

Rules & Regulations Forming Part of Customer Contract of East Central Gas Co-op Ltd.

These Rules & Regulations have been made and approved by the Board pursuant to the Customer Contract that has also been approved by the Board.

The Board may change, modify, replace or amend these Rules & Regulations by an authorizing resolution of the Board.

Any amendment to these Rules & Regulations will take effect thirty (30) days after the amended Rules & Regulations are posted to the Co-op's website.

1.0 Definitions:

In these Rules & Regulations the following words shall have the following meanings:

- a) **"Board"** means the Board of Directors of the Co-op.
- b) **"Co-op"** means East Central Gas Co-op Ltd.
- c) **"Customer"** means a member or other customer of the Co-op that receives Gas Service.
- d) **"Customer Contract"** means an agreement in the form approved and prescribed by the Board and entered into with Customers to provide Gas Service.
- e) **"Customer Contribution"** means the amount that the Board determines that the Customer must pay in order for the Co-op to install a Service Connection and/or provide Gas Service to the Customer.
- f) **"Customer Facilities"** means all of the pipes and related equipment and apparatus downstream of the outlet of the meter.
- g) **"Distribution System"** means a system of pipelines, regulators, meters and related apparatus and equipment constructed, owned and operated by the Co-op and used by the Co-op to deliver Gas to Customers.
- h) **"Gas"** means natural gas with the quality supplied to the Co-op by its supplier, Gas Alberta Inc. and may include hydrogen gas as a component thereof.
- i) **"Gas Service"** means the provision of Gas (or natural gas blended with another approved gas) and related operation and maintenance services for the Distribution System up to and including the meter.
- j) **"Force Majeure"** means any acts of God, including but without restricting the generality thereof, lightning, earthquakes and storms; any strikes, lockouts or other industrial disturbances, acts of the King's enemy, sabotage, wars, blockades, insurrections, riots, epidemics, landslides, floods, fires, washouts, arrests and restraints, civil disturbances; explosions, accidental shut off, breakages of or accidents to machinery or lines of pipe and subsequent repairs and maintenance, hydrate obstructions of lines of pipe, defective equipment, the orders of any court or governmental authority or directives of any competent health officer, any acts or omissions which are excused by any event or occurrence of the character herein defined as constituting force majeure, or any other causes whether the kind herein enumerated or otherwise, not within the control of the party claiming suspension and which, by the exercise of due diligence such party is unable to overcome.
- k) **"Load"** means the estimated hourly flow rate used to determine the ability of the Co-op to deliver Gas to the Customer and unless expressly stated otherwise is one (1) gigajoule/hour.
- l) **"Membership"** means Membership in the Co-op that has been approved by the Board in its absolute discretion.

- m) **“Service Connection”** means the interconnection between the Distribution System and the Customer Facilities.
- n) **“Service Location”** means the legally described parcel of land where Gas Service is provided and/or where the meter is located and as set out in the Customer Contract.
- o) Standard rules of interpretation shall apply to these Rules & Regulations so that the use of any pronoun shall be interpreted by context to mean the appropriate gender, or no gender and any use of the singular shall mean the plural as the context so requires.

2.0 Application of Rules & Regulations

- a) These Rules & Regulations, as amended from time to time, apply to the Co-op and to every Customer to which the Co-op provides a Service Connection or Gas Service.
- b) The application for a Service Connection, the entering into a Customer Contract, the use by the Customer of a Service Connection to obtain Gas Services or the payment by the Customer of an account rendered by the Co-op in relation to a Service Connection shall constitute acceptance by the Customer of these Rules & Regulations whether or not the Customer has signed an application or signed a Customer Contract for Gas Service.
- c) No agreement can provide for the waiver or alteration of any part of these Rules & Regulations unless such agreement is made in writing and approved by the Board.

3.01 Ownership of the Distribution System

- a) The Customer is not the owner of any parts or segments of the Distribution System used to provide a Service Connection unless a written agreement between the Co-op and Customer specifically provides otherwise.
- b) Payment made by a Customer of a Customer Contribution does not entitle the Customer to ownership of any such part or segment of the Distribution System or any intellectual property, engineering, design, or other information or data, or any other rights relating to or in respect to the Distribution System.

