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ONTARIO ENERGY BOARD

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VIA E-MAIL & COURIER

October 12, 2007 *ew*
Ms. Kirsten Walli *Oct 15/07*
Board Secretary
Ontario Energy Board
2300 Yonge Street, Suite 2700
Toronto, ON
M4P 1E4

Dear Ms. Walli:

Re: Enbridge Gas Distribution Inc.;
Request for Confidentiality Filing;
Ontario Energy Board File No. EB-2007-0615

Introduction

We are writing on behalf of Enbridge Gas Distribution Inc. ("EGD") pursuant to Rules 10.01 and 10.02 of the *Rules of Practice and Procedure* (the "Rules") and s. 5.1 of the *Practice Direction on Confidential Filings* (the "PD") to request that a number of documents be filed on a confidential basis. These documents may be responsive, in whole or in part, to certain questions raised by the School Energy Coalition ("SEC") during the Technical Conference on October 4, 2007.

In accordance with s. 5.1.4 of the PD, EGD hereby attaches the confidential and redacted versions of the pertinent documents. In doing so, EGD wishes to make it clear that it does not object to counsel receiving copies of the confidential documents (or the relevant portions thereof), provided counsel complies with s. 6 of the PD and, in the case of (a) below, also complies with the additional conditions specified therein. EGD is concerned that the confidential documents, and the specific confidential information contained therein, not be made otherwise public, as EGD believes that such public disclosure would result in serious and irreparable harm to EGD shareholders, ratepayers and contractors, for the reasons stated below.

The Specific Documents and Reasons for the Confidentiality Requests

(a) Four Third Party Service Contracts (the “Contracts”)

The issue¹ arises in the context of EGD’s pre-filed evidence [B/1/1/10] and SEC Interrogatory #42, which relate, generally, to the challenges EGD will face as a result of Incentive Regulation (“IR”). The specific issue relates to expected cost increments in relation to the Contracts during the period of the IR Plan. The Contracts, which are fixed unit price contracts, relate to customer attachment and distribution network services. The Contracts will expire early in the IR Plan and EGD’s evidence is that the costs of the services covered by the Contracts are currently expected to increase at a rate greater than inflation.

As EGD explained in its response to Undertaking JTB.17, the Contracts in issue are with four separate and independent contractors, and each is subject to strict confidentiality requirements. EGD has consulted with the contractors in order to obtain permission to file the Contracts with the Board, and explained the Board’s confidential filing process to them.

The result of these consultations is that all four contractors have given their permission for EGD to file the Contracts on the public record, with the exception, however, of the pricing schedules appended to the Contracts. More particularly, one of the four contractors (“Contractor 1”) has given permission to file its pricing schedules with the Board, but only on the condition that the strict confidential terms outlined below are satisfied. The other three contractors have refused to voluntarily consent to the filing of their respective pricing schedules with the Board.

EGD asks that the Board hold in confidence the enclosed pricing schedules of Contractor 1 because the information contained therein is highly sensitive to the commercial operations of this contractor, and by inference, to the other contractors as well. As the evidence states, EGD is currently commencing the process of issuing a request for proposal for the work that is the subject matter of the Contracts for future years, and any disclosure of the current pricing information, whether directly or indirectly, would likely seriously jeopardize the anticipated bidding process and, consequently, the ability of the contractors to effectively compete in the highly competitive construction and services industry.

EGD is similarly concerned that any such disclosure would also completely undermine the bidding process, which is absolutely critical to EGD’s ability to maintain a safe and reliable distribution system, and a positive working relationship with the contractor community at large. Therefore, and at the express request of Contractor 1, EGD is prepared to file the Contractor 1 pricing schedules (the “Schedules”) only on the following conditions that must supplement the Board’s form of Undertaking of Non-Disclosure:

- 1) The Schedules will be provided in enumerated hard copies only, and returned immediately at the conclusion of this proceeding;
- 2) The Schedules will be kept in an appropriately secure location, such as a locked cabinet, at all times;

¹ See Hearing Transcript, October 4, 2007, p. 87, line 11ff.

- 3) The Schedules will only be provided to legal counsel, on a “need to know basis” for the purposes of this proceeding, and on condition that counsel expressly acknowledges that he or she has or represents no interest that is adverse to that of the contractor.
- 4) All recorded enquiries about the Schedules during the proceeding will be conducted in strict confidence.

(b) Enbridge East 2008 Budget

During the Technical Conference², counsel for SEC requested a copy of the corporate budget submitted on “Monday” [October 1, 2007] to Enbridge Inc. (“EI”) for consideration. Counsel for SEC acknowledged that “maybe some parts of it may have to be in confidence, given that it’s a public company”.

A copy of the Enbridge East 2008 confidential budget is attached. It contains budget information for EGD as well as a number of EGD’s affiliates and subsidiaries. As portions of the budget do not relate to EGD (but to the other companies), this information has been redacted as it is not relevant to this proceeding (although it, too, is confidential). The remainder of the information pertaining to EGD is marked as confidential and it is this information that EGD wishes to protect from public disclosure for the reasons already acknowledged by SEC’s counsel on the record. Moreover, the information contained in the budget is in draft form only and has not been approved by EGD’s Board of Directors. In any event, disclosure of this type of sensitive financial information, whether in draft or final form, would be harmful to EGD and EI shareholders.

(c) Enbridge East 2007 Strategic Plan

Pertinent to the requested information in item (b) above, we also attach a copy of the Enbridge East 2007 Strategic Plan (otherwise known as the 2007 Long Range Plan (“LRP”)). Similar to the corporate budget, the LRP contains information in regards to EGD, as well as a number of EGD’s affiliates and subsidiaries. As portions of the LRP do not relate to EGD (but to the other companies), this information has been redacted as it is not relevant to this proceeding (although it, too, is confidential). The remainder of the information pertaining to EGD is marked as confidential and, as with the budget, it is this EGD forecast information that EGD wishes to protect from public disclosure, for the same reasons given in item (b) above.

Conclusion

For all of these reasons, EGD respectfully seeks an order under s. 5.1.10 that the confidential documents shall not become part of the public record, provided however that they may be made available to counsel under the protections and provisions in s. 6 of the PD, as well as outlined in this letter.

² See Hearing Transcript, October 4, 2007, p. 121, line 5ff.

Yours very truly,


MDS\ko

Attchs.

For the Board only:

- 1) Unredacted confidential documents, in respect of which protection is being sought, pursuant to s. 5.1.4(b) of the PD
- 2) Redacted copies of the documents (or sections of documents) sent to the Board pursuant to s. 5.1.4 (c) of the PD

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ONTARIO ENERGY BOARD

Redacted Version

of

Link-Line Construction Ltd. Contract

**CONFIDENTIAL
DO NOT FORWARD**

**OPERATIONS CONTRACTOR
AGREEMENT**

Entered into September 30, 2004

Between

ENBRIDGE GAS DISTRIBUTION INC.

and

LINK-LINE CONSTRUCTION LTD.

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OPERATIONS CONTRACTOR AGREEMENT

This OPERATIONS CONTRACTOR AGREEMENT (this "Agreement") is entered into as of September 30, 2004, by Link-Line Construction Ltd., a corporation under the Laws of Ontario (the "Contractor") and Enbridge Gas Distribution Inc., a corporation under the Laws of the Province of Ontario ("Enbridge Gas Distribution").

WITNESSETH:

WHEREAS Enbridge Gas Distribution is desirous of having the Contractor provide skilled personnel to perform work associated with Enbridge Gas Distribution's business as a distributor of natural gas;

AND WHEREAS the Contractor has represented that it has qualified and skilled personnel, proper equipment, sufficient financing and an organization capable of performing the work Enbridge Gas Distribution may allocate to it;

AND WHEREAS Enbridge Gas Distribution and the Contractor are desirous of improving strategic planning, sharing knowledge and expertise and generally increasing efficiencies and quality while controlling costs and improving safety and Customer satisfaction while enhancing plant integrity;

AND WHEREAS the Contractor has agreed to comply with the covenants and conditions herein contained;

AND WHEREAS unless defined in the body of this Agreement or the context otherwise requires, capitalized terms used herein shall have the meaning prescribed to them in Schedule A.

NOW, THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the foregoing premises and the mutual covenants, promises and agreements contained herein, and other good and valuable consideration the receipt and sufficiency of which is mutually acknowledged, the Parties hereby agree as follows:

ARTICLE 1 WORK

1.1 Enbridge Gas Distribution Requests for Work.

During the Agreement Term, as from time to time requested by Enbridge Gas Distribution, the Contractor shall perform the following work on behalf of Enbridge Gas Distribution, (i) work with a unit price including as more fully described in Schedule 1.1, (ii) the New Work agreed to by the Parties in accordance with Section 1.8(c), and (iii) the Termination Assistance Work in accordance with Section 15.3. The unit priced work, the New Work and the Termination Assistance Work referred to in the foregoing sentence shall collectively be referred to herein as "Work". For certainty, Work shall include and Schedule 1.1 shall be amended to include, Change Orders agreed to by the Parties in accordance with Section 1.7(d) and New Work agreed to by the Parties in accordance with Section 1.8(c). Schedule 1.1 shall also be amended to incorporate and include changes related to Initiatives following business case analysis.

Also during the Agreement Term, Enbridge Gas Distribution may offer Work to the Contractor that is within the Scope of the Work on a Target Pricing basis in accordance with the provisions hereof and the provisions of Schedule 1.1. Where the Parties cannot agree on the Target Pricing, Enbridge Gas Distribution may perform the Work itself or offer the Work to any other Person. The Contractor shall immediately notify the Enbridge Gas Distribution Contract Manager (or the appropriate Enbridge Gas Distribution manager or supervisor specified in Schedule 1.1) of any proposed change in scope or any possible change in price of Work previously agreed by the Parties to be completed on a Target Pricing basis. The Contractor shall not change the scope or be entitled to any change in price for such Work without the prior written approval of the Enbridge Gas Distribution Contract Manager.

Further during the Agreement Term, as from time to time requested by Enbridge Gas Distribution, the Contractor shall perform Work on a Contractor Cost basis in accordance with the provisions hereof and the provisions of Schedule 1.1. The Contractor shall immediately notify the Enbridge Gas Distribution Contract Manager of any change to Work that is to be performed on a Contractor Cost basis that would increase the aggregate Work Charges. The Contractor shall not be entitled to any change in the aggregate Work Charges without the prior written consent of the Enbridge Gas Distribution Contract Manager.

Where the Contractor refuses or is unable to perform Work within the timeframes specified by Enbridge Gas Distribution, Enbridge Gas Distribution may perform the Work itself or offer the Work to any other Person.

The Parties acknowledge their intention, to the extent possible, to move Work that was Contractor Cost Work or Target Pricing Work to Unit Pricing and to reduce the actual unit costs to Enbridge Gas Distribution for Work over the Agreement Term.

Enbridge Gas Distribution shall, in its discretion, specify the location, amount and type of Work to be performed, the materials to be used and, where applicable, the equipment to be furnished by the Contractor. The Contractor shall perform the Work in accordance with the methods and procedures specified in this Agreement, the Manuals (see Schedule 1.16), any Technical Announcements or Safety Alerts from time to time, the Contract Specifications and the Contractor Scorecard. The Contractor shall not make any additions to, changes from or alterations to the method of performance of the Work without the prior written consent of the Enbridge Gas Distribution Contract Manager. The Contractor shall provide the qualified and trained personnel, necessary materials and equipment to perform the Work within the time, as specified herein.

1.2 Preliminary Measures.

The Contractor shall carefully examine this Agreement (including all Schedules) and the Manuals and fully acquaint itself with the nature of the Work, travel constraints and challenges, Laws (including municipal requirements and by-laws), general topography, soil structure, subsurface conditions, obstructions and all other conditions pertaining to the Work, the site of the Work and its surroundings. It will make all investigations essential to a full understanding of the difficulties which may be encountered in performing the Work. The Contractor will, regardless of any conditions pertaining to the Work, the site of the Work or its surroundings, complete the Work in accordance with the provisions of this Agreement and the Manuals and assume full and

complete responsibility for any conditions pertaining to the Work, the site of the Work or its surroundings and all risks in connection therewith.

1.3 Site.

Enbridge Gas Distribution shall identify the sites for the carrying out of the Work.

1.4 Access.

Enbridge Gas Distribution shall provide the Contractor with any conditions, limitations or restrictions of which it is aware related to ingress to or egress from sites for the purpose of completing the Work. The Contractor shall comply with such conditions, limitations or restrictions in performing the Work. Where Enbridge Gas Distribution has acquired any rights which are in effect for only a limited period of time, the Contractor shall perform the Work related thereto during such limited period of time.

1.5 Reliance On Plans.

Any estimates of the extent of the Work to be done under this Agreement, route maps, topographical plans or similar aids supplied to the Contractor to assist in performing the Work and for investigating conditions, costs and revenue, including, among other things, estimates of quantities of materials necessary to complete Work and location of services, are provided for information only and reliance thereon is at the sole risk and responsibility of the Contractor and do not relieve the Contractor of its obligations under this Agreement with respect to the investigation and performance of Work. The Contractor can adjust its price in accordance with a Change Order as provided under Section 1.7.

1.6 Claims for Extra Costs.

No claim shall be maintainable against Enbridge Gas Distribution for extra or unanticipated costs incurred by the Contractor by reason of its misapprehension of, or unexpected change in the nature, extent or significance of any factors such as those enumerated in Section 1.2 hereof or by reason of errors or inaccuracies in the maps, plans or other aids specified in Section 1.5 hereof.

1.7 Change Orders.

- (a) Following a change in Work by Enbridge Gas Distribution either Party may by notice in writing to the other Party request a change to the Unit Pricing for the Work to which the change is applicable (a "Change"). The written notice shall be delivered to the other Party's Contract Manager specifying in detail the proposed Change and background and information supporting the Change (a "Change Order Request").
- (b) Enbridge Gas Distribution and the Contractor shall cooperate with each other in good faith in discussing each Change Order Request, including the timetable for implementation of such Change. The Contractor shall not initiate more than one Change Order Request in any calendar year.

- (c) As soon as reasonably practicable following receipt of a Change Order Request by Enbridge Gas Distribution or simultaneously with the Contractor's delivery of a Change Order Request, the Contractor will prepare and deliver to the Enbridge Gas Distribution Contract Manager a written analysis of the Change (a "Change Analysis"). The Change Analysis shall include the reasons for the Change and background and information supporting the Change. In addition, such Change Analysis shall include, as appropriate or applicable, (i) a description of how the Change Order Request would be implemented, and (ii) such other information as may be relevant to the Change Order Request.
- (d) The Contractor Contract Manager and the Enbridge Gas Distribution Contract Manager will discuss the Change Order Request and the Change Analysis. If the Contractor Contract Manager and the Enbridge Gas Distribution Contract Manager agree to proceed with the implementation of the proposed Change, they shall evidence such agreement in writing (a "Change Order"). Any disputes with respect to the pricing of Changes shall be handled in accordance with the dispute resolution procedures of Article 16, including Section 16.1(c). Where the Parties cannot agree on the pricing of Changes, at the request of Enbridge Gas Distribution, the Contractor shall perform the work contemplated therein at the price proposed by Enbridge Gas Distribution subject to adjustment following completion of the dispute resolution process contemplated in Article 16 failing which Enbridge Gas Distribution may have such category of Work performed in whatever manner and by whomever Enbridge Gas Distribution in its discretion may choose (any such work performed by the Contractor being "Work" for all purposes hereof).
- (e) Following execution by both Parties of a Change Order, all affected Schedules to this Agreement, including, without limitation, Schedules 1.1, 2.1(a) and 2.1(b)(i), shall be updated and amended in accordance with the applicable Change Order.
- (f) The Unit Pricing provided for in Schedule 1.1 shall be adjusted at the end of each Fiscal Year by Enbridge Gas Distribution in accordance with the volume and price information contained in Schedule 1.7(f). Following any such adjustment of any Unit Pricing, Schedule 1.1 shall be amended accordingly.

1.8 New Work.

- (a) Enbridge Gas Distribution may request in writing the performance of work by the Contractor outside the Scope of the Work ("New Work"). New Work shall also include the type of Work that has not been performed by the Contractor in accordance with the provisions hereof and to the satisfaction of Enbridge Gas Distribution as provided under Section 1.14 where Enbridge Gas Distribution decides in its discretion to offer such Work to the Contractor. Any agreement of the Parties with respect to such New Work will be in writing, will constitute an amendment to this Agreement and such New Work shall become Work described and listed in amended Schedules 1.1, 2.1(a) and 2.1(b)(i). The Contractor must demonstrate to the satisfaction of Enbridge Gas Distribution that the Contractor has the qualified and skilled personnel, proper tools and equipment and access to

all materials and sufficient financing to perform the New Work and that the performance by it of the New Work will not in any way impair or diminish its ability to perform all other Work hereunder. For certainty, Verticals are New Work hereunder and all Work performed by the Contractor in connection with a Vertical shall be performed in accordance with the provisions of this Agreement.

- (b) To request the performance of New Work by the Contractor, Enbridge Gas Distribution will deliver to the Contract Manager of the Contractor a written request (the "New Work Request") specifying in reasonable detail (i) a description of the proposed New Work, (ii) the requirements and specifications of such New Work (including an estimation of anticipated additional volumes of such), and, (iii) the proposed pricing for such and all relevant background information and costing pertaining to pricing.
- (c) As soon as practicable and in any event within seven days of the delivery of the New Work Request, the Contractor will prepare and deliver to the Enbridge Gas Distribution Contract Manager a written response to the New Work Request (the "New Work Response"). Such New Work Response shall include, as appropriate or applicable, (i) a description of how the proposed New Work will be performed, (ii) a description of the effect, if any, such New Work would have on this Agreement, including, without limitation, on Contract Specifications, (iii) the resources to be provided by the Contractor to implement such New Work in accordance with the terms hereof, and (iv) such other information as may be relevant to the proposed New Work. The Contractor Contract Manager and the Enbridge Gas Distribution Contract Manager will mutually determine whether they desire for the Contractor to proceed with the implementation of the proposed New Work in accordance with the New Work Response. No New Work implementation shall occur without the mutual agreement of the Parties which shall be in writing in accordance with Section 1.8(a) above.

1.9 Entitlement to Give Instructions and Changes.

The interpretation of this Agreement and changes in or amendments to this Agreement and decisions as to Changes and New Work shall be made by the Enbridge Gas Distribution Contract Manager. Disputes, disagreements or differences of opinion between Enbridge Gas Distribution and the Contractor with respect to the pricing of Changes that cannot be resolved by the mutual agreement of the Parties shall be subject to dispute resolution under Article 16 in accordance with the provisions thereof, including Section 16.1(c).

1.10 Written Instructions.

All instructions given or made by Enbridge Gas Distribution shall be communicated in written form to the Contractor except as otherwise provided hereunder.

1.11 Assignment/Subcontracting.

The Contractor shall not (directly or indirectly),

- (a) assign to any Person this Agreement, any parts of this Agreement or any rights or obligations of the Contractor under this Agreement, or
- (b) subcontract to any Person performance of any part or parts of the Work.

With the prior written consent of the Enbridge Gas Distribution Contract Manager (which consent may be refused by Enbridge Gas Distribution in its discretion) the Contractor may subcontract any part of the Work but only where such assignment or subcontracting would not result in any violation or breach of, constitute a default under or give rise to any right of termination pursuant to any contract or agreement to which the Contractor is a party.

Without limiting the generality of the foregoing and the discretion of Enbridge Gas Distribution, the Contractor acknowledges that any proposed Subcontractor (and its employees) must meet, to the satisfaction of Enbridge Gas Distribution, the licensing and other requirements of applicable Laws and of this Agreement. Notwithstanding such approval by Enbridge Gas Distribution, the Contractor shall maintain all of its liabilities hereunder and all of its responsibilities hereunder including with respect to the performance of the Work in accordance with the terms hereof. The Contractor is responsible to be satisfied of the competence and ability of its Subcontractors. Where Enbridge Gas Distribution has agreed to the subcontracting of Work, prior to the Subcontractor performing any Work, the Contractor shall obtain from the Subcontractor and provide to Enbridge Gas Distribution a certificate of insurance or a full and complete copy of the insurance policy or other proof of insurance satisfactory to Enbridge Gas Distribution in its discretion confirming that the Subcontractor has obtained the insurance required by Section 14.1 and that Enbridge Gas Distribution is named as an insured under such policy or policies. In addition, the Contractor shall provide Enbridge Gas Distribution with written confirmation satisfactory to Enbridge Gas Distribution that the Subcontractor has the insurance or bonds required under the Workplace Safety and Insurance Act.

The Contractor may subcontract, and it shall not constitute a violation of this Section 1.11 to subcontract any part of the Work to an Affiliate or Affiliates of the Contractor provided that the Contractor shall first obtain the written consent of Enbridge Gas Distribution and the Contractor shall be responsible to Enbridge Gas Distribution for its Affiliate as provided herein including in this Section and Sections 1.12 and 1.13. Where Enbridge Gas Distribution has agreed to the subcontracting of Work to an Affiliate of the Contractor, prior to such Affiliate performing any Work, the Contractor shall provide to Enbridge Gas Distribution a certificate of insurance or a full and complete copy of the insurance policy or other proof of insurance satisfactory to Enbridge Gas Distribution in its discretion confirming that the Affiliate has the insurance required by Section 14.1 and that Enbridge Gas Distribution is named as an insured on such policy or policies. In addition, the Contractor shall provide Enbridge Gas Distribution with written confirmation satisfactory to Enbridge Gas Distribution that the Affiliate of the Contractor has the insurance or bonds required under the Workplace Safety and Insurance Act. An Affiliate of the Contractor to which Work has been subcontracted under the terms hereof shall for all purposes of this Agreement be and is a Subcontractor.

The consent of Enbridge Gas Distribution under the provisions of this Section 1.11 is not required with respect to an Individual Subcontractor or an Ancillary Subcontractor retained by the Contractor to perform Work provided that such Individual Subcontractor or Ancillary Subcontractor complies with the provisions hereof and is covered by the insurance of the

Contractor specified in Article 14. The Contractor shall be responsible to Enbridge Gas Distribution for any Individual Contractor or Ancillary Subcontractor as provided herein including in this Section and Sections 1.12 and 1.13.

The names of all Subcontractors approved by Enbridge Gas Distribution in accordance with the provisions hereof (which shall include Affiliates of the Contractor approved by Enbridge Gas Distribution in accordance with the provisions hereof) shall be listed in Schedule 1.11.

1.12 Subcontractors.

- (a) The Contractor will remain responsible for any and all obligations under this Agreement performed by any Subcontractor to the same extent as if such obligations were performed by the Contractor. In addition the Contractor shall ensure that all Subcontractors, comply with all of the terms of this Agreement and all Laws. The Contractor will remain Enbridge Gas Distribution's sole point of contact regarding the Work.
- (b) If Enbridge Gas Distribution concludes that any Work is not being performed in accordance with the provisions hereof by any Subcontractor or any Employee, Enbridge Gas Distribution shall notify the Contractor and the Contractor shall immediately resolve such issues on a basis acceptable to the Enbridge Gas Distribution Contract Manager. The Contractor shall be required to remove any such Subcontractor or Employee from Work at the direction of Enbridge Gas Distribution where the Contractor has not been able to resolve any issues to the satisfaction of Enbridge Gas Distribution. If removal of any such Subcontractor or Employee is required at the direction of Enbridge Gas Distribution in accordance with this Section 1.12(b), Enbridge Gas Distribution shall not be responsible for any resulting notice requirements, termination fees or payments, penalties, damages, compensation benefits or other amounts payable upon termination of the subcontract or employment or other consequences of such removal all of which shall be the sole responsibility of and paid for by the Contractor and dealt with by the Contractor.
- (c) Enbridge Gas Distribution reserves the right to pay any Work Charges directly to the Subcontractor when the Contractor has not paid the Subcontractor in a timely fashion provided that Enbridge Gas Distribution has given the Contractor three Business Days notice in writing of its intention to make such payment and the details thereof and the Contractor has not made the specified payment within such period, and any such payment relieves Enbridge Gas Distribution of payment of such amount to the Contractor. The Contractor shall bear any costs or damages incurred by Enbridge Gas Distribution in connection with any payment by Enbridge Gas Distribution hereunder.

1.13 Contractor Responsibility.

The Contractor agrees that it shall be responsible for performing the Work and for any Person that the Contractor retains, hires or employs (directly or indirectly) to perform the Work. The Contractor agrees that such Persons are not and shall not, for any purpose whatsoever, be considered to be employees or agents of Enbridge Gas Distribution. The Contractor agrees that

it, and not Enbridge Gas Distribution, is responsible for liabilities arising from or pertaining to the performance of the Work and any such Persons performing the Work on behalf of the Contractor and the Contractor agrees to indemnify and hold harmless Enbridge Gas Distribution and its Affiliates and their respective directors, officers and employees from any claims made in connection with the performance of the Work and by any such Persons performing the Work on behalf of the Contractor against Enbridge Gas Distribution and its Affiliates and their respective directors, officers and employees including for or in respect of costs or damages, legal fees, compensation, notice upon termination or payments in lieu thereof or benefits or for withholdings as an employee whether of the Contractor, Enbridge Gas Distribution or any of its Affiliates or otherwise. The Contractor shall also indemnify Enbridge Gas Distribution as provided in Article 13.

1.14 Performance by Enbridge Gas Distribution.

The Contractor acknowledges that Enbridge Gas Distribution does and will continue in its discretion to perform any and all Work by or for itself from time to time. In addition, the Contractor acknowledges that Enbridge Gas Distribution reserves the right in the discretion of Enbridge Gas Distribution to have Work performed in whatever manner and by whomever Enbridge Gas Distribution may choose where the type of Work has not been performed by the Contractor in accordance with the provisions of this Agreement and to the satisfaction of Enbridge Gas Distribution.

