

CORIX BURNABY MOUNTAIN DE LIMITED PARTNERSHIP

Burnaby Mountain District Energy Utility

Thermal Energy Services Tariff

for

UniverCity

Containing

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

This tariff is available for public inspection at the utility's website.

SECTION A - DEFINITIONS

Unless the context otherwise requires, in these Terms and Conditions the following terms have the following meanings:

Affiliate: has the meaning ascribed to it in the British Columbia *Business Corporations Act*.

Applicant: means a Person applying to become a Customer in accordance with these Terms and Conditions.

Basic Charge: means a fixed charge attributable to infrastructure and operating costs, other than fuel and consumable costs required to be paid by a Customer for Energy Services during a prescribed period as specified in the Rate Schedule and is applicable to the Service Area declared on the application for service once billing commences.

Building: means a single or multi-building residential development or other building or facility which is subject to a Customer Agreement.

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

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

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

Customer Agreement: means an agreement between the Utility and a Customer for the provision of Energy Services to a Building or Buildings, which Agreement is comprised of an application for service and these Terms and Conditions.

Distribution Extension: means an extension or upgrade of the Distribution System less than a material dollar amount and thus not subject to the British Columbia Utilities Commission (BCUC) *Thermal Energy Systems Regulatory Framework Guidelines*.

Distribution System: means, collectively, the system of water pipes, fittings and ancillary components connecting the central thermal energy plant to the Service Connections.

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

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

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

government agency or other entity or organization.

Rate Schedule: means that schedule attached to and forming part of these Terms and Conditions, which sets out the rates for Energy Services, exclusive of third-party payment processing fees, and certain related terms and conditions, as amended from time to time by the Utility with the approval of, and as filed with, the British Columbia Utilities Commission.

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

Service Area: means the total area of the Building receiving Thermal Energy services, measured in square meters.

Service Connection: means the system of water pipes and all ancillaries and fittings necessary to connect a Building System to the Distribution System via the Energy Transfer Station.

Standard Fees and Charges Schedule: means that schedule attached to and forming part of these Terms and Conditions which sets out certain standard fees and charges, exclusive of third-party payment processing fees, which may be charged to the Customer in accordance with these Terms and Conditions.

Terms and Conditions: means these Thermal Energy Service Terms & Conditions, including the definitions and schedules hereto, all as amended from time to time by the Utility with the approval of, and as filed with, the British Columbia Utilities Commission.

Thermal Energy: means thermal energy for space heating and domestic hot water.

Thermal Energy System: means the district energy system by which the Utility delivers Thermal Energy to Customers, including the central thermal energy plant, the Distribution System, the Service Connections and the Energy Transfer Stations.

Utility: means Corix Burnaby Mountain DE Limited Partnership (referred to as “Burnaby Mountain District Energy Utility”) carrying on the business of a Thermal Energy distribution utility.

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

Variable Energy Charge: means a metered charge required to be paid by a Customer for energy costs associated with the provision of Energy Services during a prescribed period as specified in the Rate Schedule.

SECTION B – TERMS AND CONDITIONS

1. Application for Energy Services

The Utility will provide Energy Services to Customers solely in accordance with these Terms and Conditions. Persons seeking to become Customers must apply for Energy Services in accordance with this Section.

Application for Energy Services will be made in writing. Applicants will be required by the Utility to complete and sign an application for service form which, together with these Terms and Conditions, constitutes a Customer Agreement. The Customer Agreement will become binding on the parties thereto only and forthwith upon commencement by the Utility of Energy Services at the relevant Building. Applicants may be required to provide reference information and identification acceptable to the Utility in connection with an application for Energy Services.

The application for service form will include a declaration of Service Area for the purpose of billing the Basic Charge. If required, Customers may submit a request to update the Service Area in writing, which must be accompanied by a legal survey. Following review and acknowledgement of the request by the Utility, the updated Service Area will be reflected on the bill rendered as part of the next bill cycle. Prior bills will not be adjusted.

