

SELF RETAILER INTRODUCTION

BENEFIT OF BECOMING A SELF RETAILER!

Buying at wholesale will help you lower your electricity energy costs.

WHAT DOES IT MEAN TO BE A SELF RETAILER?

A Self Retailer is a customer that carries out the functions of buying electricity at wholesale prices directly off of the Power Pool, (as operated by the Alberta Electric System Operator (AESO), rather than using the services of an existing Retailer. In effect you can become your own Retailer and buy directly off of the Spot Market or enter into contract hedges which are typically lower than the prices offered by the Investor Owned Utilities.

From the Electric Utilities Act (<http://www.auc.ab.ca/acts-regulations-and-auc-rules/acts-and-regulations/Documents/EUA/ACT.pdf>), a Retailer must:

1. arrange for the purchase of electric energy (with AESO)
2. arrange for electric distribution service (entering into arrangements with the Wire Owner that services your account), and
3. maintain appropriate records.

WHAT ARE THE STEPS TO BECOME A SELF RETAILER?

UTILITYnet will provide all the necessary services required to set up your company as a Self-Retailer and for a minimal monthly administrative service fee: manage the ongoing record services on your behalf. Call Jodi Louie at (403) 244-7299 extension 101 or via e-Mail: Jodi.Louie@UTILITYnet.net.

Alternatively, you likewise can set up the Self-Retail service process directly. The following steps and contact information is all that is required.

1. The first step is to join the AESO and become a market participant, as only market participants can buy and sell power in Alberta. In order to become a market participant, your company must meet AESO's requirements which are outlined in Appendix A.
2. The next step is to arrange for distribution access service with the appropriate Wire Owner. The main wire owners in Alberta are Atco Electric, Enmax Power, Epcor and FortisAlberta. Contact the appropriate Wires Operator that services your account. Each wire has its own set of steps and requirements to begin distribution access services as outlined in Appendix B.

For more information on the correct Wires Operator to contact, check your site ID on UTILITYnet's Site Catalog. To access the online [Catalog check the UTILITYnet Web Site](#). The first 4 digits of the location's Site ID show who the wire owner is:

0010 – Atco Electric
0020 – Enmax Power

0030 – Epcor
0040 - FortisAlberta

3. A Self Retailer may choose to perform all the necessary data management load settlement functions or have a third party (such as UTILITYnet) act as its agent to perform such functions. Should a Self Retailer choose to perform all functions, it will require software called Dropchute™ Communications Software (www.dropchute.com). This tool is used to transfer data between the Wire Owner and the Self Retailer.

APPENDIX A

AESO

From: <http://www.aeso.ca/market/9126.html>

Contact UTILITYnet for all necessary forms.

1. Complete the AESO market participant application form.
2. Sign the agreement to abide by the ISO rules.
3. If using an agent, fill out the Agent Appointment form.
4. Pay the annual participant fee – currently \$150.00/year + GST. May be added to the first statement following registration, or may be paid by cheque.
5. Purchase a digital certificate to the Energy Trading System (ETS), currently \$100 plus GST per certificate. One certificate per computer per year. Will be applied to the first pool statement and annually thereafter.
6. Meet the AESO prudential requirements. *The following is for reference only. See AESO for actual calculation.* Based on net energy consumed for the 2 most recent settlement periods X estimated pool price.
7. Comply with ISO rules.
8. If required, submit the following forms:
 - a. Ancillary Services asset request form for generators for reserve selling.
 - b. Distribution retail & self retail asset addition form, for identification of LSA and expected MW load.
 - c. Generator asset addition request form for firms generating power.
 - d. Transmission retail & self retail asset addition request form, for identification of LSA and expected MW load for transmission-connect sites.
 - e. Unmetered asset addition request form for non-physical assets.
 - f. Automated Dispatch and Messaging (ADAMS) Request Form
9. Arrange transmission/distribution access.

