, understanding the procedures described in the Handbook will allow for better interaction with AUI and benefits Customers.

The Handbook serves as a companion to AUI’s terms and conditions of service (T&CS). The T&CS define the relationship between AUI, as the owner of the Gas Distribution System, and Retailers. AUI’s T&CS and the Handbook can be accessed on AUI’s website at www.apexutilities.ca.

To help provide a consistent framework for Retailers, AUI is committed to following the practices outlined in the Handbook. However, as not all situations can be addressed by the Handbook and in certain circumstances, deviations from the Handbook may be necessary. AUI reserves the right to modify the Handbook from time to time, without prior notice, to reflect things such as changes in the industry or changes in market participants’ needs.

While every effort is made to accurately reflect AUI’s Gas Distribution Service in the Handbook, in the event of a conflict, the provisions of the Act, Alberta Utilities Commission (AUC, the Commission) rules, and AUI’s Gas Distribution Tariff shall prevail.

CHAPTER 2 AN OVERVIEW OF APEX UTILITIES INC.

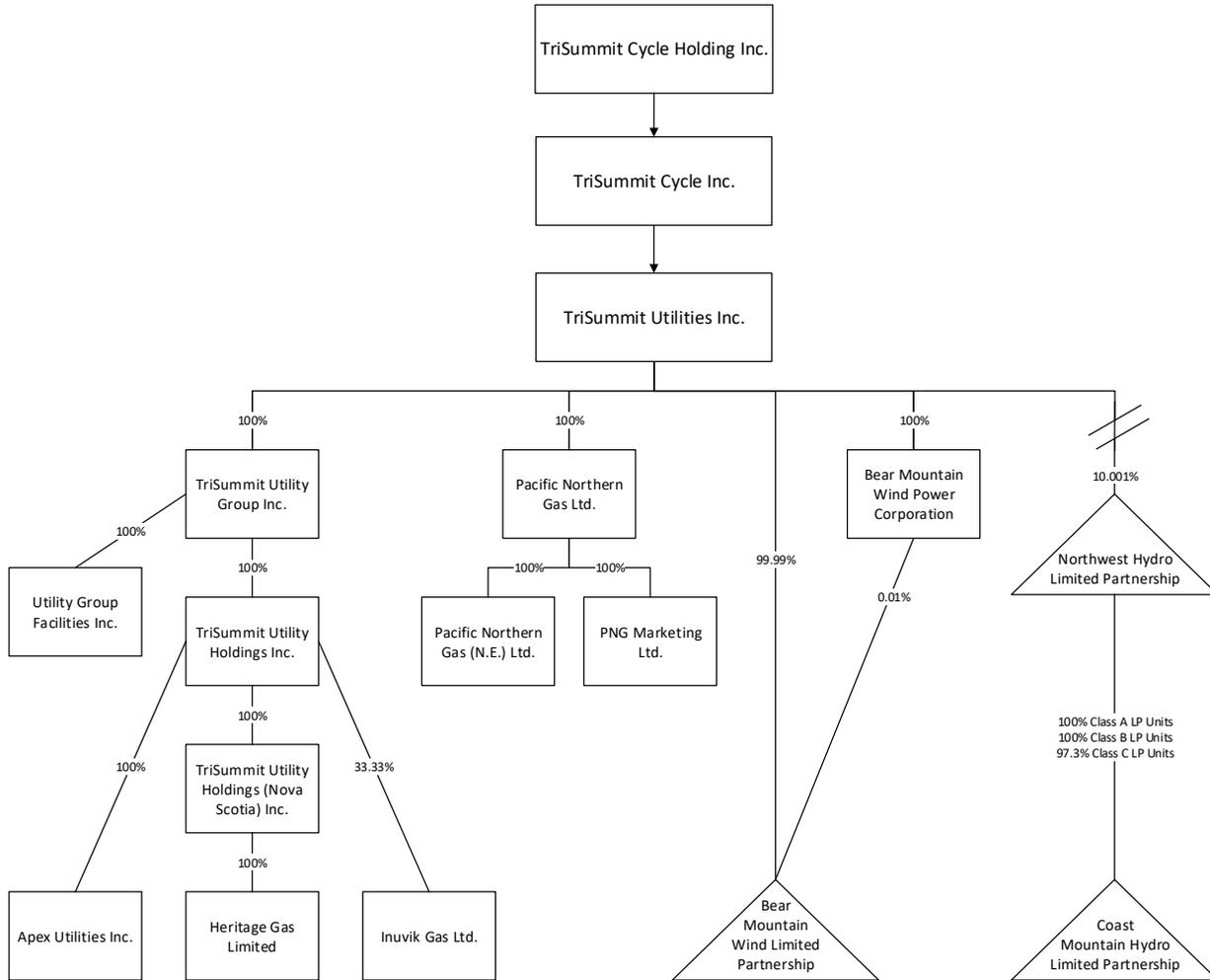
2.1 ABOUT AUI

AUI is a public utility distributing natural gas to roughly 81,000 residential, rural, and commercial sites in over 90 communities across Alberta. The Company employs a staff of approximately 200 energetic and capable individuals across the Province of Alberta. As professionals and experts in the utility industry, AUI's staff are dedicated to giving Retailers and Customers the highest achievable degree of value by offering quality service in a way that sets the standard for customer service in our markets.

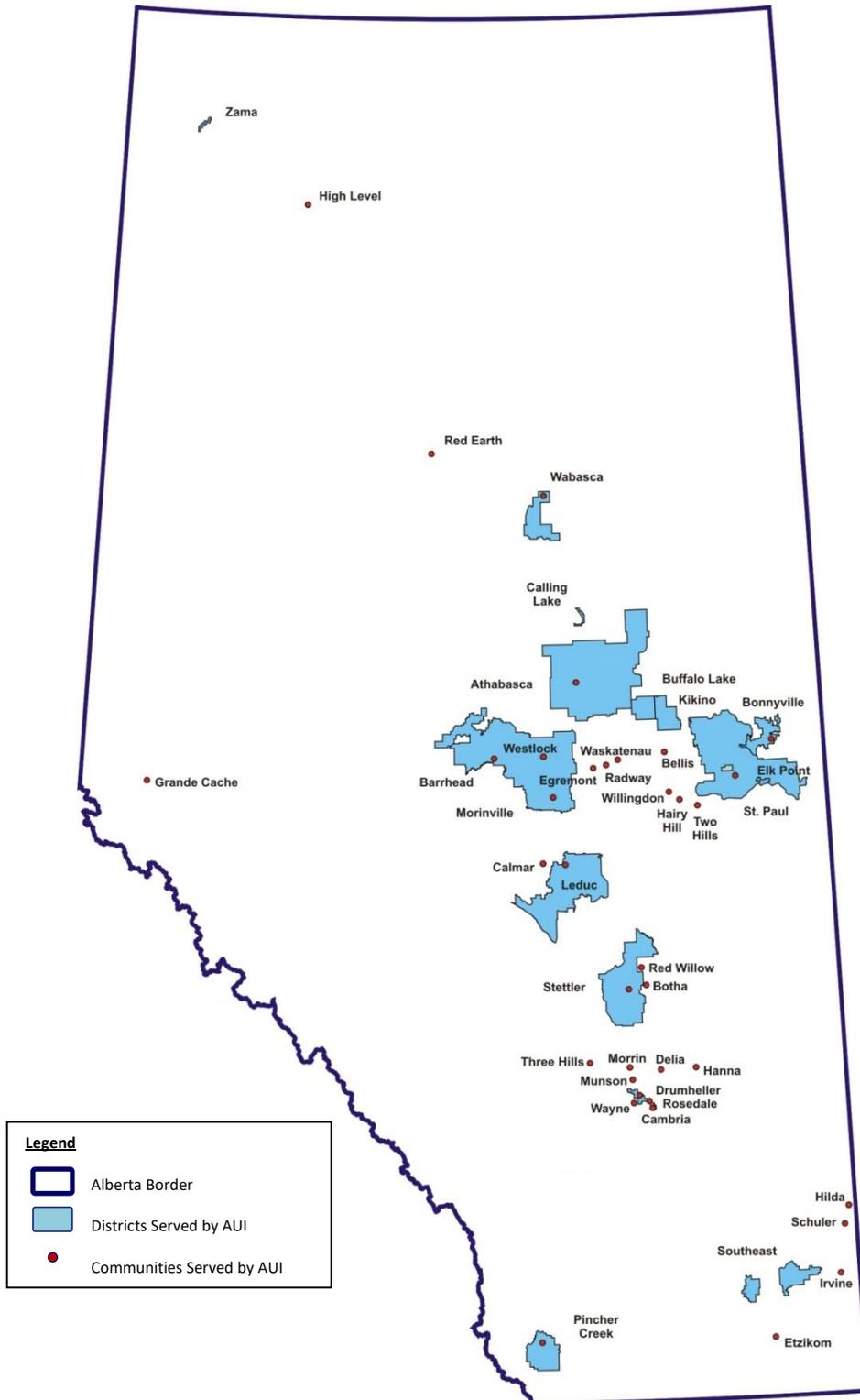
Our head office is located in the City of Leduc, approximately 20 km south of Edmonton. Original operations date back to 1947 when the Company distributed natural gas to the areas of Athabasca, St. Paul, and Leduc. Today, AUI distributes natural gas to a much larger area including Athabasca, Barrhead, Bonnyville, Drumheller, Hanna, Three Hills, Grande Cache, High Level, Morinville, Leduc, Pincher Creek, Dunmore and area, Stettler, St. Paul, Two Hills, Elk Point, and Westlock. Approximately 21,000 kilometres of pipeline is required to deliver natural gas to all sites. The map in section 2.2 provides an overview of the Company's service areas.

AUI is an indirect wholly-owned subsidiary of TriSummit Utility Group Inc. which is, in turn, a direct wholly-owned subsidiary of TriSummit Utilities Inc. (TriSummit). TriSummit owns and operates utility assets in Alberta (Apex Utilities Inc.), British Columbia (Pacific Northern Gas Ltd.), Northwest Territories (Inuvik Gas Ltd.), and Nova Scotia (Heritage Gas Limited).

TriSummit Cycle Holding Inc. Organizational Chart



2.2 SERVICE AREA MAP



2.3 CONTACT INFORMATION

Contact information is subject to change without notice. Please refer to AUI's website at www.apexutilities.ca for the most current information.

2.3.1 *Published telephone numbers for Customers and Retailers*

Customer Care Centre	24-hour Emergency Number
8am – 6pm weekdays (except holidays)	1-866-222-2068
General Inquiry: 1-866-222-2067	
Email: customercare@apexutilities.ca	

2.3.2 *Retailer service contracts and prudential requirements*

Ms. Jennifer Coleman
Senior Regulatory Specialist
Phone: (780) 980-7302
Email: jcoleman@apexutilities.ca
Email: regulatory@apexutilities.ca

2.3.3 *Retailer billing inquiries*

Ms. Cheryl Payne
Supervisor, Retail Billing
Phone: (780) 980-7322
Email: cpayne@apexutilities.ca
Email: retailsupport@apexutilities.ca

2.3.4 *Retailer settlement*

Natural Gas Settlement Team
Phone: 1-855-666-2074
Email: gas.settlement@apexutilities.ca

CHAPTER 3 ALBERTA'S NATURAL GAS MARKETPLACE

3.1 OVERVIEW

The following is a brief overview of the key segments of Alberta's natural gas marketplace.

3.1.1 *Transmission System*

AUI primarily connects to the transmission system owned and operated by TransCanada Pipelines Ltd. (TCPL), also referred to as the TCPL Alberta System or NOVA Gas Transmission Ltd. (NGTL) System. AUI also connects to ATCO Pipelines' transmission system.

Effective October 1, 2011, TCPL and ATCO Pipelines integrated under TCPL as a single rate and service structure in Alberta.

3.1.2 *Distribution System*

As the owner of a gas utility and provider of Gas Distribution Service, AUI is responsible for operating and maintaining its Gas Distribution System, and the reliable and safe delivery of natural gas to end-use Customers in the areas it serves. AUI enables Retailers to have access to its Gas Distribution System so Retailers can sell Gas Services directly to Customers. AUI's Gas Distribution Tariff is subject to regulation and the authority of the AUC.

For more information about the services provided by gas distribution utilities, please refer to the *Roles, Relationships and Responsibilities Regulation, A.R. 186/2003* and other government regulations available from the AUC's website (<https://www.auc.ab.ca/acts-and-regulations>).

3.1.3 *Energy Marketplace*

In the competitive natural gas marketplace, end-use Customers buy natural gas from Retailers or can perform retail functions for themselves as a Self-Retailer. Energy, in the form of natural gas, is delivered to end-use Customers in AUI's service area through AUI's Gas Distribution System. Retailers compete for Customers and ensure the appropriate arrangements with Customers necessary to provide Gas Services are in place. It is the Retailer's responsibility to procure natural gas from gas producers and to make arrangements with AUI for delivery of the gas to its Customers.