If an Applicant is requesting Energy Services at more than one Building, the Utility will determine in its sole discretion whether to consider the Applicant the same Customer for all Buildings or to consider the Applicant a separate Customer for each of the Buildings. If an Applicant is requesting Energy Services for more than one unit, area or premises within the same Building, the Applicant will be considered the same Customer for all such unit(s), area(s) or premises. The Utility intends that there will be no more than one Customer per Building.

The Utility may refuse to provide Energy Services to an Applicant if there is an unpaid account for Energy Services in respect of such Applicant or the relevant Building(s).

2. Assignment

A Customer may not assign a Customer Agreement or any of its rights or obligations thereunder without the prior written consent of the Utility, such consent not to be unreasonably withheld. The Utility may assign a Customer Agreement or any of its rights or obligations thereunder (including, without limitation, by way of the sale of the majority of its shares or business or its material assets or by way of an amalgamation, merger or other corporate reorganization) to any of its Affiliates or to any other Person without the consent of the Customer, provided such Affiliate or Person is duly qualified to carry out the Customer Agreement and agrees to be bound by the terms and conditions of the Customer Agreement. Forthwith upon such assignment, the Utility shall be released from its obligations and responsibilities under the Customer Agreement.

3. Use of Thermal Energy

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

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

4. Applicable Rate Schedule

A Customer must not significantly change its connected load without the prior written approval of the Utility. The Utility may conduct periodic reviews of the quantity of Thermal Energy delivered and the rate of delivery of Thermal Energy to a Customer for the purpose of, among other things, determining whether to substitute a more applicable Rate Schedule.

5. Ownership and Care of Thermal Energy System

Notwithstanding any degree of annexation or affixation, or rule of law or equity to the contrary, the Utility owns all components of the Thermal Energy System and all additions or extensions thereto will be and remain the property of and vest in the Utility, whether located inside or outside of Building. No component of the Thermal Energy System shall be moved or removed from a Customer's lands (whether located inside or outside of Building) without the advance written permission of the Utility. The Utility will not, under any circumstances whatsoever (including, without limitation, if the Utility is not providing Energy Services for any reason or if the Customer Agreement is terminated for any reason), be required to remove any component of the Thermal Energy System from the Customer's lands (whether located inside or outside of Building).

The Customer will take reasonable care of and protect all components of the Thermal Energy System in, on or under the Customer's lands (whether located inside or outside of Building) against damage and must advise the Utility promptly of any damage to or disappearance of the whole or part of any such component. Further, the Customer will pay to the Utility promptly upon request the cost of any broken, missing or damaged component of the Thermal Energy System (or part thereof), except to the extent that the Customer demonstrates that such component (or part thereof) was broken, missing or damaged due to a defect therein or to any act or omission of the Utility or any of the Utility's Representatives.

6. Meter Reading

The amount of Thermal Energy registered by the Energy Transfer Station during each billing period will be converted to kilowatt-hours (kWh) and rounded to the nearest two-tenths of a kWh.

The interval between consecutive meter readings will be at the sole discretion of the Utility.

The meter will typically be read at monthly intervals.

7. Meter Testing

Any Customer who doubts the accuracy of a meter comprising part of an Energy Transfer Station may request to have the meter tested by the original equipment manufacturer.

If the testing indicates that the meter is recording correctly, the Customer must pay the Utility for all costs associated with the testing and continuing operations during the testing, which includes but is not limited to removing, replacing and/or testing the meter as set out in the Standard Fees and Charges Schedule and the reconnection charge as set out in Section 10.

If the meter is found to be inaccurate by the manufacturer, the Utility will incur the cost of removing, replacing and/or testing the meter or (if applicable) refund such costs to the Customer.

8. Maintenance

The Utility will repair, maintain and replace all components of the Thermal Energy System in, on or under the Customer's lands (whether located inside or outside of Building), from time to time at its own cost to keep the same in good working order. For greater certainty, except for the Utility's obligation to repair, maintain and replace such components of the Thermal Energy System as aforesaid, the Utility is not, and will not be, responsible for repairing, maintaining or replacing any other facility or equipment in, on or under a Customer's lands (whether located inside or outside of Building), including without limitation any Building System(s).

