



CITY OF EDMONTON

EPCOR WATER SERVICES BYLAW 19626

**THE CITY OF EDMONTON
BYLAW 19626**

EPCOR WATER SERVICES BYLAW

Whereas, pursuant to section 3 of the *Municipal Government Act*, RSA 2000, c M-26, the purposes of a municipality are to provide services, facilities and other things that are necessary or desirable for all or a part of the municipality;

And whereas, pursuant to section 7(g) of the *Municipal Government Act*, Edmonton City Council may pass bylaws respecting public utilities;

Edmonton City Council enacts:

PURPOSE

- 1 The purpose of this Bylaw is to approve:
- (a) Rates, fees and charges for Water Services and other services provided by EPCOR Water Services Inc. to Customers in the city of Edmonton and others, and a mechanism whereby such Rates, fees and charges will be adjusted on an annual basis, for the period of April 1, 2022 to March 31, 2027;
 - (b) Terms and Conditions for Water Services, and a mechanism whereby Water Services Guidelines consistent with the Terms and Conditions may be implemented by EPCOR Water Services Inc. and amended or replaced from time to time;
 - (c) The Performance Based Regulation Plan for the period of April 1, 2022 to March 31, 2027.

DEFINITIONS

- 2 In this Bylaw, unless otherwise specified or the context otherwise requires:
- (a) “**City**” means the municipal corporation of the City of Edmonton;
 - (b) “**City Manager**” means the chief Administrative Officer of the City or his delegate;
 - (c) “**Customer**” means any person more particularly described as a “Customer” in Schedule 2 or is otherwise responsible for paying EWSI;
 - (d) “**EWSI**” means EPCOR Water Services Inc. or its successor;

- (e) **“Performance Based Regulation Plan”** means the Performance Based Regulation Plan for the period of April 1, 2022 to March 31, 2027, as more particularly described in Schedule 3 to this Bylaw;
- (f) **“Price Schedule”** means the Rates in respect of Water Services more particularly described in Schedule 1 of this Bylaw, as approved by the City and in effect at the time;
- (g) **“Rate”** means the rates, fees and charges applicable to any utility service provided by EWSI within the City of Edmonton which the City has authority to approve;
- (h) **“Rate Sheets”** means the documents styled as Rate Sheets in Schedule 4, intended for use as templates for the format in which EWSI’s annual requests for Rates are to be filed with the City Manager;
- (i) **“Water Services”** includes but is not limited to the production, treatment and supply of potable water delivered through a service connection in accordance with the provisions of the Water Services Franchise Agreement to a Customer, any and all incidental services more particularly described in Schedule 2, and the use of physical plant, equipment, apparatus, appliances, property and facilities owned or employed by EWSI or used in connection with EWSI in providing the supply of potable water to the property of any Customer;
- (j) **“Water Services Franchise Agreement”** means a Franchise Agreement between EWSI and the City in respect of Water Services, dated January 1, 2020, including all amendments or replacements thereto;
- (k) **“Water Services Guidelines”** means those requirements, standards, specifications, procedures, protocols or guidelines adopted by EWSI pursuant to Schedule 2 or any other Schedule under this Bylaw.

RATES EFFECTIVE APRIL 1, 2022	4	Rates, fees and charges for the 12 month period April 1, 2022 to March 31, 2023 are approved and shall be charged in accordance with Schedule 1 to this Bylaw.
RATES AFTER MARCH 31, 2023	5	For each 12 month period from April 1, 2023 to March 31, 2027, Rates for the provision of Water Services by EWSI will be established in accordance with Section 7.
TERMS AND CONDITIONS	6	All Water Services provided within the boundaries of the city of Edmonton shall be provided by EWSI in accordance with the Terms and Conditions of Water Service attached hereto in Schedule 2.
PRICE SCHEDULE ADJUSTMENTS	7	Any adjustments to a Price Schedule made under Section 5 shall be made as follows: (a) On or Before March 1st in each year commencing 2023, EWSI shall file for information with the City Clerk and the City Manager Rates Sheets effective for the upcoming 12 month period from April 1 to March 31, reflecting the performance-based water Rates in accordance with this Bylaw. (b) The filing referred to in subsection (a) above must include sufficient information for the City Manager to determine if the performance-based water Rates for the upcoming year have been calculated in accordance with the provisions of Schedule 3 to this Bylaw. (c) If, after reviewing the filing referred to in subsection (a) above, the City Manager is satisfied that the performance-based water Rates included in the Rate Sheets have been calculated in accordance with this Bylaw, the City Manager shall issue a compliance letter on or before March 15th of each year confirming that the performance-based water Rates in the Rate Sheet for the upcoming year has been calculated in accordance with this Bylaw. (d) Once the compliance letter has been issued in accordance with the provisions of subsection

(c), EWSI is authorized to provide Water Services pursuant to the Rate Sheets filed in accordance with the provisions of this section.

(e) The City Clerk shall keep a record of all filings made in accordance with this Bylaw.

EFFECTIVE DATE	8	This Bylaw comes into effect April 1, 2022.
REPEAL	9	Upon this Bylaw becoming effective, Bylaw No. 17698, as amended, is hereby repealed.
SCHEDULES	10	The following schedules are included in, and form part of this Bylaw:

Schedule 1 – Price Schedule

Part I – Water Rates
 Part II – Water Rate Riders
 Part III – Service Charges
 Part IV – Late Payment Charges

Schedule 2 – Terms and Conditions of Water Service

Schedule 3 – Performance Based Water Rates

Schedule 4 – Pro-forma Annual Water Rate Filing

READ a first time this	day of	2021;
READ a second time this	day of	2021;
READ a third time this	day of	2021;
SIGNED AND PASSED this	day of	2021;

THE CITY OF EDMONTON

.....
 MAYOR

.....
 CITY CLERK

Schedule 1

Price Schedule

Part I – Water Rates

Residential Water Service

Applicable

To all domestic service customers within the city of Edmonton.

A domestic service is defined as a service supplied to premises used primarily for domestic purposes, where no more than four separate dwelling units are metered by a single water meter and the service line to the premises is not greater than 50 millimeters in diameter.

If a business is conducted from premises that otherwise fall within the above definition of a domestic service, this Residential Water Service rate will apply; provided, however, that if the portion of the premises from which the business is conducted is separately metered, then a Commercial Water Service rate will apply to that portion of the premises.

Effective Dates and Adjustments for Future Years

Consumption Charges and Public Fire Protection Monthly Charges for the period April 1, 2022 to March 31, 2023 are set out below. Consumption Charges and Public Fire Protection Monthly Charges for the period April 1, 2023 to March 31, 2027 will be determined by applying the adjustment factors in Schedule 3 of this Bylaw to the rates set out below, with new rate approval and implementation occurring on an annual basis in accordance with the adjustment methodology prescribed in Section 7 of this Bylaw.

Rates

Fixed Monthly Service Charge

In accordance with the “Fixed Monthly Water Service Charges” provisions of this Schedule.

Consumption Charge

0 m ³ – 10.0 m ³	\$2.0487 per m ³
10.1 m ³ to 35.0 m ³	\$2.2382 per m ³
Over 35.0 m ³	\$2.8287 per m ³

Public Fire Protection Monthly Charge

Meter Size	Monthly Charge
15 mm	\$2.59
20 mm	\$3.88
25 mm	\$6.47
40 mm	\$12.95
50 mm	\$20.72
75 mm	\$38.84
100 mm	\$64.74
150mm	\$129.48
200 mm	\$207.16
250mm	\$297.80
300 mm	\$437.11

Part I – Water Rates

Multi-Residential Water Service

Applicable

To all multi-residential service customers within the city of Edmonton.

A multi-residential service is defined as a service supplied to premises used primarily for domestic purposes; where more than four separate dwelling units are metered by a single water meter.

If a business is conducted from premises that otherwise fall within the above definition of a multi-residential service, this Multi-Residential Water Service rate will apply; provided, however, that if the portion of the premises from which the business is conducted is separately metered, then a Commercial Water Service rate will apply to that portion of the premises

Effective Dates and Adjustments for Future Years

Consumption Charges and Public Fire Protection Monthly Charges for the period April 1, 2022 to March 31, 2023 are set out below. Consumption Charges and Public Fire Protection Monthly Charges for the period April 1, 2023 to March 31, 2027 will be determined by applying the adjustment factors in Schedule 3 of this Bylaw to the rates set out below, with new rate approval and implementation occurring on an annual basis in accordance with the adjustment methodology prescribed in Section 7 of this Bylaw.

Rate

Fixed Monthly Service Charge

In accordance with the “Fixed Monthly Water Service Charges” provisions of this Schedule.

Consumption Charge

0 m ³ – 100.0 m ³	\$1.9341 per m ³
100.1 m ³ – 1000.0 m ³	\$1.6180 per m ³
Over 1000.0 m ³	\$1.3372 per m ³

Public Fire Protection Monthly Charge

Meter Size	Monthly Charge
15 mm	\$2.54
20 mm	\$3.81
25 mm	\$6.36
40 mm	\$12.72
50 mm	\$20.34
75 mm	\$38.15
100 mm	\$63.58
150mm	\$127.15
200 mm	\$203.44
250mm	\$292.45
300 mm	\$429.26

Part I – Water Rates

Commercial Water Service

Applicable To all commercial, industrial and institutional customers within the city of Edmonton.

To all water customers not otherwise defined as Residential or Multi-Residential water service customers per Part I of this Schedule or as hydrant or truck fill service water customers per Part III of this Schedule.

Effective Dates and Adjustments for Future Years

Consumption Charges and Public Fire Protection Monthly Charges for the period April 1, 2022 to March 31, 2023 are set out below. Consumption Charges and Public Fire Protection Monthly Charges for the period April 1, 2023 to March 31, 2027 will be determined by applying the adjustment factors in Schedule 3 of this Bylaw to the rates set out below, with new rate approval and implementation occurring on an annual basis in accordance with the adjustment methodology prescribed in Section 7 of this Bylaw.

Rate Fixed Monthly Service Charge

In accordance with the “Fixed Monthly Water Service Charges” provisions of this Schedule.

Consumption Charge

0 m ³ – 25.0 m ³	\$1.6122 per m ³
25.1 m ³ – 100.0 m ³	\$1.6122 per m ³
100.1 m ³ – 1000.0 m ³	\$1.4867 per m ³
1000.1 m ³ – 5000.0 m ³	\$1.1768 per m ³
Over 5000 m ³	\$0.9472 per m ³

Public Fire Protection Monthly Charge

Meter Size	Monthly Charge
15 mm	\$5.87
20 mm	\$8.81
25 mm	\$14.68
40 mm	\$29.36
50 mm	\$46.97
75 mm	\$88.07
100 mm	\$146.78
150mm	\$293.55
200 mm	\$469.68
250mm	\$675.17
300 mm	\$991.03

Part I – Water Rates

Fixed Monthly Water Service Charges

Applicable To all metered water customers within the city of Edmonton.

Effective Dates and Adjustments for Future Years

Fixed Monthly Water Service Charges for the period April 1, 2022 to March 31, 2023 are set out below. Fixed Monthly Water Services Charges for the period April 1, 2023 to March 31, 2027 will be determined by applying the adjustment factors in Schedule 3 of this Bylaw to the rates set out below, with new rate approval and implementation occurring on an annual basis in accordance with the adjustment methodology prescribed in Section 7 of this Bylaw.

Rate **Fixed Monthly Water Service Charge**

Meter Size	Monthly Charge
15 mm	\$12.46
20 mm	\$18.70
25 mm	\$31.16
40 mm	\$62.32
50 mm	\$99.71
75 mm	\$186.96
100 mm	\$311.61
150mm	\$623.21
200 mm	\$997.14
250mm	\$1,433.39
300 mm	\$2,103.97

Part II – Water Rates

Distribution System Rider

Applicable	To customers who privately own and operate a substantial underground water distribution system. For further clarification, the distribution system must provide service at multiple delivery points and not be less than 1 kilometer long. This rider is not applicable for dedicated fire protection service. The customer must submit a request in writing to EWSI. EWSI reserves the right to accept or deny any request. The amount and duration of this rider will be at the sole discretion of EWSI. Only one rider will be applied to any one customer at one time.
Rate	A discount from the regular water rate category of the customer where the level of discount to the customer will be determined on a case-by-case basis.
Effective Dates	This rate is effective as and when amended or approved by EWSI for the period April 1, 2022 to March 31, 2027.

Part II – Water Rates

Multi-Meter Rider

Applicable	To customers who receive water through more than one water service and, as a result, more than one water meter. For further clarification, all water services must supply the same or adjoining buildings, and all water services must be in account to the same customer. This rider is not applicable for water meter bank installations associated with one water service. The customer must submit a request in writing to EWSI. EWSI reserves the right to accept or deny any request. The amount and duration of this rider will be at the sole discretion of EWSI. Only one rider will be applied to any one customer at one time.
Rate	A discount from the regular water rate category of the customer where the level of discount to the customer will be determined on a case-by-case basis.
Effective Dates	This rate is effective as and when amended or approved by EWSI for the period April 1, 2022 to March 31, 2027.

Part III – Service Charges

Account Application Charge

Applicable To all customers who apply for a new account or change accounts for water service within the city of Edmonton boundaries.

Rate \$25.00

Meter Installation or Removal Charge

Applicable To all customers, but most commonly for seasonal customers for whom a meter is removed and installed annually, and for customer-initiated connection and disconnection of water meters and/or associated metering devices.

Rate	Up to 25 mm meter	\$200.00
	40 mm to 50 mm meter	\$300.00
	Over 50 mm meter	Actual Cost
	Seasonal meters	Actual Cost

Meter Test Charge

Applicable To all customers who request that their EWSI water meter be tested and the results of the test indicate that the meter is operating within prescribed standards.

Rate	Up to 25 mm meter	\$200.00
	40 mm to 50 mm meter	\$275.00
	Over 50 mm meter	Actual Cost

Off-Cycle Meter Read Charge

Applicable To all customers who require a meter reading on a date other than their regularly scheduled monthly meter read date.

Rate \$12.52

Non-Standard Meter Read Charge

Applicable To all customers who decline the installation of a Standard Meter.

Rate \$49.03 per month

Part III – Service Charges

Non-Standard Meter Installation Charge

Applicable To all customers who after installing a Standard Meter revert back to a Non-Standard Meter.

Rate \$200.00

Damage Repair Charge

Applicable To all customers for whom EWSI must repair or replace damaged water valves, meters, remote meter reading devices or other EWSI equipment or appurtenances, where the equipment or appurtenance is under the customer's care or has been operated or interfered with by the customer.

Rate Actual Cost of meter plus \$100.00

Tampering Charge

Applicable To all customers for whom EWSI must investigate, repair, or replace damaged water infrastructure as a result of unauthorized use or tampering.

Rate Cost to repair plus \$250.00

Thawing of Frozen Services Charge

Applicable To all customers who require thawing of frozen services.

Rate First visit no charge
Second visit \$300.00 per hour

Missed Appointment Charge

Applicable To all customers who do not keep a scheduled appointment for any EWSI representative.

Rate \$60.00 per missed appointment

EWSI Missed Appointment Credit

Applicable For instances in which EWSI does not keep a scheduled appointment for a customer without giving reasonable notice.

Rate \$35.00 credit to customer per missed appointment

Part III – Service Charges

No Access Charge

Applicable	To all customers who do not allow access by EWSI to install, inspect, test, maintain, repair, investigate, replace or remove Facilities, including reading a Meter, for a period of 6 consecutive months.
Rate	\$40.00 per month

Customer Locate Fee

Applicable	To all customers who fail to notify EWSI that they have taken possession of a site and EWSI is required to conduct searches to identify the customer.
Rate	\$20.00

Hydrant Permit Charge

Applicable	To all customers who obtain water service through fire hydrants.						
Rate	<table> <tr> <td>Hydrant Application Fee, annual, per permit</td><td>\$90.00</td></tr> <tr> <td>Hydrant Meter Service Charge</td><td>\$50.00 per month</td></tr> <tr> <td>Consumption Charge</td><td></td></tr> </table> All consumption will be charged at the current and effective rate for Part I Multi-Residential Water Service Consumption Charge for 0 m³ –100.0 m³, as updated annually.	Hydrant Application Fee, annual, per permit	\$90.00	Hydrant Meter Service Charge	\$50.00 per month	Consumption Charge	
Hydrant Application Fee, annual, per permit	\$90.00						
Hydrant Meter Service Charge	\$50.00 per month						
Consumption Charge							

Construction Service Charge

Applicable	To all customers who obtain water at a site during the construction period, prior to the premises going into account for billing.
Rate	\$0.44 / \$1000 of construction cost

Service Connection Fee

Applicable	The fee for a new water service installation is calculated on a cost of service basis in accordance with the Water Services Guidelines.
Rate	Cost of service

Part III – Service Charges

Water Service Turn-On / Turn-Off Charge

Applicable To all customers requesting a water service be turned on or off (excludes turn-on related to non-payment on account).

Rate

During regular hours	\$130.00 ¹ per site visit
Required outside regular working hours	\$160.00 ² per site visit
Required within 48 hours of request	\$240.00 ³ per site visit

- 1 Customer will receive a \$65.00 credit if turn off and turn on service can be scheduled and completed in one site visit.
- 2 Customer will receive a \$80.00 credit if turn off and turn on service can be scheduled and completed in one site visit.
- 3 Customer will receive a \$120.00 credit if turn off and turn on service can be scheduled and completed in one site visit.

Water Service Turn-On Charge, After Turn-off for Non Payment

Applicable To all customers who require a water service to be turned on after having been turned-off due to non-payment on account.

Rate

During regular hours	\$80.00 per site visit
Required outside regular working hours	\$100.00 per site visit
Required within 48 hours of request	\$120.00 per site visit

Fire Protection Service

Applicable To all customers within the city of Edmonton who receive standby water service to their private fire protection installations.

