

CONDITIONS OF SERVICE

APPENDIX C1

Connection Agreement for Load Customers

CONNECTION AGREEMENT

This Connection Agreement is made this ____ day of _____, 200_,

BETWEEN

HORIZON UTILITIES CORPORATION, a corporation incorporated pursuant to the laws of the Province of Ontario and licensed by the Ontario Energy Board, (hereinafter referred to as "Horizon Utilities")

-and-

[•], a [corporation incorporated] pursuant to the laws of [•] and having an office at [•], (hereinafter the "Customer")

From time to time, Horizon Utilities and the Customer shall be individually referred to in this Agreement as a "Party" and collectively as "Parties".

RECITALS:

WHEREAS Horizon Utilities is the owner of the distribution system serving the service area;

AND WHEREAS the Customer has a facility (the "Facility") that is located in Horizon Utilities' licensed service area;

AND WHEREAS the Customer has connected or wishes to connect its Facility to Distribution System and Horizon Utilities has connected or has agreed to connect the Facility to Distribution System;

AND WHEREAS in accordance with its Licence and the Code, Horizon Utilities has agreed to offer, and the Customer has agreed to accept, distribution service in relation to the Facility;

NOW THEREFORE in consideration of the mutual covenants, terms and conditions contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby irrevocably acknowledged, the Parties hereto agree as follows:

1. Definitions

1.1. Words and phrases contained in this Agreement (whether capitalized or not) that are not defined in this Agreement have the meanings given to them in the Electricity Act, the OEB Act, any regulations made under either of those Acts, or the Code.

1.2. Throughout this Agreement, unless there is something in the subject matter or context inconsistent therewith, the following words shall have the following meanings:

"Agreement" means this Connection Agreement together with all Schedules attached hereto as it may be amended, restated or replaced from time to time;

"Acceptable" or **"Unacceptable"** means acceptable or unacceptable to Horizon Utilities;

"Actual Cost" means Horizon Utilities' charge for equipment, labour and materials at Horizon Utilities' standard rates plus Horizon Utilities' standard overheads and interest thereon;

"Affiliate" has the meaning ascribed thereto in the *Business Corporations Act* (Ontario);

“**Agent**” means a Qualified person duly authorized by a Customer, to perform specific limited operations for the Controlling Authority;

“**Apparent Power**” means the total power, measured in kilovolt Amperes (kVA);

“**Applicable Laws**” means any and all applicable laws, including environmental laws, statutes, codes, licensing requirements, treaties, directives, rules, regulations, protocols, policies, by-laws, orders, injunctions, rulings, awards, judgments, or decree or any requirements or decision or agreement with or by any governmental or governmental department, commission, board, court authority or agency;

“**ANSI**” means American National Standards Institute;

“**Business Day**” means any day, excluding Saturday, Sunday, and any other day that is either a legal holiday or a day on which banking institutions are authorized or required by law or other governmental action to be closed, or a day designated by Horizon Utilities.

“**Code**” means the Distribution System Code revised on June 27, 2007 and as amended and approved by the OEB from time to time.

“**Conditions of Service**” means the document as developed by Horizon Utilities in accordance with Section 2.4 of the Code that describes Horizon Utilities’ operating practices and connection rules, as amended;

“**Connection Assets**” means that portion of the Distribution System used to connect the Customer to the existing main Distribution System, and consists of the assets between the point of connection on the main Distribution System and the ownership Demarcation Point with that Customer;

“**Controlling Authority**” means a person or officer responsible for performing, directing, or authorizing changes in the conditions or physical position of specific apparatus or devices;

“**CSA**” means Canadian Standards Association;

“**Cure Period**” has the meaning described in Schedule C of this Agreement;

“**Customer**” means the person specified in the Recitals;

“**Customer Equipment**” means all electrical and mechanical equipment used by the Customer and does not include any Connection Assets;

“**De-energized**” is a state in which the stored potential energy of an isolated piece of equipment has been discharged which in electrical apparatus, electrical energy is typically discharged through a connection to an effective ground potential;

“**Default Notice**” means a notice concerning an Event of Default delivered in accordance with the procedures set out in Section 19 of this Agreement from one Party to the other;

“**Defaulting Party**” means the Party who has committed an Event of Default under this Agreement;

“**Demarcation Points**” means the physical locations at which Horizon Utilities’ responsibility for operational control and ownership of distribution equipment including Connection Assets ends and the Customer’s operational control and ownership begins;

“**Distribution Services**” means services related to the distribution of electricity and the services the Ontario Energy Board has required distributors to carry out;

“**Distribution System**” means the Distributor’s system for distributing electricity, and includes any structures, equipment or other things used for that purpose.

“**Electricity Act**” means the *Electricity Act*, S.O. 1998, c.15, Schedule A, as amended;

“**ESA**” means the Electrical Safety Authority;

“**Electricity System**” means the integrated power system and all facilities connected to that system;

“**Embedded Load**” means a Load Customer who is connected to the Distribution System;

“**Embedded Market Participant**” means a Customer who is registered as a Wholesale Market Participant with the Independent Electricity System Operator (IESO) and whose facility is not directly connected to IESO-controlled grid but is connected to Horizon Utilities’ distribution system.

“**Emergency**” means any abnormal system condition that requires remedial action to prevent or limit loss of Horizon Utilities’ distribution system or supply of electricity that could adversely affect the reliability of the electricity system;

“**Event of Default**” means either a Financial Default or a Non-financial Default but does not include any default caused by, arising out of, or in any way connected to, an Emergency;

“**Financial Default**” means failure by either Party to pay any amount when due under this Agreement, including without limitation, failure to pay compensation or indemnification for loss or damage agreed to by the Parties;

“**Forced Outage**” means the automatic or manual limitation of service by a Party’s Controlling Authority, owing to de-rating or limitation of equipment, or the unavailability of equipment as a result of actual or potential failure of that equipment or equipment related to it;

“**Good Utility Practice**” means any of the practices, methods and acts engaged in or approved by a significant portion of the electrical utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgement in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to optimum practice, method or act to the exclusion of all others, but rather to include all practices, methods or acts generally accepted in the industry.

“**IEEE**” means the Institute of Electrical and Electronic Engineers;

“**IESO**” means the Independent Electricity System Operator established under the Electricity Act;

“**IESO-controlled Grid**” means the transmission systems with respect to which, pursuant to agreements, the Independent Electricity System Operator has authority to direct operations;

“**Insolvency Event**” means, with respect to the Customer, the occurrence of any one of the following;

- i) the winding up, dissolution, liquidation or bankruptcy of the Customer, except as part of a bona fide corporate reorganization, unless its existence is immediately reinstated

- or a resolution to that effect is passed, or it makes a general assignment for the benefit of its creditors or a proposal under the *Bankruptcy and Insolvency Act* (Canada), as amended or re-enacted from time to time, or is adjudged bankrupt or insolvent; or if it proposes a compromise or an arrangement under the *Companies' Creditors Arrangement Act*, (Canada), as amended or re-enacted from time to time, or files any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation or similar relief for itself under any present or future law relating to bankruptcy, insolvency or other relief for or against debtors generally; or
- ii) A court of competent jurisdiction enters an order, judgment or decree against the Customer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, winding up, termination of existence, declaration of bankruptcy or insolvency or similar relief under any present or future law relating to bankruptcy, insolvency or other relief for or against debtors generally, and such order, judgment or decree remains unvacated and unstayed for sixty (60) days (whether or not consecutive) from the day of entry; or
 - iii) if any trustee in bankruptcy, receiver, receiver and manager, liquidator or any other officer with similar powers is appointed for the Customer with its consent or acquiescence and that appointment remains unvacated and unstayed for sixty (60) days (whether or not consecutive); or
 - iv) the Customer becomes insolvent.

“Isolated” means the state in which a piece of equipment has been disconnected from any source of dynamic energy, typically, by means of devices such as electrical switches;

“Licence” means the licence issued by the OEB under Part V of the OEB Act;

“Load Customer” means a Customer that is an Embedded Market Participant or a customer that Horizon Utilities requires a connection agreement with as a condition of the Customer’s connection (but excluding Customers that have generation facilities);

“Load Shedding” means the deliberate disconnection of pre-selected Customers’ load from a power system (either manually or automatically) in response to an Emergency in order to maintain the integrity of the system and minimize overall Customer outages;

“Market Participant” means a person who is authorized by the Market Rules to participate in the IESO-administered markets or to cause or permit electricity to be conveyed into, through or out of the IESO-controlled grid;

“Market Rules” means the rules made under Section 32 of the Electricity Act.

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

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

“Meter Service Provider “ or **“MSP”** means meter service provider registered and approved by the IESO;

“MV-90” means is a software system, marketed and produced by Itron, that is used to interrogate a wide variety of meters and recorders using telephone communication and modems to obtain both meter readings and meter interval data;

“**Non-defaulting Party**” means the Party that is not the Defaulting Party;

“**Non-financial Default**” means any breach of a term or condition of the Code or this Agreement other than a Financial Default unless the breach occurs as a direct result of an Emergency; a licensed Party’s ceasing to hold a Licence; or an Insolvency Event.

“**OEB**” means the Ontario Energy Board as constituted under the OEB Act;

“**OEB Act**” means the *Ontario Energy Board Act*, S.O. 1998 c.15, Schedule B, as amended

“**OESC**” means the Ontario Electrical Safety Code adopted by O. Reg. 164/99 as the Electrical Safety Code, as amended;

“**Planned Outage**” means an outage that results when a component is deliberately taken out of service at a pre-selected time, usually for the purpose of construction, preventive maintenance or repair;

“**Power Factor**” means the ratio of Real Power and Apparent Power, and will be a value between 0 and 1 (i.e. kW/kVA)

“**Prompt**” or “**Promptly**” means performed in an expeditious manner and without undue delay, using due diligence, and with the intent of completing a required act or task as quickly as practicable;

“**Qualified**” means assessed by a Party as satisfactory in personal competency, familiarity with and knowledge of all applicable rules, regulations, guidelines, policies, codes, procedures, apparatus and equipment, and dangers of work and operation;

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

“**Real Power**” means the power component required to perform real work, and is measured in kilowatts (kW);

“**Retail Settlement Code**” means the Code issued by the Ontario Energy Board and in effect at the relevant time, which, among other things, establishes a distributor’s obligations and responsibilities associated with financial settlement among retailers and Customers, and provides for tracking and facilitating Customer transfer among competitive Retailers.

