

**MODIFIED DEMAND AGREEMENT
Rate Schedule 1852**

This Agreement, which together with all Demand Reduction Transactions is referred to as the "Agreement", is made to be effective on the ___ day of _____ 200_,

BETWEEN:

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY, a
body corporate with its head office at 333 Dunsmuir Street,
Vancouver, British Columbia

("B.C. Hydro")

AND:

("the Customer")

(Each of B.C. Hydro and the Customer are referred to individually
as the "Party" and collectively, as the "Parties")

WHEREAS the Customer is currently receiving service from B.C. Hydro pursuant to Rate Schedule 1821 and the Electricity Supply Agreement approved by the British Columbia Utilities Commission, and in addition, wishes to take service from B.C. Hydro under Rate Schedule 1852.

NOW THEREFORE, THIS AGREEMENT WITNESSES that the Parties agree as follows:

1. INTERPRETATION

1.1. Definitions

The following definitions and any terms defined internally in this Agreement will apply to this Agreement and all notices and communications made pursuant to this Agreement:

- (a) "Business Day" means any day other than a Saturday, Sunday or a Statutory Holiday.
- (b) "Calendar Hour" means a 60 minute period commencing at the start of the first minute of one of the 24 one hour periods in a day.
- (c) "Mid-C Price" means the daily entry in the ICE Mid Columbia (Mid-C) Peak weighted average index price as published by ICE in the ICE Day Ahead Power Price Report .

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- (d) "Contract Buy-out Payment" means a payment made by the Customer to B.C. Hydro to terminate the Agreement prior to the expiration of the Term, calculated as follows:
- (i) if the Cumulative Demand Reduction Energy is less than Maximum Cumulative Demand Reduction Energy and the Cumulative Demand Reduction Transactions is less than the Maximum Number of Demand Reduction Transactions, the Contract Buy-out Payment shall be equal to the lesser of:
 - A. \$0.125 per kWh multiplied by one-quarter of Maximum Cumulative Demand Reduction Energy; and
 - B. \$0.125 per kWh multiplied by the result of subtracting Cumulative Demand Reduction Energy from the result of multiplying one-twelfth of Maximum Cumulative Demand Reduction Energy by the number of complete months since the Effective Date plus one, or zero if value is negative; and
 - (ii) if the Cumulative Demand Reduction Energy is greater than or equal to Maximum Cumulative Demand Reduction Energy or the Cumulative Demand Reduction Transactions that have occurred during the Term is equal to the Maximum Number of Demand Reduction Transactions, the Contract Buy-out Payment shall be zero.
- (e) "Cumulative Demand Reduction Energy" means the total reduction in electricity consumption by the Customer pursuant to the Demand Reduction Events that have occurred during the Term, calculated in accordance with Section 8.1.
- (f) "Cumulative Demand Reduction Transactions" means the total number of Demand Reduction Transactions that have occurred during the Term, calculated in accordance with Section 8.1.
- (g) "Demand Reduction Buy-out" means the relief in obligation of the Customer to accept an Offer for Demand Reduction in exchange for a financial payment, as set forth in Section 5.5(a).
- (h) "Demand Reduction Event" means a Demand Reduction Transaction or a Demand Reduction Buy-out.
- (i) "Demand Reduction Period" means a specific period of time during which B.C. Hydro would like the Customer to reduce its electricity demand, such period of time, in all cases, to be of a duration of at least one consecutive hour(s) ("Minimum Duration") commencing at the start of a Calendar Hour, to be in periods of whole Calendar Hours only and to be a maximum duration of four consecutive hours ("Maximum Duration").
- (j) "Demand Reduction Transaction" means a specific transaction entered into between B.C. Hydro and the Customer pursuant to Section 5 of this Agreement.