Contact

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APPENDIX B

FORTISALBERTA

From: <http://www.fortisalberta.com/Default.aspx?cid=94&lang=1>

Contact UTILITYnet for all necessary forms.

1. Meet and maintain the Prudential Requirements set out in Section 6.1 of the FortisAlberta T&C's.
2. Be entitled to exchange Energy through the Independent System Operator (ISO)
3. Be in compliance with and maintain compliance with the provisions of the Fair Trade Act (FTA)
4. Be duly licensed to carry on business in Alberta as a Retailer of Electricity Services pursuant to the FTA and other applicable statutes, regulations and codes.
5. Provide FortisAlberta Distribution with a copy of the Retailer's license issued pursuant to the FTA.
6. Have entered into a Retailer Services Agreement with FortisAlberta, who must be satisfied that the Retailer Services Agreement is binding upon the Retailer.
7. Be in compliance with the Settlement System Code (SSC) of Alberta and subsequently meet the compliance testing requirements for information exchange set out in Section 4 and Section 5 of the Settlement System Code of Alberta to FortisAlberta's satisfaction.
8. Be equipped with the communications and other capabilities necessary to comply and remain in compliance with the standards that are set by the SSC of Alberta and, further, have in place all necessary information technology to enable it to receive and send data to and from FortisAlberta and to otherwise satisfy its obligations under the Retailer Services Agreement to which it is a party and any other relevant agreements.
9. Meet any other requirements that FortisAlberta, acting reasonably, may impose.

Retailer Qualification for Distribution Access Service

10. The Retailer must fulfil and maintain the following requirements to the satisfaction of FortisAlberta before FortisAlberta will provide or continue to provide Distribution Access Service to that Retailer:
 - (a) submit to FortisAlberta a fully completed and executed Retail Service Agreement and a Retailer Credit Application form, and any other documents or forms that may be required by FortisAlberta from time to time;
 - (b) if the Retailer sells Energy to Customers with annual consumption of less than 250,000 kWh, furnish to FortisAlberta a certified copy of the license issued to the Retailer and warrant in writing to FortisAlberta that it is licensed pursuant to and will comply with the provisions of the Fair Trading Act and any regulations or policies made hereunder, as amended from time to time;
 - (c) adhere to the credit, deposit and security requirements of FortisAlberta as described in **Prudential Requirements**, below;
 - (d) warrant in writing to FortisAlberta that it will comply with the Settlement System Code;

- (e) meet the compliance testing protocol of FortisAlberta in respect of information exchange as set forth in the Retailer Guidebook, as amended from time to time;
- (f) warrant in writing to FortisAlberta that it has been qualified by the Independent System Operator as pool participant under the Independent System Operator rules respecting the operation of the Power Pool and the Independent System Operator has approved the Retailer for consumption within the FortisAlberta service area; and
- (g) Meet any other requirements that FortisAlberta, acting reasonably, may impose in order to provide Distribution Access Service hereunder to the Retailer. If FortisAlberta determines that a Retailer must satisfy additional requirements in order to qualify for Distribution Access Service, the following process will apply:
 - i. where FortisAlberta is confronted with a situation which would likely materially alter the risk to FortisAlberta, or in order to comply with applicable legislation, FortisAlberta may implement the additional requirement and then apply to the Board for approval of same; or
 - ii. where FortisAlberta is not confronted with the circumstances outlined in (i), above, FortisAlberta shall apply to the Board for approval of the proposed additional requirement prior to implementing same.

Upon satisfaction of the above requirements, FortisAlberta will provide Distribution Access Service to the Retailer, subject to the Terms and Conditions. Subject to complying with all the applicable laws, and the directions or requirements of any of the entities mentioned above, FortisAlberta reserves the right, upon giving the Retailer 10 Business Days notice, acting reasonably, to discontinue Distribution Access Service to the Retailer if at any time the Retailer no longer fulfils the above requirements.

The Retailer shall exercise due diligence and use reasonable efforts in meeting its obligations hereunder, and perform same in a timely manner.