“**Rotational Load Shedding**” means a form of demand control whereby portions of load in an electrical area are sequentially interrupted and restored, commonly on a 30-minute rotation;

“**SCADA**” means system control and data acquisition, used to monitor and control the Distribution System;

“**Settlement Hour**” means a period of one hour that corresponds to a particular dispatch hour for which metering data determined in accordance with Chapter 6 of the Market Rules and physical market prices for services calculated pursuant to Chapter 7 of the Market Rules are to be used to calculate the settlement debits and credits of Market Participants;

“**SSS**” means the standard supply service approved by the OEB and in effect at the relevant time, which, among other things, establishes the minimum conditions that a distributor is required to meet in carrying out its obligations to sell electricity under Section 29 of the Electricity Act;

“**Supporting Guarantee**” means a guarantee issued in support of a Work Protection guaranteeing isolation/de-energizing at switches, or other devices, under the operating control of the issuer;

“**Under Frequency Load Shedding**” means automatic Load Shedding by a protective relay, when frequency declines to preset levels on a time curve;

“**VEE**” means the process used to validate, estimate and edit raw metering data to produce final metering data or to replicate missing metering data for settlement purposes;

“**Wholesale Metering**” means metering that complies with Chapter 6 of the Market Rules;

“**Work Protection**” means the provision of a safe environment for work. A guarantee that an Isolated, or Isolated and De-energized condition has been established for work and will continue to exist, except for approved tests.

“**Wye**” means the electrical configuration that supports a system neutral.

2. Connection and Payment

- 2.1. Subject to the terms and conditions set out in this Agreement:
 - i) Horizon Utilities has agreed to offer and the Customer has agreed to accept Distribution Services;
 - ii) the Customer is granted the right to connect the Facility to Horizon Utilities Distribution System.
- 2.2. The Customer agrees to:
 - i) pay for all Distribution Services provided by Horizon Utilities in relation to the Facility in accordance with the relevant Schedule of Rates and Charges approved by the OEB from time to time;
 - ii) make payment in accordance with the procedures set out in Schedule B of the Capital Cost Recovery Agreement;
 - iii) pay Horizon Utilities any other rates and charges required under this Agreement or Applicable Laws.

3. Incorporation of the Code and Application of Conditions of Service

- 3.1. The Code is hereby incorporated in its entirety by reference into, and forms part of this Agreement. Unless the context otherwise requires, all references to this Agreement” include a reference to the Code.
- 3.2. The Parties hereto hereby agree to be bound by, and to act at all times in accordance with the Code.
- 3.3. In addition to this Agreement, the relationship between Horizon Utilities and the Customer shall be governed by the Conditions of Service. In the event of a conflict or inconsistency between a provision of this Agreement and the Conditions of Service, the provision of this Agreement shall govern.

4. Confidentiality of Information

- 4.1. For the purposes of this Agreement, "Confidential Information" means:
- i) all information disclosed by a Party (the "Disclosing Party") to the other Party (the "Receiving Party") under this Agreement that is marked "Confidential" or "Proprietary";
 - ii) all information described in Section 4.5 herein; and
 - iii) all interpretative reports or other data generated by a Party that are based in whole or in part on information that is Confidential Information.
- 4.2. Except as otherwise provided herein, the Receiving Party shall maintain the Confidential Information received from the Disclosing Party in strict confidence and, subject to Section 4.3, shall not publish, reproduce for itself or others, disseminate or disclose or assist in publishing, reproducing, disseminating or disclosing the said Confidential Information to any third party and shall not use the said Confidential Information for any purpose other than for purposes of this Agreement, without the prior written consent of the Disclosing Party.
- 4.3. The Receiving Party is permitted to disclose the Confidential Information only to its directors, officers, employees, consultants, Agents or professional advisors (the "Representatives") having a need to know same and who have undertaken a like obligation to maintain its confidentiality. The Receiving Party hereby specifically covenants and agrees that it shall ensure that its Representatives comply with and are bound by the terms and conditions of this Section. The Receiving Party further covenants and agrees that it shall defend, indemnify and hold harmless the Disclosing Party and its successors and assigns, its employees, servants, Agents, contractors and subcontractors from and against all suits, actions, damages, claims and costs arising out of any breach of this Agreement by the Receiving Party or any of its Representatives.
- 4.4. The Parties agree that the following shall not be considered Confidential Information:
- i) information that is in the public domain;
 - ii) information previously known or lawfully in the possession of the Receiving Party prior to disclosure by the Disclosing Party;
 - iii) information independently known to or discovered by the Receiving Party, without any reference to the information provided by the Disclosing Party;
 - iv) information obtained by the Receiving Party from an arm's length third party having a bona fide right to disclose same and who was not otherwise under an obligation of confidence to the Disclosing Party or its Representatives;
 - v) information which becomes public knowledge through no fault or omission of, or breach of this Agreement by, the Receiving Party or its Representatives; or
 - vi) information required to be disclosed pursuant to a final judicial or governmental order or other legal process, including, without limitation, an order of or legal process involving a regulatory authority such as the OEB.
- 4.5. The Parties acknowledge and agree that Confidential Information shall include:
- i) single line diagrams showing load connection information;
 - ii) equipment capacities and ratings;
 - iii) situations when equipment limits are being approached;
 - iv) changes in the configuration of each Party's facilities and equipment (either permanent or temporary) that may affect each Party's system security, load distribution, protective relay settings and other parameters;
 - v) details of defective equipment or hazardous conditions that may become known to one Controlling Authority but not to the other;
 - vi) the date and time at which the Customer Equipment was connected to or disconnected from the Distribution System;
 - vii) megawatt (MW) and megavar (MVar) readings;

- viii) automatic relay protection operation at the Customer's Facility impacting the Distribution System;
 - ix) substantial changes in power demand;
 - x) changes in operating setup and operating diagrams;
 - xi) planned changes to equipment in each Party's facilities affecting its operation;
 - xii) line and load data required for protective relay settings;
 - xiii) protective relay settings on equipment protection systems;
 - xiv) annual facility performance data required for reliability organization reporting;
 - xv) notification of planned shutdown of the Facility; and
 - xvi) information on scheduling of Customer maintenance outages.
- 4.6. Each Party shall be permitted to disclose Confidential Information:
- i) as may be necessary in an Emergency;
 - ii) to the extent required by Applicable Laws;
 - iii) where required in connection with legal proceedings, arbitration or any expert determination relating to the subject matter of the Code, this Agreement or for the purpose of advising a Party in relation thereto;
 - iv) to the extent required by a Party's Licence;
 - v) where required for technical studies, planning studies and impact assessments that affect the Distribution System and other customers connected to the Distribution System;
 - vi) to the extent required by the Market Rules or as may be required to enable Horizon Utilities to fulfill its obligation to any reliability organization.
- 4.7. If either Party becomes aware of any material change to any Confidential Information disclosed under this Agreement, the Party shall Promptly notify the other Party of the material change in writing.

5. Applicable Standards

- 5.1. The Customer shall ensure that any and all Customer Equipment connected to or to be connected to the Distribution System:
- i) meets requirements of the OESC;
 - ii) meets requirements of all Applicable Laws including, but not limited to, the *Occupational Health and Safety Act*;
 - iii) conforms to relevant industry standards including, but not limited to CSA, IEEE, ANSI, the International Electrotechnical Commission (IEC), Northeast Power Coordinating Council and North American Electric Reliability Council;
 - iv) conforms to Good Utility Practice.
- 5.2. The Customer shall comply with the minimum general performance standards for equipment connected to the Distribution System as set out in Schedule G. Horizon Utilities will provide the technical parameters to assist the Customer in ensuring that the design of Customer Equipment connected to the Distribution System shall coordinate with the Distribution System and be fully compliant with the Code and this Agreement.
- 5.3. Horizon Utilities and the Customer shall fully cooperate to ensure that modeling data required by the Code and this Agreement for the planning, design and operations of connections are complete and accurate. The Customer acknowledges that Horizon Utilities has the right to conduct, at the Customer's cost tests of the modeling data where Horizon has reasonable grounds to question the validity of such data. This includes, but is not limited to, the information specified in Schedule E, if applicable.

6. Compliance, Inspection, Testing and Monitoring

- 6.1. The Customer shall inspect, test and monitor the Customer Equipment connected to the Distribution System so as to ensure that it is in compliance with all Applicable Laws, the Conditions of Service, the Code and this Agreement.
- 6.2. When requested by Horizon Utilities, the Customer shall produce test certificates certifying that Customer Equipment has passed all relevant tests and complied with all Applicable Laws before installing and activating the Connection Assets.
- 6.3. The Customer shall provide Horizon Utilities with the Customer's proposed connection commissioning program and test procedures. Within thirty (30) Business Days of receiving the above documentation, Horizon Utilities will notify the Customer that it:
 - i) agrees with the proposed connection commissioning program and test procedures; or
 - ii) requires changes to the proposed connection commissioning program and test procedures in the interest of safety or maintaining the reliability of the Distribution System. Horizon Utilities agrees that any such request for changes shall be sent to the Customer Promptly. The Customer agrees to make the changes specified by Horizon Utilities.
- 6.4. Horizon Utilities may inspect Customer Equipment and witness the commissioning tests related to new or replacement equipment that could reasonably be expected to affect the performance of the Distribution System. The Customer shall pay Horizon Utilities all Actual Costs associated with witnessing such tests. The Customer shall submit proof to Horizon Utilities that the Customer Equipment has been inspected and approved by ESA prior to connection or start of commissioning (authorization to connect). Any future changes to the Customer Equipment are also required to be approved by ESA and proof thereof shall also be provided to Horizon Utilities. (Alternatively, the Customer may provide proof of an exemption from the ESA to Horizon Utilities).