Retailers, Self-Retailers, and any other party, such as Agents, carrying out Retailer transactions with AUI will first be required to fulfill certain requirements to AUI's satisfaction before receiving Gas Distribution Service. These requirements are discussed in subsequent chapters of the Handbook and in AUI's terms and conditions of service available at www.apexutilities.ca.

3.1.4 Agents

A Retailer may choose an Agent to perform, on the Retailer's behalf, some or all of the Retailer transactions with AUI. Such transactions may include retail billing and load settlement. In turn, Agents must ensure they have the appropriate contractual arrangements in place to recognize this unique business relationship and meet any applicable regulations and guidelines.

3.2 REFERENCES AND READINGS

All Retailers, Self-Retailers and Agents providing Gas Services in AUI's service area require an understanding of the Alberta natural gas marketplace. The following references and readings provide an overview of competitive choice in Alberta and information on AUI's current Gas Distribution Tariffs.

- a) AUI's Gas Distribution Tariff at www.apexutilities.ca:
 - [Natural Gas Utility Service Rules](#) (AUI NGUSR)
 - [Current Distribution Service Rates](#)
 - [Retailer Distribution Service Rules](#) (AUI RDSR)
- b) AUI New Service Line Installation Information
 - Information for new service line and facility applications can be found at <https://www.apexutilities.ca/account/apply-new-service/>.
- c) Government Legislation and Regulations
 - Gas Utilities Act
 - Rural Utilities Act
 - Gas Utilities Statutes Amendment Act
 - Roles, Relationships and Responsibilities Regulation
 - Default Gas Supply Regulation
 - Code of Conduct Regulation
 - Natural Gas Billing Regulation
 - Other applicable regulations (final or draft form)

For Alberta Acts and Regulations, please see Alberta Queen's Printer at www.qp.alberta.ca.

- d) Consumer Protection Act
Also see Alberta Queen's Printer at www.qp.alberta.ca.
- e) Marketing of Gas and/or Electricity Business License
See Service Alberta at servicealberta.ca/1252.cfm.
- f) Natural Gas Services in Alberta
Please refer to the Utilities Consumer Advocate website at www.ucahelps.gov.ab.ca.
- g) VLTrader™
Please refer to Cleo's website at www.cleo.com/cleo-vltrader.
- h) Digital Certificates
Please see VeriSign authentication services at www.verisign.com.

CHAPTER 4 TERMINOLOGY AND DEFINITIONS

Definitions to assist with understanding the Handbook are provided below. AUI's Retailer Distribution Service Rules and AUC Rule 028: Natural Gas Settlement System Code Rules provide further definitions related to Gas Distribution Service provided to Retailers. In the event the definitions in the Handbook conflict with the definitions in the Retailer Distribution Service Rules or Rule 028, the definitions in the Retailer Distribution Service Rules and/or Rule 028 shall prevail.

“Account” means a record maintained by AUI containing receipts, deliveries, Unaccounted-For Gas, Imbalance Purchases, Imbalance Sales and adjustments applicable to each Retailer providing Gas Services to Customers served by the Gas Distribution System;

“Account Balancing” means the process of managing Gas receipts and/or Gas deliveries in an Account to keep the difference, net of adjustments, within the tolerance specified by the Imbalance Window;

“Account Transfer” means the transfer of Gas from one Retailer Account in NISIS to another Retailer Account in NISIS;

“Account on the Transmission System” means the account held by AUI on TCPL;

“Act” means the *Gas Utilities Act – R.S.A. 2000 c.G-5*, as amended from time to time, and any legislative enactment in substitution or replacement thereof;

“Agency Agreement” means an agreement between a Retailer and another party wherein the other party is appointed as Agent for that Retailer;

“Agent” means a person who, on behalf of a Retailer under an Agency Agreement, performs functions, including, but not limited to, Retailer transactions with AUI;

“Alberta Utilities Commission”, “AUC” or “the Commission” means the Alberta Utilities Commission or its successor;

“Apex Utilities Inc.”, “AUI” or “the Company” means Apex Utilities Inc. or its successor;

“AUI Emergency Phone Number” means AUI's Emergency Phone Number as provided on AUI's website at www.apexutilities.ca.

“AUI General Inquiry Phone Number” means AUI’s General Inquiry Phone Number as provided on AUI’s website at www.apexutilities.ca.

“Alberta Tariff Billing Code”, “TBC” or “Rule 004” means Alberta Utilities Commission Rule 004: Alberta Tariff Billing Code, containing the standards for communicating site-specific distribution and transmission charges and usage information;

“AMR” means automated meter reading;

“Backcast” means an estimate of Customer Load prepared near the end of the Gas Day (B1) using models, actual weather data and forecast weather data;

“Business Day” is any day other than Saturday, Sunday, or a holiday as defined in the *Interpretation Act, R.S.A. 2000, c 1-8*, as amended from time to time and any legislative enactment in substitution or replacement thereof;

“Business Function Identification” or “Business Function ID”, as defined in the Natural Gas Settlement System Code, means the 2 character identification specifying the Retailer’s business function;

“CSV” means comma separated values;

“Code of Conduct Regulation” means the *Code of Conduct Regulation, A.R. 183/2003*, as amended from time to time and any legislative enactment in substitution or replacement thereof;

“Consent for Collection, Use and Release of Customer Information Form” means the form used to obtain historical site information outside of Rule 010;

“Consumer” means a person who enters into a marketing contract to purchase less than 2,500 gigajoules of gas per year as defined in the *Energy Marketing and Residential Heat Sub-Metering Regulation, A.R. 246/2005*, as amended from time to time, and any legislative enactment in substitution or replacement thereof;

“Consumer Protection Act” means the *Consumer Protection Act, R.S.A. 2000, C-26.3*, as amended from time to time;

“Customer” means a person, firm, partnership, corporation, or organization, served under Rates 11, 12, 13, or 14 pursuant to the Rate Schedule, consuming Gas in end-use at its location and is connected to the Gas Distribution System;

“Customer Billing Information” means the information required to be included in the Customer’s bill issued by the Retailer as required by the *Natural Gas Billing Regulation, A.R. 185/2003* and provided by AUI;

“Customer Information” means information about a customer that

- (i) is uniquely associated with the customer,
- (ii) could be used to identify the customer, or
- (iii) is provided by the customer to a distributor, a regulated rate supplier or a retailer;

“Customer Usage Information” means historical Gas consumption information as specified in AUC Rule 010;

“Day” means a period of twenty-four (24) consecutive hours;

“Day Type” means either a Business Day or non-Business Day;

“DCM” means Daily Cumulative Meter Transaction, as defined in AUC Rule 028;

“Default Supply Provider” or “DSP” is a Gas Distributor, or a person authorized by a Gas Distributor, who provides Gas Services to Customers under rates, tolls or charges and terms or conditions approved by the Alberta Utilities Commission;

“Digital Certificate” means an electronic signature used to establish a secure electronic connection for communication purposes;

“Distribution Zone”, as defined in the Natural Gas Settlement System Code, means all sites within an area defined by the load settlement agent. AUI operates under one Distribution Zone;

“Electronic Funds Transfer (EFT) Application” means an agreement to transfer money for the purpose of payment by secure electronic means;

“Final Settlement” means the final calculation of settlement (S3) performed for the Settlement Month, as described in Rule 028;

“Forecast” means an estimate of Customer Load prepared for a Gas Day and includes forecasts F1, F2 and F3 as described in the Handbook;

“Gas” means all natural gas, both before and after it has been subjected to any treatment or process by absorption, purification, scrubbing or otherwise, and includes all fluid hydrocarbons;

“Gas Day” means the 24-hour period starting at 8 a.m. MST. For determining the start and end of the gas day, there is no adjustment for daylight;

“Gas Distribution Service” means the service required to deliver Gas to a Customer by means of the Gas Distribution System and includes any services AUI is required to provide by the Commission or under the Act or regulations made thereunder;

“Gas Distribution System” means all facilities owned or used by AUI to deliver Gas to a Customer through a system of pipelines, works, and plant and equipment, and is primarily a low pressure system (including, without limitation, valves, meters, regulators and machinery);

“Gas Distribution Tariff” means AUI’s distribution tariff, including its rates, tolls, charges and terms and conditions of service fixed by the Commission, as defined in the Act, and amended from time to time;

“Gas Distributor” means the owner, operator, manager, or lessee of a Gas Distribution System, as defined in the Act;

“Gas Services” as defined in the Act means:

- i. The Gas provided and delivered, and
- ii. The services associated with the provision and delivery of the Gas, including
 - a) Arranging for the exchange or purchase of the Gas;
 - b) Making financial arrangements to manage the financial risk associated with the price of gas;
 - c) Arranging for Gas Distribution Service;
 - d) Arranging for delivery of Gas to specified Point(s) of Receipt on the Gas Distribution System;
 - e) Storage;
 - f) Billing, collection and responding to customer billing inquiries;
 - g) Maintaining information systems; and
 - h) Any other services specified by the Minister by Order as Gas Services;

“Minister” means the Minister determined under section 16 of the Government Organization Act as the Minister responsible for this Act;

“Gas Settlement” means Initial Monthly Settlement, Interim Settlement, and/or Final Settlement as defined in the Natural Gas Settlement System Code;

“GJ” means gigajoules or one billion (1 000 000 000) joules;

“Handbook” refers to AUI’s Retailer Handbook;

“Imbalance” means the difference between energy quantities of Gas received and Gas delivered, net of adjustments, in an Account each Gas Day;

“Imbalance Window” means the range of Imbalances within which an Account is considered to be in balance without action being taken to adjust receipts into or deliveries from that Account;

“Imbalance Window Percentage” is the percentage used to calculate each Retailer’s Account Imbalance Window;

“Imbalance Purchase” means the removal of an energy quantity outside the positive Imbalance Window from the Account Imbalance and financial settlement of that quantity;

“Imbalance Sale” means the removal of an energy quantity outside the negative Imbalance Window from the Account Imbalance and financial settlement of that quantity;

“Initial Monthly Settlement” means the first calculation of settlement (S1) performed for the Settlement Month, as described in the Natural Gas Settlement System Code;

“Intercontinental Exchange” means Intercontinental Exchange, Inc., an electronic trading platform market participants may use for transactions related to, amongst others, Gas purchase or sale;

“Interim Settlement” means the second calculation of settlement (S2) performed for the Settlement Month, as described in the Natural Gas Settlement System Code;

“Load” means the amount of Gas delivered or required to be delivered at any specific point or points on the Gas Distribution System;

“Load Balancing” is the process of managing Gas receipts to meet the consumption requirements of Customers served from the Gas Distribution System, including daily balancing of AUI’s Account on the Transmission System;

“Load Balancing Deferral Account” or “LBDA” means the account used to record certain revenues and expenses associated with Load Balancing the Gas Distribution System, including without limitation Load Balancing purchase/sales and Imbalance Purchase/Sales;

“Load Profile” or “Profile” means a series of load or consumption amounts for each interval over a particular time period;

“Load Profiling” means the process of analysis and compilation of historical usage and other data to create a load profile for the purpose of estimating or forecasting the gas consumption of one or many Sites, depending on the similarity of consumption patterns and/or other characteristics of those Sites;

“Load Profiling and Settlement System” or “LPS” means AUI’s daily forecasting and settlement system used for the purposes of providing Retailers site level and aggregate consumption in the form of Forecast, Backcast and Settlement transactions, and supplying data required to facilitate gas settlement via AUI’s NISIS web portal interface;

“Meter Data Manager” or “MDM”, as defined in the Natural Gas Settlement System Code, means the entity responsible for collecting meter data, correcting and validating meter data, storing historic data and reporting consumption data together with corresponding times to appropriate parties;

“Minimum Energy Imbalance Window” means the Imbalance Window as determined for each Retailer, depending on the Retailer’s daily Backcast, the Imbalance Window Percentage, the TCPL transmission balance zone and the AUI account tolerance on TCPL;

“Month” means a period beginning at eight hours (08:00), Mountain Standard Time, on the first Day of a calendar month and ending at eight hours (08:00), Mountain Standard Time, on the first Day of the next succeeding calendar month;

“MST” means Mountain Standard Time;

“Natural Gas Settlement System Code”, “NGSSC” or “Rule 028” means Alberta Utilities Commission Rule 028: Natural Gas Settlement System Code Rules, governing the standards for determining and communicating retail natural gas consumption for the purpose of Load settlement;

“Natural Gas Utility Service Rules” means the AUI Natural Gas Utility Service Rules, as amended by AUI and approved by the Commission, from time to time;

“Nomination” means a written or electronic request for Gas to flow at a Point of Receipt or a Point of Delivery at a specified rate of flow, commencing at a specified time; or, a specified quantity on a specified date(s);

“Pipeline Transfer” is a transfer of Gas supply to/from a Retailer account on TC Energy Pipeline from/to AUI’s Account on the Transmission System as depicted in Chapter 6 of the Handbook;

“Point of Delivery” for service by AUI to the Customer, means, unless otherwise specified in a Retailer Distribution Service Contract or other service agreement, the outlet side of a meter;

