

BYLAW NO. 2447

MUNICIPAL CORPORATION OF THE TOWN OF HAY RIVER

A BYLAW of the Municipal Corporation of the Town of Hay River in the Northwest Territories to grant a public utility franchise to the Northwest Territories Power Corporation pursuant to the *Cities, Towns and Villages Act*, SNWT 2003, c 22, s 91 (the “*CTV Act*”).

WHEREAS the Council of the Municipal Corporation of the Town of Hay River deems it necessary to continue to provide for the distribution of electrical power within the municipal boundary;

AND WHEREAS the Council has negotiated an Electric Utility Franchise Agreement (the “*Agreement*”) with the Northwest Territories Power Corporation, effective March 1, 2025 (a copy of which is attached as Schedule “A” to this Bylaw);

NOW THEREFORE the Council of the Municipal Corporation of the Town of Hay River, duly assembled, hereby enacts as follows:

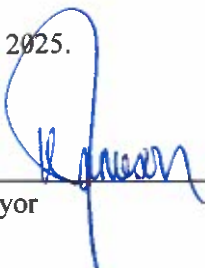
1. The Municipal Corporation of the Town of Hay River hereby grants a public utility franchise to the Northwest Territories Power Corporation, on the terms and conditions set out in the Agreement attached hereto as Schedule “A” to this Bylaw.
2. Pursuant to section 90 (1) of the *CTV Act*, the Municipal Corporation of the Town of Hay River confirms that:
 - a. pursuant to an agreement with the Northwest Territories Power Corporation, the majority of the costs incurred by the Town in relation to the transfer of the electric utility franchise from Northland Utilities (NWT) Limited to the Northwest Territories Power Corporation were covered by the Northwest Territories Power Corporation, with any other costs incurred being covered by the Town’s general revenues; and
 - b. all costs that may be incurred by the Town as a result of this bylaw, subsequent to the Town entering into the Agreement attached hereto as Schedule “A” to this Bylaw, shall be covered by the Town’s general revenues or the amounts received by the Town as franchise fees pursuant to the Agreement attached hereto as Schedule “A” to this Bylaw.

READ A FIRST TIME this 17th day of October 2022.



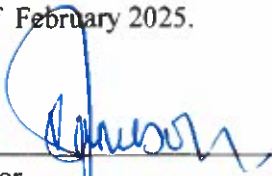
Mayor

READ A SECOND TIME this 25th day of February 2025.



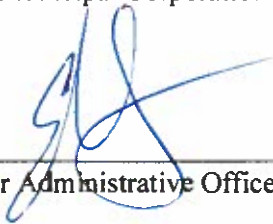
Mayor

READ A THIRD AND FINAL TIME this 25th day of February 2025.



Mayor

CERTIFIED that this Bylaw has been made in accordance with the requirements of the *Cities, Towns and Villages Act*, SNWT 2003, c 22, and the bylaws of the Municipal Corporation of the Town of Hay River, this 25th day of February, 2025.



Senior Administrative Officer

Schedule "A"

(see attached Electric Utility Franchise Agreement
between Town of Hay River and Northwest Territories Power Corporation)

THIS AGREEMENT made as of the 1st day of March, 2025.

BETWEEN:

THE TOWN OF HAY RIVER,
a municipal corporation
validly existing under the laws of the Northwest Territories,
(hereinafter called the "**Town**")

- and -

NORTHWEST TERRITORIES POWER CORPORATION,
a corporation validly
existing under the laws of the Northwest Territories
(hereinafter called the "**Corporation**")

WHEREAS the Corporation, established pursuant to the *Northwest Territories Power Corporation Act*, R.S.N.W.T. 1988, c.N-2, as amended, is a supplier of electricity in the Northwest Territories;

AND WHEREAS the Town, in accordance with section 91 of the *Cities, Towns and Villages Act*, R.S.N.W.T. (Nu) 1988, c.C-8, desires to grant an exclusive electric utility franchise to the Corporation for the term of this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT, in consideration of the premises and terms and conditions hereof, the parties covenant and agree as follows:

1. INTERPRETATION

1.1. DEFINITIONS

In this Agreement unless the context otherwise requires:

1.1.1. "**Actual Costs**" shall have the meaning ascribed thereto in paragraph 8.2;