7. Operating Standards and Reporting Protocol

- 7.1. The Customer shall operate and maintain all Customer Equipment connected to the Distribution System in accordance with all Applicable Laws, the Conditions of Service, the Code and this Agreement.
- 7.2. Horizon Utilities shall Promptly advise the Customer of any changes in the Distribution System that could materially affect the Distribution Services provided to the Customer.
- 7.3. The Customer shall Promptly advise Horizon Utilities of any changes in the Customer Equipment that could materially affect the performance of the Distribution System.
- 7.4. The Customer shall provide Prompt notice to Horizon Utilities in accordance with the Code or as agreed in Schedule D before disconnecting the Customer Equipment from the Distribution System.
- 7.5. Upon Horizon Utilities' request, the Customer shall Promptly provide a report to Horizon Utilities of any and all incidents involving the automatic operation of Customer Equipment protective relaying that could affect the Distribution System.
- 7.6. Upon the Customer's request, Horizon Utilities shall Promptly provide a report to the Customer of any and all incidents involving the automatic operation of Horizon Utilities protective relaying that could affect the Customer Equipment.

8. Disconnection

8.1. Voluntary Disconnection

- 8.1.1. The Customer may voluntarily and permanently disconnect its Customer Equipment from the Distribution System in accordance with procedures set out in the Code and this Agreement at any time during the term of this Agreement.
- 8.1.2. The Customer shall give Horizon Utilities prior written notice of its intention to permanently disconnect Customer Equipment from the Demarcation Point. Such notice shall be given at least ten (10) Business Days before the date when the Customer wishes to disconnect.
- 8.1.3. Before the Customer Equipment is permanently disconnected from the Distribution System, the Parties shall develop appropriate operating and decommissioning procedures for the Customer Equipment.
- 8.1.4. The Customer shall pay all reasonable costs that are directly attributable to the voluntary disconnection and decommissioning of the Customer Equipment including the costs of removal of any Connection Assets.
- 8.1.5. Horizon Utilities shall reconnect the Customer Equipment to the Distribution System following a voluntary disconnection when it is reasonably satisfied that all obligations in the Conditions of Service, the Code and this Agreement have been satisfied.

8.2. Involuntary Disconnection

- 8.2.1. Horizon Utilities may disconnect the Customer Equipment at any Demarcation Point from the Distribution System at any time throughout the term of this Agreement in any of the following circumstances:
 - i) in accordance with Subsection 40 (5) of the Electricity Act, Applicable Laws, its Licence, the Market Rules, or the provisions set out in the Code and this Agreement;
 - ii) in compliance with a decision by an arbitrator or court in accordance with the dispute resolution procedure set out in the Conditions of Service;
 - iii) during an Emergency;
 - iv) if Horizon Utilities determines, acting reasonably, that the Customer Equipment does not comply with the Conditions of Service, the Code or Applicable Laws;
 - v) if required by an order or direction from the IESO;
 - vi) if the Customer is a Defaulting Party;
 - vii) in accordance with the Conditions of Service; or
 - viii) upon termination of this Agreement.

8.3. Reconnection after Involuntary Disconnection

- 8.3.1. Horizon Utilities shall reconnect the Customer to the Distribution System following an involuntary disconnection due to an Emergency when it is reasonably satisfied that the cause of the involuntary disconnection has ceased or has been rectified, and provided that the Customer is in compliance with all other requirements and obligations contained in this Agreement.
- 8.3.2. Horizon Utilities will reconnect the Customer Equipment to the Distribution System following a non-Emergency disconnection when it is reasonably satisfied that the reason for the disconnection no longer exists; and

- i) the reason for the disconnection has been remedied to Horizon Utilities' satisfaction and any required inspections have been completed in accordance with OESC requirements; and
- ii) any remedies determined in accordance with the dispute resolution procedure contained in the Conditions of Service have been implemented and/or assurances have been given to the satisfaction of the affected Party that remedies will be implemented or compensation shall be paid; and
- iii) the Customer has taken all necessary steps to prevent circumstances causing the disconnection from recurring and has delivered binding undertakings to Horizon Utilities that the circumstances leading to disconnection shall not reoccur; and
- iv) the Customer agrees to pay any applicable disconnection and reconnection costs and fees.

9. Representations and Warranties

9.1. The Customer represents and warrants to Horizon Utilities as follows, and acknowledges that Horizon Utilities has relied upon such representations and warranties in entering into this Agreement:

- i) if the Customer is a corporation or other form of business entity, the Customer is duly incorporated, formed or registered (as applicable) under the laws of its jurisdiction of incorporation, formation or registration (as applicable); and
- ii) the Customer has all necessary power, authority and capacity to enter into this Agreement and to perform his or her obligations under this Agreement; and
- iii) this Agreement constitutes a legal and binding obligation on the Customer, enforceable against the Customer in accordance with its terms; and
- iv) the Customer holds all permits, licenses and other authorizations that may be necessary to enable the Customer to fulfill its obligations under this Agreement; and
- v) any individual signing this Agreement on behalf of the Customer has been duly authorized by the Customer to sign this Agreement and has the full power and authority to bind the Customer.

9.2. Horizon Utilities represents and warrants to the Customer as follows, and acknowledges that the Customer is relying upon such representations and warranties in entering into this Agreement:

- i) Horizon Utilities is duly incorporated under the laws of Ontario; and
- ii) Horizon Utilities has all the necessary power, authority and capacity to enter into this Agreement and to perform its obligations hereunder; and
- iii) this Agreement constitutes a legal and binding obligation on Horizon Utilities, enforceable against Horizon Utilities in accordance with its terms; and
- iv) Horizon Utilities holds all permits, licenses and other authorizations that may be necessary to enable Horizon Utilities to fulfill its obligations under this Agreement; and
- v) any individual signing this Agreement on behalf of Horizon Utilities has been duly authorized by Horizon Utilities to sign this Agreement and has the full power and authority to bind Horizon Utilities.

10. Requirements for Operations and Maintenance

10.1. Work by Horizon Utilities' Staff on the Customer's Site and Facilities

- 10.1.1. When Horizon Utilities' employees, contractors or Agents work at the Customer's site, such staff, contractor and Agent shall observe the Customer's safety and environmental requirements.
- 10.1.2. Notwithstanding Section 10.1.1, when Horizon Utilities can demonstrate to the Customer's satisfaction, acting reasonably, that Horizon Utilities' safety and environmental practices provide for an equivalent or better level of safety or environmental protection, the Customer shall permit Horizon Utilities to use its safety and environmental practices.

10.2. Work by the Customer's Staff on Horizon Utilities' Site

- 10.2.1. Horizon Utilities' safety and environmental requirements shall be observed when the Customer's employees, contractors or Agents work at Horizon Utilities' site.
- 10.2.2. Notwithstanding the preceding clause 10.2.1, when the Customer can demonstrate to Horizon Utilities' satisfaction that the Customer's safety and environmental practices provide for an equivalent or better level of safety or environmental protection, Horizon Utilities will permit the Customer to use its safety and environmental practices.

10.3. Day-to-Day Operations & Maintenance

- 10.3.1. Each of the Parties shall be responsible for ensuring that only Qualified persons perform day-to-day operations and maintenance and that they conduct such operations and maintenance in accordance with Good Utility Practice, the provisions of the Code and this Agreement.

10.4. Communication Between the Parties

- 10.4.1. Upon planning any changes that could affect the reliability of the Distribution System, the Customer shall Promptly submit a written report to Horizon Utilities describing the proposed changes, as well as any changes in the information previously submitted as registered system planning data in the connection application form, including, without limitation, changes to Customer Equipment, and associated protective relaying or protective relaying settings, or any other changes of any kind whatsoever that might affect the reliability of the Distribution System. The Customer shall not be entitled to make any of the proposed changes until such time that Horizon Utilities is satisfied that the proposed changes have adequately addressed the impact of such changes on the reliability of the Distribution System and that such changes are otherwise Acceptable.
- 10.4.2. All communications between the Parties about day-to-day operating and maintenance matters shall at all times go through the Controlling Authorities, or those other persons to whom a Controlling Authority has delegated the communication authority.
- 10.4.3. Each Party shall provide the other with the name of a current 24-hour contact to respond to operating and maintenance matters, which shall be listed in a Schedule to the Agreement.
- 10.4.4. Each Party shall provide the other with all necessary instructions for Emergency responses, including reporting procedures and the names of site Emergency coordinators as and when necessary.

- 10.4.5. Each Party shall provide the other with all required Work Protection documentation and written notices.
- 10.4.6. Where one Party's work requires the other Party's participation or cooperation, or in the opinion of the other Party such work could adversely affect the normal operation of its facilities and equipment, the Parties shall establish written procedures and cost sharing criteria for the work and adhere to them in performing the work unless they agree otherwise in writing.

10.5. Switching

- 10.5.1. A Party's Controlling Authority shall be responsible for establishing in writing for agreement by the other Party, the appropriate conditions for and the co-ordination of switching on the equipment under its control from time to time throughout the term of this Agreement.
- 10.5.2. When the Parties have so agreed in writing, one Party may appoint an employee of the other as its designate for switching-on purposes.
- 10.5.3. The Customer shall comply with all switching instructions issued by Horizon Utilities' Controlling Authority to maintain the security and reliability of the Distribution System. The two controlling authorities shall agree to procedures prior to undertaking any switching operations.