“Point of Receipt” means the point where the Retailer delivers Gas to the Gas Distribution System under the Retailer Distribution Service Contract. This is usually indicated by AUI’s acceptance of a receipt Nomination into the Retailer’s Account;

“Profile” means a series of load or consumption amounts for each interval over a particular time period;

“Profiling Class” or “Profile Class” is a group of Sites settled using a common Profile;

“Rate Schedule” means the Gas Distribution Tariff rate schedule, including the general conditions of service, any applicable Gas Distribution Service Rates and any applicable rate riders and/or such other rate schedule(s) as may be approved for AUI by the Commission, from time to time;

“Retailer” means a person or company other than AUI selling Gas and Gas Services directly to Customers, entitled to enrol Customers for that purpose within AUI’s service area and having completed a credit application as set out in the Retailer Handbook and meeting any prudential requirements set forth in the Handbook or AUI’s Retailer Distribution Service Rules. The term “Retailer” includes Self-Retailers and Agents;

“Retailer Account” means an Account held by a Retailer;

“Retailer Distribution Service” means the Gas Distribution Service provided to a Retailer under a Retailer Distribution Service Contract;

“Retailer Distribution Service Contract” means the Retailer Distribution Service Contract between AUI and the Retailer, including all attached schedules and the AUI Retailer Distribution Service Rules;

“Retailer Distribution Service Rules” means the AUI Retailer Distribution Service Rules, as amended by AUI and approved by the Commission, from time to time;

“Retailer Identification” or “Retailer ID” means the 9-digit number uniquely representing each Retailer operating within Alberta;

“Retailer of Record” means the Retailer who is listed in AUI’s records through the procedures outlined in the Retailer Distribution Service Rules, the Natural Gas Settlement System Code and this Retailer Handbook and thereby recognized by AUI as a particular Customer’s Retailer for a Point of Delivery at a particular time;

“Rider H” means a rate rider, expressed as a percentage, approved by the AUC applicable to Retailer’s Account for the recovery in-kind of Unaccounted-For Gas;

“RRR Regulation” or “R3 Regulation” means the *Roles, Relationships and Responsibilities Regulation, A.R. 186/2003*, as amended from time to time and any legislative enactment in substitution or replacement thereof;

“Rules on Standards for Requesting and Exchanging Site-Specific Historic Usage Information for Retail Electricity and Natural Gas Markets” or “AUC Rule 010” means *AUC Rule 010: Rules on Standards for Requesting and Exchanging Site-Specific Historic Usage Information for Retail Electricity and Natural Gas Markets*, as set by the Commission and amended from time to time;

“Same Day Market” means the intra-Alberta Gas market generally available during trading hours on a calendar Day for transactions applicable to the Gas Day commencing on the same calendar Day;

“Same Day Nomination” or “SD Nomination” means a Nomination occurring during a calendar Day for transactions applicable to the Gas Day commencing on the same calendar Day. AUI will accept SD Nominations for processing as described in Chapter 6;

“Self-Retailer” means a Customer carrying out Retailer functions to obtain Gas solely for its own use;

“Settlement Month”, as defined in the Natural Gas Settlement System Code, means the calendar month for which the Initial Monthly, Interim and Final Settlement relate to;

“Settlement Period” means the number of months following the Settlement Month during which one or more Gas Settlements will be performed;

“Site” means a unique end-use Point of Delivery, being the finest level where settlement recognizes Retailer assignments and receives consumption data;

“Site Identification Number” or “Site ID” means a unique identification number assigned by AUI for each unique end-use Point of Delivery;

“Special Charges Schedule” means the AUI Special Charges Schedule, as amended by AUI and approved by the Commission, from time to time;

“Tariff Bill File” means a physical electronic file containing site-specific tariff charges, usage, and demand information for given tariff bill periods and may also contain applicable Site-specific one-time charges. The Alberta Tariff Billing Code rules are contained in AUC Rule 004;

“TCPL” means TransCanada Pipeline Ltd., including NOVA Gas Transmission Ltd. and their successor(s), a Gas transmission system;

“TCPL Transmission System” means those facilities owned or operated by ATCO Pipelines or TCPL used in the receipt, delivery, transportation, measurement and testing of Gas (including, without limitation, transmission lines, regulators, meters, equipment and machinery);

“Title Transfer”, “Nova Inventory Transfer” or “NIT” means a transfer between accounts on TransCanada’s NrG Highway;

“TransCanada’s NrG Highway” is TCPL’s system for monitoring and balancing accounts on the TCPL Transmission System;

“Unaccounted-For Gas” or “UFG” means a Retailer’s share of AUI’s line loss, unaccounted-for gas and compressor fuel at the rate specified in Rider H of the Rate Schedule;

“VLTrader™” means the transport mechanism for securely exchanging transactions pursuant to AUC Rule 004, AUC Rule 010 and AUC Rule 028;

“Weather Zone” means a geographic area around a weather station. Each Site is assigned to one of twelve weather stations (Atmore, Dapp, Namao, Drumheller, Stettler, Edmonton, High Level, Hendrickson Creek, Pincher Creek, Rich Lake, St. Paul, Medicine Hat) based on geographic location;

“Yesterday Nomination” or “YD Nomination” means a Nomination occurring during a calendar Day for transactions applicable to the Gas Day commencing on the previous calendar Day. AUI will accept YD Nominations for processing as described in Chapter 6.

CHAPTER 5 PREPARING FOR GAS DISTRIBUTION SERVICE

A Retailer must perform specific initial steps to qualify for Gas Distribution Service in AUI's service area. Requirements also apply to Self-Retailers and Agents, unless otherwise stated.

5.1 MEET ALBERTA GOVERNMENT REQUIREMENTS

Retailers intending to operate in Alberta must meet all requirements set by Service Alberta pursuant to the *Energy Marketing and Residential Sub-Metering Regulation* enacted under the Province of Alberta's Fair Trading Act.

This regulation specifies the requirements for Retailer licensing, the form of contracts between Retailers and Customers, a Retailer code of conduct and a disclosure statement. AUI will request the Retailer to warrant in writing it will comply with the provisions of the Fair Trading Act. AUI will discontinue providing Gas Distribution Service to a Retailer if AUI determines that Retailer has failed to comply with the Fair Trading Act.

For more information, see Service Alberta's website at servicealberta.ca.

5.2 PROVIDE PARTICIPANT INFORMATION TO APEX UTILITIES

AUI requires the following information from Retailers seeking Gas Distribution Service in AUI's service area:

- Company name and address;
- Retailer Identification Number;
- Name, telephone number and email address of representative(s) who will be dealing with AUI;
- TCPL mnemonic; and
- Any other information relevant to the provision of Gas Distribution Service by AUI.

Information and application forms are to be completed as outlined and provided to Apex Utilities by email. A new form or application must be submitted any time there is a change to the Retailer's information provided on the form.

Before AUI will provide Gas Distribution Service, the Retailer must ensure all requirements are met. Copies of contracts, terms and conditions of service and the Handbook are available on AUI's website at www.apexutilities.ca.

5.2.1 Certified Copy of License

Service Alberta is responsible for administering marketing of gas business licensing, under the *Consumer Protection Act*. AUI will require Retailers marketing to Consumers of under 2,500 GJ (or as otherwise defined by the *Consumer Protection Act*) to provide a certified copy of their license to AUI. All Retailers are expected to comply with the *Consumer Protection Act*.

5.2.2 Retailer Distribution Service Contract

The AUI Retailer Distribution Service Contract (the Contract) establishes the contractual relationship between AUI and a Retailer. The Contract is required before a Retailer can provide Gas Services to Customers in AUI's service area.

AUI requires the party interacting directly with AUI to sign the Contract.

At any given time, AUI will not accept more than one Retailer per Point of Delivery. Also, only one signed Contract is required for a Retailer, regardless of how many Customers it serves in AUI's service area.

5.2.3 Retailer of Record and Corporate Information (Appendix B)

This form must be completed and submitted to AUI by the Retailer entering into the Retailer Distribution Service Contract with AUI. It provides AUI initial information about the Retailer.

Prudential requirements are based on Article 11 of AUI's Retailer Distribution Service Rules and Chapter 8 of this Handbook. All information provided to AUI in relation to the Retailer's financial standing and designated by the Retailer as confidential will be treated as such.

5.2.4 Payment Options (Appendix C)

AUI prefers payments by electronic funds transfer. A copy of the Electronic Funds Transfer Agreement is located in Appendix C. Payments may also be made by cheque, as outlined in Article 8 of the Retailer Distribution Service Rules.

5.2.5 Representation and Warrant Agreement (Appendix D)

The Representation and Warrant Agreement allows AUI to release historical consumption data through electronic transaction without individual written customer consent. Transaction-related specifications are detailed in [AUC Rule 010](#): *Rules on Standards for Requesting and Exchanging Site-Specific Historic Usage Information for Retail Electricity and Natural Gas Markets*.

This Agreement requires the use of VLTrader™.

5.2.6 Consent for Release of Customer Information Form (Appendix E)

AUI requires individual customer consent before it will provide any usage data or other customer information to a retailer outside of the historical consumption transaction covered by the Representation and Warrant Agreement. The Consent for Release of Customer Information Form is used for this purpose as specified in Article 4 of the Retailer Distribution Service Rules.

5.2.7 Warranted Letter

All Retailers providing service in AUI's service area will be required to warrant in writing it will:

- Comply with the Consumer Protection Act; and
- Comply with AUC Rule 028.

5.2.8 Qualification Checklist (Appendix A)

The qualification checklist outlines AUI's qualification processes for Retailers seeking Gas Distribution Service and some of the key areas requiring communication between the Retailer and AUI. Please refer to AUI's Retailer Distribution Service Rules for the rules governing these processes.

5.3 SET UP RETAILER SERVICE

When a new Retailer meets AUI's requirements to provide Gas Services in AUI's service area, AUI will set up a Retailer Account in AUI's NISIS gas settlement system.

5.4 BEGIN GAS DISTRIBUTION SERVICE

After the required steps to prepare for Gas Distribution Service are complete, Gas Distribution Service for the Retailer can begin. AUI will monitor Retailers to ensure obligations under the Retailer Distribution Service Rules and the Retailer Distribution Service Contract are met. This includes evaluating Retailers' credit and prudential requirements.

CHAPTER 6 RETAILER'S ACCOUNT

This chapter provides an overview of Retailer Accounts. Retailer Accounts show the supply/consumption balance between a Retailer's Gas supply and the aggregate consumption of its Customers.

Retailer Distribution Service was implemented by AUI to align with amendments to the Act and its regulations, proclaimed by the Alberta Legislature in June 2003. The Act and its regulations incorporated changes to the retail energy marketplace by addressing industry structure, leveling the competitive playing field, and aligning electricity and natural gas retail policy. The Act and its regulations also outline the responsibilities of Gas Distributors and Gas Service providers including activities related to Gas Distribution Service, Gas Services, billing, and default supply.

Section 4(1) of the *Roles, Relationships and Responsibilities Regulation, A.R. 186/2003* requires AUI, as the Gas Distributor, to arrange for adequate upstream transmission capacity for all its distribution Customers and to perform Load Balancing for its Gas Distribution System. Accordingly, AUI contracts for and holds transmission capacity on the TCPL system on behalf of all distribution customers. The transfer of Retailer Gas supply from TCPL's system to AUI's system is accomplished by gas exchange using AUI's Account on the Transmission System. This is discussed in greater detail in the following sections.

6.1 RETAILER DISTRIBUTION SERVICE REGULATORY DECISIONS

Decisions made by the Alberta Utilities Commission can be found at the Commission's website www.auc.ab.ca. Decisions specifically affecting AUI's tariffs can be found on the AUI website at www.apexutilities.ca/changes-rs.

6.2 AUI'S SYSTEMS FOR RETAILER DISTRIBUTION SERVICE

The Retailer-accessible systems supporting the delivery of AUI's Retailer Distribution Service are as follows:

- eCIS+: AUI's customer information system, is a data record system for customers' information as provided by Retailers, Retailer requests through VLTrader™, gas consumption records, and history used for AUI billing;

- ITRON: The meter reading system providing meter read data for eCIS+ to perform billing functions and for LPS to perform settlement functions;
- LPS: The Load Profiling and Settlement system provides site level consumption for Forecast, Backcast and Settlement to Retailers using VLTrader™ to transmit these files. LPS also interfaces with NISIS to display this data for Retailers to balance their account;
- NISIS: The web-based interface used by Retailers to access their accounts to monitor the daily balance between gas supply and customer consumption, and to issue gas supply nominations;
- TCPL NrG Highway: TCPL's system for TCPL customers to monitor and balance on the transmission system; and
- VLTrader™: The software used to communicate between AUI and Retailers using the file structures specified in the Natural Gas System Settlement Code.