Rates **Fixed Monthly Private Fire Protection Service Charges**

Fire Line Service	Monthly Charge
50 mm	\$1.41
100 mm	\$8.70
150mm	\$25.27
200 mm	\$53.86
250mm	\$96.86
300 mm	\$156.45

Part III – Service Charges

Truck Fill Service

Applicable	To all customers who obtain water from a truck fill site within the city of Edmonton municipal boundaries.	
Rate	Account Application Fee	\$35.00
	Consumption Charge	\$4.00 per m ³
Effective Dates	Part III Service Charges are effective April 1, 2022. Service Charges for the period April 1, 2023 to March 31, 2027 will be determined by applying the adjustment factors for Service Charges set out in Schedule 3 of this Bylaw to the rates set out in this Part III – Service Charges, with new rate approval and implementation occurring on an annual basis in accordance with the adjustment methodology prescribed in Section 7 of this Bylaw.	

Part IV – Late Payment Charges

Late Payment Charges

A late payment charge of 2.5% per month, not compounded, is applied to all charges on a Customer's Account, if the Customer's payment has not been received by EWSI in full by the payment date specified on the bill. If considered to be interest payable for credit advanced, then the late payment charge is equivalent to a maximum yearly rate of 45.6%. A dishonoured cheque charge of \$25.00 is applied for each cheque returned for insufficient funds.

Schedule 2

Terms and Conditions of Water Service

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Terms and Conditions of Water Service

INTRODUCTION TO TERMS AND CONDITIONS

These Terms and Conditions, as approved by the municipal council of the City of Edmonton, form part of Bylaw 19626 (the “EPCOR Water Services Bylaw”) which regulates the provision of Water Services in the city of Edmonton by EPCOR Water Services Inc. (“EWSI”). The EPCOR Water Services Bylaw, which also includes the EWSI Price Schedule in effect from time to time, is enacted pursuant to the powers vested in the City under the provisions of the Municipal Government Act RSA 2000 c M-26.

These Terms and Conditions apply to EWSI and its relationship with all of its Customers. Every Customer, by applying for or using a Service Connection or Water Services or other services of any kind provided by EWSI under the authority of these Terms and Conditions, is deemed to have accepted these Terms and Conditions and is bound by and subject to them.

Unless otherwise agreed in writing by EWSI and a Customer, provision of Water Services or other services by EWSI to Customers will occur only in accordance with these Terms and Conditions.

ARTICLE 1 - DEFINITIONS AND INTERPRETATION

1.1 Definitions

The following words and phrases, whenever used in these Terms and Conditions or in an application, contract or agreement for service under these Terms and Conditions, shall have the meanings set forth below:

“Account” means a written and/or digital record of use of Water Services or other services by a Customer, including the amounts payable from time to time by the Customer to EWSI;

“Billing Agent” means the entity appointed by EWSI to provide billing and customer care services;

“Business Day” means a day, which is not a Saturday, Sunday or a statutory holiday in the Province of Alberta, and “day” means any calendar day;

“City” means the municipal corporation of the City of Edmonton;

“Cross Connection” means any permanent or temporary piping arrangement that allows or may potentially allow the Waterworks System to be connected to a contaminant source. Examples may include, without limitation: garden hoses, any other hose attached to a threaded faucet, swivel or change over devices, removable sections, jumper connections and bypass arrangements;

Terms and Conditions of Water Service

“Curb Cock” means a valve connected into a Service Connection enabling the water supply to a Customer to be Turned Off or Turned On, (which will ordinarily but not necessarily be located at or near a Customer’s property line);

“Customer” means any person, firm or body corporate that receives Water Services or other services related to or incidental to the Water Services from EWSI pursuant to the EPCOR Water Services Bylaw and where the context or circumstances so require includes any person who makes or has made an application for Water Services or otherwise seeks to receive Water Services, and also includes any person acting as an agent or representative of a Customer, as well as a registered owner of property to which Water Services are being delivered;

“Customer Usage Information” means information regarding the historical use of Water Services or water consumption of a Customer, and includes the Customer’s history of payment for Water Services or other services provided under these Terms and Conditions;

“Disturbed Ground” means terrain (surface or sub-surface) that is disturbed and that may require incremental construction techniques or support systems to provide stability;

“Dwelling” means a private residence with sleeping and cooking facilities used or intended to be used permanently or semi-permanently as a residence;

“EWSI” means EPCOR Water Services Inc. or its successor;

“Facilities” means any infrastructure forming part of the Waterworks System owned or used by EWSI including, without limitation: water treatment plants, reservoirs, pumping stations, water transmission mains, water distribution mains, water service lines, Curb Cocks, valves, fire hydrants, flushmount hydrants, chambers, utility corridors, tunnels, casings, flow or pressure regulating valves, air/vacuum relief valves, Meters and any other measurement devices and other physical plant and piping appurtenances, used to produce and supply potable water;

“Force Majeure” means circumstances not reasonably within the control of EWSI, including acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, high water, washouts, inclement weather, orders or acts of civil or military authorities, civil disturbances, explosions, breakdown or accident to equipment, mechanical breakdowns, intervention of federal, provincial or local government or any of their agencies or boards, the order or direction of any court, and any other cause, whether of the kind herein described or otherwise;

“Meter” means Standard Meter and Non-Standard Meter;

Terms and Conditions of Water Service

“Multiple Dwelling” means a wholly or partially residential development containing more than one Dwelling, whether or not the development is within a single building or structure, which receives Water Services through a total number of Service Connection Points that is less than the total number of Dwellings in the residential development;

“Non-Standard Meter” means a water meter that does not have the capability of remotely communicating via radio frequency signals with EWSI’s advanced metering network;

“Owner” means:

- (a) the registered owner of a parcel of land in the register maintained by the Registrar of Land Titles under the Land Titles Act, or
- (b) a person who has purchased the parcel from the person mentioned in sub clause (a) pursuant to an agreement for purchase and sale;

“Potable Water” means water that is suitable for human consumption;

“Price Schedule” means the rates, fees and charges for Water Services more particularly described in Schedule 1 of the EPCOR Water Services Bylaw, as approved by the City and in effect at the time;

“Private Service Line” means the Customer owned water line and all associated equipment and any other assets for providing water to a Customer that are located downstream of the Service Connection Point, including the piping joint on the downstream side of the Service Connection Point and excepting the water Meter that is owned by EWSI;

“Service Connection” means all of the Facilities required to achieve a physical connection between an EWSI water main abutting Customer property and a Private Service Line to allow a Customer to receive water delivered through the Waterworks System, including without limitation the water service line from the water main to the Service Connection Point;

“Service Connection Point” means the point where a Service Connection owned by EWSI and forming part of the Waterworks System physically connects to a Private Service Line (which will ordinarily, but not necessarily, be a point at or near a Customer’s property line);

“Standard Meter” means an advanced water meter that has the capability of remotely communicating via radio frequency signals with EWSI’s advanced metering network;

Terms and Conditions of Water Service

“Terms and Conditions” means the terms and conditions in respect of Water Services described herein;

“Turn Off” means the process where the delivery of potable water to the Customer is terminated. Turn Off is normally executed by operating the inlet valve or the master control valve, associated with the Meter setting. In EWSI’s sole discretion, Turn Off may be executed by operation of the Curb Cock;

“Turn On” means the process where the delivery of potable water to the Customer is activated or re-activated. Turn On is normally executed by operating the inlet valve or the master control valve, associated with the Meter setting. In EWSI’s sole discretion, Turn On may be executed by operation of the Curb Cock;

“Water Services” includes but is not limited to the production, treatment and supply of potable water delivered through a Service Connection in accordance with the provisions of the Water Services Franchise Agreement to a Customer, any and all incidental services more particularly described in these Terms and Conditions, and the use of physical plant, equipment, apparatus, appliances, property and facilities owned or employed by EWSI or used in connection with EWSI in providing the supply of potable water to the property of any Customer;

“Water Services Agreement” means any agreement under which EWSI has or may incur an obligation to provide Water Services to one or more Customers, and may at EWSI’s sole option include any servicing agreement entered into by the City to which EWSI is not a party to the extent that the servicing agreement addresses the provision of Water Services to a Customer;

“Water Services Guidelines” means any document referred to as Water Services Guidelines in paragraph 2.2 of Article 2 of these Terms and Conditions;

“Waterworks System” means the Facilities and all associated real and personal property used by EWSI to supply potable water to Customers.

1.2 Conflicts

If there is any conflict between a provision in these Terms and Conditions, and a provision in a Water Services Agreement or other agreement between EWSI and a Customer, the provision in these Terms and Conditions shall govern unless an express term of the Water Services Agreement or other agreement states otherwise.

1.3 Extended Meanings

In these Terms and Conditions, words importing the singular number shall include the plural and vice versa, words importing the masculine gender shall include the feminine and neuter genders and vice versa. Words importing a person shall

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include a person, firm, partnership, corporation, organization or association (including, without limitation, individual members of any unincorporated entity).

1.4 Headings

The division of these Terms and Conditions into sections, subsections and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of these Terms and Conditions.

ARTICLE 2 - GENERAL PROVISIONS

2.1 Fundamental Obligations of EWSI and of Customers

(a) EWSI will provide Water Services, at the fees, rates or other charges specified in the Price Schedule in accordance with these Terms and Conditions and with applicable provisions of the Water Services Guidelines. All additional services provided by EWSI to a Customer will be billed to the Customer in accordance with an agreement between the Customer and EWSI. The general costs of operating and maintaining the Waterworks System are covered by the rates for Water Services set out in the Price Schedule. EWSI will operate and maintain the Waterworks System at no additional charge to any Customer beyond the fees, rates and charges for Water Services set out in the Price Schedule or in a Water Services Agreement, except for costs arising from:

- (i) requirements or requests for specific non-routine services not more particularly described in the Price Schedule, or the acts or omissions of any particular Customer or defined group of Customers,
- (ii) repairs or remedies of any loss or damage to Facilities or other property that is caused by a Customer or any other party for whom a Customer is responsible in law, including, without limitation, any costs or damages described in any judgment of a court in EWSI's favour.

Such additional costs may at EWSI's sole option (and in addition to any other legally available remedies) be added to a Customer's Account as an additional amount due and payable by the Customer to EWSI.

- (b) When EWSI performs a repair on its Facilities affecting a Customer's property, EWSI will make all reasonable efforts to return the property to its original or similar to original condition as soon as practicable after the repair is completed.
- (c) Prior to receiving any Water Services from EWSI, a Customer shall open an Account to pay for all Water Services provided by EWSI, whether or not

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listed in the Price Schedule. Any such services may be added by EWSI to the Customer's Account. A Customer shall comply with the requirements of these Terms and Conditions, the billing practices of the Billing Agent and the Water Services Guidelines.

- (d) Where any Facilities required to supply Water Services to a Customer are located in Disturbed Ground, or where any other unusual condition exists, EWSI's obligation to construct does not include incremental construction costs required to stabilize such Facilities or the disturbed ground, or to address other unusual conditions. The Customer may at EWSI's sole option be required to pay all additional construction costs in such circumstances, including the costs of any required support system.
- (e) With the exception of use for firefighting purposes, all Customers must enter into EWSI's Hydrant Permit Agreement for any access to or use of bulk water through a hydrant.

2.2 Water Services Guidelines

- (a) EWSI may adopt written requirements, standards, specifications, procedures, protocols or guidelines supplementary to these Terms and Conditions (the "Water Services Guidelines") as EWSI deems advisable for the purpose of clarifying or explaining:
 - (i) any fee, rate or other charge set out in the Price Schedule, including the circumstances and the manner in which such fee, rate or charge will be applied and billed to a Customer;
 - (ii) the manner in which EWSI's obligations under the EPCOR Water Services Bylaw and any applicable federal or provincial legislation or regulations will be fulfilled and the impacts on Customers;
 - (iii) EWSI's operating policies and procedures, and its requirements in relation to provision of Water Services or other services, including without limitation requirements intended to: provide security for costs incurred by EWSI, ensure the health and safety of employees, ensure the safety of the potable water supply delivered through the Waterworks System and maintain the reliability of the Waterworks System.

EWSI may amend the Water Services Guidelines from time to time to reflect changes to the industry, EWSI's requirements or the changing needs of EWSI's Customers. A copy of the Water Services Guidelines and amendments thereto will be filed with the City Clerk for information purposes and can be accessed www.epcor.com.

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The Water Services Guidelines and any amendments thereto shall be effective as of the date posted to EWSI's website. Without limitation to the foregoing and in the interest of greater clarity, the term "amend" in this clause includes the deletion of all or any portion of any Water Services Guideline previously filed with the City Clerk.

- (b) Without limiting the generality of Section 2.2(a) above, Water Services Guidelines may deal with any or all of the following subject matter:
 - (i) procedures or requirements that a Customer must comply with before a Service Connection is installed or activated, or before Water Services are provided, or as a condition of ongoing provision of Water Services;
 - (ii) Customer Accounts, including without limitation provisions or requirements concerning: opening an Account, making payments on an Account, consequences for failure to pay Accounts in full, lost bills, dishonoured cheques, collection of delinquent Accounts, adjusting improperly billed Accounts, Water Service application fees, handling of confidential Customer Account information, closing an Account, and any other matter relating to Customer Accounts;
 - (iii) measurement of water consumption, including without limitation provisions or requirements concerning: Meter inspection and testing, Meter settings, chambers and installations, Meter reading, disputes concerning Meter data, estimates of consumption, private or subsidiary Meters, remote Meter reading devices, relocation of Meters, access for Meter readers, and adjustments to bills when Meters have malfunctioned;
 - (iv) procedures or requirements concerning investigation of Customer complaints and concerns;
 - (v) procedures or requirements for provision of temporary Water Services, including without limitation Water Services provided during the construction phase of a development;
 - (vi) procedures or requirements for upgrading, re-sizing relocating or otherwise changing a Service Connection, whether at the instigation of EWSI or at the request of a Customer;
 - (vii) the Turn On and Turn Off of Water Services, whether at the instigation of EWSI or at the request of a Customer;
 - (viii) supply of bulk water for firefighting and other purposes, including without limitation procedures and requirements concerning the

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maintenance of public or private fire hydrants and permissible use of water from fire hydrants.

- (c) The following are deemed to be Water Services Guidelines and are effective and binding upon every Customer, and may be amended or rescinded from time to time by EWSI:
 - (i) the EWSI document entitled “EWSI Service Standards”;
 - (ii) the document entitled “Design and Construction Standards for the City of Edmonton; Volume 4 – Water” (“Design and Construction Standards”);
 - (iii) the EWSI document entitled “Cross Connection Control Policy”;
 - (iv) the EWSI document entitled “Guidelines for Working Around Water Infrastructure”;
 - (v) the EWSI document entitled “Hydrant Servicing Guidelines”;
 - (vi) the EWSI document entitled “Water and Sewer Connections Guidelines”; and
 - (vii) the EWSI document entitled “Water Utility Handbook”.
- (d) While EWSI is committed to, and will endeavour to comply with, its Water Services Guidelines, the operations of EWSI are complex and dynamic and the Water Services Guidelines may not appropriately or exhaustively deal with every situation that arises. EWSI, acting reasonably, may deviate from the provisions of the Water Services Guidelines or take action not specifically authorized by these Terms and Conditions or by the Water Services Guidelines at EWSI’s sole discretion.

ARTICLE 3 - METHODS AND PROCEDURES FOR OBTAINING WATER SERVICES

3.1 Requirement for Account and Obligation to Pay

- (a) Prior to receiving any Water Services from EWSI, a Customer is obligated to open an Account. Customers shall pay in full for all Water Services provided by EWSI. If a Customer fails to open an Account when they have possession of the premises to which Water Services are being supplied, EWSI may bill the Customer for the Water Services received, from their legal possession or occupancy date, whichever occurs first, and EWSI shall determine the retroactive billing by reasonably estimating the Customer’s consumption.

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EWSI will send a Customer a bill for Water Services provided to the Customer during the previous month, or an amount of time reasonably close to a month, calculated in accordance with Schedule 1. A Customer's obligation to pay the amount set out in the bill shall continue regardless of whether the Customer receives the bill. A late payment charge of 2.5% per month, not compounded, is applied to all charges on a Customer's Account, if a Customer does not pay a bill in full by the payment due date specified on the bill. If considered to be interest payable for credit advanced, then the late payment charge is equivalent to a maximum yearly rate of 45.6%. A dishonoured cheque charge is applied for each cheque returned for insufficient funds.

- (b) If at any time there is not a Customer with an Account open for premises to which Water Services are supplied, the Owner of such premises will be deemed to be the Customer at the premises and will be required to pay for all Water Services including, without limitation, Water Services not related to consumption, provided to the Premises until an Account is opened by another Customer. The Owner shall be liable for all charges related to identifying, searching for and contacting the Owner.
- (c) At the sole option of EWSI, an Owner of premises to which Water Services are supplied who rents or leases all or part of the premises to a tenant or lessee, may be required to open an Account for the supply of Water Services to the portion of the premises that are rented or leased from time to time.
- (d) EWSI may, without approval or consent of an Owner, upon not less than 30 days written notice to the Owner, open a new Account in the name of the Owner in respect of leased premises if:
 - (i) the tenant or lessee is more than 60 days in arrears of payment for Water Services; and
 - (ii) it is physically impossible or impracticable to Turn Off Water Services to the tenant or lessee without adversely affecting Water Services to one or more other Customers that occupy the same premises and/or that receive Water Services through a common Service Connection.

In such a case, the Owner shall be required to pay for Water Services from the date on which the new account is opened by EWSI in the Owner's name. The Owner shall not be required to pay EWSI for the tenant or lessee's arrears for Water Services at that location, unless a provision in an agreement otherwise specifies.

