

CONTRACT

BETWEEN

ERIE THAMES POWERLINES

AND

**ELSTER METERING
A DIVISION OF ELSTER CANADIAN METER INC.**

DATED November 4, 2009

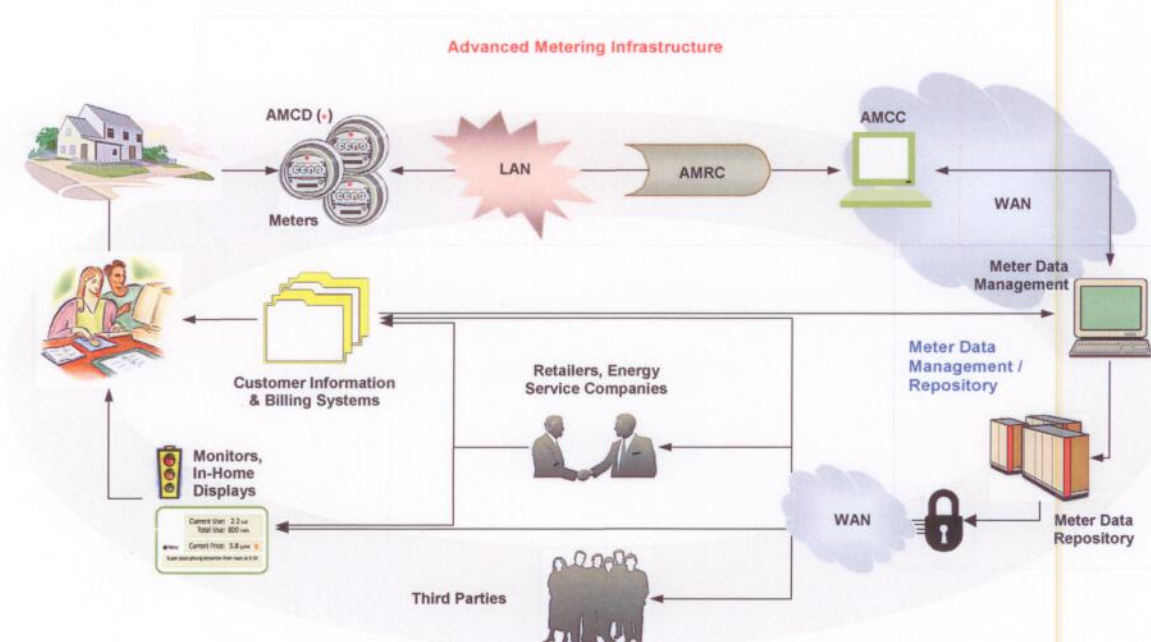
GENERAL AGREEMENT

THIS GENERAL AGREEMENT (this "Agreement") is entered into between Elster Metering, a Division of Elster Canadian Meter, Inc., ("Elster" or "Seller"), and Erie Thames Powerlines, a company organized under the laws of the province of Ontario, Canada, (hereinafter referred to as "Licensee" or "Purchaser"). Together Elster and Erie Thames Powerlines shall be known as "the parties".

1. Background:

- a) The Government of Ontario has introduced a Smart Metering Initiative as part of its conservation culture, including the introduction of flexible time of use pricing for electricity and a commitment to install a smart electricity meter in 800,000 homes by 2007 and every home in Ontario by 2010;
- b) The Ministry of Energy (the "MOE") in implementing its Smart Metering Initiative, has assigned to Ontario's local distribution companies ("LDC") responsibility for purchasing, owning, installing, operating and maintaining smart electricity meters as they are rolled out across the Province and continued responsibility for the customer interface, including billing and access to smart meter information and data;
- c) Erie Thames Powerlines requires a complete Advance Metering Infrastructure ("AMI") solution consisting of an AMCD, LAN, AMRC, AMCC connections between the WAN and AMCC, (as such terms are defined in the RFP referred to below and as illustrated in the figure below) which AMI must meet the criteria and specifications outlined in Elster's submission to the RFP (as defined below and dated August 14, 2007);

