



ELECTRIC SERVICE AGREEMENT

AGREEMENT NUMBER 10-HO-T69

This Electric Service Agreement ("Agreement") effective as of December 1, 2010 must be read in conjunction with the FortisAlberta Inc. *Customer Terms and Conditions of Electric Distribution Service* (the "Terms and Conditions"), as approved from time to time by the Commission, and available on our website at: www.fortisalberta.com. The Terms and Conditions automatically apply, and also take precedence if there is any conflict or inconsistency raised between the Terms and Conditions and the terms of this Agreement. All terms presented herein in bold are defined in the Terms and Conditions.

TransCanada Keystone Pipeline Limited Partnership

(the "Transmission Load Customer") and FortisAlberta Inc. ("FortisAlberta") agree that FortisAlberta will arrange for the provision of **System Access Service** from the Independent System Operator, as currently defined in the Act, operating as the Alberta Electric System Operator ("AESO"). The **Transmission Load Customer** will accept **Electric Distribution Service** from FortisAlberta and agrees to pay all charges specified in this Agreement, on the conditions specified herein and in accordance with the Terms and Conditions. Subject to FortisAlberta's right to directly invoice the **Transmission Load Customer** as noted in the Billing Section of the Terms and Conditions, accounts will be rendered to the **Retailer of Record**.

1. SITE INFORMATION:

The Service Address is NW 29-42-09-W4M.

The Nature of the Service is Keystone Pump Station 1 - Lakesend - Site ID # 0040001115787.

The Point of Service at which FortisAlberta delivers **Electric Distribution Service** to the **Transmission Load Customer** is the transmission Point of Delivery ("POD") known as Lakesend Substation POD (508S) - TA Settlement ID # 100010121.

The Point of Service is defined by the AESO. As the **Transmission Load Customer** has been defined as a **Transmission Connected Service**, FortisAlberta as the distribution company is obligated to flow through the AESO's terms and conditions and rate schedules, (as approved and revised by the Commission from time to time), available on the AESO's website at www.aeso.ca (the "AESO Tariff") as it is applied to the Point of Service.

2. APPLICABLE CHARGES AND RELATED TERMS:

| | | | |
|---|--------------------------------------|---|-------------------------------------|
| Applicable Rates, Options and Riders Schedules (as amended and approved by the Commission from time to time): | Rate 65 | Contract Capacity (as per the System Access Service Agreement): | 19.0 MW effective December 1, 2010. |
| Customer Transmission Contribution: | \$3,762,800.00 plus \$188,140.00 GST | Term of System Access Service Agreement: | Minimum Term 20 years |

| | |
|---|---|
| Additional System Access Service Agreement Terms: | Commissioning Period January 1, 2010 to March 31, 2010. |
|---|---|

It is understood and agreed that FortisAlberta's rates and charges herein are subject to regulation by the Commission.

3. **PROVISION OF SERVICE:** FortisAlberta's obligation to provide **Electric Distribution Service** is subject to the Terms and Conditions.

4. **CUSTOMER'S TECHNICAL OBLIGATIONS:** The **Transmission Load Customer** will conduct its operations so that the **Transmission Load Customer** abides by the technical requirements outlined in the AESO's current rate tariff including their Transmission Interconnection Requirements, and any other documents, as may be applicable (as approved, amended, revised or replaced by the AESO from time to time), available on the AESO's website at www.aeso.ca.

5. **BILLING:** For a new service, billing shall commence when the AESO submits a bill to FortisAlberta for payment.

6. **OWNERSHIP:** The **Transmission Load Customer** acknowledges that, notwithstanding any **Customer Transmission Contribution** that the **Transmission Load Customer** may be required to provide under this Agreement, the **Transmission Load Customer** shall not acquire any ownership interest in any of the equipment constructed, maintained or operated by FortisAlberta, or any other person, to provide **Electricity Services** to the **Transmission Load Customer**.

7. **CHANGES TO SERVICE PEAK DEMAND REQUIREMENTS:** Requests to increase or decrease the Contracted Capacity must be made in accordance with the Terms and Conditions.

8. **AGREEMENT TERMINATION:** Either FortisAlberta or the **Transmission Load Customer** may terminate this Agreement by giving written notice to the other party and upon payment of the applicable transmission related exit costs, in accordance with the Terms and Conditions.

9. **SUCCESSORS AND ASSIGNS:** This Agreement may not be assigned by the **Transmission Load Customer** without the prior written consent of FortisAlberta in accordance with the Terms and Conditions, which consent shall not be unreasonably withheld. This Agreement and everything herein contained shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

10. **APPLICABLE LAWS:** This Agreement shall be governed by the laws of Alberta and the federal laws of Canada applicable therein. This Agreement is subject to the Act (and any amendments thereto) and the Regulations made thereunder, and all applicable order, rulings, regulations and decisions of the Commission or any other regulatory authority having jurisdiction over FortisAlberta, the AESO and/or the matters addressed herein.

11. **PREVIOUS AGREEMENT:** This Agreement shall supersede and replace any and all prior agreements, oral or written, between the parties hereto (or their predecessors, as applicable) relating to the subject matter hereof.

12. **AMENDMENT:** No amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by both of the parties hereto. No waiver of any breach of any term or provision of this Agreement will be effective or binding unless made in writing and signed by the party purporting to give

the same and, unless otherwise provided in the written waiver, will be limited to the specific breach waived.

13. **SEVERABILITY:** If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof will continue in full force and effect.

14. **NOTICE:** Any demand, notice or other communication ("Notice") required or permitted in connection with this Agreement shall be given in writing and must be given by personal delivery, registered mail or facsimile transmittal as follows:

To FortisAlberta

FortisAlberta Inc.
320 - 17 Ave SW
Calgary, AB T2S 2V1
Attention: Rates and Contracts Administration
Fax: (403) 514-5909

To Transmission Load Customer:

TransCanada Keystone Pipeline Limited Partnership
450 - 1st Street SW
Calgary, Alberta T2P 5H1
Attention: [REDACTED]
Fax: (403) 920-2362

Or to such other address, facsimile number or individual as may be agreed between the parties in writing. Any Notice given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof and, if given by registered mail, five (5) business days following the deposit thereof in the mail, and if given by facsimile, on the day of transmittal thereof. If the party giving any Notice knows or ought reasonably to have known of any difficulties with the postal system that might affect the delivery of mail, any such Notice shall not be mailed but shall be given by personal delivery or facsimile.

FortisAlberta Inc.

Authorized by:

Title:

Signature:

[REDACTED]

| FortisAlberta Approval | |
|---------------------------------------|---------------------------|
| Reviewed for accuracy and content by: | |
| Name: (please print) | Initial/Date: |
| [REDACTED] | [REDACTED] / Jan 19, 2011 |

TransCanada Keystone Pipeline Limited Partnership,
by its agent, TransCanada Oil Pipelines Operations Ltd.

Authorized by:

Title:

Signature:

[REDACTED]
(Please Print)
[REDACTED]
Vice President

Authorized by:

Title:

Signature:

[REDACTED]
(Please Print)
[REDACTED]

Dated at _____, Alberta, this _____ day of _____, 2010.

LEGAL
CONTENT



FortisAlberta Inc.
15 Kingsview Rd SE
Airdrie, Alberta T4A 0A6
Tel 403-514-4579
Fax 403-514-5438

www.fortisalberta.com

July 30, 2009
Reference No 2171528

TransCanada Keystone Pipeline Limited Partnership
By its agent, TransCanada Oil Pipeline Operations Ltd.
Attn: [REDACTED]
450 1st Street SW
Calgary AB T2P 5H1

Dear [REDACTED];

Subject: LSD 11-29-42-09-W4M, Keystone Hardisty Terminal Totalized Site
FortisAlberta Inc. Reference: OI# 2171528

Please find enclosed a fully signed copy of our Electric Service Agreement
09-HO-7275-R. This copy can now be retained within your files.