- (e) At the sole option of EWSI, where a Customer has more than one account, unpaid balances may be transferred and consolidated to the Customer

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account of EWSI's choice and without limiting any rights provided herein, EWSI may exercise its rights under Articles 5 and 10.

3.2 Customer Application for Water Services

- (a) At the request of a Customer and upon fulfillment of all conditions set out in these Terms and Conditions and in the Water Services Guidelines, EWSI will install and maintain a Service Connection to a Customer's premises abutting a street or right-of-way where there is a water main. Unless an agreement between EWSI and a Customer specifically provides otherwise:
 - (i) EWSI shall be and remain the owner of the Service Connection;
 - (ii) the Customer shall be and remain the Owner of the Private Service Line downstream of the Service Connection Point;
 - (iii) EWSI shall be and remain the owner of all water Meters and other measuring and monitoring devices associated with the Service Connection, regardless of whether they are located upstream or downstream of the Service Connection Point.
- (b) A Customer applying for Water Services involving a new Service Connection shall supply information regarding the location of the premises to be served, the manner in which the Service Connection will be utilized, and any other information that may be reasonably required by EWSI.
- (c) Before making a decision on a Customer application involving a new Service Connection, EWSI is allowed a reasonable time to verify the identity of the Customer and/or the accuracy of the information provided, and may require the Customer to sign a formal application for Water Services, in writing, which may be on a standard form approved by EWSI.
- (d) For all commercial and industrial Customers, and for any other Customer for whom provision of Water Services will involve installation of a new Service Connection or construction of new Facilities or an extension to or modification of the Waterworks System, an express written acknowledgement that the Customer has agreed to these Terms and Conditions is required before EWSI will take any steps toward providing the requested Water Services.
- (e) At EWSI's sole option, a Customer needing a new Service Connection or construction of new Facilities or an extension to or modification of the Waterworks System may be required to execute a Water Services Agreement, before EWSI approves any design or construction work.

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- (f) Upon receipt of all required information, verification of the Customer's identity and the accuracy of the information, and execution of any applicable acknowledgement form or agreement, EWSI will:
 - (i) advise the Customer whether and on what terms EWSI is prepared to supply Water Services to the Customer;
 - (ii) in the case of a Customer requiring a new Service Connection, advise the Customer of the type and character of the Service Connection it is prepared to supply to the Customer, and any conditions (including without limitation, payments by the Customer) that must be satisfied as a condition of installation of a Service Connection and supply of Water Services.

3.3 Other Occupants Liability for Payment and Change of Customer of Record

Where the Customer of Record for a premise has vacated the premise or defaulted on payment of a bill for Water Service, other occupant(s) of the premise who continue to receive Water Service shall be deemed to be the Customer(s) and shall be liable for payment for Water Service provided in accordance with Schedule 1.

When a prospective Customer is applying for Water Service or an existing Customer has applied for the received Water Service at a premise and the preceding Customer for the premise has a history of non-payment, EWSI may request the prospective Customer or the current Customer to provide additional information requested by EWSI to determine the identity, organization and/or control of the person(s) occupying the premise, including, but not limited to, lease agreements and records describing the organization and control of business entities occupying the premise.

3.4 Rejection of Application for Water Services or Service Connection

EWSI may, without limitation, reject any Customer's request for a Service Connection or for Water Services when:

- (a) the Customer does not have currently in effect all approvals that may be required for the installation of the Service Connection;
- (b) the Customer refuses to enter into a Water Services Agreement or other form of agreement acceptable to EWSI;
- (c) any representation made by the Customer to EWSI for the purpose of obtaining a Service Connection, Water Services, or a continuation of Water Services is, in EWSI's reasonably held opinion, fraudulent, untruthful or misleading;

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- (d) the Customer has not, when requested by EWSI to do so, provided a signed written application for Water Services;
- (e) the type of Water Services or Service Connection applied for is not available or not normally provided by EWSI in the locality where the Water Services or Service Connection is requested;
- (f) the requirements of the Water Services Guidelines have not been met;
- (g) the proposed Water Services or Service Connection, in EWSI's reasonably held opinion, has unusual characteristics that might adversely affect the quality of Water Services supplied to other Customers, public health or safety, the health or safety of EWSI's personnel, or the safety or reliability of any other Facilities or the Waterworks System;
- (h) a previous Customer at the site had a history of non-payment and EWSI believes, on reasonable grounds, that the defaulting Customer would continue to occupy the premises;
- (i) the Customer has an outstanding balance with EWSI for Water Services; or
- (j) the Customer has failed to provide the security required by EWSI.

3.5 Security Deposits

- (a) EWSI may at the time of a Customer's application for Water Services or at any time thereafter request a Customer to supply information reasonably required by EWSI to determine the Customer's credit history and/or credit risk. If a Customer fails to supply such information EWSI may refuse to supply, or discontinue supply of, Water Services to the Customer.
- (b) EWSI, in its sole discretion, may at the time of a Customer's application for Water Services or at any time thereafter require the Customer to post a security deposit or an increase to an existing security deposit in circumstances that may include, without limitation, the following:
 - (i) late payment by the Customer for Water Services or other services provided by EWSI;
 - (ii) the Customer has issued more than one cheque or pre-authorized debit that has been returned for non-sufficient funds in any six month period;
 - (iii) there has been a significant increase in the Customer's rate of consumption of water;

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- (iv) the Customer is applying for Turn On or for a new Water Services after having previously been Turned Off from Water Services for non-payment;
 - (v) the Customer making the application for Water Service has a credit rating that is not satisfactory to EWSI;
 - (vi) the Customer is applying for a permit to use water from a fire hydrant; or
 - (vii) the Customer has a permit to use water from a fire hydrant and is issued EWSI-owned equipment for use in connection with the hydrants.
- (c) EWSI, in its sole discretion, may determine that a Customer is not required to post a security deposit or is no longer required to maintain an existing security deposit, in circumstances that may include, without limitation, the following:
- (i) the Customer has a good payment history with EWSI;
 - (ii) where a result satisfactory to EWSI is obtained from an external credit check; or
 - (iii) where the Customer provides to EWSI an indemnity bond or irrevocable letter of credit from a financial institution satisfactory to EWSI.
- (d) Unless extraordinary circumstances apply, the maximum security deposit EWSI will require from a Customer for Water Services not involving a new Service Connection is an amount equal to three times the amount EWSI estimates will be the average monthly billing to the Customer for Water Services. Notwithstanding this Section 3.5(d), if a Customer is required to post a security deposit pursuant to Section 3.5(b)(vii) above, then such amount shall be in addition to any other security deposit required under Section 3.5.
- (e) A deposit made by a Customer may be returned to the Customer after a satisfactory payment history over a period of 12 consecutive months or when the Customer's Water Services are terminated and the Customer's account is closed. Where a Customer's Water Services are terminated and the Customer's Account is closed for non-payment, prior to any refund, the deposit will be applied to the balance owing by the Customer to EWSI.
- (f) EWSI will pay to a Customer as soon as practicable after the end of each calendar year, or after the Customer's Account is closed, simple interest on the daily balance of any cash deposit held by EWSI in respect of the

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Customer. The interest rate applicable to such payments is the interest rate specified under the *Residential Tenancies Act*, SA 2004, c R-17.1.

3.6 Customer Contracts

(a) Water Services Agreement

EWSI may, in its sole discretion, require a Customer previously connected or seeking to connect to the Waterworks System to sign a Water Services Agreement in respect of a Service Connection, as a condition of receiving or continuing to receive a Service Connection or Water Services.

(b) Assignment of Contractual Obligations

All Water Services, whether or not they require EWSI's assignment consent, that are properly assigned or otherwise transferred to a corporate Customer's affiliate or successor taking over the operation of a Customer's business and operations at premises subject to a pre-existing Account, shall be subject to the terms of the Customer's Water Services Agreements and billing history. Any change in service requirements as a result of such assignment or transfer shall be made in accordance with these Terms and Conditions. The existing contractual arrangements will remain in place until any new agreements have been approved and accepted by both parties.

3.7 Authorizations and Approvals for Service Connection

The Customer shall be responsible for obtaining all permits, certificates, licenses, inspections, reports, and other authorizations necessary for the installation and operation of the Service Connection. EWSI shall not be required to commence or continue installation or operation of a Service Connection unless and until the Customer has complied with the requirements of all governmental authorities, permits, certificates, licenses, inspections, reports and other authorizations, all right-of-way agreements, and all of EWSI's requirements applicable to the installation and operation of the Service Connection. EWSI reserves the right to verify that all necessary authorizations have been obtained by Customers.

3.8 Temporary Water Service and Construction Water Service

- (a)** Where EWSI reasonably believes that a requested Water Service will be temporary, it may require the Customer requesting the Water Service to pay to EWSI in advance of construction the estimated cost of the necessary Facilities plus the estimated cost of installation and removal of Facilities, less the value of any salvaged material.
- (b)** EWSI will provide temporary, unmetered Water Service wherever practicable to a Customer for purposes of facilitating construction of a new development. The Customer will pay a rate, charge or fee for such Water

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Services based on the total cost of construction of the development, as specified in the Price Schedule. A Customer who is receiving unmetered Water Service for the construction phase of a development ceases to be entitled to take unmetered Water Service at the construction rate and is required to apply for metered Water Services when

(i) a City occupancy permit is issued for the development; or

(ii) the development is being used for its intended purpose;

whichever event occurs first.

(c) Where a Customer fails to apply for metered Water Services as required by this section, EWSI may bill the Customer retroactively for the unmetered water as if it were metered Water Services from the date a City occupancy permit was issued or the date upon which the development began to be used for its intended purpose, whichever is earlier. EWSI shall determine the retroactive billing by reasonably estimating the Customer's consumption.

3.9 Scheduling for Service Connection

EWSI shall schedule Customers for Service Connection in accordance with the Water Services Guidelines, after:

(a) the Customer has complied with EWSI's application requirements;

(b) the Customer has complied with the requirements of all applicable construction and safety standards, applicable legislation and regulations, including City of Edmonton bylaws; and

(c) the Customer's application for Water Services has been accepted by EWSI.

3.10 Customer to Notify EWSI of Changes

When a Customer has a change of name or contact information, (including without limitation: mailing address, telephone number(s), e-mail address) the Customer must immediately notify EWSI of such change. EWSI reserves the right to require that such notification be made in writing

3.11 Customer Usage Information

(a) EWSI shall provide standard Customer Usage Information to a Customer, or to an agent acting on behalf of a Customer, upon request and in the case of an agent only after receiving written consent to such disclosure from the Customer in a form satisfactory to EWSI, for the 12-month period preceding the date of the request or for such shorter period for which EWSI has collected that information.

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- (b) EWSI shall not be obligated to provide Customer Usage Information for a period greater than 24 months prior to the date of request. If a Customer requests Customer Usage Information for any time earlier than 24 months prior to the date of request, EWSI may in its sole discretion charge a fee for retrieving and supplying the information requested.

ARTICLE 4 - WATER SERVICE REQUIREMENTS AND FACILITIES

4.1 Protection of EWSI's Facilities and Property of Other Customers

- (a) No Interference with Facilities

The Customer shall not install or allow to be installed on property owned or controlled by the Customer any temporary or permanent structures, fences or landscaping that could interfere with the proper and safe access to, or operation of EWSI's Facilities or result in non-compliance with applicable statutes, regulations, standards or codes.

Only an employee or authorized agent of EWSI shall remove, operate, or maintain EWSI Facilities. A Customer shall not obstruct access to or interfere with or alter any Meter, seal or other Facility or permit the same to be done by any person other than an employee or authorized agent of EWSI. If a Customer or a person authorized by a Customer fails to comply with this provision, the Customer is responsible to pay the applicable Service Charge and the cost of repairing or otherwise remedying any damage to or loss of Facilities located on the Customer's premises or premises controlled by the Customer, unless caused by circumstances, as determined in EWSI's sole discretion, to have been beyond the Customer's control.

- (b) Protection of the Private Service Line, Equipment and Assets on Customer's Property

The Customer is solely responsible to take all necessary measures to prevent damage to the Private Service Line and any other equipment or assets connected to the Facilities on the Customer's property, including the EWSI Meter, due to any cause, including, without limitation, freezing and settlement or movement of the structure or soil through which the Private Service Line passes. EWSI shall not be liable for any repair, maintenance or replacement of any Private Service Line, except where damage to a Private Service Line is caused by a deliberate or negligent act of EWSI.

The Customer shall provide and maintain, at no cost to EWSI, the necessary space and protective barriers to safeguard Facilities installed or to be installed upon the Customer's premises. If the Customer refuses, EWSI may, at its option, provide and maintain such protective barriers, and charge the Customer for these Water Services. Such space, and protective barriers shall be in conformity with applicable laws and regulations and subject to EWSI's approval.

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(c) Compliance with Requirements and Use of Service Connection

The Customer shall ensure that the Private Service Line and any other equipment or assets comply with the requirements of any applicable code or regulation and with the Water Services Guidelines. The Customer shall not use a Service Connection or any Water Services received in a manner so as to cause interference with any other Customer's use of a Service Connection or Water Services. At EWSI's request, a Customer shall take whatever action is required to correct such interference or disturbance at the Customer's expense.

(d) Customer to Pay Relocation Costs

The Customer shall pay all costs of relocating EWSI's Facilities at the Customer's request, if such relocation is for the Customer's convenience, or if necessary to remedy any violation of law or regulation caused by the Customer. If requested by EWSI, the Customer shall pay the estimated cost of the relocation in advance.

(e) Water Service to a New or Previously Unserved Building on a Served Lot by an Extension of Existing Water Services

A Customer may, at their own expense, provide Water Services to a new or previously unserved building on a served lot through an extension to an existing Water Service provided that:

- (i) the extension does not cross the property line on which the existing service is located;
- (ii) the connection to the Private Service Line occurs after the Meter;
- (iii) the water consumption for all of the buildings on the lot will be measured through one Meter, and billed together through a single account with EWSI's Billing Agent; and
- (iv) the Private Service Line must comply with the Alberta Safety Codes Act, the National Plumbing Code of Canada and other applicable legislation or codes.

(f) Water Service to a New or Previously Unserved Building on a Served Lot by a New Service Connection

A Customer may, at their own expense, provide Water Services to a new or previously unserved building on a served lot through a new Service Connection provided that:

- (i) each building on the lot has its own Meter, meter setting and unique site address;

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- (ii) the new or previously unserved building complies with the requirements of Article 8.1(b)
 - (iii) each Service Connection on the lot is connected to the Facilities by a separate Private Service Line; and
 - (iv) the Private Service Lines referred to in sub clause (iii) are not interconnected.
- (g) Prohibited Extension of the Private Service Line, Piping, Equipment or Assets

A Customer shall not extend or permit the extension of a Private Service Line or any other customer-owned piping, equipment or other assets that are connected directly or indirectly to the Waterworks System, beyond the separately titled lot or parcel of land in respect of which they are used to supply Water Services through a Service Connection Point.

ARTICLE 5 - EASEMENTS, RIGHTS-OF-WAY, AND USE OF AND ACCESS TO FACILITIES

5.1 Easements and Rights-of-Way

At the request of EWSI a Customer shall grant or cause to be granted to EWSI, without cost to EWSI, such easements or rights-of-way over, upon or under property owned or controlled by the Customer as EWSI reasonably requires for the construction, installation, maintenance, repair, and operation of the Waterworks System.

5.2 Right of Entry

- (a) EWSI's employees, agents and other representatives shall have the right to enter a Customer's premises at all reasonable times, or at any time during an event of Force Majeure, for the purpose of installing, maintaining, replacing, testing, monitoring, reading or removing EWSI's Facilities and for any other purpose incidental to the provision of Water Services. A Customer shall not prevent or hinder EWSI's entry to the Customer's premises for any such purpose. Without limiting the generality of the foregoing,

EWSI has the right to enter a Customer's premises at any reasonable hour in order to:

- (i) install, inspect, test, read, repair, replace or remove Facilities;
- (ii) perform necessary maintenance to Facilities;

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- (iii) investigate or respond to a Customer complaint or inquiry;
 - (iv) conduct an unannounced inspection where EWSI has reasonable grounds to believe that theft of Water Services or interference with Facilities (including but not limited to a water Meter) has occurred or is occurring; and
 - (v) take necessary corrective action to safeguard and maintain the Waterworks System.
- (b) EWSI will make reasonable efforts to notify the Customer in advance of entering a Customer's premises or to notify any other person who is at the Customer's premises and appears to have authority to permit entry, except:
 - (i) in cases of emergency;
 - (ii) where entry is permitted by order of a court or other authority having jurisdiction;
 - (iii) where otherwise legally empowered to enter;
 - (iv) where the purpose of the entry is in accordance with Section 5.2(a)(iv) and (v) of these Terms and Conditions.
- (c) EWSI may charge a "no access fee" sufficient to cover EWSI's reasonable costs, if EWSI's lawful entry to a Customer's premises is prevented or hindered, including without limitation where EWSI determines, in its sole discretion, the access to be unsafe, whether by a Customer not keeping a scheduled appointment or for any other cause.

5.3 Access to Waterworks System

- (a) A Customer shall be responsible for managing vegetation on the property owned or controlled by the Customer and to maintain adequate clearances to avoid interference with EWSI's Facilities.
- (b) A Customer shall not obstruct or hinder EWSI's free and direct access to any Facility, including without limitation any Service Connection, water main, valve, Curb Cock, fire hydrant, Meter or meter setting.
- (c) EWSI, in its sole discretion, may consider a safety issue as an obstruction or a hindrance to access to any Facilities and may notify the Customer of any conditions or actions required to enable access to the Facility.
- (d) Where a Customer contravenes any provision of Sections 5.1, 5.2 or 5.3 and fails to remedy such contravention within ten (10) days after receiving from EWSI a notice in writing to do so, then in addition to any other legal remedy available EWSI may take any steps necessary to remedy the

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contravention and may charge any costs of so doing to the Customer's Account. These steps include, but are not limited to, turning off Water Services in accordance with Article 10 and charging a monthly no-access fee as set out in Schedule 1.

