

Summary of Conditions of Service

Rates and Charges: Algoma Power Inc's (API) distribution rates include a fixed monthly service charge (which varies according to your rate classification – residential, seasonal, general, etc.) and a volumetric charge, based on the amount of electricity you use. The monthly service charge is designed to cover common costs that are independent of electricity used. All other distribution service costs are recovered through the volumetric rate. In addition to distribution rates, API will pass through to you, other regulated charges for transmission services, wholesale market services, rural and remote rate protection, debt retirement and standard supply service, if applicable. Rates and charges apply from the date you take responsibility for the service, even if you do not actually begin using electricity at that time. All rates and charges levied by us, including fees for work such as line maintenance, which is required to ensure electrical service and to keep equipment safe and in good repair on your property, are your responsibility.

You can obtain current information about how API conducts business with our customers by contacting our Customer Service Department.

Deposits: A deposit may be required at any time.

Payment Options: Customers may pay their electricity bills using any of the following methods: cheque or money order in the API drop box; mailed with the remittance stub portion of the bill to API address on the stub; through automated banking machines, telephone banking or internet bill payment services as offered through their financial institution. Acceptable payments will be in Canadian funds and either cheque or money order. Payments of cash, cheque or money orders (Canadian funds) may be paid in person at most Canadian financial institutions and at API authorized agents. API offers a pre-authorized payment option.

As a courtesy to our customers, API will make best effort to refrain from processing post-dated cheques until the post-date. However, if a post-dated cheque is processed by API, API assumes no responsibility for any related charges or damages, including but not limited to non-sufficient fund charges to the customer.

Late Payment Charges: You have 19 days from the billing date to make your payment. A late charge of 1.5% monthly (19.56% annually) may be charged on overdue balances. This charge encourages all customers to pay promptly and treats customers who pay on time in a fair manner.

Non-payment of your electricity bill may lead to a service interruption. If you are experiencing difficulties, call Customer Services to work out a mutually acceptable payment arrangement. A balance forward on all new bills is subject to a service interruption.

Service Interruptions and Reconnections: API may interrupt or limit the amount of electricity you can consume if you default on any of your obligations under API's Conditions of Service, including non-payment of your electricity bill, or by order of the Electrical Safety Authority. API is not liable for any damage related to the disconnection or limitation of electricity.

A collection charge will apply when API makes a trip to collect payment for an overdue account or to install a load limiter. A reconnection charge will apply to reconnect your service.

Space and Access: In order to read your meter or inspect and repair API's equipment, API may need to enter your premises. Please keep a path to your electricity meter(s) clear. It is your responsibility to provide API with access to read the meter. In the event API has ongoing problems obtaining access to the meter, API reserves the right to require a relocation of the meter at your expense.

Tree and Vegetation Management: You are responsible for all tree trimming, tree and brush removal for the overhead power lines on your property that service your premises, unless owned by API. Due to the danger of working around overhead power lines, unqualified individuals should never attempt to cut down trees, or trim branches that are close to or touching overhead power lines. API strongly recommends you hire a qualified electrical contractor to do this work. API also recommends you have your service dropped while cutting trees to ensure no damage occurs to your equipment and that the work can be completed safely. Clearances between trees and power lines must conform to the Ontario Electrical Safety Code.

Privacy & Customer Information: API will not divulge any of your information to third parties without your written consent except:

- a) for billing or market operation purposes;
- b) for law enforcement purposes;
- c) for the purpose of complying with a legal requirement;
- d) for the purpose of past due accounts.

Cable Locates: Customer is responsible to ensure all underground cables are located before digging on private property.

Your Electrical Equipment: You are responsible for the installation and maintenance of your own power lines. The Electrical Safety Authority must inspect this work. You must comply with all applicable laws, including (but not limited to) the Ontario Electrical Safety Code, and ensure that your equipment is properly identified and connected for metering and operation purposes. You must take whatever steps necessary to correct any deficiencies in a timely fashion. If you do not complete the work in a timely manner, API is entitled to disconnect your electrical service.

API's Electrical Equipment: API will repair or replace, at API's expense, any of API's equipment on your property that fails due to ordinary wear and tear. For any other damage, you are responsible for paying API's cost to repair or replace the equipment. In some cases, alterations may be necessary to your structures, pavement, landscaping, etc. to enable us to access and repair equipment. API always attempts to minimize this disruption, however API cannot guarantee or assume the costs of returning your property to its original state.

You are not to erect a building or plant any gardens, trees or shrubs that could obstruct or endanger any of API's equipment, or interfere with the safe operation of the distribution system.

Power Interruptions and Surges: From time to time, events beyond API's control can cause power interruptions or voltage irregularities. For these reasons, API cannot guarantee a continuous or constant supply of power and will not be liable for any damages caused by a power outage or surge. Also, planned interruptions to your electricity service do occur. While API tries to provide you with advance notice of such interruptions, API may be unable to do so and in such situations, the interruptions will proceed as planned and API will not be liable for any damages caused during such planned outages.

Closing Your Account: If you decide to close your account, five business days notice is required to allow us time to schedule your meter to be read to send you a final bill.

Implied Contracts: API has an implied contract with any customer connected to API's distribution system until such time an actual contract is signed. Anyone who takes or uses electricity that API delivers is liable to pay for it. The terms of implied contract are embedded in API's Conditions of Service, the Ontario Energy Board's Distribution Rate Handbook, API's Distribution Licence and the Distribution System Code, the Standard Supply Service Code and the Retail Settlement Code, all as amended from time to time. Any implied contract for the supply of electricity shall be binding upon the heirs, administrators, executors, successors and assigns of the person(s) who took or used electricity supplied by API.

API reserves the right to disconnect power if a signed contract is not in place.

Disputes: If you have a complaint with us, please call API's Customer Service Department at 1.877.457.7378. If the service representative cannot resolve your complaint, API has an internal process to lead to resolution of your dispute. If API cannot resolve your issue, it can be escalated to a third party complaint resolution agency approved by the Ontario Energy Board.

Your safety and the safety of others is of primary concern of API. As such, API's Conditions of Service do not authorize or encourage any person or entity including, but not limited to, a customer, a customer's officers, directors, agents and/or employees and successors and assigns to engage in any activity that may cause personal injury or damage to property including, but not limited to, property belonging to API, a customer or any other party. API, its officers, directors, agents and/or employees and successors and assigns are not responsible for any damages, claims, liabilities, costs, demands, actions, expenses or compensation that may arise from API's Conditions of Service. For a full Conditions of Service Document, visit API's web site at: www.algomapower.com or call API's Customer Service Department at 1.705.256.3850, or long distance 1.877.457.7378.