1.15 Right of Enbridge Gas Distribution to Stop and Take Over Work.

Notwithstanding any other provision herein:

- (a) If the Contractor fails to perform any part of the Work in a manner which is satisfactory to Enbridge Gas Distribution, or in the event the Work is not proceeding with such speed as to comply with this Agreement or in the event of failure of the Contractor to comply with any of the other requirements of this Agreement, then Enbridge Gas Distribution shall have the right in its discretion to notify the Contractor in writing that it is in default of its contractual obligations and then the Contractor shall immediately provide Enbridge Gas Distribution with a report satisfactory to Enbridge Gas Distribution detailing the cause of, and procedure for correcting such failure.
- (b) If the Contractor fails to implement to the satisfaction of Enbridge Gas Distribution the procedures specified in the Contractor's report referred to in paragraph (a) above within five days, then Enbridge Gas Distribution may:
 - (i) correct such default and deduct the cost thereof from any payment then or thereafter due the Contractor, or
 - (ii) terminate this Agreement, or
 - (iii) correct such default and terminate this Agreement.

1.16 Compliance with Manuals and Policies.

- (a) The Contractor shall in performing the Work comply with all Manuals, including, without limitation, those listed in Schedule 1.16, and policies regarding the ownership, confidentiality and protection of the Personal Information of all present, future and former Customers and Employees and of Customer data.
- (b) Enbridge Gas Distribution acknowledges that the Contractor may have its own operational policies to which it will be subject and with which it must comply, though the Contractor shall in all cases comply with any higher standards in the Manuals and aforementioned Enbridge Gas Distribution policies. Further, to the extent there is any conflict between the Manuals, Technical Announcements and Safety Alerts and the policies of the Contractor, the Manuals, Technical Announcements and Safety Alerts shall govern, and the Contractor shall comply with the Manuals, Technical Announcements and Safety Alerts and any other procedures and policies of Enbridge Gas Distribution. The Contractor shall train its Employees on its and Enbridge Gas Distribution's procedures and policies (which includes compliance with all Laws) and shall regularly check for compliance with and rectify any failures to comply all of which shall be subject to review by Enbridge Gas Distribution. In addition, the Contractor shall notify the Enbridge Gas Distribution Contract Manager where the Contractor detects a failure to comply with such procedures and policies which is material or which relates to the safety of the public or property. The cost of complying with this paragraph shall be borne by the Contractor.
- (c) Copies of the Manuals and the procedures and policies of Enbridge Gas Distribution have been provided to the Contractor. Enbridge Gas Distribution shall notify the Contractor of any changes, updates, modifications or amendments that Enbridge Gas Distribution may make to the Manuals and such procedures and policies. Any such changes, updates, modifications or amendments shall immediately (or as otherwise specified) be implemented and complied with pursuant to paragraphs (a) and (b) above. The Contractor will be responsible for the implementation of any modifications to the performance of the Work forthwith as a result of such changes, updates, modifications and amendments.

1.17 Compliance with Laws.

- (a) General. Each of the Parties shall comply and perform their respective obligations hereunder in accordance with, and the Contractor shall ensure that the Subcontractors comply and perform their obligations in accordance with, all applicable Laws. Where the requirements or obligations of the Manuals (provided for under Section 1.16) are more stringent or onerous than applicable Laws, the Contractor shall comply with the Manuals.
- (b) Where a Change Order Request has not been executed by the date required for the implementation of a Regulatory Change, the Contractor shall, in any event, perform the Work in accordance with such Regulatory Change.

(c) **Specific Legislation.** Without limiting the generality of the foregoing, the Parties acknowledge and agree that the Contractor shall comply with the following Laws in performing the Work:

- (i) **Technical Standards and Safety Act.** The Contractor shall perform the Work in accordance with and in such a manner as to allow Enbridge Gas Distribution to comply with all applicable requirements of the Technical Standards and Safety Act and any and all regulations, regulatory directive, order or policy thereunder to the extent applicable to Enbridge Gas Distribution or the Contractor or the Work.
- (ii) **Health and Safety Laws and Environmental Laws.** The Contractor shall perform the Work in a safe and responsible manner and, in this regard, comply with all Laws, including all environmental, labour, human rights, occupational health and safety and other Laws applicable to the Contractor and the performance of Work, including the Workplace Safety and Insurance Act, the Occupational Health and Safety Act and all Environmental Laws and familiarize itself with and procure all required permits and licenses and pay all charges and fees necessary and incidental to the due and lawful completion of the Work and indemnify and save harmless Enbridge Gas Distribution and its shareholders, directors, officers, employees and agents against any claim or liability from or based on the violation of any such Laws, whether by the Contractor or a Subcontractor or any of their respective directors, officers, employees, agents, representatives and, if requested by Enbridge Gas Distribution, furnish Enbridge Gas Distribution with evidence of such compliance and, in particular, with evidence from the Workplace Safety and Insurance Board that the Contractor has paid all assessments and other amounts owing pursuant to the Workplace Safety and Insurance Act;
- (iii) **Privacy Law.** In performing the Work, the Contractor will obtain personal information about Customers, potential customers of Enbridge Gas Distribution and employees of Enbridge Gas Distribution, including without limitation, name, address, telephone number, meter number or service location or number and tie in to the main. All such information is referred to hereafter as "Personal Information". In the course of performing Work hereunder, the Contractor agrees to comply with the Personal Information Protection and Electronic Documents Act and all other applicable present and future federal and provincial privacy or protection of Personal Information legislation (collectively the "Privacy Law") and shall only use such Personal Information for the purposes of performing the Work hereunder. Furthermore, the Contractor acknowledges and agrees that it will: (A) not otherwise use or disclose any Personal Information, except as required or permitted by Privacy Law; (B) establish policies and procedures in accordance with Privacy Law to protect Personal Information from unauthorized use or disclosure; (C) implement such policies and procedures thoroughly and effectively and in accordance with the terms thereof; (D) not develop or derive for any

purpose whatsoever any other product in machine-readable form or otherwise, that incorporates, modifies, or uses in any manner whatsoever, Personal Information; (E) will not use the Personal Information for any marketing efforts and will not sell or convey Personal Information to third parties except Subcontractors who are permitted assigns hereunder and held to the same standards as the Contractor and who have signed written agreements to keep this Personal Information confidential; and (F) upon completion of its Work for or on behalf of Enbridge Gas Distribution hereunder, destroy all Personal Information and all copies and records thereof unless otherwise agreed to in writing by Enbridge Gas Distribution. Enbridge Gas Distribution shall be entitled to conduct a review under Article 12 of the Contractor's Personal Information handling practices and procedures to ensure the Contractor's compliance with the foregoing provisions and Privacy Law. The Contractor shall at its own cost co-operate with and assist Enbridge Gas Distribution in complying with any audits done by government officials under the Privacy Law, adopt any recommendations of such government officials and/or the courts, and immediately notify the Enbridge Gas Distribution Contract Manager of any breaches of Privacy Law.

1.18 Contractor's Responsibility for Work Methods.

The Contractor has full responsibility and authority to select the means, methods and manner of performing the Work, subject only to the limitations and obligations imposed by this Agreement, the Manuals and by applicable Laws.

1.19 Right to Require Cessation of Work.

Enbridge Gas Distribution has the right to require that the Contractor cease Work if Enbridge Gas Distribution has reasonable grounds to believe that the Work is being done or is about to be done in a hazardous manner or not in compliance with this Agreement. The cost of cessation of the Work is that of the Contractor.

1.20 Damage to the Work before Final Acceptance.

Prior to final acceptance of the Work, the Contractor shall repair or replace, without cost to Enbridge Gas Distribution, any materials, equipment or Work damaged and any materials or equipment lost.

1.21 Quality of Work.

Enbridge Gas Distribution shall be the final judge of the quality of the Work performed and whether or not it meets the requirements of this Agreement. The criteria for the quality of the Work are set out herein and in the Contract Specifications, the Manuals, the Technical Announcements and the Safety Alerts and in applicable Laws. Failure to enforce compliance with this Agreement does not manifest a change of intent. Any failure or neglect on the part of Enbridge Gas Distribution to condemn or reject any inferior Work or materials shall not be construed to imply an acceptance of such Work or materials. The Contractor shall remain fully responsible for complete compliance with this Agreement.

1.22 Correction of Defects.

The Contractor shall be required to correct all defects which become evident at any time prior to final acceptance of the Work by Enbridge Gas Distribution. The cost of all such repairs, including for material and labour, shall be borne by the Contractor.

1.23 Rectification of Work.

Any phase of the Work which has not been completed as required by this Agreement shall be immediately corrected or completed by the Contractor in accordance with the provisions thereof at the Contractor's own cost and at no additional expense to Enbridge Gas Distribution.

1.24 Title to the Work.

The completed Work, all Work in the course of construction and all materials furnished by Enbridge Gas Distribution or by the Contractor, irrespective of the location thereof (other than property owned by a Customer), shall be owned by Enbridge Gas Distribution, but the ownership thereof by Enbridge Gas Distribution shall not absolve the Contractor from liability for loss or damage to same, nor from any other duty or responsibility for same provided for in this Agreement or otherwise by applicable Laws.

1.25 Contractor Business Continuity Plan.

The Contractor shall on the Effective Date provide to Enbridge Gas Distribution a business continuity plan acceptable to Enbridge Gas Distribution which will provide for the delivery of Emergency Work in the event of Force Majeure Events including labour disruption and blackout and will also provide for alternate means of communicating with Enbridge Gas Distribution during a Force Majeure Event. Enbridge Gas Distribution may from time to time require testing of the business continuity plan.

1.26 Enbridge Gas Distribution Opinion Binding.

The opinion or decision of the Enbridge Gas Distribution Contract Manager shall govern and be binding on the Parties hereto in the event of any question, or any dispute or disagreement or difference of opinion between Enbridge Gas Distribution and the Contractor, relating to: (a) the quality or acceptability or rate of progress of any Work, (b) the interpretation of any plans and specifications concerning any Work, (c) the performance of any of the obligations under this Agreement or, (d) compliance with any of the terms and conditions of this Agreement. Disputes, disagreements or differences of opinion between Enbridge Gas Distribution and the Contractor with respect to the pricing of Changes that cannot be resolved by the mutual agreement of the Parties shall be subject to dispute resolution under Article 16 in accordance with the provisions thereof, including Section 16.1(c).

ARTICLE 2 CONTRACT SPECIFICATIONS AND CONTRACTOR SCORECARD

2.1 Contract Specifications and Scorecards.

- (a) Contract Specifications. The Contractor will perform the Work in accordance with the terms hereof, including the provisions of Articles 1 and 9, and as provided in Schedules s. 1.1, 2.1(a) and 2.1(b)(i) as such Schedules may be amended from time to time in accordance with the provisions hereof (altogether, the "Contract Specifications").
- (b) Contractor Scorecard.
 - (i) Attached as Schedule 2.1(b)(i) is the Contractor's scorecard (the "Contractor Scorecard") which sets out certain objectives for the Contractor to meet with respect to its performance of Work hereunder. The Contractor Scorecard contains measures, targets and weightings which are used to measure the Contractor's level of performance hereunder on a monthly and an annual basis. The Contractor's score on the Contractor Scorecard is calculated by Enbridge Gas Distribution monthly in order to assess and identify any issues with the Contractor's performance in a timely fashion. Annually at the end of each Fiscal Year, the Contractor's score is calculated by Enbridge Gas Distribution. After the 2004 Fiscal Year, the score on the Contractor Scorecard determines the Contractor's entitlement to an Incentive as provided in Section 4.1.
 - (ii) The Contractor shall at all times use commercially reasonable efforts on a diligent basis to achieve the highest possible score on the Contractor Scorecard. The Contractor shall on a monthly basis and on an annual basis achieve a minimum score of at least 90% on the Contractor Scorecard. In this regard, Enbridge Gas Distribution shall use commercially reasonable efforts on a diligent basis to achieve the highest possible score on the Enbridge Gas Distribution Scorecard provided for in Section 4.2 and attached as Schedule 4.2(a). The Contractor shall assist Enbridge Gas Distribution to achieve the highest possible score on the Enbridge Gas Distribution Scorecard and Enbridge Gas Distribution shall assist the Contractor to achieve the highest possible score on the Contractor Scorecard.
 - (iii) The measures, targets and weightings contained in the Contractor Scorecard will be reviewed by Enbridge Gas Distribution at the end of each Fiscal Year commencing with the Fiscal Year ending in 2004 and in conjunction with Field Force Technology becoming operational. The Contractor Scorecard will be amended upon the agreement of Enbridge Gas Distribution and the Contractor.
 - (iv) From the Effective Date and during the remainder of the 2004 Fiscal Year, the Incentive and penalty provisions hereunder relating to the Contractor Scorecard shall not apply except for the obligation of the Contractor to

satisfy and perform Critical Measures. Failure by the Contractor to satisfy and perform Critical Measures shall constitute an event entitling Enbridge Gas Distribution to terminate this Agreement under Section 15.1(a).

(c) Failure to Perform.

- (i) If the Contractor fails to meet any Contract Specifications, then the Contractor shall immediately (A) notify Enbridge Gas Distribution and forthwith correct such failure and begin meeting such Contract Specifications as promptly as practicable; and (B) provide Enbridge Gas Distribution with a report satisfactory to Enbridge Gas Distribution detailing the cause of, and procedure for correcting such failure.
- (ii) If the Contractor fails to implement to the satisfaction of Enbridge Gas Distribution the procedures specified in the Contractor's report referred to in paragraph (i)(B) above within five days, then Enbridge Gas Distribution has the right to terminate the Agreement.
- (iii) Failure by the Contractor to achieve a score on the Contractor Scorecard of at least 75% in any two consecutive months or in any two months in any six-month period or 80% for any Fiscal Year after the 2004 Fiscal Year or to meet or satisfy a Critical Measure at any time shall, at the option of Enbridge Gas Distribution, result in any one or more of the following (A) loss of the Incentive for the Fiscal Year, (B) Financial Sanction, (C) termination of this Agreement, or (D) reduction in the Agreement Term in an amount determined by Enbridge Gas Distribution in its discretion.

2.2 Work Warranties and Guarantees.

In addition to any and all other expressed or implied warranties or guarantees of or made by the Contractor whether hereunder or under any other documentation relating to the Work, the Contractor guarantees that the Work will be free from any and all defects in Work completed, or defects in material supplied (except for materials supplied by Enbridge Gas Distribution that have been stored and installed by the Contractor in accordance with the specifications and procedures of Enbridge Gas Distribution), by the Contractor or any Subcontractor. The Contractor shall, promptly after becoming aware of or being notified of any such defects, correct, repair or replace such defects at its own expense. The Contractor also agrees to repair or replace, at its own expense, any part of the Work that may develop any defects in Work completed or due to faulty materials provided by the Contractor whensoever discovered whether such defect is classified as latent or patent, and to restore the Work and the site of the Work to the condition stipulated in this Agreement. In addition, the Contractor shall pay for any resulting damage to Enbridge Gas Distribution and its Customers and their respective properties. If the Contractor does not correct such defects promptly after notification thereof, Enbridge Gas Distribution may correct or arrange for the correction of such defects and charge to the Contractor all costs (including all normal overhead charges attributable to fringe benefits provided by Enbridge Gas Distribution to its employees) of correcting such defects plus a supervisory fee of up to 15% per cent of such costs.

2.3 Enbridge Gas Distribution's Right of Inspection.

The Contractor shall co-operate with and provide Enbridge Gas Distribution with every opportunity to ascertain the quality of the Work performed and measure the performance of the Work in accordance with this Agreement.

ARTICLE 3 ELECTRONIC INVOICING AND PAYMENT

3.1 Electronic Invoicing and Payment.

The Contractor shall record all details of the Work into the Enbridge Gas Distribution System in accordance with the electronic invoicing process and timeframes and records completion requirements for both Long Cycle Work and Short Cycle Work as set out in Schedule 3.1 (the "Electronic Invoicing Process").

Charges for Work will be estimated in advance of the completion of the Work based on the pricing provided in Schedule 1.1 and an estimate of the type and volume of Work to be completed for a Work Request ("Cost Estimate"). The Enbridge Gas Distribution System will verify that the Cost Estimates as compared to actual costs are within the accepted threshold of plus or minus five percent ("Variance"). Work Requests that are outside the threshold limits will be resolved in accordance with Schedule 3.1 and will be eligible to be reinitiated through the Electronic Invoicing Process.

Pay items in respect of Short Cycle Work are automatically passed to the Enbridge Gas Distribution accounts payable department upon confirmation of the completion of the Work in accordance with the requirements hereunder provided that the estimate compared to as built costs does not exceed the Variance. If an upload error exists or as built costs exceed Variance such must be completed or resolved prior to pay items being passed to the Enbridge Gas Distribution accounts payable department.

Partial payment in respect of Long Cycle Work is made upon completion of an agreed piece of Work (point/span) and reconciliation adjustment payments are made prior to the close of the Work Request.

Upon completion of all required matters under the Electronic Invoicing Process, an invoice will be created daily with each Work Request listed as a line item (the "Daily Invoice") and sent to the Contractor. The Daily Invoice will be generated automatically by Enbridge Gas Distribution for payment processing by the Enbridge Gas Distribution System. There could be more than one invoice per day depending on system requirements to create a limited number of items on any invoice. When Enbridge Gas Distribution has verified the invoice, is satisfied that the Work has been performed in accordance with this Agreement and provided that the Contractor has complied with all of the terms and conditions hereof, Enbridge Gas Distribution will issue payment to the Contractor in accordance with the rates set out in Schedule 1.1 (the "Work Charges").

3.2 Reimbursement of Expenses.

Any and all expenses that the Contractor incurs in performing the Work (other than Work that is Contractor Cost or Target Pricing) specifically including, without limitation, for supervision, labour, materials and supplies, tools and equipment and all costs of clean up are included in the Contractor's charges and rates set forth in this Agreement. Accordingly, Contractor expenses are not reimbursable by Enbridge Gas Distribution. The Parties will be responsible for expenses in connection with Work that is Contractor Cost or Target Pricing in accordance with the agreement of the Parties made with respect to such Work.

3.3 Access to Contractor Information.

Without limiting the provisions of Article 12, Enbridge Gas Distribution shall have access during normal business hours to and be entitled to inspect and be provided with copies of such business records applicable to the Work, including invoices and time sheets, in whatever form, as are necessary to verify and audit any calculation of any amount to be paid to the Contractor in respect of any Work and the Contractor shall not be entitled to payment of such amount until the calculation thereof has been verified by Enbridge Gas Distribution to its satisfaction acting reasonably.

3.4 Extra Work and Related Work.

The Contractor shall not be entitled to any payment in respect of any Work unless such Work shall have been previously authorized in writing by Enbridge Gas Distribution in accordance with the terms of Article 1, unless such Work is Related Work.

3.5 Construction Lien Act.

All payments required to be made under this Agreement shall be subject to the Construction Lien Act.

3.6 Disputed Charges.

It is the responsibility of the Contractor to ensure the accuracy and completeness of all information submitted by the Contractor into the Electronic Invoicing Process. Charges for Work hereunder that are disputed shall be settled by the Contract Managers of the respective Parties and, if such Contract Managers are unable to resolve such charges for Work which are disputed, such dispute shall be submitted to the dispute resolution process of Article 16, including Section 16.1(c). The Contractor will be liable for reimbursing any losses suffered by Enbridge Gas Distribution as a result of any invalid submission or charge plus a supervision fee of up to 15% of the invalid charge to be determined in the discretion of Enbridge Gas Distribution. Where Enbridge Gas Distribution disputes charges made by the Contractor hereunder and it is subsequently agreed by Enbridge Gas Distribution and the Contractor that the position of the Contractor with respect to such disputed charges was correct, Enbridge Gas Distribution shall be liable to the Contractor for a fee equal to 15% of the amount of such disputed charges.

In the case of invalid submission or charges of a repeated nature, the Contractor agrees that the extent of the damages suffered by Enbridge Gas Distribution will be estimated by Enbridge Gas

Distribution and the Contractor based on a sampling of the Work performed. Where as built costs exceed the Variance and disputed payment items that are returned to the Contractor for correction will be subject to Enbridge Gas Distribution's processing charge. The Contractor acknowledges that the submission of any information relating to or requests for payment to Enbridge Gas Distribution that are invalid, outside the terms hereof or unnecessary is a serious violation of this Agreement and could result in termination of this Agreement by Enbridge Gas Distribution or a Financial Sanction.

3.7 True Up/Adjustment.

Where the Parties agree to a Change Order that includes a change in Unit Pricing, Schedule 1.1 shall be amended accordingly. Where such Change Order affects the pricing of Work that has been paid for, the Change Order must specify the type and volume of Work covered by the change in Unit Pricing. If the Unit Pricing has increased, Enbridge Gas Distribution shall make a payment to the Contractor equal to the agreed increase per unit times the agreed number of units included in the Change Order. Where the Unit Pricing has decreased, Enbridge Gas Distribution shall be entitled to set off against amounts then owing to the Contractor, an amount equal to the agreed decrease per unit times the number of units included in the Change Order. In addition, Schedule 4.2(b) shall be amended accordingly.

Section 4.2(c) provides for a true up at the end of the Benefit Year to account for volume where the Contractor chooses to pay a portion of the EGD Total Benefits Objective with across-the-board price reductions. Enbridge Gas Distribution shall calculate the dollar amount of the benefit received from across-the-board price reductions during the Benefit Year within 30 days of the end of the Benefit Year. Where the Value of the Price Reduction exceeds the Required Price Reduction Benefit for the Calculation Year, Enbridge Gas Distribution shall forthwith pay the Contractor the difference. Where the Required Price Reduction Benefit for the Calculation Year exceeds the Value of the Price Reduction, the Contractor shall forthwith pay Enbridge Gas Distribution the difference.

"Value of the Price Reduction" is the difference between the Undiscounted Revenues for the Benefit Year and the Contractor's Revenues for the Benefit Year.

"Undiscounted Revenues for the Benefit Year" is calculated using the following formula:

$$x = \frac{z}{(1-y)}$$

where x = Undiscounted Revenues for the Benefit Year
and y = Price Reduction Percentage
and z = Contractor's Revenue for the Benefit Year

"Required Price Reduction Benefit" is the portion of the EGD Total Benefits Objective to be delivered by the Contractor through across-the-board price reductions in the Benefit Year under Section 4.2(c).

3.8 Security.

Enbridge Gas Distribution shall be entitled to require that the Contractor provide security in favour of Enbridge Gas Distribution to secure the payment of any amounts owed by the Contractor or any obligations of the Contractor hereunder in the form of a charge over all of the assets of the Contractor registered under the Personal Property Security Act at such time as Enbridge Gas Distribution shall in its discretion reasonably determine.

3.9 Taxes.

All amounts billed for Work Charges shall be exclusive of goods and services tax and retail sales tax, which shall be charged, if applicable, in addition thereto and shall be shown separately on all invoices. For greater certainty, each Party shall be responsible for any Tax liability incurred by such Party and Enbridge Gas Distribution shall in no way be responsible to compensate the Contractor or any of its Subcontractors or any others for any liability that any of them may incur for Taxes and the responsibility for payment of such Taxes shall be the responsibility of the Contractor or its Subcontractors, as the case may be. Notwithstanding the foregoing, if any Party is obliged by Tax legislation to collect Tax from another Party and remit same to a Governmental Authority, the other Party shall pay such Tax to the first Party who shall remit same to the applicable Governmental Authority in accordance with such Tax legislation. Notwithstanding the foregoing, Enbridge Gas Distribution shall be liable and shall pay any property or use taxes levied on material supplied by Enbridge Gas Distribution and shall likewise pay the cost of any federal and provincial or any other governmental permits for rights of way furnished by Enbridge Gas Distribution.

ARTICLE 4 INCENTIVE, ENBRIDGE GAS DISTRIBUTION SCORECARD AND BENEFITS REQUIREMENT

4.1 Contractor's Incentive.

In each Fiscal Year after the 2004 Fiscal Year, the Contractor will be eligible to receive an incentive ("Incentive") based upon its annual score on the Contractor Scorecard ("Contractor's Score"), subject to the Contractor's compliance with this Agreement including its covenants to perform the Work in accordance with all Laws and the standards provided herein and also subject to the provisions of Section 2.1. The Contractor is not entitled to any Incentive where the Contractor's Score is less than 75% in any two months in any six month period or 80% for the Fiscal Year.

The Incentive equals:

$$0.01 \times CR \times \frac{[(100-CS) \times ((100-CS)/20)]}{(CS/100)}$$

where;

CR = Contractor's Unit Revenue, and

CS = Contractor's Score

Enbridge Gas Distribution will calculate the Contractor's Score and the amount of any Incentive within 30 days of the end of each Fiscal Year and immediately notify the Contractor of the results of such calculations and the amount of any Incentive.

4.2 Enbridge Gas Distribution Scorecard, Total Benefits Requirement and Total Benefits Objective

- (a) The Enbridge Gas Distribution Scorecard is attached as Schedule 4.2(a). The Enbridge Gas Distribution Scorecard contains measures, targets and weightings which are used to measure Enbridge Gas Distribution's performance hereunder on an annual basis. The aggregate annual score for Enbridge Gas Distribution is generated by totalling the annual results of Enbridge Gas Distribution on the Enbridge Gas Distribution Scorecard (the "Enbridge Gas Distribution Score").

The measures, targets and weightings contained in the Enbridge Gas Distribution Scorecard will be reviewed by Enbridge Gas Distribution at the end of each Fiscal Year commencing with the Fiscal Year ending in 2004 and in conjunction with Field Force Technology becoming operational. The Enbridge Gas Distribution Scorecard will be amended upon the agreement of Enbridge Gas Distribution and the Contractor.