Smart Metering System



- d) Elster recognizes that London Hydro led a consortium of LDC s in an RFP and that each consortium member could elect to independently procure AMI based on this RFP. Erie Thames Powerlines was listed as a member of the consortium. Each consortium member would place its own individual order, and would have responsibility to receive, inspect, accept, and pay for its own individual orders. Unless otherwise noted, whatever price is stated in this RFP shall apply across the board to all members of the listed consortium that procure AMI pursuant to the terms and conditions contained in this Agreement. By submitting a purchase order under this Agreement, such Erie Thames Powerlines acknowledges that they are bound by and will comply with the terms of this Agreement.
 - e) London Hydro has received a Letter of Intent (dated July 25, 2007) from the Minister of Energy, recognizing the efforts of the Smart Meter consortium sponsored by London Hydro and commits to "naming" the consortium in Ontario Regulation 427/06.
 - f) Elster has been chosen as one of the vendors of record by London to supply a complete AMI solution, provided that there are other vendors of record which Erie Thames Powerlines may, in its sole discretion, choose to contract with for the supply of an AMI from time to time;
 - g) Bill 21, the *Energy Conservation and Responsibility Act*, 2006 which received Royal Assent on March 28, 2006 (S.O. 2006) proposes to centralize Meter Data Management/Meter Data Repository ("MDM/R") functions, related to the collection, storage, management and transfer of consumer's consumption information and data within a Smart Metering Entity and provides broad powers to the MOE to regulate procurement of AMI Systems.
 - h) The parties acknowledge and agree that, as part of the implementation of Bill 21 or further amendments to the *Ontario Energy Board Act, 1998* or the *Electricity Act, 1998* or subsequent applicable laws, or regulations (including, without limitation, any regulations, guidelines, policies or directives of the Canadian Standards Association) or otherwise related to the AMI or the interoperability functions related to the MDM/R, it may be necessary to modify the terms of the General Agreement or the Exhibits hereto (including negotiation of such further and supplemental SOW(s), from time to time). Elster hereby undertakes and agrees to negotiate any such amendments in good faith and to use its commercially reasonable efforts to assist Erie Thames Powerlines in implementing an end to end AMI solution as mandated by the MOE, the Independent Electricity System Operator, the Ontario Energy Board or the applicable governing authority.
2. **Entire Agreement.** This General Agreement, together with the Exhibits attached hereto constitute the entire Agreement between the parties and supersede and cancel any and all prior agreements, written or oral, between them relating to the subject matter hereof, and may not be amended except in a written change signed by both of the parties hereto. This Agreement shall include:
- a) The General Agreement
 - b) Exhibit A – Statement of Work
 - c) Exhibit B – Pricing
 - d) Exhibit C – Elster General Terms and Conditions
3. **Supply.** This General Agreement will cover the supply of certain goods, software and services as delineated. Erie Thames Powerlines or its subcontractors will provide installation of all meters and equipment.
4. **Applicable Terms.**
- a) All Equipment and Services shall be sold and delivered pursuant to Exhibit C - Elster General Terms and Conditions of Sale attached hereto, respectively, and incorporated herein by reference.

- b) **Delivery Terms. Supplier's Guarantee:** If the specified revenue meters are not delivered within the time period promised, and specified in Erie Thames Powerlines' purchase order, a late delivery penalty of one percent (1%) per calendar week shall apply to that specific delivery, excluding collectors. The amount of the penalty payment shall not exceed ten percent (10%) of the total quoted price for that specific delivery and will be deducted from Elster's invoice. THIS PENALTY IS ERIE THAMES POWERLINES' EXCLUSIVE REMEDY FOR DELAY.
- c) **Other Meter Requirements.** Consistent with the alliance relationship that Elster is promoting in this proposal, Elster shall have the first opportunity to discuss the supply meters for non-residential applications. To be clear, Erie Thames Powerlines has no obligation to purchase meters for non-residential meters from Elster and may, among other options, proceed with an open procurement process or sole source such requirement.
- d) **Taxes** Unless otherwise specified by Elster, the price does not include any federal, provincial or local property, license, privilege, sales, use, excise, gross receipts, or other like taxes which may now or hereafter be applicable but in any event the price does include duties, if any, applicable to the provision of the meters to Erie Thames Powerlines. Purchaser will assume the payment of all taxes, fees and other charges assessed by any taxing authority with respect to the goods order except those taxes or charges which are based on Elster's income and duties. Elster acknowledges and agrees that Erie Thames Powerlines shall withhold any applicable non-resident withholding taxes from any amount owing hereunder and remit such taxes to the applicable federal taxing authority.
- e) **Non Disclosure.** Subject to disclosure to the OEB or by legal compulsion, Erie Thames Powerlines will enter into a specific NDA not to reveal pricing to third parties, and only to those among the London Consortium Utilities on a need to know basis.
- f) **Confidentiality.** Each party (the "Receiving Party") shall maintain in strict confidence any and all proprietary and confidential information about the business operations or customers of the other party or any of their affiliates which it acquires in any form from the other party (the "Disclosing Party"), including without limitation the terms of this Agreement, or any other information disclosed by the Disclosing Party and identified by Disclosing Party as confidential to any third parties without Disclosing Party's prior written consent and then only after obtaining an appropriate nondisclosure agreement with each such third party. The information referred to in the preceding sentence is collectively referred to herein as the "Confidential Information." The Receiving Party further agrees to use its best efforts and to take all reasonable precautions, including such efforts and precautions as are fully commensurate with those employed for the protection of its own confidential information (but in no event less than reasonable care), to maintain strict confidentiality with respect to the Confidential Information and to prevent disclosure thereof to persons other than its employees and agents who require access thereto in order to use the Equipment or Software as permitted under this Agreement and the related agreements executed in connection with this Agreement or to carry out its obligations under this Agreement. Without limiting the generality of the foregoing, Erie Thames Powerlines may disclose Confidential Information to its affiliates, the Ontario Energy Board, and the Ontario Ministry of Energy provided that disclosures to the Ontario Energy Board and the Ontario Ministry of Energy will be made only after providing Elster with 10 days' advance written notice of Erie Thames Powerlines' intention to make such disclosure in order to permit Elster to take such steps as it deems appropriate to ensure that the proposed disclosure both (i) is required by law; and (ii) would disclose only those portions of the documents or information as is required by law. The Receiving Party agrees to take all reasonable precautions to insure that its employees and agents who are given access to the Confidential Information shall make no further disclosure thereof either to other employees or to other persons. The Receiving Party shall not use, or

permit the use of, the Confidential Information for any purpose other than performing this Agreement and exercising the rights granted under this Agreement. The Receiving Party acknowledges that the rights of the Disclosing Party in the Confidential Information are unique and, accordingly, the Disclosing Party shall, in addition to such other remedies as may be available to it at law or in equity, have the right to enforce its rights hereunder by an action for injunctive relief and specific performance to the full extent permitted by law. Upon termination of this Agreement, the Receiving Party shall return or destroy all copies of all Confidential Information to the Disclosing Party. The provisions of this Article shall survive any termination of this Agreement or of any license granted in connection herewith for a period of five (5) years. Elster acknowledges that Erie Thames Powerlines may be subject to the Municipal Freedom of Information and Protection of Privacy Act (Ontario) ("MFIPPA") and may be required to disclose Confidential Information concerning the Agreement in accordance with the provisions of MFIPPA, provided that Erie Thames Powerlines, notifies Elster in writing prior to any such disclosure and discloses only that portion of Confidential Information required to be disclosed pursuant to MFIPPA.