1.1.2. "**Agreement**" means this agreement;

1.1.3. "**Board**" means the Public Utilities Board of the Northwest Territories as constituted pursuant to the *Public Utilities Act*, R.S.N.W.T. 1988, c. 24 (Supp.);

1.1.4. "**Corporation**" means Northwest Territories Power Corporation, its successors and permitted assigns;

1.1.5. "**Distribution System**" means facilities located within the Franchise Area that are owned by the Corporation and used in the distribution of Electricity to Residents within the Franchise Area and to other customers and franchises for wholesale or retail service outside the Franchise Area, and without limiting the generality of the foregoing, includes poles, guys, hardware, insulators, wires, conductors, cables, ducts, meters, transformers, fences, vaults, and connection pedestals, but excluding any facilities used for the generation or transmission of Electricity and any equipment, assets or facilities that are not used solely for the benefit of the Distribution System;

- 1.1.6. "**Effective Date**" means the date of execution of this Agreement or the date upon which all necessary approvals or ratification of this Agreement prescribed by statute are granted, whichever is later in time;
- 1.1.7. "**Electricity**" means electric power, and includes both electric demand and electric energy;
- 1.1.8. "**Extension Term**" shall have the meaning ascribed in Article 2;
- 1.1.9. "**Franchise Area**" means the geographical area within the boundaries of the Town as described in the order establishing or continuing the Town, and any areas which may hereafter be added to or incorporated within the Town;
- 1.1.10. "**Franchise Fee**" shall have the meaning ascribed in Article 6;
- 1.1.11. "**Gross Revenues**" shall have the meaning ascribed in Article 6;
- 1.1.12. "**Initial Term**" shall have the meaning ascribed in Article 2;
- 1.1.13. "**Rates**" means all charges set or made for the supply and distribution of Electricity and includes all Terms and Conditions of Service pertaining thereto;
- 1.1.14. "**Resident**" means any individual, group of individuals, firm, or body corporate, governmental authority, or other user of Electricity (whether for residential, industrial, wholesale, street lighting or other use), including the Town, with premises located within the Franchise Area;
- 1.1.15. "**Term**" means the Initial Term and any Extension Term;
- 1.1.16. "**Terms and Conditions of Service**" means the Corporation's Terms and Conditions of Service, effective May 1, 2019, as amended from time to time, by which the Corporation provides services to its customers, and which are filed with and approved by the Board;
- 1.1.17. "**Town**" means the Town of Hay River, its successors and permitted assigns;
- 1.1.18. "**Town Council**" means municipal council for the Town;

1.2. ENTIRE AGREEMENT

This Agreement reflects the entire agreement between the parties relative to the subject matter of this Agreement and any promise, representation or statement not contained herein shall not be binding on either party.

1.3. SEVERABILITY

If any provision of this Agreement is for any reason held to be invalid, illegal or unenforceable, then such provision shall be severable from and shall not affect any other provision of this Agreement and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

1.4. APPLICABLE LAW

This Agreement shall be governed by and construed in accordance with the laws of the Northwest Territories.

2. TERM AND EXTENSION

This Agreement shall remain in force and effect for a period of fifteen (15) years, commencing on the Effective Date (the “**Initial Term**”). Unless one or both of the parties has provided notice of non-extension pursuant to paragraph 12.1 on or prior to the time prescribed therein for such notice, or the parties have agreed to a renewal of this Agreement on different terms and conditions, then this Agreement shall be automatically, and without further notice, extended on the same terms and conditions for an additional successive term of five (5) years (an “**Extension Term**”) from the expiry of the Initial Term.

Upon the expiration of the Term, unless a replacement or renewal franchise agreement has been executed by the parties, or the Town has exercised the right to purchase pursuant to paragraph 12.2, this Agreement shall continue in effect from the expiration of the Term until either party, with the approval of the Board, terminates it upon not less than eighteen (18) months prior written notice to the other party (such period the “**Overholding Period**”), provided, however, that during the Overholding Period, the parties shall meet not less frequently than monthly, to negotiate the terms and conditions on which a renewal of this Agreement might be made possible, or the price, terms and conditions upon which the Town may exercise the right to purchase pursuant to Section 12.2, and either party may, on ten (10) days notice to the other party, submit a dispute as to whether the terms and conditions of this Agreement remain equitable and appropriate during such Overholding Period for resolution by a sole arbitrator pursuant to the *Arbitration Act* R.S.N.W.T. 1995, c.11, whose decision shall be binding on the parties.