10.6. Isolation of Customer Equipment

- 10.6.1. If the Customer requires isolation of its Customer Equipment or the Connection Assets, then the Customer's Controlling Authority shall deliver a written notice to Horizon Utilities' Controlling Authority to ask for a Supporting Guarantee. The notice shall set out Horizon Utilities' assigned equipment operating designations if applicable. The Customer Equipment designations shall be set out in the notice whenever Horizon Utilities' equipment operating designations have not been assigned.
- 10.6.2. Upon the request of one Party's Controlling Authority, the other Party's Controlling Authority or its designate shall provide the required timely isolation of equipment as required for Emergency switching or to establish a Supporting Guarantee.
- 10.6.3. Horizon Utilities will provide to the Customer the isolation and reconnection of Customer Equipment at the Customer's request at no cost to the Customer, once per calendar year. The Customer shall pay Horizon Utilities' Actual Costs for isolating and reconnecting Customer Equipment if the requested isolation and reconnection is more than once per calendar year.

10.7. Isolation of the Distribution System

- 10.7.1. If Horizon Utilities requires that the Distribution System be Isolated from the Customer Equipment, then Horizon Utilities will request the Customer's Controlling Authority to provide a Supporting Guarantee.
- 10.7.2. The Supporting Guarantee shall identify Horizon Utilities' assigned equipment operating designations.

10.8. Alternative Method of Isolation

- 10.8.1. Either Party may establish its own Work Protection in place of a Supporting Guarantee.
- 10.8.2. The Controlling Authority of the facilities and equipment required to establish the Work Protection shall provide the other Party with access to such facilities and equipment.
- 10.8.3. Establishing Work Protection shall be limited to hanging tags and locking of devices.

10.9. Forced Outage

- 10.9.1. When a Forced Outage by one Party adversely affects the other's facilities, the first Party's Controlling Authority shall give Prompt notice to the Controlling Authority of the second Party.
- 10.9.2. Each Party's Controlling Authority shall have sole authority to identify the need for and initiate a Forced Outage on equipment under its control.

10.10. Planned Outage

- 10.10.1. The Customer shall schedule all planned work with Horizon Utilities' Controlling Authority to co-ordinate Planned Outages that directly affect the Distribution System.
- 10.10.2. The Customer Controlling Authority shall provide a written request to the appropriate Horizon Utilities' contact identified in Schedule D at least ten (10) Business Days in advance of planned work that requires a feeder breaker to be opened or operated; any disconnection from the Distribution System (e.g. disconnection from a feeder breaker owned by Horizon Utilities or by the Customer); load changes, transfers or switching operations that directly affect the Distribution System; or load changes, transfers or switching operations that directly affect the Distribution System, and at least thirty (30) Business Days in advance of planned work that requires operations of multiple feeder breakers, station bus or a whole transformer station.
- 10.10.3. Horizon Utilities' Controlling Authority shall notify the Customer's Controlling Authority at least ten (10) Business Days in advance of any planned work that requires a feeder breaker to be opened or operated and at least thirty (30) Business Days in advance of planned work that requires operations of multiple feeder breakers, station bus or a whole transformer station, that directly affects the Customer Equipment, by contacting the appropriate Customer contact identified in Schedule D.
- 10.10.4. Either Party's Controlling Authority shall provide written notice of a change in the date and time of any pre-planned work.
- 10.10.5. Notice of the requested change shall be given at least four (4) Business Days in advance of the planned date.
- 10.10.6. If the change can be reasonably accommodated, both Parties shall establish a new date. If the Parties cannot agree, Horizon Utilities will have the right to set the date of the Planned Outage upon providing the Customer with not less than ten (10) Business Days prior written notice.

10.11. Emergency Operations

- 10.11.1. Horizon Utilities may be required from time to time to interrupt the provision of Distribution Services to the Customer during an Emergency to protect the stability, reliability and integrity of the Distribution System or the IESO-controlled grid, or to

maintain its equipment availability. During an Emergency, either Party may take whatever immediate action it deems necessary and which it is Qualified to perform to safeguard public safety, life and property without first notifying the other Party. The Party taking such immediate action shall Promptly report such action to the other Party's Controlling Authority.

- 10.11.2. Horizon Utilities may be required from time to time to implement Load Shedding at the direction of the IESO or as specified in Schedule D.
- 10.11.3. Horizon Utilities may review Rotational Load Shedding schedules with the Customer whenever schedules are revised or when required.
- 10.11.4. The Customer shall comply with all requests by the Horizon Utilities' Controlling Authority to shed load. Such requests shall be initiated in response to a request by the IESO to protect the security and reliability of the IESO-controlled grid or by Horizon Utilities to protect the security and reliability of the Distribution System. When the IESO-controlled grid or the Distribution System returns to normal, Horizon Utilities' Controlling Authority shall notify such Customer's Controlling Authority to re-energize Customer Equipment.

10.12. Telemetry, Monitoring and Telecommunications

- 10.12.1. Horizon Utilities shall advise the Customer of the performance and details of any telemetering facilities that serve them. Horizon Utilities shall determine the requirements for such telemetry based upon, but not limited to, the size and specific location of the Customer's connection to Distribution System.

10.13. Access and Security of Facilities

- 10.13.1. Each Party shall co-operate with the other to ensure that its respective facilities and equipment are secure at all times.
- 10.13.2. Where a Party's facilities or equipment are located on the site of the other Party, the Parties shall cooperate to ensure the security of such facilities or assets and that access is provided in accordance with that Party's policies and procedures.
- 10.13.3. Each Party shall follow all applicable procedures and staff training procedures required for expeditious access to the other Party's site, facilities or equipment, including, without limitation, any procedures regarding access codes and keys.
- 10.13.4. Each Party and its employees, contractors and Agents shall be entitled to access to the other Party's facilities, equipment or site, and the host Party shall grant such access as required for operation, maintenance, disconnection or reconnection of that Party's facilities and equipment, to carry out work at all reasonable times on reasonable prior notice to the host Party, subject to each Party's policies and procedures. The other Party shall not unreasonably withhold access to its sites, facilities or equipment.

- 10.13.5. At any time when the accessing Party or its employees, contractors or Agents are on or in the host Party's site, the accessing Party and its employees, contractors and Agents shall:
- i) take all reasonable precautions not to damage or interfere with the host Party's site, facilities or equipment; and
 - ii) observe the host Party's requirements for reporting occupational health and safety, electrical safety, environmental requirements, technical requirements and matters of industrial relations; and
 - iii) neither ask questions, nor give any direction, instruction or advice to any person involved in operating or maintaining the site, facilities or equipment of the host Party, other than the person whom the host Party has designated for that purpose.
- 10.13.6. If the accessing Party or its employees, contractors or Agents cause any loss or damage when given access to the host Party's site, the accessing Party shall Promptly advise the host's Controlling Authority of the loss or damage.
- 10.13.7. In an Emergency, either Party may, as far as reasonably necessary in the circumstances to prevent or minimize the effects of an Emergency, have access to the other Party's site and interfere with the other Party's facilities or equipment.

11. Liability

- 11.1. Horizon Utilities shall only be liable to the Customer and the Customer shall only be liable to Horizon Utilities for any damages that arise directly out of the wilful misconduct or negligence:
- i) of Horizon Utilities in providing Distribution Services to the Customer; or
 - ii) of the Customer in being connected to the Distribution System; or
 - iii) of Horizon Utilities or the Customer in meeting their respective obligations under this Agreement, the Code, their licences and any other Applicable Laws.
- 11.2. Despite Section 11.1, neither Horizon Utilities nor the Customer shall be liable under any circumstances whatsoever for any loss of profits or revenues, business interruption losses, loss of contract or loss of goodwill, or for any indirect, consequential, incidental or special damages including, but not limited to, punitive or exemplary damages, whether any of the said liability, loss or damages arise in contract, tort or otherwise.

12. Force Majeure

- 12.1. The force majeure provisions of Section 2.3 of the Code apply to this Agreement and hereby incorporated by reference into and form part of this Agreement as if the same was expressly stated herein.

13. Term and Termination of Connection Agreement

- 13.1. The term of this Agreement shall commence the date that this Agreement is executed by both Parties and shall remain in full force and effect until terminated in accordance with the provisions of this Agreement.
- 13.2. The Customer may, providing it is not a Defaulting Party terminate this Agreement at any time during the term hereof by giving Horizon Utilities six (6) month's prior written notice setting out the termination date.
- 13.3. Upon termination of this Agreement in accordance with Section 13.2, Horizon Utilities may disconnect the Customer from the Distribution System and shall be entitled to decommission and remove any of its Connection Assets associated with the connection and the

Demarcation Points. Horizon Utilities will notify the Customer in writing of the date when Horizon Utilities will decommission and remove the Connection Assets along with the time required to do so and the Customer shall, provided that the date and time required are reasonable, provide Horizon Utilities with any and all access required to the Customer's site for decommissioning and removal.

14. Events of Default and Termination

14.1. Occurrence of an Event of Default

- 14.1.1. If an Event of Default occurs, the Non-defaulting Party may (without prejudice to its other rights and remedies as provided for in this Agreement) provide the Defaulting Party with a Default Notice in accordance with Section 19 specifying the Event of Default that has occurred.

14.2. Cure Period

- 14.2.1. Upon receipt of a Default Notice, the Defaulting Party shall be entitled to remedy the Event of Default specified in the Default Notice within the "Cure Period" or within thirty (30) Business Days if not specified.
- 14.2.2. During the Cure Period, the Defaulting Party (or any person on its behalf) shall diligently seek to remedy the Event of Default specified in the Default Notice. For a Non-financial Default, any remedy shall be made in accordance with Good Utility Practice.
- 14.2.3. If the Defaulting Party (or any person acting on its behalf) does not diligently seek to remedy a Non-financial Default, then the Non-defaulting Party may issue a notice ("End of Cure Period Notice") to the Defaulting Party.
- 14.2.4. If, within ten (10) Business Days after receiving the End of Cure Period Notice, the Defaulting Party does not commence and then pursue a remedy, then the Cure Period shall immediately end. The Non-defaulting Party shall then be entitled to either terminate this Agreement in accordance with Section 14.4 or remedy the Event of Default. If the Non-defaulting Party elects to remedy the Event of Default it shall be entitled to recover from the Defaulting Party any costs it reasonably incurred in remedying the Event of Default. The Defaulting Party shall reimburse the Non-defaulting Party within ten (10) Business Days after the receipt of an invoice issued by the Non-defaulting Party thereof.