4.01 RATES FOR GAS SERVICE AND OTHER SERVICES

- a) The Co-op will provide Gas Service to the Customer pursuant to the rates, tolls and charges set by the Board from time to time.
- b) All additional, supplementary or extra services provided by the Co-op to the Customer will be charged at rates approved by the Board from time to time.
- c) Payment for Gas Service and for all other services shall be in accordance with the provisions of these Rules & Regulations.

5.01 ESTABLISHMENT OF SERVICE: PROCESS

Application for Service Connection

- a) All Customers must be of legal age to contract with the Co-op for Gas Service and must execute an application in the form provided by the Board. The Co-op reserves the right to verify the identity of the Customer and the accuracy of the information provided by the Customer. If a Customer is not of legal age and/or is not the registered owner of the Service Location, the Co-op may require a person of legal age and who is the registered owner of the Service Location to accept responsibility for the Gas Service on the Customer's behalf or the Board may reject the application.
- b) An application made pursuant to Article 5.01 (a) shall be deemed to also be an application for Membership in the Co-op. The Board may approve of an application for Gas Service or both Gas Service and Membership

in the Co-op. The Co-op may provide Gas Service to a person without that person being approved for Membership in the Co-op.

- c) To enable the Co-op to provide the requested Gas Service at the appropriate Load, applicants for service shall supply information regarding the location of the premises to be served; the Load, the manner in which the Service Connection will be utilized; credit information; prepayment and any other information that may be required by Co-op.
- d) Upon receipt of the required application information, the Co-op will advise the applicant of the type and character of the Service Connection; the amount of any Customer Contribution, whether the applicant has been approved for Membership in the Co-op by the Board and any special conditions that will apply to the Service Connection or the Gas Service at the Service Location.

Rejection of Application

The Co-op may, without limitation, reject any applicant's request for a Service Connection:

- a) when the applicant has not acquired or is not in possession of all necessary permits other authorizations that may be required for the installation of the Service Connection;
- b) when the Co-op determines that a previous account owed by the Customer is in arrears with the Co-op; or
- c) when the Customer fails to provide a payment as specified in Article 5.01 (a) (c); or
- d) when the Co-op determines that the form of the Customer Contract is not appropriate for the Service Connection due to its unique nature and the Customer refuses to enter into an alternate form of agreement acceptable to the Co-op; or
- e) when any representation made by the applicant to the Co-op for the purpose of obtaining a Service Connection is, in the Co-op's opinion, fraudulent, untruthful or misleading;
- f) when the Customer has not, when requested by the Co-op to do so, provided an executed written or electronic application for a Service Connection or has not provided a signed Customer Contract; or
- g) when the estimated load requirements, in the Co-op's opinion, have unusual characteristics that might adversely affect the quality of service supplied to other Customers, public safety, the safety of the Co-op's personnel, the Distribution System or other equipment; or
- h) for any other reason rejection of the application is deemed necessary by the Board.

Establishment of Credit or Security Deposits

- a) The Co-op, at its sole discretion, reserves the right to require that a Customer establish credit by way of a deposit or other acceptable credit facility (the Security) for any amounts in relation to services provided by the Co-op under these Rules & Regulations.
- b) The amount of the Security will be determined by the Co-op at the time of the service application or upon the Customer defaulting in payment of any account when due.
- c) If a Customer fails to pay an amount billed, the Co-op may apply all or any portion of the Security toward payment of the outstanding amounts and any subsequent unpaid costs incurred by the Co-op, including interest and any late payment charges. When the Co-op has taken this step, the Customer may be required to pay to the Co-op the amount deducted from the Security. Upon termination of a Service Connection or any contractual arrangement between the Customer and the Co-op, the Co-op may apply all or any portion of the Security toward payment of any amount due and owing by the Customer.
- d) Any deposit that is required to be paid by the Customer to the Co-op shall be held by the Co-op and shall not bear interest.
- e) The security is refunded or credited to the Customer's account when the Service Connection is de-energized or disconnected, other than for default in payment of accounts, and the Customer has paid all amounts owing to the Co-op or the Customer has satisfactorily established credit by paying all bills on or before the due date of each bill, for twelve (12) consecutive months.