The Retailer shall make every effort to ensure that its Customers are aware of the provisions of the Terms and Conditions that may affect the Customer(s).

Prudential Requirements

- (h) Retailers must satisfy the security requirements in Sections 8 through 12 of the Distribution Tariff Regulation A.R. 162/2003 to ensure that the Retailer is and remains of sufficient financial standing to meet its ongoing financial obligations. FortisAlberta reserves the right to re-evaluate the security requirements of a Retailer on a regular basis, and to require additional security where appropriate.
- (i) All Retailers must submit and maintain security in an amount equal to a credit limit calculated as the value projected by the Retailer of the Retailer's payments under FortisAlberta's Distribution Tariff over a 60 day period. This period shall remain consistent with applicable regulations, as amended from time to time.
- (j) The security must be submitted and maintained in a form acceptable to FortisAlberta, consisting of any one of, or a combination of:
 - i. a cash deposit or bond in the name of FortisAlberta at a Canadian chartered bank, trust company, credit union, or other financial institution acceptable to FortisAlberta;

- ii. an irrevocable letter of credit;
 - iii. an irrevocable bank guarantee; or
 - iv. an irrevocable guarantee, with supporting resolutions, from a person or persons (other than the Retailer) with a credit rating of at least BBB– from the Dominion Bond Rating Service (or any successor corporation) or equivalent rating from a major reputable bond rating service satisfactory to FortisAlberta.
- (k) The security required in (a) will be reduced if the Retailer provides its current credit rating (or its lowest credit rating if more than one has been obtained) of at least BBB– from the Dominion Bond Rating Service (or any successor corporation) or equivalent rating from a major reputable bond rating service satisfactory to FortisAlberta, in the following amounts:

Rating (or Lowest Rating)	Security Reduction
Less than BBB–	\$0
BBB– to BBB+	\$10,000,000
A– to A+	\$15,000,000
AA– to AA+	\$20,000,000
AAA– or higher	\$25,000,000

- (l) A guarantee or guarantees provided under (b) shall be provided in accordance with Subsection 8(4) of the Distribution Tariff Regulation A.R. 162/2003.
- (m) All costs associated with obtaining security and meeting prudential requirements are the responsibility of the Retailer. A Retailer must complete the credit application process and meet credit requirements before a Point of Service is enrolled with FortisAlberta for the Retailer.
- (n) 6.2 Additional Security
- (o) When the Retailer’s actual outstanding charges under FortisAlberta’s Distribution Tariff materially exceed the value projected by the Retailer under Section 6.1, upon 5 Business Days notice by FortisAlberta, the Retailer shall either:
 - i) Pay FortisAlberta in advance the amount by which the actual outstanding charges now exceed the projected value, or
 - ii) Provide additional security to FortisAlberta in accordance with Section 6.1 to a total equal to the actual outstanding charges.

A Retailer whose credit rating has been downgraded shall report to FortisAlberta the downgrading of its Credit Rating within 2 Business Days of the downgrading and must provide any additional security required as a result of the downgrading within 5 Business Days of the downgrading as required under Section 9 of the Distribution Tariff Regulation.

A Retailer must provide and maintain the required amount of security until all obligations of the Retailer under FortisAlberta’s Distribution Tariff are satisfied. FortisAlberta reserves the right to re-evaluate the security requirements of a Retailer on a regular basis, and to require additional security where appropriate.

If a Retailer defaults in paying any amounts owing under FortisAlberta’s Distribution Tariff, FortisAlberta will provide the Retailer notice as required by Section 12 of the Distribution Tariff Regulation and will be entitled to realize on the security of the Retailer to recover the Retailer’s

arrears including any accrued interest if they are not paid within 3 Business Days after the date of the notice, provided that FortisAlberta shall be entitled to realize on the security without notice if, in the opinion of FortisAlberta, the giving of such notice would impair FortisAlberta's ability to make a claim against the Retailer's security. FortisAlberta may require additional security to replace the security drawn down because of the default by the Retailer. The Retailer must provide the additional security within 5 Business Days of FortisAlberta's request to do so.