14.3. When Default is Remedied or Cured

- 14.3.1. A Financial Default shall be remedied when:
 - i) the Defaulting Party (or any person acting on its behalf) has paid any amount that is the subject of the Financial Default, including interest from the date of default until the date paid using Horizon Utilities' approved debt rate at the relevant time; and
 - ii) the Defaulting Party (or any person acting on its behalf) has reimbursed the Non-defaulting Party for all reasonable costs (including legal costs and expenses) incurred by the Non-defaulting Party in the enforcement, recovery, or attempted enforcement or recovery in respect of the relevant Financial Default.

- 14.3.2. A Non-financial Default, shall be remedied when:
- i) the Non-financial Default has been remedied to the reasonable satisfaction of the Non-defaulting Party; and
 - ii) the Defaulting Party (or any person acting on its behalf) has reimbursed the Non-defaulting Party for all reasonable costs (including legal costs and expenses) incurred by the Non-defaulting Party in the enforcement, recovery, or attempted enforcement or recovery in respect of the relevant Non-financial Default.

14.4. Right to Terminate and Disconnect when an Event of Default Occurs

- 14.4.1. A Non-defaulting Party may, without prejudice to other rights and remedies provided for in this Agreement with respect to an Event of Default which has not been remedied within the periods set forth below, terminate this Agreement by written notice to the Defaulting Party:
- i) for an unremedied Non-financial Default, by giving twenty (20) Business Days' written notice to the Defaulting Party, stating its intention to terminate by the expiry of that notice period; or
 - ii) for an unremedied Financial Default, by giving seven (7) Business Days' written notice to the Defaulting Party, stating its intention to terminate by the expiry of that notice period.

14.5. Effect of Termination and Remedies

- 14.5.1. Neither Horizon Utilities nor the Customer may terminate this Agreement except in accordance with the applicable provisions set out in the Code or this Agreement.
- 14.5.2. If either Horizon Utilities or the Customer chooses to terminate this Agreement pursuant to the rights under Subsection 14.4, then upon such termination this Agreement will be of no further force and effect.
- 14.5.3. Termination of this Agreement for any reason shall not affect any rights or obligations of either Party that may have accrued before termination, nor affect either Party's rights or obligations as set out in Section 4 and Section 11 of this Agreement, which will continue in full force and effect notwithstanding the termination of this Agreement.
- 14.5.4. Subject to the dispute resolution process specified in Subsection 1.8 of the Conditions of Service, upon termination of this Agreement, the Non-defaulting Party may pursue all available remedies including:
- i) suing the Defaulting Party to recover damages for the Event of Default and, if it is a Financial Default, recovering the amounts owed including interest to be calculated using Horizon Utilities' approved debt rate at the relevant time; and
 - ii) exercising all available legal and equitable remedies including, without limitation, injunctive relief or such other relief as it deems appropriate.

14.6. Rights and Remedies not Exclusive

- 14.6.1. The rights and remedies of the Parties in this Agreement are not intended to be exclusive, but rather are cumulative and are in addition to any other right or remedy otherwise available to the Parties at law or in equity. Either Party may exercise one or more of its rights and remedies from time to time, independently or in combination, without prejudice to any other right or remedy that either Party may have exercised. This Subsection shall not operate to limit the application of the dispute resolution process in the Conditions of Service, to any dispute arising between the Customer and Horizon Utilities.

- 14.6.2. If any of the remedies provided for and chosen by a non-Defaulting Party are found to be unenforceable, the non-Defaulting Party may exercise any other right or remedy available to it at law or in equity.

15. General Technical Requirements

- 15.1. Horizon Utilities and the Load Customer shall comply with the general technical requirements set out in Schedule F.

16. Treatment of Currently Connected Customer Equipment

- 16.1. Horizon Utilities may require that Customer Equipment that is now or hereafter connected to the Distribution System be brought into compliance with the performance standards specified in Schedule G within an Acceptable period of time not exceeding five (5) years where it has been identified that:
- i) there is a material deterioration of reliability in the Distribution System resulting from the performance of the Customer Equipment; or
 - ii) there are material negative impacts on an existing or a new Customer's power quality resulting from the performance of the Customer Equipment; or
 - iii) there is a material increase in capacity or load at the site where the Customer Equipment is located; or
 - iv) there are material negative impacts on other Distribution System customers resulting from the performance of the Customer Equipment.

17. Ownership of Facilities and Equipment

- 17.1. All right, title and interest in and to the Distribution System and Connection Assets shall continue to be vested in Horizon Utilities, unless the Parties have specified otherwise in Schedule A.
- 17.2. All right, title and interest in and to the Customer Equipment shall continue to be vested in the Customer, unless the Parties have specified otherwise in Schedule A.

18. Incorporation of Schedules

- 18.1. The following Schedules form part of and are hereby incorporated into this Agreement:

- Schedule A – Description of Facility and Ownership of Equipment
- Schedule B – Settlement Terms for Distribution Services
- Schedule C – Cure Periods for Non-financial Default Events
- Schedule D – Details of Specific Operations
- Schedule E – Customer Connection Information
- Schedule F – General Technical Requirements for Load Customers
- Schedule G – Performance Standards for Distribution System and Demarcation Point/Point of Supply
- Schedule H – Amendment Agreement

19. Notice

- 19.1. Any notice or other writing required or permitted to be given under this Agreement or for the purposes of it, to any Party, shall be valid only if delivered in writing to the persons identified in Schedule D. Notwithstanding the foregoing, notices required under Schedule D may be

given in accordance with the notice provision in that Schedule. The addresses for delivery are as set out in Schedule D for the matters set out in that Schedule.

- 19.2. Notice sent in accordance with this Section shall be deemed to have been delivered and received:
- i) if delivered by hand, upon receipt; or
 - ii) if delivered by facsimile, forty-eight (48) hours after the time of distribution, excluding from the calculation weekends and public holidays; or
 - iii) if delivered by registered mail, six (6) Business Days after the mailing thereof, provided that if there is a postal strike such notice shall be delivered by hand.

20. Assignment

- 20.1. The rights and obligations under this Agreement or this Agreement may not be assigned by the Customer to any other person without the prior written consent of Horizon Utilities which consent shall not be unreasonably withheld. Horizon Utilities may on notice to the Customer assign all of its rights and obligations under this Agreement or this Agreement, in whole or in part, to any Affiliate which is a Distributor or to any other person which is a Distributor (including by way of amalgamation) without the consent of the Customer. And upon such notice and assignment, Horizon Utilities shall have no further obligations or liabilities whatsoever under this Agreement to the Customer.

21. Waiver

- 21.1. The failure of any Party to exercise any right, power or option or to enforce any remedy or to insist upon the strict compliance with the terms, conditions and covenants of this Agreement shall not constitute a waiver of the terms, conditions and covenants herein with respect to that or any other or subsequent breach thereof nor a waiver by the Party at any time thereafter to require strict compliance with all terms, conditions and covenants hereof, including the terms, conditions and covenants with respect to which the Party has failed to exercise such right, power or option. Nothing shall be construed or have the effect of a waiver except an instrument in writing signed by a duly authorized officer of the Party which expressly or implicitly waives a right, power or option under this Agreement.

22. Entire Agreement

- 22.1. This Agreement, together with the Schedules attached hereto, constitutes the entire agreement between the Parties and supersedes all prior oral or written representations and agreements of any kind whatsoever with respect to the matters dealt with herein.

23. Amendments

- 23.1. Except as otherwise provided herein, no amendment, modification or supplement to this Agreement shall be valid or binding unless set out in writing and executed by the Parties with the same degree of formality as the execution of this Agreement and using the form provided for in Schedule H.
- 23.2. The Parties acknowledge and agree that the OEB may require amendments to this Agreement or the Schedules hereto in which case the Parties shall forthwith, upon receipt of notice from the OEB, do all things and take all actions necessary to amend this Agreement so as to meet the OEB's requirements.

24. Severability

- 24.1. If any provision of this Agreement is found by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such provision shall be deemed severed and shall not affect the validity, legality or enforceability of the remaining provisions of this Agreement, unless such invalidity or unenforceability renders the operation of this Agreement impossible.

25. Applicable Laws and Further Assurances

- 25.1. This Agreement shall be construed and enforced in accordance with, and the rights of the Parties shall be governed by, the laws of Ontario and the laws of Canada applicable therein.
- 25.2. Each Party shall, upon the reasonable request of the other Party, do or cause to be done all further lawful acts, deeds and provide such further assurances in order to more effectively carry out the intent and purpose of this Agreement.

26. Interpretation

- 26.1. In this Agreement:
- i) the singular includes the plural and vice versa;
 - ii) the use of one gender includes the other;
 - iii) the word person includes a firm, a body corporate, an unincorporated association or an authority;
 - iv) a reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including, but not limited to, persons taking by novation and assigns;
 - v) an agreement, representation or warranty on the part of or in favour of two or more persons binds or is for the benefit of them jointly and severally;
 - vi) specified periods of time refer to Business Days, and dates from a given day or the day of an act or event is to be calculated exclusive of that day.

[WHERE CUSTOMER IS A CORPORATION]

In witness whereof, the Parties hereto, intending to be legally bound, have caused this Agreement to be executed by the signatures of their proper officers duly authorized in their behalf as of the day and year first above written.

Customer's Corporate name

HORIZON UTILITIES CORPORATION

Authorizing signature and seal

Authorizing signature and seal

Signatory's name

Signatory's name

Signatory's title
I have the authority to bind the Corporation

Title
I have the authority to bind the Corporation

[WHERE CUSTOMER IS AN INDIVIDUAL]

In witness whereof the Customer has set his hand and seal, and Horizon Utilities has caused this Agreement to be executed by the signature of its proper officer duly authorized in that behalf as of the day and year first above written.

