

AMENDMENT TO JANUARY 1, 2001 DIRECTORS' COSTS AGREEMENT

BETWEEN:

(Erie Thames Power Corporation)

(hereinafter referred to as the Holding Corporation)

OF THE FIRST PART

- and -

(Erie Thames Powerlines Corporation)

(hereinafter referred to as the Power Services Corporation)

OF THE SECOND PART

WHEREAS the parties have reviewed the costs incurred by THE HOLDING CORPORATION for the fiscal year ended December 31, 2002 related to the services provided to THE POWER SERVICES CORPORATION and have jointly determined that the JANUARY 1, 2001 DIRECTORS' COSTS AGREEMENT did not contemplate certain costs that have been incurred on behalf of THE POWER SERVICES CORPORATION.

ACCORDINGLY the Parties covenant and agree, and with each other, as follows:

1. Additional costs to be reimbursed

- 1.01 It is agreed that THE POWER SERVICES CORPORATION shall reimburse THE HOLDING CORPORATION for costs that were not contemplated in the original agreement, as mutually agreed.

IN WITNESS WHEREOF the Parties have duly executed this Amendment on June 12, 2006:


THE HOLDING CORPORATION

Per:


Vice President

THE POWER SERVICES CORPORATION

Per:


President

DIRECTORS' COSTS AGREEMENT

THIS AGREEMENT made this 1st day of January, 2001

BETWEEN:

Erie Thames Power Corporation

(hereinafter referred to as the Holding Corporation)

OF THE FIRST PART

- and -

Erie Thames Powerlines Corporation

(hereinafter referred to as The Powerlines Corporation)

OF THE SECOND PART

WHEREAS THE HOLDING CORPORATION and THE POWERLINES CORPORATION are duly incorporated Ontario business corporations pursuant to s. 142 of the *Electricity Act, 1998*;

AND WHEREAS both THE HOLDING CORPORATION and THE POWERLINES CORPORATION are, as separate but affiliated corporate entities, governed by the *Affiliate Relationship Code*;

NOW THEREFORE IN CONSIDERATION of the mutual covenants and agreements set forth, and for other good valuable consideration and the sum of two (\$2.00) dollars of lawful money of Canada now paid by each of the Parties to the other (the receipt and sufficiency of which is hereby expressly acknowledged), the Parties covenant and agree, and with each other, as follows:

1. **Directors' costs:**
 - 1.01 THE POWERLINES CORPORATION agrees to pay THE HOLDING CORPORATION \$1,000 per month for Board of Directors costs.
2. **Executive Salaries and Expenses:**
 - 2.01 THE POWERLINES CORPORATION agrees to pay THE HOLDING CORPORATION \$10,000 per month for executive salaries and expenses.

3. **Building Rental:**

- 3.01 THE POWERLINES CORPORATION agrees to pay THE HOLDING CORPORATION \$3,085 per month for building rental.

4.0 **Term:**

- 4.01 Unless terminated in accordance with Article 10.01, the term of this Agreement shall be from January 1, 2001 to and including December 31, 2003 and the term shall be extended automatically for further periods of two years each, unless either party gives the other notice in writing not less than one hundred and eighty (180) days prior to the end of the term, or the end of renewal as the case may be that the Agreement is not to be extended.

**THE HOLDING
CORPORATION**

Per:

Chair

President

**THE POWERLINES
CORPORATION**

Per:

Chair

President.