6.3 RETAILER ACCOUNTS

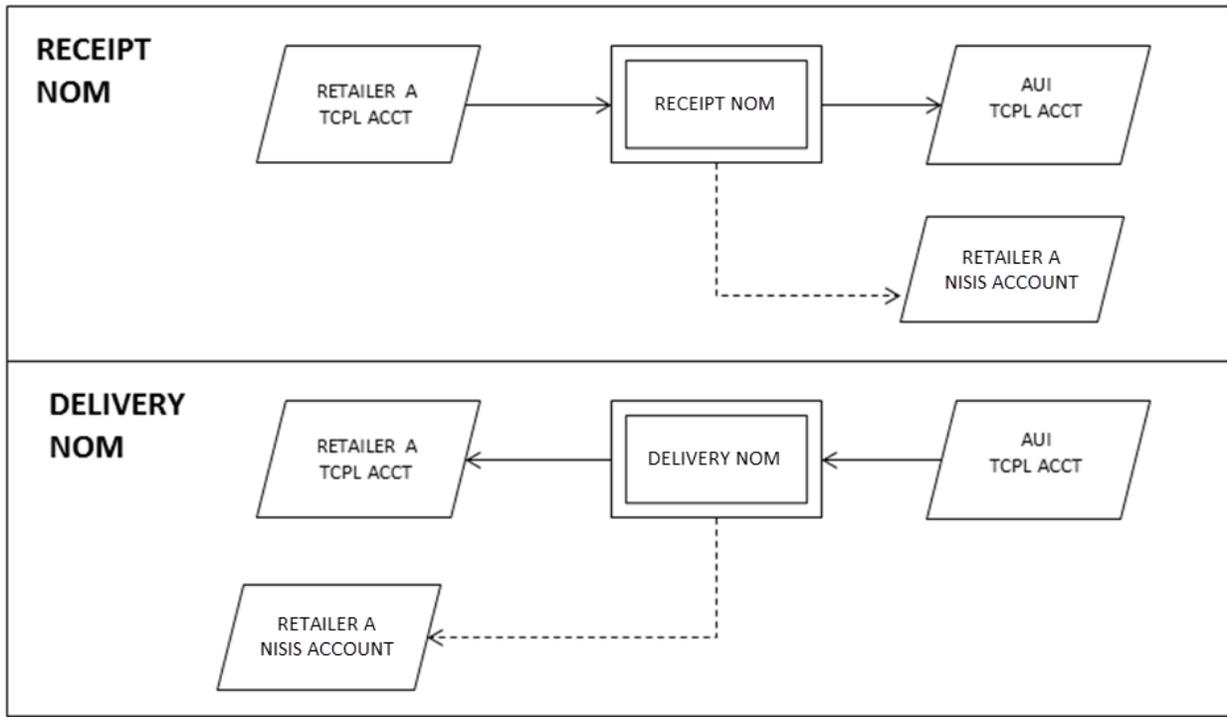
Retailer Accounts on AUI's Gas Distribution System are administered in the context of the hierarchy of accounts within the Intra-Alberta pipeline system as depicted in the figure below.

All Gas supply received into Retailer Accounts must be supplied from accounts on TCPL.

Hierarchy of Intra-Alberta Accounts

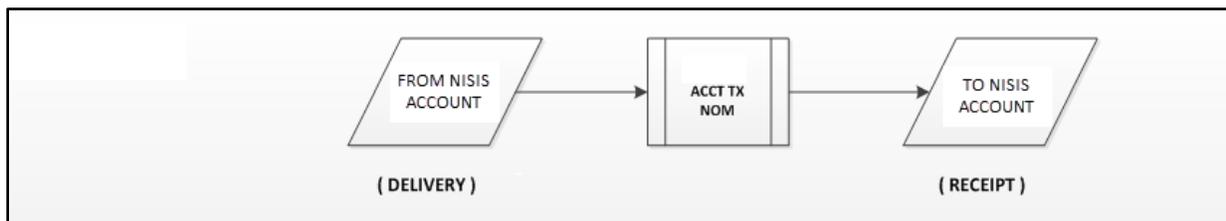
As noted earlier, the transfer of Gas to a Retailer's NISIS Account from a Retailer's account on TCPL's system occurs by exchange (Pipeline Transfer) through AUI's Account on the Transmission System. The Retailer will originate a Pipeline Transfer Nomination in its Retailer Account and AUI will upload the Nomination to TCPL. As shown in the diagram above, the Pipeline Transfer will appear in TransCanada's NrG Highway as a delivery nomination between the Retailer's TCPL account and AUI's Account on the Transmission System.

Pipeline Transfers



The Retailer can also obtain Gas supply for its Account in NISIS from other NISIS account holders using Account Transfers.

Account Transfers



New Retailer Account

When a new Retailer advises AUI it intends to provide Gas Services in AUI’s service area, AUI will set up a Retailer Account in NISIS (see Chapter 5).

AUI will set up the Retailer's designated Account administrator and provide a NISIS user ID and password. The Retailer's Account administrator is then responsible for setting up other users authorized by the Retailer to access its Account(s) in NISIS.

6.4 ACCOUNT BALANCING AND MONITORING

Retailers are responsible for maintaining their Accounts in daily balance within the daily Imbalance Window, as specified in the Handbook and AUI's Retailer Distribution Service Rules. The Imbalance Window is a range of positive and negative account Imbalances within which a Retailer Account is considered to be balanced. The purpose of the Imbalance Window is:

- To recognize that while the Backcast delivery is the best available estimate at the time, it will be different than the Gas settlement delivery (i.e. there will be a settlement variance); and
- To constrain the effect of Account imbalances on the daily Load Balancing requirement of the Gas Distribution System as a whole, and consequently, to other Customers.

AUI's Retailer Distribution Service Rules deal with Account imbalances outside the Imbalance Window through Imbalance Purchase or Sale. The daily Imbalance Window for each Gas Day, applicable to each Retailer's Account Imbalance, is based on the result of multiplying the Retailer's daily Backcast by the absolute value of the Imbalance Window percentage (Imbalance Window determinant):

- If the result is 0 (zero), the daily Imbalance Window quantity will be 0 GJ;
- If the result is greater than 0, and less than or equal to 50, the daily Imbalance Window quantity will be ± 50 GJ;
- If the result is greater than 50, and less than or equal to 100, the daily Imbalance Window quantity will be ± 100 GJ;
- If the result is greater than 100, and less than or equal to 150, the daily Imbalance Window quantity will be ± 150 GJ;
- If the result is greater than 150, and less than or equal to 200, the daily Imbalance Window quantity will be ± 200 GJ;
- If the result is greater than 200, the daily Imbalance Window quantity will be ± 400 GJ.

In the event TCPL determines its pipeline tolerance level needs be increased or decreased and as a result, the TCPL transmission balance zone is changed, AUI will revise the daily Imbalance Window as follows:

TCPL Balance Zone		AUI Account Tolerance on TCPL		Imbalance Window Determinant > 0 and <= 50		Imbalance Window Determinant > 50 and <= 100		Imbalance Window Determinant > 100 and <= 150		Imbalance Window Determinant > 150 and <= 200		Imbalance Window Determinant > 200	
-4%	+4%	-2,000	2,000	-50	50	-100	100	-150	150	-200	200	-400	400
-3%	+4%	-1,500	2,000	-38	50	-75	100	-113	150	-150	200	-300	400
-2%	+4%	-1,000	2,000	-25	50	-50	100	-75	150	-100	200	-200	400
-1%	+4%	-500	2,000	-13	50	-25	100	-38	150	-50	200	-100	400
0%	+4%	0	2,000	0	50	0	100	0	150	0	200	0	400
-4%	+3%	-2,000	1,500	-50	38	-100	75	-150	113	-200	150	-400	300
-4%	+2%	-2,000	1,000	-50	25	-100	50	-150	75	-200	100	-400	200
-4%	+1%	-2,000	500	-50	13	-100	25	-150	38	-200	50	-400	100
-4%	0%	-2,000	0	-50	0	-100	0	-150	0	-200	0	-400	0

A change to the Imbalance Window as a result of a change in the Imbalance Window percentage and/or change in the AUI account tolerance on TCPL will be in effect for the same Gas Days as the corresponding TCPL Balance Zone change.

Imbalance Purchases or Sales for daily energy amounts outside the daily Imbalance Window is described in further detail in section 6.6.

AUI's Retailer Distribution Service Rules also describe the monitoring performed by AUI of the Account Balancing being performed by Account-holders. If a Retailer does not provide any Gas supply for its Customers within a Gas Day and that action has not been authorized by AUI, AUI will take action to balance that Account by Imbalance Sale. If this condition persists, AUI will de-enroll the Retailer's Sites according to the procedure described in the Retailer Distribution Service Rules, available on the AUI website at www.apexutilities.ca.

Retailer Account Components

Each Retailer Account in NISIS contains the components noted below with the Imbalance determined each day using the following formula:

Imbalance (GJ) = daily receipt - daily delivery - daily Rider H recovery - daily Imbalance Purchase + daily Imbalance Sale + daily adjustment

where:

- Rider H recovery means the recovery of Unaccounted-for Gas, calculated in NISIS as Rider H percent times the delivery;
- Receipt means net Gas supply Nominated in NISIS into the Retailer Account for that Day;
- Delivery means the Forecast (F1, F2 and F3) and Backcast (B1) estimations;
- Imbalance Purchases and Imbalance Sales means the energy amount outside the Imbalance Window calculated in NISIS and removed from or added to the Account respectively, rounded to the nearest GJ (Imbalance Purchases and Imbalance Sales are described in greater detail in section 6.6);
- Adjustments mean any variance attributable to a previous period which is brought forward in NISIS into the current Day and includes:
 - The previous Day's closing Account balance; and/or
 - The daily allocation of the prior month(s) settlement variance; and/or
 - The daily allocation of any other appropriate energy adjustment(s) when applicable to the Account.

Gas Settlement Variance

Prior month(s) adjustments are included in the Account in the month immediately following the month in which they were determined and are worked off equally each day with any required correction for rounding included in the last day of the month.

There are three variances applicable to Gas Settlement:

- B1 - S1: The variance between the Initial Settlement and Backcast is determined in the first (1st) month following the Settlement Month and is included in the Retailer Account in the second (2nd) month following the Settlement Month;
- S1 - S2: The variance between the Interim Settlement and Initial Settlement is determined in the second (2nd) month following the Settlement Month and is included in the Retailer Account in the third (3rd) month following the Settlement Month;
- S2 - S3: The variance between the Final Settlement and Interim Settlement is determined in the fourth (4th) month following the Settlement Month and is included in the Retailer Account in the fifth (5th) month following the Settlement Month;

Further information on Gas settlement is available in the Natural Gas Settlement System Code available at www.auc.ab.ca.

6.5 TIMELINES FOR RETAILER ACCOUNTS

Timelines for Same Day (SD) Nominations

Timelines for SD Nominations are:

- 08:00 to 20:00 MST each calendar day

In accordance with the monitoring rules in AUI's Retailer Distribution Service Rules, if there is no evidence of a Nomination in the Retailer's Account and no prior arrangements have been made with AUI, AUI will attempt to contact the Retailer for an explanation.

Timelines for Yesterday (YD) Nominations

The Nomination timelines applicable to YD Nominations used by Retailers for balancing their Retailer Accounts are summarized below:

- YD Nominations for Gas Day 1 using NISIS Pipeline Transfers will be accepted until 08:30 am MST on calendar day 2; and
- YD Nominations for Gas Day 1 using NISIS Account Transfers will be accepted until 10:00 am MST on calendar day 2.

The YD balancing Nomination timelines for accounts on TCPL's systems are specified in TCPL's terms and conditions and/or business practices. Please contact TCPL for that information.

Timelines for Consumption Data

Total consumption will be reported in Retailer Accounts in NISIS at the times shown below.

- Forecast 1 (F1) for Gas Day 2 will be issued by 11:00 am MST on calendar Day 1;
- Forecast 2 (F2) for Gas Day 2 will be issued by 06:00 am MST on calendar Day 2;
- Forecast 3 (F3) for Gas Day 2 will be issued by 11:00 am MST on calendar Day 2; and
- Backcast (B1) for Gas Day 2 will be issued by 06:30 am MST on calendar Day 3.

Forecasts 1, 2, and 3 are provided by AUI as information for Retailers. AUI's Retailer Distribution Service Rules do not require Retailers to nominate using these Forecasts if the Retailer believes

it has a better forecast to use. However, AUI's Retailer Distribution Service Rules require Retailers to balance their Account within the Imbalance Window when Backcast consumption is reported near the end of the Gas Day. If necessary, to assist a Retailer with Account Balancing, AUI can override the Forecast or Backcast. The Retailer must contact AUI to perform the override.

If a Retailer Account is not balanced within the Imbalance Window by 10:00 am MST, an Imbalance Purchase or Imbalance Sale will be invoked to bring the Account to tolerance (as described in section 6.6).

6.6 IMBALANCE PURCHASE/SALE

The Imbalance Window is a range of positive and negative Account Imbalances within which a Retailer Account is considered to be balanced. If a Retailer Account Imbalance is outside the Imbalance Window range at the end of the daily Account Balancing timeline described in section 6.5, then the amount of energy outside the Imbalance Window will be automatically deducted from or added to the Account to bring the Account into tolerance.