- (b) The "Enbridge Gas Distribution Total Benefits Requirement" shall be equivalent to the Value of Flat Prices given a 3% inflation factor compounded annually and normalized for the Contractor's Unit Revenue in each Fiscal Year. The "Value of Flat Prices" is defined by Schedule 4.2(c) which outlines the categories, indices and weightings to be reviewed annually to determine the previous year's Value of Flat Prices.

The "Enbridge Gas Distribution Total Benefits Objective" shall be the sum of the Enbridge Gas Distribution Total Benefits Requirement and Committed Benefits. As provided herein, Enbridge Gas Distribution and the Contractor have agreed to undertake Initiatives which shall deliver net benefits to the Parties. The form of Committed Benefits is included as Schedule 4.2(d). The aggregate value to Enbridge Gas Distribution of Initiatives specified each Fiscal Year in Schedule 4.2(d) is referred to herein as "Committed Benefits".

$$TBO = TBR + CB$$

where;

TBO = Enbridge Gas Distribution Total Benefits Objective

TBR = Enbridge Gas Distribution Total Benefits Requirement

CB = Committed Benefits

Further, the Contractor shall deliver benefits to Enbridge Gas Distribution independent of the Value of Flat Prices and the Enbridge Gas Distribution Score. Such portion shall equate to the Value of Flat Prices given a 1.5% inflation factor

compounded annually and normalized for the Contractor's Unit Revenue in each Fiscal Year which benefits are referred to herein as the "Fixed Portion of Contractor's Obligation".

Schedule 4.2(b) outlines the Fixed Portion of Contractor's Obligation, the Enbridge Gas Distribution Total Benefits Requirement, the Committed Benefits and the Enbridge Gas Distribution Total Benefits Objective based on expected Contractor's Unit Revenue by year. Actual amounts will be normalized for actual Contractor's Unit Revenue.

The difference between the Enbridge Gas Distribution Total Benefits Objective and the Fixed Portion of Contractor's Obligation is variable (as a direct proportion) with Enbridge Gas Distribution's Score. This variable portion along with the Fixed Portion of Contractor's Obligation makes up the dollar value of the Contractor's obligation ("Contractor's Obligation") which must be delivered to Enbridge Gas Distribution by the Contractor in each Fiscal Year after the 2004 Fiscal Year (the "Calculation Year").

$$CO = FP + (TBO - FP) \times EGD \text{ Score}$$

where;

CO = Contractor's Obligation

FP = Fixed Portion of Contractor's Obligation

TBO = Enbridge Gas Distribution Total Benefits Objective

EGD Score = Enbridge Gas Distribution Score

The Contractor's Obligation equals Enbridge Gas Distribution Total Benefits Objective where the Enbridge Gas Distribution Score is 100%.

The Contractor shall deliver the Contractor's Obligation in one or more ways:

- (i) Value of Flat Prices;
- (ii) dollar average value to Enbridge Gas Distribution of Initiatives;
- (iii) any Incentive for the Calculation Year;
- (iv) lump sum cash payment by certified cheque, bank draft or wire transfer or other direct deposit;
- (v) credits to be applied against Work Charges that are not disputed by Enbridge Gas Distribution;
- (vi) across the board price reduction for Work as provided below.

Business cases for Initiatives shall define their value to Enbridge Gas Distribution and their value to the Contractor. The Contractor's Obligation will be reduced dollar for dollar by the dollar average value to Enbridge Gas Distribution of Initiatives as agreed in the relevant Initiative business cases.

In the case of a gap between the Value of Flat Prices and the Contractor's Obligation, the Contractor will make up the difference through delivery of benefits to Enbridge Gas Distribution through Initiatives. To the extent that a gap remains the Incentive for the Calculation Year will be offset against the gap. The Contractor's Obligation beyond the benefits delivered through the Value of Flat Prices, Initiatives, and Incentives will be limited to the value of the EGD Total Benefits Requirement.

Where the Contractor's Obligation is less than the Enbridge Gas Distribution Total Benefits Requirement due to normalization for Enbridge Gas Distribution's Score, the Enbridge Gas Distribution Total Benefits Requirement shall be reduced by such difference.

Where the dollar value of benefits delivered to Enbridge Gas Distribution by the Contractor hereunder exceeds the Contractor's Obligation due to the Value of Flat Prices, subject to the paragraph below, Enbridge Gas Distribution shall pay the Contractor such excess within 60 days of the end of the Calculation Year.

To the extent that the Contractor's Obligation is exceeded due to Initiatives, Enbridge Gas Distribution shall share such overage according to the dollar average benefits split as agreed in the relevant Initiative business cases. Such sharing shall be limited to Initiative amounts delivered above the greater of: (x) Contractor's Obligation or (y) the Value of Flat Prices.

Schedule 4.2e contains sample calculations.

- (c) The Contractor shall compensate Enbridge Gas Distribution in a dollar amount equal to the Contractor's Obligation in one or more of the ways referred to in paragraph (b) above such means of payment to be determined by the Contractor in its discretion provided that the Contractor notifies Enbridge Gas Distribution in writing (the "Contractor's Notice") of such within 30 days of the determination of the Contractor's Obligation and makes any lump sum payment within 60 days of such determination.

Price reductions will be across-the-board price reductions for all Work performed by the Contractor in the Fiscal Year following the Calculation Year (the "Benefit Year"), trued up at the end of the Benefit Year under Section 3.7 to account for volume. The across-the-board price reductions for Work in the Benefit Year will be a percentage equal to the Contractor's Obligation divided by the Contractor's Unit Revenue in the Calculation Year (the "Price Reduction Percentage").

ARTICLE 5 GOVERNANCE

5.1 Contractor Contract Manager.

The Contractor will designate a senior-level individual who will be dedicated to the performance by the Contractor under this Agreement and will be the principal contact person with Enbridge Gas Distribution (the "Contractor Contract Manager"). The Contractor Contract Manager (i) will be the primary contact person with Enbridge Gas Distribution in dealing with the Contractor under this Agreement and the performance of the Work under and in accordance with this Agreement, (ii) will have overall responsibility for managing and coordinating the delivery of the Work in accordance with the terms hereof, (iii) will meet regularly with the Enbridge Gas Distribution Contract Manager, (iv) will have the authority to make decisions and take actions on behalf of the Contractor in the ordinary course of day-to-day performance and management of the Work and (v) will serve as an escalated point of contact for any Work issues not resolved locally or regionally. Any removal and replacement of a Contractor Contract Manager shall be done in accordance with the Exit Criteria as set out in Schedule 5.1.

5.2 Enbridge Gas Distribution Contract Manager.

Enbridge Gas Distribution will designate a senior level individual (i) who will be the primary contact person with the Contractor in dealing with Enbridge Gas Distribution under this Agreement, (ii) who will have the authority to make decisions and take actions on behalf of Enbridge Gas Distribution in the ordinary course of day-to-day management of this Agreement, (iii) who will serve as an escalated point of contact for any Work issues not resolved locally or regionally, and (iv) who has been considered by the Executive Committee (the "Enbridge Gas Distribution Contract Manager"). Enbridge Gas Distribution may from time to time replace the individual serving as the Enbridge Gas Distribution Contract Manager (including short term replacements to provide for vacation and other temporary absences) by providing written notice to the Contractor. The Enbridge Gas Distribution Contract Manager shall be the point of contact in all matters related to the interpretation of this Agreement.

5.3 Regional Representatives.

- (a) The Contractor shall give Enbridge Gas Distribution written notice of the name, address, phone number and other contact points of each Regional Representative appointed and authorized by it to receive on its behalf such instructions, decisions or contractual interpretations as may be given or made by the Enbridge Gas Distribution Contract Manager in relation to this Agreement. Such notice shall be provided:
 - (i) at or prior to the Effective Date;
 - (ii) prior to any change in a Regional Representative; and
 - (iii) prior to the addition of a new Regional Representative.
- (b) Enbridge Gas Distribution shall give the Contractor written notice of the name, address, phone number and other contact points of each Regional Representative

appointed and authorized by it to give on its behalf such instructions, decisions or contractual interpretations as may be given or made by the Enbridge Gas Distribution Contract Manager in relation to this Agreement. Such notice shall be provided:

- (i) at or prior to the Effective Date;
- (ii) prior to any change in a Regional Representative; and
- (iii) prior to the addition of a new Regional Representative.

5.4 Reports.

- (a) In addition to any other reports that the Contractor is required to provide hereunder, the Contractor will provide to Enbridge Gas Distribution periodic reports regarding the Work, including the following reports, in such form as required by Enbridge Gas Distribution:
 - (i) monthly, within 14 days of the end of each month, a status report that (A) confirms the completion of all records relating to Work and reports on such, summarizes the status of projects and Initiatives and identifies any problems with respect to the foregoing or the completion of Work and provides an action plan to deal with and rectify any such problems, (B) sets out relevant Contractor Scorecard inputs, (C) explains deviations from the Contract Specifications and the Contractor Scorecard and includes a plan for corrective action of Contract Specifications or Contractor Scorecard results, (D) outlines and describes the training provided by the Contractor to Employees during the month including to deal with any Technical Announcements, Safety Alerts or other updates to the Manuals, (E) discusses the quarterly officer's certificate referred to in paragraph (ii) below and describes in detail any significant events or matters relating to the financial condition, status or outlook of the business or operations of the Contractor, and an action plan to deal with and rectify such, and (F) discusses any disputes, disagreements or differences of opinion relating to this Agreement that need to be reviewed by the Operating Committee;
 - (ii) quarterly, on the 14th day of the month following each calendar quarter a certificate executed by the chief financial officer of the Contractor in favour of Enbridge Gas Distribution in the form of the certificate attached as Schedule 5.4(a)(ii) hereto; and
 - (iii) annually, within 60 days of the end of its fiscal year, a status report that sets out on an annual basis all of the information required under paragraph (i) above.
- (b) The Contractor will provide Enbridge Gas Distribution with access to the reports referred to in paragraphs (a)(i) and (iii) in electronic form.

5.5 Reviews.

- (a) Monthly Review. In addition to any other meetings that the Contractor is required to participate in hereunder, whether with respect to performance of the Work or otherwise, on a monthly basis between the twenty-first day of the month and the end of the month, the Contract Managers shall meet and conduct a performance review of matters relating to the performance by the Contractor hereunder during the preceding month including the following:
 - (i) review of the monthly report prepared by the Contractor for the previous month and the matters contained therein;
 - (ii) review of the Contractor's results with respect to Contract Specifications;
 - (iii) review of the results on the Contractor Scorecard and the Enbridge Gas Distribution Scorecard;
 - (iv) review and consideration of the certificate of the chief financial officer of the Contractor provided for in Section 5.4(a)(ii) where the meeting is a quarterly meeting;
 - (v) review and consideration of any report contained in Section 5.4(a)(i)(E) with respect to the Contractor's financial status;
 - (vi) status report on any Changes, New Work or Initiatives;
 - (vii) review and consideration of such other matters as determined by Enbridge Gas Distribution including with respect to performance of the Work, any corrective action required to be taken in connection with performance of the Work, training or otherwise; and
 - (viii) review and consideration of any disputes, disagreements or differences of opinion relating to this Agreement in order to seek resolution.
- (b) Annual Review. On an annual basis and within 60 days of the completion of each Fiscal Year, the Contract Managers shall meet and conduct an annual performance review (the "Annual Review"). The Annual Review will include the following:
 - (i) review of the monthly reports prepared by the Contractor for the Fiscal Year and the annual report provided for in Section 5.4(a)(iii) and the matters contained therein;
 - (ii) review of the Contractor's results with respect to Contract Specifications;
 - (iii) review of the results on the Contractor Scorecard and the Enbridge Gas Distribution Scorecard;
 - (iv) review and consideration of any report contained in Section 5.4(a)(i)(E) with respect to the Contractor's financial status;

- (v) status report on any Changes, New Work or Initiatives;
 - (vi) review and consideration of such other matters as determined by Enbridge Gas Distribution, including with respect to the performance of the Work, any corrective action required to be taken in connection with performance of the Work, training or otherwise; and
 - (vii) review and consideration of any disputes, disagreements or differences of opinion relating to this Agreement that have arisen during the year to seek process improvement.
- (c) Each Party shall advise the other Party five business days prior to the monthly and annual meeting of any agenda items proposed for such meetings in addition to the matters stipulated in Sections 5.5(a) and (b). All meetings will be held in such location as mutually agreed by the Parties or at the offices of Enbridge Gas Distribution.

5.6 Relationship with Enbridge Gas Distribution Contractors.

The Contractor shall cooperate co-ordinate and communicate with Enbridge Gas Distribution and any other contractor (including the Participants) retained by Enbridge Gas Distribution ("Enbridge Gas Distribution Contractors") in the integration, where required, of Work under this Agreement with any other work, materials and equipment performed or supplied by Enbridge Gas Distribution or any Enbridge Gas Distribution Contractor. The Contractor shall promptly notify Enbridge Gas Distribution if the Contractor determines that an act or omission of an Enbridge Gas Distribution Contractor will delay or otherwise impair the performance of Work, including to meet or satisfy the Contract Specifications or any other terms hereof.

ARTICLE 6 AGREEMENT TERM; RENEWAL

6.1 Agreement Term.

The term of this Agreement will commence on the Effective Date. Unless earlier terminated or shortened in accordance with the terms of this Agreement (including Section 2.1(c)(iii)), the initial term of this Agreement will continue until December 31, 2008 (the "Initial Term"). The Initial Term of this Agreement, together with any renewal term ("Renewal Term") and the period during which the Contractor provides Termination Assistance Work, is referred to herein as the "Agreement Term".

6.2 Renewal.

On or before December 31, 2007, the Contractor shall provide Enbridge Gas Distribution with a written notice (the "Renewal Notice") containing the Contractor's intentions with respect to renewal of this Agreement. The Renewal Notice shall specify whether the Contractor intends to seek renewal of this Agreement and, if the Contractor seeks renewal of this Agreement, the terms upon which the Contractor seeks such renewal including the length of the renewal period, pricing, the terms of any further renewal and all other material terms.

Where the Contractor seeks renewal, Enbridge Gas Distribution shall respond in writing to the Renewal Notice by February 28, 2008 (the "Response"). Where Enbridge Gas Distribution accepts the Renewal Notice in total, such acceptance shall be binding on both Parties and this Agreement shall continue in full force and effect as amended by and subject to the provisions of the Renewal Notice.

Where Enbridge Gas Distribution rejects the Renewal Notice, both Parties shall fully comply with all of the terms of this Agreement during the remainder of the Agreement Term including with respect to the Termination Assistance Work. The Contractor acknowledges that Enbridge Gas Distribution may reject the Renewal Notice and consider and implement its options including a competitive bidding process.

Where Enbridge Gas Distribution rejects only part of the Renewal Notice, the Response shall contain a response to each material matter contained in the Renewal Notice and, in the discretion of Enbridge Gas Distribution, any additional matters relating to the renewal of this Agreement. In the Response, Enbridge Gas Distribution can, in its discretion, reject any or all of the terms thereof in whole or in part. Where Enbridge Gas Distribution rejects the Renewal Notice in part, the Enbridge Gas Distribution Contract Manager and the Contractor Contract Manager shall meet as often as is necessary in the period commencing March 1, 2008 and ending April 15, 2008 (the "Discussion Period") to resolve all matters raised in the Renewal Notice and the Response where the Parties are not in agreement and any other matters that arise in the course of their discussions. If the Parties have not reached an agreement on all of the material terms to be included in the Agreement by the end of the Discussion Period, either Party may notify the other Party of its intention to not renew the Agreement at the end of the Agreement Term.

Where a Party has notified the other Party of its intention to not renew this Agreement, both Parties shall fully comply with all of the terms of this Agreement during the remainder of the Agreement Term including with respect to the Termination Assistance Work.

ARTICLE 7 CONTRACTOR PERSONNEL

7.1 Contractor Personnel.

The personnel assigned by the Contractor (or a Subcontractor) to perform Work will be and will remain employees of the Contractor (or such Subcontractor), and the Contractor (or such Subcontractor) will provide for and pay all compensation and all benefits of such personnel, including health, accident and workers' compensation benefits and all taxes and contributions that an employer is required to pay (or withhold and contribute) with respect to the employment or termination of employment of such employees and the Contractor shall indemnify and hold harmless Enbridge Gas Distribution from any and all claims made by any Persons in this or any regard.

ARTICLE 8 REPRESENTATIONS, WARRANTIES AND COVENANTS

8.1 Contractor Representations and Warranties.

The Contractor hereby represents and warrants to Enbridge Gas Distribution as follows:

- (a) Organization; Power. The Contractor is a corporation duly organized, validly existing and in good standing under the Laws of the Province of Ontario. The Contractor has all requisite power and capacity to execute and deliver this Agreement and to perform all of its obligations hereunder.
- (b) Authority; Enforceability. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all requisite action on the part of the Contractor. This Agreement constitutes the legal, valid and binding agreement of the Contractor, enforceable against the Contractor in accordance with its terms (except insofar as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally, or by principles governing the availability of equitable remedies).
- (c) Noncontravention. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby does not and will not (i) conflict with or result in any violation of any provision of the charter documents or by-laws of the Contractor; (ii) conflict with, result in any violation or breach of, constitute a default under, give rise to any right to damages or the remedy or to enforce any obligations or any right of termination or acceleration (with or without notice or the lapse of time or both) pursuant to, or result in being declared void or voidable, any term or provision of any note, bond, mortgage, indenture, lease, license, contract or other agreement or instrument to which the Contractor is a party or by which any of its properties or assets are or may be bound; or (iii) violate any Laws applicable to the Contractor.
- (d) Health and Safety. The Contractor is in compliance with all Health and Safety and all other Laws has and maintains policies and programs, training and follow-up and monitoring to ensure compliance with Health and Safety Laws. The Contractor warrants that it keeps records of such and shall furnish such records or other evidence of compliance to Enbridge Gas Distribution on request.
- (e) Solvency. The Contractor is solvent and no Insolvency Event has occurred and is continuing or is about to occur in respect of the Contractor and, to the knowledge of the Contractor, no Insolvency Event in respect of the Contractor has been threatened by any Person.

8.2 Enbridge Gas Distribution Representations and Warranties.

Enbridge Gas Distribution hereby represents and warrants to the Contractor as follows:

- (a) Organization; Power. Enbridge Gas Distribution is a corporation duly organized and validly existing and in good standing under the Laws of the Province of Ontario. Enbridge Gas Distribution has all requisite corporate power and capacity to perform its obligations hereunder.
- (b) Authority; Enforceability. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, have been duly authorized by all requisite corporate action on the part of Enbridge Gas

Distribution. This Agreement constitutes the legal, valid and binding agreement of Enbridge Gas Distribution, enforceable against Enbridge Gas Distribution in accordance with its terms (except insofar as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally, or by principles governing the availability of equitable remedies).

- (c) Noncontravention. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby will not (i) conflict with or result in any violation of any provision of the charter documents or by-laws of Enbridge Gas Distribution; (ii) conflict with, result in any violation or breach of, constitute a default under, give rise to any right of termination or acceleration (with or without notice or the lapse of time or both) pursuant to, or result in being declared void or voidable, any term or provision of any note, bond, mortgage, indenture, lease, license, contract or other agreement or instrument to which Enbridge Gas Distribution is a party or by which any of its properties or assets are or may be bound; or (iii) violate any Laws applicable to Enbridge Gas Distribution.

8.3 Additional Warranties.

- (a) Performance. The Contractor warrants that all Work will be performed with care and skill by trained and experienced personnel in accordance with the provisions hereof.
- (b) Correction of Errors. The Contractor warrants that it will correct any mistakes, defects or deficiencies in its (or any Subcontractor's) performance of the Work, to the extent caused by the Contractor or a Subcontractor or any Employee at no charge to Enbridge Gas Distribution.

8.4 Pass-Through Warranties.

With respect to all third-party products and services purchased by the Contractor for Enbridge Gas Distribution in connection with the provision of the Work, the Contractor shall pass through or assign to Enbridge Gas Distribution the rights the Contractor obtains from the manufacturers and/or vendors of such products and services (including warranty and indemnification rights).

ARTICLE 9 CONTRACTOR COVENANTS

9.1 Contractor General Covenants.

The Contractor shall:

- (a) perform Work in accordance with and in all other respects comply with the Manuals (specifically including the Statement of Business Conduct), the Contract Specifications and the Contractor Scorecard (which the Parties agree includes quality acceptance and quality control standards and requirements) with a high regard for Customer service and satisfaction and otherwise to the satisfaction of

Enbridge Gas Distribution and follow and comply with the Technical Announcements, Safety Alerts and any updates or amendments to the Manuals and any other specifications provided by Enbridge Gas Distribution from time to time as they relate to any particular Work and perform self audits with respect to the Work as specified in Schedule 2.1(a);

- (b) utilize the Enbridge Gas Distribution System for the receipt of instructions to perform Work in order to track the receipt of such instructions and the performance of the Work and then report to Enbridge Gas Distribution on the completion of the Work and any difficulties or problems with respect thereto;
- (c) be and is an Expert, equipped to perform the Work in accordance with the Contract Specifications described in Schedule 2.1(a), the Contractor Scorecard, the Manuals, the Technical Announcements, Safety Alerts and all applicable Laws and shall immediately notify Enbridge Gas Distribution if such is not the case;
- (d) immediately advise the Enbridge Gas Distribution Contract Manager if any Work to be performed by it or offered to it exceeds its expertise, training or available equipment with an explanation of the area of deficiency;
- (e) be licensed and registered as a contractor under applicable Laws, including the Technical Standards and Safety Act, and the Contractor shall maintain such licenses or registrations in effect at all times during the Agreement Term;
- (f) ensure that qualified, licensed and trained personnel that meet the requirements of this Agreement, the Manuals, the Technical Announcements and the Safety Alerts perform the Work;
- (g) ensure that all Employees that perform Work be and are certified as required under applicable Laws, including the Technical Standards and Safety Act, and that all such Employees maintain such certifications in effect at all times during the performance by them of any Work under this Agreement;
- (h) ensure that all Employees that perform Work hereunder meet and comply with the Contract Specifications specifically including those related to public image;
- (i) provide all Employees engaged in the provision of utility service Work or maintenance Work that may attend at the premises of Customers with identification cards, supplied by Enbridge Gas Distribution, identifying the Employee and the Contractor and ensure that each such Employee wears their "clip-on" identification card in a manner that is at all times visible to the Customer when engaged in the performance of Work;
- (j) be responsible for the return to Enbridge Gas Distribution of all identification cards upon termination of employment of any Employee holding such card. Any identification cards not returned or lost will be charged to the Contractor;

- (k) exercise the utmost care at all times to avoid personal or property damage or injury to Enbridge Gas Distribution, its Customers or other Persons and their respective employees and property, and carry out all Work promptly and in such a manner as to conform to and be consistent with and in no way interfere with the continuous and safe operation of the facilities of Enbridge Gas Distribution, its Customers and other Persons and minimize disturbance of any property and restore such property to as close to its original state as possible;
- (l) furnish all labour, materials, tools and equipment and computer software, computer interfaces and hardware (not supplied by Enbridge Gas Distribution) and secure all permits not provided by Enbridge Gas Distribution necessary for the complete performance of all Work in accordance with all Laws and the provisions hereof;
- (m) ensure that all workmanship shall be of a standard and quality and in accordance with all of the terms of this Agreement and all Laws and use tools and equipment to perform the Work that are in a condition that will enable the Contractor to perform all Work in accordance with the terms of this Agreement and the requirements of all Laws and ensure that all workmanship and the condition of all tools and equipment used to perform the Work shall be at least equal to industry standards;
- (n) use materials, tools and equipment to perform the Work that are suitable for the purposes for which they were manufactured and comply with, and all Work shall be performed in accordance with, all Laws;
- (o) train the Employees on the Manuals and in accordance with the training provided by Enbridge Gas Distribution under Section 9.5(b);
- (p) work toward the highest possible results under the Contractor Scorecard;
- (q) use its best efforts to integrate any Work with any other work being performed at the location where such Work is being or is to be performed and in this regard cooperate with Subcontractors, Enbridge Gas Distribution, Participants and Enbridge Gas Distribution Contractors;
- (r) the Contractor shall comply with all Manuals which specify how the Customer is to be informed by the Contractor about the performance of Work;
- (s) ensure that the Subcontractors and their Employees comply with all of the covenants and all other terms and conditions herein;
- (t) promptly and in accordance with the terms thereof pay Subcontractors for all Work performed by such Subcontractors and promptly and in accordance with the terms hereof make all other payments required hereunder;
- (u) leave all rights-of-way in a safe condition having particular regard to the uses to which, and by whom, neighbouring areas may be put;

- (v) give due consideration to the interests of property owners, tenants and other members of the public in the conduct of the Work which shall be performed in a manner causing a minimum of inconvenience to such Persons;
- (w) make all reasonable efforts to maintain goodwill among the property owners and tenants along the rights-of-way and with the general public. The Contractor shall, and shall cause the Subcontractors and the Employees to, at all times, behave in a professional and businesslike fashion and in accordance with the provisions hereof including the Statement of Business Conduct;
- (x) be responsible for its own materials and equipment and for all materials furnished by Enbridge Gas Distribution while in the Contractor's custody, whether or not installed in the Work;
- (y) forthwith pay to Enbridge Gas Distribution all costs for damage to Enbridge Gas Distribution materials or equipment which are in the custody of the Contractor, including any loss or damage suffered by reason of theft or other loss of materials;
- (z) replace or repair forthwith any gates, posts, fences, utility poles, building or other fixtures or improvements, whether on or off the rights-of-way obtained by Enbridge Gas Distribution, damaged in any way in the performance of the Work,
- (aa) exercise extreme care at all times to avoid damage and injury to any property or physical plant including, but not limited to, pipeline, sewers, water or gas mains and electric or telephone installations, cable TV, and call for and obtain the staking or other locations of any such facilities whenever required by Laws or by considerations of reasonable care and carry on Work in such manner as to conform to, be consistent with, and interfere in no way with the continuous and safe operations of such facilities;
- (bb) forthwith pay for repairs and for all damages occasioned by injury or damage to other underground and above-ground structures in connection with the performance of the Work;
- (cc) at its own expense, forthwith repair or replace or arrange for the repair or replacement of, to the satisfaction of Enbridge Gas Distribution and any public officials or representatives having jurisdiction in respect thereof, property damaged or destroyed as a direct or indirect result of the Contractor's operations;
- (dd) immediately correct, rectify or remedy, at its own expense, any Work found to not meet Contract Specifications or to otherwise comply with the provisions hereof; and
- (ee) quarterly, on the last business day of each quarter, provide to Enbridge Gas Distribution a signed certificate in the form attached as Schedule 9.1(ee) representing and warranting that it has satisfied and is in compliance with all of its obligations contained herein and that any and all Subcontractors and Employees are in compliance with all of the terms hereof including with respect to insurance coverage and compliance with the Workplace Safety and Insurance Act.