Be advised that the Site ID # assigned to this new service is 0040000906735.

All energy requirements will need to be negotiated separately with the Retailer of your
choice. A list of all available Retailers can be found at:
<http://www.ucahelps.gov.ab.ca/4.html>.

Please note the following information to ensure timely registration and connection of your
new service.

Step 1) Enrollment: Upon your receipt of this letter, please contact your Retailer of choice
to discuss and enroll this new service. Your Retailer may require some of the following
information; site id number, name & mailing address and details of location. At this time,
please also discuss the lead times they require, prior to your requesting the site be energized
and/or meter installed.

Step 2) Site Energization and Meter Installation: All requests for Site Energization/Meter
Installations must be requested through a Retailer. After the service has been enrolled with
your Retailer and after construction has been completed or is nearing completion (taking into
account your Retailer's lead time required), you may then make the request with your

Retailer for service connection. Your Retailer will then arrange with FortisAlberta Inc., to have the site energized and the meter installed.

If you are a Self Retailer, all energization or de-energization requests must be submitted electronically via DropChute in accordance with the guidelines of the Settlement System Code.

Attached is a copy of the paid Invoice # 90086223 in the total amount of \$1,094,894.06 (includes \$52,137.81 GST). A previous payment of \$1,298,869.08 has been received, and a refund for \$203,975.02 will be processed shortly.

If you have any questions, please contact me [REDACTED]
[REDACTED]

Sincerely,
[REDACTED]

[REDACTED]
New Connects Coordinator

Enclosure(s)



COPY
for your records

ELECTRIC SERVICE AGREEMENT

Agreement Number 09-HO-7275-R

This Electric Service Agreement ("Agreement") effective as of May 12, 2009 must be read in conjunction with the FortisAlberta Inc. *Customer Terms and Conditions of Distribution Access Service* (the "Terms and Conditions"), as approved from time to time by the Board, and available on our website at www.fortisalberta.com. The Terms and Conditions automatically apply, and also take precedence if there is any conflict or inconsistency raised between the Terms and Conditions and the terms of this Agreement. All terms presented herein in bold are defined in the Terms and Conditions.

TransCanada Keystone Pipeline Limited Partnership (the "Distribution Load Customer") and FortisAlberta Inc. ("FortisAlberta") agree that FortisAlberta will provide and the Distribution Load Customer will accept Distribution Access Service and agrees to pay all charges specified in this Agreement, on the conditions specified herein and in accordance with the Terms and Conditions. Subject to FortisAlberta's right to directly invoice the Distribution Load Customer as noted in the Billing Section of the Terms and Conditions, accounts will be rendered to the Retailer of Record.

1. SITE INFORMATION:

The Service Address is LSD 11-29-42-09-W4M.

The Nature of the Service is Keystone Hardisty Terminal Totalized Service.

FortisAlberta delivers Distribution Access Service to the Distribution Load Customer at more than one Point of Service at the service address. FortisAlberta may also have multiple transformers at this service address. For details of the multiple transformers and/or multiple voltages, please refer to the attached Appendix A list.

2. APPLICABLE CHARGES AND RELATED TERMS: Applicable Rate Schedules (as amended and approved by the Board from time to time):

Contract Minimum Demand:

| | | |
|--|-----------|----------|
| Stage 1: Effective from Jul 15/09 to Oct 31/09 | 2,000 kW | Rate: 63 |
| Stage 2: Effective from Nov 01/09 to Dec 31/10 | 7,333 kW | Rate: 63 |
| Stage 3: Effective from Jan 01/11 and thereafter | 12,667 kW | Rate: 63 |

Expected Peak Demand:

19,000 kW

Maximum Supply:

21,111 kVA

Customer Distribution Contribution:

\$1,010,182.00 plus \$50,509.10 GST

Customer Transmission Contribution:

None

Cost of Optional Facilities:

\$32,574.00 plus \$1,628.70 GST

Investment Term:

15 years



It is understood and agreed that FortisAlberta's rates and charges herein are subject to regulation by the Board.

3. PROVISION OF SERVICES: FortisAlberta's obligation to provide Distribution Access Service is subject to the Terms and Conditions.

4. BILLING: For a new service, billing shall commence when FortisAlberta connects the Point of Service for the Distribution Load Customer. If the Distribution Load Customer is not ready or willing to take Electricity Services at that time, billing shall commence no later than thirty (30) days after FortisAlberta has made the Distribution Access Service available. If this Agreement is for an expansion to an existing service, billing shall commence as of the Requested In-Service Date.

5. OWNERSHIP: The Distribution Load Customer acknowledges that, notwithstanding any Customer Contribution that the Distribution Load Customer may be required to provide under this Agreement, the Distribution Load Customer shall not acquire any ownership interest in any of the equipment constructed, maintained or operated by FortisAlberta, or any other person, to provide Electricity Services to the Distribution Load Customer.

6. CHANGES TO SERVICE PEAK DEMAND REQUIREMENTS: Requests to increase or decrease the Expected Peak Demand must be made in accordance with the Terms and Conditions.

7. AGREEMENT TERMINATION: Either FortisAlberta or the Distribution Load Customer may terminate this Agreement by giving the required written notice (calculated based on the Contract Minimum Demand) to the other party and upon payment of the applicable Distribution Customer Exit Charge, in accordance with the Terms and Conditions.

8. SUCCESSORS AND ASSIGNS: This Agreement may not be assigned by the Distribution Load Customer without the prior written consent of FortisAlberta in accordance with the Terms and Conditions, which consent shall not be unreasonably withheld. This Agreement and everything herein contained shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

9. APPLICABLE LAWS: This Agreement shall be governed by the laws of Alberta and the federal laws of Canada applicable therein.

10. PREVIOUS AGREEMENT: This Agreement shall supersede and replace any and all prior agreements, oral or written, between the parties hereto (or their predecessors, as applicable) relating to the subject matter hereof.

11. AMENDMENT: No amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by both of the parties hereto. No waiver of any breach of any term or provision of this Agreement will be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided in the written waiver, will be limited to the specific breach waived.

FORTIS ALBERTA

12. **SEVERABILITY:** If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof will continue in full force and effect.

13. **NOTICE:** Any demand, notice or other communication ("Notice") required or permitted in connection with this Agreement shall be given in writing and must be given by personal delivery, registered mail or facsimile transmittal as follows:

To FortisAlberta:

FortisAlberta Inc.
320 - 17th Avenue SW
Calgary, AB T2S 2V1
Attention: Rates and Contract Administration
Fax: (403) 514-5436

To Distribution Load Customer

TransCanada Keystone Pipeline Limited
Partnership
450 1 St SW
Calgary, AB T2P 6H1

or to such other address, facsimile number or individual as may be agreed between the parties in writing. Any Notice given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof and, if given by registered mail, five (5) business days following the deposit thereof in the mail, and if given by facsimile, on the day of transmittal thereof. If the party giving any Notice knows or ought reasonably to have known of any difficulties with the postal system that might affect the delivery of mail, any such Notice shall not be mailed but shall be given by personal delivery or facsimile.

14. **ADDITIONAL AGREEMENT TERMS:** Project revised, new contract issued in 2009. Previous signed contract #08-HO-6657-R. Please also see attached Appendix A attached.

15. **FACSIMILE AND COUNTERPART EXECUTION:** This Agreement may be executed by facsimile and in counterpart execution, with each such counterpart deemed to be an original and the counterparts taken together, constituting one and the same agreement.

FortisAlberta Inc.