5.4 Customer Responsibility for Use of Facilities

- (a) A Customer shall not use the Waterworks System in a manner that interferes with any other Customer's use of the Waterworks System. At EWSI's request, the Customer shall take whatever action is required to correct any interference, disturbance or adverse effect at the Customer's expense.
- (b) No Customer shall install or allow any Cross Connection that could cause or allow drinking water, in any part of the Waterworks System to become contaminated or polluted in any way.
- (c) A Customer shall control Cross Connections by the installation, maintenance and testing of approved backflow prevention measures on any temporary or permanent connection to the potable water system, including fire lines starting at the point of service from the public potable water system and in a manner consistent with EWSI's Cross Connection Control Procedure Guide ("CCC Guide") amended from time to time to reflect changes to the industry standard and available on www.epcor.com.
- (d) A Customer must provide EWSI with 15 days advanced written notice of any use of superchlorinated water within their Private Service Line or any other customer-owned piping, equipment or other assets that are connected directly or indirectly to the Waterworks System.
- (e) Where EWSI determines that a Cross Connection prohibited by this Section exists, EWSI shall give notice to the Customer to correct the prohibited Cross Connection at the expense of the Customer within the time specified in the notice.
- (f) Where the Customer fails to correct the Cross Connection in accordance with the notice, fails to allow EWSI to access the Cross Connection or where a Customer fails to comply with the terms of EWSI's CCC Guide, in addition to any other penalties, the Customer shall be subject to the following:
 - (i) EWSI may Turn Off the prohibited supply of water for such time as the Cross Connection continues however, if the prohibited supply of water cannot, in EWSI's sole discretion, be turned off, EWSI may correct the Cross Connection at the expense of the Customer, including charges for estimated consumption; and/or
 - (ii) one or all of the following penalties:

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Unauthorized Cross Connection	\$1,500
Failure to install authorized backflow preventer	\$2,000
Failure to test a backflow preventer	\$1,500
Failure to retain test records on site	\$500
Failure to submit a passed backflow preventer test report within 30 days	\$500
Failure to submit a failed backflow preventer test report within 2 days	\$500
Failure to replace a failed backflow preventer within 96 hours of notification	\$1,500
Failure to allow access to site	\$500

- (g) A Customer will not use water from the Waterworks System, or allow water obtained from the Waterworks System to be used:
 - (i) in an unauthorized manner;
 - (ii) in a manner that will impede water use by other Customer;
 - (iii) unless an Account has been opened by the Customer;
 - (iv) unless the water has first passed through a water Meter, except in the case of unmetered Water Service in the construction phase of a development only.
- (h) If EWSI finds any unauthorized use of the Service Connection or Water Services or any tampering with a Meter, a seal or any other EWSI Facilities or unauthorized connection or reconnection, theft, fraud, or any intentional or unintentional use of water or Water Services whereby EWSI is denied full compensation for the Water Services provided, EWSI may make changes to its Meters, or other Facilities or take other corrective action required in order to prohibit the unauthorized use of the Facilities.
- (i) Upon finding any unauthorized use of water, EWSI may Turn Off the Service Connection immediately, without notice and shall charge the Customer all

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costs incurred in correcting the condition, in addition to any charges for unmetered water consumed and any other rights and remedies which may be available to EWSI.

- (j) A Customer that uses water in contravention of this Section shall pay the following charges:
 - (i) The applicable rate for the water used, in accordance with the Price Schedule, and where necessary due to lack of metered data based on an estimate by EWSI of the amount of water used;
 - (ii) all costs incurred by EWSI in dealing with the contravention;
 - (iii) any other charge, fee or penalty provided by the Price Schedule, these Terms and Conditions and any applicable law or regulation.

ARTICLE 6 - WATERWORKS SYSTEM EXTENSIONS

6.1 Estimated Cost

Upon a Customer's request for a new or upgraded Service Connection involving construction of new Facilities or an extension to the Waterworks System, EWSI shall prepare a proposal outlining the estimated cost of the Service Connection including all necessary new Facilities or extensions to the Waterworks System.

Where a Customer-requested new or upgraded Service Connection requires cross-lot servicing, EWSI may in its sole discretion decline to construct the Service Connection..

6.2 Agreement in Writing for Waterworks System Extension

A new or upgraded Service Connection involving new Facilities or an extension to the Waterworks System shall not be constructed unless the Customer has executed a Water Services Agreement for the proposal with EWSI.

6.3 Customer Payment for Waterworks System Extension Costs

Unless otherwise specified:

- (a) in a Water Services Agreement; or
- (b) under the provisions of a water main cost sharing program offered by EWSI;

the full cost of any new Facilities or extensions to the Waterworks System shall be paid by the Customer whose new or upgraded Service Connection gives rise to the need for the new Facilities or extension to the Waterworks System.

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6.4 Changes to Amount Payable by Customer

Following construction completion, and placing the new Facilities into pursuant to Article 6 hereof, the amount payable by the Customer will be changed to the actual full cost of the new Facilities. Where the actual full cost exceeds the estimate, EWSI will provide the customer with a written explanation for the change.

ARTICLE 7 - WATER SERVICE CONNECTIONS

7.1 Engineering, Design and Construction Requirements for Service Connections

- (a) Unless otherwise specified in a written agreement between EWSI and the Customer, it is the Customer's responsibility to supply at the Customer's cost:
 - (i) any plans and engineering reports pertaining to the Service Connection that EWSI may reasonably require, signed and sealed by a Professional Engineer;
 - (ii) an engineering report describing the design, construction and materials proposed, including measures to prevent adverse effects of contaminated soils, groundwater, or adverse soil conditions on the Waterworks System;
 - (iii) proof to EWSI's satisfaction, that the Service Connection and the Private Service Line meet all requirements of these Terms and Conditions, the Design and Construction Standards and the Water Services Guidelines, and conform to the requirements of all applicable legislation including municipal bylaws and regulations;
 - (iv) in the case of a Service Connection that is 40 mm (1 ½ inches) or larger in diameter, proof of satisfactory bacteriological test results for the Water Service from a laboratory accredited to perform such tests by the Province of Alberta, approved, signed and stamped by a Professional Engineer.
- (b) The Customer shall be responsible for the installation and condition of the Private Service Line and all other piping and equipment or any other assets on the Customer's side of the Service Connection Point excluding the Meter that is owned by EWSI.
- (c) The Customer shall determine whether he requires any devices to protect his premises or property from damage that may result from the use of a Service Connection or Water Services. The Customer shall provide and install any such devices at the Customer's sole expense provided that they do not obstruct or interfere with EWSI's Facilities.

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- (d) The Customer shall provide EWSI with written notice of plans to demolish a structure within 5 days following the Customer's application for a demolition permit for that structure from the City of Edmonton.
- (e) For the Customer sites described in sub-article 7.1(d), the Customer shall ensure that its Private Service Line is comprised of materials as prescribed in the Water Services Guidelines.

7.2 Multiple Dwellings

- (a) EWSI may require that each individual Dwelling within a Multiple Dwelling be metered separately and that a separate Account be opened in respect of each such Dwelling, regardless of the number of Service Connections through which water is delivered to the Multiple Dwelling.
- (b) Where EWSI and a Customer enter into a Water Services Agreement or other agreement in writing that provides for Water Service to a Multiple Dwelling to be delivered through a single Service Connection and measured by a single Meter at or downstream of that Service Connection Point, the applicable multi-residential rate in the Price Schedule will apply to the Water Service.
- (c) If a building has more than one self-contained unit, served by multiple Private Service Lines or by a Private Service Line with multiple branches, EWSI may require each self-contained unit to be metered separately and an Account to be opened in respect of each such Meter with the appropriate fire line and lawn services also put into Account.

ARTICLE 8 - METERS

8.1 Installation of Meters

- (a) Provision and Ownership

EWSI shall supply, install, and seal one or more Standard Meters for the purpose of measuring the volume of water delivered to a Customer by way of a Service Connection subject to the following exceptions:

- (i) a Customer may decline the installation of a Standard Meter on request to EWSI provided that:
 - (a) the Customer receives Water Services at a site that is a Dwelling or Multiple Dwelling without a multiple-meter installation; and
 - (b) EWSI has regular, ongoing and safe access to the Non-Standard Meter.

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- (ii) a Customer may request that a Standard Meter be replaced with a Non-Standard Meter on written request to EWSI provided that:
 - (a) the Customer receives Water Services at a site that is a Dwelling or Multiple Dwelling without a multiple-meter installation; and
 - (b) EWSI has regular, ongoing and safe access to the Non-Standard Meter.

The Standard Meter, Non-Standard Meter and related metering equipment shall remain the sole property of EWSI, regardless of whether the Customer has paid or reimbursed all or any part of EWSI's costs of supply and installation.

Any Customer that is subject to the exceptions listed in (i) and (ii) above shall be required to pay the Non-Standard Meter Reading Fee as set out in Schedule 1. In addition, a Customer shall be required to pay the Non-Standard Meter Reading Fee as set out in Schedule 1 upon a Customer's deemed refusal of the installation of a Standard Meter. A Customer is deemed to have refused the installation of a Standard Meter if the Customer does not respond to EWSI's reasonable communication efforts, as determined by EWSI, for the installation of the Standard Meter. Any Customer that is subject to the exception listed in (ii) above shall be required to pay the Non-Standard Meter Installation Fee as set out in Schedule 1.

A Customer at a site that is metered by a Non-Standard Meter that has declined the installation of a Standard Meter may at any time request that EWSI install a Standard Meter at that site.

(b) Responsibility of Customer

Each Customer shall ensure that a location on or in the Customer's premises for Meter installation is provided, complete with an EWSI approved meter setting, as prescribed by Design and Construction Standards, and that safe and easy access to the Meter is provided for the purpose of reading or servicing the Meter, in accordance with all applicable requirements of the Water Services Guidelines as amended from time to time. The Meter location shall provide protection from freezing and physical damage. The Customer shall be liable for all Water Services received in connection with a burst Customer Meter resulting from inadequate protection.

All Meter installations, including placement, shall comply with EWSI's approved meter settings as prescribed by the Design and Construction Standards. Where the Customer fails to comply with the Design and Construction Standards, the Customer shall be subject to Turn Off in accordance with Article 10.2.

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8.2 Access to Meters

EWSI may, at any reasonable time, access, read, inspect, replace, remove or test a Meter installed on or in property owned or controlled by the Customer.

8.3 Meter Testing

- (a) At the request of a Customer, EWSI shall arrange for on-site Meter verification and if necessary, shall arrange for a Meter to be tested by a person qualified to perform such work. EWSI shall charge a fee for responding to such Customer requests, as set forth in the Price Schedule. If, upon verification and/or testing, the Meter is found to be recording accurately (which for this purpose is defined as recording between 97% and 103% of actual consumption) then EWSI shall retain the fee. If the Meter is found to be recording inaccurately, outside the limits of 97% to 103%, then EWSI will refund the fee to the Customer and make adjustments to previous billings for Water Services, as required.
- (b) EWSI may at any time inspect, replace or test any Meter, on its own initiative, without a Customer request. In such case no fee is payable by the Customer.

8.4 Circumvention of Meter

If under any circumstances, a person other than an employee or agent of EWSI, prevents a Meter from accurately recording the total volume of water supplied, EWSI may Turn Off the Water Services or take any other appropriate actions to ensure accurate operation of the Meter. In the foregoing circumstances EWSI may estimate the quantity of water supplied but not recorded by the Meter. The Customer shall pay the cost of the estimated water consumption plus all costs related to the investigation and resolution of the matter.

8.5 Changes to Metering Equipment

- (a) Upon receipt of a written or verbally recorded request by a Customer, EWSI may provide metering services, other than standard metering service, in its discretion, acting reasonably, and may charge separate fees for such services. Following EWSI's acceptance of such a request, EWSI shall supply, install, test, replace and maintain the requested metering equipment. The Customer shall bear the cost of providing and installing the requested metering equipment, and the costs of operation and maintenance.
- (b) The Metering equipment shall become the property of EWSI and will be maintained by EWSI. EWSI shall bill the Customer prior to installation and the Customer shall prepay the cost of installation at least fifteen (15) Business Days prior to proposed installation date. If payment is not received

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by fifteen (15) Business Days prior to the proposed installation date, EWSI shall have no obligation to proceed with the installation.

8.6 Stop and Waste Valves

It is the Customer's responsibility to ensure that the site's stop and waste valve is fully operational prior to the start of any metering services including, without limitation, installation, replacement, removal or testing of Meters.

ARTICLE 9 - CHANGES TO SERVICE CONNECTIONS OR OTHER FACILITIES

9.1 Requirement to Give Notice of Changes to Water Service Requirements

A Customer shall give to EWSI reasonable prior notice, written or verbally recorded, of any requested change to a Service Connection, to enable EWSI to determine whether or not it can accommodate such revised Water Service without changes to other EWSI Facilities.

9.2 Customer to Bear Cost of Changes to EWSI Facilities

If EWSI determines that any modifications, extensions or additions are required to existing Facilities to accommodate:

- (a) a Customer's request for change to a Service Connection; or
- (b) any material change to a Customer's consumption of water or use of Water Services, regardless of whether the Customer requests a change to the Service Connection

the Customer is obligated to pay the full cost of such modifications, extensions or additions to Facilities, unless otherwise specified in a Water Services Agreement or under the provisions of a water main cost sharing program offered by EWSI.

9.3 Adjustment of Curb Cock Casing to Grade

Upon the request of the Customer, EWSI shall within a reasonable time adjust a Curb Cock casing to grade at no charge. The Customer shall be responsible for any loss or damages arising from a Curb Cock casing protruding above grade, where no request for adjustment has been received by EWSI, or where a reasonable time for EWSI to complete the adjustment has not elapsed.

ARTICLE 10 - WATER SERVICE TURN OFF AND TURN ON

- (a) A Turn Off does not remove the water present in a Customer's Private Service Line, equipment or other assets downstream of the Service Connection Point. It is the Customer's responsibility to drain or to otherwise protect the private assets in a manner suitable for the Customer's purposes following the Turn Off.

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- (b) It shall be the Customer's responsibility to monitor the Turned Off supply for residual flow of water and to take any measures necessary to accommodate with any residual flow.

10.1 Turn Off at Customer Request

- (a) Temporary Turn Off

Upon the request of the Customer and subject to payment of the applicable Water Services Turn On/Turn Off Charge(s), EWSI may temporarily Turn Off any Service Connection, provided that:

- (i) the Customer is obligated to pay any costs incurred by EWSI as a direct result of a Customer's idle Service Connection that will not otherwise be recovered;
- (ii) the Customer is obligated to pay for services and associated fees and charges as required by City of Edmonton Bylaw 13777, as amended;
- (iii) upon a request to restore Water Service, the Customer is obligated to pay any applicable charges outlined under section 10.3; and
- (iv) if the Service Connection remains Turned Off for more than twelve (12) months, it will be considered permanently Turned Off and all costs related to providing a new Service Connection will apply to any request from the same or any other Customer to restore the Service Connection.

- (b) Permanent Turn Off

If a Customer requests that a Service Connection be permanently Turned Off, or if a permanent Turn Off is deemed to have occurred pursuant to Section 10.1(a)(iv), the Customer billing for that Water Service will be finalized. At the discretion of EWSI, the Facilities provided by EWSI will be removed provided that the Customer remains obligated to pay for services and associated fees and charges as required by City of Edmonton Bylaw 13777, as amended.

If the Customer subsequently requests that the Service Connection be restored, the Customer must pay all costs associated with the original Turn Off, removal of the Facilities and restoration of the Service Connection.

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10.2 Turn Off by EWSI

(a) Turn Off without Notice

If EWSI believes there is any actual or potential danger to life or property, or in any other circumstances which in EWSI's sole judgement require such action, EWSI has the right to withhold Turn On or to Turn Off a Customer's Service Connection without prior notice to the Customer. More specifically, and without limitation of the foregoing, EWSI may exercise this right in the event that:

- (i) in the opinion of EWSI, the Customer has permitted the Private Service Line or any other Customer owned equipment or assets to become hazardous or to fail to comply with applicable law, standards and codes and/or EWSI requirements, or if the use of the Service Connection may cause damage to any other Facilities;
- (ii) in the opinion of EWSI, the Private Service Line, or any other Customer owned equipment or assets have or will become unsafe or defective. In this event, the Service Connection may not be restored until the Customer owned assets are approved by the appropriate authority;
- (iii) EWSI discovers or suspects theft by the Customer of any Water Services or EWSI Facilities;
- (iv) EWSI discovers or suspects any tampering with a Meter, a seal or any other EWSI Facilities;
- (v) EWSI requires access to change its Service Connection, Meter or any other equipment to deliver Water Services in a manner consistent with these Terms and Conditions of Service; or
- (vi) the Customer changes requirements for a Service Connection or Water Services without the permission of EWSI.

When the reason for Turn Off is a concern for the health or safety of the Customer, EWSI's employees or agents, or the general public, EWSI will Turn On the Water Service only when the health or safety concern is resolved and when the Customer has provided, or has paid EWSI's costs of providing, services, permits, authorizations, devices or equipment as may be necessary to resolve the health or safety concern.

(b) Turn Off with Notice

EWSI may withhold Turn On or may Turn Off a Customer's Service Connection (without prejudice to any of EWSI's other remedies) after

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providing forty-eight (48) hours advance notice to the Customer, as applicable, in the following circumstances:

- (i) if the Customer fails to pay any amount due under these Terms and Conditions, except when the Customer has formally initiated a dispute of the amount due, in writing;
 - (ii) as required by law;
 - (iii) if the Customer is in violation of any of these Terms and Conditions or any of the terms of a Water Services Agreement with EWSI;
 - (iv) any other circumstances that EWSI determines, in its sole discretion, acting reasonably, require the withholding Turn On or Turn Off of the Service Connection upon forty-eight (48) hours notice.
- (c) If a Customer's Service Connection is subject to a Turn Off pursuant to this Section 10.2(a), EWSI shall provide a written explanation to the Customer within a reasonable time after Turn Off, including the reason for Turn Off and the actions required for Turn On.