- (ff) create and maintain a code of business conduct and be and ensure that all Subcontractors and Employees are honest, fair, courteous and respectful in all interactions with Customers and perform the Work with integrity and due regard for the protection of all interests involved.

9.2 Contractor Environmental Covenants.

The Contractor shall:

- (a) complete the Work in accordance with all Environmental Laws and shall not cause or permit the Release of any Hazardous Substances in relation to the performance of the Work. In addition, the Contractor shall comply with all reporting and monitoring requirements under all Environmental Laws and shall obtain all permits, certificates, approvals, registrations and licences necessary to perform the Work;
- (b) initiate, maintain and supervise all environmental and safety precautions and programs in connection with the performance of the Work;
- (c) erect and maintain, as required by existing conditions and performance of the Work, reasonable safeguards for safety and protection of people and property, including posting signs warning against Hazardous Substances and hazards, describing Environmental Laws and notifying owners and users of adjacent sites and utilities;
- (d) when use or storage of explosives or other Hazardous Substances or equipment or unusual methods are necessary for the performance of the Work, exercise utmost care and carry on such activities under supervision of properly qualified personnel;
- (e) promptly remedy and be responsible for environmental damage and loss including, clean-up or rehabilitation costs, damage to property or individuals, Enbridge Gas Distribution's costs related to stoppage or delay of the Work including additional construction costs and costs of retaining qualified persons caused in whole or in part by the Contractor, a Subcontractor, or by anyone for whose acts they are or may be liable;
- (f) in the event the Contractor encounters on a Work site material reasonably believed to be a Hazardous Substance which has not been rendered harmless, immediately stop Work in the area affected and report the situation to the Enbridge Gas Distribution Contract Manager and any other Persons as required by Laws; and,
- (g) maintain an environmental response plan that is satisfactory to Enbridge Gas Distribution that provides for dealing with any potentially Hazardous Substance on each and every site where Work is performed in accordance with Environmental Laws.

9.3 Contractor Health and Safety Covenants.

The Contract shall:

- (a) complete the Work and ensure the Work is completed in accordance with all Health and Safety Laws and shall not permit the Work to be done, except in accordance with all Health and Safety Laws. In addition the Contractor shall comply with and ensure that all Subcontractors comply with all training and reporting and monitoring requirements under all Health and Safety Laws, the Technical Standards and Safety Act and Environmental Laws and shall obtain all permits, certificates, approvals, registrations and licenses necessary to perform the Work. Further, the Contractor shall immediately report to the Enbridge Gas Distribution Contract Manager the issuance against the Contractor or any Subcontractor of any orders under any Health and Safety Laws and the steps being taken by the Contractor to comply with any such orders or rectify any problems with respect thereto;
- (b) take and be fully responsible for all possible safety precautions to protect Enbridge Gas Distribution, the Contractor, any Subcontractor, Employees, the public and landowners and tenants and protect all other Persons and property affected by the performance of the Work;
- (c) initiate, maintain and supervise all health and safety precautions and programs in connection with the performance of the Work;
- (d) assess and enforce all safety procedures on an ongoing basis which shall include identification and rectification of contraventions or infractions of any safety procedures;
- (e) at the date hereof and every 60 days thereafter and at any other times as requested by Enbridge Gas Distribution, provide Enbridge Gas Distribution with a certificate of clearance or other appropriate clearances from the Workplace Safety and Insurance Board.

9.4 Contractor Negative Covenants.

The Contractor shall not:

- (a) take on or agree to perform any Work beyond its scope of expertise, training or available equipment;
- (b) proceed with any Work when to do so would involve any risk to the health, condition or safety of any Persons or property, as the case may be;
- (c) perform or permit any individual to perform any Work without proper licenses and full, complete and up-to-date insurance;
- (d) use access to Customers to obtain any competitive advantage or provide to any Customer any promotional material relating to its or any other business;

- (e) make use of, or display in any manner, any Enbridge Gas Distribution corporate logos or Intellectual Property for any purpose other than in connection with the performance of the Work referred to the Contractor and then in accordance with the terms of this Agreement; and
- (f) use any of the areas affected by the Work to produce, generate, store, handle, transport or dispose of any Hazardous Substances, nor will such areas be used as landfills or waste disposal sites.

9.5 Enbridge Gas Distribution Covenants.

Enbridge Gas Distribution shall:

- (a) make the Manuals available to the Contractor and provide all changes to the Manuals to the Contractor;
- (b) provide such training on the Manuals to the Contractor's Employees that are responsible for training Employee's as Enbridge Gas Distribution determines;
- (c) permit the Contractor Contract Manager or a designate of the Contractor Contract Manager agreed to by Enbridge Gas Distribution in writing to participate in the development of Technical Announcements provided that the Contractor acknowledges that the final form of all Technical Announcements shall be at the discretion of Enbridge Gas Distribution; and
- (d) promptly and in accordance with the terms hereof pay the Contractor the Work Charges and cooperate with the Contractor to resolve all disputed Work Charges in a timely manner.

ARTICLE 10 CONFIDENTIALITY; SAFEGUARDING OF DATA

10.1 Confidentiality.

- (a) Confidential Information. In connection with this Agreement, each of the Parties has disclosed and may continue to disclose to the other Party information that relates to the disclosing Party's business operations, financial condition, customers, products, services or technical knowledge. Except as otherwise specifically agreed in writing by the Parties, the Contractor and Enbridge Gas Distribution each agrees that (i) all information communicated to it by the other and identified as confidential or proprietary, whether before or after the Effective Date, including the Technical Announcements, Safety Alerts and Manuals and the contents thereof (ii) all information identified as confidential or proprietary to which it has access in connection with the performance of its obligations under this Agreement, whether before or after the Effective Date, (iii) all information communicated to it that reasonably should have been understood by the receiving Party, because of confidentiality or similar legends, the circumstances of disclosure or the nature of the information itself, to be proprietary and confidential to the disclosing Party, (iv) all business methods, technologies,

designs, and specifications, and (v) the terms and conditions of this Agreement (collectively and including any modifications, improvements, enhancements or derivatives of (i) to (v) above, the "Confidential Information"), will be and will be deemed to have been received in confidence and will be used only for purposes of this Agreement. Confidential Information includes information in written, graphic, machine readable or other tangible form and includes technical knowledge and information, financial information, customer lists, customer information, supplier lists, supplier information, employee records, business plans, information pertaining to business operations, services, markets and operations, Enbridge Gas Distribution Data and other data, information stored on storage media, software, tools and methodologies. The Parties acknowledge that third-party software may be subject to additional confidentiality restrictions imposed by the applicable vendor's license or other agreement and the Contractor acknowledges that software relating to Envision is subject to and the Contractor agrees to be bound by the additional restrictions imposed by the applicable vendor's license including with respect to confidentiality, use and ownership including ownership of modifications and enhancements.

- (b) **Safeguarding and Permitted Disclosure.** Each Party's Confidential Information will remain the property of that Party and shall not be disclosed, made available, sold or transferred to any other Person in any manner or for any purpose whatsoever. Each of the Parties shall use at least the same degree of care to safeguard and to prevent disclosing to third parties the Confidential Information of the other as it employs to avoid unauthorized disclosure or publication of its own information (or information of its customers) of a similar nature, and in any event, no less than reasonable care. Each Party may disclose relevant aspects of the other Party's Confidential Information to its employees, Affiliates, subcontractors, professional advisors and agents to the extent such disclosure is reasonably necessary for the performance of its obligations, or the enforcement of its rights, under this Agreement, provided however, that in each such case such Party uses reasonable efforts to ensure that such employees, Affiliates, subcontractors, professional advisors and agents comply with the confidentiality provisions of this Article 10. Each Party will be responsible for any disclosure of Confidential Information by such Party's employees, Affiliates, subcontractors, professional advisors and agents in breach or violation of this Article 10.
- (c) **Use of Confidential Information.** Except as provided elsewhere in this Agreement, neither Party shall (i) make any use or copies of the Confidential Information of the other Party except as contemplated by this Agreement, (ii) acquire any right or interest in or assert any lien against the Confidential Information of the other Party, or (iii) sell, assign, lease or otherwise commercially exploit the Confidential Information of the other Party. Neither Party may withhold the Confidential Information of the other Party or refuse for any reason (including due to the other Party's actual or alleged breach of this Agreement) to promptly return to the other Party its Confidential Information, including copies thereof, if requested to do so. Upon expiration or any termination of this Agreement, at the request of a Party, the receiving Party shall return or destroy, as the disclosing Party may direct, all documentation in any

medium that contains or refers to the disclosing Party's Confidential Information, and retain no copies thereof.

- (d) Permitted Disclosures. This Section 10.1 will not apply to any particular information that either Party can demonstrate (i) was, at the time of disclosure to it, in the public domain; (ii) after disclosure to it, is published or otherwise becomes part of the public domain through no fault of the receiving Party or a Subcontractor or Employee in the case of the Contractor; (iii) was in the possession of the receiving Party at the time of disclosure to it and was not the subject of a pre-existing confidentiality obligation; (iv) was received after disclosure to it from a third party who had a lawful right to disclose such information to it; or (v) was independently developed by the receiving Party without use of the Confidential Information of the disclosing Party. A Party will not be considered to have breached its obligations under this Section 10.1 for disclosing Confidential Information of the other Party (including the portions of this Agreement that constitute Confidential Information) to the extent required to satisfy any legal requirement of a court, tribunal or other competent governmental, administrative or regulatory authority, including such authority acting under Privacy Legislation.
- (e) No Licenses. Nothing contained in this Section 10.1 will be construed as obligating a Party to disclose its Confidential Information to the other Party, or as granting to or conferring on a Party, expressly or impliedly, any rights or license to the Confidential Information or Intellectual Property of the other Party.
- (f) Intellectual Property. Subject to the other provisions hereof including those contained in Section 10.1(a) and Section 11.1(e), each Party shall be entitled to make intellectual property filings, and obtain intellectual property registrations, based on Intellectual Property developed by such Party.
- (g) Sensitive Information. The Parties acknowledge that their respective Confidential Information constitutes commercial and financial information that has been supplied in confidence and the disclosure of which could reasonably be expected to harm significantly the competitive position, and interfere significantly with the commercial interests, of each of the Parties, and further, could reasonably be expected to harm the financial or economic interests of each of the Parties. Accordingly, the Parties confirm their intention that all Confidential Information disclosed to each other shall be deemed to be confidential and prohibited from disclosure to third persons.

10.2 Enbridge Gas Distribution Data.

Enbridge Gas Distribution is and will be the sole and exclusive owner of all Enbridge Gas Distribution Data. The Contractor shall utilize the Enbridge Gas Distribution Data solely for purposes of this Agreement and shall not sell, assign, lease, disclose or otherwise commercially exploit the Enbridge Gas Distribution Data. All Enbridge Gas Distribution Data will be deemed Enbridge Gas Distribution Confidential Information for purposes of Section 10.1.

10.3 Safeguarding of Enbridge Gas Distribution Data.

The Contractor shall develop, implement and maintain data integrity, backup, security and privacy technologies, procedures, policies and controls that meet applicable industry standards or as Enbridge Gas Distribution may require from time to time, including as provided in the IT Manual referenced in Schedule 1.16 and also including the creation of backup data and the creation of a business continuity plan as required under Section 1.25.

10.4 Unauthorized Acts.

Each Party shall:

- (a) notify the other Party promptly of any material unauthorized possession, use or knowledge, or attempt thereof, of the other Party's Confidential Information or Intellectual Property by any Person that may become known to such Party;
- (b) promptly furnish to the other Party details of the unauthorized possession, use or knowledge, or attempt thereof, and use reasonable efforts to assist the other Party in investigating or preventing the recurrence of any unauthorized possession, use or knowledge, or attempt thereof, of the other Party's Confidential Information or Intellectual Property;
- (c) use reasonable efforts to cooperate with the other Party in any litigation and investigation against third parties deemed necessary by the other Party to protect its proprietary rights and Confidential Information or Intellectual Property; and
- (d) promptly use reasonable efforts to prevent a recurrence of any such unauthorized possession, use or knowledge, or attempt thereof, of the other Party's Confidential Information or Intellectual Property.

The Party whose Confidential Information is the subject of such activity will reimburse any out-of-pocket expenses incurred by the other Party as a result of compliance with this Section 10.4.

ARTICLE 11 PROPRIETARY RIGHTS

11.1 Ownership of Work Product and Permitted Use Thereof.

- (a) All Work Product and any related Intellectual Property owned by a Party prior to the Effective Date will continue to be owned by such Party during the Agreement Term and thereafter.
- (b) During the Agreement Term, each Party will grant to the other Party a nonexclusive, nontransferable, nonassignable, royalty-free, license to use Work Product or any related Intellectual Property in relation to performance of the Work hereunder, solely for the normal internal business purposes of the other Party under this Agreement and during the Agreement Term and not for the benefit of others or for any other purpose whatsoever. The license referred to in

the foregoing sentence shall terminate immediately upon the termination or expiration of this Agreement.

- (c) The Contractor acknowledges and agrees that it shall not have any rights whatsoever to Work Product relating to Envision after the Agreement Term and its rights with respect to Work Product relating to Envision during the Agreement Term shall be limited to performance of the Work hereunder and not for any other purpose or business whatsoever.
- (d) The Contractor shall immediately notify Enbridge Gas Distribution of its development or adoption of any Work Product, Confidential Information or any related Intellectual Property in connection with performance of the Work, and shall provide full technical disclosure of such Work Product, Confidential Information or Intellectual Property to Enbridge Gas Distribution to be held and used by Enbridge Gas Distribution in accordance with the provisions hereof. The Contractor acknowledges that Enbridge Gas Distribution may notify the other Participants of such development or adoption to any Participant that agrees in writing with the Contractor to maintain the confidentiality of such Work Product and to only use such Work Product for the performance of work under its Contractor Agreement and otherwise in accordance with terms substantially similar to the terms of this Article 11. The Contractor acknowledges the right of Enbridge Gas Distribution to use any such Contractor Work Product during the Agreement Term on a royalty-free basis and thereafter on a royalty-fee basis to be agreed upon by the Contractor and Enbridge Gas Distribution at the time of the notification by the Contractor to Enbridge Gas Distribution of the development or adoption of the Work Product.
- (e) Any Work Product developed by the Contractor and Enbridge Gas Distribution together during the Agreement Term shall be owned by Enbridge Gas Distribution and may be used by the Contractor during the Agreement Term on a royalty-free basis and thereafter on a royalty-fee basis to be agreed upon by the Contractor and Enbridge Gas Distribution at the time of such joint development.
- (f) The Contractor represents and warrants that it owns or has obtained licenses to all Confidential Information or Intellectual Property necessary to perform the Work. The Contractor shall immediately inform Enbridge Gas Distribution if it is aware, or becomes aware, that performance of the Work may infringe on intellectual property rights of others.

11.2 Enbridge Gas Distribution System and Envision.

Without limiting any other provision of this Agreement or this Article 11, the Contractor acknowledges and agrees that Enbridge Gas Distribution either owns or licenses all software and other intellectual property relating to the Enbridge Gas Distribution System and Envision and that, (i) all such software and intellectual property is Enbridge Gas Distribution Confidential Information, (ii) the Contractor shall comply with the terms of any end user agreements relating to such software and intellectual property of which it is made aware, and (iii) while the Contractor has limited rights to use such software and intellectual property during the Agreement Term in connection with the performance of the Work all rights thereto shall immediately

terminate on the termination or expiration of this Agreement for any reason whatsoever. The Contractor acknowledges and agrees that any use of the Enbridge Gas Distribution System or Envision other than in accordance with this Agreement in connection with the performance of the Work or any assignment or attempted or purported assignment of any of its rights with respect to the Enbridge Gas Distribution System or Envision will result in the immediate and automatic termination of this Agreement.

11.3 Further Assurances.

The Contractor and Enbridge Gas Distribution agree to execute and deliver such instruments and documents as the other Party reasonably requests to evidence or effect the acknowledgements, covenants and agreements contemplated by this Article 11.

ARTICLE 12 EXAMINATION, REVIEW, AUDIT AND OTHER RIGHTS

12.1 Right to Examine Contractor Business Records.

Enbridge Gas Distribution shall have access during normal business hours to and be entitled to inspect and be provided with copies of such business records applicable to the Work, including invoices and time sheets and all supporting documentation and calculations and the Contractor personnel, as are necessary to verify any calculation of the amount to be paid to the Contractor in respect of any Work and the Contractor shall not be entitled to payment of such amount until the calculation thereof has been verified by Enbridge Gas Distribution to its satisfaction acting reasonably.

12.2 Operational Review.

The Contractor shall provide to such employees, representatives and agents of Enbridge Gas Distribution as Enbridge Gas Distribution may designate in writing, access to any facilities or premises of the Contractor or other premises or locations where the Work is being performed, to the assets and equipment and materials used by the Contractor to perform the Work, to Subcontractors and Employees, and to information applicable to the Work and to all data, records (including invoices and time sheets), operational records, log books, charts, maps, plans, lists of materials, supplies and equipment and supporting documentation maintained by the Contractor with respect to the Work (collectively the "Records") (in any form whatsoever) for the purpose of (i) performing operational reviews, audits and inspections of the Contractor and its businesses (including any operational audits necessary to enable Enbridge Gas Distribution to meet and satisfy all Laws and regulatory requirements), (ii) to verify the integrity of Enbridge Gas Distribution Data, (iii) to perform quality checks and to confirm that the Work is being performed in accordance with this Agreement, including the Technical Announcements, the Safety Alerts, the Manuals, the Contract Specifications and the Contractor Scorecard and all quality acceptance and quality control requirements of Enbridge Gas Distribution (iv) to verify the integrity of the Contractor's reports hereunder, (v) to monitor, investigate, review and audit any process or procedures that relate to the performance of Work or the preparation and delivery of any invoices, (vi) ensure security measures relating to Enbridge Gas Distribution Confidential Information (including Customer information and Enbridge Gas Distribution Data) and Intellectual Property are satisfactory, and (vii) to verify the quality of the Work or the accuracy of any statement, charge or computation made pursuant to the provisions of this Agreement,

(viii) to ensure compliance with the terms and conditions of this Agreement including the provisions relating to the Enbridge Gas Distribution System and Envision and the Contractor shall not be entitled to payment of Work Charges until the calculation of such has been verified by Enbridge Gas Distribution to its satisfaction. The scope of such reviews and audits may include, without limitation, and when applicable, (x) the Contractor's practices and procedures, (y) controls (e.g., organizational controls, input/output controls, system modification controls, processing controls, system design controls, and logical and physical access controls) and (z) business continuity plans, environmental response plans and disaster recovery and back-up plans and procedures. Any reports received as a result of these reviews or audits will be addressed to Enbridge Gas Distribution.

12.3 Financial Audit.

(a) In each of the circumstances listed below:

- (i) the Contractor fails to achieve a minimum score on the Contractor Scorecard specified herein;
- (ii) the Contractor fails to deliver to Enbridge Gas Distribution a report or certificate or attend a meeting provided for herein, including in Sections 5.4 and 5.5;
- (iii) the Contractor has failed to pay an Employee or Subcontractor in a timely fashion;
- (iv) the Contractor has submitted a Change Order Request;
- (v) Enbridge Gas Distribution is or, reasonably believes it is, in a position to terminate this Agreement under Section 15.1;
- (vi) the Contractor and Enbridge Gas Distribution agree;
- (vii) the Contractor has breached or threatened a breach of this Agreement;
- (viii) Enbridge Gas Distribution acting reasonably is not satisfied with the results of a credit check or meeting provided for in Section 12.7 or the Contractor has provided Enbridge Gas Distribution with a notice under Section 12.7; or
- (ix) as may be required by Laws;

the Contractor shall provide to such employees, representatives, agents and auditors of Enbridge Gas Distribution (including Enbridge Gas Distribution's internal and external auditors) as Enbridge Gas Distribution may designate in writing, access to any facilities or premises of the Contractor and to the Records and to the financial books and records of the Contractor for the purpose of enabling Enbridge Gas Distribution to conduct any financial audits (including any audits necessary to enable Enbridge Gas Distribution to meet and satisfy all Laws and regulatory requirements, policies and procedures (whether Canadian or

American) applicable to Enbridge Gas Distribution or Enbridge Inc. and their respective Affiliates, such as the Sarbanes-Oxley Act, to certify compliance with such applicable statutory and regulatory requirements, to the extent required to satisfy such requirements and conduct a Canadian Institute of Chartered Accountants Section 5900 or SAS 70 attestation).

- (b) In order to document the performance of the Work and the Work Charges paid or payable by Enbridge Gas Distribution under this Agreement, the Contractor shall retain its standard financial and other records and supporting documentation for the period or periods specified in Section 12.6 and in accordance with the requirements of all Laws.
- (c) The Contractor shall at the request and expense of Enbridge Gas Distribution engage a recognized accounting firm to express an opinion on the design, operation and continuity of control procedures of the Contractor, as contemplated under Section 5900 of the Handbook of the Canadian Institute of Chartered Accountants and, in this regard, the Contractor shall (at its own expense) make available its employees and records.

12.4 General Principles Regarding Maintenance of Records and Reviews and Audits.

- (a) The Contractor shall keep and maintain all of its financial records in accordance with Canadian generally accepted accounting principles consistently applied.
- (b) Enbridge Gas Distribution shall use commercially reasonable efforts to conduct such reviews and audits in a manner that will result in a minimum of inconvenience and disruption to the Contractor's business operations. Reviews and audits may be conducted only during normal business hours and only as frequently as reasonably necessary. Enbridge Gas Distribution will provide the Contractor with reasonable prior written notice of each review or audit. The Contractor will make available on a timely basis its appropriate personnel and the information reasonably required to conduct the review or audit and will assist the designated employees and agents of Enbridge Gas Distribution or its auditors as reasonably necessary. All information learned or exchanged in connection with the conduct of a review or audit, as well as the result of any review or audit, constitutes Confidential Information and will be subject to Article 10. Any reports received as a result of these reviews or audits will be addressed to Enbridge Gas Distribution.
- (c) Enbridge Gas Distribution may engage at its own expense for the performance of financial reviews or audits contemplated by this Article any recognized accounting firm, in the event that the services are not provided by Enbridge Gas Distribution's internal audit staff, and, in this regard, the Contractor shall (at its own expense) make available its employees and records.
- (d) The performance by or on behalf of Enbridge Gas Distribution of any reviews or audits hereunder is no assurance that the Work performed complies with the provisions hereof which performance shall remain the sole responsibility of the Contractor.

- (e) Each Party will pay its own costs as provided herein in connection with any review or audit performed under the provisions of this Article 12 except, (i) where an audit confirms that Work Charges were made at a rate of 5% or more above the amount mandated hereunder or (ii) where an operational review confirms that the Contractor has failed to comply with the provisions of or satisfy the requirements of Section 2.1(b) or 2.1(c), in which case the Contractor will pay Enbridge Gas Distribution's cost of the audit or review, as the case may be.

12.5 Statutory Audits.

- (a) Enbridge Gas Distribution may be subject to statutory audits and other requests for information from taxation and other Governmental Authorities (each, a "Statutory Audit"). The Contractor shall notify the Enbridge Gas Distribution's Contract Manager forthwith if its is contacted by taxation or other authorities regarding a Statutory Audit relating to Enbridge Gas Distribution. The Contractor shall respond to any Statutory Audit regarding Enbridge Gas Distribution according to Enbridge Gas Distribution's direction.
- (b) The Contractor may provide information to Governmental Authorities only under the direction of the Enbridge Gas Distribution Contract Manager. The Contractor shall provide such information in a timely manner either to Enbridge Gas Distribution or, upon written request of the Enbridge Gas Distribution Contract Manager, directly to the applicable statutory authority.
- (c) If, as part of any Statutory Audit process, the Contractor is required to answer questions from Governmental Authorities with respect to its performance of Work, the Contractor shall provide the Enbridge Gas Distribution Contract Manager prompt written notice of such request and Enbridge Gas Distribution shall be entitled to send a representative to be present at all such discussions with such statutory authorities and to preview responses to such questions.

12.6 Records Retention.

- (a) The Records shall be maintained and retained in accordance with the highest standard required under, (i) all Laws, and (ii) Canadian generally accepted accounting principles.
- (b) The Records shall be maintained and retained by the Contractor for two years following the expiration or termination of this Agreement unless the retention period for a particular Record has previously expired except that:
 - (i) Records related to any matter disputed between the Parties shall be preserved until such dispute is settled, and
 - (ii) Records related to any matter or the requirements of any authorities shall be preserved for a period of seven years from the end of the calendar year to which such Records relate.