6.01 Customer Contract

(a) The Customer will be required by the Co-op to sign a Customer Contract for each Service Connection. The Co-op reserves the right to discontinue Gas Service or de-energize the Service Connection when the Customer fails, neglects or refuses to sign a Customer Contract.

(b) In the absence of a signed Customer Contract, the supplying of a Service Connection by the Co-op and the acceptance thereof by the Customer shall be deemed to constitute an agreement by and between the Co-op and the Customer for delivery, receipt and payment for Gas Service pursuant to these Rules & Regulations at the rates, tolls and charges approved by the Board from time to time.

(c) If any provision of the Customer Contract, or the application thereof, is to any extent held invalid, unenforceable, void, or contrary to law by a Court or tribunal of competent jurisdiction, the remainder of the Customer Contract and the application thereof, other than those provisions which have been held invalid, unenforceable, void or contrary to law shall not be affected and shall continue in full force and effect and shall be enforceable to the fullest extent permitted by law or in equity.

(d) A Customer Contract is not assignable by the Customer.

(e) An applicant executing a Customer Contract will be required to pay a Customer Contribution unless waived by the Co-op in circumstances where that contribution was made by a previous member or previous customer at the Service Location.

(f) All services that are transferred, assigned, assumed or otherwise used by a person who purchases the Service Location upon which the existing Service Connection is located, or who takes over the operation or use of the Customer's facilities at an existing Service Location, including, without limitation any affiliate of or successor to the Customer and, if applicable, the owner of the Service Location, shall be subject to the terms of the Customer Contract(s), together with the billing and demand history. Any change(s) in service requirements as a result of such transfer shall be made in accordance with these Rules & Regulations. The successor Customer shall enter into a replacement Customer Contract(s). The Co-op may perform a review of the Customer Contribution for the Service Location to determine whether any adjustments are required to the Customer Contribution. The existing contractual arrangements will remain in place until any new agreements have been accepted by the Co-op. **It is the sole responsibility of a third party that is taking over the use or operation of an existing Service Connection to undertake thorough due diligence with respect to the existence of and all terms of any existing Customer Contract.**

(g) The Customer associated with a new, altered or relocated Service Connection shall be responsible for obtaining all permits, certificates, licenses, inspections, reports, and other authorizations necessary for the installation and operation of the Service Connection. The Co-op 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 permits, certificates, licenses, inspections, reports, and other similar authorizations.

7.01 SERVICE REQUIREMENTS AND FACILITIES

- a) After the Customer has complied with the Co-op's application and payment requirements and has been accepted for Gas Service by the Co-op, and has obtained all required permits and/or inspections indicating that the Customer Facilities comply with all construction, safety standards or regulations, the Co-op shall install a Service Connection within a reasonably practicable time.
- b) The Co-op shall have the sole discretion regarding the installation of connection facilities and the location of the meter.
- c) The Customer shall furnish and maintain, at no cost to the Co-op, the necessary space, housing, fencing,

barriers, structure marking, lighting and foundations for the protection of the connection facilities and the Gas Distribution System to be installed upon the Service Location which may or may not include an active telecommunications line for measurement equipment. If the Customer refuses, the Co-op may at its option furnish and maintain, and charge the Customer for furnishing and maintaining, the necessary protection and electronic measurement equipment or apparatus. Such fencing, barriers, structures, markings and foundations shall be in conformity with all applicable laws and regulations and shall be in accordance with and subject to the Co-op's specifications and approval.

- d) The Customer will ensure that the Customer Facilities comply with the applicable requirements and with any technical guidelines that may be issued from time to time by the Co-op or any authority having competent jurisdiction.

8.01 UTILITY RIGHTS OF WAY AND ACCESS TO GAS DISTRIBUTION SYSTEM

a) **Easements** : as a condition of the Co-op providing a Service Connection and/or Gas Service, the Customer hereby grants to the Co-op, without cost to the Co-op, such easements or utility rights of-way (the "URW") over, upon or under the Service Location and any other parcels of land owned by the Customer that are required by the Co-op to install or construct the Service Connection and/ or to provide Gas Service at the Service Location as the Co-op reasonably requires for the construction, installation, maintenance, repair, and operation of the Gas Distribution System required to serve the Service Connection and any additions or extensions thereof that are or may be used to provide Gas Service to other Customers. The Customer undertakes to execute any utility right of way or easement agreement provided by the Co-op that grants the rights set out in this Article. The Co-op shall be at liberty to register such signed utility right of way or easement on title to the Service Location. In the event that the Customer refuses, neglects or fails to sign a utility right of way or easement, the Co-op shall be at liberty to register a caveat on title to the Service Location to protect the easement and utility rights of way hereby granted.