TransCanada Keystone Pipeline Limited
Partnership, by its agent TransCanada Oil Pipeline Operations Ltd.
Authorized by: _____

Authorized by: _____

Please Print

Please Print President

Signature: _____

Signature: _____

Dated at Airdrie, Alberta, this

28th

day of

July

2009

Agreement Number: 09-HO-7275-R
Site ID Number: 0040000906735
Open Item Number: 2171528

Work Order Number: 65163668
Invoice Number: 90086223
Requested in Service Date:

LEGAL
CONTENT

Page 8

Schedule A

Customer Responsibilities and Contingencies

- 1) Customer to supply and install NGR equipment if required.
- 2) Customer to supply Fortis with 15M easement on property as indicated in attached drawing from AltaLink to customer substation fence.
- 3) Pipeline companies in major right of way west of the customer site to provide Fortis with permission to cross the right of way with u/g primary cables.
- 4) Customer to provide room in substation area for Fortis to safely install and maintain equipment. We will have to review these requirements and approve site plan at a later date.
- 5) Customer to install substation fence to Fortis standards. Number of gates with vehicle entrances to be decided later after layout has been planned and approved.
- 6) Customer to provide and install pads, grounding for both 25 MVA transformers.
- 7) Fortis will supply pads and grounding material for MVT's, and the two 75 KVA transformers for cooling fans.
- 8) Customer to install all required duct work, pads, and grounding, and site prep required within the customer substation. Duct and grounding requirements to be reviewed with Fortis.



FortisAlberta Inc.
2012 DT Rates Filing
Rate Schedules

Page 15

RATE 63 LARGE GENERAL SERVICE

Effective: January 1, 2012

Availability Rate 63 is available to Points of Service that do not qualify for other specific rates, with Operating Demands greater than 2,000 kW. A contract with FortisAlberta is required for service under this rate.

Rate 63

| | Transmission Component | Distribution Component | Total Distribution Tariff |
|-----------------------------|------------------------|------------------------|---------------------------|
| For all kWh delivered | 0.3396¢/kWh | — | 0.3396¢/kWh |
| For each kW of Capacity | \$0.16430/kW-day | \$0.01954/kW-day | \$0.18384/kW-day |
| For each Contract kilometre | — | \$16.9677/km-day | \$16.9677/km-day |

The **kW of Capacity** is the greatest of:

1. the highest Metered Demand in the billing period;
2. 90% of the highest Metered Demand in the 12 month period including and ending with the billing period;
3. 135% of the Contract Minimum Demand as specified in the Terms and Conditions of Electric Distribution Service; or
4. the Rate Minimum of 2000 kW.

The Metered Demand is the greater of the registered demand in kilowatts or 90% of the registered demand in kilovolt-amperes.

The Contract kilometres are specified in an agreement.

FortisAlberta's Customer and Retailer Terms and Conditions of Electric Distribution Service provide for other charges, including an arrears charge of 1.5% per month.



RATE 63 LARGE GENERAL SERVICE

Effective: January 1, 2009

Availability Rate 63 is available to Points of Service that do not qualify for other specific rates, with Operating Demands greater than 2,000 kW. A contract with FortisAlberta is required for service under this rate.

Rate 63

| | Transmission Component | Distribution Component | Total Distribution Tariff |
|-----------------------------|------------------------|------------------------|---------------------------|
| For all kWh delivered | ✓ 0.5142¢/kWh | — | 0.5142¢/kWh |
| For each kW of Capacity | ✓ \$0.11230/kW/day | ✓ \$0.02011/kW/day | \$0.13241/kW/day |
| For each Contract kilometre | — | ✓ \$11.0078/km/day | \$11.0078/km/day |

The **kW of Capacity** is the greatest of:

1. the highest Metered Demand in the billing period;
2. 90% of the highest Metered Demand in the 12 month period including and ending with the billing period;
3. 135% of the Contract Minimum Demand as specified in the Terms and Conditions of Distribution Access Service; or
4. the Rate Minimum of 2000 kW.

The Metered Demand is the greater of the registered demand in kilowatts or 90% of the registered demand in kilovolt-amperes.

The Contract kilometres are specified in an agreement.

FortisAlberta's Retailer Terms and Conditions of Distribution Access Service provide for other charges, including an arrears charge of 1.5% per month.



MEMORANDUM OF AGREEMENT made the 10th of November, 2010

BETWEEN: TransCanada Keystone Pipeline Limited Partnership
450 – 1 Street SW Calgary, AB T2P 5H1
(hereinafter called the "Customer")

- and -

ATCO Electric Ltd., a body corporate with its Head Office in the City of
Edmonton in the Province of Alberta ("ATCO Electric" or "Company")

WHEREAS the Customer has requested the Company to provide the Customer with electrical
service at a location known as:

SW 23-34-5-W4M PS#2 Monitor / Loyalist Site ID: 0010031882828 Project #: D16049

1. The Customer and the Company agree as follows:

| | | |
|-------|--|--|
| i. | Effective Date: | Dec 1, 2010 |
| ii. | Applicable Price Schedule (s): | T31 |
| iii. | Expected Peak Demand: | 17 MV.A 3 phase – 4,160 Volt |
| iv. | Distribution: | |
| | a) Initial Term: | NA |
| | b) Investment Term: | NA |
| | c) Customer Contribution (plus applicable GST): | NA |
| | d) Minimum Contract Demand: | NA |
| v. | Transmission: | |
| | a) Investment Term: | 14 Years |
| | b) Customer Contribution (plus applicable GST): | \$1,278,984.00 ✓ One Million, Two Hundred Seventy Eight Thousand, Nine hundred and Eighty Four. |
| | c) Minimum Contract Demand: | 17 MW |
| vi. | Minimum Contract Charge (Idle Charge): | As per Applicable Price Schedule |
| vii. | Supplementary Charges: | |
| viii. | Special Arrangements: | |

2. This Electric Service Agreement is subject to the ATCO Electric Ltd. – Terms and Conditions for Distribution Service Connections ("Terms and Conditions"), as amended from time to time, which are approved by the Alberta Utilities Commission ("AUC").



3. The service provided hereunder is provided for the Customer's use only at the said location and the Customer shall not permit any other person to use such service.
4. The Customer acknowledges that it has reviewed and understands these Terms and Conditions and agrees to be bound by them in all transactions with ATCO Electric.
5. No person, whether an employee or agent of ATCO Electric or otherwise, can agree to change, alter, vary or waive any provision of the Terms and Conditions without the express approval of the AUC.
6. The Customer acknowledges that it has been advised of ATCO Electric's Customer Guide to New Extensions and is aware of the policies and business practices of the Company detailed therein.
7. This Electric Service Agreement shall be effective on the date service is first made available, and thereafter shall remain in effect until terminated by either party in accordance with Article 15, as applicable, of the Terms and Conditions.
8. This Electric Service Agreement is subject to all applicable legislation, including the *Electric Utilities Act* and the Regulations made there under, and all applicable orders, rulings, regulations and decisions of the AUC or any other regulatory authority having jurisdiction over the Company or the matters addressed herein.
9. This Electric Service Agreement shall enure to the benefit of and be binding and enforceable by the parties hereto and their respective executors, administrators, successors and, where permitted, assigns.
10. If any provision of this Electric Service Agreement, or the application thereof, is to any extent held invalid or unenforceable, the remainder of this Electric Service Agreement and the application thereof, other than those provisions which have been held invalid or unenforceable, 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.
11. Contracts or notices required with respect to the Agreement shall be directed as follows:
ATCO Electric Ltd.
10035 - 105 Street,
Edmonton, Alberta, T5J 2V6
12. This agreement supercedes the previous Electric Service Agreement for this service dated September 15, 2009

IN WITNESS WHEREOF the Parties have executed this Agreement as of the day first above mentioned.