The Contractor may fulfill its obligations to preserve any Records by delivering them to the Enbridge Gas Distribution Contract Manager together with a notice stating that such delivery is being made in satisfaction of its obligations under this Section 12.6.

12.7 Credit Checks and Financial Standing.

Enbridge Gas Distribution reserves the right to obtain a complete credit check on the Contractor at any time and from time to time and, in this regard, the Contractor agrees to co-operate with and assist Enbridge Gas Distribution including arranging for meetings or discussions with officers of the Contractor and, following discussions with the Contractor, the Contractor's bank manager or managers to discuss the Contractor's financial status. In addition, the Contractor will immediately notify Enbridge Gas Distribution of any material adverse change or any potential material adverse change to its financial status or cash flow (which will include any failure to pay in full on the date payments are due its Subcontractors or Employees) that could impact the Contractor's ability to perform the Work in accordance with all of the provisions hereof.

12.8 Subcontractors and Affiliates.

The Contractor agrees that all of the foregoing review and audit rights of Enbridge Gas Distribution shall be available to Enbridge Gas Distribution in respect of any Affiliate of the Contractor and to the Contractor in respect of any Subcontractor that is providing materials or services to the Contractor in connection with or related to the performance of Work other than an Ancillary Subcontractor or an Individual Subcontractor. The Contractor acknowledges and agrees that it shall ensure by written agreement that it (and Enbridge Gas Distribution to the extent applicable) have access to all Records of Subcontractors (other than Ancillary Subcontractors and Individual Subcontractors) and Affiliates of the Contractor for the purposes of examinations, audits and reviews as provided in this Agreement. The Contractor shall provide to Enbridge Gas Distribution on the request of Enbridge Gas Distribution the results of any such audit performed by or for the Contractor which shall include any summary or analysis prepared by or for the Contractor and the information and documents and materials upon which such were based.

12.9 Use of Review and Audit Results.

The Contractor acknowledges and agrees that the results of any review or audit can and will be used by Enbridge Gas Distribution, subject to the provisions of Article 10 relating to Confidential Information, for any purpose hereunder including a decision by Enbridge Gas Distribution to terminate this Agreement in accordance with the provisions hereof.

ARTICLE 13 INDEMNIFICATION AND LIENS

13.1 Indemnification.

The Contractor shall, and hereby agrees to, indemnify Enbridge Gas Distribution and the directors and officers and agents and employees thereof against and save and hold them harmless from any and all liabilities, claims, demands, losses, damages, costs and expenses (including without limitation all applicable solicitors' fees and disbursements, investigation expenses and adjusters' fees and disbursements) of every nature and kind for or in respect of:

- (a) injury to or the death of any and all persons, and
- (b) damage, destruction or loss, consequential or otherwise, to or of any and all property, whether real or personal, and
- (c) any act or omission by the Contractor or any Subcontractor or any officer, director, employee, agent, representative of the Contractor or of any Subcontractor,

where such injury, death, damage, destruction, loss, act or omission, as the case may be, results from or in any manner arises out of or in connection with or is referable to any Work or the performance of any Work or any activity incidental to any Work provided hereunder whether the Work is performed by the Contractor or a Subcontractor or their respective Employees. The Contractor shall also, upon the request of Enbridge Gas Distribution and at no expense to Enbridge Gas Distribution, defend Enbridge Gas Distribution in any and all suits, actions and proceedings concerning any such injury, death, damage, destruction, loss, act or omission. The Contractor shall promptly settle or cause the settlement of all claims for injuries or damages for which it or a Subcontractor is responsible. Upon receipt of any such claim, the Contractor shall immediately notify Enbridge Gas Distribution of the full particulars thereof and Enbridge Gas Distribution may elect by notice to the Contractor to have its representative accompany the Contractor's representative in making settlement of the claim. If any such claim remains undisposed of for 90 days after the completion of the Work to which the claim is referable, or for a period of 90 days after the Contractor was first notified of the claim, Enbridge Gas Distribution may make settlement of the claim for the account of the Contractor unless the Contractor shall notify Enbridge Gas Distribution of its desire to litigate the claim. Enbridge Gas Distribution will inform the Contractor of its intention to make settlement of any claim for the account of the Contractor as aforesaid before doing so. Enbridge Gas Distribution may, at its option, retain from the money due to the Contractor a sufficient amount to indemnify it against loss by reason of any such claims. The release forms and documents used in settling any claim shall be subject to Enbridge Gas Distribution's approval and shall be made in favour of both the Contractor (and, if applicable, the Subcontractor) and Enbridge Gas Distribution. The Contractor shall not be liable to indemnify Enbridge Gas Distribution or hold Enbridge Gas Distribution harmless or defend Enbridge Gas Distribution in respect of any injury, death, damage, destruction or loss arising from either the sole negligence of or the wilful misconduct of Enbridge Gas Distribution, or its employees or representatives.

13.2 Liens.

The Contractor agrees to indemnify and save Enbridge Gas Distribution harmless from any and all claims, demands, causes of action or suits of whatever nature arising out of the services, labour and materials furnished by the Contractor or Subcontractors under this Agreement; from all labourers', materials and construction liens upon the real property upon which the Work is located arising out of the services, labour and materials under this Agreement; and shall keep said property free and clear of all liens, claims and encumbrances arising from the performance of the Work by the Contractor or Subcontractors.

In the event that any construction lien is registered against a property where Work has been undertaken by or through a Subcontractor (the "Liened Property"), and provided that Enbridge Gas Distribution has paid all amounts properly due under this Agreement, the Contractor shall at

its own expense, post the security necessary to vacate or discharge such lien, as the case may be. In the event a lien action is commenced and a statement of claim is issued and served, the Contractor shall take all reasonable steps to remove Enbridge Gas Distribution or the owner of the Liened Property (as the case may be) from the main action and indemnify Enbridge Gas Distribution and hold it harmless in such action, except where the statement of claim makes substantial claims against Enbridge Gas Distribution beyond the recovery of holdbacks under the Construction Lien Act.

ARTICLE 14

INSURANCE, BONDING AND LETTERS OF CREDIT

14.1 Insurance.

- (a) The Contractor shall maintain and keep in full force and effect, at its own expense, during the Agreement Term, the following insurance which shall cover the performance of the Work (which Work includes all work with natural gas) by the Contractor and any Subcontractor:
 - (i) Comprehensive General Liability insurance having a minimum inclusive coverage limit including personal injury and property damage of at least \$5,000,000. Enbridge Gas Distribution shall be named as an additional insured in the insurance policy which shall cover contractual liability, products/completed operations liability, owners'/contractors' protective liability, cross liability, explosion/collapse and underground hazard, sudden and accidental pollution liability;
 - (ii) Owned Automobile Liability insurance on all vehicles used in connection with the Work of at least \$2,000,000 in respect of bodily injury (including passenger hazard) and property damage inclusive in any one accident;
 - (iii) Non-Owned Automobile Liability insurance having a limit of at least \$2,000,000 in respect of bodily injury (including passenger hazard) and property damage inclusive in any one accident. The contractual exclusion of the policy shall be deleted with respect to this Agreement and Enbridge Gas Distribution shall be named as an additional insured in the insurance policy; and
 - (iv) All Risk Replacement Cost Coverage on all Property owned, rented and/or in the care, custody or control of the Contractor.

The Contractor's insurer shall cover all Work performed by the Contractor or any Subcontractor. The Contractor shall indemnify Enbridge Gas Distribution for acts of any Subcontractor.

The Contractor shall forthwith after entering into this Agreement, and from time to time at the request of Enbridge Gas Distribution, furnish to Enbridge Gas Distribution a memorandum of insurance or an insurance certificate setting out the terms and conditions of each policy of insurance (all such policies of insurance being hereinafter called the "Insurance Policies") maintained by the Contractor in order to satisfy the requirements of this Section 14.1. At any time and from time to time at the request of Enbridge Gas Distribution, the Contractor shall

furnish Enbridge Gas Distribution with one or more duly completed insurance certificates in the form requested by Enbridge Gas Distribution to evidence the details of all the Insurance Policies. In addition, on any request of Enbridge Gas Distribution from time to time, the Contractor shall promptly provide Enbridge Gas Distribution with full and complete copies of all Insurance Policies. The Insurance Policies shall be arranged with insurers acceptable to Enbridge Gas Distribution and shall contain such terms and conditions as are acceptable to Enbridge Gas Distribution. The Contractor's insurance policy must cover any and all Subcontractors. The Contractor shall not cancel, terminate or materially alter the terms of any of the Insurance Policies without giving 30 days prior written notice to Enbridge Gas Distribution. The Contractor shall cause or arrange for its insurers under each Insurance Policy to contractually obligate itself in writing to Enbridge Gas Distribution to give 30 days' prior written notice to Enbridge Gas Distribution before cancelling, terminating or materially altering the Insurance Policies under which it is an insurer.

- (b) In the event of a material change in the financial condition of the Contractor, a material change in relevant industry and marketplace conditions, a material change in the scope of the Work or other material event that could reasonably be expected to materially and adversely impact the Contractor or the performance of the Work, Enbridge Gas Distribution may request from time to time and the Contractor shall acquire and maintain certain insurance policies, fidelity bonds or other similar insurance vehicles which are supplemental to the insurance vehicles that are then maintained by the Contractor, provided that such insurance vehicles are reasonably requested under the circumstances and are generally consistent with the requirements of service providers in similar circumstances.
- (c) Without prejudice to Enbridge Gas Distribution's right to terminate its obligations under this Agreement by reason of the Contractor's failure to take out and continuously maintain in force the insurance required hereunder or to provide the certificates of insurance or copies of policies required hereby, Enbridge Gas Distribution, in the event of any such default, may itself take out a policy of insurance protecting the Contractor, any Subcontractor or Enbridge Gas Distribution (or any two or all three of them) against any risk with respect to which the default shall have occurred and may deduct a sum equivalent to the amount paid in respect of premiums paid on such policy of insurance from any monies due or to become due to the Contractor or, alternatively, may recover from the Contractor an amount equal to such premiums. For the purpose of determining whether the Contractor has made default in insuring or providing a certificate of insurance or copies of policies as hereinbefore specified, Enbridge Gas Distribution shall be the sole and exclusive judge, in its discretion, as to whether any policy of insurance or certificate of insurance satisfies the obligations of the Contractor in respect thereof under this Agreement.

14.2 Bonding.

Enbridge Gas Distribution may at any time and from time to time by written notice require that the Contractor provide to Enbridge Gas Distribution a performance bond, labour and material bond or letter of credit satisfactory to Enbridge Gas Distribution for the due and proper

performance of the Work including in connection with work that is performed on a Target Pricing basis.

Such bonds or letters of credit shall be issued by a duly licensed surety acceptable to Enbridge Gas Distribution authorized to transact a business of suretyship in the province in which the Work is situated or a Schedule I Bank and shall be maintained in good standing until the fulfilment of the obligations undertaken in this Agreement. The bond or letter of credit shall be in a form and with a surety company or bank approved by Enbridge Gas Distribution, guaranteeing that in the event of the failure of the Contractor to perform the Work, the surety will either complete or arrange for the completion of the Work in accordance with the terms and conditions of this Agreement or the surety or the Bank, as the case may be, will pay the face amount of the bond or letter of credit.

If a bond or letter of credit is requested, the Contractor shall provide Enbridge Gas Distribution with a summary of all costs of and limitations in such, if any, prior to commencing the Work. The cost of such bond or letter of credit shall be paid by the Contractor and included in the Target Pricing.

Any changes, with or without notice to or consent of the surety, shall not release the surety from its obligations on the bond.

In the event the Contractor fails to provide or maintain any bond or letter of credit required by Enbridge Gas Distribution, the Contractor will be deemed to be in default of this Agreement as outlined in Article 15 without prejudice to any other right or remedy Enbridge Gas Distribution may have.

14.3 Insurance, Workplace Safety and Insurance and Bonds Required Before Work Commenced.

The Contractor shall not commence performance of any Work until Enbridge Gas Distribution has received from the Contractor written confirmation satisfactory to Enbridge Gas Distribution of the insurance required by Section 14.1 and insurance, certificates or bonds required under the Workplace Safety and Insurance Act. Where any such insurance is not or will not renewed or continued, the Contractor shall be deemed to be in default of this Agreement and Enbridge Gas Distribution may, without prejudice to any other right or remedy Enbridge Gas Distribution may have, terminate the agreements contained therein without liability on its part to compensate the Contractor.

ARTICLE 15 TERMINATION

15.1 Termination.

- (a) This Agreement may be terminated immediately by either Party upon written notice to the other Party such notice specifying the basis for termination:
 - (i) if the other Party is in material breach of this Agreement (which, in the case of the Contractor, shall include a breach of or failure to achieve or satisfy a Critical Measure, any failure to meet a standard relating to safety

of persons or property, any action or omission that endangers the safety of any individual or material property, failure to obtain insurance or bonds or letters of credit of the type and in the amount and as specified in Article 14 or Section 1.11 or any breach of Section 11.2 relating to Envision or the Enbridge Gas Distribution System); or

- (ii) if a decree or order of a court of competent jurisdiction is entered adjudging the other Party a bankrupt or insolvent or approving as properly filed a petition seeking the winding-up of the other Party under the Companies' Creditors Arrangement Act (Canada) or the Bankruptcy and Insolvency Act (Canada), the Winding Up and Restructuring Act (Canada) or any other bankruptcy, insolvency or analogous law of any other jurisdiction or issuing sequestration or process of execution against any substantial part of the assets of such other Party or ordering the winding up or liquidation of its affairs; or
 - (iii) if the other Party makes any assignment in bankruptcy or makes any other assignment for the benefit of creditors, makes any proposal under the Bankruptcy and Insolvency Act (Canada) or any comparable law, seeks relief under the Companies' Creditors Arrangement Act (Canada), the Winding Up and Restructuring Act (Canada) or any other bankruptcy, insolvency or analogous law of any other jurisdiction, is adjudged bankrupt, files a petition or proposal to take advantage of any act of insolvency, consents to or acquiesces in the appointment of a trustee, receiver, receiver and manager, interim receiver, custodian, sequestrator or other Person with similar powers of itself or of all or any substantial portion of its assets, or files a petition or otherwise commences any proceeding seeking any reorganization, arrangement, composition or readjustment under any applicable bankruptcy, insolvency, moratorium, reorganization or other similar law affecting creditors' rights or consents to, or acquiesces in, the filing of such a petition; or
 - (iv) if an encumbrancer takes possession of all or a substantial portion of the property of the other Party, taken as a whole, by appointment of a receiver, receiver and manager, or otherwise; or
 - (v) if the other Party suspends or threatens to suspend carrying on its business in the ordinary course.
- (b) This Agreement may be terminated immediately by Enbridge Gas Distribution upon written notice to the Contractor such notice specifying the basis for termination:
- (i) if the Contractor fails to achieve scores on the Contractor Scorecard as provided in Section 2.1(c)(iii);
 - (ii) if the Contractor assigns or purports or threatens to assign this Agreement or if the Contractor assigns or purports or threatens to assign any portion of this Agreement or if without the prior written consent of Enbridge Gas

Distribution in accordance with the provisions hereof the Contractor subcontracts or purports or threatens to subcontract any portion of this Agreement or the Work; or

- (iii) if there is a direct or indirect change in control of the Contractor (which is not approved by Enbridge Gas Distribution under Section 18.1 or the Contractor sells or otherwise disposes of, or threatens to sell or otherwise dispose of, all or a substantial part of its undertaking and property and assets whether in one transaction or a series of transactions; or
 - (iv) if at any time there occurs an event or circumstance which, in the opinion of Enbridge Gas Distribution, represents a material adverse change in the business, operations, property or financial or other condition of the Contractor which would negatively affect the ability of the Contractor to perform the Work in accordance with this Agreement or otherwise discharge its obligations hereunder; or
 - (v) where the Contractor invokes the dispute resolution process provided for in Section 16.1 more than once in a calendar year.
 - (vi) if a Force Majeure Event relating to the Contractor substantially prevents, hinders or delays performance of the Work as provided in Section 17.1(b); or
 - (vii) if the Contractor is in breach of any other agreement with Enbridge Gas Distribution.
- (c) This Agreement may also be terminated by Enbridge Gas Distribution upon 30 days' written notice to the Contractor such notice specifying the basis for such termination in the circumstances described in Section 1.12(c) with respect to failure to pay a Subcontractor within three Business Days of the notice provided for therein, Section 1.15(b) with respect to failure to perform any part of the Work, Section 2.1(c)(ii) with respect to failure to meet Contract Specifications or Section 3.6 with respect to disputed Work Charges. Where the Contractor cures such failure to the satisfaction of Enbridge Gas Distribution within such 30 day period, Enbridge Gas Distribution may revoke such termination.
- (d) The Contractor acknowledges Enbridge Gas Distribution's right to damages for any breach by the Contractor of the terms of this Agreement either in whole or in part, including but not limited to the right to damages where Enbridge Gas Distribution has terminated this Agreement in accordance with the provisions hereof.

15.2 Termination for Convenience.

Either Party may terminate this Agreement in whole, for convenience (i.e. for any reason or for no reason) upon at least three months' prior written notice to the other Party.

15.3 Termination Assistance Work.

Commencing on the delivery of any notice of termination or non-renewal of this Agreement (or such other date as mutually agreed by the Parties), and continuing through the effective date of the expiration or termination, the Contractor shall perform for Enbridge Gas Distribution the Work, without interruption or adverse effect in accordance with the provisions hereof to facilitate the orderly transition and migration of the Work to Enbridge Gas Distribution or its designee (the "Termination Assistance Work").

15.4 Taking Over Work and Purchase Option on Termination.

In the event of any termination of this Agreement by Enbridge Gas Distribution as hereinbefore provided, Enbridge Gas Distribution shall have the right to enter upon the site of the Work and take possession of all machinery, equipment and tools provided by the Contractor solely for the performance of the Work (subject to the rights of third parties) wherever the same may be, and may finish any Work that is in process at the time of termination without liability to the Contractor and without charge to Enbridge Gas Distribution, by any method that Enbridge Gas Distribution may deem expedient, including the employment of another contractor on such terms as Enbridge Gas Distribution may deem advisable in its sole discretion. Furthermore, Enbridge Gas Distribution may withhold further payments to the Contractor until the Work is finished and charge the Contractor the amount by which the full cost of completing the Work exceeds the unpaid balance of the Work Charges; however, if such cost is less than the unpaid balance of the Work Charges, then Enbridge Gas Distribution shall pay the Contractor the difference. In the event of any termination of this Agreement by Enbridge Gas Distribution as hereinbefore provided, Enbridge Gas Distribution shall have the option to purchase from the Contractor at fair market value any machinery, equipment or tools provided by the Contractor solely for the performance of the Work for a period of 30 days following such termination after which such option shall expire.

15.5 Enbridge Gas Distribution Property.

Upon the expiration or termination of this Agreement for any reason whatsoever, the Contractor shall immediately return to Enbridge Gas Distribution all property of Enbridge Gas Distribution held by, in the possession of or used by the Contractor including, without limitation, all identification badges, Manuals, tools, equipment, materials, supplies (including pipe), software, Enbridge Gas Distribution Data, Confidential Information, Intellectual Property and Records, without retaining any copies of the foregoing in any medium. To the extent that any of the foregoing cannot be returned, the Contractor shall immediately destroy all of the subject matter referred to in this Section. The Contractor shall cease using any Confidential or Intellectual Property including trademarks or tradenames of Enbridge Gas Distribution and any software in any form whether owned or licensed by Enbridge Gas Distribution and shall cease accessing any computer systems or databases of Enbridge Gas Distribution for any purpose whatsoever and shall terminate such access. All of the actions referred to in this Section 15.5 shall be performed to the satisfaction of Enbridge Gas Distribution.

ARTICLE 16 DISPUTE RESOLUTION

16.1 Dispute Resolution.

- (a) Subject to Sections 1.26 and 16.2, the Contract Managers shall attempt to resolve any dispute, controversy or claim (including any failure by the Parties to reach agreement where expressly provided for in this Agreement) arising under or in connection with this Agreement (a "Dispute").
- (b) Where the Parties are unable to reach complete agreement on pricing with respect to a Change or a dispute with respect to the Work Charges as provided under Section 3.6, the Parties shall attempt to resolve such Dispute as follows:
 - (i) The Contract Manager of the Party that has identified the Dispute will raise the Dispute with the Contract Manager of the other Party and the two Contract Managers will meet promptly and informally to discuss the Dispute and negotiate in good faith in an effort to resolve the Dispute by reaching a just and equitable solution.
 - (ii) If the two Contract Managers are unable to resolve such Dispute within a reasonable period of time not to exceed 14 days, either Contract Manager may notify the other Contract Manager in writing such notice to contain that Party's summary of the facts, the issues, its interpretation and analysis and proposal for the settlement of the Dispute. Within five business days of the delivery of the notice, the Contract Manager of the receiving Party will deliver to the other Contract Manager its written response addressing all of the matters raised in the notice and any other relevant matters. Within five business days of the delivery of the written response, the Parties respective members on the Executive Committee will meet to consider the notice and response and resolve the Dispute.
 - (iii) If the Parties' respective members on the Executive Committee cannot resolve the Dispute within 14 days of the delivery of the written response referred to in paragraph (ii) above, then either Party may submit the Dispute to non-binding mediation in accordance with the mediation rules agreed to by the Parties.
 - (iv) Where the Parties cannot agree on the process or rules for mediation, either Party may upon written notice (the "Mediation Notice") to the other Party elect to submit the Dispute to non-binding mediation hereunder. Within five business days after the date of the Mediation Notice, each Party shall deliver a written offer to the other Party setting forth the specific terms and conditions under which each of them would be prepared to finally resolve the subject Dispute. Such offers must expressly provide that they will remain open for acceptance by the other Party for a period of five business days after the date thereof. If either such offer shall be accepted by the receiving Party within that period, such offer and

acceptance shall constitute a legally binding agreement between the Parties and the subject Dispute shall be resolved in accordance therewith.

- (v) If the Dispute has not been resolved by the method prescribed in paragraph (iv) above, the Parties shall thereafter attempt to promptly agree upon and appoint a sole mediator. If the Parties are unable to agree upon a mediator within 14 days after the Mediation Notice, either Party may request that the ADR Institute of Ontario, Inc. appoint a mediator in accordance with the Mediation Rules of the ADR Institute of Ontario, Inc. Any mediator so appointed shall be deemed to be accepted by the Parties. The mediation shall be conducted at a time, in Toronto and a specific location agreed by the Parties with the mediator, or if the Parties cannot agree, as designated by the mediator. The mediation shall be held within 14 days after the mediator is appointed. If any Party has substantial need for information from another Party in order to prepare for the mediation, the Parties shall use reasonable efforts to agree on procedures for the formal exchange of information. Each Party shall be represented in the mediation by at least an individual with authority to settle the Dispute on behalf of that Party and, if desired by that Party, by counsel for that Party. The Parties' representatives in the mediation shall continue with the mediation as long as the mediator reasonably requests, but in no event longer than 30 days from the first day that the Parties meet to commence mediation. Unless otherwise agreed by the Parties, each Party shall pay one-half of the mediator's fees and expenses and shall bear all of its own expenses in connection with the mediation. No Party may employ or use the mediator as a witness, consultant, expert, or counsel regarding the Dispute or any related matters. The foregoing Mediation Rules shall govern any mediation except as otherwise provided herein.

- (c) The Parties agree that each of them may only institute the dispute resolution procedures of Section 16.1(b) one time in each calendar year.

16.2 Exceptions to Dispute Resolution Procedure.

The provisions of Section 16.1 shall not be construed to prevent either Party from, at any time, seeking any other legal remedies available to it.

16.3 Continuity of Work.

The Contractor acknowledges that the timely and complete performance of its obligations pursuant to this Agreement is critical to the business and operations of Enbridge Gas Distribution. Accordingly, in the event of a Dispute; (i) the Contractor shall continue to perform its obligations under this Agreement in good faith during the resolution of such Dispute unless and until this Agreement is terminated in accordance with the provisions hereof and (ii) Enbridge Gas Distribution shall continue to pay any undisputed Work Charges.

ARTICLE 17 FORCE MAJEURE

17.1 Force Majeure Events.

Each Party will be excused from performance under this Agreement (other than obligations to make payments that become due and payable pursuant to this Agreement) for any period and to the extent that it is prevented from or delayed in performing any obligations pursuant to this Agreement, in whole or in part, as a result of a Force Majeure Event. If either Party is prevented from, or delayed in performing any of its obligations under this Agreement by a Force Majeure Event, it shall promptly notify the Contract Manager of the other Party by telephone (immediately confirmed in writing) of the occurrence of a Force Majeure Event and describe, in reasonable detail, the circumstances constituting the Force Majeure Event and of the obligations, the performance of which are thereby delayed or prevented. The Party claiming that a Force Majeure Event has occurred shall continue to use commercially reasonable efforts to mitigate the impact or consequence of the event on the other Party and to recommence performance whenever and to whatever extent possible without delay. In the event of any Force Majeure Event, Enbridge Gas Distribution shall not pay any Work Charges in respect of the Work so affected.