- g) Compliance with Privacy Act. Each party comply with the Personal Information Protection and Electronic Documents Act ("PIPEDA") and any other applicable privacy legislation (collectively, "Privacy Laws") with respect to any Personal Information (as defined below) it collects, uses or discloses in connection with this Agreement and shall indemnify and hold harmless the other party and its Affiliates (as such term is defined in the *Business Corporations Act* (Ontario)) and their respective directors, officers, employees, agents and subcontractors (collectively, "Representatives") from and against any and all claims, demands, suits, losses, damages, causes of action, fines or judgments (including related expenses and legal costs) they may incur related to or arising out of any non-compliance therewith (collectively, "Claims"). The party providing the indemnity hereunder (the "Indemnitor") shall have the right to defend the other party (the "Indemnitee"), by counsel of the Indemnitor's selection reasonably satisfactory to the Indemnitee, with respect to any Claims against or suffered by the Indemnitee or any of its Affiliates or their respective Representatives, provided that the Indemnitor provides the Indemnitee with notice of its intention to do so in a timely manner having regard to all relevant factors including time required to file a defence to such Claims. The parties shall give each other prompt notice of any asserted Claims that are subject to the indemnification provisions herein, shall cooperate with each other and keep each other informed in the defense of any such Claims and neither party shall settle any such Claims without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed. This provision shall survive termination of this Agreement.

- i) For the purposes of this Agreement, Personal Information means information about an identifiable individual, but does not include the name, title or business address or telephone number of an employee of an organization. For greater clarity, Personal Information includes the electricity consumption of an individual who is a customer of Erie Thames Powerlines.
- ii) Elster shall immediately notify an individual(s) designated by Erie Thames Powerlines of any privacy related requests or complaints in relation to this Agreement or any breach or possible breach of any Privacy Laws by Elster or any of its Representatives connected with this Agreement.
- iii) Without limiting the generality of the foregoing provisions, to the extent that any consents or notices are legally required in order for Erie Thames Powerlines to collect, use, disclose or maintain Personal Information about individuals who are its customers, including, without limitation, processing such Personal Information using the Meters purchased under this Agreement, Erie

Thames Powerlines has obtained, and will continue to obtain, such consents and has provided and will continue to provide such notices.

- iv) Elster acknowledges and agrees that, if in the course of performing its obligations under this Agreement, Elster collects, uses, stores or transfers any Personal Information about individuals who are customers of Erie Thames Powerlines ("Customer Personal Information"), then it shall be doing so on behalf of Erie Thames Powerlines and for Erie Thames Powerlines' purposes and not on its own behalf or for its own purposes, that Erie Thames Powerlines is now and/or may in future be subject to one or more of the Privacy Laws, and that Elster shall at all times comply strictly with this Agreement in such manner as to ensure that its acts or omissions do not result in Erie Thames Powerlines being in violation of any applicable Privacy Laws. Elster shall not, at any time for any reason, collect, use or disclose the Customer Personal Information except as reasonably necessary for the purpose of carrying out its duties under this Agreement.
- v) Except as expressly permitted herein, Elster shall not, without the prior written consent of Erie Thames Powerlines, (i) disclose to any affiliated or unaffiliated third party any Customer Personal Information, or (ii) transmit or provide access to the Personal Information to any of Elster's personnel, or to any facility, outside Ontario.
- vi) Erie Thames Powerlines may on reasonable notice, audit the practices of Elster in connection with Customer Personal Information and may specifically audit Elster's compliance with Privacy Laws as it relates to Customer Personal Information. Erie Thames Powerlines shall have no duty to conduct such an audit and shall not incur any liability or obligation by reason of doing or not doing so.
- vii) In the event that Customer Personal Information is disclosed to Elster, all such Customer Personal Information shall be stored at Elster's premises in a secure physical and electronic environment. Elster shall use security safeguards to protect Customer Personal Information that are appropriate to the sensitivity of such information provided that in any event, the security safeguards meet or exceed then-current industry standards. Where Erie Thames Powerlines, acting reasonably, believes that the security safeguards used by Elster to protect Customer Personal Information do not meet industry standards for the protection of information of a similar nature, Elster shall on notice by Erie Thames Powerlines, promptly undertake at its sole cost and expense an investigation into any such security deficiency and make any changes required to bring the security safeguards used to protect Customer Personal Information up to then-current industry standards.
- viii) Elster will promptly notify Erie Thames Powerlines in writing upon becoming aware of the loss, theft, or unauthorized access, disclosure, copying, use or modification of any Customer Personal Information.
- ix) In the event of any termination of this Agreement, Elster shall forthwith return to Erie Thames Powerlines, as directed by Erie Thames Powerlines, all the Customer Personal Information that is held by Elster, or, at Erie Thames Powerlines' option, destroy such Customer Personal Information in a manner that takes into account the sensitivity of such information and provide Erie Thames Powerlines with a certificate from an officer of Elster attesting to such destruction.

h) **Warranties.**

(a) Meter and Services Warranty. Elster warrants that meters shall be delivered free of defects in material and workmanship and that Services shall be performed in a good and workmanlike manner. The Warranty Remedy Period for meters shall end twenty four (24) months after date of shipment. The Warranty Remedy Period for Services shall end ninety (90) days after the date of completion of Services.

