

SCHEDULE "A"

PART I: RATES FOR WATER SUPPLY TO TECUMSEH

1. Bulk Supply Rates are established as at February 5, 2004:

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| a) | Water Consumption | \$0.266 per cubic meter |
| b) | Summer Levy | \$0.160 per cubic meter |

2. Retail Supply Rates are established as per the March 5, 1990 agreement. The rate to be charged to the retail water customers in Tecumseh (former Township of Sandwich South) shall be in accordance with the Prior Agreement until such time as bulk supply is commenced to these remaining customers, after which rates will be charged in accordance with this Schedule A subject to the adjustment set out in it.

3. Bulk Rates will be adjusted on January 1 of each year of this Agreement, commencing January 1, 2005, based on the "C.P.I".

PART II: TEN YEAR ADJUSTMENT

1. In addition to price adjustments referable to C.P.I., as prescribed by Part I to this Schedule, the Commission may as hereinafter set out increase prices at the completion of each 10 year period of this Agreement.
2. The Commission may at any time during the twelve month period immediately following the 10th anniversary of the Effective Date, adjust the Bulk Supply Rate to reflect a Regulatory Price Change or Changes made by the Commission to its customers (other than Tecumseh) during the immediately preceding ten year period.
3. The Commission may similarly at any time during the twelve month period immediately following the 20th anniversary of the Effective Date, and at any time during the twelve month period immediately following each 10th year anniversary of the Effective Date thereafter; adjust the Bulk Supply Rate to reflect Regulatory Price Change or Changes made by the Commission to its customers (other than Tecumseh) during the immediately preceding ten year period
4. The Commission may also at any time during the 12 month period immediately following the 10th anniversary of the Effective Date, adjust the Bulk Supply Rate to reflect Non-Regulatory Improvements Price Change or Changes made by the Commission to its customers (other than Tecumseh) during the immediately preceding ten year period.

5. The Commission may similarly at any time during the 12 month period immediately following the 20th anniversary of the Effective Date, and at any time during the 12 month period immediately following each 10th year anniversary of the Effective Date thereafter, adjust the Bulk Supply Rate to reflect Non-Regulatory Improvements Price Change or Changes made by the Commission to its customers (other than Tecumseh) during the immediately preceding ten year period.
6. Notwithstanding the foregoing:
 - a) adjustments to the Bulk Supply Rate to reflect Regulatory Price Changes and Non-Regulatory Improvements Price Changes may be imposed only to the extent that the cumulative amount of all Regulatory Price Changes and Non-Regulatory Improvements Price Changes during the particular 10 year period exceed the C.P.I. for such period; and
 - b) neither a Regulatory Price Change nor a Non-Regulatory Improvements Price Change may be imposed by the Commission unless and until such Change is applied fairly, evenly and equitably among all customers of the Commission.
7. The issues or questions of whether a proposed price adjustment is the result of a Regulatory Price Change, or a Non-Regulatory Improvements Price Change, or whether a proposed price adjustment is applied fairly, evenly and equitably among all customers of the Commission, shall in the first instance be determined by unanimous consent of the PJS LC, and in the absence of unanimous consent, by the arbitral provisions contained in the Agreement to which this Appendix is attached.

PART III: NO OTHER PRICE INCREASES

1. Other than as set out in this Schedule, the Commission may not at any time increase the Bulk Supply Rates for water supplied to the Town of Tecumseh.