- (a) A "Force Majeure Event" shall mean the occurrence of an event or circumstance beyond the reasonable control of a Party, provided that (y) the non-performing Party is without fault in causing or failing to prevent such occurrence and (z) such occurrence cannot be circumvented by reasonable precautions and could not have been circumvented through the use of commercially reasonable alternative sources, workaround plans or other means (including, with respect to the Contractor, by the Contractor implementing its business continuity obligations described in this Agreement). Force Majeure Events will include, without limitation, (i) explosions, fires, flood, earthquakes, catastrophic weather conditions, or other elements of nature or acts of God, (ii) acts of war (declared or undeclared), acts of terrorism, insurrection, riots, civil disorders, rebellion or sabotage (iii) acts of Governmental Authorities, (iv) strikes whether direct or indirect and whether lawful or unlawful that affect the Party claiming Force Majeure, (v) failures or fluctuations in electrical power or telecommunications service or equipment and (vi) delays or failures caused by third-party nonperformance (except that a Party will not be excused for delays caused by such Party's subcontractors or agents unless the event or circumstance is a Force Majeure Event as to such subcontractor or agent). In no event will any failure to perform solely as a result of a Party's lack of funds or financial ability or capacity to carry on business be deemed a Force Majeure Event.
- (b) If a Force Majeure Event relating to the Contractor substantially prevents, hinders delays or affects performance of the Work then Enbridge Gas Distribution may terminate this Agreement.
- (c) The Contractor will perform Emergency Work in accordance with this Agreement and the business continuity plan provided for in Section 1.25.

ARTICLE 18 MISCELLANEOUS

18.1 Assignment.

This Agreement will be binding upon and enure to the benefit of Enbridge Gas Distribution and its successors and assigns and shall not be assignable in whole or in part by the Contractor. Any subcontracting by the Contractor of any portion of the Work is governed by subject to the terms hereof including Sections 1.11, 1.12 and 1.13. Any assignment by the Contractor of this Agreement or any of its obligations hereunder shall result in an immediate termination of this Agreement under Section 15.1 and shall be null and void and without force and effect and the Contractor shall remain liable for the completion of the Work and all of its other obligations hereunder all in accordance with the provisions hereof. This Agreement and all of the rights of the Contractor hereunder shall immediately terminate upon any direct or indirect change of control of the Contractor unless Enbridge Gas Distribution acting reasonably approves such change of control in advance and in writing. In this regard, the Contractor shall provide Enbridge Gas Distribution 30 days advance written notice of any proposed change of control which notice shall include details of the proposed transaction and about the parties to the transaction that are sufficient to enable Enbridge Gas Distribution to make an informed decision. If Enbridge Gas Distribution has not responded within 15 days of such notice, Enbridge Gas Distribution shall be deemed to have approved such change of control.

18.2 Relationship of Parties.

In connection with this Agreement, each Party is an independent contractor. This Agreement establishes and shall only be construed as establishing contracts between unrelated business entities for the provision and purchase of certain services and does not and shall not be deemed to create a joint venture, partnership, fiduciary or agency relationship between the Parties for any purpose whatsoever. The Contractor shall under no circumstances conduct its affairs or represent that it is an operating partner of Enbridge Gas Distribution. With respect to its own personnel, each Party is independently responsible for all obligations incumbent upon an employer.

18.3 Notice.

Wherever under this Agreement one Party is required or permitted to give notice to the other Party, such notice shall be in writing and shall be delivered personally, sent by facsimile or sent by nationally recognized express courier. Any such notice shall be addressed as follows:

In the case of Enbridge Gas Distribution:

Enbridge Gas Distribution Inc.
500 Consumers Road
NORTH YORK ON M2J 1P8

Attention: Enbridge Gas Distribution Contract Manager
for Link-Line Construction Ltd.
Facsimile No.: 416-758-4430

In the case of the Contractor:

Link-Line Construction Ltd.
1625 Shawson Drive
MISSISSAUGA, ONTARIO L4W 1T7

Attention: Rick Delaney
Facsimile No.: 905-696-0486

Any such notice given by (i) personal delivery will be conclusively deemed to have been given on the day of actual delivery thereof, (ii) telecopier, on the day of transmittal thereof if given during the normal business hours of the recipient and on the business day during which such normal business hours next occur if not given during such hours of any day, and (iii) courier on the day following delivery to such courier.

Either Party may change its address for notice upon giving seven days written notice of the change to the other Party in the manner provided above.

18.4 Severability.

If any provision of this Agreement or the application of any such provision to any Person or circumstance, shall be declared to be invalid, unenforceable or void by a court of competent jurisdiction, such decision shall not have the effect of invalidating or voiding the remainder of this Agreement, and it is the intent and agreement of the Parties that this Agreement shall be deemed amended by modifying such provision to the extent necessary to render it valid, legal and enforceable while preserving the original intent of the Parties.

18.5 No Third-Party Beneficiaries.

Nothing contained in this Agreement is intended or shall be construed to confer upon any Person (other than the Parties hereto and the indemnitees specifically identified herein) any rights, benefits or remedies of any kind or character whatsoever, and no Person shall be deemed a third-party beneficiary under or by reason of this Agreement.

18.6 Publicity.

All advertising, press releases, public announcements and public disclosures by either Party relating to this Agreement which includes (a) the other Party's name, trade names, trademarks, logos, servicemarks or trade dress (collectively, "Name") or (b) language from which the connection of such Name may be inferred or implied, will be coordinated with and subject to approval by both Parties prior to release; provided, however, that (x) either Party may indicate to third parties that the Contractor is providing services to Enbridge Gas Distribution, (y) the Contractor may with the prior written consent of the Enbridge Gas Distribution Contract Manager, use Enbridge Gas Distribution as a reference and (z) either Party may make such press releases, public announcements and public disclosures as may be required by Laws or by order of a court of competent jurisdiction or other governmental authority; provided that, to the extent reasonable under the circumstances, such Party (i) gives the other Party prior notice of the required or ordered press release, public announcement or public disclosure and (ii) incorporates any reasonable amendments requested by the other Party that do not affect compliance with applicable Laws.

18.7 Amendment.

This Agreement may not be modified or amended except by a written instrument executed by or on behalf of both of the Parties to this Agreement.

18.8 Entire Agreement.

This Agreement (including the Appendices, Schedules and Exhibits hereto, each of which is incorporated herein by reference, and the letter dated June 11, 2004 from Enbridge Gas Distribution which is attached as Schedule 18.8 hereto), constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings, whether written or oral, between the Parties with respect to the subject matter hereof. There are no representations, understandings or agreements relating to this Agreement that are not fully expressed in this Agreement.

18.9 Governing Law.

This Agreement will be governed by and construed in accordance with the Laws, other than choice of law rules, of the Province of Ontario and the federal Laws of Canada applicable therein and the Parties hereby irrevocably attorn to the jurisdiction of the Courts of the Province of Ontario.

18.10 Rules of Interpretation.

The article and section headings and the table of contents contained in this Agreement are for reference purposes only and will not affect in any way the meaning or interpretation of this Agreement. As used in this Agreement, unless otherwise provided to the contrary, (a) all references to days, months or quarters will be deemed references to calendar days, months or quarters and (b) any reference to an "Article," "Section," "Schedule," "Appendix" or "Exhibit" will be deemed to refer to an article or section of this Agreement or a schedule, appendix or exhibit to this Agreement. Unless the context otherwise requires, as used in this Agreement, all terms used in the singular will be deemed to refer to the plural as well, and vice versa. The words "hereof" "herein" and "hereunder" and words of similar import referring to this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. Whenever the words "include," "includes" or "including" are used in this Agreement, they will be deemed to be followed by the words "without limitation". Whenever the word "discretion" is used in this Agreement with respect to a Party, it will be deemed to mean such Party's sole discretion. Whenever the term "good faith" is used in this Agreement with respect to a performance obligation of a Party, it will be deemed to mean that such Party will use commercially reasonable efforts on a diligent basis (and the Party may act in its own self-interest). References in this Agreement to "\$" will be deemed a reference to Canadian dollars unless otherwise specified.

18.11 Survival.

All of the representations, warranties, covenants and agreements contained in this Agreement, or contained in any certificate or other instrument delivered by or on behalf of either Party pursuant to or in connection with the transactions contemplated by this Agreement, shall survive the expiration or termination of this Agreement.

18.12 Waivers.

No waiver by a Party of the breach of any of the covenants, conditions and provisions herein contained shall be effective or binding upon that Party unless the same shall be expressed in writing. A waiver by a Party of any of its rights hereunder or of the performance by a Party of any of its obligations hereunder shall not constitute a waiver of any other rights or of the performance by the Party of any of its other obligations hereunder.

18.13 Further Assurances.

Each Party covenants to the other that, at any time and from time to time after the date hereof that it will, upon the request of the other, do execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all such further acts, deeds and assurances as may be required for the better carrying out and performance of all of the terms hereof.

18.14 Purpose of the Technical Announcements, Safety Alerts and Manuals.

The purpose of the Technical Announcements, Safety Alerts and Manuals is to describe the methods and procedures to be employed in the completion of the Work to attain the results and standards prescribed therein and herein.

18.15 Reporting On Errors or Omissions.

The Contractor shall immediately report to the Enbridge Gas Distribution Contract Manager any apparent error in, omission from or conflict herein or in the Technical Announcements, Safety Alerts or Manuals.

18.16 Extended Power of Interpretation of This Agreement.

In the event that there is a patent omission from this Agreement, Enbridge Gas Distribution shall determine such patently omitted terms as are necessary to fulfil the intent of this Agreement and advise the Contractor of such terms.

18.17 Counterparts.

This Agreement may be executed in two counterparts, each of which shall be deemed to be an original, but both of which together shall constitute one agreement binding on the Parties, notwithstanding that both Parties are not signatories to the same counterpart.

18.18 Time of Essence

In all respects, time shall be of the essence of this Agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed by and on behalf of the Parties hereto as of the Effective Date.



ENBRIDGE GAS DISTRIBUTION INC.

By: [Signature] JANET HOLDER
Title: VICE PRESIDENT
OPERATIONS c/s

By: [Signature]
Title: GLENN BEAUMONT
Vice President, Engineering

LINK-LINE CONSTRUCTION LTD.

By: [Signature]
Title: CEO

By: [Signature] c/s
Title: PRES

Schedule 1.7(f) Unit Pricing Adjustment

SCHEDULE 1.11

APPROVED SUBCONTRACTORS

Affiliates

Plus Welding

Other than Affiliates

De Rose Bros. General Contracting Ltd.

Schedule 1.16
ENBRIDGE GAS DISTRIBUTION MANUALS
Link-Line

- Construction Manual
- Operations & Maintenance Manual
 - Section 1
 - Section 2.1.6, 2.5, 2.9, 2.11, 2.12, 2.18
 - Section 3.1.1.2 table
 - Section 4.2.3 to 4.2.11, 4.3, 4.3.2.2, 4.5, 4.5.2, 4.7, 4.8
 - Section 5.5 to 5.10, 5.13 (applicable to 2" outlet), 5.14.3, 5.16, 5.17.1, 5.17.9, 5.18, 5.20, 5.23, 5.24, 5.25, 5.26 (applicable to policy & procedure installation), 5.26.7, 5.26.9
 - Section 6
 - Section 10 (10.1 to 10.4)
- Low Pressure Delivery Meter Set Standards
- Vertical Subdivision Manual
- Process Manual
- Statement of Business Conduct
- Enbridge Gas Distribution – Network Security Policy for Remote Access

Schedule 1.1.A (Geographic, LinkLine)

The Central Region West (Area 20) is defined by the City of Mississauga, the City of Brampton, including Caledon East, Cedar Mills, Bolton, which are situated in the Town of Caledon, and including the Town of Caledon, Erin Township, Hillsburgh, Alton, Orangeville, Grand Valley, Waldemar, Dundalk, Proton Station, Corbetton, Mono Mills, Shelburne, Caledon Village, Loretto, Colgan and Keenansville

The Central Region-North-Georgian Bay (Area 50) District spans from Collingwood east along the south shoreline of Georgian Bay, to Coldwater at the Severn-Medonte Townline including the communities of Collingwood, Wasaga Beach, Tiny Twp., Tay Twp., Midland, Penetang and Coldwater. The eastern boundary is the Severn-Medonte Townline from Coldwater to the north shoreline of Lake Simcoe including the communities of Prices Corners and Warminster, west to Barrie and south along the west shoreline of Lake Simcoe to the Bradford West Gwillimbury Townline and includes Oro-Medonte Twp., Barrie and the Town of Innisfil. The district then spans westerly to Highway 400 and south to Concession 2 New Tecumseth, then westerly again to the Adjala-Tecumseth Townline including Cookstown, Alliston, Tottenham and Bond Head. The western boundary is the Adjala-Tecumseth Townline extending north from Concession 2 New Tecumseth to the Clearview-Mulmar Townline then west to the Clearview-Grey Townline and north to Georgian Bay including the communities of CFB Borden, Creemore, New Lowell, Angus, Everett and Stayner.

Toronto Region (Part of Area 10) Toronto West is comprised of that portion of the city, south of Steeles Ave. on the west side of Jane St. to Lawrence Ave. and east to Keele St. and that portion of the city on the west side of Keel Street from Lawrence to Lake Ontario.

The Niagara Region (Area 80) is comprised of the municipalities of Port Colborne, Grimsby, West Lincoln, Lincoln, Wellandport, Welland, St. Catharines, Niagara Falls and Fort Erie, Thorold, Twp of Wainfleet, Niagara-on-the-Lake & Fonthill/Pelham.

Effective from October 1, 2004 - December 31, 2008

Schedule I.I.B (Mainlaying; Unit Pricing - LinkLine)

[remainder redacted]

Effective from October 1, 2004 - December 31, 2008

Schedule 1.1.C (Service Installations, Unit Pricing - LinkLine)

[remainder redacted]

Schedule 1.1.D (Contractor Cost, Linkline)

CONTRACTOR COST WORK

[remainder redacted]

Schedule 1.1.E (Target Pricing, LinkLine)

1. DEFINITIONS

“**Target Pricing**” is a pricing method agreed to by Enbridge Gas Distribution and the Contractor to complete a complex or unique project that is performed by the Contractor based upon a written description of the Work provided by Enbridge Gas Distribution and a written response from the Contractor that includes a description of the Work, the estimated time for completion, the units and other components comprising the project, the Unit Pricing and other pricing comprising the project and the aggregate price to complete the project and includes a method of splitting a target overage or underage.

The scope of a Target Pricing project shall be defined by the nature or type of Work determined by analyzing size, material, surface conditions, geography, location, timing and any other conditions that may affect the work in question.

2. TARGET PRICING PRINCIPALS GENERALLY

- 2.1 Enbridge Gas Distribution and the Contractor shall mutually agree prior to the project on the most cost effective method to complete a project (ensuring safety and quality.)
- 2.2 Enbridge Gas Distribution and the Contractor shall mutually agree on the appropriate estimated time / cost to complete a project.
- 2.3 Enbridge Gas Distribution and the Contractor shall mutually work throughout the project process to find additional ways to lower costs and to minimize any potential “unknowns”, which may occur.
- 2.4 Enbridge Gas Distribution and the Contractor shall share in any cost overruns or savings, equally excluding Contractor profit on cost overruns.
- 2.5 All safety, integrity, security, etc. clauses and conditions from the Operations Contractor Agreement will apply to all work done as Target Pricing.
- 2.6 All target jobs will be directly inspected unless otherwise mutually agreed to by the appropriate Enbridge Gas Distribution and Contractor Regional Representatives.
- 2.7 The results (positive & negative) of undertaken target jobs will be jointly evaluated annually by the Contract Managers.
- 2.8 Variances in the scope of a Target Pricing project may cause the target price to be altered during the course of the Work. The Contractor shall provide a written explanation to Enbridge Gas Distribution setting out the details with respect to any variance in scope. Any such alteration(s) to the scope or price shall only occur after Enbridge Gas Distribution has given its consent in writing.

3. TARGET PRICING – POTENTIAL APPLICATIONS

For Work types that are determined to be out of scope, “Target Pricing” will be implemented as the preferred compensation mechanism.

- (a) Mains in excess of NPS 8
- (b) Services installations not covered by Unit Pricing (including services greater than 100 metres in length)
- (c) Projects or work in excess of \$1,000,000 (Enbridge Gas Distribution total costs excluding general and administrative overheads)
- (d) Projects with less than 1.0 P.I. (Enbridge Gas Distribution Profitability Index from total Enbridge Gas Distribution capital requisition value including Enbridge Gas Distribution general and administrative overheads)
- (e) Major crossings
- (f) Major rebillables
- (g) Major replacements & reinforcements
- (h) Special projects (NPS4 to NPS8 mains less than 100 metres in difficult construction conditions as determined by Enbridge Gas Distribution)
- (i) Verticals as determined by Enbridge Gas Distribution

4. PROTOCOL FOR PROCEEDING WITH TARGET PRICING WORK

- 4.1 Work on Target Pricing will begin on the recommendation of the appropriate Enbridge Gas Distribution Regional Representatives based on Enbridge Gas Distribution's "Authorization for Expenditure Approval".
- 4.2 In respect of Work that is out of the Scope of Work, Enbridge Gas Distribution is not obligated to have the Contractor perform such Work. Enbridge Gas Distribution may consider any option available to it to have such Work completed, including but not limited to, performing the Work itself, engaging the Contractor to perform the Work or tendering the Work. Enbridge Gas Distribution will only Tender the Work if no agreement can be reached on a Target Price (including where Enbridge Gas Distribution cannot satisfy itself that the Target Price is prudent) between Enbridge Gas Distribution and the Contractor.
- 4.3 All Target Price Work must be agreed in writing, including timing and cost before proceeding.
- 4.4 All Target Price Work will be set using the estimating format included in this schedule.

5. STRUCTURE/PROCESS TO SET A TARGET PRICE

- 5.1 Determination of scope and the Target Pricing of the Work involved will be done by competent individuals from Enbridge Gas Distribution and the Contractor.
- 5.2 During a Target Pricing job, there is a requirement for regular reporting of progress to target in order to understand whether a job is coming in under, over, or on target. It is

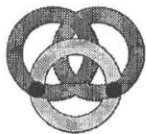
expected that this reporting and discussion of results would be on a regular basis, which would depend on the overall length and complexity of the target job.

- 5.3 There must be a detailed hard-copy estimate involving key contacts using the estimating format included in this schedule (Target Pricing form), who stay associated with Target Price Work from beginning to end.

6. TARGET PRICING DETAILED METHODOLOGY

- 6.1 The Enbridge Gas Distribution Regional Representative or his/her designee will in all cases determine the need for target pricing and if appropriate request a target price from the Contractor. The Contractor in unison with Enbridge Gas Distribution will review the project. The scope of the project will be discussed in detail and a mutually acceptable construction process/method will be agreed to. The Contractor will estimate the cost to complete the project. The detailed cost estimate will be provided on the appropriate template/form, to the Regional Representative for review and discussion. The project will not proceed until an approved Target Pricing form has been agreed to and signed off by both parties (appropriate Regional Representative or his/her designate).
- 6.2 Project costing from the Contractor, without approved or preliminary drawings may be provided as a lump sum estimate. A qualifier will be included, indicating that the costing is subject to change and will be reviewed when approved drawings are available.
- 6.3 Project costing from the Contractor with a preliminary drawing will be completed as detailed in 6.2 above with the qualification that costing may change when approved drawings are received.
- 6.4 Project costing with approved drawings will be completed as detailed in 6.2 above or costing may only require adjustment based on the estimate provided with the preliminary drawings if such estimate was provided earlier.
- 6.5 As the project proceeds, the project costs will be recorded (labour hours, equipment hours, Subcontractors and material) and reported at agreed intervals (daily) and approved by Enbridge Gas Distribution.
- 6.6 As the project proceeds, invoices will be generated based on actual labour, equipment, subcontractors and material utilized on the project. Invoices will be based on agreed to hourly labour and equipment rates as well as actual Subcontractor and material costs. Hourly labour and equipment rates will be exclusive of overhead and profit. All invoices will include a pre-approved overhead and profit component based on a percentage of the bare labour, equipment, Subcontractor and material costs. Invoices will include daily breakdowns as well as equipment and labour classification breakdowns. Invoices will be submitted for payment on a weekly basis.
- 6.7 If scope changes occur during the project process, the Regional Representative will be notified immediately in writing. The amount of the scope change, either negative or positive, will be determined and approved at the time of occurrence by the appropriate Contractor and Enbridge Gas Distribution Regional Representatives before proceeding. The approved Target Pricing form will be adjusted to reflect nature of the scope change.

- 6.8 At the conclusion of the job and when all project costing has been received a reconciliation of the actual project costs versus the estimated target project costs will occur within ten working days. The difference between these two costs will be split 50/50 between both parties. The Contractor's profit portion of a target job overrun will be capped at the amount of profit allotted on the final approved target estimate. The reconciliation will also include a subjective component that will review the construction process to determine any "lessons learned" and future areas of benefit.
- 6.9 A final invoice will be produced from the reconciliation data (credit or debit) within ten working days, which will close the project.
- 6.10 If necessary, at the end of a Target Pricing project, the Contractor will provide full cost information to Enbridge Gas Distribution detailed billed costs (including, but without limitation, labour vehicles and equipment and any other costs).



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Schedule 1.1.E (Pricing Template) CONSTRUCTION PRICING MODEL

Project Description:

Date:				Project Name:			
WIP Number:				Drawing Number:			
Test Medium:				Length:			
Type:				Depth:			
Contingency:				Ground Conditions:			
Pipe Size:							

Construction Cost Breakdown		Estimated Qty.	Actual Qty.	Unit	Unit Cost	Total Estimated Qty.	Total Actual Qty.
	Crew Days on Site :					\$	\$
	Crew Hours on Site :					\$	\$
	Crew Size :					\$	\$
	Directional Drill Crew Days on Site :					\$	\$
	Directional Drill Crew Size :					\$	\$
	Micellaneous :					\$	\$
	Totals :	0	0	0	0	0	0
Item 1						\$	\$
Item 2						\$	\$
Item 3						\$	\$
Item 4						\$	\$
Item 5						\$	\$
Item 6						\$	\$
Item 7						\$	\$
Item 8						\$	\$
Item 9						\$	\$
Item 10						\$	\$
Item 11						\$	\$
	Totals :	\$	\$	\$	\$	\$	\$
Assumptions				Total Project Cost (all columns) :		\$	\$

Project Type			<u>Contractor Approval</u>			
	Target Price		Print Name			
	Contractor Cost		Title:			
	General Contract Pricing		<u>Enbridge Approval</u>			

		Print Name					
Scope Changes		Title:					
Nature of Scope Change:							
Details: (attach details sheet if required)							
Approximate Cost of Change:				New Total Project Cost:			
Enbridge Approval:				Title:			
Contractor Approval:				Title:			
Final Reconciliation							
On/Over/Under Budget :		By how much - \$:		By how much - % :			
Details :							
Final Cost Splitting - \$:				Final Cost Splitting - % :			
Total Cost :							
Enbridge Approval:				Title:			
Contractor Approval:				Title:			

Schedule 1.1.F Service and Main Appurtenances (LinkLine)

[remainder redacted]

Schedule 2.1.A General Parameters (LinkLine)

Customer-dug trenches

	Customer pays:	Contractors charge:
½" & 1"	\$10/m	
1 ¼"	\$15/m	
2"	Field estimate	Field Estimate

Coordination will be by the Contractor's personnel.

Farm taps

Enbridge Gas Distribution will pay 50% of lump sum steel service price by size/construction type + farm tap appurtenant rate + PE lump sum cost by size/construction type. Note: the Pre-fab farm tap part number is 2410500.

Unimproved versus Improved services

Services that are part improved and part unimproved will be classified and paid according to the following definition:

1. If the service is long (i.e. requires a road crossing) the service will be paid as an **IMPROVED** service regardless of surface cover.
2. If the service is short and the service connection is under a HARD surface (i.e. Asphalt, concrete etc) but the remainder of the service is in unimproved conditions, the service will be paid as **IMPROVED**.
3. All other combination short services, even where service connection is under grass or tunnelling under sidewalk is required will be paid as **UNIMPROVED**.

Definition of a "Lump Sum Service"

To install lump sum services from main to building complete at an inclusive cost. Price to include a 1 lb. Anode where required, all records, input costs and appurtenances with the exception of applicable service appurtenances. On NTS 1/2 services, the regulator assembly/low pressure assembly, meter set, and wall brackets are to be included in the lump sum service price.

Service Records

The service record should reflect the length of the service from the service tie-in point at the main to the riser but not including the riser.

Equipment Rentals/Extra Services

The Contractor will be given a preference for Enbridge Gas Distribution needs outside of this agreement but Enbridge Gas Distribution retains the right to use the best price in support of it's needs regardless of the source, (i.e. pricing must be competitive.)

All pipe and fittings supplied by Enbridge Gas Distribution must be transported by the Contractor to the Joint Trenching Work site or the Contractor's warehouse facilities and will be available from Enbridge Gas Distribution's warehouses or other depots. In some cases materials will be shipped directly to the Contractor from the manufacturer.

All material handled by the Contractor must be adequately controlled and protected against damage or misuse. Sufficient insurance must be carried by the Contractor to ensure coverage against fire or loss, etc. It is important that the Contractor co-operate in the control and recycling of all scrap materials. Provision must be made for accumulation, periodic check and approved disposal of this material. The Contractor will be expected to co-operate in the required annual inventory counts.

Quality of Workmanship

Without limiting any obligation of the Contractor in the Agreement, it is the responsibility of the Contractor to ensure that the Work provided for Enbridge Gas Distribution is of suitable workmanship.

Public Image Standards (Vehicles)

All vehicles used by the Contractor must be appropriate in function and appearance for the intended work being provided. An Enbridge Gas Distribution Authorized Contractor sign or equivalent must be displayed on at least one side of each vehicle for identification purposes for vehicles of personnel expected to enter customer premises.

The Contractor employee must properly store and secure all equipment and materials during transportation. Equipment and materials damaged in transit will be charged back to the Contractor.