3. GRANT OF EXCLUSIVE FRANCHISE

3.1. GRANT

The Town hereby grants to the Corporation for the Term of this Agreement, an exclusive electric utility franchise for the purpose of generating, transmitting, distributing, marketing and selling Electricity within the Franchise Area and to the Residents of the Town. Included in the grant of the franchise is the exclusive no cost right, license, and privilege, to construct, maintain and operate within the Franchise Area, in, under, above or through any highway, road, street, lane or public place within the jurisdiction of the Town, any poles, towers, wires, conduits, cables, buildings, erections, structures and all other works and undertakings of every kind and description for the purpose of generating, transmitting, distributing, marketing and supplying Electricity. The Town also grants to the Corporation the right to trim and remove all or parts of trees or other natural obstructions located on or in public places within the jurisdiction of the Town which interfere with the installation, maintenance and operation of the fixtures and equipment necessary for, or incidental to, the generation, transmission, distribution, marketing or supply of Electricity.

3.2. EXCEPTION

Notwithstanding paragraph 3.1 the parties hereto acknowledge the right of any Resident (other than the Town) to generate and use electric power on that Resident's own premises, provided that such electric power is not made available for resale or distribution to other Residents, and provided further that private generating systems of this nature shall not, in the absence of a Co-generation Agreement made pursuant to paragraph 3.3 hereof, be permitted to be connected to, nor in any way affect, the Corporation's Distribution System.

3.3. CO-GENERATION

Subject to the Corporation's policy respecting co-generation as amended from time to time and approved by the Board, and subject also to such approval as may be required and such directions as may be given by the Board, the Corporation may purchase such electric power as may be generated by Residents which is in excess of such Resident's immediate needs.

3.4. EXCLUSIVE SUPPLIER TO TOWN

3.4.1. The Town agrees to purchase from the Corporation for the Term all Electricity which may be required for Town purposes, including all power and lighting services required by Residents within the Franchise Area, at such Rates as may be determined by the Board.

3.4.2. Notwithstanding paragraph 3.4.1 the Town shall be permitted, subject to any applicable regulated tariff:

3.4.2.1. to generate or acquire, and use, heat derived from any source for the purpose of serving buildings owned by the Town within the Franchise Area;

3.4.2.2. to generate and use electricity for the purpose of serving buildings owned by the Town within the Franchise Area, up to a maximum of 25% of the maximum forecasted electric energy requirements of such buildings, provided that such electric power shall not be made available for resale or distribution to Residents or outside the Franchise Area; and

3.4.2.3. to generate and use electricity for the purpose of sale to the Corporation in accordance with the Corporation's policy respecting co-generation as amended from time to time and approved by the Board.

4. SUPPLY OF ELECTRICITY

4.1. STANDARD OF SERVICE

Subject to the Corporation's Terms and Conditions of Service, the Corporation agrees to supply Electricity to the Town and its Residents through suitable plant and equipment in accordance with good electric utility standards, and subject to the Corporation's Terms and Conditions of Service and except as provided in this Agreement, the Corporation shall provide Electricity on a continuous twenty-four (24) hour basis, every day in the year, and shall exercise all due skill and diligence in rendering service in accordance with good electric utility practice.

4.2. INTERRUPTIONS

Without limiting the Corporation's Terms and Conditions of Service, the Corporation may interrupt or reduce electrical service to the Town or any of its Residents for any of the following reasons:

4.2.1. necessary repairs, maintenance or alteration of service equipment;

4.2.2. defective electrical wiring or other such condition on private property which, in the opinion of the Corporation, is or may become hazardous to life or property;

4.2.3. on account of or to prevent fraud or abuse;

4.2.4. loss or reduction of electrical generating capacity;

4.2.5. failure to make timely payment of accounts rendered by the Corporation; or

4.2.6. breach of any condition of this Agreement, or of any provisions contained in the Corporation's Terms and Conditions of Service as amended from time to time.