If the Retailer fails to provide any additional security that it is required to provide, FortisAlberta reserves the right to suspend the provision of Distribution Access Service until the Retailer provides FortisAlberta with the required security.

Contact

Stephanie Martin
Account Representatives, Retail
FortisAlberta
15 Kingsview Rd SE
Airdrie, AB T4A 0A8
Group Email: retailacctreps@fortisalberta.com
Telephone: (403) 514-5631

ATCO ELECTRIC

From: http://www.atcoelectric.com/B_retailers/Retailer_Qualification.asp

Contact UTILITYnet for all necessary forms.

Qualification Process

The responsibilities of a retailer and the pertinent forms, documents and agreements can be found in the retailer Terms & Conditions. Further information can be found in the Retailer Guide and in the Summary of Agreements page. Please note that with the exception of the Agency Appointment Agreement, all other agreements reside in these documents for information purposes only. Retailers are encouraged to review both documents.

Timelines

ATCO Electric requires reasonable time to process applications, perform a credit review, compliance test, and make system changes for enrollment. Typically, a minimum of 10 business days is required to complete the process after we are notified.

Steps to Qualify

- 1. Retailer notifies ATCO Electric**
The retailer sends ATCO Electric a Letter of Intent stating that they are applying for distribution access service as a retailer or self-retailer.
- 2. ATCO Electric acknowledges that the letter has been received.**
ATCO Electric acknowledges via email, the receipt of the letter of intent and states that they will proceed with the qualification process.
- 3. Retailer provides completed Retailer of Record Form & Credit Application.**
The retailer returns the Retailer of Record Form & Credit Application in electronic form via email. The contact information that the retailer provides within the Retailer of Record Form will be used to populate the required agreements. With that in mind, it is important that the information is accurate and complete. (E.g. Legal company name, correct addresses, contact names and phone numbers.)
- 4. Retailer returns signed Agency Appointment Agreement (if applicable).**
The retailer returns Agency Appointment Agreement if an agent will be used to perform compliance testing, enrollment and other functions described in the Settlement System Code.
- 5. ATCO Electric arranges compliance testing.**
ATCO Electric will notify the agent (if an agent is appointed) or the retailer (if no agent is appointed) and arrange Compliance Testing of the Settlement System Code transactions with the retailer or agent. The agent or retailer must have purchased and installed DropChute communications software and a "class 1" digital certificate before testing can be arranged.
- 6. ATCO Electric notifies retailer of compliance testing results.**
ATCO Electric will notify the retailer of the test results and determine whether further testing is required.
- 7. ATCO Electric sends populated agreements to the retailer.**
ATCO Electric sends two hardcopies of all retailer agreements to the retailer for review and signing. Please note that some agreements are required and some are optional.

Summary of Agreements

The agreements have been developed in accordance with ATCO Electric's Terms and Conditions. Similarly, the agreements form part of AE's Retailer Guide, which complements the Terms and Conditions and is intended to provide participating parties with an overview of AE's business processes and common transactions. ATCO Electric continues to learn more about the requirements necessary to fairly, effectively and efficiently deal with all parties involved with customer choice. As such, ATCO Electric is committed to improving its Terms & Conditions and associated processes.

Retail Service Agreement - Required

Retail Service Agreement - Establishes the terms and conditions that will enable the retailer to access the company's distribution system. Must include the legal business name.

Payment and Funds Transfer Agreements - Optional, choose one only

Preauthorized Payment Agreement - Sets forth the terms and conditions for automatic withdrawal of funds electronically. A void cheque is required along with this agreement.

Electronic Payment Transfer Agreement - Sets forth the terms and conditions for the retailer to make payments and provide remittance information electronically. Please read the notification requirements within the agreement.