HORIZON UTILITIES CORPORATION

Customer's name

Signatory's name

Customer's signature

Authorizing signature and seal

I have the authority to bind the Corporation

I have the authority to bind the Corporation

Witness' signature

Witness' name

**SIGNED, SEALED AND DELIVERED
in the presence of:**

Witness' signature

Witness' name

Schedule A

DESCRIPTION OF FACILITY AND OWNERSHIP OF EQUIPMENT

1. Description of Facility

Brief Description of the Customer's Facility

2. Electrical Diagrams

Electrical diagrams of the Customer's Facility showing the power, protection and control, and metering circuits are attached to this Schedule and identified as follows:

Electrical Diagram	Title	Number
Single Line Operating:		
Protection and Control:		
Revenue Metering:		

The single line operating drawing shall include all aspects of the Customer's electrical facilities that may impact the Distribution System or require Horizon Utilities' acceptance before changes are made, in accordance with Subsections 4.1.6, 6.25 and 6.26 of the Code. The single-line diagram shall show, but not be limited to:

- disconnecting devices, breakers, fuses and lightning arrestors
- the number, location and connection of protective relays and devices, the identification of which should correspond to ANSI/IEEE C37.2 Standard
- number, location and connection of instrument transformers used for protective relay system
- ratings, voltage taps, impedances, winding configurations and neutral grounding arrangement of interface step down transformer (for Load Customer)
- arrangement and connection of instrument transformers used for revenue metering
- telemetry points (if applicable)

3. Ownership and Control

The Customer owns all Customer Equipment at the Customer’s Facility and Horizon Utilities owns all equipment on the Distribution System including Connection Assets, unless in accordance with Section 17 of this Agreement the Parties have specified otherwise in this Schedule as follows:

Horizon Utilities-owned equipment on the Customer’s facility	Customer-owned equipment on Distribution System
Isolating Disconnect:	Isolating Disconnect:
Operational Control By:	Operational Control By:
Circuit Breaker:	Circuit Breaker:
Meter Installation:	Meter Installation:
Transformer:	Transformer:
Overhead Line:	Overhead Line:
Underground Cable:	Underground Cable:
Fuse holders and fuses:	Fuse holders and fuses:
SCADA RTU:	SCADA RTU:

(Expand as necessary.)

Schedule B

SETTLEMENT TERMS FOR DISTRIBUTION SERVICES

1. Arranging for Distribution Services

- 1.1. The Customer or its employees, contractors or Agents shall not have access to Distribution Services until it has met all the requirements of the Code, Horizon Utilities' Conditions of Service and this Agreement to Horizon Utilities' satisfaction, including the installation of all equipment required to connect the Customer to the Distribution System and to meter the provision of the Distribution Services for the purpose of billing and settlement.

2. Demarcation Point and the Point of Billing

- 2.1. The Demarcation Point and the point of billing for Distribution Services is the identified connection point to the Customer from the Distribution System.
- 2.2. Where practical, metering for Customers shall be installed at the Demarcation Point. If it is not practical to install the meter at the Demarcation Point, Horizon Utilities will apply loss factors to the measured values in accordance with the loss factors applied for retail settlements and billing.
- 2.3. Each Demarcation Point for a Customer will be billed as a separate service, meaning a Customer having two or more Demarcation Points will not be permitted to aggregate its demands.
- 2.4. Where a Demarcation Point is common to two or more Customers, those Customers shall be permitted to aggregate demand at that Demarcation Point if they are Affiliates of each other.

3. Sale of Standard Supply Service Electricity (SSS)

- 3.1. The terms and conditions under which a Customer accepts SSS from Horizon Utilities are set out in the Conditions of Service or in any contract entered into by Horizon Utilities and the Customer.
- 3.2. The Customer shall pay the rates and charges for SSS to Horizon Utilities in accordance with the relevant Schedule of Rates and Charges as approved by the OEB and specified in Appendix A of the Conditions of Service.
- 3.3. The Customer shall commence payment of the prescribed rates and charges, attributed to the appropriate class rating to which the SSS apply, on or before the due date shown on the first account rendered and shall pay all accounts either monthly or bimonthly or as specified, thereafter.
- 3.4. The Customer shall pay Horizon Utilities for SSS used by the Customer at the location covered by this Agreement from the date of this Agreement until such time as the Customer no longer requires the service.

Schedule C

CURE PERIODS FOR NON-FINANCIAL DEFAULT EVENTS

Areas of Impact	Cure Period
Safety – Immediate	Promptly
Environment – Immediate	Promptly
Asset Integrity	Promptly
Security	Promptly
Adequacy	90 DAYS
Safety – Potential	10 DAYS
Power Quality	30 DAYS
Environment – Potential	30 DAYS
Maintenance	60 DAYS
Any Other Areas of Impact	30 DAYS

Areas of Impact

Safety – Immediate: Any aspect that could result in immediate injury or loss of life (e.g. exposed wires, destroyed station fence, etc.).

Environment – Immediate: Any aspect that could result in immediate impact on the natural system of land air, water, plants and animals, including humans and their social, economic and cultural interactions with the system.

Asset Integrity: The extent to which an asset is operated within prescribed ratings (voltage, thermal, short circuit) and maintained to required standards to prolong asset lifespan and satisfy safety and environmental requirements.

Security: The ability of the Distribution System to withstand sudden disturbances such as short circuits or unanticipated loss of system facilities.

Adequacy: The ability of the Distribution System to supply the aggregate electrical demand and energy requirements of the Customer at all times, taking into account Planned Outages and reasonably expected unplanned outages of system elements or components.

Safety – Potential: The threat to human life depends on the occurrence of a single contingency (e.g. substandard grounding).

Power Quality: Any variation in electric power service resulting in failure of operation or failure of end-use equipment such as voltage sag, overvoltage, transients, harmonic distortion and electrical noise.

Environment – Potential: The threat to the environment depends on the occurrence of a contingency (e.g. inadequate oil spill containment barriers).

Maintenance: Work that has to be performed in order to ensure the proper operation of equipment.

The Non-defaulting Party shall determine the applicable area of impact.

Schedule D

DETAILS OF SPECIFIC OPERATIONS

1. Contacts for Day- to- Day Operations

Each Party shall list below the name of a current 24-hour contact to respond to operating and maintenance matters pursuant to Section 10 of this Agreement.

Distributor	Customer
Horizon Utilities Corp.	Facility Name:
55 John St. North	Facility Location:
PO Box 2249 LCD 1	
Hamilton ON L8N 3E4	
Day-to-Day Operations of Distribution System and Customer's Facility	
Contact Name:	Contact Name:
Position:	Position:
Telephone (days):	Telephone (days):
Telephone (nights):	Telephone (nights):
Cellular phone:	Cellular phone:
Fax:	Fax:
E-mail:	E-mail:
Outage Planning	
Contact Name:	Contact Name:
Position:	Position:
Telephone (days):	Telephone (days):
Telephone (nights):	Telephone (nights):
Cellular phone:	Cellular phone:
Fax:	Fax:
E-mail:	E-mail:
Manager, Network Operating	
Contact Name:	Contact Name:
Position:	Position:
Telephone (days):	Telephone (days):
Telephone (nights):	Telephone (nights):
Cellular phone:	Cellular phone:
Fax:	Fax:
E-mail:	E-mail:

2. Contacts for Purposes of Notice

Each Party shall list below the addresses for delivery of notices that are required to be given pursuant to Section 19 of this Agreement for the matters set out in this Schedule.

Horizon Utilities	Customer
Horizon Utilities Corp.	Name:
55 John St. North	Mailing Address:
PO Box 2249 LCD 1	
Hamilton ON L8N 3E4	
Contacts for the Purposes of Notice	
Contact Name:	Contact Name:
Position:	Position:
Telephone (days):	Telephone (days):
Cellular phone:	Cellular phone:
Fax:	Fax:
E-mail:	E-mail:
Contacts for the Purpose of Default or Termination	
Contact Name:	Contact Name:
Position:	Position:
Telephone (days):	Telephone (days):
Cellular phone:	Cellular phone:
Fax:	Fax:
E-mail:	E-mail:
Notification of Changes to Controlling Authority	
Contact Name:	Contact Name:
Position:	Position:
Telephone (days):	Telephone (days):
Cellular phone:	Cellular phone:
Fax:	Fax:
E-mail:	E-mail:

3. Contacts for Purposes of Billing and Payment

Horizon Utilities		Customer	
To:		To:	
Attention:		Attention:	
Street Address:		Street Address:	
P.O. Box No.:		P.O. Box No.:	
City:	Province:	Postal Code:	
City:	Province:	Postal Code:	
Telephone:	Fax:		
E-mail:		Debt Retirement Charge Exception: YES/NO If YES, attach certificate.	

4. Facility Information

Name of Facility:		Address of Facility:	
Legal Property Description:			
GST Number:		Type of Customer:	
Owner of Facility		Operator of Facility (if different from owner)	
Name of Owner:		Name Operator:	
Attention:		Attention:	
Street Address:		Street Address:	
P.O. Box No.:		P.O. Box No.:	
City: Province: Postal Code:		City: Province: Postal Code:	
Telephone:	Fax:	Telephone:	Fax:
Cell/Pager:		Cell/Pager:	
E-mail:		E-mail:	
		For Market Participants	
		IESO Registration Number:	

5. Meter Service Provider Information (if Horizon Utilities is not the MSP)

Meter Service Provider			
Name of Company:			
Attention:			
Street Address:			
P.O. Box No.:			
City: Province: Postal Code:			
Telephone:	Fax:		
Cell/Pager:			
E-mail:			

6. Notification of Change in Controlling Authority

- 6.1. A Party may change its designated Controlling Authority set out below at any time during the term of this Agreement, subject to the following conditions:
 - 6.1.1. Either Party shall notify the other in writing of any change in its designated Controlling Authority at least ten (10) Business Days before implementing a change.
 - 6.1.2. Notification of any changes to the Controlling Authority shall be exchanged between Horizon Utilities and the Customer by sending such notification to the contact person so designated in Section 1 of this Schedule and to all affected controlling authorities named in the same Section.
- 6.2. Either Party has the right to change the position designations and telephone numbers listed in Section 1 of this Schedule with immediate effect at any time by notice in writing delivered to the other Party by facsimile. Any employee of a Party with apparent authority may deliver such a notice to the other Party.