4.3. NOTICE OF INTERRUPTION OF SERVICE

The Corporation shall have the right to interrupt or reduce electrical service for the purpose of making repairs or improvements to its system, to prevent fraud or abuse, or due to a lack of supply of electric energy, but shall, if practicable, use reasonable efforts to give prior notice of same to the Town and shall use reasonable efforts to ensure that any such interruption is as short in duration, and occurs at times least inconvenient to the Town, as circumstances permit. An interruption or reduction in the electrical service for any of the foregoing reasons shall not constitute breach by the Company of any of the provisions of this Agreement.

4.4. NON-BREACH

A discontinuance or reduction of electrical service for any of the reasons set out in this Article 4 shall not constitute a breach by the Corporation of any of the provisions of this Agreement.

5. RATES

The parties hereto acknowledge the sole jurisdiction of the Board to approve Rates, and therefore agree that Rates charged by the Corporation for Electricity supplied to the Town and its Residents shall be such Rates as may be approved from time to time by the Board.

6. FRANCHISE FEE

The Corporation will pay the Town a franchise fee (the “**Franchise Fee**”) at a percentage rate to be agreed by the Corporation and the Town at the commencement of each calendar year of the Term and then set out in Schedule A to this Agreement, provided the Corporation receives from the Board an order authorizing the Corporation to recover from the Town and other consumers of electric energy within the Franchise Area such amount as the Corporation is required to pay to the Town in accordance with this Article 6. The Franchise Fee in respect of each full calendar year or portion thereof during the Term shall be an amount ranging between Zero (0%) and Ten (10%) percent (as agreed by the Corporation and the Town) of the gross revenue of the Corporation derived from the sale and distribution of electric energy to the Town and the consumers therein (exclusive of the aforementioned payment to the Town) (the “**Gross Revenue**”) during:

- the corresponding months of the previous calendar year in those situations where the percentage of revenue is payable for less than a full calendar year; or
- the previous calendar year in those situations where the percentage of revenue is payable for a full calendar year.

The Franchise Fee payable for each calendar year or portion thereof is due and payable on or before the following 31st day of January in each and every year, together with a statement of Gross Revenues for the previous calendar year or portion thereof and details of the Franchise Fee calculation. The obligations under this Article 6 shall survive the termination or expiry of this Agreement subject to the provisions of Article 2 hereof.

The Corporation shall, in addition to the payments referred to above, pay property taxes levied by the Town on any residential properties owned by the Corporation within the Town and other taxes levied by the Town on all other lands, improvements, works and transmission lines, machinery, equipment and apparatus belonging to and used by the Corporation, whether or not used exclusively, in the exercise of the franchise granted hereby. The amounts payable above are due and payable in the same manner as taxes subject to penalties and discounts in accordance with the current bylaw in effect for the Town.

7. COORDINATION OF PLANS

7.1. MUNICIPAL PLANNING

The Corporation acknowledges the right of the Town to control the location of the Distribution System within municipal road rights-of-way or other public places within the jurisdiction of the Town, and agrees to consult with the Town Council or its authorized representative in the preparation of plans in respect of changes to, or extensions of, the said Distribution System

7.2. DISTRIBUTION LINE EXTENSIONS

Prior to proceeding with construction of the Distribution System into areas of the Town not previously serviced, the Corporation shall submit plans in respect thereof to the Town and obtain consent from the Town Council or its authorized representative to conduct construction in accordance with such plans. The Town agrees that consent to such plans shall not be unreasonably withheld, conditioned or delayed.

7.3. CONSTRUCTION WITHIN SERVICED AREAS

Prior to proceeding with the construction or reconstruction of the Corporation's physical plant in areas already serviced by the Corporation, the Corporation shall notify and obtain the approval of the Town or its authorized representative with respect to location of the Distribution System within existing road rights-of-way or other public places within the jurisdiction of the Town prior to commencement of the work. The Town agrees that consent to such plans shall not be unreasonably withheld, conditioned or delayed, and that in no event shall the Corporation be required to submit plans or obtain approval in respect of normal operations or routine maintenance.

8. RELOCATION OF DISTRIBUTION SYSTEM

8.1. MUNICIPALITY MAY ORDER REMOVAL/RELOCATION

The Corporation shall, at the request of the Town, remove, alter, or relocate all or portions of the Distribution System, provided that a suitable alternate location is assigned by the Town, and provided also that the Town shall, subject to this Article 8, pay all costs incurred by the Corporation in performing the work.