TransCanada Keystone Pipeline Limited
Partnership, by its agent, TransCanada Oil
Pipeline Operations Ltd.

ATCO Electric Ltd.

Per:

Name: 

Title: 

Name: 

Vice President

LEGAL

CONTENT

Per: 

Name: 

Title: Supervisor, Industrial Services



MEMORANDUM OF AGREEMENT made the 10th of November, 2010

BETWEEN: TransCanada Keystone Pipeline Limited Partnership
460 – 1 Street SW Calgary, AB T2P 5H1
(hereinafter called the "Customer")

- and -

ATCO Electric Ltd., a body corporate with its Head Office in the City of
Edmonton in the Province of Alberta ("ATCO Electric" or "Company")

WHEREAS the Customer has requested the Company to provide the Customer with electrical
service at a location known as:

NE 20-28-4-W4M PS#3 Oyen / Excel Site ID: 0010008225938 Project #: D16049

1. The Customer and the Company agree as follows:

| | | |
|-------|--|----------------------------------|
| i. | Effective Date: | Dec 1, 2010 |
| ii. | Applicable Price Schedule (s): | T31 |
| iii. | Expected Peak Demand: | 17 MV.A 3 phase ~ 4,160 Volt |
| iv. | Distribution: | |
| | a) Initial Term: | NA |
| | b) Investment Term: | NA |
| | c) Customer Contribution (plus applicable GST): | NA |
| | d) Minimum Contract Demand: | NA |
| v. | Transmission: | |
| | a) Investment Term: | 13 Years |
| | b) Customer Contribution (plus applicable GST): | NIL |
| | c) Minimum Contract Demand: | 17 MW |
| vi. | Minimum Contract Charge (Idle Charge): | As per Applicable Price Schedule |
| vii. | Supplementary Charges: | |
| viii. | Special Arrangements: | |

2. This Electric Service Agreement is subject to the ATCO Electric Ltd. – Terms and Conditions for Distribution Service Connections ("Terms and Conditions"), as amended from time to time, which are approved by the Alberta Utilities Commission ("AUC").
3. The service provided hereunder is provided for the Customer's use only at the said location and the Customer shall not permit any other person to use such service.



4. The Customer acknowledges that it has reviewed and understands these Terms and Conditions and agrees to be bound by them in all transactions with ATCO Electric.
5. No person, whether an employee or agent of ATCO Electric or otherwise, can agree to change, alter, vary or waive any provision of the Terms and Conditions without the express approval of the AUC.
6. The Customer acknowledges that it has been advised of ATCO Electric's Customer Guide to New Extensions and is aware of the policies and business practices of the Company detailed therein.
7. This Electric Service Agreement shall be effective on the date service is first made available, and thereafter shall remain in effect until terminated by either party in accordance with Article 15, as applicable, of the Terms and Conditions.
8. This Electric Service Agreement is subject to all applicable legislation, including the *Electric Utilities Act* and the Regulations made there under, and all applicable orders, rulings, regulations and decisions of the AUC or any other regulatory authority having jurisdiction over the Company or the matters addressed herein.
9. This Electric Service Agreement shall enure to the benefit of and be binding and enforceable by the parties hereto and their respective executors, administrators, successors and, where permitted, assigns.
10. If any provision of this Electric Service Agreement, or the application thereof, is to any extent held invalid or unenforceable, the remainder of this Electric Service Agreement and the application thereof, other than those provisions which have been held invalid or unenforceable, 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.
11. Contracts or notices required with respect to the Agreement shall be directed as follows:
ATCO Electric Ltd.
10035 - 105 Street,
Edmonton, Alberta, T5J 2V6
12. This agreement supercedes the previous Electric Service Agreement for this service dated September 15, 2009

IN WITNESS WHEREOF the Parties have executed this Agreement as of the day first above mentioned.

TransCanada Keystone Pipeline Limited
Partnership, by its agent, TransCanada Oil
Pipeline Operations Ltd.

ATCO Electric Ltd.

Per:

Name:

Title:

Name/Title

Vice President

LEGAL

CONTENT

Per:

Name:

Title:

Supervisor, Industrial Services



MEMORANDUM OF AGREEMENT made the 10th of November, 2010

BETWEEN: TransCanada Keystone Pipeline Limited Partnership

450 – 1 Street SW Calgary, AB T2P 5H1

(hereinafter called the "Customer")

- and -

ATCO Electric Ltd., a body corporate with its Head Office in the City of

Edmonton in the Province of Alberta ("ATCO Electric" or "Company")

WHEREAS the Customer has requested the Company to provide the Customer with electrical service at a location known as:

SW 10-22-3-W4M PS#4 Bindloss

Site ID: 0010045817381

Project #: D16049

1. The Customer and the Company agree as follows:

| | | |
|-------|--|--|
| i. | Effective Date: | Dec 1, 2010 |
| ii. | Applicable Price Schedule (s): | T31 |
| iii. | Expected Peak Demand: | 13 MV.A |
| | | 3 phase – 4,160 Volt |
| iv. | Distribution: | |
| | a) Initial Term: | NA |
| | b) Investment Term: | NA |
| | c) Customer Contribution (plus applicable GST): | NA |
| | d) Minimum Contract Demand: | NA |
| v. | Transmission: | |
| | a) Investment Term: | 20 Years |
| | b) Customer Contribution (plus applicable GST): | \$85,729.00 |
| | | Sixty Five Thousand, Seven hundred and Twenty Nine. |
| | c) Minimum Contract Demand: | 13 MW |
| vi. | Minimum Contract Charge (Idle Charge): | As per Applicable Price Schedule |
| vii. | Supplementary Charges: | |
| viii. | Special Arrangements: | |

2. This Electric Service Agreement is subject to the ATCO Electric Ltd. – Terms and Conditions for Distribution Service Connections ("Terms and Conditions"), as amended from time to time, which are approved by the Alberta Utilities Commission ("AUC").



3. The service provided hereunder is provided for the Customer's use only at the said location and the Customer shall not permit any other person to use such service.
4. The Customer acknowledges that it has reviewed and understands these Terms and Conditions and agrees to be bound by them in all transactions with ATCO Electric.
5. No person, whether an employee or agent of ATCO Electric or otherwise, can agree to change, alter, vary or waive any provision of the Terms and Conditions without the express approval of the AUC.
6. The Customer acknowledges that it has been advised of ATCO Electric's Customer Guide to New Extensions and is aware of the policies and business practices of the Company detailed therein.
7. This Electric Service Agreement shall be effective on the date service is first made available, and thereafter shall remain in effect until terminated by either party in accordance with Article 15, as applicable, of the Terms and Conditions.
8. This Electric Service Agreement is subject to all applicable legislation, including the *Electric Utilities Act* and the Regulations made there under, and all applicable orders, rulings, regulations and decisions of the AUC or any other regulatory authority having jurisdiction over the Company or the matters addressed herein.
9. This Electric Service Agreement shall enure to the benefit of and be binding and enforceable by the parties hereto and their respective executors, administrators, successors and, where permitted, assigns.
10. If any provision of this Electric Service Agreement, or the application thereof, is to any extent held invalid or unenforceable, the remainder of this Electric Service Agreement and the application thereof, other than those provisions which have been held invalid or unenforceable, 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.
11. Contracts or notices required with respect to the Agreement shall be directed as follows:
ATCO Electric Ltd.
10035 - 105 Street,
Edmonton, Alberta, T6J 2V6
12. This agreement supercedes the previous Electric Service Agreement for this service dated September 15, 2009

IN WITNESS WHEREOF the Parties have executed this Agreement as of the day first above mentioned.