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- (k) "Electricity Supply Agreement" means the electricity supply agreement under which the Customer receives service from B.C. Hydro as approved by the British Columbia Utilities Commission.
- (l) "Firm Power Level" during a Demand Reduction Period means the amount calculated by deducting the Reduction from the Normal Demand, expressed in kWh per hour.
- (m) "Force Majeure" has the same meaning as in section 16 of the Electricity Supply Agreement.
- (n) "High Load Hours (HLH)" means _____ hours to _____ hours and _____ hours to _____ hours Monday to Friday, except for Statutory Holidays.
- (o) "Low Load Hours (LLH)" means all hours that are not High Load Hours.
- (p) "LLH CBL Energy" means _____ kWh.
- (q) "Maximum Cumulative Demand Reduction Energy" means _____ kWh, which includes a carryover from the previous year, if applicable. The carryover will be (i) the difference between Maximum Cumulative Demand Reduction energy and Cumulative Demand Reduction Energy (zero if negative), or (ii) the Minimum Reduction multiplied by the Maximum Duration multiplied by three, whichever is the lesser, in each case determined from the agreement for the previous year.
- (r) "Maximum Demand Level" means (i) for the Low Load Hours (LLH) between 10:00 hours to 16:00 hours Monday to Friday, except for Statutory Holidays, higher of RS1852 Billing Demand and _____ kV.A., and (ii) for all other Low Load Hours (LLH), _____ kV.A .
- (s) "Maximum Number of Demand Reduction Transactions" means fifteen, which includes a carryover from the previous year, if applicable. The carryover will be (i) the difference between the Maximum Number of Demand Reduction Transactions and the Cumulative Demand Reduction Transactions for the previous year, or (ii) three, whichever is the lesser, in each case determined from the agreement for the previous year.
- (t) Minimum Operating Level means _____ kW.h per hour .
- (u) "Minimum Reduction" means _____ kWh per hour, or if the Normal Demand is less than _____ kWh per hour, the Minimum Reduction will be the Normal Demand less the Minimum Operating Level.
- (v) "Normal Demand" means the Customer's average electricity demand from B.C. Hydro during the hour immediately preceding the Calendar Hour in which B.C. Hydro makes an Offer for Demand Reduction.

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- (w) *"Offer for Demand Reduction"* means an offer made by B.C. Hydro to the Customer for the Customer to reduce its electricity demand from B.C. Hydro as contemplated in Section 5.1.
- (x) *"Powerex"* means Powerex Corporation.
- (y) *"Reduction"* means the amount of electricity demand from B.C. Hydro, expressed in kWh per hour, that the Customer agrees to reduce from Normal Demand during a Demand Reduction Period.
- (z) *"Statutory Holidays"* are New Year's Day, Family Day, Good Friday, Victoria Day, Canada Day, B.C. Day, Labour Day, Thanksgiving Day, Remembrance Day and Christmas Day.

1.2. **Interpretation**

Unless otherwise specified herein, all references to Sections are to those set forth in this Agreement. Reference to any Party includes any permitted successor or assignee thereof. The term "including" followed by descriptive words is used in this Agreement by way of example only and is not intended to limit the scope of the provision. The headings used in this Agreement are for convenience and reference purposes only.

2. **TERM**

2.1. **Term of Agreement**

Notwithstanding the actual date of execution, the term of this Agreement will commence on the effective date specified on page 1 (the "Effective Date") and will continue for a one year period (the "Term") unless terminated prior to the expiration thereof in accordance with Section 2.2 or 2.3. If this Agreement is terminated in accordance with Section 2.2 or 2.3, the Agreement will remain in effect with respect to any Demand Reduction Transactions entered into prior to the effective date of the termination until both Parties have fulfilled all of their obligations with respect to such Demand Reduction Transactions.

2.2. **Early Termination by the Customer**

The Customer may terminate this Agreement prior to the expiration of the Term by providing 10 days prior written notice to B.C. Hydro. If the Customer terminates this Agreement prior to the expiration of the Term in accordance with this Section 2.2, the Customer shall pay to B.C. Hydro the Contract Buy-out Payment in the time and manner set forth in Section 9.