b) **Right of Entry**: the Co-op's employees, contractors and other representatives shall have the right to enter the Service Location at all reasonable times for the purpose of installing, maintaining, replacing, testing, monitoring, reading, discontinuing the Gas Service or removing the Distribution System and for any other purpose incidental to the provision of a Service Connection. The Customer shall not prevent, hinder, or charge a fee for allowing the Co-op's entry, including the use of roads on the Customer's property, or any adjacent or nearby property or crown land over which the Customer has the right to grant access for the purposes described in this section. In the event that any part or segment of the Distribution System is situated within a Customer's premises, the Co-op may require that the Customer provide to the Co-op a key for the purpose of gaining access to the Distribution System. The Co-op will endeavor to provide reasonable notice to the Customer except in cases of emergency when no notice is required to be given. The Co-op may charge a fee as determined by the Board from time to time any time that the Co-op's entry is considered by the Co-op's employees, agents, contractors or other representatives as unsafe or is otherwise prevented, hindered or refused. Without in any way limiting the generality of the foregoing, in circumstances where the Customer owns or has possession of a guard or watch dog, the Customer shall, at the request of the Co-op, be required to restrain the dog so that the Co-op, its employees, agents, contractors and other representatives do not feel threatened. The presence of an unrestrained dog shall be deemed to be a refusal of entry by the Customer.

c) **Vegetation Management**: the Customer shall permit the Co-op to manage vegetation on the property owned or controlled by the Customer to maintain proper clearances, reduce the risk of contact with, and allow access to the Distribution System. The Co-op shall make reasonable efforts to notify the Customer before such work is performed. Customers are responsible for following Co-op setback requirements when planting new vegetation such as trees and shrubs. Customers shall be responsible for all vegetation management costs where Co-op setback requirements have not been met.

d) **Interference with Gas Distribution System:** the Customer shall not install or allow to be installed on the Service Location, any temporary or permanent structures or vegetation that could interfere with the proper and safe operation of the Distribution System or result in noncompliance with applicable statutes, regulations, standards and codes. The Co-op shall not be liable for any damage to any structure or improvement erected, installed or placed in contravention of these Rules & Regulations that results from Co-op maintenance of the Distribution System or other service lines.

9.01 Co-op Responsibility and Liability

- a) **Continuous Supply:** the Co-op shall make all reasonable efforts to maintain continuity of Gas Service to its Customers, but the Co-op does not guarantee an uninterrupted Gas supply.
- b) **Interruption:** without liability of any kind to the Co-op, the Co-op shall have the right to disconnect or otherwise curtail, interrupt or reduce service to Customers:
 - (i) whenever the Co-op reasonably determines that such a disconnection, curtailment, interruption or reduction is necessary to facilitate construction, installation, maintenance, repair, replacement or inspection of any part of the Distribution System or to permit the connection or disconnection of other Customers.
 - (i) to maintain the safety and reliability of the Distribution System; or,
 - (ii) due to any reason related to dangerous or hazardous circumstances including emergencies, forced outages or for reasons of "Force Majeure"; or .
 - iv) due to the breach by the Customer of any of these Rules & Regulations or breach of the Customer Contract.
- c) **Reasonable Efforts:** the Co-op shall use reasonable efforts to minimize any scheduled curtailment, interruption or reduction of Gas Service to the extent reasonably practicable under the circumstances, to provide the Customer with prior notification of any such curtailment, interruption or reduction to the extent reasonably practicable, and to resume Gas Service as soon as reasonably practicable.
- e) **Co-op Liability:** Notwithstanding anything to the contrary contained in these Rules & Regulations or the Customer Contract, the Co-op shall not be liable for any loss, injury, damage, expense, charge, cost or liability of any kind, whether of direct, indirect, special or consequential nature, (excepting only direct physical loss, injury or damage to a Customer or a Customer's property, resulting from the negligent acts or omissions of the Co-op, its employees or agents) arising out of or in any way connected with Gas Service by the Co-op to its Customers including but not limited to any failure, defect, fluctuation, reduction or interruption in the provision of Gas Service by the Co-op to its Customers. For the purpose of these Terms and Conditions of Service, and without otherwise restricting the generality thereof, "direct physical loss, injury or damage" shall not include loss of revenue, loss of profits, loss of earnings, loss of production, loss of contract or any other economic loss or cost of purchased or replacement capacity and energy, cost of capital, and/or loss of use of any facilities or property, or any other similar damage or loss whatsoever.
- f) **Force Majeure:** in the event that the Co-op is unable, because of an event of Force Majeure, to provide a continuous supply of Gas to a Customer, the Co-op's responsibilities, so far as they are affected by the Force Majeure, shall be relieved and suspended during the duration of such circumstances and the Co-op shall not be liable for any failure to perform any term of these Rules & Regulations to the extent that and when such failure is due to, or is a consequence of, an event of Force Majeure. Where practical, the Co-op