If a Contractor or Subcontractor ceases to perform Work for Enbridge Gas Distribution, any signs or other materials that reference an association with Enbridge Gas Distribution must be removed from vehicles belonging to or used by the Contractor or Subcontractor and immediately returned to Enbridge Gas Distribution.

Tools

Employees must arrive at work sites with appropriate tools to perform the Work. The Contractor is responsible for providing the appropriate tools. It is the responsibility of the Contractor to satisfy themselves that all tools and instruments used by Employees are in working order and that a record log is kept of monthly maintenance checks. These records must be available to Enbridge Gas Distribution upon request.

Training

All Employees performing Work for Enbridge Gas Distribution must be qualified. In establishing this qualification, the Contractor will have to provide specific training to satisfy both Enbridge Gas Distribution, industry and health and safety requirements. The training curriculum must ensure that basic technical and customer relations competencies are also established and appropriate refreshers and new information sessions are given at specific time intervals.

The Contractor may identify different categories of qualifications and assign Work based on these qualification categories.

It is the sole responsibility of the Contractor to ensure all Employees are able and qualified to perform the Work as assigned.

Enbridge Gas Distribution may, from time to time, and at their sole discretion, permit the Contractor to attend training programs conducted by Enbridge Gas Distribution. This permission will be granted to allow the Contractor an opportunity to enhance and supplement their own training curriculum. Initially, Enbridge Gas Distribution will permit attendance at their training programs for individual Employees. As the Contractor organization develops other sources of training, the amount of attendance by Employees at Enbridge Gas Distribution training sessions will be restricted to those individuals involved in training program delivery for the Contractor. The Contractor may be charged a fee for attendance at specific training programs.

Self Audits

On a regular basis the Contractor must perform Quality Assurance audits of the Work being provided for Enbridge Gas Distribution. These audits must be sufficient to provide the Contractor with assurance that the Work is being performed, and will continue to be performed, in accordance with the requirements of this contract, Enbridge Gas Distribution policies, all applicable legislation and with appropriate levels of customer service, and that there is an effective mechanism in place to ensure that all required licenses and insurance's remain up-to-date.

The detailed activities and results of the audits must be documented by the Contractor as the audit is being conducted. This documentation must be made available to Enbridge Gas Distribution upon request.

The manner of performing the audit and the form of documentation used are at the sole discretion of the Contractor. Enbridge Gas Distribution will, upon request, make available to the Contractor the manner and format of the Quality Assurance audits that Enbridge Gas Distribution performs on their own employees. It is the responsibility of the Contractor to ensure that the audit method they elect to use provides the necessary assurance described in the first paragraph of this section.

If, during the course of performing these audits, the Contractor is unable to satisfy themselves that they will meet the obligations of this contract, they must cease to provide the affected Work for Enbridge Gas Distribution Inc., and notify Enbridge Gas Distribution of the nature of the problem immediately.

Once every three months, an officer of the Contractor must submit to Enbridge Gas Distribution a signed and dated statement indicating that the Contractor has completed sufficient audits to be assured that the Work is being provided, and will continue to be provided, in accordance with the requirements of this contract, Enbridge Gas Distribution Manuals, all applicable legislation and with appropriate levels of customer service, and that there is an effective mechanism in place to

ensure that all required licenses and insurances remain up to date. Other additional information received from the audit may also be provided to Enbridge Gas Distribution at this time as the Contractor deems appropriate.

Additional Compensation Items

- A. If the Contractor receives a request from Enbridge Gas Distribution for a maintenance relay to be installed the same day it is received, the Contractor will be paid a premium of fifty percent (50%).
- B. If Enbridge Gas Distribution specifically makes a commitment to install a service in less than 5 days a ten percent (10%) premium will be applied to the basic lump sum price.
- C. Where municipal or traffic restrictions require services to be installed after 7:00 p.m. (Monday to Friday), or on Saturdays, the Contractor will be paid a premium of fifty percent (50%). Where services must be installed on Sundays or Public Holidays, the Contractor will be paid a premium of one hundred percent (100%). In all cases, a copy of the permit or requirements must be submitted with the invoices for such Work.
- D. Any costs associated with railroad flagging, transmission line crossing, paid off-duty police or like services will be paid by Enbridge Gas Distribution. For payment of off-duty police or like additional services, over and above the normal Occupational Health and Safety Act or traffic plan requirements, a copy of the invoice must be submitted.
- E. In the Central Region, Toronto Region and Eastern Region, the Contractor will receive Winter Prices to cover Work done during the period of January 1st to March 31st. Winter rates to be negotiated for the Niagara Region.
- F. The Contractor will be reimbursed for extra depth ditching in excess of 1.2 metres if requested by Enbridge Gas Distribution as shown in the Main Appurtenances. Abnormal extra depth ditching to lay the pipe under any underground obstruction(s) or at road crossing(s) or performed by a ditching machine will not be included as a payable item.
- G. For ½" plastic reconnects, payment will be in accordance with the lump sum relay service price quoted in the pricing spreadsheets for Toronto Region.
- H. The Contractor will be reimbursed for residential, commercial and industrial Header Services (excluding farm tap inlets) utilising main line prices for the same size, material and ground cover (improved or unimproved). All main appurtenance items will apply.
- I. Residential, commercial and industrial header laterals will be paid in accordance with Schedule 1.1.C.

- J.** Maintenance costs for Joint Repairs and Service Repairs - Below Grade are based on the assumption Enbridge Gas Distribution personnel will be performing investigation, classification, barholing and pinpointing work.
- K.** Service Installation on or before dates:

 - a.** Urban - Twenty-one calendar days from the time the work order is available for scheduling in STORMS.
 - b.** Rural - Forty-two days from the time the work order is available for scheduling in STORMS.

Schedule 2.1(b)(i) Performance Management (LinkLine)

Draft Obligations

Result Area	Measures	Weight	Unit	Target
Operational	Cast Iron Replacement mains completed within timeframe / standards	10%	%	90%
	Cast Iron Replacement services completed within timeframe / standards	10%	%	90%
	Reinforcement/Planning work completed within timeframe / standards	10%	%	90%
	Copper Replacement work completed within timeframe / standards	10%	%	90%
	Unimproved Services	5%	%	90%
	Unimproved Mains (Subdivision Projects)	5%	%	90%
	Paperwork / System Updates completed within timeframe / standards (including the timeframes/standards in Schedule 3.1)	2.5%	%	90%
	Billing completed within timeframe / standards	2.5%	%	90%
	Same Day Rush Services	5%	%	90%
	Construction / Service Coordination - I.e. Time Customers are w/o gas (TBD)	5%	TBD	TBD
	Work Volume Completed within Timeframes	5%	%	90%
	Adherence to Forecast	5%	%	90%
Customer	Customer Complaints	2.5%	%	90%
	Customer Satisfaction Survey Results	2.5%	%	55%
	Commitments Met – Unimproved	5%	%	90%
	Commitments Met – Improved	5%	%	90%
Quality & Safety	QA Success Rate (Corporate Measure) *	2.5%	%	90%
	Training Delivered to EGD Requirements	2.5%	TBD	TBD
	LTI's / 200,000 hours of work *	2.5%	#	Industry Standard
Compliance	Orders on EGD work / 200,000 hours *	2.5%	#	Industry Standard

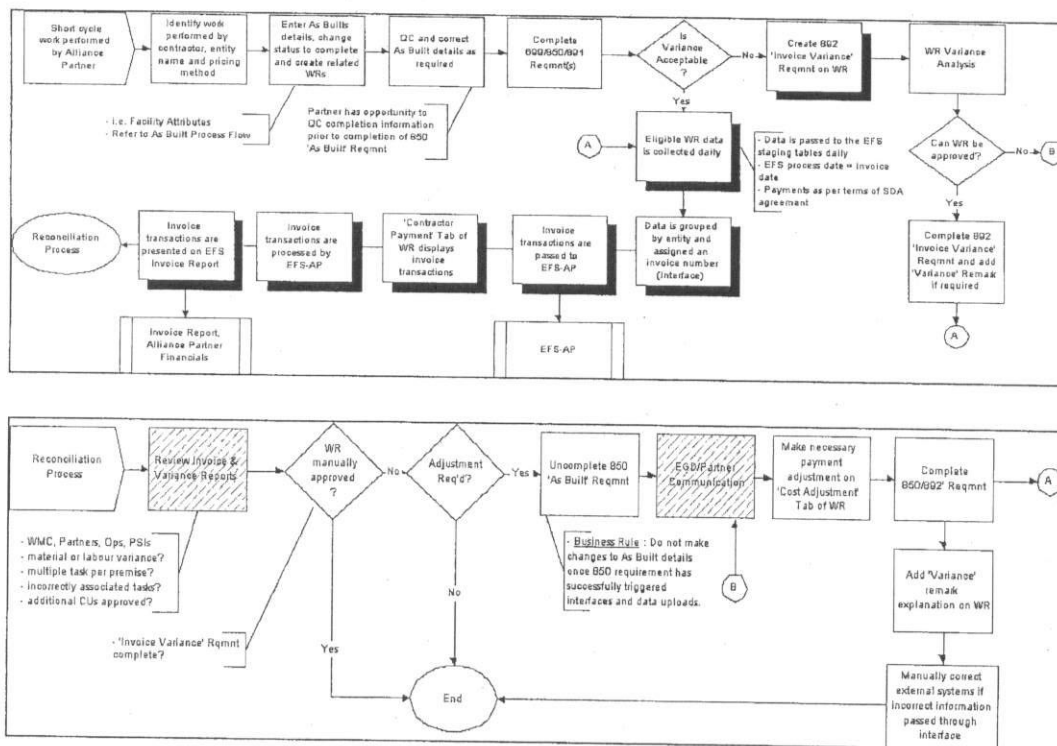
Critical Measures

Measures denoted with an asterisk, are examples of critical measures, whereby a certain minimum threshold of performance is required.

Schedule 3.1 Contractor Invoice E Payment Timelines

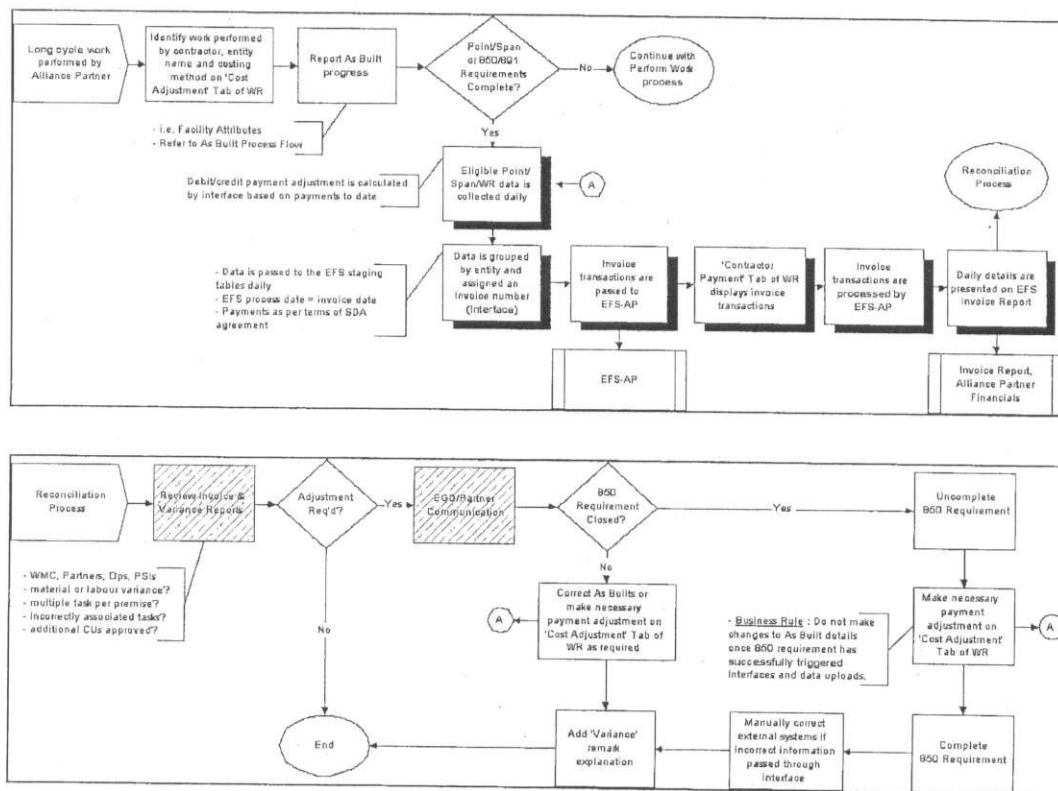
Categories	Alliance Participant			
	Schedule	As-Built	Error Resolution	Other
Emergency & Customer Component	Real Time	1 hr	1 hr	
Short Cycle w/FFT	5 Days	Real Time	24 hrs	
Short Cycle non-FFT	5 Days	1 Day	24 hrs	
Long Cycle	5 Days	3 Days	3 Days	
Long Cycle Intermediate Updates		24 hrs	24 hrs	
Estimate vs Actual Cost Variance Threshold				5%
Manual Payment Approval Resolution				30 days

Schedule 3.1 AP Invoice and ePayment Sub Process - Short Cycle Work



Confidential/Enbridge Gas
Distribution

Schedule 3.1 AP Invoice and ePayment Sub Process - Long Cycle Work



Confidential/Enbridge Gas
Distribution

Schedule 4.2(a) Performance Management (EGD-LinkLine)

Draft Obligations

Result Area	EGD Requirements	Measure	Weight	Unit	Target
	Forecast of yearly Cast Iron Replacement Mains	Provide Yearly Cast Iron Replacement Mains forecast by Jan 1 of each calendar year.	1%	%	100%
	Mutually develop work plan identifying monthly allocation of Cast Iron Replacement Projects	Finalize work plan defining all projects and allocation percentage throughout construction season by February 1.	2%	%	
		Engage SDA Construction Contractors in developing line locations.	2%	%	
		Provide ready projects (with all permits) according to work plan commencing March 1 and continuously throughout the construction season with at least 4 weeks lead-time to construction start date.	5%	%	
Operational	Forecast of yearly Cast Iron Replacement Services.	Provide Yearly Cast Iron Replacement Services forecast by Jan 1 of each calendar year.	T.B.D.	%	100%
	Mutually develop work plan identifying monthly allocation of Cast Iron Replacement Projects	Finalize work plan defining all projects and allocation percentage throughout construction season by February 1. Provide ready projects (with all permits) according to work plan commencing March 1 and continuously throughout the construction season with at least 4 weeks lead-time to construction start date.			

Operational	Forecast of yearly regional Reinforcement / Planning work. Mutually develop work plan identifying monthly regional allocation of Reinforcement / Planning work	Provide Yearly Regional Reinforcement / Planning work forecast by Jan 1 of each calendar year. Finalize regional work plan defining all projects and allocation percentage throughout construction season by February 1. Engage SDA Construction Contractors in developing project costs and line locations. Provide ready projects (with all permits) according to work plan commencing March 1 and continuously throughout the construction season with at least 4 weeks lead-time to construction start date.	T.B.D.	%	100%
	Forecast of yearly Copper program per region. Mutually develop work plan identifying monthly allocation of Copper relays per region.	Provide Forecast per region of yearly Copper program by Jan 1 of each calendar year. Finalize work plan per region defining all Copper Service Relays and allocation throughout the construction season by Feb 1. Provide regional monthly allocation of ready (with all Permits) Copper Relays according to work plan commencing on April 1 and continuously throughout the construction season with at least 4 weeks lead time.	T.B.D.	%	100%
	Forecast of yearly Unimproved Services per region. Mutually develop work plan identifying monthly allocation of Unimproved Services per region.	Provide Forecast per region of yearly Unimproved Services by Jan 1 of each calendar year. Finalize work plan per region defining all Unimproved Services and allocation throughout the construction season by Feb 1. Provide regional monthly allocation of all ready projects according to work plan commencing on March 1 and continuously throughout the construction season with at least 4 weeks lead time.	T.B.D.	%	100%

Operational	Forecast of yearly Unimproved Subdivision Mains per region. Mutually develop work plan identifying monthly allocation of Unimproved Subdivision Mains per region.	Provide Forecast per region of yearly Unimproved Subdivision Mains by Jan 1 of each calendar year. Finalize work plan per region defining all Unimproved Subdivision Mains and allocation throughout the construction season by Feb 1. Provide regional monthly allocation of all ready projects according to work plan commencing on March 1 and continuously throughout the construction season with at least 4 weeks lead time.	T.B.D.	%	100%
	Ensure work orders are received with full commitment window available.	% of work orders received with full commitment windows available. Ensure work orders are received with all Enbridge Dependency Requirements met. (I.e. Permits) Adjust regional commitment windows to accommodate for decrease in volume. Reinstate full commitment window when 3rd Party Dependencies cannot be obtained with 50% of window remaining	T.B.D.	%	100%
	Develop internal Enbridge processes that ensures Rushes are accurately classified and allocated.	Reduction in current level of same day rushes.	T.B.D.	T.B.D.	T.B.D.
	Provide Contractors with effective tools to ensure admin functions associated with Scheduling and As-Build Completion are as quick or quicker than current processes	Reduction in Construction Contractors Back Office staff that results in a 12.6% reduction of FTE's.	T.B.D.	FTE Staff Level	12.6% reduction in staffing level
	Provide Contractors with effective tools to ensure admin functions associated with Invoicing are as quick or quicker than current processes	Average time taken to complete and verify a "Daily" invoice Reduction in Construction Contractors Back Office Staff that results in a 12.6% FTE reduction.	T.B.D.	FTE Staff Level	12.6% reduction in staffing level

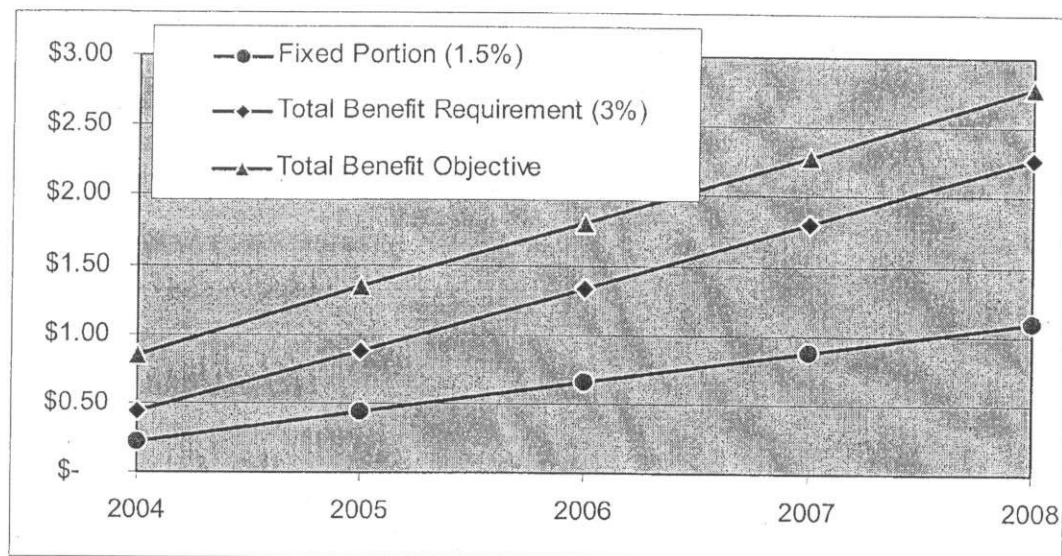
Operational	Accurate determination of entity responsible for complaint before issuing for investigation.	% of complaints returned to Enbridge where Construction AP was not the responsible party.	T.B.D.	%	0
	Ensure Customer Satisfaction survey and process is appropriate and specific to Contractors work. Involve Construction Contractors in developing survey process and questions.	Measure to be developed after review of Catherine McCowan's Customer Satisfaction Matrix.	T.B.D.	%	90%
	Provide work ready (all dependencies met and support in obtaining 3rd Party dependencies) according to mutually developed work plan.	Ensure "x"% of work volume is available and ready for Contractors in order to minimize staffing fluctuations.	T.B.D.	%	T.B.D.
	Forecasting accuracy	Ensure actual work volumes are within "x"% of forecast.	T.B.D.	%	T.B.D.
	Materials "in-sync" with work (\$ value)		T.B.D.	T.B.D.	T.B.D.
	Provide Permits	% of work orders supplied without Enbridge Supplied Permits.	T.B.D.	%	T.B.D.
	Support Construction Contractors in obtaining Locates and 3rd Party Dependencies in order to meet commitment timelines.	% of work orders where Contract commitment windows are being met.	T.B.D.	T.B.D.	T.B.D.
	Clear definition of requirements		T.B.D.	T.B.D.	T.B.D.
	Re-define (optimize) Performance Matrix	Success rate from audits.	T.B.D.	%	90%
	Standardization across all regions		T.B.D.	T.B.D.	T.B.D.

Cost Drivers

Obligations have been identified that link to the participant's cost drivers. Given that this is new approach, a period of "baselining" will be required to set targets in areas where historical performance is unknown and unavailable.

Schedule 4.2(b) - EGD Benefits Requirement of Linkline in \$(000,000)

Linkline Example	2004	2005	2006	2007	2008
Fixed Portion (1.5%)	\$ 0.22	\$ 0.44	\$ 0.66	\$ 0.88	\$ 1.10
Total Benefit Requirement (3%)	\$ 0.44	\$ 0.88	\$ 1.33	\$ 1.79	\$ 2.27
Committed Benefits	\$ 0.42	\$ 0.46	\$ 0.48	\$ 0.49	\$ 0.51
Total Benefit Objective	\$ 0.85	\$ 1.34	\$ 1.81	\$ 2.29	\$ 2.78



Notes:

1. 2004 Fixed Portion, Total Benefits Requirement, & Total Benefits Objective are not applicable.
2. Committed Benefits were arbitrarily split between the Alliance Participants based on relative spend in order to develop the Total Benefits Objective.

Schedule 4.2 (c) - Value of Flat Prices - Link-Line

Escalation Indexes

Labour	75%		Direct Labour	CANSIM Table 327-0004, Construction Union Wage Rate Indexes, ONTARIO
		30%		Labourer
		30%		Engineering and Equipment Trades
		15%		Plumber
Equipment	25%	4.8%	Equipment	CANSIM Table 327-0016, Machinery and Equipment Price Indexes, CONSTRUCTION (5 Year Average)
		9.7%	Vehicles	CANSIM Table 326-001, Consumer Price Index, Purchase and Leasing of Automotive Vehicles (5 Year Average)
		10.5%	Vehicle Operating Expenses	CANSIM Table 326-001, Consumer Price Index, Operation of Automotive Vehicles

Schedule 4.2 (d) Sample Form of Total Committed Benefits – Link Line

	Fiscal 2005	Fiscal 2006	Fiscal 2007	Fiscal 2008
Initiative A				
Initiative B				
Initiative C				
Initiative D				
Initiative E				
Initiative F				
Initiative G				
Initiative H				
Initiative I				
Initiative J				
Initiative K				
Initiative L				
Initiative M				
Initiative N				
Initiative O				
Committed Benefits	\$0.46	\$0.48	\$0.49	\$0.51

Schedule 4.2 (e) - Sample Calculations

	1	2	3	4	5	6	7
	TBR	TBR	TBR/TBO	TBR/TBO	TBO	TBO	TBO
TVF	-	-	-	-	-	-	+
TCB	-	-	=/-	=/-	=	+	+
IP	-	=	>/=	>/=	0	0	0
CHQ	\$	0	0	0	0	0	0
TVF>TBO	N/A	N/A	N/A	N/A	N/A	N/A	100%
TCB>TBO	N/A	N/A	N/A	N/A	N/A	split as per BC	split as per BC

Basic premise: TBR </= TBO therefore each scenario only considers the salient benefit commitment for the given set of circumstances

How to read:

- Scenario 1:** If the TVF is less than TBR, and TVF + TCB is less than TBR, and TVF + TCB + IP is less than TBR, then the AP must deliver the remaining gap between the value of TVF + TCB + IP and TBR through one of the benefit transfer mechanisms. I.e. cheque, reduction in unit prices, or set off.
- Scenario 2:** If the TVF is less than TBR, and TVF + TCB is less than TBR, but TVF + TCB + all of IP is equal to TBR, then the AP has met its mandatory commitment and they are not obligated to deliver further benefits.
- Scenario 3:** If the TVF is less than TBR and TBO, and TVF + TCB is equal to TBR but less than TBO, and TVF + TCB + all of IP is greater than TBR but equal to TBO, then the AP has met its commitment and they are not obligated to deliver further benefits.
- Scenario 4:** If the TVF is less than TBR and TBO, and TVF + TCB is equal to TBR but less than TBO, and TVF + TCB + part of IP is greater than TBR but equal to TBO, then the AP has met its commitment and they are not obligated to deliver further benefits. The AP's will receive the prorated remainder of the incentive credit.
- Scenario 5:** If the TVF is less than TBO, and TVF + TCB is equal to TBO, then the AP has met its commitment and they are not obligated to deliver further benefits. The AP's will receive their earned incentive credit.
- Scenario 6:** If the TVF is less than TBO, and TVF + TCB is greater than TBO, then the AP has met its commitment and they are not obligated to deliver further benefits. The AP's will receive their earned incentive credit plus the portion of the TCB that is greater than the TBO as determined through the dollar average split in the initiative business cases.
- Scenario 7:** If the TVF is greater than TBO, and TVF + TCB is greater than TBO, then the AP has met its commitment and they are not obligated to deliver further benefits. The AP's will receive their earned incentive credit plus the portion of the TCB that is greater than the TBO as determined through the dollar average split in the initiative business cases plus the portion of the TCB that is greater than the TBO as determined through the dollar average split in the initiative business cases plus 100% of the portion of TVF that is greater than the TBO. Where inflation is greater than 3% the TVF will be deducted from the TBO up to the value of TVF (where inflation is 3%), then the TCB will be deducted from the TBO. To extent that this is less than the TBO the remainder of the TVF above 3% inflation will be deducted from TBO until TBO is reached the remainder of the TVF will be returned 100% to the AP's.