2.3. **Early Termination by B.C. Hydro**

Since the commencement of the Term, if the Customer initiates or is deemed to initiate three or more Demand Reduction Buy-outs, B.C. Hydro may terminate this Agreement prior to the expiration of the Term by providing written notice to the Customer. Upon

receipt of termination notice, the Customer will have two business days to notify B.C.Hydro whether termination is effective immediately or in 10 days.

3. AGREEMENT ENABLES DEMAND REDUCTION TRANSACTIONS

3.1. Scope of Agreement

This Agreement provides a framework for the negotiation and execution of Demand Reduction Transactions and the performance by the Parties thereunder. Each Demand Reduction Transaction will be entered into and performed in accordance with this Agreement and will constitute a part of this Agreement. This Agreement will govern all Demand Reduction Transactions between the Parties entered into on or after the Effective Date unless expressly agreed otherwise in writing.

4. RATE SCHEDULE 1852

4.1. Rate Schedule 1852

In consideration for the Customer executing this Agreement, B.C. Hydro agrees to provide service to the Customer at _____ under Rate Schedule 1852, as has been approved by the British Columbia Utilities Commission while this Agreement is in force.

5. DEMAND REDUCTION TRANSACTIONS

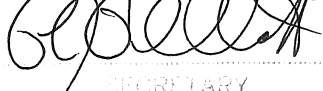
5.1. Offers for Demand Reduction

Subject to the terms of this Agreement, B.C. Hydro may from time to time and in its sole discretion, make an Offer for Demand Reduction which shall set forth:

- (a) B.C.Hydro's Personal Identification Code;
- (b) the time when the Offer for Demand Reduction is made;
- (c) the Demand Reduction Period, specifying the start and end thereof;
- (d) a range in Reduction, the lower bound of which shall be equal to the Minimum Reduction; and
- (e) the time by which the Customer shall be required to accept or reject the Offer for Demand Reduction calculated in accordance with Section 6.1 or 6.2, whichever is applicable.

B.C.Hydro will use reasonable efforts to alert the Customer by telephone of the potential of making an Offer for Demand Reduction in the days or hours ahead. The Customer acknowledges and agrees that such an alert shall in no way obligate B.C.Hydro to make any Offer for Demand Reduction to the Customer under the terms of this Agreement.

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5.2. Acceptance of Offer for Demand Reduction

After having received an Offer for Demand Reduction made in accordance with Section 5.1, the Customer shall, unless the Customer rejects the Offer for Demand Reduction pursuant to Section 5.4, communicate its acceptance of the Offer for Demand Reduction to B.C. Hydro in the time and manner set forth in Section 6.1 or 6.2, as the case may be. The Customer's acceptance shall specify the Customer's Personal Identification Code and a Reduction that falls within the range of Reduction set forth in B.C. Hydro's Offer for Demand Reduction. Upon the acceptance of an Offer for Demand Reduction, the Parties shall have entered into a legally binding Demand Reduction Transaction.

5.3. Defective Response to an Offer for Demand Reduction

If the Customer:

- (a) does not reject an Offer for Demand Reduction pursuant to Section 5.4 and does not communicate its acceptance of the Offer for Demand Reduction to B.C. Hydro in the time and manner set forth in Section 6.1 or 6.2 as the case may be, B.C. Hydro may treat the Customer's failure to communicate its acceptance as required as a rejection of the Offer for Demand Reduction and the Customer shall be deemed to have rejected the Offer for Demand Reduction pursuant to Section 5.4(a) or B.C. Hydro may, in the case of a late response from the Customer, elect to proceed with the Demand Reduction Transaction; or
- (b) purports to accept an Offer for Demand Reduction and specifies in its acceptance a Reduction that is less than the Minimum Reduction, the Customer shall be deemed to have rejected the Offer for Demand Reduction pursuant to Section 5.4(a).
- (c) purports to accept an Offer for Demand Reduction and specifies in its acceptance a Reduction that exceeds the higher bound of the range of Reduction set forth in B.C. Hydro's Offer for Demand Reduction, the Customer shall be deemed to have accepted B.C. Hydro's Offer for Demand Reduction at the highest Reduction of such range and the Parties shall thereupon have entered into a legally binding Demand Reduction Transaction.