TransCanada Keystone Pipeline Limited
Partnership, by its agent, TransCanada Oil
Pipeline Operations Ltd.

Per:

Name/Title:

Title: Per:

Name/Title

ATCO Electric Ltd.

Per:

Name:

Title:

Supervisor, Industrial Services

AGREEMENT FOR ELECTRICAL ENERGY RETAIL SERVICES
Between
TRANSCANADA ENERGY LTD. ("Retailer")
and
TRANSCANADA KEYSTONE PIPELINE LIMITED PARTNERSHIP ("Client")

COVER SHEET

This Agreement is entered into as of the following date: **NOVEMBER 19, 2013**

The parties to this Agreement are the following:

| RETAILER | | CLIENT |
|-------------------------------------|--------------------------------|--|
| TransCanada Energy Ltd. | Party | TransCanada Keystone Pipeline Limited Partnership |
| 450 – 1 st Street S.W. | Address 1 | 101- 6th Avenue SW |
| Calgary | City | Calgary |
| Alberta | Province | Alberta |
| T2P 5H1 | Postal Code | T2P 3P4 |
| 25-389-2756 | Duns # | |
| 88716 8482 RT0001 | GST # | |
| Royal Bank of Canada | Bank | Royal Bank of Canada |
| 339 8 Avenue SW Calgary, AB T2P 1C4 | Branch | Main Branch - Calgary, Alberta |
| #108-328-6 | Account | 102-017-3 |
| | NOTICES | |
| Manager, Counterparty Risk | Contact | Manager, Counterparty Risk |
| (403) 920-2580 | Phone | (403) 920-2580 |
| (403) 920-2362 | Fax | (403) 920-2362 |
| counterparty_risk@transcanada.com | Email | counterparty_risk@transcanada.com |
| | 24 HOUR OPERATIONS | |
| 24 Hour Real Time Desk | Contact | |
| (403) 920-2464 | Fax | |
| | INVOICES & PAYMENTS | |
| Power Accounting | Contact | Jordi Escarrabill / Neall Banner |
| | Phone | (403) 920-5070 (direct) (403) 920-7907 (direct) |
| (403) 920-2352 | Fax | n/a |
| | Email | keystone_power@transcanada.com |

The General Terms and Conditions in the form attached hereto as Schedule "A", (the "General Terms and Conditions") are incorporated into and form a part of this Agreement. By signing this Cover Sheet, Client and Retailer acknowledge that they have read the General Terms and Conditions and that they agree to be bound to the terms of this Agreement. Capitalized terms not otherwise defined in this Cover Sheet shall have the meanings given to them in the Agreement.

This Agreement may be signed and delivered in counterparts with the same effect as if both Parties had signed and delivered the same copy, and when each Party has executed and delivered a counterpart, all counterparts together constitute one agreement. Delivery of a copy of this Agreement by facsimile or by another form of electronic transmission is good and sufficient delivery.

The parties agree to the following specific terms and conditions:

Term: **January 1, 2014 to December 31, 2017 (inclusive)**

Client's Facilities: All Alberta facilities and Joint Venture Properties enrolled with Retailer as of the date of this Agreement including any Site IDs enrolled with Retailer subsequent to the date of this Agreement, and as represented by the following Site IDs:

| | |
|---------------|---------------|
| 0040001413986 | 0010045489947 |
| 0010008225938 | 0010045817381 |
| 0010009374374 | 0040000885514 |
| 0010015792640 | 0040000906735 |
| 0010019956231 | 0040001076984 |
| 0010031882828 | 0040001115787 |
| 0010031947586 | 0040001368320 |
| 0010038744826 | 0040001416080 |
| 0010039861184 | |

Retail Fee: **\$0.50 per MWh**

Estimated total electric energy to be delivered to Client's Facilities: **25,000 MWh per Month**

Site Additions & Deletions: If Client wishes to add or delete a Site to or from this Agreement, Client will give Retailer prior written notice which identifies the added or deleted Site. Any additional Site IDs enrolled with the Seller under the Retail Agreement after the date of this Agreement may be included under this Agreement with the Retailer's consent, which shall not be unreasonably withheld. Retailer will use its reasonable best efforts to enrol or de-enrol such Site, as applicable, with Retailer's load settlement agent. Notwithstanding the addition or deletion of Sites, it is acknowledged and agreed the Contract Quantity under any Fixed Electricity Price Agreement between Client and Retailer will not be affected in any way by a Site being deleted from, or added to, this Agreement.

IN WITNESS WHEREOF, Client and Retailer have executed this Agreement in duplicate.

TRANSCANADA ENERGY LTD.

TRANSCANADA KEYSTONE PIPELINE LIMITED
PARTNERSHIP
by its agent,
TRANSCANADA OIL PIPELINE OPERATIONS LTD.

Per

Per

Per:

Per:

GENERAL TERMS AND CONDITIONS FOR THE PROVISION OF RETAIL SERVICES

Article 1 - Definitions

1.1 Definitions

The following terms shall have the meanings stated below when used in this Agreement:

- (a) **"Agreement"** means this Agreement for Electrical Energy Retail services, including the Cover Sheet, these General Terms and Conditions, and any schedules and written amendments thereto.
- (b) **"Bankrupt"** means, with respect to any Party, that such Party:
 - (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or proceeding or cause of action commenced against it;
 - (ii) makes an assignment or any general arrangement for the benefit of its creditors;
 - (iii) otherwise becomes bankrupt or insolvent (however evidenced);
 - (iv) has a liquidator, administrator, receiver or trustee, or similar official appointed with respect to it or any substantial portion of its property or assets; or
 - (v) is generally unable to pay its debts as they become due.
- (c) **"Billing Data"** means any information provided to the Retailer by the Load Settlement Agent, as prescribed by the Settlement System Code, used for the purpose of assigning load responsibility.
- (d) **"Business Day"** means any day other than Saturday, Sunday, or a statutory or banking holiday recognized in Alberta. A Business Day begins at 8:00 a.m. and ends at 5:00 p.m. at current Alberta time.
- (e) **"Client's Facilities"** means the Client's Facilities as indicated on the Cover Sheet.
- (f) **"Collateral"** includes but is not limited to:
 - (i) collateral, as acceptable to Retailer, in the form of either cash, letter(s) of credit, a guarantee, or an increase in the amount of a guarantee currently held by Retailer guaranteeing Client's obligations under this Agreement;
 - (ii) Retailer requiring pre-payment from Client for deliveries under this Agreement, with terms to be determined by Retailer in its sole discretion; or
 - (iii) Retailer requiring an accelerated payment schedule with terms to be determined by Retailer in its sole discretion.
- (g) **"Cover Sheet"** means the Cover Sheet attached as the first 2 (two) pages of this Agreement.
- (h) **"Electric Utilities Act"** means the *Electric Utilities Act*, R.S.A. 2000, c.E-5, as amended from time to time, or any successor legislation.
- (i) **"Event of Default"** means, with respect to a Party (a "Defaulting Party"), the occurrence of any of the following:
 - (i) the failure by the Party to make, when due, any payment required under this Agreement if such failure is not remedied within five (5) Business Days after receipt of written notice;
 - (ii) any representation or warranty made by the Party is, at any applicable time, false or misleading in any material respect;
 - (iii) the failure of the Party to perform any material covenant or obligation set out in this Agreement (except to the extent constituting a separate Event of Default) if such failure is not remedied within five (5) Business Days after written notice of such failure has been given to such Party;
 - (iv) such Party becomes Bankrupt;
 - (v) such Party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another person and, at the time of such consolidation, amalgamation, merger or transfer, the resulting, surviving or transferee person fails to assume all the obligations of such Party under this Agreement by operation of law or pursuant to an agreement reasonably satisfactory to the other Party;
- (vi) the failure of Client to provide Collateral as and when required by Section 8.2 herein.
- (j) **"Exposure"** means, as of any date, the monetary loss that Retailer would experience for the remaining Term, or any extension of the Term in accordance with Article 5, of this Agreement if Client stopped performing its obligations under this Agreement, including but not limited to any accrued or actual liabilities to Retailer from Client under this Agreement. Retailer will assess its Exposure under this Agreement from time to time.
- (k) **"Exposure Limit"** means the total amount of Exposure which Retailer is willing to assume under this Agreement at any given time and may be any amount including zero. Retailer may use its reasonable discretion in establishing and varying the Exposure Limit from time to time. Retailer will determine the Exposure Limit for Client and will communicate this to Client from time to time.
- (l) **"Fixed Electricity Price Agreement"** has the meaning given to such term in Section 3.3 of this Agreement.
- (m) **"Force Majeure"** means an event or circumstance which prevents one Party (the "Claiming Party") from performing its obligations under this Agreement, where the event or circumstance was not anticipated as of the date this Agreement was agreed to, is not within the reasonable control of, or the result of the negligence of, the Claiming Party, and which, by the exercise of due diligence, the Claiming Party is unable to overcome or avoid. Force Majeure includes, but is not limited to, any inability to provide Retail Services because of a failure to perform by the Power Pool, an applicable Wire Services Provider, a Load Settlement Agent, or a Meter Data Manager.
- (n) **"GST"** means the Goods and Services Tax imposed pursuant to the *Excise Tax Act* (Canada), as amended, restated, replaced, re-enacted or otherwise modified from time to time.
- (o) **"Interest Rate"** means the floating, variable, annual rate of interest established from time to time by the Canadian Imperial Bank of Commerce as the base rate it uses to determine the rates of interest on Canadian dollar commercial loans to customers in Canada and designated by it as its prime rate plus three (3)%.
- (p) **"ISO"** means the Independent System Operator, as established by the *Electric Utilities Act*.
- (q) **"ISO Rules"** means the rules made by the ISO, as established by the *Electric Utilities Act*.
- (r) **"Load Settlement Agent (LSA)"** has the meaning given to it in the ISO Rules.
- (s) **"MW"** means one million watts, a watt being the power which generates energy at a rate of one joule per second.
- (t) **"MWh"** means megawatt-hour and is the number of MWs that are delivered in one (1) hour.
- (u) **"Meter Data Manager"** has the meaning given to it in the ISO Rules.
- (v) **"Month"** means the period beginning on the first day of a calendar month and ending on the last day of a calendar month.
- (w) **"Party"** means Client or Retailer and **"Parties"** means both Client and Retailer.
- (x) **"Power Pool"** means the Alberta Power Pool established by the provisions of the *Electric Utilities Act*, as amended from time to time.
- (y) **"Retail Fee"** means the Retail Fee as indicated on the Cover Sheet.
- (z) **"Retail Services"** has the meaning given to it in Section 2.1 of this Agreement.

- (aa) **"Retail Services Access Agreements"** includes the agreements entered into between Retailer and all applicable parties in order that Retailer can obtain retail access services for each site where Client's Facilities are located.
- (bb) **"Settlement System Code"** means the specifications, standards, methods, calculations and conventions established by the ISO under the provisions of the *Electric Utilities Act*, and which govern load settlement in respect of the exchange of electric energy in Alberta, known as Alberta Utilities Commission Rule 021.
- (cc) **"Site"** has the meaning given to it in the ISO Rules.
- (dd) **"Site ID" or "Site Identification Number"** has the meaning given to such term in Section 9.4.6.12 of the Settlement System Code (Version 2.3) or any subsequent revision of the Settlement System Code, and the Client Site IDs mean the Site IDs specified on the Cover Sheet, or any attachment, modification or revision thereto.
- (ee) **"Term"** means the Term as indicated on the Cover Sheet.
- (ff) **"Wire Services Providers"** includes but is not limited to ATCO Electric Ltd., Enmax Power Corporation, EPCOR Distribution Inc. and FortisAlberta Inc., or their respective successors.

1.2 Terms

Any terms defined in the attached Cover Sheet has the same meaning in these General Terms and Conditions.

Article 2 - Retail Services

2.1 Provision of Retail Services

Retailer will provide Retail Services to Client with respect to the electric energy requirements of Client's Facilities. For the purposes of this Agreement, **"Retail Services"** shall mean the functions of retailers as outlined in the *Electric Utilities Act*, including:

- (a) arranging for the purchase and/or sale of electric energy on behalf of Client;
- (b) arranging for distribution access service on behalf of Client, including entering into agreements or arrangements with owners of electric distribution systems; and
- (c) responding to inquiries and complaints from Client respecting Retail Services.

In the event of any conflict between the terms of this Agreement and the terms of the *Electric Utilities Act*, the terms of such act shall govern.

The Parties agree that under no circumstances will Retail Services include arrangements to manage the financial risk associated with the price of electrical energy purchased from the Power Pool or from any third party, unless mutually and specifically agreed to between the Parties.

Article 3 - Compensation and Cost Recovery

3.1 Retail Services Compensation

Client agrees to pay Retailer for the Retail Services provided by Retailer for any Month in an amount equal to Client's total hourly electric energy delivered to Client's Facilities in the billing period multiplied by the Retail Fee.

3.2 Payment of Costs Associated with Retail Services

In addition to the amount payable pursuant to Section 3.1, Client agrees to pay all costs incurred by Retailer related to the purchase, sale or delivery of Client's electric energy to Client's Facilities. Such costs may include but are not limited to trading fees or charges, all commodity costs, transmission exchange, transfer or service costs, any costs imposed on Retailer by any legislative authority, and all associated charges, including taxes which relate to the provision of the Retail Services and the related transfer of electric energy to Client and which are invoiced to Retailer. Any credits relating to the costs, including government rebates, will be netted against the invoice provided to Client in accordance with Section 6.4.

3.3 Fixed Electricity Price Agreement

Client may elect to fix, with its supplier of electric energy whether such supplier is Retailer (under a separate agreement between Retailer and Client) or a third party, its electricity price for a specific volume of electric energy and term (**"Fixed Electricity Price Agreement"**). All amounts invoiced under the Fixed Electricity Price Agreement will be netted in accordance with Section 6.4.

Article 4 - Representation, Acknowledgements and Authorizations

4.1 Retailer's Role

- (a) Client acknowledges that Retailer is governed by all legislation and codes (the "Legislation") relating to retailers, currently in force in the Province of Alberta as such Legislation is amended from time to time. Retailer represents that it will act in accordance with Legislation. Unless otherwise expressly agreed in writing by the Parties, Retailer will not perform any services that it is not obligated to perform in accordance with the Legislation.
- (b) Client acknowledges that Retailer's responsibility is to correctly allocate load responsibility, including but not limited to electricity costs as prescribed by the Settlement System Code using the Billing Data provided to Retailer by the Load Settlement Agent. Client acknowledges that the Load Settlement Agent is responsible for the accuracy of the Billing Data provided to Retailer and that Retailer is not financially or otherwise liable for any errors or omissions of whatever nature or kind, in the Billing Data provided by the Load Settlement Agent to Retailer.
- (c) Client acknowledges that Retailer is not obligated to enter into a Fixed Electricity Price Agreement with Client, as defined in Section 3.3, unless Retailer and Client mutually and specifically agree in advance. Client further acknowledges that through this Agreement, Retailer is not undertaking to enter into a Fixed Electricity Price Agreement as agent for Client.