shall give notice to the affected Customers of such interruption.

- g) **Release:** Subject to Section 9.01 (e) neither the Co-op, its directors, officers, agents, employees and representatives, ("Co-op Parties"), shall be liable to the Customer, its directors, officers, agents, employees and representatives ("Customer Parties") for any damages, costs, expenses, injuries, losses, or liabilities suffered or incurred by the Customer Parties or any of them, howsoever and whensoever caused, and each Customer Party hereby forever releases each of the Co-op Parties from any liability or obligation in respect thereof.
- h) **The Co-op Not Liable to Customer:** for greater certainty and without limitation to the foregoing in Sections 9.01 (e) & (g) , the Co-op Parties (as defined above) shall not be liable to a Customer for any damages of any kind (except to the extent the Co-op is liable for such damages in accordance with Section 9.01 (e) caused by or arising from any of the Co-op Party's conduct in compliance with or in breach of, or as permitted by, these Rules & Regulations or the Customer Contract.

10.01 Customer Responsibility and Liability

- a) **Customer Responsibility for Facilities:** the Customer shall be responsible for the installation, condition and maintenance of all Customer Facilities. Without restricting the generality of this Article, the Customer shall apply for and obtain any permit required for the installation of Customer Facilities constructed after this Contract comes into force. The Customer is prevented from installing any segment or portion of the Customer Facilities that will be used to serve third parties. In the event that a subdivision of land should occur that results in the Customer Facilities serving a third party on a subdivided parcel, the Co-op shall be at liberty to discontinue Gas Service until the Customer Facilities are disconnected from such third party service.
- b) The Customer shall be responsible for any destruction of or damage to the Distribution System located on the Service Location where the destruction or damage is caused by a negligent act or omission or willful misconduct of the Customer or anyone permitted by the Customer to be on the Service Location.
- c) **Customer Liability:** the Customer shall be solely responsible for and comply with the regulations regarding the installation, condition and maintenance of the Customer Facilities and the Customer shall indemnify and save harmless the Co-op, its employees, directors, officers , agents and other representatives from and against any claim or demand for injury to persons or damage to property arising out of or in any way connected with the Customer Facilities and the use made by the Customer of Gas supplied by the Co-op, PROVIDED THAT such injury or damage is not caused by the negligence of the Co-op.

11.01 METERS

- a) **Installation and Maintenance of Meters:** the Co-op shall provide, install and maintain all necessary regulators and meters necessary for measuring the natural gas supplied to the Customer. Unless impractical, meters shall be installed on the outside of the premises, and in any case the location shall be determined in the absolute discretion of the Co-op.
- b) **Meter Reading:** the Customer hereby authorizes the Co-op to connect, verify, maintain and exchange automated meter reading and/or monitoring equipment for the purpose of transmitting and collecting meter reading information. The Customer hereby permits the Co-op to perform meter reading using automated monitoring equipment. The Co-op shall comply with the regulations of the authority having jurisdiction with regard to measurement equipment and devices. If Customer requests removal of automated monitoring equipment, the Co-op shall charge a fee as set by the Board from time to time.