(b) Optional Extended Warranty. For an additional fee of \$4.00 CND per meter, Elster will replace any electric revenue meters that failed to comply with the warranty set forth in Section 4 h)(a) above for up to 5 years from the date of shipment. This option must be paid with the purchase of meters.

(c) Performance Warranty. If during the standard Warranty Remedy Period of 24 months, more than five percent (5%) of a Meter Vintage fails to conform to the warranty set forth in Section 4 h)(a), then Elster shall provide the remedy as described in Section 4 h)(d) below (subject to Section 4 h)(e)) for the entire Meter Vintage and shall extend the Warranty Period for the entire Meter Vintage for a period of sixty (60) months beginning on June 30 of the year in which the Meter Vintage was received by Erie Thames Powerlines. This provision shall be extended for years 3, 4 and 5 after the shipment date if Erie Thames Powerlines has purchased the Extended Warranty described in Section 4 h)(b) above. "Meter Vintage" is defined as the aggregate meters received by LDC under this Agreement in a given calendar year.

(d) Remedy. If a nonconformity to the foregoing warranty is discovered in the meters during the Warranty Remedy Period, as specified above, under normal and proper use and provided the meters have been properly stored, installed, operated and maintained and written notice of such nonconformity is provided to Elster promptly after such discovery and within the applicable Warranty Remedy Period, Elster shall, at its option, either (i) repair or replace the nonconforming portion of the meters or (ii) refund the portion of the price applicable to the nonconforming portion of meters.

(e) Warranty Exceptions. In no event shall Elster be responsible for gaining access to the goods, disassembly, reassembly or transportation of the goods or parts from or to the place of installation, all of which shall be at Erie Thames Powerlines' risk and expense. Elster shall have no obligation hereunder with respect to any goods which (i) have been improperly repaired or altered; (ii) have been subjected to misuse, negligence or accident; (iii) have been used in a manner contrary to Elster's instructions; or (iv) are comprised of materials provided by or a design specified by Erie Thames Powerlines.

(f) THE FOREGOING WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES OF QUALITY AND PERFORMANCE, WHETHER WRITTEN, ORAL OR IMPLIED, AND ALL OTHER WARRANTIES INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, NOONINFRINGEMENT OR USAGE OF TRADE ARE HEREBY DISCLAIMED. THE REMEDIES STATED HEREIN CONSTITUTE ERIE THAMES POWERLINES' EXCLUSIVE REMEDIES AND ELSTER'S ENTIRE LIABILITY FOR ANY BREACH OF WARRANTY.

(g) Long Term Availability of Spare Parts. Due to the nature of rapid electronic evolution, Elster has and will continue to maintain backward compatibility through each of its releases of new EnergyAxis products and functionality upgrades. Our system supports remotely upgrading firmware to allow upgrading while maintaining compatibility. It is our policy to maintain backwards compatibility for all collectors, meters and modules in the field.

(h) For warranty returns of Elster metering hardware, Elster will pay freight to Elster factory in Raleigh, NC.

(i) Elster will provide all freight charges for return of repaired or replaced items from its factory.

(j) After the vendor's Warranty period, Erie Thames Powerlines is responsible for payment of any support or maintenance agreements for computer hardware and/or customer supplied third party software used in the system.

i). Intellectual Property.

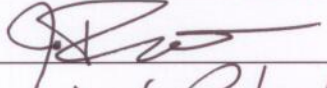
(a) Elster shall, at its expense, defend any suit which may be brought against Erie Thames Powerlines or any of its employees, directors, officers or Affiliates (as defined in the *Business Corporations Act* (Ontario)) (collectively, "Representatives") and each of its Affiliates' Representatives based on a claim that the use of the deliverables provided by Elster under this Agreement infringes upon any United States or Canadian patent, copyright or trade secret, and Elster shall indemnify and hold harmless Erie Thames Powerlines with respect to all judgments, damages and costs recovered against Erie Thames Powerlines in any such suit and for costs or expenses incurred by Erie Thames Powerlines in the defense of any such suit, provided that Erie Thames Powerlines gives Elster prompt notice of such suit in accordance with applicable law; reasonable assistance in the defense thereof; and full opportunity to control all aspects of the defense thereof, including settlement. In the event that the use of such deliverables is held to be infringing, and the use of such deliverables is enjoined, Elster will promptly, at its option and expense, so as to prevent any adverse effect to Erie Thames Powerlines' operations procure for Erie Thames Powerlines the right to continue using such deliverables; replace it with non-infringing deliverables provided that the modified or replaced deliverables are substantially equivalent in function, speed, uptime and scalability; modify it so it becomes non-infringing; or if none of the foregoing are available after Elster has applied all reasonable efforts to effect such options, remove the meters and refund the purchase price of all meters purchased on or after the Effective Date under this Agreement, pro-rated over a 15-year useful life.