10.3 Turn On of Water Service

Before EWSI Turns On or restores Water Service, the Customer shall:

- (a) pay any amount owing to EWSI including written off accounts;
- (b) pay a Turn On charge in an amount set out in the Price Schedule; and
- (c) be in compliance with these Terms and Conditions or any of the terms of a Water Services Agreement with EWSI.

10.4 Removal of Facilities

Upon termination of Water Service, EWSI shall be entitled to remove any of its Facilities located upon the property of the Customer and to enter upon the Customer's property for that purpose.

ARTICLE 11 - CLOSING AN ACCOUNT

The Customer shall pay all fees and charges remaining on the account including all Water Services provided up to the time of the Customer's requested end-of-service date and any further fees and charges that accrue prior to the point at which the site is enrolled with a subsequent Customer.

ARTICLE 12 - GENERAL RESTRICTIONS AND PROHIBITIONS

- (a) Except for water obtained from the Waterworks System which has been enhanced or altered in a lawful manner for resale, no Customer or other

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person shall resell water obtained from the Waterworks System to any other person except in accordance with the terms and conditions of an executed written agreement with EWSI.

- (b) No Customer or other person shall construct or allow to be constructed more than one Service Connection to any premises without prior written consent of EWSI.
- (c) A Private Service Line must not cross from one separately titled property to another separately titled property even if these properties are owned by the same person. This includes properties on which buildings straddle existing property lines.
- (d) No Customer or other person shall install or cause to be installed a branch line or tap between a Meter and the Service Connection.
- (e) No person shall take or use water from the Waterworks System in contravention of an Order issued pursuant to the provisions of Section 14.6 of these Terms and Conditions.

ARTICLE 13 - LIABILITY AND INDEMNIFICATION

13.1 Limitation of EWSI Liability

- (a) Notwithstanding any other provision of these Terms and Conditions or any provision of any agreement between EWSI and a Customer relating to the provision of Water Services (an "EWSI Agreement") EWSI, its directors, officers, agents, employees and representatives ("EWSI Parties") shall not be liable to the Customer, its directors, officers, agents, employees and representatives ("Customer Parties") for any loss, injury, damage, expense, charge, cost or liability of any kind, including without limitation, liability for nuisance or any other tort that does not require a finding of intention or gross negligence, suffered or incurred by the Customer Parties, or any of them, whether of a direct, indirect, special or consequential nature, however or whenever caused, and whether in any way caused by or resulting from the acts or omissions of the EWSI Parties, or any of them, except for direct property damages incurred by the Customer as a direct result of a breach of these Terms and Conditions or applicable EWSI Agreement or other act or omission by an EWSI Party, which breach or other act or omission is caused by the gross negligence or intentional tort of such EWSI Party.
- (b) Any liability under this Section will be limited to an amount in proportion to the degree to which the EWSI Party is determined to be at fault. For the purpose of the foregoing and without otherwise restricting the generality thereof, "direct property damage" shall not include loss of revenue, loss of profits, loss of earnings, loss of production, loss of contract, cost of capital,

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and loss of use of any facilities or property, or any other similar damage or loss whatsoever.

- (c) For greater certainty and without limiting the generality of the foregoing, EWSI is not liable for any loss, damage or physical harm to any person (except where caused by the gross negligence or intentional tort of an EWSI Party) and arising from or caused directly or indirectly, in whole or in part, by:
 - (i) any substandard condition or quality of water caused by any thing occurring downstream of a Service Connection Point;
 - (ii) any failure, defect, fluctuation, reduction or interruption in the provision of Water Services by EWSI to its Customers, whether resulting from the break or malfunction of any watermain, service, Meter, Private Service Line or attachment, or from the interruption in or cessation of water supply in connection with the repair or proper maintenance of the Waterworks System or for purposes of water conservation of for any other cause.
- (d) All limitations, protections and exclusions of liability contained in any provincial or federal legislation are in addition to and not in derogation of or substitution for the limitations of EWSI's liability contained in these Terms and Conditions.

13.2 Release

Subject to Section 13.1 above, none of the EWSI Parties (as defined above) will be liable to any of the Customer Parties (as defined above) for any damages, costs, expenses, injuries, losses, or liabilities suffered or incurred by the Customer Parties or any of them, however and whenever caused, and each Customer Party hereby forever releases each of the EWSI Parties from any liability or obligation in respect thereof.

13.3 EWSI Not Liable to Customer

For greater certainty and without limitation to the provisions of Sections 13.1 and 13.2, EWSI Parties shall not be liable to a Customer for any damages of any kind (except to the extent the damages are caused by the gross negligence or intentional tort of an EWSI Party) caused by or arising from any EWSI Party's act in compliance with, or as permitted by, these Terms and Conditions, a Water Services Agreement, or any legal or regulatory requirement related to provision of Water Services.

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13.4 Customer Liability

- (a) In addition to any other liability provisions set out in these Terms and Conditions or any provision in a Water Services Agreement or any other agreement between a Customer and EWSI, a Customer Party (as defined above) shall be liable for any damages, costs, expenses, injuries, losses, or liabilities suffered or incurred by EWSI Parties (as defined above), whether of a direct or indirect nature, caused by or arising from any acts or omissions of an Customer Party that result in a breach (“Breach”) of these Terms and Conditions or the applicable agreement, or any negligent or wilful acts or omissions of harm of a Customer Party whether or not they constitute a Breach.
- (b) A Customer shall indemnify and hold EWSI and its employees and agents harmless from and against any claim (including any claim by another Customer of EWSI) for any loss, damage, expense, charge, cost (including legal fees), fine, penalty or other liability of any kind suffered or incurred by EWSI arising out of or in any way connected with
 - (i) any failure by the Customer to comply with these Terms and Conditions,
 - (ii) any damages to EWSI’s Facilities or the facilities of another Customer caused by equipment installed or actions taken or failed to be taken by the Customer;
 - (iii) any claim, damages, or loss suffered by the Customer as a result of any act or omission of the Agent acting for such Customer.
- (c) Any claim by a Customer for direct losses, damages, expenses, charges, costs or other liabilities not barred or restricted under these Terms and Conditions must be communicated in writing to EWSI within 180 days from the date of occurrence of the incident giving rise to the claim or the date on which the Customer ought reasonably to have become aware of the occurrence or incident, failing which EWSI shall have no liability or responsibility whatsoever to the Customer in respect of the claim.

13.5 Force Majeure

- (a) Force Majeure Relief

If an event or circumstance of Force Majeure occurs that affects EWSI’s ability to provide a Service Connection or Water Services, EWSI’s obligations and responsibilities hereunder and under any agreement relating to Service Connections or provision of Water Services, so far as they are affected by the Force Majeure or the consequences thereof, shall be suspended until such Force Majeure or the consequences thereof are remedied and for such period thereafter

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as may reasonably be required to restore the Service Connection or Water Services. The Minimum Charge, if applicable, will continue to be payable during the period in which EWSI claims relief by reason of Force Majeure.

(b) Notice

EWSI shall where practicable give notice of an event of Force Majeure to Customers affected and shall where practicable give notice to Customers affected when the Force Majeure event ceases to prevent performance of EWSI's obligations.

(c) Obligation to Remedy

EWSI shall promptly remedy the cause and effect of the Force Majeure insofar as it is reasonably able to do so.

(d) Strikes and Lockouts

Notwithstanding any other provision of these Terms and Conditions, the settlement of any strike, lockout or other industrial disturbance shall be wholly in the discretion of EWSI and EWSI may settle such strike, lockout or industrial disturbance at such time and on such terms and conditions as it may deem appropriate. No failure or delay in settling such strike, lockout or industrial disturbance shall constitute a cause or event within the control of EWSI or deprive EWSI of the benefits of this Section 13.5.

ARTICLE 14 - ADDITIONAL PROVISIONS RELATING TO WATER SERVICES

14.1 Ownership of Facilities

EWSI remains the owner of all Facilities necessary to provide Water Services to Customers, to and including the Service Connection point, unless a written agreement between EWSI and a Customer specifically provides otherwise. Payment made by a Customer for costs incurred by EWSI in installing Facilities does not entitle the Customer to ownership of any such Facilities, unless a written agreement between EWSI and the Customer specifically provides otherwise.

14.2 Special Provisions with Respect to City of Edmonton

- (a) EWSI may appoint the City's Infrastructure Services as its sub-contractor or agent for provision of some or all Service Connections required to be carried out by EWSI, provided however that EWSI may rescind or modify the scope of such appointment at any time, and provided also that such appointment does not have the effect of making these Terms and Conditions applicable to the City's Infrastructure Services.
- (b) The City shall not be obligated to pay EWSI for any water supplied by EWSI to the City for firefighting purposes.

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14.3 Proper Use of Water Services

The Customers assume full responsibility for the proper use of the Service Connection and Water Services provided by EWSI and for the condition, suitability and safety of any and all Facilities on the Customer's premises or on premises owned by the Customer or premises controlled but not owned by the Customer. The Customer shall be liable for any loss, damage, expense, charge, cost or other liability of any kind, whether to EWSI, its agents or employees, EWSI property or otherwise, arising directly or indirectly by reason of

- (a) the routine presence of water under pressure in the Waterworks System,
- (b) the routine use of water delivered through the Waterworks System,
- (c) the Customer's improper or negligent use of water or Water Services or Facilities, or
- (d) the negligent acts or omissions or wilful acts or omissions of the Customer or any person permitted on the Customer's property.

14.4 Compliance with Applicable Legal Authorities

EWSI and all Customers are subject to, and shall comply with, all applicable federal, provincial and local laws, and all applicable orders or other actions of governmental authorities having jurisdiction. EWSI's obligation to provide or continue to supply a Service Connection or Water Services or to Turn Off a Service Connection or otherwise terminate Water Services, in respect of any Customer, is subject to the condition that all requisite governmental and regulatory approvals for the supply or continued provision of the Service Connection or Water Services or for their Turn Off or termination are obtained and in force.

14.5 Interference with EWSI's Property

No one other than an employee or authorized agent of EWSI shall be permitted to remove, operate, or maintain Meters and other Facilities owned by EWSI. A Customer shall not interfere with or alter Meters, seals, or other Facilities or permit the same to be done by any person other than the authorized agents or employees of EWSI.

14.6 Water Service Interruptions and EWSI Obligation to Respond

- (a) While EWSI takes all reasonable efforts to guard against Water Services interruptions, it does not guarantee uninterrupted Water Services or any particular standard of Water Services. EWSI shall at any time, without liability whatsoever to any Customer, have the right to discontinue or otherwise curtail, interrupt or reduce Water Services to Customers whenever EWSI reasonably determines, or when EWSI is directed by an

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authority having jurisdiction, that such discontinuance curtailment, interruption or reduction is:

- (i) necessary to facilitate construction, installation, maintenance, repair, replacement or inspection of any of EWSI's Facilities;
 - (ii) necessary to facilitate a Customer's construction, installation, maintenance, repair or replacement of its infrastructure used to receive Water Services;
 - (iii) pursuant to non payment of amounts due and payable on a Customer's Account;
 - (iv) necessary to maintain safety and reliability of the Waterworks System; or
 - (v) due to any other reason including: dangerous or hazardous circumstances, emergencies, forced outages, the need to restrict or regulate water consumption for purposes of conservation of water, shortages or potential shortages of water supply, or Force Majeure.
- (b) EWSI shall use reasonable efforts to;
- (i) provide notice of any Water Services reduction or interruption;
 - (ii) minimize such interruption duration and occurrences;
 - (iii) schedule planned interruptions as much as possible at times convenient to Customers; and
 - (iv) restore extended Water Service interruptions due to water main breaks, plugged or collapsed water lines or other reasons as soon as practicable.
- (c) EWSI is obligated to make reasonable efforts to respond to a Customer requested service call within a reasonable time, and to minimize Water Service interruptions to Customers. The Customer shall pay the cost of a Customer-requested service call and all related work if the cause of the problem is outside the Waterworks System and is not the direct result of an act or omission of an employee, contractor or agent of EWSI that is grossly negligent or an intentional tort.
- (d) Either EWSI or the City, or both of them jointly, may at any time issue an Order directing all Customers to cease or restrict use of water from the Waterworks System in the manner and for the period of time specified in the Order, and may cause such Order to be publicly disseminated via print or electronic media or by posting on the websites of EWSI or the City. A

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Customer is deemed to have received notice of such Order and to be aware of its content 24 hours after it is publicly disseminated, or at such sooner time as a copy of the Order is delivered to the Customer's service address as shown in the Customer's account by an employee, agent or other representative of EWSI or of the City.

14.7 Assignments

- (a) A Customer shall not assign any of its rights or obligations under these Terms and Conditions or a Water Services Agreement or any other agreement with EWSI relating to a Service Connection or Water Services without obtaining any necessary regulatory approvals and EWSI's approval where required in such agreement. No assignment shall relieve the Customer of any of its obligations under these Terms and Conditions until such obligations have been assumed by the assignee and EWSI has agreed to the assignment and novation. Any purported assignment by a Customer in violation of this section shall be void.
- (b) EWSI may assign all or any part of its rights or obligations under these Terms and Conditions or a Water Services Agreement, or any entitlement to payment under any Customer Account, to any Person with or without notice to the Customer.

14.8 No Waiver

The failure of EWSI or a Customer to insist upon strict performance of any provision of these Terms and Conditions or a Water Services Agreement or any other agreement between EWSI and the Customer relating to a Service Connection or Water Services, or to take advantage of any of its rights arising therefrom, shall not be construed as a waiver of any such provisions or the relinquishment of any such right or rights. No provision of these Terms and Conditions or a Water Services Agreement or any other agreement between EWSI and a Customer relating to a Service Connection or Water Services shall be deemed to have been waived, and no breach thereof shall be deemed to have been excused, unless such waiver or consent to excuse is in writing and signed by the party claimed to have waived or consented to excuse.

14.9 Law

These Terms and Conditions and any Water Services Agreement or other agreement between EWSI and a Customer relating to a Service Connection or Water Services shall be governed by the laws of the Province of Alberta and the federal laws of Canada applicable in the Province of Alberta, without regard to principles of conflicts of law. Any legal proceedings arising in connection with these Terms and Conditions or any other agreement relating to a Service Connection or Water Services shall be brought in the courts of the Province of Alberta.

Schedule 3

Performance Based Water Rates

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Performance-Based Water Rates

1.0 5-Year Term with Annual Adjustments Effective Each April 1st

This Schedule 3 sets out the Performance Based Regulation Plan and applies in respect of determinations and adjustments to the rates and charges under this Bylaw for the period from April 1, 2022 to March 31, 2027.

The rates and each component of, or adjustment to, the rates as set out below will be assessed on a calendar year basis. However, to meet the administrative requirements of compiling, verifying and reporting on results, actual rate adjustments will occur on April 1st of the year following the forecast year.

1.1 Consumption Charge

The consumption charges for the first year of the five year term, commencing April 1, 2022 are set out in Schedule 1 Part I – *Water Rates*. Commencing April 1st, 2023 and for each subsequent year on that date for each customer class of water service identified in Schedule 1 Part I – *Water Rates*, the consumption charge shall be adjusted. For each customer class, the rate for the year in which the April 1st adjustment takes effect (hereinafter called the “Current Year”) will be determined by the formula:

$$R_P \times (1 + I_D) \times (1 + I_F - 0.25\%) + R_S$$

Where,

- R_P means the rate that was in effect for a customer class during the 12 months immediately preceding April 1 of the Current Year;
- I_D means the difference between the forecast rate of inflation and the actual rate of inflation for the calendar year immediately preceding the Current Year;
- I_F means the forecast rate of inflation for the Current Year;
- R_S means the rate for a special rate adjustment as described in Sections 2.3 and 2.4 of this Schedule 3.

1.2 Fixed Monthly Service Charge

The fixed monthly service charges for the first year of the five year term, commencing April 1, 2022 are set out in Schedule 1 Part I – *Water Rates*. Commencing April 1st, 2023 and for each subsequent year on that date, for each customer class of water service identified in Schedule 1 Part I – *Water Rates* the fixed monthly service charge shall be adjusted in respect of the Current Year. The rate for the Current Year will be determined by the formula:

$$R_P \times (1 + I_D) \times (1 + I_F - 0.25\%) + R_S + Z$$

Performance-Based Water Rates

Where,

- R_P means the rate that was in effect for a customer class during the 12 months immediately preceding April 1 of the Current Year, before any non-routine adjustments are applied,
- I_D means the difference between the forecast rate of inflation and the actual rate of inflation for the calendar year immediately preceding the Current Year,
- I_F means the forecast rate of inflation for the Current Year,
- R_S means the rate for a special rate adjustment as described in Sections 2.3 and 2.4 of this Schedule 3.
- Z means a non-routine adjustment as described in Section 4.0 of this Schedule 3.

1.3 Public Fire Protection Monthly Charge

The Public Fire Protection Monthly Charge for the first year of the five year term, commencing April 1, 2022 are set out in Schedule 1 Part I – Water Rates. Commencing April 1st, 2023 and for each subsequent year on that date, the Public Fire Protection Monthly Charge identified in Schedule 1 Part I – *Water Rates*, shall be adjusted. For each customer class, the rate for the Current Year will be determined by the formula:

$$R_P \times (1 + I_D) \times (1 + I_F - 0.25\%)$$

Where,

- R_P means the rate that was in effect during the 12 months immediately preceding April 1 of the Current Year;
- I_D means the difference between the forecast rate of inflation and the actual rate of inflation for the calendar year immediately preceding the Current Year;
- I_F means the forecast rate of inflation for the Current Year.