- c) **Meter Test and Adjustments:** the Co-op may inspect and test a meter at any reasonable time. At the request of Measurement Canada or an accredited agency as may, from time to time, be designated for this purpose, the Co-op shall arrange for a meter to be removed and tested by an official designated for that purpose. The Co-op will direct customers wishing to dispute the meter to Measurement Canada. If a test determines that the meter is not accurate within the limits set by government standards, the bill will be adjusted accordingly. Where it is impossible to determine when the error commenced, it shall be deemed to have commenced three (3) months before the test or the date of the meter installation, whichever occurred later. The Co-op shall not be liable to the Customer for any additional costs that are associated with such metering or meter reading errors.
- d) **Meter Reading and Estimates:** the Co-op shall determine the method of meter reading collection for its meters and equipment. When the Co-op has determined the method of collection is through an automated meter reading device and the Customer refuses to allow installation of the device, the Co-op will attempt Co-op meter readings approximately every six months. The Customer will be charged for each meter reading attempt as provided for in the schedule of rates, tolls and charges approved by the Board from time to time.
- (e) **Automated Metering Device Removal:** Where the Customer requests the removal of an automated meter reading device, the Co-op will remove the device and will apply the appropriate fee as provided for in the schedule of rates, tolls and charges approved by the Board from time to time. In addition, the Co-op will attempt Co-op meter readings approximately every six months. The Customer will be charged for each meter reading attempt as provided for in the schedule of rates, tolls and charges approved by the Board from time to time..
- (f) **Meter Reading:** In any event the Co-op will require a meter reading twice per year or as directed by Measurement Canada or such other Regulatory requirement.
- (g) **Discrepancy in Meter Reads:** In the event that there is a discrepancy between the mounted meter index and a meter monitoring or automated meter reading device, the mounted meter index reading will be deemed to be correct unless a meter test proves otherwise.
- (h) **Additional Meter Reading Charge:** the Co-op will assess a charge to the Customer for additional reads in excess of the Co-op's standard practices as well as in situations where a Customer has refused to allow an automated meter reading device to be installed.
- (i) **Retaining Records:** The Co-op shall keep an accurate record of all meter readings for the purpose of billing the Gas Services provided.
- (j) **Non reliance on Customer Meter Reads:** The Co-op is not required to use a Customer provided meter reading for billing purposes.

12.01 RENDERING AND PAYMENT OF BILLS

- a) **Billing of Customer:** Bills shall be rendered in accordance with billing schedules established by the Co-op from time to time. Failure to receive a bill shall not release the Customer from the obligation to pay the bill nor will it entitle the Customer to any delay in the settlement of any account, or to any extension of the date after which a late payment charge becomes applicable. Any bill rendered to a Customer for which valid payment has not been received by the date indicated on the bill shall be considered past due. The Co-op reserves the right to assess a late payment charge as determined by the Board from time to time.
- (b) **Payment by Customer:** The Customer shall pay to the Co-op, on or before the 15th Business Day following the statement date, the amount billed by the Co-op and payable not later than the day shown upon the bill as the "due date".
- (c) **Approved forms of Payment:** The Co-op may refuse to accept payment on a Customer's account when payment by cheque is drawn on a form other than a bank cheque form. In the event the Co-op accepts payment

by cheque drawn on any other form, the Customer shall be liable for and pay to the Co-op all charges and costs incurred to process the cheque. The Co-op follows the Bank of Canada rules and regulations of currency acceptance limitations.

(d) **Late Payment Charge:** Any amount owing for Gas Service and not paid by the due date shown on the bill shall be subject to a late payment charge as determined by the Board from time to time. all of which will be due and payable forthwith after the due date. If an outstanding balance remains on a go-forward basis, the Co-op may initiate collection action including, but not limited to, disconnecting Gas Service to the Customer.

(e) **Dishonored Payments Fee:** The Co-op reserves the right to assess a service charge to the Customer, in respect of any payment returned by the Customer's bank for any reason.

