

CLIENT'S COPY

AGENCY RETAINER AGREEMENT

BETWEEN

ECNG INC.

(herein called "ECNG")

- and -

THE CORPORATION OF THE TOWN OF PELHAM

(herein called the "Client")

WHEREAS under deregulation a municipality can purchase natural gas directly from producers or marketers and realize savings by selling it to their Utility;

AND WHEREAS the Client is a consumer of natural gas and wishes to continue to purchase natural gas on a direct basis;

AND WHEREAS ECNG arranges and manages direct natural gas purchases on behalf of the members of the Association of Municipalities of Ontario;

THE PARTIES THEREFORE, agree as follows:

ARTICLE ONE - DEFINITIONS

- 1.00 "Utility" means the regulated natural gas distributor delivering natural gas to the Client.
- 1.01 "Direct Gas Supply Contract" means a natural gas supply arrangement with a producer or marketer of natural gas.
- 1.02 "Direct Gas Supplier" means the gas producer or marketer under any Direct Gas Supply Contract.
- 1.03 Buy/Sell Agreement means an agreement between the Utility and the Client whereby the Utility agrees to purchase gas from the Client for eventual resale at the Client's end-use facilities.



- 3.04 ECNG will obtain the Client's consent prior to implementing any Direct Gas Supply Contract on the Client's behalf. At the Client's request, ECNG will provide any relevant contracts and documents.
- 3.05 ECNG will, without additional payment or charge: make reasonable efforts to adjust contracted quantities to reflect changes in Client's consumption; renew the Buy/Sell Agreement; renegotiate prices under the Direct Gas Supply Contract or solicit offers for Direct Gas Supply Contracts to allow the continuance of the arrangements.

ARTICLE FOUR - UNDERTAKINGS AND COVENANTS OF ECNG AS AGENT SOLELY FOR THE END-USER

- 4.00 ECNG agrees to solicit bona fide competitive gas supply offers and to negotiate and implement the Direct Gas Supply Contract and the Buy/Sell Agreement with diligence and to act prudently in protecting the Client's interest in the context of prevailing market conditions.
- 4.01 ECNG will receive remuneration only from the Client and will not accept remuneration directly or indirectly from any vendor of natural gas.

ARTICLE FIVE - PAYMENT OF FEE

- 5.00 In consideration of ECNG's performance of its services the Client will pay ECNG's fee, calculated as set out in Schedule One attached hereto, .

IN WITNESS WHEREOF the parties have executed this agreement by the hands of their authorized officers this 1ST day of JUNE, 1992.

ECNG INC.

Per: 

Title: _____

THE CORPORATION OF THE TOWN OF PELHAM

Per: 

Title: MAYOR

PER: 
R1-A-01-1
May 19, 1992

TITLE: C.A.O. / CLERK

SCHEDULE ONE

A) CALCULATION OF QUARTERLY SAVINGS AND ECNG FEE

ECNG's fee will be 5 cents per gigajoule of gas purchased under the Direct Gas Supply Contract. The net Buy/Sell savings shall be remitted to the Client. The net Buy/Sell savings shall equal the amount paid to the Client by the Utility less the amount paid to the Direct Gas Supplier by the Client, less ECNG's fee, less any Utility Buy/Sell administration fees and bank transfer fees.

B) ADDRESSES FOR SERVICE

Client:

THE CORPORATION OF THE TOWN OF PELHAM
20 Pelham Town Square
P.O. Box 400
Fonthill, Ontario
L0S 1E0

Attention: Mr. Murray Hackett
Clerk-Administrator

Telephone: (416) 892-2607

Telefax: (416) 892-5055

ECNG:

ECNG Inc.
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2896 South Sheridan Way
Oakville, Ontario
L6J 7G9

Attention: Mr. Robert J. Hyde
Vice President

Telephone: (416) 829-2660

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