(b) Elster's obligations under this Section do not apply with respect to a claim of infringement if and to the extent such claim arises out of: (A) the use by Erie Thames Powerlines of any third-party software or equipment not provided by Elster that infringes any patent, copyright, trademark or trade secret of any third party, (B) any modification or alteration of the deliverables (other than by or on behalf of Elster) or (C) use of the deliverable after notice of the claimed infringement has been received by Erie Thames Powerlines provided a suitable replacement has been provided by Elster. The foregoing states the exclusive remedy of Erie Thames Powerlines and the sole liability of Elster for infringement.

IN WITNESS WHEREOF, the parties have authorized their representatives to execute this Agreement effective as of the last date written ("Effective Date").

Elster Metering

A Division of Canadian Meter Company Inc.

By: 

Name: Jack Robertson
(print)

Title: VP & GM

Date: Feb 12/2012

Erie Thames Powerlines

By: 

Name: CHRIS WHITE
(print)

Title: PRESIDENT

Date: JAN 26/10

**EXHIBIT A
STATEMENT OF WORK**

***THIS IS A TEMPLATE TO BE USED AS THE BASIS FOR THE FINAL STATEMENT OF
WORK AGREED TO BY THE PARTIES AT THE SYSTEM PLANNING MEETING***

1 Overview

The goal of this project is the delivery of the meters and collectors that will be purchased by Erie Thames Powerlines.

Erie Thames Powerlines will provide project management for their scope as defined herein, support the operations and maintenance of the MAS and provide installation of all meters and communications lines.

2 Deliverables

1. Equipment (To be finalized)

- a) Meter Equipment
 - i) REX2 for residential and network services
 - ii) A3 ALPHA Nodes for Commercial and Industrial services
 - iii) Meter based or standalone collectors as required
 - iv) EnergyAxis LAN repeaters as required
 - v) Elster Metercat software version 2.1 required for programming and configuring A3 ALPHA Collector meters or performing shop resets of REX meters.

3 .Responsibilities

		Responsibilities	
No.	Item	Erie Thames Powerli nes	Elster
1	Meter Equipment		X
2	Collector/MAS WAN	X	
3	System Planning.	X	X
4	Meter and Collector Site Planning.	X	X
5	Provide the longitude and latitude coordinates	X	
6	A3 ALPHA Collector mapping to determine the optimal collector placement (PIF)		X

7	Site specific utility visit and planning meeting. (PIF)*		X
8	Meter programming set up (PIF)*		X
9	Collector Configuration for Erie Thames Powerlines WAN (PIF)*		X
10	Meter Delivery planning (PIF)*		X
11	Nameplate set up and development (PIF)*		X
12	Establishment of WAN Communications from the Collectors to MAS	X	
13	Meter and Collector Installation.	X	
14	Meter and communication test by Erie Thames Powerlines (if required).	X	
15	Meter Reading.	X	
16	Integration with Billing and Other LDC Systems	X	
17	Support of application service provider (PIF)*		X
18	One day of meter technician training on the operation and maintenance of the EnergyAxis AMI system per year (PIF)*		X
19	MAS System Operation .	Service provider for Erie Thames Powerlines	
20	Payment for WAN Communications from the Collector to MAS (set up costs and ongoing monthly costs)	X	
21	Provide the field services labour to visit a problem endpoint and perform diagnostics and repair or replacement	X	
22	Yearly review of programming requirements (PIF)*	X	X
23	Technical support in diagnosing LAN communications issues (PIF)*		X
24	Technical support for WAN technologies (PIF)*.		X

* Project Initiation Fee

4 Project Schedule

The project schedule is determined during the Project Planning meeting. Installation and integration dates are determined by customer requirements and resource availability. A typical schedule of events is listed below.

- Sign Contract,
- Project Planning meeting
- Meter Configuration
- Meter Procurement
- Meter Delivery
- Training

EXHIBIT B

PRICING

A. Project Prices

1. All prices are in Canadian Dollars and are adjusted for the 4th quarter of 2009 and subject to currency adjustment.

Project Fees		Canadian Dollars
Project Initiation Fee (as per SOW above)	1	\$20,000
Travel & Living for site work - Billed at Cost plus 10%		

The Project Initiation Fee includes:

1. Site specific utility visit and planning meeting. At this meeting the parties will work through the project steps and plan meter deliveries, etc. Attached is a draft agenda for information.
2. One day of meter technician training on the operation and maintenance of the EnergyAxis AMI system per year.
3. A3 ALPHA Collector mapping to determine the optimal collector placement.
4. Support of application service provider. This will include working with the service provider customer chooses to ensure that they have all the necessary information to begin data collection.
5. Technical support for WAN technologies includes collector set-up and testing for communication over Erie Thames Powerlines' fiber network and ISP service.
6. Technical support in diagnosing LAN communications issues. Elster will make personnel available to Erie Thames Powerlines to assist in diagnosing communications issues that may arise.

B. Meter Pricing

Elster is offering pricing based on the total quantity of REX meters (forms 1s, 2s, 3, 4, 12s) committed for purchase by the total of all London Hydro RFP consortium members. In order to qualify for the volume discounts Elster must have a Purchase Order, an EnergyAxis contract, or a signed Letter of Intent from all utilities who are committing to EnergyAxis for their service territories.

All meter pricing is driven by the total number of REX meters and is presented in tables which reflect the quantity breakpoints.