1.4 Service Charges

The service charges for the first year of the five year term, commencing April 1, 2022 are set out in Schedule 1 Part I – *Water Rates*. Commencing April 1st, 2023 and for each subsequent year on that date, each service charge identified in Schedule 1 Part I – *Water Rates* shall be adjusted in respect of the Current Year. The rate for the Current Year will be determined by the formula:

Performance-Based Water Rates

$$R_P \times (1 + I_D) \times (1 + I_F - 0.25\%)$$

Where,

- R_P means the rate that was in effect during the 12 months immediately preceding April 1 of the Current Year;
- I_D means the difference between the forecast rate of inflation and the actual rate of inflation for the calendar year immediately preceding the Current Year;
- I_F means the forecast rate of inflation for the Current Year.

2.0 Routine Adjustments

Each year, the following factors or adjustments, if applicable, will be used to determine appropriate adjustments to the fixed monthly service charge, consumption charge, the public fire protection monthly charge and service charges payable for Water Services:

- a) Inflation Factor;
- b) Efficiency Factor;
- c) Special Rate Adjustments.

The calculation and application of these factors or adjustments are described in subsections 2.1 to 2.4 below.

2.1 Inflation Factor

The fixed monthly service charge, consumption charge, public fire protection monthly charge and the service charges set out in Schedule 1, Part I will be subject to an annual adjustment based upon a forecast of the rate of inflation supported by the Conference Board of Canada's forecast inflation for the upcoming year. For the purposes of this adjustment calculation, "inflation" will be determined on the basis of two components:

- a) a Consumer Price Index ("CPI") component, weighted at 60%, based on the annual Conference Board of Canada's forecast for Statistics Canada CANSIM Services V41694625 – CPI, 2005 Basket, 2002 = 100, Alberta, All Items; and
- b) a Labour Cost component, based on the annual Conference Board of Canada's forecast for Statistics Canada CANSIM Series V1603533, weighted at 40%.

Once the calendar year is complete and the actual rate of inflation is known, the charges for the subsequent year will include an adjustment to correct for the difference between the forecast and actual rate of inflation for the calendar year. As the index utilized for the actual

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Labour Cost component may not be available for the complete calendar year, the consecutive 12 month period for which the index utilized for the Labour Cost component is most recently available is used as a substitute for the calendar year for purposes of the Labour Cost component inflation adjustment.

Both CPI and the Labour Cost components are available and verifiable:

1. The actual CPI component for a given year will be the change in the CPI for Alberta. This measure is identified as the annual growth in Consumer Price Index (CPI): Statistics Canada CANSIM Series V41694625 – CPI, 2005 Basket, 2002 = 100, Alberta, All Items. Any publication issued by Statistics Canada which is intended to replace, supersede or otherwise revise this measure will be used in substitution for it, in performing the inflation calculation.
2. The actual labour cost component for a given year will be the annual growth in Average Hourly Earnings (AHE) for salaried employees (paid a fixed salary), including overtime, unadjusted for seasonal variation for selected industries classified using the North American Industry Classification System (NAICS), for Alberta, Industrial Aggregate (excluding unclassified businesses), based on the monthly Statistics Canada CANSIM Series V1603533. The annual growth in the AHE will be calculated based on the year-over-year percentage change from the AHE in the preceding year to the AHE in the given year, where:
 - AHE in the given year is the average of the most recent twelve consecutive months of series V1603533 available (and not including preliminary data) when EWSI finalizes its annual rate application for submission to the City Manager on or before March 1; and
 - AHE in the preceding year is the average of the preceding twelve consecutive months of series V1603533.

Any publication issued by Statistics Canada which is intended to replace, supersede or otherwise revise this measure will be used in substitution for it, in performing the inflation calculation.

As an exception to the inflation adjustment factor, if the rate of inflation (calculated in accordance with this section) is 1.75% or lower, EWSI may prepare a financial plan to demonstrate the need for a unit rate increase other than 1.5%. The inflation rate in the financial plan will be a surrogate for the value of I_D .

As a further exception to the inflation adjustment factor, if the rate of inflation is greater than 5.0%, EWSI may prepare a financial plan demonstrating the appropriateness of a unit rate increase less than the rate of inflation minus 0.25%. The inflation rate in the plan will be a surrogate for the value of I_D .

Performance-Based Water Rates

2.2 Efficiency Factor

The Efficiency Factor for the 2022-2026 PBR terms shall be 0.25%.

2.3 Special Rate Adjustments for Water Services

Four separate special rate adjustments are applied to water rates: (i) the Special Rate Adjustments for Re-Basing; (ii) the Special Rate Adjustments to Increase the Monthly Service Connection Fee; (iii) the Special Rate Adjustment for the 90 Day Deferral Program; and (iv) the Special Rate Adjustment for Public Fire Protection. Special rate adjustments for 2022 have been included in the Water Rates in Schedule 1, Part I.

2.3.1 Special Rate Adjustments for Re-Basing

In each of the years 2022, 2023, 2024, 2025 and 2026 (affecting Rates payable by Customers for the time periods April 1, 2022 to March 31, 2023, April 1, 2023 to March 31, 2024, April 1, 2024 to March 31, 2025, April 1, 2025 to March 31, 2026 and April 1, 2026 to March 31, 2027) a Special Rate Adjustment for Re-Basing will be added to the Consumption Charge and Fixed Monthly Service Charge in Schedule 1, Part I – *Water Rates*. These Special Rate Adjustments for Re-Basing are required to recover the difference between EWSI's revenue requirement forecast for the 2022-2026 PBR term and the revenue that would be realized if annual rate increases were limited to PBR inflation.

The Special Rate Adjustment for Re-basing for 2022 has been included in the Water Rates in Schedule 1, Part I. The Special Rate Adjustment for Re-Basing will be applied in respect of 2023, 2024, 2025 and 2026 Rates after the Inflation and Efficiency factors have been calculated and applied for that year, and are in addition to any Non-Routine Adjustments applicable to that year. Each year, after the Special Rate Adjustments for Re-Basing have been factored into the 2022, 2023, 2024, 2025 and 2026 Rates, these adjustments will continue to form part of the basic Consumption Charges and Fixed Monthly Service Charges for Water Services in all subsequent years, to which the annual Routine Adjustment Factors set out in subsections 2.1 and 2.2 above will be applied.

The Special Rate Adjustment for Re-Basing applied to the Consumption Charges for each customer class and the Fixed Monthly Service Charges (based on meter size) for the years 2022, 2023, 2024, 2025 and 2026 is as follows:

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Consumption Charge (per cubic meter (m³))	2022 Special Rate Adjustment	2023 Special Rate Adjustment	2024 Special Rate Adjustment	2025 Special Rate Adjustment	2026 Special Rate Adjustment
Residential					
0 – 10 m3	\$0.0508	\$0.0477	\$0.0498	\$0.0520	\$0.0543
10.1 – 35 m3	\$0.0555	\$0.0521	\$0.0544	\$0.0568	\$0.0593
Over 35 m3	\$0.0701	\$0.0659	\$0.0688	\$0.0718	\$0.0749
Multi-Residential					
0 – 100 m3	\$0.0479	\$0.0450	\$0.0470	\$0.0491	\$0.0512
100.1 – 1000 m3	\$0.0401	\$0.0377	\$0.0393	\$0.0411	\$0.0429
Over 1000 m3	\$0.0331	\$0.0311	\$0.0325	\$0.0339	\$0.0354
Commercial					
0 – 25 m3	\$0.0400	\$0.0375	\$0.0392	\$0.0409	\$0.0427
25.1 – 100 m3	\$0.0400	\$0.0375	\$0.0392	\$0.0409	\$0.0427
100.1 – 1000 m3	\$0.0369	\$0.0346	\$0.0361	\$0.0377	\$0.0394
1000.1 - 5000 m3	\$0.0292	\$0.0274	\$0.0286	\$0.0299	\$0.0312
Over 5000 m3	\$0.0235	\$0.0221	\$0.0230	\$0.0240	\$0.0251
Fixed Monthly Service Charge (based on meter size)	2022 Special Rate Adjustment	2023 Special Rate Adjustment	2024 Special Rate Adjustment	2025 Special Rate Adjustment	2026 Special Rate Adjustment
15 mm	\$0.18	\$0.29	\$0.30	\$0.31	\$0.32
20 mm	\$0.27	\$0.44	\$0.44	\$0.46	\$0.48
25 mm	\$0.45	\$0.73	\$0.74	\$0.77	\$0.81
40 mm	\$0.91	\$1.45	\$1.48	\$1.55	\$1.61
50 mm	\$1.45	\$2.32	\$2.37	\$2.47	\$2.58
75 mm	\$2.73	\$4.35	\$4.44	\$4.64	\$4.84
100 mm	\$4.55	\$7.26	\$7.40	\$7.73	\$8.06
150 mm	\$9.09	\$14.51	\$14.80	\$15.45	\$16.13
200 mm	\$14.54	\$23.22	\$23.68	\$24.72	\$25.81
250 mm	\$20.91	\$33.38	\$34.04	\$35.54	\$37.10
300 mm	\$30.69	\$48.99	\$49.97	\$52.16	\$54.45

2.3.2 Special Rate Adjustment to Increase the Monthly Service Connection Fee

In 2022 (affecting water rates payable by Customers for the time period April 1, 2022 to March 31, 2023) a Special Rate Adjustment to Increase the Monthly Service Connection Fee will be added to the Fixed Monthly Service Charges in Schedule 1, Part I – *Water Rates* and a corresponding decrease will be made to the Consumption Charges in Schedule 1, Part I – *Water Rates*. The Special Rate Adjustment to Increase the Monthly Service Connection Fee is required to help decrease the long term consumption impacts related to the decline in consumption for future PBR applications.

The Special Rate Adjustment to Increase the Monthly Service Connection Fee has been factored into the 2022 water rates in Schedule 1, Part I and these adjustments will continue to form part of the basic Fixed Monthly Service Charges and

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Consumption Charges in all subsequent years, to which the annual Routine Adjustment Factors set out in subsections 2.1 and 2.2 above will be applied.

The Special Rate Adjustment to Increase the Monthly Service Connection Fee applied to water rates for the year 2022 applied to the Fixed Monthly Service Charges and Consumption Charges for each customer class are as follows:

Increase Monthly Service Connection Fee	
Fixed Monthly Service Charge (based on meter size)	2022 Special Rate Adjustment
15 mm	\$4.02
20 mm	\$6.03
25 mm	\$10.04
40 mm	\$20.09
50 mm	\$32.14
75 mm	\$60.26
100 mm	\$100.43
150 mm	\$200.86
200 mm	\$321.38
250 mm	\$461.98
300 mm	\$678.10
Consumption Charge (per m³)	2022 Special Rate Adjustment
Residential	
0 – 10 m ³	\$(0.2279)
10.1 – 35 m ³	\$(0.2490)
Over 35 m ³	\$(0.3147)
Multi-Residential	
0 – 100 m ³	\$(0.2152)
100.1 – 1000 m ³	\$(0.1800)
Over 1000 m ³	\$(0.1488)
Commercial	
0 – 25 m ³	\$(0.1793)
25.1 – 100 m ³	\$(0.1793)
100.1 – 1000 m ³	\$(0.1654)
1000.1 - 5000 m ³	\$(0.1309)
Over 5000 m ³	\$(0.1054)

2.3.3 Special Rate Adjustment for the 90 Day Deferral Program

In 2022 (affecting rates payable for the period April 1, 2022 to March 31, 2023) a Special Rate Adjustment for the 90 Day Deferral Program will be applied to the Fixed Monthly Service Charges in Schedule 1, Part I – Water Rates. This Special Rate Adjustment for the 90 Day Deferral Program is required to recover the \$1.3 million

Performance-Based Water Rates

for the incremental bad debt expense, administration, and carrying costs associated with the 90 Day Deferral Program.

The Special Rate Adjustment for the 90 Day Deferral Program for 2022 has been included in the Water Rates in Schedule 1, Part I. This Special Rate Adjustment will be removed from Customer bills in 2023.

The Special Rate Adjustment for the 90 Day Deferral Program applied to water rates for the years 2022 and 2023 applied to Fixed Monthly Charges is as follows:

90 Day Deferral Program		
Fixed Monthly Service Charge (based on meter size)	2022 Special Rate Adjustment	2023 Special Rate Adjustment*
15 mm	\$0.30	\$ λ
20 mm	\$0.44	\$ λ
25 mm	\$0.74	\$ λ
40 mm	\$1.48	\$ λ
50 mm	\$2.37	\$ λ
75 mm	\$4.44	\$ λ
100 mm	\$7.41	\$ λ
150 mm	\$14.81	\$ λ
200 mm	\$23.70	\$ λ
250 mm	\$34.07	\$ λ
300 mm	\$50.01	\$ λ

- * The 2023 Special Rate Adjustment for the 90-day Deferral Program will be determined following a true up of the 2022 Special Rate Adjustment to the actual amount incurred as a result of the 90-day Deferral Program. The 2023 Special Rate Adjustment for the 90-day Deferral Program will constitute a negative rate adjustment to remove the amount from rates for remainder of the PBR term following March 31, 2023.

2.3.4 Special Rate Adjustment for Public Fire Protection

In 2022 (affecting water rates payable by Customers for the time period April 1, 2022 to March 31, 2023) the Special Rate Adjustment for Public Fire Protection will be added to the Public Fire Protection Monthly Charge for Water Services in Schedule 1, Part I – *Water Rates*. The Special Rate Adjustment for Public Fire Protection is required to commence collection of the public fire protection revenue requirement through water rates, as directed by Edmonton City Council.

The Special Rate Adjustment for Public Fire Protection has been factored into the 2022 water rates in Schedule 1, Part I and these adjustments will continue to form part of the Public Fire Protection Monthly Charge in all subsequent years, to which

Performance-Based Water Rates

the annual Routine Adjustment Factors set out in subsections 2.1 and 2.2 above will be applied.

The Special Rate Adjustment for Public Fire Protection applied to water rates for the year 2022 applied to the Public Fire Protection Monthly Charge for Water Services for each customer class is as follows:

Public Fire Protection			
Public Fire Protection Monthly Charge (based on meter size)	2022 Special Rate Adjustment Residential	2022 Special Rate Adjustment Multi-Residential	2022 Special Rate Adjustment Commercial
15 mm	\$2.59	\$2.54	\$5.87
20 mm	\$3.88	\$3.81	\$8.81
25 mm	\$6.47	\$6.36	\$14.68
40 mm	\$12.95	\$12.72	\$29.36
50 mm	\$20.72	\$20.34	\$46.97
75 mm	\$38.84	\$38.15	\$88.07
100 mm	\$64.74	\$63.58	\$146.78
150 mm	\$129.48	\$127.15	\$293.55
200 mm	\$207.16	\$203.44	\$469.68
250 mm	\$297.80	\$292.45	\$675.17
300 mm	\$437.11	\$429.26	\$991.03

3.0 Water System Service Quality

Water System Service Quality is measured by the results of five indices described in Section 3.1 – 3.5. These are:

- a) Water Quality Index;
- b) Customer Service Index;
- c) System Reliability and Optimization Index;
- d) Environmental Index; and
- e) Safety Index.

Performance under each index is measured independently on a point basis with 100 base points available if the standards in all five areas are achieved. In total, up to 10% additional bonus points for performance above the standard are available. These bonus points are described below within each index.

Performance-Based Water Rates

For each full point scored below 100 base and bonus points, a penalty of \$67,000 will be assessed to a maximum of \$1,000,000. There is no reward for performance above 100 base and bonus points. For purposes of these calculations, point amounts will be rounded to the nearest tenth of a point and calculated on a calendar year basis.

The total penalty for the year will be applied as a rebate to customers in the year immediately following the performance year.

3.1 Water Quality Index

Description The Water Quality Index is a summary of the percentage of the water quality tests that EPCOR Water Services performs on drinking water in Edmonton that meet all regulatory requirements. This measure is reported as % of tests conducted that meet all objectives. This index provides a measure of overall water quality in the city as it is delivered to the customer, and provides reassurance that water quality consistently meets much stricter limits than regulatory approval requirements.

Formula The maximum base value of the treated water quality index is 30 base points, as calculated under the formula:

$$\text{Water Quality Index} = 30 \times \frac{\text{WQ}\%}{99.7\%}$$

Where,

WQ% means the percentage of the total number of water quality tests taken in the reporting period that do not yield suspect results; and

99.7% is the water quality index standard.

No bonus points are available for the water quality index based on the formula. The maximum total water quality index points are 30.0.

Benchmark $\geq 99.7\%$ YTD

Reporting Frequency Monthly

Performance-Based Water Rates

3.2 Customer Service Index

Description

The customer service index is a measure of the customer's perception and satisfaction with EWSI service, the aesthetic quality of water and speed of response. These measures are important because they represent the direct contact that customers have with EWSI.

The customer service index is the measure of four equally weighed components. The combined results of the four components produce the measure of the customer service index.

Formula

The maximum base value of the customer service index is 15 base points as calculated under the following formula:

$$\text{Customer Service Index} = 15 \times \frac{\text{PSAF} + \text{HSF} + \text{RTF} + \text{PCIF}}{4}$$

Where,

PSAF means the post service audit factor,

HSF means the home-sniffing factor,

RTF means the response time factor; and

PCIF means the planned construction impact factor.

A maximum of 2.25 bonus points are available for the customer service index based on the formula.

The maximum total customer service index points are 17.25.

Performance-Based Water Rates

3.2.1 Post Service Audit Factor

Description The post service audit factor (PSAF) is a measure of customer satisfaction of those customers who contact the EPCOR Water Emergency telephone line.