The Customer will repair, maintain and replace the Building System in all Building from time to time at its own cost to keep the same in good working order.

9. Connections and Disconnections

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

10. Energy Services Reconnections

If:

- (a) Energy Services are discontinued to a Customer for any of the reasons specified in Section 16; or
- (b) a Building System is disconnected from the Thermal Energy System or Energy Services are discontinued to a Customer:
 - (i) at the request of the Customer with the approval of the Utility; or
 - (ii) to permit a test of a meter at the request of the Customer, which meter is subsequently determined by the Utility to be accurate;

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

- (c) the costs that the Utility estimates it will incur in reconnecting the Building's Building System to the Thermal Energy System or restoring Energy Services to such Customer; and
- (d) the Basic Charge that such Customer would have paid had Energy Services continued during the period between the date of discontinuance or disconnection (as applicable) and the date of such re-application.

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

11. Distribution Extensions

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

- (a) Ownership. All components of Distribution Extensions will be and remain the property of the Utility.
- (b) Economic Test. Applications to extend Energy Services to one or more new Customers will be subject to an economic test, a model which is accepted by the British Columbia Utilities Commission. The economic test will be a discounted cash flow analysis of the projected revenue and costs associated with the Distribution Extension. The Distribution Extension will be deemed to be economic and constructed if the results of the economic test indicate a zero or positive net present value.
- (c) Revenue. The projected revenue used in the economic test will be established by the Utility by:
- (i) estimating the number of Customers to be served by the Distribution Extension;
 - (ii) establishing consumption estimates for each Customer;
 - (iii) projecting when the new Customers will be connected to the Distribution Extension; and
 - (iv) applying appropriate revenue margins for each Customer's consumption.

The revenue projection will also take into consideration the effect of variations in weather conditions on consumption.

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

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

In cases where a larger Thermal Energy distribution main is installed to satisfy anticipated future demand requirements, the difference in cost between the installed, larger main and a smaller main that would be adequate to serve only those Customers supporting the particular application may be eliminated from the economic test.¹

- (e) Contributions in Aid of Construction. If the economic test results indicate a negative net present value, the Distribution Extension may proceed provided that the shortfall in revenue is eliminated by contributions in aid of construction by or on behalf of Customers to be served by the Distribution Extension, or if there are non-financial factors offsetting the revenue shortfall that are deemed to be acceptable by the British Columbia Utilities Commission, the Utility may finance the contributions in aid of construction for Customers.

¹ From time to time the Utility may undertake larger expansions of the Thermal Energy System of a material dollar amount that fall outside of what is defined here as Distribution Extensions and are subject to the required applications to the British Columbia Utilities Commission under the *Thermal Energy Systems Regulatory Framework Guidelines*.

- (f) Security. In those situations where the financial viability of a Distribution Extension is uncertain, the Utility may require a security deposit in cash or an equivalent form acceptable to the Utility.

12. Billing

- (a) Bills will be rendered to the Customer in accordance with the Customer's Customer Agreement, including the Rate Schedule.
- (b) Subject to paragraph (d) below, if meter readings cannot be obtained for any reason, consumption may be estimated by the Utility for billing purposes and the next bill that is based on actual meter readings will be adjusted for the difference between estimated and actual use over the interval between meter readings.
- (c) If any meter fails to register or registers incorrectly, the consumption may be estimated by the Utility for billing purposes, subject to Section 13.
- (d) If the Customer terminates a Customer Agreement, Corix will make all reasonable efforts to obtain an actual meter reading for the final bill rendered to the Customer. If the actual meter reading cannot be reasonably obtained, consumption may be estimated by the Utility for the purpose of the final bill.
- (e) Bills will be rendered as often as deemed necessary by the Utility, but generally on a monthly basis. The due date for payment of bills shown on the face of the bill will be the first business day after:
- (i) the 21st calendar day following the billing date; or
 - (ii) such other period otherwise agreed in writing by the Customer and the Utility.
- (f) Bills will be paid in the manner specified therein, which may include payment by regular mail, and/or payment by on-line banking or electronic funds transfer.
- (g) Customers requesting historic billing information may be charged the cost of processing and providing this information.