(f) **Billing Disputes:** If the Customer disputes any amount owing, the Customer shall nonetheless pay such disputed amount and submit the dispute for resolution in accordance with these Rules & Regulations. Following resolution of any such dispute, the Co-op will return any amount found owing, without interest, to the Customer forthwith. The right or ability of either party to dispute a bill for service provided hereunder shall only apply to bills rendered during a period of two (2) years prior to the date of a written notice of such dispute. The Co-op may assess a charge to the Customer for reviewing billing disputes, in circumstances where the Co-op has not been responsible for any billing error as set out in its rates, tolls and charges.

(g) **Encumbrance:** The Customer hereby charges and encumbers all of the Customer's estate, title and interest in the Service Location to the extent of any money owing by the Customer to the Co-op together with interest and all costs (including solicitor costs determined on a solicitor and his/her own client full indemnity basis) incurred by the Co-op in the collection such monies, interest and costs and consents to the Co-op being at liberty at anytime including a default in payment of monies owing by the Customer to the Co-op under the provisions of these Rules & Regulations or the Customer Contract to register a caveat or other instrument of charge on the title to the Service Location with respect to such money, interest and costs. This right is in addition to, and not in any way a derogation from or substitute for, other rights held and/or remedies available to the Co-op at law or in equity.

13.01 Service Calls

The Co-op may require the Customer to pay the actual costs of a service call if the source of the problem is the Customer's facilities downstream of the outlet of the meter.

14.01 Interference with the Co-op's Property and Unauthorized Use

- a) No one other than an employee or authorized agent of the Co-op shall be permitted to, in any way or manner, interfere with the Distribution System and for greater certainty and without restricting the generality of the foregoing to remove, energize, operate, or maintain meters, equipment and other facilities owned by the Co-op without Co-op permission. The Customer shall not interfere with or alter the Distribution System including but not limited to the meter, seals, or other facilities or permit the same to be done by any person other than the authorized agents or employees of the Co-op.
- b) Where the Co-op determines that there has been unauthorized use of the Service Connection including, but not limited to, meter or equipment tampering, unauthorized connection or reinstatement, theft, fraud, or intentional or unintentional use whereby the Co-op is denied full compensation for Gas Services provided, the Co-op will bill the Customer for the Co-op's estimate of energy and delivery charges for such unauthorized use and require Customer prepayment for any repairs, damages and reconstruction of Co-op facilities. Nothing in this section shall limit any other rights or remedies that the Co-op may have in connection with such unauthorized use.
- c) When the Customer is a Member and where the Co-op has determined that there has been unauthorized use of the Service Connection including but not limited to meter or equipment tampering, unauthorized connection or reinstatement, theft, fraud, or intentional or unintentional use, any such unauthorized use

shall be cause upon which the Board shall be at liberty to expel the Customer from Membership.

15.01 Termination by Co-op

(a) If the Customer violates any of these Rules & Regulations, or breaches the provisions of the Customer Contract or tampers with the Distribution System or permits its service piping, or equipment connected thereto to become, in the opinion of the Co-op, hazardous, or neglects to pay the charges for Gas Service due to the Co-op at any of the times fixed for the payment thereof, or refuses to provide entry or increases its Load without the permission of the Co-op, or makes fraudulent use of the Co-op's Gas Service, the Co-op, or anyone acting under its authority, may, without prejudice to any other right or remedy which the Co-op may have against the Customer, on giving forty-eight (48) hours' notice to the Customer, disconnect the Gas Service from the Distribution System.

Notwithstanding the foregoing, if, in the opinion of the Co-op, the condition of the Customer Facilities is so hazardous as not to safely permit the giving of notice, no notice shall be required. The Customer shall, notwithstanding the discontinuance of Gas Service, be liable for and pay to the Co-op all charges for Gas Service provided up to the time of such discontinuance.

(b) When a contract for service is terminated by a Customer and a new application for service has not been received by the Co-op, the Co-op shall discontinue the Gas Service to the Service Location.

(c) If the piping or equipment described in (a) above is found to be hazardous or noncompliant, the Co-op, at its absolute discretion, may choose to disconnect or shut off only that portion or piece of equipment which is in violation, in order to maintain Gas Service to the remaining Customer facilities. The Co-op will report these incidences to the authority having jurisdiction.

(d) If the Customer is a member of the Co-op, any violation of these Rules & Regulations or breach of the terms of the Customer Contract by the Customer shall be cause for the expulsion of the Customer from Membership.