When there is an excess of Gas supply relative to consumption in the Account for a Gas Day, the energy amount outside the positive Imbalance Window will be deducted from the Account by Imbalance Purchase at the price specified in Schedule A of the Retailer Distribution Service Rules.

When there is a deficiency of Gas supply relative to consumption in the Account for a Gas Day, the energy amount outside the negative Imbalance Window will be added to the Account by Imbalance Sale at the price specified in Schedule A of the Retailer Distribution Service Rules.

Retailers' Account Imbalances affect Load Balancing the Gas Distribution System as a whole. Therefore, the contra-account for Imbalance Purchases and Imbalance Sales is the AUI Load Balancing Deferral Account. Load Balancing is described in more detail in section 6.7, below.

6.7 DISTRIBUTION LOAD BALANCING

For AUI, the Load Balancing framework encompasses both the physical and operational components of the Gas Distribution System, as well as the associated administrative aspects involving the purchase and sale of gas required to balance both AUI's Gas Distribution System

and AUI's Account on the Transmission System (TCPL). AUI takes custody of each Retailer's Gas supply in its Account on the Transmission System.

Sections 4(1)(c) and 4(1)(i) of the Gas Utilities Act *Roles, Relationships and Responsibilities Regulation A.R. 186/2003* requires AUI, as a Gas Distributor, to arrange for adequate upstream transmission capacity for all its distribution Customers and to perform Load Balancing for its Gas Distribution System.

For system balancing, AUI is subject to requirements outlined in TCPL's terms and conditions of service. To manage its account imbalance on the TCPL system, AUI purchases or sells gas to ensure the balance is maintained within TCPL's imbalance window. At the same time, Retailer's Account Balancing on AUI's system is designed to facilitate AUI's TCPL Load Balancing obligation. Retailers are responsible for ensuring their Accounts on AUI's system are within the daily Imbalance Windows specified by AUI. Retailer Account monitoring, as described in the Handbook and Article 13 of AUI's Retailer Distribution Service Rules, helps minimize the effects Account Imbalances in NISIS have on Load Balancing on TCPL. Account Imbalances outside the Imbalance Window are mitigated by AUI through Imbalance Purchases or Imbalance Sales.

CHAPTER 7 KEY BUSINESS PROCESSES

Most Retailer/Distributor business processes are initiated by the transactions found in the Natural Gas Settlement System Code. This chapter provides an overview of the communication methods and key transactions as defined in the NGSSC, as well as additional processes.

7.1 COMMUNICATIONS

In accordance with the NGSSC, all market participants are required to have and maintain VLTrader™ to communicate electronically for transaction-initiated procedures outlined in this chapter.

The following outlines some of the details required to communicate electronically via VLTrader™:

- a) Microsoft Internet Explorer version 5.0 or higher with 128-bit encryption.
- b) VLTrader™ certificate policy – Class 1 X.509 Digital Certificates(s).
- c) All files sent to the participant will be “Queued for Pickup” and will have to be retrieved manually using VLTrader™.
- d) A participant cannot undo sending a file. The participant will need to contact their AUI Retailer representative.
- e) AUI will not accept a file with a non-standard file name. Standard file names include those found within the NGSSC and the TBC. If required, the participant will be contacted by an AUI Retailer representative.
- f) AUI will not accept a file when any one record within the file contains an incorrect number of commas. If required, the participant will be contacted by an AUI Retailer representative.
- g) Individual records within a file can be rejected for reasons including, but not limited to, wrong data types or over-sized fields.
- h) Participants must send separate files for each business transaction type.
- i) The VLTrader™ mailboxes operate 24 hours a day.

7.2 SELECT RETAILER REQUEST (ENROLMENT)

NGSSC Transaction – SRR

Select Retail Request (SRR) describes the transaction used by Retailers to initiate Gas Distribution Service. It enables Retailers to begin serving its Customers. This transaction applies

to all Retailers who have entered into a Retailer Distribution Service Contract with AUI. All SRR transactions must be accompanied by an associated Update Customer Information (UCI) transaction (see 7.3) within 24 hours of the SRR. A Retailer needs to submit an electronic enrolment and associated UCI for each Site ID switching from one Retailer to another Retailer.

7.2.1 Electronic Enrolments

AUI requires all enrolments be accompanied by a UCI transaction (as outlined in section 7.3) to ensure Customer data is accurate. The Customer data includes: Site Customer name, Site Customer telephone number, Site Customer mailing address, Site contact name, and valid Site contact phone number. This Customer data must be accurate and current to ensure AUI may speak to individuals enrolled by the Retailer on matters related to Gas Distribution Service.

AUI will deal with only one Retailer at a Point of Delivery. The Customer or Retailer may enter into arrangements with multiple Retailers for a Point of Delivery. For example, a Customer may choose to have one Retailer serve its firm load needs, while another Retailer will serve its opportunity service requirements. Regardless of the arrangements the Customer and Retailers have made, a single Retailer must be designated to be the Customer's Retailer when dealing with AUI. Additional information may be found in Article 6 in AUI's Retailer Distribution Service Rules.

Should the Retailer submit an enrolment in error, the Retailer shall notify AUI. Upon receiving notice of error, AUI will notify the previous Retailer of the reported enrolment error so the previous Retailer may issue a SRR transaction. AUI will not provide previous Customer Information to a Retailer who has enrolled a site in error.

7.2.2 Enrolment Mechanics

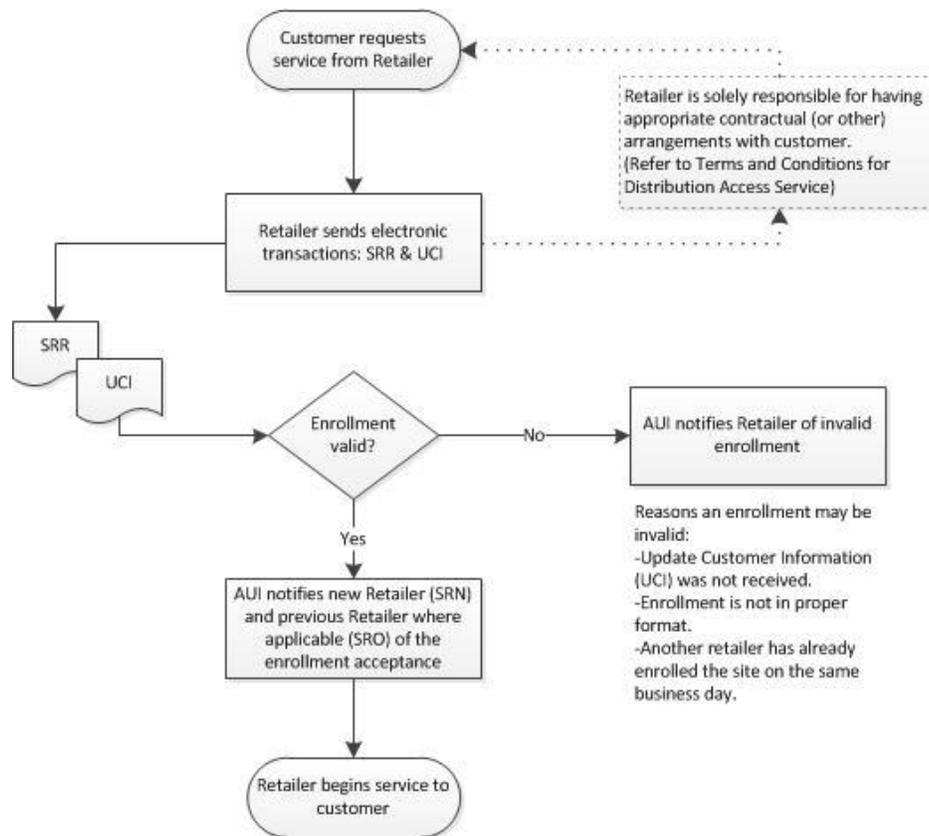
Upon receipt of enrolment, AUI will validate the enrolment transaction; i.e. valid Site ID, Retailer ID, settlement ID, and the required UCI transaction is received within 24 hours. AUI will notify the Retailer and denote the status of the enrolment by use of the Select Retailer Notification (SRN) transaction (see NGSSC for transaction details). The Retailer shall send the enrolment request transactions only on the calendar day prior to the desired effective date as identified in NGSSC.

AUI will endeavour to process enrolment requests received between 7:30 am and 3:00 pm each day and a SRN will be provided within two (2) hours. If an enrolment request is received after 3:00 pm, the enrolment request will still be processed by AUI but there is no guarantee of

notification prior to 9:30 am the following day. An exception to the performance standard shall be permitted for scheduled maintenance.

The Retailer can refer to the NGSSC for a list of the error codes, response transactions and timing details.

7.2.3 Select Retailer (Enrolment) Process Flowchart



7.3 UPDATE CUSTOMER INFORMATION

NGSSC Transaction – UCI

It is important that AUI has the most up to date customer information from the enrolled Retailer to be able to effectively and efficiently deal with situations that may affect the measurement of, tariff billing for, and delivery of natural gas to a customer’s facility. In addition, as a Default Supply

Provider (DSP), AUI needs the current information to fulfill its obligations in the event the Retailer de-selects the site for reasons selected by the Retailer other than “customer move”.

Updates to customer information are required with each enrolment. The UCI will be automatically validated by AUI to ensure the file contains sufficient information.

AUI will rely on the Retailer for a UCI transaction as promptly as reasonably practicable, within five (5) Business Days of the Retailer becoming aware of the change, whenever changes to existing customer information occur. Such information must be provided pursuant to Rule 028.

AUI will not notify the Retailer in the event a UCI transaction has failed.

7.4 REQUEST UPDATE TO CUSTOMER INFORMATION

NGSSC Transaction – RUC

AUI will initiate a Request Update to Customer Information (RUC) transaction from the enrolled Retailer where AUI suspects the information is incorrect or not current. (See NGSSC for transaction details.)

7.5 CONNECTING A NEW (NEVER BEEN METERED) SITE

NGSSC Transaction – SRR with UCI are the only requirements

This process describes the actions required to connect a new service location to the AUI distribution system for the first time.

The Retailer enrolls a new service location through a SRR transaction.

AUI will schedule the meter installation at the request of the Retailer/Customer when all of the following has occurred:

- Receipt of Retailer enrolment (SRR transaction & UCI);
- Installation of the service line has been completed;
- Receipt of permit from the municipality initiated by the customer;
- BTU load information is available; and
- Licensed Contractor (Gas Fitter) contact information is available.

AUI will then arrange a time with the Licensed Contractor to perform the following:

- Witness stand-up pressure test performed by the Licensed Contractor;
- Confirm the existence of the Gas Installation Permit; and
- Install the meter, unlock the service, and perform appropriate tests.

The Licensed Contractor will then complete the tie-in to the meter and perform first lighting. First lighting of the natural gas appliances when the service is first connected is not a service provided by AUI.

Timing of Retailer's SRR

Retailers are encouraged to send their SRR transaction as soon as possible after the customer applies for an account. AUI does not begin tariff billing to the Retailer until the meter has been installed and turned on.

Post-dating a customer's retailer account start date delays AUI in receiving the enrolment. In these situations, the retailer's customer expects to have gas service on the day the account starts. AUI, however, has just received the SRR and may not be able to schedule a meter installation for several weeks.

Before service is connected, AUI will apply a rate in accordance with AUI's Gas Distribution Tariff.

7.6 ENERGIZE (RE-ENERGIZING A PREVIOUSLY OR CURRENT METERED SITE)

NGSSC Transaction – ENR

This process describes the actions required to reconnect and re-energize a customer's service connection to AUI's distribution system.

7.6.1 Work Performed by AUI

Upon receiving an ENR request from the Retailer, AUI will unlock the service installation if all of the following requirements are met:

- The requesting Retailer must be the enrolled Retailer
- The permit from the municipality is current
- BTU load information is available

If the ENR request does not have sufficient information, AUI will contact the Retailer and request that more information is provided before a service order is created. The ENR will be held until completed with a service order.

An AUI reconnect involves both turning on service at the meter as well as the relighting of natural gas appliances inside the property. In some cases, the meter may also have to be re-installed.

During the re-energizing, AUI will unlock the service and attempt to contact the Customer to make arrangements for access to inside the property. If the Customer is unavailable, AUI will leave a notice with instructions for the Customer on how to re-light their appliances.

However, if there are possible unsafe conditions present, AUI will not unlock the service until the Customer is available and will reschedule a new visit.

7.6.2 Retailer Authorization

The requesting Retailer must be the enrolled Retailer before an energize request will be accepted by AUI.

7.6.3 AUI Practices for Scheduling Reconnects

AUI does not have priority energizes.

Reconnect requests are scheduled for the first available business day, on a first come, first served basis. They are scheduled on after both the receipt of the enrolled Retailer's authorization, and the agreement of the customer to AUI requirements for a reconnect of service.

AUI requirements include an agreement to provide suitable and safe access arrangements to the inside of the customer's property. The customer may also have to meet additional requirements before the energize may be scheduled, such as obtaining a permit from the municipality if a meter re-installation is required and if the meter has been removed for 6 months or greater. AUI will advise directly to the customer if these situations apply.