8.2. COST OF REMOVAL/RELOCATION

The costs to be charged to the Town in respect of work performed by the Corporation pursuant to this Article 8, shall, subject to paragraph 8.4 hereof, be the actual costs incurred by the Corporation and shall include, without limitation, all labour, material, shipping, and such other charges as may be incurred in performing the work, together with reasonable overhead and administration charges (hereinafter cumulatively referred to as "**Actual Costs**"). On request by the Town, the Corporation shall provide a written statement of items making up Actual Costs.

8.3. COST ESTIMATES

Upon receipt by the Corporation of a written request by the Town to remove, alter, or relocate all or portions of the Corporation's Distribution System, the Corporation shall as soon as reasonably possible thereafter provide to the Town a written estimate of the costs of the work. The Corporation shall proceed with the work only upon the written authorization of the Town Council, and payment by the Town to the Corporation of the estimated costs in advance of construction.

8.4. COST ADJUSTMENTS

The Corporation shall refund such portion of estimated costs as may exceed Actual Costs. If, in the course of construction, it becomes evident to the Corporation that Actual Costs are likely to exceed estimated costs, the Corporation shall provide written notice thereof to the Town of that portion of Actual Costs which exceed estimated costs by more than ten (10%) percent, provided, however that the Town shall remain liable to pay all Actual Costs incurred by the Corporation in performing the work.

8.5. COST-SHARING

When requests from the Town to remove, alter, or relocate all or portions of the Corporation's Distribution System coincide with improvements or relocations already planned by the Corporation, the Corporation will agree to a commensurate reduction in the Actual Costs to be charged to the Town.

9. RESTORATION OF PROPERTY

9.1. STANDARD OF REPAIR

The Corporation shall, upon completion of any construction, reconstruction or maintenance work within the Franchise Area commenced after the Effective Date, restore any street, lane, or public place within the jurisdiction of the Town which may be affected thereby, to a state of repair as nearly as is reasonably possible, equal to that existing immediately prior to the commencement of such works and where the Corporation fails to make such repairs within sixty (60) days of written notification from the Town to do so, the Town may undertake such restoration work and the Corporation shall be liable for the reasonable costs thereof.

9.2. PRE-INSPECTION

Prior to undertaking construction, restoration or maintenance work within the Town which may affect any street, lane, or public place within the jurisdiction of the Town, the Town and the Corporation shall conduct a joint on-site inspection of the same.

9.3. ARBITRATION

Where, after consultation with the Town, the Corporation determines that the claim for repairs made pursuant to paragraph 9.1 hereof is unreasonable, or that the amount invoiced by the Town in respect of repairs is excessive, the Corporation may deny the claim for repairs and refuse to pay such invoice. In that event, the parties agree that the matter shall be submitted to arbitration pursuant to the *Arbitration Act* R.S.N.W.T. 1995, c.11, as amended.

10. MUNICIPAL USE OF POLES

Upon prior consent of the Corporation which shall not be unreasonably withheld, conditioned or delayed, and subject to any reasonable terms and conditions imposed by the Corporation, the Town may make use of the distribution poles owned by the Corporation for municipal purposes as long as such use does not interfere with the use of such distribution poles by the Corporation, and as long as any extra or additional poles, cross-arms, insulators or other fixtures, or any changes in use of any of them, required by reason of the use of the said distribution poles by the Town shall be supplied, erected or made by the Corporation at the expense of the Town. The Town covenants and agrees to be responsible for and indemnify the Corporation against any loss, damage or injury suffered, sustained, paid or incurred by or recovered from the Corporation as the direct or indirect result of the use of the said distribution poles by the Town.

11. TERMS AND CONDITIONS OF SERVICE

Notwithstanding anything contained in this Agreement, the supply of Electricity provided by the Corporation to the Town and its Residents shall be in accordance with the Corporation's Terms and Conditions of Service, as amended, revised or replaced from time to time, and as approved by the Board.