Agency Appointment Agreement - Required if using an agent

Agency Appointment Agreement - Required if an agent will be used to perform compliance testing, enrollment and other functions described in the Settlement System Code.

8. **Retailer returns applicable agreements.**

The retailer signs both copies of applicable agreements and returns both copies.

9. **ATCO Electric notifies retailer of 75 day wires prudential requirements.**

ATCO Electric calculates the retailer's prudential requirements using historical customer data or information provided by the retailer pertaining to load and estimated customer base. The calculations reside within an Excel spreadsheet which is sent to the retailer for review.

10. **Retailer provides adequate security.**

The retailer provides security in a form acceptable as described in the Retailer Terms & Conditions and Customer Choice Guide. See also Letter of Credit Bank Standard & Parental Guarantee Standard formats. All correspondence related to credit and prudential matters should be directed to Raymond Letendre.

11. **Retailer provides a warranted letter.**

The retailer warrants in writing that they will comply with the Fair Trade Act, will comply with the Settlement System Code and have been qualified with the Power Pool of Alberta as a Retailer or Self-Retailer. This communication may be provided on the retailer's company letterhead either electronically or in hardcopy.

12. **Retailer provides proof of Power Pool of Alberta approval.**

The retailer provides proof that they have been qualified by the Alberta Electric System Operator (AESO) as a retailer or self-retailer. Most applicants provide a copy of a letter from AESO that says just that.

13. **ATCO Electric notifies retailer that they have qualified and can commence enrollments.**

The retailer and agent (if applicable) will be notified that the retailer has been granted distribution access service and can commence enrollments.

Contact Information

Derek Olson
Retailer & Agent Services
ATCO Electric Limited
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ENMAX

From: <http://www.enmax.com/Power/Energy+Retailers/To+Apply/default.htm>

Contact UTILITYnet for all necessary forms.

Getting Started

Here are the steps you'll need to take to get started as a Retailer:

1. Register
2. Apply to become a Retailer with ENMAX Power
3. Communicate with ENMAX Power

Register

Before applying to receive Retail Access Services from ENMAX Power (EPC), please take the following steps:

1. Register with the Department of Energy (DOE) and fill out an application.
2. Make required arrangements with the Alberta Electric System Operator (AESO) to become a Pool Participant.
3. Obtain a license from Alberta Government Services (unless you sell only to commercial/industrial customers with annual consumption > 250,000 kWh).
4. Obtain appropriate local and municipal business licenses.

Apply to Become a Retailer with ENMAX Power

To ensure that Retailers operating in its Calgary settlement zone are qualified, viable business enterprises, ENMAX Power has instituted a "listing" process. For more information, contact TRAC or fill out the Retailer Application.

Relevant Information

There are several documents you may want to read, as they form the basis for much of the information.

1. ENMAX Power's Rates and Services
2. Settlement System Code
3. Roles and Responsibilities Regulation

Additional information is also available from the Alberta Electric System Operator, Alberta Department of Resource Development and Alberta Government Services.

The listing process consists of three major components:

1. Establishing the Retailer's Prudential Requirements
2. Establishing mandated Computer Systems (Data Exchange protocol)
3. Executing the Terms and Conditions for Retail Access Services. (See below)

Establishing the Retailer's Prudential Requirements:

As described in Section 16.1.2 of the Distribution Tariff Terms and Conditions, Retailers must prove that they are capable of meeting obligations under the Distribution Access Tariff. You'll be required to provide audited financial statements, credit bureau reports and other financial information necessary to confirm the financial standing of your company. Please allow a minimum of 20 business days before commencement of site enrolment. This allows us adequate time to complete a thorough financial review.

ENMAX Power's determination of the Prudential requirements necessary for each Retailer to satisfy ENMAX Power is final and not subject to dispute or negotiation.

Establishing Mandated Files with EPC

Retailers must be able to exchange mandated files with ENMAX Power via DropChute. We'll provide test scripts to prospective Retailers as a means of confirming that the standard data exchanges are possible. Note that this computer system testing will be entered into only with Retailers that have formally initiated the listing process (described above).