If retailer authorization is present but the customer does not agree to AUI reconnect conditions, the customer will be advised that a field order cannot be issued and a reconnect will not take place. The customer will then need to contact the Retailer again when ready to comply with AUI conditions.

Availability of same-day reconnect varies greatly depending on time of year, outside temperature, and geographic location.

AUI does not provide a specific timeframe for reconnect to occur in for the day the reconnect is scheduled. This is because reconnects of service occur as time allows between responding to natural gas emergencies and already scheduled customer appointments. For this reason, Retailers cannot offer opinion to their customer regarding timeframe what to expect for AUI to reinstate service.

AUI will advise a reconnect fee to the Retailer for successful as well as unsuccessful attempts found to be the responsibility of the customer. The reconnect fee (also called reinstatement fee) will be billed to the enrolled retailer on the first TBF following completion of the energize request. Current reinstatement fees are found in Special Charges Schedule of the AUI Natural Gas Utility Service Rules.

7.6.4 *Canceling an ENR*

In the event that the Retailer wishes to cancel an energize request, contact must be made with an AUI Retail Support Representative. There is no transaction to cancel an ENR. If the ENR was completed before Retailer notification was received, the Retailer will be required to re-issue a DER transaction if needed.

7.7 DE-ENERGIZE (DISCONNECT SITE) REQUEST

NGSSC Transaction – DER

This process describes the transactions and processes involving a physical disconnect to a site. The table below illustrates the type of disconnection required and the appropriate process and/or required transaction.

7.7.1 *Situations when DER transactions are accepted:*

Retailers authorize AUI to complete a physical disconnect of service with a DER transaction. Retailer DER transactions are only accepted by AUI for the following situations and when the required information is provided:

DER Transaction Reason	Information Required
Vacant Premises	<ul style="list-style-type: none"> • Date since no application to Retailer
Temporary/Seasonal Lock-Off	<ul style="list-style-type: none"> • Target Date (Request Date) • Proof of customer request • Customer Information including contact name and phone numbers

AUI will also accept de-energize requests from the Customer directly, for any of the following equipment-related physical disconnects and will manually create an SMC to send to the Retailer:

- Temporary meter removal
- Permanent meter removal

Please advise the Customer to contact the AUI Customer Care Center for assistance.

7.7.2 Situations when DER transactions are not accepted

AUI will not accept the Retailer’s request to disconnect for the following:

- “Cut off for Nonpayment”;
- “Premises Demolished” (e.g. permanent service line removals); or
- When time of year or temperature conditions related to residential or commercial sites as stated in the T&Cs are in effect.

For customer requested disconnects for residential or commercial sites, where time of year or temperature conditions apply, Retailers must provide to AUI the property owner’s letter accepting responsibility to protect the property. Until such time this letter is received, AUI will not complete the Retailer’s disconnect request. The letter can be emailed to AUI Customer Care (customercare@apexutilities.ca).

7.7.3 Scheduling of DER transactions

After the DER is received, AUI will schedule the disconnect as part of its work plan based on daily de-energize maximum volumes for each AUI service location. There are reasons AUI may have to delay or cancel the disconnect request. Reasons for failure are stated in the NGSSC as well as the Retailer Distribution Service Rules and include, but are not limited to:

- The customer has rejected the request (where DER transaction stated customer request);
- The disconnect is found to affect more than the service it has been requested for;

- The Company is unable to access a turn off location;
- Customer data is found to be inaccurate; or
- Disconnecting the site may pose a safety risk.

A De-energize Completion (DEC) transaction is issued when the de-energize has been physically completed.

AUI may contact the Retailer in cases where the Company did not complete the physical disconnect (e.g. the Service Order has been cancelled), depending on the situation encountered.

In the event of a transaction failure, the Retailer will be notified the DER was unsuccessful by use of the De-energize Failure (DEF) transaction.

AUI may also turn off and may remove a meter for reasons including customer requested, fire or safety, The Retailer will be notified by AUI of the change in site status by the Site Metering Characteristics (SMC) transaction.

7.8 REQUEST OFF-CYCLE METER READ

NGSSC Transaction – ROR

AUI does not read meters for Site Customer or Retailer switches. It is the Retailer's responsibility to notify customers that estimating will occur unless one of the following occurs.

- The Retailer initiates a Request Off-Cycle Read (ROR) transaction
- The customer provides a meter reading to AUI on the day the meter was read.

It is the Retailer's responsibility to advise Customers to provide a customer meter reading to AUI on the day of switch or the Retailer may request an off cycle meter read using the Request Off-Cycle Read (ROR) transaction.

AUI reserves the right to assess a Special Meter Reading fee for Retailer requested ROR and other non-routine reads as set out in the Natural Gas Utility Service Rules. The fee applies to successful and unsuccessful attempts found to be the result of the customer's actions. It is the Retailer's responsibility to obtain agreement from the Customer for the fee, and the collection of the fee. The current fee can be found in the Special Charges Schedule of the AUI Natural Gas Utility Service Rules.

AUI has specific requirements for accepting a customer meter reading, including the customer reporting the meter reading on the day it is read. Details of all conditions for acceptance of customer meter readings are available by calling AUI's General Inquiry number, 1-866-222-2067.

Where the meter is inaccessible (e.g. inside building, behind locked gates) it is requested that the Retailer warm transfer the Customer to the AUI Customer Care Centre to make access arrangements. In lieu of a warm transfer, if the Retailer is only sending a ROR transaction, the Retailer must advise the customer to contact AUI the next business day.

7.9 DE-SELECT REQUEST (DE-ENROLMENT)

NGSSC Transaction – DSR

This transaction allows the Retailer to remove itself as the enrolled retailer, responsible to AUI for service at a specific site.

The Retailer is responsible for informing the customer of the de-select.

All notices to de-select a site shall specify the Retailer's reasons for seeking to de-enrol the site. This information is important to avoid adversely affecting customers of any Retailer.

The NGSSC allows for coding of the following reasons for de-selecting a customer:

- Customer Moving Out;
- Retailer Drops Customer; or
- Erroneous Enrolment.

AUI will accept de-enrolment requests that are future dated and will process the DSR on the 5th calendar day following receipt of such notice. Requested de-select dates shorter than this range will be converted to 5 days.

Upon receipt of the DSR, unless an alternate Retailer attempts to enrol the site, AUI will attempt to enrol the site as of the effective date. If the de-selecting Retailer has chosen the de-select reason of "Retailer Drops Customer," the Retailer will provide the customer information using the UCI transaction with the DSR to AUI.

Note: The effective date of a future dated DSR is the first day AUI, as the Default Supply Provider, will attempt to enrol.

7.10 REVOKE DE-SELECT REQUEST

NGSSC Transaction – RDS

This transaction permits a retailer to revoke a De-Select Request (DSR) that was previously submitted as long as notification is received before 2 business days prior to the scheduled switch date. Notification is via VLTrader™ as per the NGSSC.

AUI will respond to a RDS transaction with a Revoke De-select Notification (RDN) as per NGSSC.

7.11 REVOKE DE-ENERGIZE REQUEST

NGSSC Transaction –RDR

A Retailer may wish to cancel a request for de-energizing a site. It is strongly recommended this occur with the Retailer calling the AUI Customer Care Centre followed by a Revoke De-energize Request (RDR) due to timing. The RDR transaction may not be processed until the next business day, during which time AUI may have already turned off the service.

Upon receipt of the Retailer's revoke, AUI will determine the status of the service and cancel the original request if service has not been turned off.

The Retailer is responsible for informing the Customer. AUI reserves the right to assess a charge to the Retailer for costs AUI has incurred if it has already sent a serviceman to the site to undertake the work based on the original DER transaction.

AUI will advise the Retailer that a RDR was not completed using the De-energize Failure (DEF) transaction.

NOTE: AUI will not accept a revoke request from a Retailer who has not yet enrolled the site for the purpose of preventing the enrolled Retailer's DER.

7.12 UPDATE SITE ADDRESS

Non Standard Transaction – USA

This transaction notifies the Retailer when a site's service address has changed. Notification is provided via VLTrader™ as per the transaction format shown in the NGSSC.

7.13 SITE CYCLE CHANGES

AUI publishes pending site cycle changes in the SCF (Site Cycle Catalogue) transaction only. Upon the expiration of the 20 day notice period, sites will begin to bill on their next scheduled cycle.

7.14 SITE IDS

The Site ID is a unique 13-digit identification number for every delivery point served by AUI. The primary use of the Site ID is for Retailers to enrol sites. AUI will provide assistance to Customers in order to find Site IDs if the Retailer cannot locate a Site ID within the posted address book.

It is expected that Retailers have undertaken their own validation of information before submitting their SRR transaction including confirming Site ID to the service address to ensure enrolment accuracy.

Site IDs are available from the following two AUI sources:

1. Site ID List (Site ID Address Book)

This file includes a list of all sites within AUI's service territory and is available for download on the AUI website at www.apexutilities.ca. The sites are listed in a CSV (Comma Separated Value) file with standard content as specified by the NGSSC. Only the Site ID number and service address (street and legal address) are provided. To protect customer's privacy, the file does not include customer names or site data. The file is updated daily. Retailers/DSP must use their own software to sort and query the CSV file

2. AUI Customer Care Centre

Site IDs for new services are available to customers by calling the AUI Customer Care Centre at 1-866-222-2067 or emailing customercare@apexutilities.ca.

7.15 METER ACCURACY DISPUTE

This event covers circumstances including a high bill complaint.

In its normal course of business, AUI is prepared to address Customer and Retailer inquiries regarding the accuracy of meter readings and calculation of usage from those readings.

AUI's focus is on the most recently billed meter reading and usage. Generally, this includes suggesting the Customer provide a customer meter reading to validate the most recently billed usage. If the meter reading used for billing appears accurate, AUI will discuss usage history under the name of the current site customer, comparing the same customer's historical usage.

AUI does not have Meter Proving Facilities to validate meter technical specifications where the Customer believes too much natural gas is being billed. This is a service that AUI requires external parties to provide.

Should the Customer disagree with the AUI assessment that the measured usage is accurate, despite attempts to address the customer's concern, AUI will offer information regarding the meter dispute process. The Customer will have to initiate the dispute with Measurement Canada. There is a fee that will appear on the next bill to the Retailer for meter disputes, which is refunded if the meter is found to be out of tolerance. It is the Retailer's responsibility to collect this fee from the Customer.

The current meter dispute explanation as well as fee is found in the Special Charges Schedule of the AUI Natural Gas Utility Service Rules document. If the meter dispute process determines the meter is out of tolerance, AUI will adjust the Retailer's bill accordingly.

7.16 REQUEST SETTLEMENT DATA

AUI provides profiling and settlement information in accordance with the specifications outlined in the NGSSC.

To request additional settlement data, the Retailer shall provide a written request to the AUI Gas Settlement team, outlining the purpose for the additional settlement information. The AUI Gas Settlement team can be reached by email at gas.settlement@apexutilities.ca

AUI requires the reasons for the data request so it can quickly and efficiently respond to the needs of the Retailer. After the request is made, AUI will provide a written proposal of the type of work, time of delivery and charges necessary to provide the additional settlement information.

All settlement information will be provided electronically to the Retailer.

7.17 REQUEST DATA REVISIONS

The Retailer may request for a report of all changes or the most current data for a specific site. To do so, the Retailer shall provide a written request to the AUI Gas Settlement team at gas.settlement@apexutilities.ca.

After the request is made, AUI will provide a written proposal of the type of work, time of delivery, and charges necessary to provide the revised data.

7.18 REQUEST USAGE HISTORY FROM COMPANY

Rule 010 Transactions - RFU & HUF

AUI will provide usage history to Retailers under the conditions stated in its Retailer Distribution Service Rules.

Retailers are responsible for obtaining the correct authorization from the Customers for the period of time.

Retailers have two options regarding usage history:

Request For Usage (RFU) transaction

AUI is compliant with providing historical natural gas consumption as specified in Rule 10 found on the AUC's website at <https://media.www.auc.ab.ca/prd-wp-uploads/2022/01/Rule010.pdf>.

Please note, to use the RFU transaction:

- A signed Representation and Warrant Agreement from the Retailer must be provided to AUI; and
- The Retailer must use VLTrader™ to send/receive transactions.

In response to the RFU transaction, AUI will provide the Historical Usage File (HUF) transaction. See AUC Rule 010 for details www.auc.ab.ca.

Request for Billed Consumption

Historical usage history may be provided by AUI upon receipt of the signed Consent for Release of Customer Information (Consent Form), Appendix F.

Please note: The Consent Form must be signed by an individual already named to AUI as an AUI Customer Contact. In most cases, Retailers do not provide individual's names to AUI through a UCI transaction when the Site Customer is a company or organization. To protect the privacy of the Site Customer named by the Retailer, AUI may request a letter be provided, signed by a person in authority for the Site Customer, naming individuals who are to be added to the AUI account as the Customer Contact (this information is not shared with the Retailer).