13. Back-billing

Minor adjustments to a Customer's bill, such as an estimated bill or an equal payment plan billing, do not require back-billing treatment.

- (a) Back-billing means the re-billing by the Utility for Energy Services rendered to a Customer because the original billings were discovered to be either too high (over-billed) or too low (under-billed). The discovery may be made by either the Customer or the Utility. The cause of the billing error may include any of the following non-exhaustive reasons or combination thereof:
- (i) stopped meter;
 - (ii) metering equipment failure;
 - (iii) inaccurate meter, as determined pursuant to Section 7;
 - (iv) switched meters;
 - (v) double metering;
 - (vi) incorrect meter connections;

- (vii) incorrect use of any prescribed apparatus respecting the registration of a meter;
 - (viii) incorrect meter multiplier;
 - (ix) the application of an incorrect rate;
 - (x) incorrect reading of meters or data processing; or
 - (xi) tampering, fraud, theft or any other criminal act.
- (b) Where the Customer requests that the meter be tested, the provisions of Section 7 will apply in addition to those set forth in this Section.
- (c) Where metering or billing errors occur and the Customer does not request that the meter be tested, the consumption and demand will be based on the records of the Utility for the Customer or on the Customer's own records to the extent they are available and accurate or, if not available, on reasonable and fair estimates made by the Utility. Such estimates will be on a consistent basis within each Customer class or according to a contract with the Customer, if applicable.
- (d) If there are reasonable grounds to believe that the Customer has tampered with or otherwise used the Thermal Energy or any component of the Thermal Energy System in an unauthorized way, or there is evidence of fraud, theft or another criminal act, back-billing will be applied for the duration of the unauthorized use, subject to the applicable limitation period provided by law, and the provisions of paragraphs (g), (h), (i) and (j) below will not apply.

In addition, the Customer is liable for the direct (unburdened) administrative costs incurred by the Utility in the investigation of any incident of tampering, including the direct costs of repair, or replacement of equipment.

Under-billing resulting from circumstances described in this paragraph (d) will bear interest at the rate specified in the Standard Fees and Charges Schedule on unpaid accounts from the date of the original under-billed invoice until the amount under-billed is paid in full.

- (e) In every case of under-billing or over-billing, the cause of the error will be remedied without delay, and the Customer will be promptly notified of the error and of the effect on the Customer's ongoing bill.
- (f) In every case of over-billing, the Utility will refund to the Customer all money incorrectly collected for the duration of the error, subject to the applicable limitation period provided by law. Simple interest, computed at the short-term bank loan rate applicable to the Utility on a monthly basis, will be paid to the Customer.
- (g) Subject to paragraph (d) above, in every case of under-billing, the Utility will back-bill the Customer for the shorter of:
- (i) the duration of the error; or
 - (ii) one year, or as otherwise agreed by the Customer and the Utility in writing.
- (h) Subject to paragraph (d) above, in every case of under-billing, the Utility will offer the Customer reasonable terms of repayment. If requested by the Customer, the repayment term will be equivalent in length to the back-billing period. The repayment will be interest free and in equal instalments corresponding to the normal billing cycle. Delinquency in payment of such instalments will be subject to the usual late payment charges.

- (i) Subject to paragraph (d) above, if a Customer disputes a portion of a back-billing due to under-billing based upon either consumption, demand or duration of the error, the Utility will not threaten or cause the discontinuance of Energy Services for the Customer's failure to pay that portion of the back-billing, unless there is no reasonable ground for the Customer to dispute that portion of the back-billing. The undisputed portion of the bill will be paid by the Customer and the Utility may threaten or cause the discontinuance of Energy Services if such undisputed portion of the bill is not paid.
- (j) Subject to paragraph (d) above, in all instances of back-billing where changes of occupancy have occurred, the Utility will make a reasonable attempt to locate the former Customer. If, after a period of one year, such Customer cannot be located, the over-billing or under-billing applicable to them will be cancelled.