4.2 Applicable Laws

This Agreement is subject to all laws, orders, rules or regulations of any governmental authorities, to the extent that such laws, orders, rules or regulations are applicable and effective from time to time. If any such governmental authority takes any action or asserts any jurisdiction which renders any provision of this Agreement illegal or unenforceable or if any provision of this Agreement becomes otherwise unenforceable for any reason, such provision shall be deemed null and void, but this Agreement shall remain in force in all other respects. Should any provision of this Agreement be or become ineffective or unenforceable because of any Change in Law, or should this Agreement fail to include a provision that is required as a matter of law, the validity of the other provisions of this Agreement shall not be affected thereby. If such circumstances arise, the Parties shall negotiate in good faith appropriate modifications to this Agreement to reflect those changes that are required by law. For the purposes of this Section 4.2, "Change in Law" means (i) the adoption, enactment, promulgation, modification, amendment or revocation after the date hereof of any federal, provincial, local and municipal statutes, laws, by-laws, rules, orders (including court orders) and regulations in effect from time to time and made or issued by governmental authorities or courts having jurisdiction over the Parties ("Laws") or (ii) any interpretation, reinterpretation or administrative position relating thereto of any government department or regulatory body that administers any such Laws.

4.3 Consistency with Agreements

The terms and conditions of this Agreement incorporate, and must be interpreted consistently with, all relevant terms and conditions of the Retail Services Access Agreements, any applicable rules, procedures or policies of the Power Pool, and the rules, procedures, policies and agreements of any other body which Retailer may contract with in order to provide the Retail Services. Any special services requested by Client will be charged to Client at the posted rate indicated by the

Wire Services Providers. Client acknowledges that the Retail Services Access Agreements include various disclaimers concerning the services provided by the Wire Services Providers, and agree that the Retailer's Services are subject to such disclaimers. Client's Facilities must be operated in a way which is consistent with the requirements of the applicable Wire Services Provider, and any measurements by the applicable Wire Services Provider are considered to be determinative and correct for the purposes of this Agreement. In the event of any conflict between the terms of this Agreement and the terms of any Fixed Electricity Price Agreement entered into between Retailer and Client, the terms of the Fixed Electricity Price Agreement shall govern.

4.4 Execution of Further Documents

The Parties will execute any further documents required to give effect to this Agreement. In particular, Client authorizes any relevant Wire Services Provider to release any of Client's consumption information concerning any of Client's Facilities to Retailer, and will execute any further requests required in order that Retailer may obtain access to the information.

Article 5 - Term

5.1 Term Extends Until Notice

This Agreement extends for the Term. This Agreement will automatically renew for each Month after the end of the Term and shall continue in force until terminated in accordance with this Agreement as follows:

- (a) Retailer may terminate this Agreement (either during the Term or during any extension of the Term in accordance with this Article 5) at any time on forty-five (45) days written notice to Client;
- (b) After the Term is completed and this Agreement is being renewed on a Month by Month basis, Client may terminate this Agreement by providing Retailer with a written notice of termination. After such notice of termination is given, this Agreement will terminate on the last day of the Month following the Month in which such notice of termination was received; and
- (c) Either Party may terminate this Agreement in accordance with Article 7.

5.2 Termination

If this Agreement is terminated, it will remain effective for the purpose of payment of any amounts due under this Agreement which have not yet been invoiced or paid, or for the purpose of invoice adjustments to reflect future billing adjustments by Wire Services Providers.

Notwithstanding anything to the contrary in this Agreement, if either Party terminates this Agreement in accordance with Article 7 prior to the end of the Term or any extension of the Term in accordance with this Article 5, Client agrees that it shall reimburse Retailer for all verifiable costs incurred by Retailer which are related to the provision of Retail Services.

Article 6 - Billing

6.1 Billing Period

Retailer shall invoice Client for all amounts due under Article 3 for each Month during which Retail Services are provided and such invoice will be delivered to Client in the Month following the Month in which Retail Services were provided. Client will pay the invoice within ten (10) days of the date of the invoice, or on the next Business Day if such day is not a Business Day (the "Due Date"). Retailer may, if necessary as a result of unavailable information or the failure of information providers or the operators of Retailer's billing and settlement system, estimate the amounts which will be payable in respect of a particular month. Any adjustments to reflect the difference between actual and estimated amounts will be reflected in the following Month's invoice. Client will make payments by electronic funds transfer or wire transfer (or by other mutually agreeable method(s) of payment), to the electronic funds transfer

account or bank account designated by the Retailer. Any amounts not paid by the Due Date will accrue interest at the Interest Rate, such interest to be calculated from and including the Due Date to but excluding the date the amount is paid in full.

6.2 Disputes and Adjustments of Invoices

A Party may, in good faith, dispute the correctness of any invoice or any adjustment to an invoice rendered under this Agreement or adjust any invoice for any arithmetic or computational error. If a Party disputes an invoice, or any other claim or adjustment arising from an invoice, the Party shall nevertheless pay the entire amount shown on the invoice. Such payment does not prejudice the Party's right to dispute or question the correctness of the bill. The Party disputing the amount shall provide the other Party with a written notice of objection setting forth in reasonable detail the reason for the dispute, any requested adjustment and any question concerning the correctness of the invoice. Upon resolution of the dispute, any required payment shall be made within two (2) Business Days of such resolution along with interest accrued at the Interest Rate from and including the Due Date to but excluding the date paid. Inadvertent overpayments shall be returned upon request or deducted by the Party receiving such overpayment from subsequent payments, with interest accrued at the Interest Rate from and including the date of overpayment to but excluding the date repaid or deducted by the Party receiving such overpayment. Any dispute or adjustments with respect to an invoice is waived unless the other Party is notified in accordance with this Section 6.2 within 24 months after the invoice is rendered or any specific adjustment to the invoice is made, regardless of whether this Agreement has terminated.

6.3 Goods and Services Tax

Payments under this Agreement do not include any GST payable by Client in respect of the transactions contemplated herein. If any GST is payable, the GST shall be paid by Client to Retailer, as agent for the Crown, and Retailer shall remit such GST as required by law. If any GST is payable in connection with payments to be made in connection with a breach of this Agreement, the Party obligated to make the payment shall also pay the GST to the Party entitled to receive the payment, and the recipient shall remit such GST to the Crown. If any GST is payable because of Client's failure to perform all or part of its obligations to pay GST, that failure is deemed to be a breach of this Agreement. The liability for that breach includes the amount of GST payable and any other Claims arising out of such breach. For the purposes of this Section, "Claims" means any and all losses, damages, costs, expenses, injuries of any kind or character, claims, actions, causes of action, demands, fees (including, without limitation, all legal and other professional fees and disbursements, court costs and experts' fees), levies, taxes, judgments, fines, charges, deficiencies, interest, penalties and amounts paid in settlement, whether arising in equity, at common law, by statute, or under the law of contract, tort (including, without limitation, negligence and strict liability without regard to fault) or property law, of every kind or character.

6.4 Netting and Set Off

If Retailer and Client have entered into other agreements, then notwithstanding anything to the contrary in this Agreement, the Parties agree that all monthly payments under this Agreement shall be on a net basis as follows:

- (a) If the total amount Retailer owes Client under other agreements between the Parties exceeds the total amount Client owes Retailer under this Agreement, then Retailer shall pay Client such excess amount in accordance with Section 6.1.
- (b) If the total amount Client owes Retailer under other agreements between the Parties exceeds the total amount Retailer owes Client under this Agreement, then Client shall pay Retailer such excess amount in accordance with Section 6.1.
- (c) If the total amount Retailer owes Client under other agreements between the Parties equals the total amount Client owes Retailer

under this Agreement, then no payment is required to be made by either Party under this Agreement.