5.4. Rejection of Offer for Demand Reduction

During November to February the Customer may reject an Offer for Demand Reduction:

- (a) if the Offer for Demand Reduction is made less than 45 minutes from the start of the Demand Reduction Period;
- (b) if the Offer for Demand Reduction specifies a Demand Reduction Period that starts less than 24 hours after the deemed start of the Demand Reduction Period of the previous Demand Reduction Event;
- (c) if the Customer is operating at or below the Minimum Operating Level;

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- (d) if the Offer for Demand Reduction is made during a 5 day period starting on a Monday, and the Customer has already participated in three Demand Reduction Events during that period.

provided that the Customer provides notice of rejection to B.C. Hydro which specifies whether the Offer for Demand Reduction is being rejected pursuant to Section 5.4(a), (b), (c) or (d), in the time and manner set forth in Section 6.1 or 6.2, as the case may be.

During March to October the Customer may reject an Offer for Demand Reduction:

- (e) if the Customer initiates a Demand Reduction Buy-out;
- (f) if the Offer for Demand Reduction is made less than 45 minutes from the start of the Demand Reduction Period;
- (g) if the Offer for Demand Reduction specifies a Demand Reduction Period that starts less than 24 hours after the deemed start of the Demand Reduction Period of the previous Demand Reduction Event;
- (h) if the Customer is operating at or below the Minimum Operating Level;
- (i) if the Offer for Demand Reduction is made during a 5 day period starting on a Monday, and the Customer has already participated in three Demand Reduction Events during that period;
- (j) for any other reason whatsoever, provided that the right to reject pursuant to this Section 5.4(j) may not be exercised more than three times during the Term nor may it be exercised any more than one time per calendar month.

provided that the Customer provides notice of rejection to B.C. Hydro which specifies whether the Offer for Demand Reduction is being rejected pursuant to Section 5.4(e), (f), (g), (h), (i), (j), in the time and manner set forth in Section 6.1 or 6.2, as the case may be.

5.5. Effect of Rejecting an Offer for Demand Reduction

The parties acknowledge and agree that:

- (a) if the Customer rejects an Offer for Demand Reduction pursuant to Section 5.4(e):
- (i) B.C. Hydro shall be deemed to have made an Offer for Demand Reduction; and
- (ii) the Customer shall pay to B.C. Hydro an amount equal to \$0.125 per kWh multiplied by the Maximum Duration multiplied by the Minimum Reduction (the "Demand Reduction Buy-out");

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- (b) if the Customer rejects an Offer for Demand Reduction pursuant to Section 5.4(a), (b), (c), (d), (f), (g), (h), or (i), B.C. Hydro shall be deemed not to have made an Offer for Demand Reduction;
- (c) if the Customer rejects an Offer for Demand Reduction pursuant to Section 5.4(j), B.C. Hydro shall be deemed to have made an Offer for Demand Reduction

5.6. **Limitations on Offers for Demand Reduction**

B.C. Hydro may make only one Offer for Demand Reduction each calendar day. B.C. Hydro shall not be entitled to make any Offers for Demand Reduction after the earlier occurrence of the following events:

- (a) Cumulative Demand Reduction Transactions equals the Maximum Number of Demand Reduction Transactions; or
- (b) the Cumulative Demand Reduction Energy equals or exceeds the Maximum Cumulative Demand Reduction Energy.

6. **DEMAND REDUCTION TRANSACTION PROCEDURES**

6.1. **Offers for Demand Reduction Made Two Hours or More Prior to Demand Reduction Period**

Any Offer for Demand Reduction that is communicated to the Customer 2 hours or more prior to the start of the Demand Reduction Period shall be communicated by B.C. Hydro to the Customer by telephone. If the communication is by telephone only, a written confirmation will be sent by facsimile / e-mail by the end of the next Business Day. The time by which the Customer shall be required to accept or reject the Offer for Demand Reduction, shall, under no circumstances, be less than 30 minutes after receipt by the Customer of the Offer for Demand Reduction nor less than one hour and 10 minutes prior to the start of the Demand Reduction Period. The Customer shall communicate its acceptance or rejection of the Offer for Demand Reduction by telephone. B.C. Hydro will not make an Offer for Demand Reduction more than 36 hours prior to the start of the Demand Reduction Period.