12. EXTENSION, RENEWAL AND RIGHT OF PURCHASE

12.1. NOTICE

12.1.1. Not later than twelve (12) months prior to the expiry of the Initial Term, each party shall notify the other of their intention regarding extension of this Agreement for the Extension Term. If the intention disclosed by both parties is to extend this Agreement, then each party shall provide the other with confirmation in writing to that effect and thereafter take such actions as may be necessary for approval of the said extension by the Board. In the event that the intention disclosed by either party is to the effect that this Agreement may not be extended, or not extended on the same terms as contained herein, then each party covenants to promptly, and not less frequently than monthly, meet and discuss with the other the terms and conditions on which a renewal of this Agreement might be made possible, or the price, terms and conditions upon which the Town may exercise the right to purchase pursuant to Section 12.2 (including the schedule for such purchase, and the transition services and Franchise Fee following expiration of the Initial Term).

12.1.2. Not later than twelve (12) months prior to the expiry of the Extension Term, if any, each party shall notify the other of their intention regarding renewal of this Agreement beyond the Extension Term. If the intention disclosed by both parties is to renew this Agreement beyond the Extension Term, then each party shall provide the other with confirmation in writing to that effect and thereafter promptly, and not less frequently than monthly, meet and discuss with the other the terms and conditions on which a renewal of this Agreement might be made possible, (including seeking approval of the said renewal by the Board and the Town Council) or the price, terms and conditions upon which the Town may exercise the right to purchase pursuant to Section 12.2 (including the schedule for such purchase, and the transition services and Franchise Fee following expiration of the Extension Term).

12.2. RIGHT TO PURCHASE

In the event that this Agreement is not renewed or extended pursuant to Article 2, the Town may, subject to obtaining such consent as may be required of the Board and of the Minister of Municipal and Community Affairs for the Government of the Northwest Territories, purchase all, but not less than all, of the rights of the Corporation under this Agreement and all, but not less than all, equipment, facilities, and property located within the Franchise Area which is used for the purposes of exercising those rights, but excluding any equipment, facilities and property located within the Franchise Area i) that are owned by the Corporation prior to the date of this Agreement, and improvements or expansions thereof; or ii) that has not been solely and exclusively used for the purposes of the electric utility franchise contemplated in this Agreement; for such price and on such terms as may be agreed upon with the Corporation, or failing agreement within ninety (90) days of the expiration of the Term, on such terms as may be determined by a sole arbitrator pursuant to the *Arbitration Act* R.S.N.W.T. 1995, c.11, whose decision shall be binding on the parties.

13. DEFAULT

13.1. NOTICE OF DEFAULT

If at any time one party considers the other party to be in default of any of its obligations under this Agreement, such party shall give the other party written notice to that effect specifying the alleged default.

13.2. PUBLIC UTILITIES BOARD DETERMINATION

If the default has not been cured within three (3) months following the receipt of notice pursuant to paragraph 13.1 the party not in default may refer the matter to the Board, and the parties shall be bound by such recommendations or orders that the Board may render in respect thereof, including termination of this Agreement.

14. INDEMNITY

14.1. INDEMNITY

Each of the parties hereto shall be responsible for and indemnify and save harmless the other party, for any damages or losses (including legal fees on a solicitor and his own client basis), injuries or loss of life, which such other party may suffer, sustain, pay or incur, resulting from the acts or omissions of the first party or its employees, servants, agents or contractors which may occur in the performance, purported performance, or non-performance of its obligations under this Agreement; provided however, that such indemnity shall be limited to an amount in proportion to the degree to which the indemnifying party, its employees, servants, agents or contractors are at fault or otherwise held responsible in law.

14.2. RESIDUAL LEGAL RIGHTS RESERVED

The liability of the parties to indemnify or reimburse each other under this Agreement shall not limit or prejudice them from relying on the provisions of laws of general or specific application.

14.3. LIMITATION

In the event that the Corporation's facilities or any part thereof becomes damaged so that the Corporation is unable to supply Electricity, the Corporation shall make repairs as promptly as possible and, pending repairs, shall take all reasonable steps to supply Electricity from other sources, if such is available.