Formula The PSAF is measured by the formula:

$$\text{Post Service Audit Factor} = \frac{\text{PSA}\%}{75.0\%}$$

Where,

PSA% means the percentage of the customers responding “yes” to the Customer Satisfaction survey questions about the level of service received from the EWSI Emergency group; and

75.0% is the post service audit standard.

Benchmark $\geq 75.0\%$

Definitions **Customer Satisfaction** = rating of “yes” to the Customer Satisfaction survey questions identified in the Water Services Guidelines which shall include the following questions as of April 1, 2022 but may be changed in accordance with a direction from the Utility Committee:

- EWSI makes it easy for customers to reach them?
- EWSI’s employees are helpful?
- EWSI’s employees are knowledgeable?
- EWSI’s employees are courteous?
- EWSI’s employees provide satisfactory service?

Reporting Frequency Monthly

Performance-Based Water Rates

3.2.2 Home Sniffing Factor

Description Home Sniffing Factor (HSF) is a measure of customer satisfaction results from the home sniffing survey.

Formula The HSF is measured by the formula:

$$\text{Home Sniffing Factor} = \frac{\text{HS\%}}{94.4\%}$$

Where,

HS% means the percentage result of customer satisfaction for the home sniffing survey; and

94.4% is the home sniffing factor standard.

Benchmark $\geq 94.4\%$

Definitions **Favourable Assessment** – a rating between 0.0 and 0.5 (on the scale of 0.0 to 3.0)

Reporting Frequency Annually

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3.2.3 Response Time Factor

Description Response Time Factor (RTF) is a measure of the average number of minutes to confirm a water main break once a call is received at the EWSI dispatch office.

Formula The RTF is measured by the formula:

$$\text{Response Time Factor} = 1 - \frac{\text{RT} - 25}{25}$$

Where,

RT means the average number of minutes to confirm a water main break once a call is received at the EWSI dispatch office; and

25 is the response time standard.

Benchmark <= 25 minutes YTD

Definitions **Water Main Break** - number of water main breaks that have occurred in the waterworks system as a measure of the frequency of unplanned interruptions that customers may experience over the course of a year.

Confirmation – Time when service person calls the dispatcher with confirmation that a water main break has occurred at the reported location.

Response Time – Time between call to report a main break and time when service person calls dispatch to confirm main break.

Reporting Frequency Monthly

Performance-Based Water Rates

3.2.4 Planned Construction Impact Factor

Description The Planned Construction Impact Factor (PCIF) is a measure of EPCOR's effectiveness at minimizing customer impact of planned interruptions due to construction.

Formula The PCIF is measured by the formula:

$$\text{Planned Construction Impact Factor} = \frac{\text{TPCE}\%}{95.8\%}$$

Where,

TPCE% means the percentage of the total planned construction events where EWSI complies with required construction notification procedures; and

95.8% is the planned construction impact standard.

Benchmark <= 95.8% YTD

Definitions **Large-scale projects** – Projects where entire lengths of water main and associated appurtenances are being renewed and which result in the shutdown of water service to multiple properties. Interruption is usually measured in weeks. Minimum five days advance notice to customers is required.

Small-scale projects – Projects where components of the water system, such as a valve or hydrant, are repaired or modified. Interruption is usually less than eight hours. Minimum one day advance notice to customers is required.

Notice to customers - Written information provided to customers regarding a planned interruption to their regular water service.

Length of time – Measured in calendar days and indicated in the notice to the Customer. This is measured as the difference between the start date and end date.

Reporting Frequency Monthly

Performance-Based Water Rates

3.3 System Reliability and Optimization Index

Description The system reliability index is a measure calculated on the basis of four equally weighed components. The combined results of the four components produce the measure of the system reliability index.

Formula The maximum base value of the system reliability index is 25 base points as calculated under the following formula:

$$\text{System Reliability Index} = 25 \times \frac{\text{MBF} + \text{MBRDF} + \text{WLF} + \text{SEEF}}{4}$$

Where,

MBF means the water main break factor,

MBRDF means the water main break repair duration factor,

WLF means the water loss factor; and

SEEF means the system energy efficiency factor.

A maximum of 3.25 bonus points are available for the system reliability index based on the formula. The maximum total system reliability index points are 28.25.

Performance-Based Water Rates

3.3.1 Water Main Break Factor

Description The Water Main Break Factor (MBF) is a measure of the frequency of unplanned interruptions caused by water main breaks.

Formula The MBF is measured by the formula:

$$\text{Water Main Break Factor} = 1 - \frac{\text{MB} - 365}{365}$$

Where,

MB means the number of water main breaks that occurred in the reporting period; and

365 is the water main break standard.

Benchmark <= 365 YTD

Definitions **Water Main Break** - number of water main breaks that have occurred in the waterworks system as a measure of the frequency of unplanned interruptions that customers may experience over the course of a year.

Reporting Frequency Monthly

Performance-Based Water Rates

3.3.2 Water Main Break Repair Duration Factor

Description The Water Main Break Repair Duration Factor (MBRDF) is a measure of percentage of time that water main breaks are repaired within 24-hours from the time the flow of water is shut-off (i.e. the time of customer interruption).

Formula The MBRDF is measured by the formula:

$$\text{Water Main Break Repair Duration Factor} = \frac{\text{MBRD}\%}{95.4\%}$$

Where,

MBRD% means the percentage of water main breaks repaired and confirmed by EWSI within 24 hours from the time that the flow of water is shut off (i.e. the time of customer interruption) excluding those on arterial or collector roads; and

95.4% is the water main break repair duration standard.

Benchmark >= 95.4% YTD

Definitions **Water Main Break** - number of water main breaks that have occurred in the waterworks system as a measure of the frequency of unplanned interruptions that customers may experience over the course of a year.

Repair Duration - The difference between the time the customer's water supply is interrupted and the time a water main break repair is completed.

Completed repair - A main break repair is considered complete when normal water service is restored to affected customers.

Reporting Frequency Monthly

Performance-Based Water Rates

3.3.3 Water Loss Factor

Description The Water Loss Factor (WLF) is an indicator quantifying how well the water distribution system is managed (maintained, repaired and rehabilitated) for the control of real (leakage) losses at the current operating pressure.

Formula The WLF is measured by the formula:

$$\text{Water Loss Factor} = 1 - \frac{\text{ILI} - 1.23}{1.23}$$

Where,

ILI means the Infrastructure Leakage Index, a performance indicator quantifying how well a water distribution system is managed for the control of real (leakage) water losses; and

1.23 is the infrastructure leakage standard.

To calculate the ILI, EWSI will apply the calculation recommended in the American Water Works Association (AWWA) manual M36 "Water Audits and Loss Control Programs", or any publication issued by the AWWA which is intended to replace this manual. This factor will be calculated based on prior year's information due to a time lag from when final values for all the parameters used to calculate the ILI can be obtained and when the Water System Service Quality results for a year are required to be reported under this Bylaw.

Benchmark ≤ 1.23

Definitions **Apparent Losses** – Includes all types of inaccuracies associated with customer metering as well as data handling errors (meter reading and billing), plus unauthorized consumption (theft or illegal use).

Real Losses – Volume of Water Supplied less Authorized Consumption and Apparent Losses. Includes the physical water losses from the pressurized system and the utility's storage tanks, up to the point of customer consumption. In metered systems this is the customer meter.

Unavoidable Annual Real Losses (UARL) – The UARL is a theoretical reference value representing the technical low limit of leakage that could be achieved if all of today's best technology could

Performance-Based Water Rates

be successfully applied. It is a key variable in the calculation of the Infrastructure Leakage Index (ILI).

Infrastructure Leakage Index (ILI) – The ratio of the current annual Real Losses to the Unavoidable Annual Real Losses (UARL). The ILI is a highly effective performance indicator for comparing (benchmarking) the performance of utilities in operational management of real losses.

Reporting Frequency Annually

Performance-Based Water Rates

3.3.4 System Energy Efficiency Factor

Description The System Energy Efficiency Factor (SEEF) is a measure of the amount of energy used per 100,000 accounts.

Formula The SEEF is measured by the formula:

$$\text{System Energy Efficiency Factor} = \frac{281}{\text{SEE}}$$

Where,

SEE means the energy used (in kWh) per volume of water produced (in millions of litres) per 100,000 accounts; and

281 is the system energy efficiency standard per 100,000 accounts.

Benchmark ≤ 281

Reporting Frequency Monthly

Performance-Based Water Rates

3.4 Environmental Index

Description The environmental index measures the success of programs and policies designed to mitigate and report adverse environmental impacts. The index is a measure calculated on the basis of three weighed components.

Formula The maximum base value of the environmental index is 15 base points as calculated under the following formula:

$$\text{Environmental Index} = 15 \times \frac{\text{WCF} + \text{EIF} + \text{SRMF}}{3}$$

Where,

WCF means the water conservation factor,

EIF means the environment incident factor; and

SRMF means the solids residual management factor.

A maximum of 2.25 bonus points are available for the environmental index based on the formula.

The maximum total environmental index points are 17.25.

Performance-Based Water Rates

3.4.1 Water Conservation Factor

Description The Water Conservation Factor (WCF) is a measure of water use efficiency, the average Edmonton residential water consumption per household in cubic meters.

Formula The WCF is measured by the formula:

$$\text{Water Conservation Factor} = \frac{16.8}{\text{WC}}$$

Where,

WC means the actual 10 year rolling average monthly Edmonton residential consumption per household; and

16.8 is the water conservation standard.

Benchmark $\leq 16.8\text{m}^3$

Definitions **Domestic (Residential) Water Service**

A domestic (residential) water service is defined as a service:

- supplied to premises used primarily for domestic purposes;
- where no more than four separate dwelling units are metered by a single water meter; and
- the service line to the premises is not greater than 50 millimeters in diameter.

Reporting Frequency Monthly

Performance-Based Water Rates

3.4.2 Environment Incident Factor

Description The Environment Incident Factor (EIF) measures the number of incidents that are reportable to the municipal, provincial or federal regulator and that are considered preventable.

Formula The EIF is measured by the formula:

$$\text{Environmental Incident Factor} = \frac{5}{\text{EIPR}}$$

Where,

EIPR means the number of reportable and preventable environmental incidents; and

5 is the environmental incident standard.

Benchmark ≤ 5 YTD

Definitions *Reportable Incident* – one that involves contravention of a municipal, provincial or federal regulation or bylaw, or a spill or release to the environment that is reportable as defined in provincial or federal release reporting criteria.

Preventable Incident – one that meets the following criteria:

- An investigation of the incident demonstrates a failure to follow regulatory requirements or a documented EWSI procedure;
- An incident that is a recurrence of a similar reportable incident due to failure to implement corrective action that had been previously identified; or
- There is an administrative contravention including failure to notify or report to the regulator in a timely manner. Or to sample and test as required under the Approval to Operate issued by Alberta Environment and Water.

A reportable and preventable incident is one that is both reportable and preventable according to the above criteria. It is a government reportable incident that could have been prevented if reasonable diligence was exercised by EWSI.

Performance-Based Water Rates

If it can be demonstrated that EWSI took all reasonable measures to prevent the incident from occurring, the incident will not be considered preventable. Mitigating circumstances and external factors (i.e. unpredictable equipment failure, unusual weather conditions, the actions of external parties that are not controllable by EWSI) will be considered in determining if the incident was preventable.

Reporting Frequency Monthly

Performance-Based Water Rates

3.4.3 Solids Residual Management Factor

Description Solids Residual Management is a measure of time the EWSI Water Treatment plants operate in direct filtration mode which reduces the solids load of water returned to the North Saskatchewan river during water treatment.

Formula The solids residual management factor (SRMF) is measure by the formula:

$$\text{Solids Residual Factor} = \frac{(\text{DDF1} + \text{DDF2}) / 2}{120}$$

Where,

DDF1 means the number of days that the Rosssdale water treatment plant is operating in direct filtration mode,

DDF2 means the number of days that the E.L. Smith water treatment plant is operating in direct filtration mode; and

120 is the solids residual management standard.

Benchmark <= 120 days

Definitions A water treatment train is considered to be in Direct Filtration when the following two criteria are met:

- Water is being processed by the train at a rate above 20 ML/d; and
- Alum is either not being added to a train processing water or is being added at a rate below 15.

Reporting Frequency Monthly

Performance-Based Water Rates

3.5 Safety Index

Description

The safety index is a measure of the success of programs and the application of policies that maximizes the safety of employees and the public. It is calculated on the basis of four equally weighed components. The combined results of the four components produce the measure of the safety index.

Formula

The maximum base value of the safety index is 15 base points and is calculated under the following formula:

$$\text{Safety Index} = 15 \times \frac{\text{NMF} + \text{WIOF} + \text{LTF} + \text{AIF}}{4}$$

Where,

NMF means the near miss reporting factor,

WIOF means the worksite inspections and observations factor,

LTF means the lost time frequency factor; and

AIF means the all injury frequency factor.

A maximum of 2.25 bonus points are available for the safety index based on the formula.

The maximum total safety index points are 17.25.

Performance-Based Water Rates

3.5.1 Near Miss Reporting Factor

Description The Near Miss Reporting Factor (NMF) is a measure of the number of Near Miss reports completed each year.

Formula The near miss reporting factor (NMF) is measured by the formula:

$$\text{Near Miss Reporting Factor} = \frac{\text{NM} + \text{HI}}{550}$$

Where,

NM means the number of near miss reports entered in the ERS system;

HI means the number of hazard identification reports entered in the ERS system; and

550 is the near miss reporting standard.

Benchmark >= 550 YTD

Definitions **Near Miss:** An unplanned event, unsafe condition or unsafe action that did not result in contact, injury, illness, or damage - but had the potential to do so.

Hazard Identification: An observed potential hazard that did not result in a near miss or incident on EWSI property.

Reporting Frequency Monthly

Performance-Based Water Rates

3.5.2 Worksite Inspections and Observations Factor

Description The Worksite Inspections and Observations Factor (WIOF) measures the number of work site inspections and observations completed each year.

Formula The WIOF is measured by the formula:

$$\text{Worksite Inspections and Observations Factor} = \frac{\text{WIO}}{1,032}$$

Where,

WIO means the actual number of work site inspections and observations completed per year; and

1,032 is the worksite inspection standard.

Benchmark >= 1032 YTD

Definitions Inspection procedures are as defined by Work Site Inspection Reports and Office Work Site Inspection Reports.

Observation procedures are as defined by the Safety Track observations process.

Reporting Frequency Monthly

Performance-Based Water Rates

3.5.3 Lost Time Frequency Factor

Description The Lost Time Frequency factor measures the effectiveness of a safety program as related to disability injuries and illnesses.

Formula The Lost Time Frequency Factor is measured by the formula:

$$\text{Lost Time Frequency Factor} = \frac{0.40}{\text{LTFR}}$$

Where,

LTFR means the actual lost time frequency rate; and

0.40 is the lost time frequency standard.

Benchmark <= 0.40 YTD

Definitions Lost Time Incident – A work related disability injury or disability illness that results in an employee missing time at work.

Exposure Hours - The total number of hours employees were exposed to the work site.

Lost Time Frequency Rate is calculated using the following formula defined in the Canadian Electrical Association Work Injury/Illness Standards:

$$\frac{(\text{\# Disability Injuries} + \text{\# Disability Illnesses}) \times 200,000}{\text{Exposure Hours}}$$

Where 200,000 represents 100 full time employees who work 40 hours per week for 50 weeks.

Reporting Frequency Monthly

Performance-Based Water Rates

3.5.4 All Injury Frequency Factor

Description The All Injury Frequency Factor measures the effectiveness of a safety program as related to disability injuries and medical aid injuries.

Formula The All Injury Frequency Factor is measured by the formula:

$$\text{All Injury Frequency Factor} = \frac{1.00}{\text{AIFR}}$$

Where,

AIFR means the actual all injury frequency rate; and

1.00 is the all injury frequency rate standard.

Benchmark ≤ 1.00 YTD

Definitions Disability Injury Incident – A work related injury.

Medical Aid Injury - An injury that requires assessment and care by a physician.

Exposure Hours - The total number of hours employees were exposed to the work site.

All Injury Frequency Rate is calculated using the following formula defined in the Canadian Electrical Association Work Injury / Illness Standards:

$$\frac{(\text{\# Disability Injuries} + \text{\# Medical Aid Injuries}) \times 200,000}{\text{Exposure Hours}}$$

Where 200,000 represents 100 full time employees who work 40 hours per week for 50 weeks.

Reporting Frequency Monthly

Performance-Based Water Rates

3.6 Changes to Legislation or Regulation

In the event there is a change to: legislation, regulation, bylaws, policy order or directive (Law) affecting EWSI's performance standards, EWSI shall amend that standard or standards to comply with the change in Law.

4.0 Non-Routine Adjustments

Non-routine adjustments are, by their nature unusual, significant in size or nature and beyond the scope of control of EWSI.

Costs resulting in an annual adjustment to EWSI's revenue requirement up to \$500,000 are not eligible for approval as a non-routine adjustment. Costs resulting in either an annual adjustment to EWSI's revenue requirement less than \$3 million but either greater than \$500,000 or greater than \$1 million cumulatively are eligible for consideration and approval by the City Manager as a non-routine adjustment. Costs resulting in an annual adjustment to EWSI's revenue requirement equal to or greater than \$3 million are eligible for consideration and approval by City Council. Review of the non-routine adjustment application will consider the projected return on equity of EWSI.

If EWSI anticipates making a request for one or more non-routine adjustments to take effect on April 1 of the Current Year, EWSI will on or before December 1 of the immediately preceding calendar year submit its request for non-routine adjustments to the City Manager, and will include with such request sufficient information to enable the City Manager / City Council to evaluate the request. If after receiving the submission, the City Manager / City Council is satisfied that the non-routine adjustments should be included in the water rates calculated in accordance with this Bylaw, the City Manager will issue a confirmation letter on or before January 31 confirming that the non-routine adjustments will be included in water rates to take effect on the April 1st next following.