To make requests for billed consumption where the Retailer or Agent is not going to use the RCU transaction, submit the Consent for Release of Customer Information to AUI using one of the following:

- Email: regulatory@apexutilities.ca
- Fax: 780-986-5220

If a Customer Contact is to be added to the AUI account first, please contact the AUI Customer Care at 1-866-222-2067.

Up to the most recent 425 days of billed consumption for the site customer will be provided at no additional cost. If additional historical periods are required, payment of the current cost recovery fee will be required. The cost recovery fee will also apply if a Retailer requires historical usage for a site more than once (e.g. the Retailer has already received a HUF from the first RFU and requires the HUF again).

CHAPTER 8 PRUDENTIAL REQUIREMENT POLICIES

8.1 SETTING OF PRUDENTIAL REQUIREMENTS

The Retailer must fulfill the requirements set forth in this chapter to the satisfaction of AUI before AUI will provide gas distribution service to the Retailer.

- (1) Subject to review and reassessment of the prudential requirements of the Retailer by AUI, from time to time, the Retailer is required to meet and maintain such financial and other prudential requirements as set out in the *Natural Gas Billing Regulation, A.R. 185/2003*, to ensure the Retailer is, and remains, of sufficient financial standing to meet its ongoing financial obligations.
- (2) AUI will confirm the credit rating of the Retailer, affiliate or person guaranteeing the financial obligation of the Retailer. The credit rating will mean the bond rating according to Standard and Poor's Bond Rating Service or an equivalent bond rating from Dominion Bond Rating Service or Moody's Investors Service.

The minimum credit rating qualifying a Retailer for a reduction in security or allowing a person to provide an irrevocable guarantee of the Retailer's financial obligation is BBB-, as set out in section 6(3) of the *Natural Gas Billing Regulation A.R 185/2003*, as amended from time to time.

If the Retailer has obtained more than one credit rating, the lowest credit rating will be used in the assessment.

- (3) Subject to review and reassessment, AUI will determine the amount of the security reduction available for each Retailer, and the maximum amount of any guarantee required from the person guaranteeing the financial obligations of the Retailer, subject to sections 5, 6 and 7 of the *Natural Gas Billing Regulation, A.R. 185/2003*, as amended from time to time. AUI will notify the Retailer of its security requirement within 20 (twenty) Business Days from the receipt of the Retailer's complete application for service.
- (4) For purposes of calculating the amount of the Retailer's security deposit pursuant to section 5(2) of the *Natural Gas Billing Regulation, A.R. 185/2003*, the Retailer must project its payments under AUI's Rate Schedule over a period equal to the

lesser of (A) 75 days, or (B) the total of (i) 20 days, plus (ii) the number of days between consecutive bills issued by AUI to the Retailer, plus (iii) the number of days from the issuance of a bill by AUI until payment is due from the Retailer.

- (5) For the purposes of calculating the amount of the Retailer's security deposit required, the Retailer will add an additional 20 days of projected payments (the Load Balancing Security) under AUI's Rate Schedule to the amount of security deposit required under the *Natural Gas Billing Regulation A.R. 185/2003*, as amended from time to time as identified in part (4) above, which will serve as separate security in respect of any Imbalance Sales AUI may be required to charge the Retailer in order to balance Retailer's Account.
- (6) Subject to section 6 of the *Natural Gas Billing Regulation, A.R., 185/2003*, as amended from time to time, the Retailer will provide security in the manner set out in the Retailer Handbook, in the form of a financial deposit, a bond, an irrevocable letter of credit from a financial institution acceptable to AUI, or an irrevocable guarantee. An irrevocable guarantee may only be provided from a person(s) acceptable to AUI, other than the Retailer, with a qualifying credit rating.

8.2 MAINTAINING PRUDENTIAL REQUIREMENTS

- (1) If the Retailer's actual outstanding charges under AUI's Rate Schedule are materially greater than the value projected by the Retailer, AUI will update the projection and, if additional security is required based on the updated projection, require the Retailer to provide additional security within five (5) Business Days of AUI's request.
- (2) AUI requires Retailers to report any downgrading of their corporate bond rating to AUI within two (2) Business Days of said rating revisions and must provide any additional security required as a result of the downgrading within five (5) Business Days of the downgrading.
- (3) Subject to Article 7 of AUI's Retailer Distribution Service Rules, if the Retailer fails to pay any amount billed AUI will apply all or any portion of the Retailer's security

deposit to the unpaid amount. The Retailer will then be required to replenish the security deposit within five (5) Business Days.

- (4) Subject to Articles 7 and 11 of AUI's Retailer Distribution Service Rules, if the Retailer fails to pay any amount billed or fails to present additional security as outlined herein, AUI reserves the right to suspend the provision of additional Gas Distribution Service to the Retailer or discontinue Gas Distribution Service entirely to the Retailer. AUI will provide the Retailer notice of discontinuance three (3) Business Days before AUI discontinues Gas Distribution Service to the Retailer.

Upon discontinuance of Gas Distribution Service to the Retailer pursuant to this Chapter or Article 11 of the AUI Retailer Distribution Service Rules, AUI will assume the provision of the affected service AUI is reasonably capable of providing.

- (5) A Retailer required to provide security in accordance with the *Natural Gas Billing Regulation, A.R. 185/2003* and AUI's Retailer Distribution Service Rules must maintain that amount of security until all obligations of the Retailer under AUI's Gas Distribution Tariff are satisfied. A Retailer providing security, other than by means of a financial deposit held by AUI, must either ensure its security has no expiry date and cannot be terminated or must, at all times, ensure its security is automatically extended from year to year for successive periods of a minimum of one year from any expiration date thereof, unless AUI is notified in writing by prepaid registered mail not less than thirty (30) Days prior to any expiration date, the security will not be renewed for any such additional period (Notice of Non-Renewal).
- (6) Upon receipt of a Notice of Non-Renewal, AUI will provide notice of same in writing to the Retailer advising the Retailer's failure to provide AUI with alternate security meeting the requirements set out in the *Natural Gas Billing Regulation, A.R. 185/2003* within three (3) Business Days after the date of the notice will constitute a breach of the Retailer's obligation to maintain its security in accordance with section 8 of the *Natural Gas Billing Regulation, A.R. 185/2003* and an event of default under Article 14 of AUI's Retailer Distribution Service Rules. If, after three (3) Business Days, AUI is not in receipt of such alternate security, the full amount

of the Retailer's security determined in accordance with this Chapter or Article 11 of AUI's Retailer Distribution Service Rules will become due and payable to AUI and AUI will be entitled to make demand or claim against the Retailer's security in accordance with Article 14.3 of AUI's Retailer Distribution Service Rules.

- (7) In the event of a default by the Retailer, AUI is entitled to recover, as part of the Gas Distribution Tariff, any costs not covered by a claim against the Retailer's security under section 9 of the *Natural Gas Billing Regulation A.R. 185/2003*, as amended from time to time.

8.3 CONFIDENTIALITY

All information provided by the Retailer in relation to its financial standing and designated by the Retailer as confidential will be treated as such.

Notwithstanding the preceding paragraph, pursuant to section 10(3) of the *Code of Conduct Regulation*, a receiving party may disclose confidential information to any governmental, judicial, or regulatory authority requiring such confidential information in the reasonable exercise of its duties.

8.4 COSTS

All costs associated with obtaining financial security and meeting prudential requirements under this Article are the responsibility of the Retailer.

8.5 INTEREST ON SECURITY DEPOSITS

Interest on each Retailer's cash security deposit held by AUI will be calculated at the rate specified, from time to time, in the *Residential Tenancies Act, R.S.A. 2000, c.R-17*. Interest will be credited to the Retailer annually.

CHAPTER 9 DISTRIBUTION BILLING AND PAYMENT

9.1 TARIFF BILLING FILE (TBF)

Tariff billing file production and publication details are described in the AUC Rule 004. AUI publishes one Tariff Bill File for each of 22 billing cycles. Billing cycles are linked to scheduled read cycles, therefore a Retailer having Customers with scheduled read cycles spanning all 22 billing cycles will receive 22 tariff bill files per month. In general, one billing cycle is processed each Business Day but in some cases two billing cycles will be processed in one Business Day.

After calculating all charges, AUI creates and publishes the TBF. The TBF is processed and, subsequently, made available to Retailers via VLTrader™. Retailers may validate the TBF and its contents. If there are no issues with the file, the Retailer can send AUI a Tariff Bill File Accept (TBA) transaction. A lapse of 24 hours from the TBF publication date or receipt of a TBA will trigger the creation of a paper invoice containing the total amount due, including GST. Payment by the Retailer is due 21 Business Days from the invoice date.

If the TBF fails one or more validations (see the TBC for further information), the Retailer may reject the file by sending AUI a Tariff Bill Reject (TBR) transaction. AUI will respond to the TBR with a Tariff Bill Reject Notification (TRN), either accepting or rejecting the TBR. If AUI accepts the TBR, the errors are corrected and the billing process starts over. If AUI rejects the TBR, the Retailer is notified of this decision and the billing process continues.

CHAPTER 10 LOAD SETTLEMENT

10.1 INTRODUCTION

The system used for performing load settlement is called the Load Profiling Settlement (LPS) system. LPS provides site level and aggregate consumption for Forecast, Backcast and Settlement transactions to Retailers. LPS also provides the data required to facilitate gas settlement via AUI's web portal interface, the Nomination, Imbalance and Settlement Information System or NISIS.

10.2 PROCESSES

AUI requires the capability of running three processes:

1. Forecast gas usage;
2. Backcast gas usage; and
3. Settlement.

10.3 FORECAST GAS USAGE

The daily forecast is the expected total Retailer consumption for a Gas Day. AUI's LPS forecasts usage by using one of two methods:

1. Like Day; or
2. Profile Estimation.

Both methods rely on forecast hourly weather as a key determinant in establishing the forecast and both methods are specific to distribution zone (AUI currently has only one distribution zone) and weather zone. The Profile Estimation method is also dependent on Profile Class for establishing a forecast.

10.3.1 Timing of Daily Forecasts

Three forecasts are produced for each Gas Day as follows:

1. F1: Every day, a forecast is produced and reviewed for the next Gas Day for each Retailer;
2. F2: Every day, a forecast is produced and reviewed for the current Gas Day for each Retailer; and

3. F3: Every day, an updated forecast is produced and reviewed for the current Gas Day for each Retailer.

Specific timelines are provided in Chapter 6.

10.3.2 Forecast Methods

Like Day Method

If historical weather data and actual gas usage data are available for a Site, LPS will first attempt to use the Like Day method for forecasting usage.

LPS will select and use the usage from a day in the Look-Back Period where, within an acceptable tolerance, the sum of Heating Degree Hours for a day in the Look-Back Period matches the sum of Heating Degree Hours for the forecast day. Day Types must also match.

Variable	Definition
Day Type	There are two Day Types: Business Day and Non-Business Day. A Non-Business Day is a Saturday, Sunday or a holiday as defined in the <i>Interpretation Act, R.S.A. 2000, c 1-8</i> , as amended from time to time and any legislative enactment in substitution or replacement of it. A Business Day is any day other than a Non-Business Day.
Heating Degree Hour (HDH)	For any given hour, the Heating Degree Hour value is calculated by subtracting the recorded or forecast temperature (in degrees Celsius) from 15°C. For example, if the forecast temperature at 08:00 MST is -12°C, the Heating Degree Hour value for that hour is 27 (15 – (-12) = 27). If the difference is negative, it is given a value of zero (0).
Look-Back Period	The Look-Back Period is normally one year prior to the day forecast +/- 14 days. In total, the look-back period is a span of 29 days.

Profile Estimation Method

If the Like Day method cannot be used, LPS will forecast using the Profile Estimation method.

Using the Profile Estimation method, based on the Site's Profile Class, LPS first forecasts the usage for a typical Site of that Profile Class using the Profile-specific Base Load and Heat Load, and the sum of Heating Degree Hours for all hours of the forecast Gas Day.

Variable	Definition
Heating Degree Hour	For any given hour, the Heating Degree Hour value is calculated by subtracting the recorded or forecast temperature (in degrees Celsius) from 15°C. For example, if the forecast temperature at 08:00 MST is -12°C, the Heating Degree Hour value for that hour is 27 (15 – (-12) = 27). If the difference is negative, it is given a value of zero (0).
Profile Base Load	The Profile Base Load is a typical daily usage value for Sites in the Profile Class, when there is no Profile Heat Load and/or no Heating Degree Hours. The Profile Base Load is stated in gigajoules per day (GJ/day).
Profile Heat Load	The Profile Heat Load is the typical relationship between Heating Degree Hours and weather-sensitive usage for Sites in the Profile Class. The Profile Heat Load is stated in gigajoules per Heating Degree Hour (GJ/HDH).

The forecast usage for a typical Site of a Profile Class is calculated as follows:

$$\text{Profile Class Site Daily Usage (GJ)} = \text{Profile Base Load} + (\text{Profile Heat Load} \times \text{sum of Heating Degree Hours for the forecast Gas Day})$$

This formula creates a forecast for a typical Site of a particular Profile Class, distribution zone and weather zone combination.