7. Operating Control

- 7.1. Horizon Utilities has operating control of all equipment identified in Schedule A. The Customer has operational control of all Customer Equipment but no Distributor-owned equipment.

[Draft Note: To be completed by the Parties]

8. Operating Limitations

This Section includes Customer-specific information during normal operations.

- 8.1. The Customer shall comply with the Code when performing all switching operations.
- 8.2. A hold-off procedure shall be implemented by a Controlling Authority to limit operation of apparatus, to facilitate work or reduce hazards. Under no circumstances shall a hold-off procedure be used in place of Work Protection. When a hold-off is in effect on a line or other apparatus, it shall not be re-energized following an automatic trip until communication is established with the holder and his or her consent is obtained. It is a basic requirement of hold-off procedures that suitable communication be established and maintained between the Controlling Authority and the person issued the hold-off.
- 8.3. Before starting or restarting an induction motor rated at three thousand horsepower (3000 HP) or greater at full voltage across the line while connected to the Distribution System, the Customer shall contact and obtain the approval of Horizon Utilities' Controlling Authority.

[Note: Further site specific information to be added here]

9. Emergency Operations

This Section includes Customer-specific information during Emergency operations.

- 9.1. The Customer shall not start or restart an induction motor rated at 3,000 HP or greater at full voltage across the line during the existence on the Distribution System of abnormal conditions such as, but not limited to the following:
- i) both transformers at the transformer station are no longer operating in parallel;
 - ii) the Customer's Facility is being supplied by other than its regular supply circuit;
 - iii) electricity is being temporarily supplied from an alternative transformer station;
 - iv) the Distribution System is experiencing peak load;
 - v) an Emergency condition exists.

10. Inspections and Periodic Verification

- 10.1. Critical Customer Equipment that can affect the safety and reliability of the Distribution System shall be inspected visually at least once per year to notice obvious maintenance problems such as broken insulators or other damaged equipment.
- 10.2. The Customer shall promptly notify Horizon Utilities' Controlling Authority of any deficiencies involving critical Customer Equipment referred to in the preceding clause 6.2.
- 10.3. Isolating devices at the Demarcation Point shall be operated at least once per year.

11. Re-verification Schedules for Protection and Control

- 11.1. Station protection and control systems that can impact on the Distribution System shall be re-verified regularly. The maintenance cycle can be site specific, however, testing intervals for protection systems should not exceed four (4) years for microprocessor-based systems and two (2) years for electro-mechanical based systems or as required by a Transmission Controlling Authority.
- 11.2. The Customer shall provide Horizon Utilities with at least fourteen (14) Business Days' notice of its intention to conduct a re-verification test, so that Horizon Utilities' protection and control staff and system performance staff (if required) can observe:
- re-verification of protection equipment settings specified in this Agreement
 - relay re-calibration
 - test tripping of station breakers that impact on Horizon Utilities/Customer interface
 - measurement and analysis of secondary AC voltages and currents to confirm measuring circuit integrity
- 11.3. All tests are required to be coordinated and approved ahead of time through the normal outage planning process.
- 11.4. The following specific actions are required:
- 11.4.1. Observe all station protections that trip and open the following devices for proper operation.

Type of Equipment	Equipment Designation
Breakers/Re-closers	
Circuit Switchers	
Other	

- 11.4.2. Confirm that settings approved by Horizon Utilities are applied to the following protections: over and under voltage; transformer differential; transformer phase and ground backup protection; feeder protections; breaker failure protection; transfer and remote trip protections.

12. General Protection

[THESE ARE EXAMPLES ONLY; Customer to insert the correct statements pertaining to their protections]

- 12.1. There are no feeder protections owned by the Customer.
- 12.2. Fuses or circuit switchers clear transformer faults.
- 12.3. Breaker failure protection sends transfer trip and it is then cascaded to other stations.

13. Telecommunications Equipment Details for Protection and Control Applications

13.1. Telecommunication Medium

- 13.1.1. Information required from the Customer. **[Horizon Utilities to specify information]**
- 13.1.2. The communication medium used will be **[Customer to provide information]**

13.2 Types of Telecommunication Channels

- 13.2.1. The load customer facility may be responsible for providing and maintaining the communication medium being two (2) leased telephone circuits.
- 13.2.2. The types of communication channels shall be:
 - Number of Blocking Channels
 - Number of Transfer Trip Channels
 - Number of Direct/Remote Trip Channels
- 13.2.3. The telecommunication channels shall be monitored in order to assess equipment and channel readiness.

13.3 Ownership of Telecommunication Terminal Equipment

- 13.3.1. The Customer owns the telecommunication terminal equipment located at the Customer’s facilities.

- 13.3.2. The Customer owns from the communication medium to the telecommunication terminal equipment.
- 13.3.3. Horizon Utilities owns the telecommunication terminal equipment located at the switching station.

13.4. Responsibility for Work and Costs Associated with Breakdown and Routine Maintenance

- 13.4.1. If maintenance is required on the telecommunication terminal equipment located at the Customer's Facility, the Customer will bear all incurred costs.
- 13.4.2. If maintenance is required on the telecommunication terminal equipment located at Horizon Utilities' facilities, Horizon Utilities will bear all incurred costs.
- 13.4.3. If maintenance or repair is required on the communication medium, the Customer will incur all associated costs including, but not limited to, charges by the communication service provider and Horizon Utilities, if its personnel are required to participate in any of the related activities.

13.5. Inventory of Communication Equipment

- 13.5.1 The provision of spare communication equipment is the Customer's responsibility and will be located at the Customer's site.

13.6. Failure of Communication Equipment

- 13.6.1. If a communication failure affects either the transfer trip channels or the blocking channels, Horizon Utilities, at its sole discretion, will decide whether or not the Customer will remain connected to the Distribution System.
- 13.6.2. Horizon Utilities will advise the Customer, through the appropriate communication protocol outlined in this Agreement, of the situation, the choices available to the Customer and the risks involved. Since Horizon Utilities will take the decision according to its own interests, the Customer can choose to remain or separate from the Distribution System at his or her own risk.

13.7. Mean Time for Repairs

- 13.7.1. The mean time for repairs will be within two (2) Business Days, dependent on the availability of staff of the communication service provider and Horizon Utilities.

Schedule E

CUSTOMER CONNECTION INFORMATION

The Customer shall provide information to Horizon Utilities as outlined in this Schedule and, if applicable, immediate written notice of material changes in any information relating to the Customer’s Facility or operations affecting the operation of the Distribution System. The information is for use by both Horizon Utilities and the transmitter and shall include, but not be limited to, the following:

PART A: Load Information

Peak Load (kW)	Power Factor (%)

EXPECTED:	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Demand (kW)												
Energy (kWh)												

After an initial study for a new connection has been completed, Horizon Utilities may request the Customer to provide the following information:

Power Quality (upon request)	Harmonics: frequency, magnitude		
	Flicker: voltage change, frequency	%	Hz
	Phase Unbalance: ratio	%	
	Variable Speed Drives: peak demand	kVA	
	Welding Equipment: peak demand	kVA	
	Static Converters: peak demand	kVA	
	Furnace: peak demand	kVA	
	Other discontinuous or harmonic rich load: peak demand	kVA	
	Capacitors: peak demand	kVA	
	Generation Facilities (emergency backup): total peak demand	kVA	

The Customer shall provide additional information with regard to the above if requested by Horizon Utilities.

PART B: Customer Equipment at Interface Information

Transformer Data	Transformer ID:	Manufacturer:		
	Phase Configuration (three or single):	Cooling Method (ONAN, ONAF, OFAF):		Winding Connection (delta, wye, zig-zag):
	Capacity Rating: kVA	Primary Voltage: kV	BIL Rating: kV	Secondary Voltage:
	Winding Impedance per unit on transformer base:	R _o Ω	R ₁ Ω	R ₂ Ω
		X _o Ω	X ₁ Ω	X ₂ Ω
Grounding Impedance (if appl.)	Ω	Ω	Ω	

Circuit Breaker Data	Breaker ID:	Manufacturer:	Model No:	
	Rated Continuous Current: A	Rated Voltage: kV	BIL Rating: kV	
	Interrupting Capabilities	Media (SF ₆ , vacuum, oil, etc.):	Symmetrical Current: A	Time: ms

Disconnect Switch Data	Switch ID:	Manufacturer:	Model:	
	Continuous Current: A	Interrupting Current: A	Voltage Rating: kV	BIL Rating: kV

Copy this sheet and submit data on a separate sheet for each Demarcation Point, if the Customer's facility has more than one Demarcation Point to the Distribution System or more than one transformer at each Demarcation Point.

PART C: Motor Information

Induction Motors ≥ 500 HP	Motor identification per single-line diagram								
	Rated capability (kVA or HP)								
	Rated power factor								
	Rated torque (per unit on machine base)								
	Rated slip (per unit on machine base)								
	Starting method (e.g. full-voltage, resistive, reduced voltage, delta-wye)								
	Starts per day								
	Starting current (per unit on machine base)								
	Starting power factor								
	Starting torque (per unit on machine base)								
	Peak torque (per unit on machine base)								
	Locked rotor current (per unit on machine base)								
	Synchronous Motors ≥ 500 HP	Motor identification per single-line diagram							
		Rated capability (kVA or HP)							
Unsaturated sub-transient reactance X''d (per unit on machine base)									
Synchronous Motors ≥ 5000 HP	Motor identification per single-line diagram								
	Rated capability (kVA or HP)								
	Rotational inertia constant H of motor and load(s)								
	Unsaturated reactance (per unit on machine base)								
	Xd	X'd	X''d	Xq	X'q	X1	X2	Xo	
	Open circuit time constants								
	T'do		T''do		T'qo		T''qo		
	Armature resistance (Ra) (per unit on machine base)								

Copy this page and submit data on a separate sheet for each motor that is rated at greater than or equal to 500 horsepower.