6.2. **Offers for Demand Reduction Made Less Than Two Hours Prior to Demand Reduction Period**

An Offer for Demand Reduction that is communicated to the Customer less than 2 hours prior to the start of the Demand Reduction Period shall be made by telephone and confirmed in writing by facsimile / e-mail by the end of the next Business Day. The time by which the Customer shall be required to accept or reject the Offer for Demand Reduction, shall, where possible, be 4 to 5 minutes but, under no circumstances, be less than 2 minutes after the end of the telephone conversation in which the Offer for Demand Reduction is made. The Customer shall communicate its acceptance or rejection of the Offer for Demand Reduction by telephone.

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6.3. Recording Permitted; Parties Not to Contest Telephone Agreements

The Parties agree not to contest or assert any defence to the validity or enforceability of any Demand Reduction Transaction based solely upon the fact that the Demand Reduction Transaction was entered into by telephone. Each Party consents to the recording of its representatives' telephone conversations without any further notice. Recordings may be introduced into evidence and used to prove the existence and terms of any Offers for Demand Reduction, the acceptance thereof or Demand Reduction Transactions entered into in accordance with this Agreement.

6.4. Personal Identification Codes

Each Party shall by written notice, provide to the other a personal identification code. The Parties may change their respective personal identification codes by written notice to the other, such change to be effective upon receipt of such notice in accordance with this Agreement. A Party will be bound by actions taken by any employee pursuant to Sections 5 or 6 if the employee has quoted the personal identification code of the Party he or she represents when communicating with the other Party. Employees of either Party do not have authority to vary this Agreement in connection with any Demand Reduction Transaction.

6.5. Powerex to Act For and On Behalf of B.C. Hydro

The Parties acknowledge and agree that Powerex may act on B.C. Hydro's behalf for the limited purpose of effecting Demand Reduction Transactions with the Customer pursuant to Sections 5 and 6 of this Agreement. B.C. Hydro will share the personal identification codes of B.C. Hydro and the Customer with Powerex and agrees to be bound by any Demand Reduction Transactions entered into for and on its behalf by Powerex.

7. OBLIGATIONS OF THE PARTIES UNDER DEMAND REDUCTION TRANSACTION**7.1. Reduction in Electricity Demand**

For every Demand Reduction Transaction entered into by the Parties, unless it is prevented from doing so by an event of Force Majeure, the Customer shall reduce its electricity demand from B.C. Hydro as follows:

- (a) the energy consumption of the Customer in each of the first and second one-half hour periods of any Calendar Hour during the Demand Reduction Period divided by one half hour, shall be no more than two MW above the Firm Power Level; and
- (b) the energy consumption by the Customer during the Demand Reduction Period shall be no more than the number of hours of the Demand Reduction Period multiplied by the Firm Power Level.

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The Customer acknowledges and agrees that B.C. Hydro will determine whether the Customer has reduced its electricity demand in accordance with this Section 7.1 by taking measurements from B.C. Hydro's revenue meters.

8. CUMULATIVE DEMAND REDUCTION ENERGY AND EVENTS

8.1. Cumulative Demand Reduction Energy and Cumulative Demand Reduction Transactions

Each time that:


- (a) the Customer reduces its electricity demand from B.C. Hydro pursuant to a Demand Reduction Transaction, Cumulative Demand Reduction Energy will be increased by an amount equal to the number of hours in the Demand Reduction Period multiplied by the Reduction, and Cumulative Demand Reduction Transactions will be increased by one; and
- (b) the Customer initiates a Demand Reduction Buy-out, Cumulative Demand Reduction Energy shall be increased by Minimum Reduction multiplied by the Maximum Duration.