Scaling by applying the Site Usage Factor adjusts the Profile Class Site Daily Usage up or down to produce a Site-specific forecast.

Variable	Definition
Site Usage Factor	Every Site has its own Site Usage Factor. The Site Usage Factor, derived from historical usage, is an estimate reflecting a specific Site's annual consumption in relation to the typical Site's annual consumption of its Profile Class.

The scaling is performed as follows:

$$\text{Site-Specific Daily Usage (GJ)} = \text{Profile Class Site Daily Usage} \times \text{Site Usage Factor}$$

The total daily forecast for a Retailer is calculated by summing all of the Retailer's Site-specific forecasts.

In most cases, the main factor affecting forecast consumption will be the forecast temperature (Heating Degree Hours). However, a Site may be assigned to a Profile Class with a zero (0) Profile Heat Load if the Site's consumption is considered non-weather sensitive.

Hourly weather data is acquired from Schneider Electric (previously Telvent). AUI uses weather data from twelve (12) weather stations across Alberta, based on the location of the areas AUI serves. Each site is assigned to one of twelve zones based on its geographic location to ensure region-specific weather data is used in forecasting.

10.3.3 Backcast Methods

Every day, a Backcast (B1) is produced and reviewed for the previous Gas Day for each Retailer. The previous Gas Day is defined as the 24-hour period between 8:00 a.m. previous day to 7:59 am current day. The daily backcast provides an estimate of the actual Retailer usage for the previous Gas Day. LPS uses as much actual weather data as available to produce the backcast.

Specific timelines are provided in Chapter 6.

The Like Day and Profile Estimation Methods are also used for estimating a Backcast. The primary difference between Backcasts and Forecasts is the proportion of actual weather data incorporated into the calculations.

10.4 CONSUMPTION SETTLEMENT

LPS will produce monthly consumption settlements for each Retailer. The purpose of a settlement is determining the actual amount of gas consumed by each Site for each day in the Settlement Month. Settlement allocates each Site's DCM usage record to each Gas Day within the Settlement Month. Each Retailer's settlement amount is calculated by summing the daily settlement amounts for all of the Retailer's Sites for all days of the Settlement Month.

In accordance with AUC Rule 028, three settlements are run for each Settlement Month:

1. S1: Initial Settlement;
2. S2: Interim Settlement; and
3. S3: Final Settlement.

Specific timelines are detailed in AUC Rule 028.

10.4.1 Consumption Settlement

For each Site, based on a combination of Profile Class factors and actual weather data, LPS allocates DCM usage to each day in the period covered by the DCM. For settlement purposes, LPS references the daily allocated consumption for days specific to the Settlement Month.

10.4.2 LPS Output

LPS outputs daily Forecast, Backcast, and Settlement files to VLTrader™ for each Retailer. LPS also supplies AUI's web portal (NISIS) with forecast, backcast and settlement information. Retailers are able to view this information and use it to balance their accounts in NISIS.

The following transactions are sent to Retailers for the various types of settlement runs:

Transaction	Definition	Settlement Type
Wholesale Settlement Information (WSI)	Total settlement usage for each Gas Day, summarized by Retailer and Distribution Zone.	F1, F2, F3, B1, S1, S2 and S3
Wholesale Settlement Summary (WSS)	Total settlement usage for a month, summarized by Retailer and Distribution Zone.	S1, S2 and S3
Wholesale Settlement Details (WSD)	Settlement usage by Gas Day for each Site.	B1, S1, S2 and S3

Specific details with respect to these transactions are provided in AUC Rule 028.

APPENDIX A QUALIFICATION CHECKLIST

The following checklist provides information about the general process for establishing Retailer Gas Distribution Service.

1.	Retailer notifies Apex Utilities Inc. with a letter of intent to serve customers on AUI's Gas Distribution System and indicates a proposed date to begin service.
2.	AUI provides Retailer instructions to qualify for Gas Distribution Service, including prudential requirements.
3.	<p>Retailer provides AUI signed original copies of the following required documents:</p> <ul style="list-style-type: none"> ▪ Retailer Distribution Service Contract (see "Rules, Policies, Contract and Handbook" at www.apexutilities.ca) ▪ Appendix B: Retailer of Record and Corporate Information ▪ Appendix C: Electronic Funds Transfer Application ▪ Appendix D: Representation and Warrant Agreement ▪ A letter stating Retailer will comply with the Consumer Protection Act and the Alberta Utilities Commission Rule 028: Natural Gas Settlement System Code Rules <p>Other information relevant to the providing Gas Distribution Service to a Retailer may be required by AUI and will be communicated to the Retailer during the application process.</p>
4.	AUI notifies the Retailer it has received all applicable forms, agreements, and other information, or indicates any deficiencies.
5.	AUI confirms all prudential requirements are complete.
6.	Retailer provides the Retailer Account administrator's name and contact information.
7.	AUI creates Retailer Account in NISIS.
8.	AUI notifies Retailer of date enrolments can commence.

APPENDIX B RETAILER OF RECORD AND CORPORATE INFORMATION

A. CORPORATE INFORMATION	
1. Legal Business and Corporate Name:	
2. Business No.:	
3. Doing Business as (DBA) Name (if different than Legal Business and Corporate Name):	
4. Business Address:	
5. Mailing Address (if different than Business Address):	
6. Retailer Identification Numbers	
1)	4)
2)	5)
3)	6)
7. TransCanada Pipelines Mnemonic (this must be provided to AUI to allow set up in its billing systems):	
8. Chief Executive Officer:	9. Chief Financial Officer:
Name:	Name:
Phone No.:	Phone No.:
E-mail:	E-mail:
Fax:	Fax:
Is your company publicly traded? Yes / No (please circle one)	
Credit Rating Agency	Credit Rating
1)	1)
2)	2)

B. CONTACT INFORMATION	
1. Primary Contact - Prudential Requirements	2. Secondary Contact - Prudential Requirements
Name:	Name:
Mailing Address:	Mailing Address:
Phone No.:	Phone No.:
Email:	Email:
Fax No.:	Fax No.:
3. Primary Contact – Retail Contracts	4. Secondary Contact – Retail Contracts
Name:	Name:
Mailing Address:	Mailing Address:
Phone No.:	Phone No.:
Email:	Email:
Fax No.:	Fax No.:
5. Primary Contact – Accounts Payable	6. Secondary Contact – Accounts Payable
Name:	Name:
Mailing Address:	Mailing Address:
Phone No.:	Phone No.:
Email:	Email:
Fax No.:	Fax No.:

7. Primary Contact - Data Exchange	8. Secondary Contact - Data Exchange
Name:	Name:
Mailing Address:	Mailing Address:
Phone No.:	Phone No.:
Email:	Email:
Fax No.:	Fax No.:
9. Primary Contact - Testing Matters	10. Secondary Contact - Testing Matters
Name:	Name:
Mailing Address:	Mailing Address:
Phone No.:	Phone No.:
Email:	Email:
Fax No.:	Fax No.:

C. RETAIL PROCESS RESPONSIBILITIES

Please indicate, using a check mark in the appropriate column, whether the Retailer or an agent/third party will be responsible for the processes identified in the table below:

	Retailer*	Agent/ Third Party*
1) Settlement		
2) Nomination Management		
3) Billing		
4) Other (please specify)		

*Please provide detailed contact information in the appropriate sections below.

Note: If a third party is responsible for any of the retail processes identified, an agency letter or agreement must be provided to AUI stating what duties each third party is authorized to carry out on behalf of the Retailer, and the retailer ID(s) they will be transacting on behalf of.

Settlement	
1. Primary Contact - Settlement	2. Secondary Contact - Settlement
Name/Company:	Name/Company:
Mailing Address:	Mailing Address:
Phone No.:	Phone No.:
Email:	Email:
Fax No.:	Fax No.:
Nomination Management	
3. Primary Contact – Nomination Management	4. Secondary Contact – Nomination Management
Name/Company:	Name/Company:
Mailing Address:	Mailing Address:
Phone No.:	Phone No.:
Email:	Email:
Fax No.:	Fax No.:
Billing	
5. Primary Contact - Billing	6. Secondary Contact - Billing
Name/Company:	Name/Company:
Mailing Address:	Mailing Address:
Phone No.:	Phone No.:
Email:	Email:
Fax No.:	Fax No.:

APPENDIX C ELECTRONIC FUNDS TRANSFER APPLICATION

In progress

APPENDIX D REPRESENTATION AND WARRANT AGREEMENT

Retailer Representation and Warrant Agreement

In consideration of AUI entering into a Retailer Distribution Service Contract (Service Contract) with _____ (the Retailer), the sufficiency of such consideration being hereby acknowledged, the Retailer represents and warrants to Apex Utilities Inc. (AUI) the following:

- a) The Retailer is a party to a Service Contract with AUI and is bound by the obligations and liabilities under the Service Contract and AUI's terms and conditions of service;
- b) The Retailer has obtained, from each Customer related to the requested historic Customer Usage Information, all consents required under all applicable laws for AUI to disclose to the Retailer and for the Retailer to receive from AUI such historic Customer Usage Information;
- c) Where the Retailer is required to obtain consent, such consent must be in a verifiable form. The consent may be in written hard copy or electronic form or oral, so long as there is a verifiable record of the fact consent was given. The Retailer will retain records of all consents in a form verifying proof of consent in accordance with applicable laws and will produce those records on request by AUI, the Market Surveillance Administrator or any authorized government agency;
- d) The Retailer will maintain the confidentiality of, and will not use or otherwise disclose, the requested historic Customer Usage Information, except in accordance with all applicable laws; and
- e) The Retailer will indemnify and save harmless AUI, its directors, officers, agents, employees and representatives (collectively the "Distribution Company Parties") from and against all claims, demands, proceedings, losses, damages, liabilities, costs and expenses (including all legal costs on a solicitor and client basis and other professional fees and disbursements, interest, penalties and amounts paid in settlement) suffered or incurred by the Distribution Company Parties, or any of them, or which may be brought against or suffered by the Distribution Company Parties, or any of them, or which the Distribution Company Parties, or any of them, may sustain, pay or incur as a result of, or arising directly or indirectly out of or in connection with, any breach by the Retailer of, or any inaccuracy with respect to, any of these representations or warranties of the Retailer, except to the extent such breach or inaccuracy was a result of, or arose directly or indirectly out of or in connection with, any negligence or wilful misconduct of AUI.

In addition to the foregoing, the Retailer acknowledges and agrees:

- a) AUI makes no representation or warrant to the Retailer regarding the accuracy of any historic Customer Usage Information provided to the Retailer; and
- b) Each time the Retailer requests AUI to disclose to the Retailer historic Customer Usage Information, AUI is relying on the representation and warrant set forth in this Agreement in disclosing the requested historic Customer Usage Information to the Retailer.

Retailer's address for notice:

AUI's address for notice:

Retailer:	
Retailer Address:	
Attention:	
Facsimile: ()	
Retailer ID(s):	

Apex Utilities Inc.
5509-45 Street Leduc, AB T9E 6T6
Attention: Regulatory & Legal Affairs
Facsimile: (780) 986-5220

IN WITNESS WHEREOF the Parties have executed this Agreement as of the _____ day of _____, 20_____.

[RETAILER]

APEX UTILITIES INC.

Per: _____

Per: _____

Name: _____

Name: _____

Title: _____

Title: _____

APPENDIX E CONSENT FOR RELEASE OF CUSTOMER INFORMATION

“**Customer Information**” means information not available to the public, uniquely associated with a Customer that could be used to identify a Customer or is provided by a Customer to Apex Utilities Inc. (AUI).

This form must be fully completed before AUI is permitted to release your Customer Information to individuals or companies you authorize, such as a retailer or energy consultant.

Section 1 - Apex Utilities Inc. Customer Information		
Site ID(s)/Premise(s): 00070		
Customer Name:		
Operating as <i>(if different from above)</i> <i>(For business and commercial accounts only.)</i>		
Service Address:		
Phone:	Cell:	Fax:
Email:	Alternate Email:	
Section 2 – Content of Customer Information to be Released		
AUI is authorized to disclose my most recent 12 months of billed consumption history for the site(s) shown in Section 1 of this document, as well as any other Customer Information indicated below.		
Other <i>(please specify)</i> :		
Section 3 – Authorized Recipient of Customer Information		
AUI may disclose and release the Customer Information listed in Section 2 to the following parties:		
Retailer Name <i>(please specify)</i> :	Retailer ID#:	
Energy Management Company <i>(please specify)</i> :		
Other <i>(please specify)</i> :		
Section 4 – Customer Information Release Form Validity		
The signed Consent for Release of Customer Information expires one year from the date received by AUI, unless otherwise specified below.		
<input type="checkbox"/> Other, please specify a final date:		
AUI will only provide your information to the authorized recipient(s) specified in Section 3.		
Section 5 – Customer Authorization		
For the time period this form is valid, the Customer agrees and consents to the disclosure and release of Customer Information to the parties identified in Section 3 and under the conditions set out above.		
Customer Name (please print)	Customer Signature	
Title (if business account)	Date	

Please email completed form to regulatory@apexutilities.ca or fax to 780-986-5220.