For each synchronous motor 10 MVA or larger, a block diagram suitable for stability studies, or an IEEE standard model type with all in-service parameter values for the exciter, shall be provided by the Customer. Models for stabilizers, under-excitation limiters and over-excitation limiters shall be provided where applicable.

Schedule F

GENERAL TECHNICAL REQUIREMENTS FOR LOAD CUSTOMERS

This Schedule provides the general technical and functional requirements for Load Customers (with or without an emergency backup generation) pursuant to Section 15 of this Agreement.

1. General Requirements

The Customer shall not adversely affect or compromise equipment owned or operated by Horizon Utilities or the security, reliability and the quality of electrical supply of other customers connected to the Distribution System.

The health and safety of the general public, Horizon Utilities' personnel and the Customer's personnel shall not be compromised or adversely affected.

The Customer shall meet Horizon Utilities' design requirements and comply with the OESC.

If the Customer has emergency backup generation facility, the design shall incorporate a suitable transfer switch or an interlock arrangement between the main supply, incoming breaker and the generator breaker to prevent paralleling of the emergency backup generation facility and Horizon Utilities' supply. Notwithstanding the above, Horizon Utilities may approve closed transition transfer switches providing that the switches do not parallel the generator with the Distribution System for longer than 100 milliseconds under any circumstance. The Customer shall demonstrate that this requirement is met in the design and also during commissioning of its Customer Equipment.

If the operation of the Customer Equipment adversely affects the Distribution System or the distribution system of other customers, Horizon Utilities will require the Customer to design and implement modifications to correct the problems in accordance with Good Utility Practice and to the satisfaction of Horizon Utilities.

2. Isolation at the Point of Connection

The Customer shall provide a means of isolation that is in compliance with the OESC. Horizon Utilities' practice may require its own additional means of disconnection on Horizon Utilities' side of the point of connection.

3. Load Customer's System Design and Protection Requirements

The Customer shall ensure that its electrical system design meets Horizon Utilities' design requirements for the particular voltage at which it is to be connected to the Distribution System. The Customer shall consider these and other requirements mentioned in Section 1 of this Schedule in the design, installation, operation and maintenance of Customer Equipment.

The Customer is responsible for designing, installing, maintaining and protecting Customer Equipment against all internal electrical faults (in Customer Equipment) and other external conditions imposed by the Distribution System such as over voltages, voltage unbalances, open phase(s) and re-closings of the feeder breaker or re-closer.

The Customer shall take reasonable steps to ensure that the operation or failure of Customer Equipment does not cause an outage or disturbance to the Distribution System. To this end, the Customer shall ensure that the application and settings of protective device(s) at the operational Demarcation Point are properly chosen and that the devices are duly coordinated.

The complexity of the protection used at an interface point will vary depending upon the voltage level, system configuration, the type and amount of Customer load. Some large Customers may be supplied from more than one feeder. These feeders may have different fault levels and originate from different distribution or transformer stations or transformers within the same distribution or transformer station. The protection scheme and protection coordination shall account for these possibilities.

The protective device(s), at the interface point should:

- i) have suitable ratings, characteristics and setting ranges so that proper coordination with the upstream feeder protective devices is achieved; and
- ii) be designed and selected so as to provide the required safety, selectivity, reliability and speed of operation; and
- iii) protect the downstream equipment, such as transformer, bus bar, etc., against faults and other abnormal conditions; and
- iv) provide backup protection for the downstream equipment protective devices.

4. Protection Coordination

Upon request from the Customer, Horizon Utilities will provide information on three-phase and single phase-to-ground fault levels and associated X/R ratios at the Demarcation Point.

The Customer shall provide settings of the protective devices at the Demarcation Point for Horizon Utilities' review and acceptance. If required, Horizon Utilities may request the Customer to provide results of the protection coordination study and coordination curves. In special cases, Horizon Utilities may require additional protection and features to be provided by the Customer for interface protection.

Horizon Utilities' review will be limited to checking the interface protection settings as it affects the Distribution System.

5. Metering Requirements

The metering standards for a Customer who is not an Embedded Market Participant are defined in Subsection 2.3.6 of the Conditions of Service.

An Embedded Market Participant shall own, install and maintain the Meter Installation and contract the services of a registered Meter Service Provider. The metering standards are prescribed in the IESO's Market Rules.

6. Data To Be Provided By The Customer

The Customer shall provide the Customer connection information requested in Schedule E and any additional information requested by Horizon Utilities.

Schedule G

PERFORMANCE STANDARDS FOR DISTRIBUTION SYSTEM AND DEMARCATION POINT/POINT OF SUPPLY

This Schedule sets out the minimum general performance standards for equipment connected to the Distribution System, pursuant to Subsection 6.2 of this Agreement.

Item	Requirement										
Voltage Variations	Voltages below 50 kV shall be maintained in accordance with CSA CAN3-235, <i>Preferred Voltage Levels for AC Systems, 0 to 50,000 V</i>										
Unbalance	Voltage unbalance shall be limited to 2% (CAN/CSA E 1000 2-2-97)										
Flicker	Voltage flicker fluctuations shall be limited to: <table border="1" data-bbox="386 793 1435 1031"> <thead> <tr> <th>Magnitude</th> <th>Frequency</th> </tr> </thead> <tbody> <tr> <td>0.5%</td> <td>3 per second</td> </tr> <tr> <td>1.0%</td> <td>20 per minute</td> </tr> <tr> <td>2.0%</td> <td>45 per hour</td> </tr> <tr> <td>3.0%</td> <td>4 per day</td> </tr> </tbody> </table> <p>A higher flicker may be Acceptable for infrequent starts where no existing or potential third party will be adversely affected but shall be limited to 4%.</p>	Magnitude	Frequency	0.5%	3 per second	1.0%	20 per minute	2.0%	45 per hour	3.0%	4 per day
Magnitude	Frequency										
0.5%	3 per second										
1.0%	20 per minute										
2.0%	45 per hour										
3.0%	4 per day										
Switching Surges	All equipment shall be able to withstand capacitor-switching surges that transiently increase voltage to twice normal levels. Sustained voltage changes shall be limited to 4% for capacitor switching events and 10% for line switching events.										
Voltage Harmonics	Voltage harmonics shall respect limitations described in Table 11.1 Voltage Distortion Limits IEEE Std 519-1992										
Current Harmonics	Current harmonics shall respect limitations described in Tables 10.3 to 10.5 Current Distortion Limits IEEE Std 519-1992.										
Telephone Interference	I.T. Product balanced (in phase conductors) shall be less than 5,000 amperes I.T. Product residual (in ground return path) shall be less than 250 amperes										

Nominal voltage is the voltage by which a system is designated. Operating voltage, at Customer site, will vary depending on conditions (i.e. loading, distance from the source, etc.).

Schedule H

AMENDMENT AGREEMENT TEMPLATE CONNECTION AGREEMENT

This Amending Agreement is made this ____ day of _____, 200_,

BETWEEN

HORIZON UTILITIES CORPORATION, a corporation incorporated pursuant to the laws of the Province of Ontario and licensed by the Ontario Energy Board, (hereinafter referred to as "Horizon Utilities")

-and-

[•], a [corporation incorporated] pursuant to the laws of [•] and having an office at [•], (hereinafter the "Customer")

From time to time, Horizon Utilities and the Customer shall be individually referred to in this Agreement as a "Party" and collectively as "Parties".

RECITALS:

1. WHEREAS Horizon Utilities and the Customer entered into a Connection Agreement dated _____ (the "Connection Agreement") setting out the terms and conditions of the offer, acceptance, provision and receipt of Distribution Services.
2. AND WHEREAS this agreement is supplemental to, and amends, the Connection Agreement.
3. AND WHEREAS the Parties intend to amend the Connection Agreement in the manner set out below.

NOW THEREFORE in consideration of the mutual covenants, terms and conditions contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby irrevocably acknowledged, the Parties hereto agree as follows:

1. The Connection Agreement is amended as of the date of this agreement by deleting [Insert the words, lines, sections, subsections to be deleted and pinpoint specifically--e.g. the words/phrase " _____ " in line ____ of subsection ____] (if applicable, add), and substituting the following: [Insert the replacement words/phrase].

And/Or

1 or 2 (as applicable). The Connection Agreement is amended as of the date of this agreement by adding the following clause OR adding the following words to clause ____ (as applicable): "[insert the words or clause to be added]"

2 or 3 (as applicable). The Connection Agreement as amended and varied shall continue in full force and effect for the remainder of the Term (as defined in the Connection Agreement).

[WHERE CUSTOMER IS A CORPORATION]

In witness whereof, the Parties hereto, intending to be legally bound, have caused this Agreement to be executed by the signatures of their proper officers duly authorized in their behalf as of the day and year first above written.

Corporation's name

HORIZON UTILITIES CORPORATION

Authorizing signature and seal

Authorizing signature and seal

Signatory's name

Signatory's name

Signatory's title
I have the authority to bind the Corporation

Signatory's title
I have the authority to bind the Corporation

[WHERE CUSTOMER IS AN INDIVIDUAL]

In witness whereof, the Customer has set his hand and seal, and Horizon Utilities has caused this Agreement to be executed by the signature of its proper officer duly authorized in that behalf as of the day and year first above written.

Customer's name

HORIZON UTILITIES CORPORATION

Customer's signature

Authorizing signature and seal

Witness' signature

Signatory's name

Witness' name

Signatory's title

I have the authority to bind the Corporation

**SIGNED, SEALED AND DELIVERED
in the presence of:**

Witness' signature

Witness' name