14. Late Payment Charge And Collection Charge

If the amount due on any bill has not been paid in full on or before the due date shown on such bill, the bill rendered as part of the next bill cycle will include the overdue amount plus a late payment charge as set out in the Standard Fees and Charges Schedule. Notwithstanding the due date shown, to allow time for payments made to reach the Utility and to co-ordinate the billing of late payment charges with scheduled billing cycles, the Utility may, in its discretion, waive late payment charges on payments not processed until a number of days after the due date. If the Customer's account is overdue and requires additional effort to collect, the Utility may charge the Customer a collection charge as set out in the Standard Fees and Charges Schedule.

15. Dishonoured Payments Charge

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

16. Refusal to Provide Energy Services and Discontinuance of Energy Services

The Utility may refuse to provide Energy Services to any Applicant, or the Utility may, after having given 48 hours prior written notice, discontinue providing Energy Services to any Customer, who:

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

The Utility may refuse to provide Energy Services to any Applicant, or the Utility may, without having to give any notice, discontinue providing Energy Services to any Customer, who:

- (a) refuses to provide reference information and identification acceptable to the Utility when applying for Energy Services or at any subsequent time on request by the Utility;
- (b) breaches the terms and conditions of the applicable Customer Agreement (including, without limitation, these Terms and Conditions);
- (c) has defective pipes, appliances, or Thermal Energy fittings in any part or parts of Building; (d)

uses the provided Thermal Energy in a manner that, in the opinion of the Utility, may:

- (i) lead to a dangerous situation; or
- (ii) cause undue or abnormal fluctuations in the temperature of any component of the Thermal Energy System;
- (e) fails to make modifications or additions to the Customer's equipment as required by the Utility to prevent the danger or control the fluctuations described in paragraph (d) above;
- (f) negligently or fraudulently misrepresents to the Utility its use of Thermal Energy or the Thermal Energy load requirements of, or Thermal Energy volume consumed within and by, any Building;
- (g) terminates the applicable Customer Agreement pursuant to Section 20 or causes the termination of the applicable Customer Agreement for any reason; or
- (h) stops consuming Thermal Energy in the Building.

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

17. Security for Payment of Bills

- (a) A Customer who has not established or maintained credit to the satisfaction of the Utility may be required to provide a security deposit or equivalent form of security, the amount of which may not exceed the estimated total bill for the two highest consecutive months' consumption of Thermal Energy by the Customer.
- (b) A security deposit or equivalent form of security is not an advance payment.
- (c) The Utility will pay interest on a security deposit at the rate and at the times specified in the Standard Fees and Charges Schedule. If a security deposit is returned to a Customer for any reason, the Utility will credit any accrued interest to the Customer's account at that time. No interest is payable on any unclaimed deposit left with the Utility after the account for which it is security is closed, or on a deposit held by the Utility in a form other than cash.
- (d) A security deposit (plus any accrued interest) will be returned to the Customer after one year of good payment history, or when the Customer's Customer Agreement is terminated pursuant to Section 20, whichever occurs first.
- (e) If a Customer's bill is not paid when due, the Utility may apply all or any part of the Customer's security deposit or equivalent form of security and any accrued interest towards payment of the bill. Under these circumstances, the Utility may still elect to discontinue Energy Services to the Customer for failure to pay for Energy Services.
- (f) If a Customer's security deposit or equivalent form of security is appropriated by the Utility for payment of an unpaid bill, the Customer must re-establish the security deposit or equivalent form of security before the Utility will reconnect or continue Energy Services to the Customer.

18. Account Charge

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

rendered by the Utility.