In addition to the standard data exchanges, ENMAX Power has developed a web based computer system for Retailers to use when requesting services on behalf of end use customers. The above test scripts include procedures to ensure that Retailers are able to access this system - Enrollment and Information Provision (EIP) - and request services for their enrolled sites.

Executing the Retail Access Services Agreement

The final step to becoming an ENMAX Power listed Retailer is executing the Retail Access Service Agreement and the associated Terms & Conditions. This is a schedule attached to the Retail Access Services Agreement. Access to ENMAX Power's computer and information systems is conditional upon the execution of this Agreement.

Communicate with ENMAX Power

Enrollment & Information Provision (EIP)

In addition to the mandated data exchanges, ENMAX Power has developed a web based computer system for Retailers to use who will have frequent service requests on behalf of end use customers. Access to this application will be available upon written request. Please contact TRAC for more information.

Technical Retail Access Centre (TRAC)

ENMAX Power maintains a support service called TRAC. This service provides a single point of contact for ALL Retailer questions with an estimated response time of 2 business days and is accessed exclusively by e-mail.

This service also provides assistance to Retailers who do not have access to EIP.

Outage Notification

ENMAX Power notifies listed Retailers of major planned and unplanned outages through e-mail. Retailers are asked to provide an e-mail address where outage notifications can be sent to. This information is required when you fill out the Retailer Application.

Contacting ENMAX Power:

ENMAX Power Corporation
141 - 50 Ave SE
Calgary, AB T2G 4S7
Email: trac@enmax.com
Phone: (403) 514-1586
Fax: (403) 294-2936

EPCOR

From: <http://www.epcor.ca/en-ca/Customers/resources/ElectricityRetailers/RetailerHandbook/Pages/RetailerHandbook.aspx>

Contact UTILITYnet for all necessary forms.

RETAILER CERTIFICATION

The Retailer must contact the EPCOR Distribution and Transmission Inc. (EDTI) Retailer Liaison. The retailer requirements for Certification are defined in the EPCOR Distribution and Transmission Inc. Retailer Handbook.

The Certification process:

Step 1.

The request for certification should be in writing and delivered to the EDTI Retailer Liaison; and must

- Identify the Retailer
- Identify contact person within the Retailer organization
- State the date for which the certification is requested to be effective for, and
- The request must be accompanied by;
 - Alberta Electric System Operator (AESO) certification documentation
 - Government license/certification documentation

Step 2.

The EDTI Retailer Liaison will contact the retailer contact person to discuss the Prudential Requirements of the Retailer – as outlined in Schedule B of the EPCOR Distribution and Transmission Inc. Tariff.

Step 3.

Once the EDTI Retailer Liaison is satisfied that the Prudential Requirements are in place, or is reasonably satisfied that they will be in place prior to the effective date of the retailer certification he/she will schedule the Retailers Communication Test. (Communication Test details are outlined in the Communication Testing Process section of this document)

Step 4.

The Retailer Liaison will coordinate the execution of the Communication Test with the retailer's organization. Ten (10) days should be allowed for this test. Upon completion of the test the Retailer Liaison will announce the results of the test.

Step 5.

Pending the successful outcome of the Communication Test the Retailer Liaison will verify that the Retailers Prudential requirements have been met and will subsequently draft up the Distribution and Transmission Inc. Service Agreement between the Retailer and EPCOR Distribution and Transmission Inc. Both parties will be allowed five (5) business days for internal review of the agreement.

Step 6.

- I. Retailer provides EDTI with Electronic Funds Payment information.
- II. Both parties sign the Distribution and Transmission Inc. Service Agreement. (Schedule "A")
- III. Retailer signs and submits the Statutory Declaration (Schedule "B")
- IV. Retailer signs and submits the Guarantee Agreement. (Schedule "C")

Contact

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