ARTICLE 15.01 CHANGE IN SERVICE CONNECTION OR LOAD

(a) A Customer shall give to the Co-op reasonable written notice prior to any change in Gas Service requirements, including any change in Load to enable the Co-op to determine whether or not it can supply such revised Gas Service without changes to its Gas Distribution System. The Co-op shall not be obligated to supply to the Customer any Load in excess of that originally agreed to by the Co-op. If a change in a Customer's Load would require changes to the Co-op's Gas Distribution System, that Customer may be required to pay the Co-op's costs of such changes.

(b) The Customer shall not change its requirement for a Gas Service without the Co-op's written permission. The Customer shall be responsible for all damage caused to the Gas Distribution System as a result of the Customer changing its requirements for Gas Service without the Co-op's permission.

(c) In any case in which the Co-op is requested to relocate any of its Gas Distribution System, including service lines, regulators, and meters, or to install a remote meter index or automated meter reading device, the person requesting such relocation or installation may be required to pay the costs determined by the Co-op, acting reasonably. If requested by the Co-op, the Customer shall pay such costs in advance of the Co-op undertaking such relocation or installation. Any relocation shall be subject to the provisions of these Terms and Conditions of Service. Any installation of a remote meter index or meter monitoring device shall be subject to these Terms and Conditions of Service.

(d) The Co-op reserves the right, at its expense, to relocate piping, regulators or meters for operating convenience.

16.01 MISCELLANEOUS PROVISIONS AND TERMS

- a) **Legal Compliance:** The Co-op and the Customer, and agents thereof, are subject to, and shall comply with, all existing or future applicable federal, provincial, and municipal laws, all existing or future orders or other

actions of governmental authorities having applicable jurisdiction. The Co-op will not violate, directly or indirectly, or become a party to a violation of any applicable federal, provincial, or local law, regulation, bylaw, rule or order in order to provide a Service Connection or Gas Service. The Co-op's obligation to provide a Service Connection and/or Gas Service is subject to the condition that all requisite governmental and regulatory approvals for the provision of such services have been obtained and will be maintained in force during the period of service.

- b) **No Assignment:** The Customer shall not assign any of its rights or obligations under these Rules & Regulations or the Customer Contract, or any other agreement with the Co-op relating to Gas Service. In the event that the Customer commits an act whereby a third party is bound by the obligations of the Customer pursuant to these Rules & Regulations or the Customer Contract, no such circumstance shall relieve the Customer of any of its obligations under these Rules & Regulations or the Customer Contract.
- c) **No Waiver:** The failure of the Co-op to insist in any one or more instances upon strict performance of any provisions of the Customer Contract, or any other agreement, or to take advantage of any of its rights hereunder, shall not be construed as a waiver of any such provision or the relinquishment of any such right or any other right hereunder, which shall remain in full force and effect. No term or condition of these Rules & Regulations or the Customer Contract shall be deemed to have been waived and no breach excused unless such waiver or consent to excuse is in writing and signed by the Co-op and approved by the Board.
- d) **Invalidity of Contractual Provisions:** If any provision of these Rules & Regulations, the Customer Contract, or any other agreement with the Co-op is to any extent held invalid or unenforceable, the remainder of the Rules & Regulations or the Customer Contract, (as the case may be), and the application thereof, other than those provisions which have been held invalid, shall remain in full force and effect.
- e) **Use of Personal Information of the Customer:** The Customer hereby authorizes and consents to the Co-op, at anytime and from time to time, conducting any credit investigation and exchange of information respecting the Customer. The Customer hereby directs its lenders and all other parties (including the Crown and government agencies) having such information (in this Article: the "Releasees") to release such information to the Co-op when requested to do so by the Co-op. The production of this paragraph to the Releasees shall be their full and sufficient authority to do so. The Customer hereby consents to the use of the personal information of the Customer (including credit information) in the administration of these Rules & Regulations and/or the Customer Contract and in the enforcement and collection of monies, interest and charges owing by the Customer to the Co-op under these Rules & Regulations and/or the Customer Contract.
- f) **Amendments or Changes:** These Rules & Regulations may be modified, changed, amended or replaced at any time and from time to time by the Board notwithstanding any contrary interpretation of a term or condition of these Rules & Regulations or of the Customer Contract.