All amounts approved as non-routine adjustments are approved and funded on an interim basis and shall be charged to EWSI's Adjustment Deferral Account (Water). EWSI shall, within a reasonable time frame following completion of the project funded by the non-routine adjustment, prepare a final true up of the non-routine adjustment funding based on actual costs. EWSI will determine a reasonable time frame over which to recover/credit the balance of the account. Carrying costs will be calculated on the Adjustment Deferral Account balance.

The rate impact of non-routine adjustments will be calculated and added to the Fixed Monthly Service Charge and allocated on a proportionate basis to customers.

4.1 Changes to Legislation, Regulation or Taxes

In the event there is a change to: legislation, regulation, bylaws, policy order or directive affecting EWSI's operations, including allocation of costs between city of Edmonton and Regional customers and including the common law and the law of equity; rates of tax or other

Performance-Based Water Rates

mandatory amounts payable by EWSI to any level of government; the status of EWSI under existing legislation or the application of existing legislation to EWSI; then costs arising from any such event will be considered as non-routine.

4.2 Consequences of Force Majeure

Non-routine adjustments include any costs occasioned by Force Majeure events that are not recovered under a policy of insurance. For purposes of non-routine adjustments under this Schedule 3, events or circumstances of Force Majeure include: acts of God, strikes, lockouts or other industrial disturbances, acts of the Queen's enemies, wars, blockades, insurrections, riots, epidemics, landslides, lightning, floods, earthquakes, explosions, fires, civil disturbances, mechanical breakdowns, regulatory requirements or approval conditions or other acts or interventions of any kind by federal, provincial, state or local governments or any of their agencies or boards, the order or direction of any court, and any other causes whether of the kind herein enumerated or otherwise, not within the reasonable control of EWSI and which by the exercise of reasonable diligence and at a reasonable cost EWSI is unable to prevent or overcome.

4.3 River Water Quality

If there is a significant change in river water quality to the extent that it affects EWSI's operating or capital costs, such costs will be considered as non-routine.

4.4 Deterioration of Waterworks System

If there is significant deterioration to the Waterworks System, beyond reasonable projections, remediation costs will be considered as non-routine. Without limiting the foregoing, these circumstances may include unanticipated asset failure or deterioration requiring immediate repair or remediation.

4.5 Customer – initiated or City – initiated System Expansion

Costs incurred to create significant Waterworks System expansion as a result of increases to the size of EWSI's Customer base and/or increased demand by Customers or the City for Water Services, beyond reasonable projections, will be considered as non-routine.

4.6 City - initiated Relocations of Waterworks Assets

Costs incurred to effect significant Waterworks System relocations, permanent or temporary moves or removals as a result of City requests will be considered as non-routine.

4.7 Franchise Fees

If there is an amendment to the Water Services Franchise Agreement affecting water rates, the resultant impacts on the water rates will be deemed to be non-routine adjustments.

Performance-Based Water Rates

4.8 Environmental Initiatives

Costs incurred to comply with City directed initiatives to offset the impacts of climate change will be deemed to be non-routine adjustments.

Costs incurred for capital projects (either directed by the City or identified by EWSI) which have a demonstrable positive environmental impact will be deemed to be non-routine adjustments.

4.9 Grant Funding

Cost reductions from the approved revenue requirement resulting from the receipt of grants or recognition of approved grants shall be considered as a negative non-routine adjustment.

5.0 Off-Ramp

This performance-based water regulation can be terminated with the mutual consent and agreement of EWSI and the City.

In the event of termination of this Performance-Based Regulation Plan, the balance of the Adjustment Deferral Account must be cleared within a one-year period from the date of termination.

6.0 Reporting and Filing Requirements

On March 1st of the year following the reporting year, EWSI will file with its regulator, the City, an *Annual Water Rate Filing*. The filing will contain four parts:

- An audit report as outlined in Schedule 4;
- Rate Sheets - The water rate forecast for each customer class of service for the period following the reporting period; and,
- Water System Service Quality Results - The results of each of the components of the water system service quality indices.
- Consumption Deferral Account Report

An accountant will review the *Annual Water Rate Filing*, conduct an audit and prepare an audit report in accordance with Canadian generally accepted auditing standards. The audit report will address whether the water rates are calculated and presented in accordance with the requirements of this Bylaw. The audit reports will be prepared by EPCOR Utilities Inc.'s Internal Audit department.

The filing will be submitted to the City Manager. The City Manager will review the filing and, if appropriate, accept it prior to April 1st when adjusted rates come into effect. The filing, and

Performance-Based Water Rates

the City Manager approval, will be posted on the EWSI web site and copies will be available at the business office of EWSI.

6.1 Rate Sheets

The Annual Water Rate Filing will set out the water rate forecast for each customer class of service for the period following the reporting period. The rates will be calculated in accordance with this Bylaw.

6.2 Water System Service Quality Results

The *Annual Water Rate Filing* will contain the results of the water system service quality measures and the resulting financial penalty, if any, as set out in this Bylaw.

6.3 Consumption Deferral Account

The Annual Water Rate Filing will contain a report showing the annual variance between EWSI's water consumption forecast and actual consumption for the previous calendar year.

Schedule 4

Pro-forma Annual Water Rate Filing

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Residential Water Service

Applicable

To all domestic water service customers within the city of Edmonton

A domestic service is defined as a service supplied to premises used primarily for domestic purposes, where no more than four separate dwelling units are metered by a single water meter and the service line to the premises is not greater than 50 millimeters in diameter.

If a business is conducted from premises that otherwise fall within the above definition of a domestic service, this Residential Water Service rate will apply; provided, however, that if the portion of the premises from which the business is conducted is separately metered, then a Commercial Water Service rate will apply to that portion of the premises.

Rate

Fixed Monthly Service Charge

See Fixed Monthly Water Service Charges

Consumption Charge

0 m ³ – 10.0 m ³	\$ λ per m ³
10.1 m ³ to 35.0 m ³	\$ λ per m ³
Over 35.0 m ³	\$ λ per m ³

Public Fire Protection Monthly Charge

Meter Size	Monthly Charge
15 mm	\$ λ
20 mm	\$ λ
25 mm	\$ λ
40 mm	\$ λ
50 mm	\$ λ
75 mm	\$ λ
100 mm	\$ λ
150mm	\$ λ
200 mm	\$ λ
250mm	\$ λ
300 mm	\$ λ

Effective Dates

These rates effective April 1, 20λλ to March 31, 20λλ are subject to change in future years under the terms of this bylaw.

Multi-Residential Water Service**Applicable**

To all multi-residential service customers within the city of Edmonton

A multi-residential service is defined as a service supplied to premises used primarily for domestic purposes; where more than four separate dwelling units are metered by a single water meter.

If a business is conducted from premises that otherwise fall within the above definition of a multi-residential service, this Multi-Residential Water Service rate will apply; provided, however, that if the portion of the premises from which the business is conducted is separately metered, then a Commercial Water Service rate will apply to that portion of the premises

Rate**Fixed Monthly Service Charge**

See Fixed Monthly Water Service Charges

Consumption Charge

0 m ³ – 25 m ³	\$ λ per m ³
25.1 m ³ – 100 m ³	\$ λ per m ³
100.1 m ³ – 1,000 m ³	\$ λ per m ³
Over 1,000 m ³	\$ λ per m ³

Public Fire Protection Monthly Charge

Meter Size	Monthly Charge
15 mm	\$ λ
20 mm	\$ λ
25 mm	\$ λ
40 mm	\$ λ
50 mm	\$ λ
75 mm	\$ λ
100 mm	\$ λ
150mm	\$ λ
200 mm	\$ λ
250mm	\$ λ
300 mm	\$ λ

Effective Dates

These rates effective April 1, 20λλ to March 31, 20λλ are subject to change in future years under the terms of this bylaw.

Commercial Water Service

Applicable

To all commercial, industrial and institutional customers within the city of Edmonton

To all water customers not otherwise defined as Residential or Multi-Residential water service customers per Part I of this Schedule or as hydrant or truck fill service water customers per Part III of this Schedule.

Rate

Fixed Monthly Service Charge

See Fixed Monthly Water Service Charges

Consumption Charge

0 m ³ – 25.0 m ³	\$ λ per m ³
25.1 m ³ – 100.0 m ³	\$ λ per m ³
100.1 m ³ – 1,000.0 m ³	\$ λ per m ³
1,000.1 m ³ – 5,000.0 m ³	\$ λ per m ³
Over 5,000 m ³	\$ λ per m ³

Public Fire Protection Monthly Charge

Meter Size	Monthly Charge
15 mm	\$ λ
20 mm	\$ λ
25 mm	\$ λ
40 mm	\$ λ
50 mm	\$ λ
75 mm	\$ λ
100 mm	\$ λ
150mm	\$ λ
200 mm	\$ λ
250mm	\$ λ
300 mm	\$ λ

Effective Dates

These rates effective April 1, 20λλ to March 31, 20λλ are subject to change in future years under the terms of this bylaw.

Fixed Monthly Water Service Charges

Applicable To all metered water customers within the city of Edmonton municipal boundaries.

Rate **Fixed Monthly Water Service Charge**

Meter Size	Monthly Charge
15 mm	\$ λ
20 mm	\$ λ
25 mm	\$ λ
40 mm	\$ λ
50 mm	\$ λ
75 mm	\$ λ
100 mm	\$ λ
150mm	\$ λ
200 mm	\$ λ
250mm	\$ λ
300 mm	\$ λ

Effective Dates These rates effective April 1, 20λλ to March 31, 20λλ are subject to change in future years under the terms of this bylaw.

Service Charges

Account Application Charge

Applicable To all customers who apply for a new account or change accounts for water service within the city of Edmonton boundaries.

Rate \$λ

Meter Installation or Removal Charge

Applicable To all customers, but most commonly for seasonal customers for whom a meter is removed and installed annually, and for customer-initiated connection and disconnection of water meters and/or associated metering devices.

Rate	Up to 25 mm meter	\$λ
	40 mm to 50 mm meter	\$λ
	Over 50 mm meter	Actual Cost
	Seasonal meters	Actual Cost

Meter Test Charge

Applicable To all customers who request that their EWSI water meter be tested and the results of the test indicate that the meter is operating within prescribed standards.

Rate	Up to 25 mm meter	\$λ
	40 mm to 50 mm meter	\$λ
	Over 50 mm meter	Actual Cost

Off-Cycle Meter Read Charge

Applicable To all customers who require a meter reading on a date other than their regularly scheduled monthly meter read date.

Rate \$λ

Non-Standard Meter Read Charge

Applicable To all customers who decline the installation of a Standard Meter.

Rate \$λ per month

Non-Standard Meter Installation Charge

Applicable To all customers who after installing a Standard Meter revert back to a Non-Standard Meter.

Rate \$λ

Damage Repair Charge

Applicable To all customers for whom EWSI must repair or replace damaged water valves, meters, remote meter reading devices or other EWSI equipment or appurtenances, where the equipment or appurtenance is under the customer's care or has been operated or interfered with by the customer.

Rate Actual Cost plus \$λ

Tampering Charge

Applicable To all customers for whom EWSI must investigate, repair, or replace damaged water infrastructure as a result of unauthorized use or tampering.

Rate Cost to repair plus \$λ

Thawing of Frozen Services Charge

Applicable To all customers who require thawing of frozen services.

Rate First visit no charge
Second visit \$λ per hour

Missed Appointment Charge

Applicable To all customers who do not keep a scheduled appointment for any EWSI representative.

Rate \$λ per missed appointment

EWSI Missed Appointment Credit

Applicable For instances in which EWSI does not keep a scheduled appointment for a customer without giving reasonable notice.

Rate \$λ credit to customer per missed appointment

No Access Charge

Applicable To all customers who do not allow access by EWSI to install, inspect, test, maintain, repair, investigate, replace or remove Facilities, including reading a Meter, for a period of 6 consecutive months.

Rate \$λ per month

Customer Locate Fee

Applicable To all customers who fail to notify EWSI that they have taken possession of a site and EWSI is required to conduct searches to identify the customer.

Rate \$λ

Hydrant Permit Charge

Applicable To all customers who obtain water service through fire hydrants.

Rate Hydrant Application Fee, annual, per permit \$λ
Hydrant Meter Service Charge \$λ per month
Consumption Charge

All consumption will be charged at the current and effective rate for Part I Multi-Residential Water Service Consumption Charge for 0 m³ –100.0 m³, as updated annually.

Construction Service Charge

Applicable To all customers who obtain water at a site during the construction period, prior to the premises going into account for billing.

Rate \$λ/ \$1000 of construction cost

Service Connection Fee

Applicable The fee for a new water service installation is calculated on a cost of service basis in accordance with the Water Services Guidelines.

Rate Cost of service

Water Service Turn-On / Turn-Off Charge

Applicable To all customers requesting a water service be turned on or off (excludes turn-on related to non-payment on account).

Rate

During regular hours	\$λ ¹ per site visit
Required outside regular working hours	\$λ ² per site visit
Required within 48 hours of request	\$λ ³ per site visit

1. Customer will receive a \$λ credit if turn off and turn on service can be scheduled and completed in one site visit.
2. Customer will receive a \$λ credit if turn off and turn on service can be scheduled and completed in one site visit.
3. Customer will receive a \$λ credit if turn off and turn on service can be scheduled and completed in one site visit.

Water Service Turn-On Charge, After Turn-off for Non Payment

Applicable To all customers who require a water service to be turned on after having been turned-off due to non-payment on account.

Rate

During regular hours	\$λ per site visit
Required outside regular working hours	\$λ per site visit
Required within 48 hours of request	\$λ per site visit

Fire Protection Service

Applicable To all customers within the city of Edmonton who receive standby water service to their private fire protection installations.

Rates Fixed Monthly Private Fire Protection Service Charges

Fire Line Service	Monthly
50 mm	\$λ
100 mm	\$λ
150mm	\$λ
200 mm	\$λ
250mm	\$λ
300 mm	\$λ

Truck Fill Service

Applicable	To all customers who obtain water from a truck fill site within the city of Edmonton municipal boundaries.		
Rate	Account Application Fee		\$λ
	Consumption Charge		\$λ per m ³
Effective Dates	These Part III Service Charges effective April 1, 20λλ to March 31, 20λλ are subject to change in future years under the terms of this bylaw.		

Customer Rebate for Water Services

Applicable

To all metered water customers within the city of Edmonton in the event that the Water System Service Quality does not meet the standard performance level.

Rebate**Customer Rebate**

Meter Size	Rebate
15 mm	\$ λ
20 mm	\$ λ
25 mm	\$ λ
40 mm	\$ λ
50 mm	\$ λ
75 mm	\$ λ
100 mm	\$ λ
150mm	\$ λ
200 mm	\$ λ
250mm	\$ λ
300 mm	\$ λ

Effective Dates

The total penalty for the year will be applied as a rebate to customer water bills in the year immediately following the performance year.

2022 Water System Service Quality Measures

Description	Performance Standard	Actual Performance	Points Earned
Water Quality Index	99.7 %	λ	λ
Customer Service Index			
Post Service Audit Factor	75.0 %	λ	λ
Home Sniffing Factor	94.4 %	λ	λ
Response Time Factor	25	λ	λ
Planned Construction Impact Factor	95.8%	λ	λ
Total Customer Service Index			λ
System Reliability and Optimization Index			
Water Main Break Factor	365	λ	λ
Water Main Break Repair Duration Factor	95.4 %	λ	λ
Water Loss Factor	1.23	λ	λ
System Energy Efficiency Factor	281	λ	λ
Total System Reliability and Optimization Index			λ
Environmental Index			
Water Conservation Factor	16.8	λ	λ
Environmental Incident Factor	5	λ	λ
Solids Residual Management Factor	120	λ	λ
Total Environmental Index			λ
Safety Index			λ
Near Miss Reporting Factor	550	λ	λ
Worksite Inspection Factor	1,032	λ	λ
Lost Time Frequency Factor	0.40	λ	λ
All Injury Frequency Factor	1.00	λ	λ
Total Safety Index			λ
Aggregate Points Earned (sum of all the above indices)			λ

Description	Performance Standard	Actual Performance	Points Earned
Points Required at Performance Standard			100.0
Points Above / (Below) Performance Standard			λ
Water System Service Quality Penalty, If Any			λ

This page sets out Water System Service Quality Measures for the period April 1, 2022 to March 31, 2027.

Pro-Forma Auditor's Report

AUDITOR'S REPORT ON RATE SHEETS 1, 2 ,3, 4, 5 AND 6

To the Senior Vice President, EPCOR Water Services Inc.

We have audited the rates for fixed monthly service charges, consumption charges, public fire protection charges, service charges and the customer rebates included in Rate Sheets 1, 2, 3, 4, 5 and 6 (hereinafter referred to as the "Rate Sheets") of EPCOR Water Services Inc. ("EWSI") for the 20xx Annual Water Rate Filing calculated in accordance with City of Edmonton Bylaw 19626 EPCOR Water Services. EWSI management is responsible for the preparation and fair presentation of the financial information in the Rate Sheets. Our responsibility is to express an opinion on this financial information based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards and in conformance with the International Standards for the Professional Practice of Internal Auditing. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial information contained in the Rate Sheets is free of material misstatement. Such an audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Rate Sheets.

In our opinion, the Rate Sheets for the 20xx Annual Water Rate Filing present fairly, in all material respects, the rates for fixed monthly service charges, consumption charges, public fire protection charges, service charges and the customer rebates effective April 1, 20xx to March 31 20xx, calculated in accordance with City of Edmonton Bylaw 19626 EPCOR Water Services Bylaw.

It is understood that this report has been prepared to facilitate EWSI's reporting as required by Bylaw 19626 and it is not to be referred to or relied upon for any other purpose.

(signed).....

Chartered Professional Accountants

City

Date