The prices apply irrespective if the meters are delivered as standalone or as part of a complete EnergyAxis project.

All meters are quoted with Measurement Canada sealing included.

Based on those conditions, and subject to the currency adjustment formula in Note 2 below, Elster is offering the following base pricing to Erie Thames Powerlines. Prices are in Canadian dollars.

Total # of REX Meters	ANSI Form 2s REX Meter Canadian \$	ANSI Form 1s, 3s, 4s REX Meter Canadian \$	ANSI Form 12s REX Meter Canadian \$	A3 ALPHA A3TL Nodes Canadian \$	A3 ALPHA A3RL Nodes Canadian \$	Price for Collector ⁽¹⁰⁾ Canadian/\$
< 25,000	\$69.63/	\$91.05/	\$113.50/	\$367.35/	\$419.37/	\$743.16/
50,000	\$68.00/	\$91.05/	\$107.51/	\$367.35/	\$419.37/	\$731.98/
100,000	\$67.10/	\$91.05/	\$107.11/	\$359.46/	\$411.48/	\$720.45/
150,000	\$66.20/	\$91.05/	\$106.45/	\$353.18/	\$404.20/	\$710.19/
200,000	\$65.10/	\$91.05/	\$105.73/	\$345.95/	\$397.97/	\$708.10/
300,000	\$64.30/	\$90.55/	\$105.31/	\$336.19/	\$388.21/	\$706.38/
400,000	\$61.70/	\$90.55/	\$104.71/	\$332.93/	\$384.95/	\$704.24/

For the above graph – note the highlighted row indicating the volume category of pricing being offered to Erie Thames Powerlines.

A decrease in quantity due to a termination by a London Hydro Consortium Utility for cause shall not impact the price paid by LDC (i.e. the original order quantity by the terminating London Hydro Consortium Utility shall still be applied to the pricing calculation).

Notes:

1. To determine the final quantity of REX meters, all purchase orders and letters of intent or other forms of written agreement to purchase received by December 30, 2009 from London Hydro Consortium Utilities for deliveries by December 31, 2010 will be summed together.
2. The prices are presented in Canadian dollars but subject to quarterly currency adjustments. Elster and Erie Thames Powerlines will calculate the final prices using the following formula to calculate the currency adjustment factor. Current meter prices are in Schedule A.
3. US prices (to be added to the above table) shall remain fixed for the duration of the contract.

Currency Adjustment Formula

- a. The prices quoted are in Canadian dollars and based on the USD exchange rate as reported by the Bank of Canada on November 9, 2007. Prices for meters delivered in the 1st quarter of 2008 and each subsequent quarter will be subject to the currency formula as detailed in b) below. The first adjustment date is the last banking day of 2007.
- b. Currency Adjustment.
 - i. Prices will be adjusted per the definitions and formulas shown below.
 - ii. All adjustments will be based on the US/Canada exchange rate per: The nominal noon exchange rates as reported by the Bank of Canada on the Base Date and Adjustment Date.
 - iii. The initial "Base Date" is November 9, 2007.
 - iv. Subject to the applicable exchange rates the prices may be adjusted up or down
 - v. Adjustment date is the last business day of each quarter of a year following the Base Date and adjusted prices will come into effect on that day for product scheduled for delivery in the following quarter.
 - vi. All prices will be subject to the same adjustment factor. AF
 - vii. Adjustment will only be applied if: $AF > \pm 2.0\%$

DEFINITIONS

AF = Currency Exchange Adjustment Factor

E_B = Base Exchange Rate published on Bank of Canada Website as of noon.

Initial Base Rate shall be as of November 9, 2007.

$\$ E_b$ 1 USD = \$0.9391 CND

The Base Rate remains as the November 9, 2007 rate until there is an Adjustment made (changes greater than 2%) at which time the Rate on the date of Adjustment becomes the new Base Rate E_B

E_A = Exchange Rate published on the Adjustment date, the first date being the last Banking Day of 2007

$\$ E_A$ 1 USD = \$ TBD CND

P_O = Original Price, Price set out above in Pricing tables

P_A = Adjusted Price

PRICE ADJUSTMENT FORMULAS

$$AF = \frac{E_A}{E_B}$$

$$P_A = P_O \times AF$$

$$P_A = P_O \times AF$$

Schedule A

Pricing Schedule – Erie Thames Powerlines

Currency: Canadian Dollars. All prices include exchange adjustment.

Original Base rate used \$1 US = \$0.9391 CND per bank of Canada Nov. 7/07 noon rate.

1st Currency Adjustment Dec. 31/07 resulted in 2.1% increase

2nd Currency Adjustment Mar. 31/08 resulted in 4.0% increase

3rd Currency Adjustment on June 30/08 did not result in a price adjustment

4th Currency Adjustment Sept. 30/08 resulted in 3.1% increase

5th Currency Adjustment Dec. 31/08 resulted in a 15.5% increase.

6th Currency Adjustment Mar. 31/09 resulted in 2.9% increase

7th Currency Adjustment June 30/09 resulted in 7.75% decrease

8th Currency Adjustment Sept. 30/09 resulted in 7.77% decrease

Current Base rate \$1 US = \$1.0722 CND per bank of Canada Sept 30/09 noon rate.

Next currency Adjustment date: December 31, 2009

- **Payment Terms:** Net 30 days.

Note: The following prices are based upon Erie Thames Powerlines taking receipt of, and Elster invoicing a minimum of 10,000 Rex Meters no later than December 31, 2010.