15. PREVENTION OF PERFORMANCE

15.1. FORCE MAJEURE

Neither party to this Agreement shall be in default hereunder or be held responsible for any loss or damage claim brought by the other party or a claim brought by any other person if the fulfilment of any terms or provisions hereof shall be delayed or prevented by any cause not within the control of that party, including revolutions or other disorders, acts of enemies, acts of God, fire, labour disturbances, war, acts of government or governmental agency (whether foreign or domestic, federal, territorial, provincial, state, county or municipal), epidemics, pandemics or order of governmental authorities or any other cause not within the control of the party whose performance is interfered with, whether similar to the causes hereinbefore enumerated or not.

15.2. NOTICE OF FORCE MAJEURE

A party whose performance is delayed or hindered by force majeure shall forthwith give notice to the other party of the nature and expected duration of the delay or hindrance, and shall take such steps as are reasonably

necessary to resume performance in the manner contemplated by this Agreement. The party whose performance is delayed or hindered shall have a reasonable time after the delay or hindrance is terminated to so perform, taking into account the nature of the delay or hindrance and the nature of the obligation to be performed.

16. WAIVER

The waiver by either party of any breach of any provision herein shall not be deemed a waiver of any other breach of the same or any other provision.

17. NOTICE

17.1. DEEMED DELIVERY

Any notice permitted or required to be given under this Agreement shall be given in writing and either delivered personally, sent by telegram, telex or facsimile, or sent by prepaid registered mail. Any such notice shall be deemed to have been received by the party to whom it is addressed if delivered, when delivered; if sent by email or facsimile, on the next business day after the day of sending the email or facsimile; or if sent by registered mail, fourteen (14) days after the posting of such notice in any post office in Canada unless there is a mail disruption in which case the notice is effected on the date received. The addresses of the parties for the purposes hereof shall respectively be:

In the case of the Town:

Town of Hay River
62 Woodland Dr #100,
Hay River, NT X0E 1G1
Attention: Town Administrator

In the case of the Corporation:

Northwest Territories Power Corporation
4 Capital Drive
Hay River, NT X0E 1G2
Attention: Chief Financial Officer

18. ASSIGNMENT

18.1. CONSENT REQUIRED

Subject to paragraph 18.2 hereof, neither of the parties may assign this Agreement in whole or in part to a third party without the prior written consent of the other, such consent not to be unreasonably withheld, conditioned or delayed, and any assignment made without such consent shall be of no effect.

18.2. EXCEPTION

The Corporation shall have the right to assign this Agreement to any parent or subsidiary corporation or to any joint venture, to which the Corporation may hold an interest, provided, however, that the Corporation shall serve notice thereof on the Town prior to such assignment.

19. CONSEQUENTIAL DAMAGES

The Corporation shall not be liable to the Town or any Residents for losses or liabilities of an indirect, consequential, special, exemplary or punitive nature arising out of or related to the generation, distribution, use or sale of electricity by the Corporation pursuant to this Agreement.

20. FILING FOR INFORMATION

Within a reasonable time following execution of this Agreement, the parties shall submit this Agreement to the Board for its information.

21. ENUREMENT

Subject to paragraph 18.1, this Agreement shall ensure to the benefit of and be binding upon the parties hereto and their respective successors, legal representatives and permitted assigns.

IN WITNESS WHEREOF the parties have duly executed these presents as of the day and year first above written.

THE TOWN OF HAY RIVER

NORTHWEST TERRITORIES POWER CORPORATION

By: *K Jameson*
Name: Mayor Kandis Jameson
Title: Authorized Signatory

By: _____
Name: Cory Strang
Title: President and CEO

By: *Glenn Smith*
Name: Glenn Smith
Title: Senior Administrative Officer

The Corporation shall not be liable to the Town or any Residents for losses or liabilities of an indirect, consequential, special, exemplary or punitive nature arising out of or related to the generation, distribution, use or sale of electricity by the Corporation pursuant to this Agreement.

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IN WITNESS WHEREOF the parties have duly executed these presents as of the day and year first above written.

THE TOWN OF HAY RIVER

NORTHWEST TERRITORIES POWER CORPORATION

By: _____
Name: Mayor Kandis Jameson
Title: Authorized Signatory

By: *Cory Strang* _____
Name: Cory Strang
Title: President and CEO

By: _____
Name: Glenn Smith
Title: Senior Administrative Officer

Schedule A

Franchise Fee percentage for Year 1= Four (4%)