19. Term of Customer Agreement

The initial term of a Customer Agreement will be as follows:

- (a) where a new Service Connection is required to provide Energy Services, five years; or
- (b) where a Distribution Extension is required to provide Energy Services, for a period of time fixed by the Utility but not exceeding the number of years used to calculate the revenue in the Distribution Extension economic test.

The Customer Agreement will thereafter automatically be renewed from year to year unless:

- (a) specified otherwise in a special contract or supplement referred to in Section 28; or
- (b) the Customer Agreement is terminated pursuant to Section 20 below.

20. Termination of Customer Agreement

A Customer may, following the initial term specified in Section 19, terminate the applicable Customer Agreement by giving at least 30 days written notice to the Utility at the address specified in the most recent bill rendered to the Customer.

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

The Customer acknowledges and agrees that if it terminates the Customer Agreement pursuant to this Section, the Utility may charge the Customer the full cost of all infrastructure associated with the provision of Energy Services to the Customer if the Utility determines that such charge is necessary to ensure other Customers on the Thermal Energy System are not adversely impacted by such termination.

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

21. Liability

- (a) The Utility will endeavour to provide a regular and uninterrupted supply of Thermal Energy, but it does not guarantee a constant supply of Thermal Energy or the maintenance of unvaried temperatures. Neither the Utility, nor any of the Utility's Representatives is responsible or liable for any loss, injury (including death), damage or expense incurred by any Customer or any Person claiming by or through a Customer, that is caused by or results from, directly or indirectly, any discontinuance, suspension, or interruption of, or failure or defect in the supply, delivery or transportation of, or any refusal to supply, deliver, or transport Thermal Energy, or provide Energy Services, unless the loss, injury (including death), damage or expense is directly and solely attributable to the gross negligence or wilful misconduct of the Utility or any of the Utility's Representatives, provided however that neither the Utility nor any of the Utility's Representatives is responsible for any loss of profit, loss of revenue or other economic loss, even if the loss is directly attributable to the gross negligence or wilful misconduct of the Utility or any of the Utility's Representatives.

- (b) Energy Services may be temporarily suspended to make repairs or improvements to the Thermal Energy System or in the event of fire, flood or other sudden emergency. The Utility will, whenever reasonably practicable, give notice of such suspension to the Customer and will restore Energy Services as soon as possible. Telephone, flyer, or other acceptable announcement method may be used for notice purposes. The Utility will not be liable for any loss, injury or damage caused by or arising out of any such suspension of Energy Services.
- (c) The Customer shall bear and retain the risk of, and hereby indemnifies and holds harmless the Utility and all of the Utility's Representatives from, all loss and damage to all components of the Thermal Energy System in, on or under the Customer's lands (whether located inside or outside of Building except to the extent any loss or damage is directly attributable to the negligence of the Utility or any of the Utility's Representatives, or is caused by or results from a defect in the Thermal Energy System. The Customer must prove such negligence or defect.
- (d) The Customer agrees to indemnify and hold harmless the Utility and all of the Utility's Representatives from all claims, losses, damages, liabilities, costs, expenses and injury (including death) suffered by the Customer or any person claiming by or through the Customer or any third party and caused by or resulting from the use of the Customer's lands by the Utility as contemplated herein or the use of Thermal Energy by the Customer or the presence of Thermal Energy on or in any part of the Building or from the Customer or the Customer's employees, contractors or agents damaging any component of the Thermal Energy System. This paragraph will survive any termination of the Customer Agreement.
- (e) The Customer acknowledges and agrees that the Utility will not in any way be responsible for any aspect of the design, engineering, permitting, construction, or installation of any Building System.
- (f) The Customer will release, indemnify and hold harmless the Utility and all of the Utility's Representatives from any and all liabilities, actions, damages, claims (including remediation cost recovery claims), losses, costs, orders, fines, penalties and expenses whatsoever (including all consulting and legal fees and expenses on a solicitor-client basis) and the costs of removal, treatment, storage and disposal of Contaminants and remediation of the Customer's lands and any affected adjacent property which may be paid by, incurred by or asserted against the Utility or any of the Utility's Representatives arising from or in connection with the presence of Contaminants on, in or under the Customer's lands or any Release or alleged Release of any Contaminants at or from the Customer's lands related to or as a result of the presence of any pre-existing Contaminants at, on, under or in the Customer's lands, including without limitation surface and ground water at the date of the Customer Agreement or as a result at any time of the operations of the Customer or any act or omission of the Customer or its tenants or other occupants or any person for whom it is in law responsible.
- (g) The Customer will obtain and maintain at its own expense appropriate insurance coverage (including property and liability) throughout the term of the Customer Agreement and will provide the Utility with evidence of same upon request.