9. BILLING; PAYMENT

9.1. Monthly Statement

B.C. Hydro will send to the Customer within 5 Business Days of the end of each calendar month while the Agreement is in effect, a statement setting forth:

- (a) the total amount of Demand Reduction Buy-out Payments owing by the Customer to B.C. Hydro pursuant to Section 5.4(e), for that month;
- (b) the liquidated damages, if any, that are payable by the Customer to B.C. Hydro pursuant to Section 10.1 for that month;
- (c) Cumulative Demand Reduction Energy, as of the statement date;
- (d) the number of Demand Reduction Transactions that have occurred during the Term;
- (e) the number of times in which the Customer has rejected an Offer for Demand Reduction pursuant to Section 5.4(e), as of statement date; and
- (f) the number of times in which the Customer has rejected an Offer for Demand Reduction pursuant to Section 5.4(j), as of the statement date.

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9.2. Termination Statement

B.C. Hydro will send to the Customer within 5 Business Days of the effective date of the termination of this Agreement pursuant to Section 2.2, a statement setting forth the Contract Buy-out Payment owing by the Customer to B.C. Hydro.

9.3. Payment

The total amount of payments that are owing by the Customer to B.C. Hydro during the applicable billing period shall be included in the bills provided by B.C. Hydro to the Customer pursuant to the Electricity Supply Agreement and shall be paid by the Customer as and when such bills are due.

10. LIABILITY**10.1. Liquidated Damages for Breach**

If the Customer breaches this Agreement for any particular Demand Reduction Transaction by not reducing its electricity demand in the manner specified in Section 7.1, the Customer shall pay to B.C. Hydro, as liquidated damages, for each kWh of electricity taken by the Customer above the Firm Power Level during each Calendar Hour of the Demand Reduction Period, an amount equal to 150% of the Mid-C Price for the corresponding day during the Demand Reduction Period that B.C. Hydro would have to incur, acting in a commercially reasonable manner, to replace the quantity of such electricity. The Customer acknowledges and agrees that if it does not reduce its electricity demand from B.C. Hydro in the manner contemplated by Section 7.1 during the Demand Reduction Period, B.C. Hydro will incur costs, directly and indirectly, including real-time scheduling, transmission and other costs. The Customer acknowledges and agrees that the liquidated damages provided for in this Section 10.1 represent a genuine pre-estimate of such damages and do not constitute a penalty.

10.2. No Damages

Apart from the liquidated damages that are available to B.C. Hydro from the Customer under Section 10.1, neither of the Parties hereto will be liable for consequential, incidental, punitive, exemplary or indirect damages, lost profits or other business interruption damages, by statute, in tort or contract under any indemnity provision or otherwise.

11. FORCE MAJEURE**11.1. Force Majeure**

If a Party is unable by reason of Force Majeure to perform its obligations under this Agreement or any Demand Reduction Transaction, the obligations of the Parties (other than the obligation to make payments then due or becoming due with respect to performance prior to the Force Majeure event) will be suspended to the extent required during the period of the Force Majeure.

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12. METERING**12.1. Installation**

The Customer covenants and agrees to allow B.C. Hydro to install meters and metering equipment that will provide B.C. Hydro with real-time metering of the Customer's energy demand and consumption. The Customer will pay to B.C. Hydro the cost of installing, repairing and replacing all such meters and metering equipment. All meters and metering equipment supplied by B.C. Hydro shall not be moved or removed without prior consent of B.C. Hydro. B.C. Hydro, and not the Customer, may test, calibrate, remove, install, substitute or otherwise change the metering equipment from time to time, at any reasonable time.

12.2. No Obligation to make Request for Offer

The Customer acknowledges and agrees that the installation of the meters and metering equipment, as referred to in Section 12.1, shall in no way obligate B.C. Hydro to make any Offer for Demand Reduction to the Customer under the terms of this Agreement.

13. DISPUTE RESOLUTION**13.1. Negotiation of Dispute**

The Parties will make reasonable efforts to settle all disputes under this Agreement. In the event any such dispute is not settled within 60 days after the date it arises, the Parties will have 10 days following such 60 day period to agree on the selection of an impartial facilitator to aid them in reaching a mutually acceptable resolution to the dispute. The facilitator and representatives of the Parties with authority to settle the dispute will meet within 21 days after the facilitator has been appointed to attempt to negotiate a resolution of the dispute. Settlement offers will not be admissible in any subsequent dispute resolution process.