Article 7 - Early Termination

7.1 Declaration of an Early Termination Date and Calculation of Settlement Amounts

If an Event of Default with respect to a Defaulting Party has occurred and is continuing, the other Party (the "Non-Defaulting Party") may:

- (a) designate by notice a day, no earlier than the day such notice is effective and no later than twenty (20) days after such notice is effective, as an early termination date ("Early Termination Date") to accelerate all amounts owing between the Parties, to liquidate and terminate all dealings between the Parties, irrespective of whether such amounts have been invoiced under this Agreement, and to set-off any amounts owed by the Non-Defaulting Party to the Defaulting Party under this Agreement against any amounts owed by the Defaulting Party to the Non-Defaulting Party under other agreements between the Parties;
- (b) withhold any payments due to the Defaulting Party under this Agreement and set-off such amounts against any amounts owing from the Defaulting Party under this Agreement; and
- (c) suspend its performance, without prejudice to any rights and remedies available to it, including the right to sue for damages for lack of future performance.

7.2 Remedy

The remedy provided for in this Section shall be without prejudice and in addition to any right of set-off, combination of accounts, lien, or other right to which any Party is at any time otherwise entitled (whether by operation of law, contract or otherwise).

Article 8 - Financial Information and Assurances

8.1 Financial Information of Client

If requested by Retailer, Client shall deliver such commercially reasonable financial information as Retailer might require from time to time, including but not limited to copies of all published annual and quarterly financial statements, audited as applicable, within five (5) days of Retailer's request.

8.2 Financial Assurances

If at any time throughout the Term, or any extension of the Term in accordance with Article 5:

- (a) Retailer has a reasonable basis to believe that Client's creditworthiness or its ability to perform its obligations under this Agreement has become unsatisfactory;
 - (b) Client has, on two or more occasions, remedied a Section 1.1(i)(i) default within the time provided therein without the prior consent of Retailer;
 - (c) Client fails to provide its financial statements in accordance with Section 8.1;
 - (d) any Collateral held by Retailer has, in its reasonable discretion, become unsatisfactory; or
 - (e) the Exposure at any time exceeds the Exposure Limit;
- then Retailer shall be entitled to request that Client provide Retailer with Collateral (including additional Collateral, if applicable) and Client shall have two (2) Business Days from such request to provide Retailer with the requested Collateral.

Article 9 - Notices

9.1 Written Notice Required

All communications made under this Agreement ("Notices") shall be in writing and made to the addresses for Notices specified by each respective Party from time to time.

9.2 Method of Notice

Notice shall be made by mutually agreeable electronic means, facsimile, a nationally recognized overnight courier service or hand delivered. Notice is given when received on a Business Day by the addressee. In the absence of proof of the actual receipt date, the

following presumptions will apply. Notices sent electronically or by facsimile are deemed to have been received upon the sending Party's receipt of confirmation of a successful transmission; if the day on which such electronic or facsimile Notice is received is not a Business Day or is after 5:00 p.m. on a Business Day, then such Notice is deemed to have been received on the next following Business Day. Notice by overnight courier is deemed to have been received on the next Business Day after it was sent or such earlier time as is confirmed by the receiving Party. Notice sent by regular mail is deemed to have been received on the fifth Business Day after the mail is delivered to Canada Post.

Article 10 - Force Majeure

10.1 Force Majeure

To the extent either Party is prevented by Force Majeure from carrying out, in whole or part, its obligations under this Agreement and such Party (the "Claiming Party") gives notice and details of the Force Majeure to the other Party as soon as practicable, then the Claiming Party shall be excused from the performance of its obligations under this Agreement (other than the obligation to make payments then due or becoming due with respect to performance prior to the Force Majeure). The Claiming Party shall remedy the Force Majeure with all reasonable dispatch. The non-Claiming Party shall not be required to perform or resume performance of its obligations to the Claiming Party corresponding to the obligations of the Claiming Party excused by Force Majeure until such time as the Force Majeure is remedied and the Claiming Party resumes the performance of its obligations under this Agreement.

Article 11 - Miscellaneous

11.1 Successors and Assigns

This Agreement shall be binding upon and inure to the benefit of the successors, assigns, personal representatives, and heirs of the respective Parties hereto, and the covenants, conditions, rights and obligations of this Agreement shall run for the full Term of this Agreement, or any extension of the Term in accordance with Article 5. Retailer may assign its interests, rights and/or obligations in and to this Agreement at will to an affiliate of Retailer upon written notice to Client. Client acknowledges and agrees that such assignment will be effective to novate this Agreement and Retailer will have no further obligations under this Agreement. Client may not assign or otherwise dispose of any of its interests, rights or obligations in and to this Agreement without the prior written consent of Retailer, which consent shall not be unreasonably withheld.

11.2 Unenforceability

If any provision in this Agreement is determined to be invalid, void or unenforceable by any court having jurisdiction, such determination shall not invalidate, void, or make unenforceable any other provision, agreement or covenant of this Agreement.

11.3 Waiver

No waiver of any breach of this Agreement shall be held to be a waiver of any other or subsequent breach.

11.4 Understandings and Representations

All understandings between the Parties respecting the provision of Retail Services to Client, and any prior contracts, understandings and representations, whether oral or written, relating to such retail services are merged into and superseded by this Agreement. This Agreement may be amended only by a writing executed by both Parties.

11.5 Interpretation and Performance

The interpretation and performance of this Agreement shall be governed by the laws of Alberta, excluding, however, any conflict of laws rule which would apply the law of another jurisdiction.

11.6 Applicable Laws

This Agreement and all provisions herein will be subject to all applicable and valid statutes, rules, orders and regulations of Alberta.

11.7 Representations and Warranties

Each Party to this Agreement represents and warrants that it has full and complete authority to enter into and perform this Agreement. Each person who executes this Agreement on behalf of either Party represents and warrants that it has full and complete authority to do so and that such Party will be bound by it.

11.8 Confidentiality

Neither Party may disclose the terms of this Agreement to a third party (other than the Party's and its Affiliates' employees, lenders, counsel, agents or accountants, provided that such employees, lenders, counsel, agents and accountants are made aware of this confidentiality provision) except in order to comply with any applicable law, order or regulation. However, each Party shall notify the other Party of any proceeding of which it is aware that may result in disclosure and use reasonable efforts to prevent or limit the disclosure. The Parties also agree that they must agree upon the terms of a press release regarding this Agreement, and that no information may be released by either Party without the consent of the other.

The Parties acknowledge that monetary damages would not be a sufficient remedy for a breach of this confidentiality provision by a Party, and agree that in addition to any other remedy to which the non-disclosing Party may be entitled under this Agreement, at law or in equity, the non-disclosing Party shall be entitled to injunctive relief to prevent breaches of this confidentiality provision and to specifically enforce this confidentiality provision, without having to prove actual damages.

11.9 Fiduciary Obligations

The Parties acknowledge that their relationship is entirely contractual, that neither Party has fiduciary obligations to the other, and neither Party is the agent of the other except to the extent expressly provided for in this Agreement.

11.10 Telephone Recording

Each Party consents to the recording of all telephone conversations between its employees and agents and the employees and agents of the other Party, and each Party represents and warrants that its employees and agents have consented to all such recordings. Any resulting recordings and other evidence may be introduced to prove a transaction between the Parties and to establish any matters pertinent to a transaction providing a signed document is the determinant that the underlying transaction has taken place. Any recordings of communications relevant to this Agreement may be used as evidence in any legal, arbitration or other dispute resolution procedure, and the Parties expressly waive all rights to, and expressly agree not to, contest or otherwise argue against, such use of recordings.

11.11 Counterpart

This Agreement may be signed and delivered in counterparts with the same effect as if each party had signed and delivered the same copy, and when each party has signed and delivered a counterpart, all counterparts constitute one Agreement. Delivery of a copy of this Agreement by facsimile or by another form of electronic transmission is good and sufficient delivery.