22. Access to Buildings and Equipment

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

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

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

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

23. Curtailed Energy Services

In the event of a breakdown or failure of any component of the Thermal Energy System, or at any time to comply with the requirements of any law, the Utility will have the right to require any Customer or class or classes of Customers or all its Customers, until notice of termination of the requirement is given, or between specified hours, to discontinue use of Thermal Energy for any purpose or purposes or to reduce in any specified degree or quantity such Customer(s)' consumption of Thermal Energy for any purpose or purposes.

Any such requirement may be communicated to any Customer or Customers or to all Customers by either or both of notice in writing (via e-mail, regular mail or personal delivery, or left at the relevant Building) and oral communication (including by telephone). Any notice of the termination of any such requirement may be communicated similarly.

If in the opinion of any official of the Utility any Customer has failed to comply with any requirement of the Utility communicated in accordance with this Section, the Utility will be at liberty, after notice to the Customer is communicated in accordance with this Section, to discontinue Energy Service to such Customer.

The Utility will not be liable for any loss, injury, damage or expense occasioned to or suffered by any Customer for or by reason of any discontinuance of Energy Services as contemplated by this Section.

24. Disturbing Use

All equipment for which Thermal Energy is supplied will be subject to the reasonable approval of the Utility and the Customer will take and use the Thermal Energy so as not to endanger apparatus or cause any undue or abnormal fluctuations on the Thermal Energy System.

The Utility may require the Customer, at the Customer's expense, to provide equipment which will reasonably limit such fluctuations or disturbances and may refuse to supply Thermal Energy or suspend the supply thereof until such equipment is provided.

25. Sources of Energy

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

26. Taxes

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

27. Rate Schedule

The rates to be charged by, and paid to, the Utility for Energy Services will be the Basic Charge and Variable Energy Charge set out in the Rate Schedule from time to time in effect, which may be inspected on the Utility's website and at the office of the British Columbia Utilities Commission in Vancouver, British Columbia.

28. Special Contracts and Supplements

In unusual circumstances, special contracts and supplements to these Terms and Conditions may be negotiated between the Utility and the Customer and submitted for approval by the British Columbia Utilities Commission where:

- (a) a minimum rate or revenue stream is required by the Utility to ensure that the provision of Energy Services to the Customer is economic; or
- (b) factors such as system by-pass opportunities exist or alternative fuel costs are such that a reduced rate is justified to keep or to attach the Customer on the Distribution System.

29. Conflicting Terms and Conditions

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

30. Authority of Agents of the Utility

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

SECTION C - RATE SCHEDULE

Basic Charge:

<u>Effective Date</u>	<u>\$ per square metre (m²) per Month</u>
January 1, 2023	1.1889
March 1, 2024	1.3672
January 1, 2025	1.4903

Variable Energy Charge:

<u>Effective Date</u>	<u>\$ per kilowatt-hour (kWh)</u>
April 1, 2024	0.0291

SECTION D - STANDARD FEES AND CHARGES SCHEDULE

Account Charge: **\$25.00**

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

ADMINISTRATIVE CHARGES

Collection Charge: **\$45.00**

Dishonoured Payments Charge: Equivalent to the Utility's lead bank's current NSF charge.

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

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

Interest on Cash Security Deposit:

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

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