Legend:	TVF	Total Value of Flat Prices as calculated from Schedule 4.2 (a)
	TCB	Total Committed Benefits as calculated in Schedule 4.2 (d)
	IP	Incentive Pool (the Sum of each AP's earned incentive)
	CHQ	Benefit that must delivered beyond TVF, TCB, and IP through one of the benefit transfer mechanisms
	TVF>TBO	The Portion of TVF that is greater than the Total Benefit Objective
	TCB>TBO	The Portion of TCB that is greater than the Total Benefit Objective

SCHEDULE 5.1 EXIT CRITERIA

- Communicate the need for a resource change to the Enbridge Gas Distribution Contract Manager as soon as it is recognized prior to establishing the person in the role
- A transition period/plan is created and implemented that is acceptable to the Enbridge Gas Distribution Contract Manager (includes interim plans)
- Orientation
 - Formally meet the Enbridge Gas Distribution Contract Manager
 - Read the contract/agreement and attend a Q&A with the Enbridge Gas Distribution Contract Manager
 - Person coming in is accepted by the Enbridge Gas Distribution Contract Manager as having the required skills to perform the job

SCHEDULE 5.4(a)(ii)
FORM OF CONTRACTOR'S QUARTERLY FINANCIAL CERTIFICATE

LINK-LINE CONSTRUCTION LTD.

QUARTERLY FINANCIAL CERTIFICATE

TO: ENBRIDGE GAS DISTRIBUTION INC.

RE: Operations Contractor Agreement dated as of September 30, 2004 by and between Enbridge Gas Distribution and Link-Line Construction Ltd. (the "Agreement").

Capitalized terms used in this certificate shall have the meanings given to them in the Agreement.

The undersigned [**●insert name of CFO of the Contractor**], being the CFO of Link-Line Construction Ltd. (the "Contractor") on behalf of the Contractor hereby represents and warrants pursuant to Section 5.4(a)(ii) of the Agreement that:

- (a) there has not been a material adverse change in the business, operations, property or financial or other condition of the Contractor which would negatively affect the ability of the Contractor to perform the Work in accordance with the Agreement or otherwise discharge its obligations thereunder; and
- (b) no corporate action, legal proceedings or other procedure or step has been taken in relation to:
 - (i) the appointment of a trustee in bankruptcy, receiver or manager in relation to the Contractor or in relation to the whole or any part of the undertaking or assets of the Contractor; or
 - (ii) an encumbrancer taking possession of the whole or any material part of the undertaking or assets of the Contractor; or
 - (iii) any distress, execution, attachment or other process being levied or enforced or imposed upon or against the whole or any part of the undertaking or assets of the Contractor; and
- (c) the Contractor has not failed to pay any Employee or Subcontractor in a timely fashion except where an amount owing to a Subcontractor by the Contractor is disputed by the Contractor acting reasonably.

Dated this _____ day of _____, _____.

LINK-LINE CONSTRUCTION LTD.

By: _____
Chief Financial Officer

SCHEDULE 9.1(ee)
FORM OF CONTRACTOR'S QUARTERLY BRINGDOWN CERTIFICATE

LINK-LINE CONSTRUCTION LTD.

QUARTERLY BRINGDOWN CERTIFICATE

TO: ENBRIDGE GAS DISTRIBUTION INC.

RE: Operations Contractor Agreement dated as of September 30, 2004 by and between Enbridge Gas Distribution Inc. and Link-Line Construction Ltd. (the "Agreement").

Capitalized terms used in this certificate and not defined herein shall have the meanings given to them in the Agreement.

The undersigned [**●insert name of senior officer of the Contractor**] being the [**●insert name of office**] of Link-Line Construction Ltd. (the "Contractor") on behalf of the Contractor hereby represents and warrants pursuant to Section 9.1(ee) of the Agreement that on the date hereof:

1. all of the representations and warranties of the Contractor contained in the Agreement are true and correct and the Contractor is in compliance with all of its obligations and all terms contained in the Agreement and the Contractor has the insurance coverage and bonds required pursuant to Article 14 of the Agreement including under the Workplace Safety and Insurance Act and the Contractor has performed the self audits required under Schedule 2.1(a) in accordance with the provisions thereof; and
2. the only Subcontractors performing Work are Subcontractors approved in writing by the Enbridge Gas Distribution Contract Manager in accordance with the terms of the Agreement and any such Subcontractor is in compliance with all of the terms and conditions contained in the Agreement and has the insurance coverage and bonds required pursuant to Section 1.11 and Article 14 of the Agreement including under the Workplace Safety and Insurance Act.

Dated this _____ day of _____, _____.

LINK-LINE CONSTRUCTION LTD.

By: _____
Officer

Enbridge Gas Distribution Inc.
500 Consumers Road
North York, ON, M2J 1P8
Canada
www.enbridge.com/gas

Lisa Lawler, P. Eng.
Manager
Distribution Strategic Alliances
Tel 416 495 3920
Fax 416 758 4430
lisa.lawler@enbridge.com

June 11, 2004

File Number:

Rick Delaney
Link-Line
1625 Shawson Drive
Mississauga ON
L4W 1T7

Dear Rick:

RE: EnVision

As you are aware, Link-Line and Enbridge Gas Distribution (EGD) are embarking on a Business Architecture process that should result in a business case that outlines costs and benefits to Link-Line and Enbridge, as well as measures and targets that we can mutually use to determine the success of the EnVision initiative.

In recognition of the significant effort that Link-Line has invested to date in assisting EGD to define processes and information flow between our companies, and in recognition of the anticipated effort that Link-Line will invest in the Business Architecture process, EGD intends to compensate Link-Line a lump sum payment of \$35,000.

Also, EGD recognizes that with implementation of EnVision Phase 1, additional administrative effort will be required on the part of Link-Line. While it is in our mutual interest that these costs be kept to a minimum since they will be incorporated in to the Business Architecture business case, Enbridge will compensate Link-Line for two additional administrative staff. Enbridge will also supply an individual to support processes and process improvements for a period of two months leading up to and post go live. This individual will assist with the determination of whether the administrative staffing level is appropriate or requires adjustment, and also assist to identify process improvements and potential scope requirements of a future version of EnVision.

June 11, 2004

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Please let me know if you have any questions or concerns.

Thank you.

Sincerely,

Lisa Lawler
Manager, Strategic Distribution Alliance

cc: Lloyd Chiotti

SCHEDULE A DEFINITIONS

"Affiliate" shall have the meaning provided in the Ontario Business Corporations Act.

"Agreement" means this agreement, including its recitals and schedules, exhibits and appendices as amended, modified, supplemented, restated or replaced from time to time in accordance with the provisions hereof.

"Agreement Term" shall have the meaning specified in Section 6.1.

"Ancillary Subcontractor" means a Person that is retained by the Contractor as a subcontractor to assist the Contractor in the performance of the Work where the Work performed by such Person does not involve such Person working (directly or indirectly) with natural gas and includes for example asphalt cutting, gravel trucking and back-filling.

"Bankruptcy and Insolvency Act" means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 and any regulations thereto, in each case as amended or replaced from time to time.

"Benefit Year" shall have the meaning specified in Section 4.2(c).

"Business Days" means days, other than Saturdays, Sundays and statutory holidays in the Province of Ontario.

"Calculation Year" shall have the meaning specified in Section 4.2(a).

"Change" shall have the meaning specified in Section 1.7(a).

"Change Analysis" shall have the meaning as specified in Section 1.7(c).

"Change Order" shall have the meaning specified in Section 1.7(d)

"Change Order Request" shall have the meaning specified in Section 1.7(a).

"Chief Engineer" means the person from time to time appointed by Enbridge Gas Distribution as its Chief Engineer.

"Companies' Creditors Arrangement Act" means the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36 and all regulations thereto, in each case amended or replaced from time to time.

"Confidential Information" shall have the meaning specified in Section 10.1(a).

"Construction Lien Act" means the *Construction Lien Act*, R.S.O. 1990, c. C.30 and all regulations thereto, in each case as amended or replaced from time to time.

"Contract Manager" means either the Enbridge Gas Distribution Contract Manager or the Contractor Contract Manager and "Contract Managers" means both of them.

"Contract Specifications" shall have the meaning specified in Section 2.1(a).

"Contractor" means Link-Line Construction Ltd., a corporation under the Laws of Ontario.

"Contractor Agreements" means the agreements under which each of the Participants agrees to perform certain work described therein for Enbridge Gas Distribution.

"Contractor Contract Manager" shall have the meaning specified in Section 5.1.

"Contractor Cost" is Work that is not or cannot be priced using Unit Pricing exclusively where the capital requisition value to Enbridge Gas Distribution as determined by Enbridge Gas Distribution for a project does not exceed \$100,000 (excluding general and administrative overheads as applied by Enbridge Gas Distribution for Enbridge Gas Distribution capital requisitions), that is performed by the Contractor based upon a description of the Work provided by Enbridge Gas Distribution to the Contractor and a written response from the Contractor that includes a description of the Work, the estimated time for completion, the nature of the costs that will be incurred (including the cost of materials, equipment and supplies, the hourly cost of labour, vehicles and equipment and agreed upon overhead and profit margin) and a total estimated price for the Work.

"Contractor Scorecard" means the Contractor's scorecard attached as Schedule 2.1(b), as may be amended from time to time in accordance with the provisions hereof.

"Contractor's Notice" shall have the meaning specified in Section 4.2(c).

"Contractor's Obligation" shall have the meaning specified in Section 4.2(c).

"Contractor's Unit Revenue" means the aggregate amount of Unit Pricing Work Charges accepted by Enbridge Gas Distribution in respect of Work performed by the Contractor for Enbridge Gas Distribution hereunder in a Fiscal Year.

"Contractor's Score" shall have the meaning specified in Section 4.1.

"Control" shall have the meaning provided in the OBCA.

"Cost Estimate" shall have the meaning specified in Section 3.1.

"Critical Measures" means critical measures as specified and described in the Contractor Scorecard.

"Customer" means any customer of Enbridge Gas Distribution from time to time.

"Daily Invoice" shall have the meaning specified in Section 3.1.

"Designate" or "designate" means an individual standing in for a representative of a Party specified herein the name and title of whom has been provided by that Party to the other in writing.

"Dispute" shall have the meaning specified in Section 16.1(a).

"Effective Date" shall mean the date of this Agreement.

"EGD Total Benefits Objective" shall have the meaning specified in Section 4.2(a).

"Electronic Invoicing Process" shall have the meaning specified in Section 3.1.

"Emergency Work" means Work that is to be performed on any emergency basis as provided in Schedules 1.1 or 2.1(a).

"Employee" means an individual that is employed by the Contractor, a Subcontractor, an Affiliate of the Contractor that is a Subcontractor, an Individual Contractor or any Ancillary Subcontractor and includes any individual that, under principles of applicable Laws, is or would be in an employment relationship with the Contractor, a Subcontractor, an Affiliate of the Contractor that is a Subcontractor, an Individual Contractor or any Ancillary Subcontractor.

"Enbridge Gas Distribution Contract Manager" shall have the meaning specified in Section 5.2.

"Enbridge Gas Distribution Contractors" shall have the meaning specified in Section 5.6.

"Enbridge Gas Distribution Data" means information regarding Enbridge Gas Distribution and its business, operations and systems, from time to time, including with respect to its pipelines and their locations and premises, and its Customers under or arising out of data and records of Enbridge Gas Distribution.

"Enbridge Gas Distribution Score" shall have the meaning specified in Section 4.2(a).

"Enbridge Gas Distribution Scorecard" means Enbridge Gas Distribution's scorecard attached as Schedule 4.2(a), as may be amended from time to time in accordance with the provisions hereof.

"Enbridge Gas Distribution System" means the Enbridge Gas Distribution computer system that supports the Work.

"Environmental Laws" means all applicable federal, provincial, municipal and local laws, regulations, permits, licences, approvals and orders issued by any governmental or regulatory agency relating to the environment, product safety, product liability and storage and transportation of goods and includes, without limitation, the Ontario Energy Board's environmental guidelines for locating, constructing and operating hydrocarbon pipelines in Ontario.

"Envision" means the group of projects of Enbridge Gas Distribution and Accenture Inc. to implement a new Work and Asset Management System for Enbridge Gas Distribution and includes Field Force Technology and each such project is an Initiative hereunder.

"Exception Work Queue" means the electronic exception notifications sent to an inbox for resolution including, pay items beyond cost variance threshold and as-built reporting errors which include upload errors.

"Executive Committee" shall mean the committee formed by the Participants and Enbridge Gas Distribution.

"Expert" means a Person who by education, training and experience has acquired special or particular knowledge of a subject being performance of the Work in accordance with all of the provisions hereof.

"Field Force Technology" means software and hardware devices for reporting of Work status set to come into effect in approximately the summer of 2005.

"Financial Sanction" means any one of the following exercised by Enbridge Gas Distribution in its discretion: (i) withholding the types of units of Work from the Contractor that it is not performing in accordance with the provisions hereof, (ii) withholding payment for the Work that the Contractor is not performing in accordance with the provisions hereof, or (iii) cash payment to Enbridge Gas Distribution in the amount of the damages to Enbridge Gas Distribution as a result of the Contractor not performing the Work in accordance with the provisions hereof.

"Fiscal Year" means a fiscal year of Enbridge Gas Distribution and for the 2004 Fiscal Year includes the period October 1, 2004 to December 31, 2004.

"Fixed Portion of the Benefits Objective" shall have the meaning provided in Section 4.2(a).

"Force Majeure Event" shall have the meaning specified in Section 17.1(a).

"Governmental Authority" means any domestic or foreign legislative, executive, judicial or administrative body or Person having or purporting to have jurisdiction in the relevant circumstances and includes any applicable municipality.

"Hazardous Substances" means any waste, pollutant, contaminant, material or substance which is or may be dangerous, hazardous, toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic or mutagenic or which could otherwise pose a risk to health, safety, the environment, the value of property in which Enbridge Gas Distribution has any interest, or which is the subject of any Environmental Laws governing its Release, use, storage or identification, including without limitation any substance which contains polychlorinated biphenyls (PCBs), asbestos, lead, urea formaldehyde or radon gas.

"Health and Safety Laws" means all applicable federal, provincial, municipal, and local laws, regulations, permits, licenses, approvals and orders issued by any governmental or regulatory agency relating to occupational health and safety, workplace safety and insurance, performance of the Work, including use of materials and equipment and including the Occupational Health and Safety Act and the Workplace Safety and Insurance Act.

"Incentive" shall have the meaning specified in Section 4.1.

"Individual Subcontractor" means an individual that is retained by the Contractor as a subcontractor hereunder as opposed to as an employee of the Contractor or a corporation retained by the Contractor as a subcontractor hereunder where the only employee of such corporation is one individual that performs Work on behalf of the Contractor.

"Initial Term" shall have the meaning specified in Section 6.1.

"Initiative" means a proposal of either Enbridge Gas Distribution or the Contractor intended to create efficiencies in the performance of Work that has been approved following business case analysis and includes each project comprising Envision.

"Insolvency Event" in respect of the Contractor means:

- (a) a material adverse change in the business, operations, property or financial or other condition of the Contractor which would negatively affect the ability of the Contractor to perform the Work in accordance with the Agreement or otherwise discharge its obligations thereunder; or
- (b) the Contractor being unable or admitting its inability to pay its debts as they fall due, or suspends making payments on any of its debts; or
- (c) the value of the assets of the Contractor being less than the amount of its liabilities, taking into account its contingent and prospective liabilities; or
- (d) a moratorium being declared in respect of any indebtedness of the Contractor; or
- (e) the commencement of negotiations with one or more creditors of the Contractor with a view to rescheduling any indebtedness of the Contractor; or
- (f) any corporate action, legal proceedings or other procedure or step being taken in relation to:
 - (i) the appointment of a trustee in bankruptcy, receiver or manager in relation to the Contractor or in relation to the whole or any part of the undertaking or assets of the Contractor; or
 - (ii) an encumbrancer taking possession of the whole or any material part of the undertaking or assets of the Contractor; or
 - (iii) the making of an arrangement, composition, or compromise, (whether by way of voluntary arrangement, scheme of arrangement or otherwise) with any creditor of the Contractor, a reorganization of the Contractor, a conveyance to or assignment for the creditors of the Contractor generally or the making of an application to a court of competent jurisdiction for protection from the creditors of the Contractor generally; or
 - (iv) any distress, execution, attachment or other process being levied or enforced or imposed upon or against the whole or any part of the undertaking or assets of the Contractor; or
- (g) any procedure or step being taken, or any event occurring, analogous to those set out in paragraphs (a) - (f) above, in any jurisdiction.

"Insurance Policies" shall have the meaning specified in Section 14.1.

"Intellectual Property" means intellectual property rights howsoever arising from the creation or exploitation of Confidential Information, including patents, trade-marks, industrial designs, copyright, goodwill and integrated circuit topographies.

"Laws" means (i) all statutes, treaties, codes, ordinances, orders, decrees, rules, regulations, and by-laws enacted or adopted by a Governmental Authority and (ii) all policies, practices and guidelines of any Governmental Authority or body that, although not actually having the force of law, are considered by such Governmental Authority or body as requiring compliance as if having the force of law, including, but not limited to, any guidelines, policies, codes, standards or manuals established under or issued by any Government Authority or any designated administrative authority which have been incorporated by reference under any legislative statute or regulation, in each case as amended from time to time, that are binding upon either of the Parties and that are applicable to this Agreement or the performance of the Work, or any portion thereof, including without limitation all municipal by-laws and all rules, regulations, orders, policies, practices and guidelines of the OEB.

"Liened Property" shall have the meaning as specified in Section 13.2.

"Long Cycle Work" means Work that is completed over the span of weeks or months and includes: Main - Install Subdivision, Main - Replacement, Main - Repair, Main - Relocation Rebillable, Main - Relocation Non-Rebillable, Main - Reinforcement.

"Manuals" means the operating procedures and manuals of Enbridge Gas Distribution from time to time listed on Schedule 1.16 limited to the sections (or pages) referenced where sections (or pages) are referenced as such schedule or operating procedures and manuals or section (or page) references are amended or replaced by Enbridge Gas Distribution from time to time.

"Mediation Notice" shall have the meaning specified in Section 16.1(b)(iv).

"Name" shall have the meaning specified in Section 18.6.

"New Work" shall have the meaning specified in Section 1.8(a).

"New Work Request" shall have the meaning specified in Section 1.8(b).

"New Work Response" shall have the meaning specified in Section 1.8(c).

"Notice" means any notice, designation, communication, request, demand or other document delivered by either Party hereto to the other in accordance with Section 18.3 hereof.

"Occupational Health and Safety Act" means the Occupational Health and Safety Act, R.S.O. 1990, c. O.1, and all regulations thereto and all orders and directions thereunder, in each case as amended from time to time.

"OEB" means the Ontario Energy Board under the Ontario Energy Board Act, 1998, S.O. 1998, c. 15, Sched. B as amended or replaced from time to time.

"Ontario Business Corporations Act" means the Business Corporations Act, R.S.O. 1990, c. C.30 and all regulations thereto, in each case as amended or replaced from time to time.

"Participants" means 798000 Ontario Limited, operating as Double G Gas Services, Lakeside Performance Gas Services Ltd., Linkline Construction Ltd. and Robert B. Somerville, a division of Robert McAlpine Ltd.

"Parties" means Enbridge Gas Distribution and the Contractor, as signatories to this Agreement and "Party" means either one of them.

"Person" means any corporation, joint stock company, limited liability company, association, partnership, joint venture, organization, individual, business or trust or any other entity or organization of any kind or character, including a court or other Governmental Authority.

"Personal Information" shall have the meaning specified in Section 1.17(c)(iii).

"Personal Information Protection and Electronic Documents Act" means the Personal Information Protection and Electronic Documents Act, 2000, S.C. 2000, c. 5 and all regulations pursuant thereto, in each case as amended or replaced from time to time.

"Personal Property Security Act" means the Personal Property Security Act, R.S.O. 1990, c. P.10 and all regulations thereto, in each case as amended or replaced from time to time.

"Price Reduction Percentage" shall have the meaning specified in Section 4.2(c).

"Privacy Law" shall have the meaning specified in Section 1.17(c)(iii).

"Records" shall have the meaning specified in Section 12.2.

"Regional Representative" means an individual appointed by the Contractor or by Enbridge Gas Distribution as such under Sections 5.3(a) or 5.3(b), respectively.

"Regulatory Change" means any regulatory order or any change in Laws that affects the Work or this Agreement.

"Related Work" means Work that is minor in nature and is related to the Work in the original Work Request and that is performed at the same premises and for the same Customer as provided in the original Work Request.

"Release" means any release, spill, leak, emission, discharge, leach, dumping, emission, escape or other disposal.

"Renewal Notice" shall have the meaning specified in Section 6.2.

"Renewal Term" shall have the meaning specified in Section 6.1.

"Response" shall have the meaning specified in Section 6.2.

"Safety Alert" means written updates and amendments to and interpretations of the Manuals or other written instructions relating to the performance of the Work in each case issued by the Chief Engineer or his designate that are to be implemented immediately.

"Sarbanes-Oxley Act" means the Sarbanes-Oxley Act of 2000, Pub. L. No. 107-204, 116 Stat 7452 as amended or replaced from time to time.

"Schedule I Bank" means a bank under Schedule I of the Bank Act, S.C. 1991, c. 46 as amended or replaced from time to time.

"Scope of the Work" means unit priced work of the nature and type described in Schedule 1.1 as such Schedule and the work described therein is amended from time to time in accordance with the provisions thereof, steel and plastic pipe (NTS1/2 to NPS8) where the capital requisition value to Enbridge Gas Distribution as determined by Enbridge Gas Distribution for a project, including for labour, equipment and material, does not exceed \$1,000,000 (excluding general and administrative overheads as applied by Enbridge Gas Distribution for Enbridge Gas Distribution capital requisition).

"Scorecard" means either the Contractor Scorecard or the Enbridge Gas Distribution Scorecard.

"Short Cycle Work" means Work that is started and completed on the same day or over the span of a couple of days that is not Long Cycle Work and includes Customer service, meter, maintenance, and install service requests.

"Statutory Audit" shall have the meaning specified in Section 12.5(a).

"Subcontractor" means any Person (other than an employee of the Contractor) and includes any Affiliate of the Contractor, Individual Subcontractor or Ancillary Subcontractor that performs Work on behalf of the Contractor which Person (other than an Individual Subcontractor or any Ancillary Subcontractor) must be approved by Enbridge Gas Distribution in writing in accordance with the provisions hereof.

"Target Pricing" is a pricing method agreed to by Enbridge Gas Distribution and the Contractor to complete a complex or unique project that is performed by the Contractor based upon a written description of the Work provided by Enbridge Gas Distribution and a written response from the Contractor that includes a description of the Work, the estimated time for completion, the units and other components comprising the project, the Unit Pricing and other pricing comprising the project and the aggregate price to complete the project and includes a method of splitting a target overage or underage.

"Tax" or "Taxes" includes without limitation, income taxes, goods and services tax, retail sales tax, fees or charges incurred in respect of any incident relating to the performance of the Work whether such taxes, fees or charges are exacted or assessed by any Governmental Authority and shall include any interest and penalties.

"Technical Announcements" means written updates and amendments to and interpretations of the Manuals or other written instructions relating to the performance of the Work, including service bulletins in each case issued by the Chief Engineer or his designate.

"Technical Standards and Safety Act" means the Technical Standards and Safety Act, 2000, S.O. 2000, c. 16 and all regulations made pursuant thereto and all orders and directions made thereunder, in each case as amended or replaced from time to time.

"Termination Assistance Work" shall have the meaning specified in Section 15.3.

"Unit Pricing" is the form of pricing provided in Schedule 1.1 where the Contractor is paid an amount per unit to perform a relatively simple function in a relatively short period of time in accordance with specified procedures.

"Value of Flat Prices" shall have the meaning specified in Section 4.2(a).

"Variable Portion of the Benefits Objective" shall have the meaning specified in Section 4.2(a).

"Verticals" means multi premise dwellings that are out of the Scope of the Work but may be offered to the Contractor by Enbridge Gas Distribution as New Work that is Target Pricing Work all in accordance with the provisions of this Agreement.

"Winding Up and Restructuring Act" means the Winding Up and Restructuring Act, R.S.C. 1985, c. W-11 and any regulations thereto, and in each case as amended or replaced from time to time.

"Work" shall have the meaning specified in Section 1.1.

"Work and Asset Management System" means the new work and asset management system of Enbridge Gas Distribution scheduled to come into effect on September 7, 2004.

"Work Charges" shall have the meaning specified in Section 3.1 .

"Work Product" means know-how, processes, specifications, design documents, flow charts, software programs, documentation, reports and other similar work product of a Party and, in the case of Enbridge Gas Distribution, includes all Technical Announcements, Safety Alerts, Manuals, binders and training materials or information.

"Work Request" means the request made by Enbridge Gas Distribution to the Contractor to perform Work which identifies where the Work is located and the type of Work that is to be performed.

"Workplace Safety and Insurance Act" means the Workplace Safety and Insurance Act, 1997, S.O. 1997, c. 16, Sched. A and all regulations pursuant thereto, in each case as amended or replaced from time to time.

"Workplace Safety and Insurance Board" means the Workplace Safety and Insurance Board under the Workplace Safety and Insurance Act.