Revised March 31, 2009

Price: subject to exchange adjustment

Effective April 1/09 thru June 30/09

Description	CND Price
Form 2s REX2	\$74.33
Form 2s REX2 with external antenna	Pricing Not Yet Available
Form 12s REX2	\$120.72
Form 12s REX2 with external antenna	Pricing Not Yet Available
Forms 1s, 3s, 4s REX2	\$103.95
gREX 3-wire bottom connected REX2	\$95.23
A3TL Polyphase Node	\$394.98
A3RL Polyphase Node	\$454.37
A3TL Meter-based Gatekeeper (Collector)	\$808.46
A3RL Meter-based Gatekeeper (Collector)	\$873.47
EnergyAxis Repeater	\$194.09
EnergyAxis Standalone Gatekeeper (Collector) (AC only, Ethernet)	\$751.03
NOTE:	
EnergyAxis Standalone Gatekeeper (Collector) (AC with Battery Backup, Ethernet)	\$2,247.88
REX2 remote disconnect - adder	\$78.06
REX2 ZigBee communications – adder	\$43.34
KYZ Pulse Outputs (2 outputs cable for A3 Nodes)	\$39.00

Additional price per meter to add two KYZ output relays to an A3 Node.	
Form 12s 600 Volt, 200 Ampere, polyphase 2 element self-contained type meters, 5 th jaw at the 6:00 position, complete with integrated AMCD	Pricing Not Yet Available
EA Inspector Hand-held diagnostic/troubleshooting tool	\$5,831.17

EXHIBIT C

ELSTER METERING, A DIVISION OF ELSTER CANADIAN METERING COMPANY INC. GENERAL TERMS AND CONDITIONS OF SALE

January 15, 2009

1. General.

Unless otherwise agreed by the parties in writing, the terms and conditions contained herein constitute the entire agreement (the "Agreement") between the parties with respect to Purchaser's order of goods and supersede all prior communications and agreements regarding the order. Acceptance by Elster Metering ("Elster") of the order, or Purchaser's acceptance of Elster's quotation or proposal (the "Proposal"), is expressly limited to and conditioned upon Purchaser's acceptance of these terms and conditions.

Purchaser's acceptance of goods from Elster shall be deemed to be Purchaser's acceptance of these terms and conditions. These terms and conditions may not be changed or superseded by any different or additional terms and conditions proposed by Purchaser in a purchase order or other document, unless expressly agreed to in writing by Elster. Notwithstanding the foregoing, any software licenses purchased by Purchaser shall be governed exclusively by the terms and conditions of the applicable software license agreement (including, if applicable, a shrink-wrap or click-wrap software license agreement) in effect between the parties.

2. Prices.

(a) Unless otherwise specified in writing, all Proposals expire thirty (30) days from the date thereof.

(b) Unless otherwise specified by Elster, the price does not include any federal, provincial or local property, license, privilege, sales, use, excise, gross receipts, or other like taxes which may now or hereafter be applicable. Purchaser will assume the payment of all taxes, duties, fees and other charges assessed by any taxing authority with respect to the goods order. Purchaser agrees to pay or reimburse any such taxes, duties, fees or other charges which Elster or its suppliers are required to pay or collect. If Purchaser is exempt from the payment of any tax or holds a direct payment permit, Purchaser shall, upon order placement, provide Elster a copy, acceptable to the relevant governmental authorities of any such certificate or permit.

(c) All prices are in Canadian Dollars unless otherwise specified.

3. Payment.

(a) Unless specified to the contrary in writing by Elster, payment terms are net cash, payable without offset, in Canadian Dollars, 30 days from date of invoice to Seller's office in accordance with the conditions stated by Elster in the Proposal.

(b) Purchaser shall pay, in addition to the overdue payment, a late charge equal to the lesser of 1 ½ (1.5)% per month or any part thereof or the highest applicable rate allowed by law on all such overdue amounts plus Elster's attorneys' fees and court costs incurred in connection with collection.

4. Changes.

(a) Any changes requested by Purchaser affecting the ordered scope of work must be accepted by Elster and resulting adjustments to affected provisions, including price, schedule, and guarantees mutually agreed in writing prior to implementation of the change.

(b) Elster may, at its expense, make such changes in the goods as it deems necessary, in its sole discretion, to conform the goods to the applicable specifications. If Purchaser objects to any such changes, Elster shall be relieved of its obligation to conform to the applicable specifications to the extent that conformance may be affected by such objection.

5. Delivery.

- (a) All goods delivered hereunder will be delivered FCA (Erie Thames Powerlines) as per Incoterms 2000, freight extra.
- (b) When the Proposal calls for delivery FCA point of destination, Elster will deliver FCA accessible common carrier point nearest first destination, freight prepaid and included in the price
- (c) If the scheduled delivery of goods is delayed by Purchaser or by Force Majeure, Elster may move the goods to storage for the account of and at the risk of Purchaser whereupon it shall be deemed to be delivered.
- (d) Shipping and delivery dates are contingent upon Purchaser's timely approvals and delivery by Purchaser of any documentation required for Elster's performance hereunder.
- (e) Claims for shortages or other errors in delivery must be made in writing to Elster within ten days of delivery. Goods may not be returned except with the prior written consent of and subject to terms specified by Elster. Claims for damage after delivery shall be made directly by Purchaser with the common carrier.
- (f) Unless otherwise agreed in writing by the parties, the Purchaser shall be responsible for any required export/import licenses. The obligations of the Purchaser to pay for the goods shall not in any manner be waived by the delay or failure to secure or renew, or by the cancellation of any required export/import licenses.