13.2. Impasse

If the Parties have not succeeded in negotiating a resolution of the dispute within 30 days after first meeting with the facilitator or if the facilitator is not appointed within 10 days pursuant to Section 13.1, the Parties will be deemed to be at an impasse and either Party may commence arbitration procedures in accordance with this Section 13.


13.3. Determination of Arbitrator

The Parties declare that arbitration pursuant to this Section 13 will be the exclusive means of resolving any dispute under this Agreement that cannot be resolved by agreement. The determination of the arbitrator will be final and binding.

13.4. Rules of Arbitration

Any arbitration will proceed in accordance with the Domestic Arbitration Rules of Procedure of the British Columbia International Commercial Arbitration Centre as they

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may be in force at the time of the arbitration. Unless the parties otherwise agree, any arbitration commenced in accordance with this Section 13.4 will be by single arbitrator.

14. NOTICES

14.1. Address for Notice

All written notices, statements or payments will be made to the addresses and or facsimile numbers specified below.

If to the Customer:

If to B.C. Hydro:

Key Account Management
B.C. Hydro
Suite 900, 4555 Kingsway
Burnaby, British Columbia
V5H 2T8
Facsimile: (604) 453-6280

A Party may change its address by providing notice of same in accordance with this Section.

14.2. Delivery of Notices

Notices required to be in writing will be delivered by letter, facsimile or other documentary form. Notice by mail will be deemed received on the date of actual delivery. Notice by facsimile or courier delivery will be deemed received on the Business Day on which it was transmitted (sender having received evidence of successful transmission) or delivered (unless delivered after the close of the Business Day in which case it will be deemed received on the next Business Day).

15. MISCELLANEOUS

15.1. Currency

All amounts under this Agreement will be priced, invoiced and paid for in Canadian currency. The conversion rate for calculating the Mid-C Price is that rate set by B.C. Hydro's lead bank at the close of the Business Day immediately preceding the day on which the Offer for Demand Reduction was made.

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15.2. Assignment

Neither Party will assign this Agreement or its rights hereunder without the prior written consent of the other Party, not to be unreasonably withheld.

15.3. General

This Agreement, constitutes the entire agreement between the Parties relating to the subject matter contemplated by this Agreement. No amendment or modification to this Agreement will be enforceable unless reduced to writing and executed by both Parties.

15.4. No Third Party Beneficiaries

This Agreement will not impart any rights enforceable by any third-party (other than a permitted successor or assignee bound to this Agreement).

15.5. Waiver

No waiver by a Party of any default by the other Party will be construed as a waiver of any other default. No acceptance by a Party of a claim of Force Majeure by the other Party will be construed as acceptance of a future similar claim of Force Majeure.

15.6. Relationship

Nothing in this Agreement will be construed to create an association, trust, partnership or joint venture between the Parties or impose a trust or partnership covenant, obligation or liability on or with regard to any one or more of the Parties.

15.7. Confidentiality

The terms of this Agreement and of any Demand Reduction Transaction will be kept confidential by the Parties, except as required by any applicable laws, rules or regulations, provided that B.C. Hydro may disclose the terms of this Agreement and of any Demand Reduction Transaction entered into hereunder with the Customer to Powerex.

15.8. Severability

Any provision declared or rendered unlawful by any applicable court of law or regulatory agency or deemed unlawful because of a statutory change will not otherwise affect the remaining lawful obligations that arise under this Agreement.

15.9. Signing in Counterpart

The Parties may execute this Agreement in one or more counterparts to be construed as one, effective as of the Effective Date.

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The Parties have executed this Agreement.

**BRITISH COLUMBIA HYDRO AND POWER
AUTHORITY**

By: _____
Name: _____
Title: _____
Date: _____

Customer

By: _____
Name: _____
Title: _____
Date: _____

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