6. Inspection and Acceptance.

Purchaser shall have up to sixty (60) days after delivery of the goods to the FCA delivery point to inspect and reject or accept the goods. Failure to reject the goods during such time shall be deemed acceptance of the goods.

7. Title & Risk of Loss.

Title to goods shall remain in Elster until fully paid for. Notwithstanding any agreement with respect to delivery terms or payment of transportation charges, risk of loss or damage shall pass to Purchaser upon delivery to the FCA delivery point. Notwithstanding the foregoing, title to any software delivered to Purchaser shall remain in Elster, and Purchaser shall receive only a license to use such software pursuant to the terms of the applicable software license agreement between the parties.

8. Warranties and Remedies.

See Warranty terms in the General Agreement Section 4 h)

9. Limitation of Liability.

(a) In no event shall either party, its suppliers or subcontractors be liable for special, indirect, incidental or consequential damages, whether in contract, warranty, tort, negligence, strict liability or otherwise, including, but not limited to, loss of profits or revenue, loss of use of the goods or any associated equipment, facilities or services, downtime costs, delays, and claims of customers of Erie Thames Powerlines or other third parties for any damages. Each party's liability for any claim whether in contract, warranty, tort, negligence, strict liability, or otherwise for any loss or damage arising out of, connected with, or resulting from this Agreement or the performance or breach thereof, or from the design, manufacture, sale, delivery, resale, repair, replacement, installation, technical direction of installation, inspection, operation or use of any equipment covered by or furnished under this Agreement, or from any services rendered in connection therewith, shall in no case exceed the purchase price allocable to the goods and services or part thereof which gives rise to the claim..

(b) Section (a) above will not limit the liability of (i) either party for its breach of confidentiality hereunder, its breach of applicable law, or claims for bodily injury or death, damage to or loss of personal, tangible, intangible, or real property or negligence or wilful misconduct, or (ii) Elster for its indemnification obligations hereunder in respect of intellectual property infringement..

10. Choice of Law.

This Agreement shall be governed by the laws of the Province of Ontario, which shall have jurisdiction in any matter relating to the same. If any provision hereof, partly or completely, shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision or portion hereof and these terms shall be construed as if such invalid or unenforceable provision or portion thereof had never existed.

11. Force Majeure.

Elster shall neither be liable for loss, damage, detention or delay nor be deemed to be in default for failure to perform when prevented from doing so by causes beyond its reasonable control, including but not limited to acts of war (declared or undeclared), Acts of God, acts of war or terrorism, fire, strike, labor difficulties, acts or omissions of any governmental authority or of Purchaser, compliance with government regulations, insurrection or riot, embargo, delays or shortages in transportation or inability to obtain necessary labor, materials, or manufacturing facilities from usual sources or from defects or delays in the performance of its suppliers or subcontractors due to any of the foregoing enumerated causes. In the event of delay due to any such cause, the date of delivery will be extended by period equal to the delay plus a reasonable time to resume production, and the price will be adjusted to compensate Elster for such delay.

12. Cancellation.

Any order may be cancelled by Purchaser only upon prior written notice and payment of termination charges, including but not limited to, all costs identified to the order incurred prior to the effective date of notice of termination and all expenses incurred by Elster attributable to the termination, plus a fixed sum of ten (10) percent of the final total price to compensate for disruption in scheduling, planned production and other indirect costs. Payment shall be made within 30 days after the date of invoice.

13. Termination.

Elster may terminate any order for nonpayment or other material breach by Purchaser that is not cured within thirty (30) days following written notice thereof. No termination by Purchaser for default shall be effective unless, within thirty (30) days after receipt by Elster of Purchaser's written notice specifying such default, Elster shall have failed to initiate and pursue with due diligence correction of such specified default.

14. Export Control.

(a) Purchaser represents and warrants that the goods provided hereunder and the "direct product" thereof are intended for civil use only and will not be used, directly or indirectly, for the production of chemical or biological weapons or of precursor chemicals for such weapons, or for any direct or indirect nuclear end use. Purchaser agrees not to disclose, use, export or re-export, directly or indirectly, any information provided by Elster or the "direct product" thereof as defined in the Export Control Regulations of the United States Department of Commerce, except in compliance with such Regulations.

(b) If applicable, Elster shall file for a U.S. export license, but only after appropriate documentation for the license application has been provided by Purchaser. Purchaser shall furnish such documentation within a reasonable time after order acceptance. Any delay in obtaining such license shall suspend performance of this Agreement by Elster. If an export license is not granted or, if once granted, is thereafter revoked or modified by the appropriate authorities, this Agreement may be canceled by Elster without liability for damages of any kind resulting from such cancellation. At Elster's request, Purchaser shall provide to Elster a Letter of Assurance and End-User Statement in a form reasonably satisfactory to Elster.

15. Nuclear Insurance

Indemnity. For applications in nuclear projects, the Purchaser and/or its end user customer shall have complete insurance protection against liability and property damage resulting from a nuclear incident to and shall indemnify Elster, its subcontractors, suppliers and vendors against all claims resulting from a nuclear incident.

16. Resale.

If Purchaser resells any of the goods, the sale terms shall limit Elster's liability to the buyer to the same extent that Elster's liability to Purchaser is limited hereunder