

UTILITIES ELECTRIC RATES

Electricity rates in North America are deregulated and greater supply competition is being encouraged. Deregulation means that consumers will have access to an open electricity market with the option to choose their electricity supplier and shop for competitive prices and payment plans. Electricity can be purchased directly from London Hydro or on a contract basis from a number of private power retailers.

Large electricity consumers (over 500kW/month) must purchase an interval meter (C\$1800.00) which will monitor electricity consumption over time. This data will allow the company to determine a load profile and purchase electricity under the most favourable market conditions. In addition to the direct costs of electricity, there will be a monthly service charge as well as a number of service and distribution charges based on electricity consumption.

RESIDENTIAL RATES

| ITEM | | COST |
|---|--|------------------|
| Electricity | First 750 kWh (November 2005 through April 30, 2006) | \$0.0500 per kWh |
| | Additional over 750 kWh (November 2005 through April 30, 2006) | \$0.058 per kWh |
| Delivery | Fixed Monthly Charge | \$9.90 |
| | Distribution Variable Charge | \$0.0146 per kWh |
| | Network Charge | \$0.0056 per kWh |
| | Connection Charge | \$0.0048 per kWh |
| Regulatory | Wholesale Market Service Charge | \$0.0062 per kWh |
| | Administration Charge | \$0.25 per month |
| Government | Debt Retirement Charge | \$0.0070 per kWh |
| Total Bill at 1000 kWh per month | | \$104.73 |

COMMERCIAL RATES

| ITEM | | GENERAL SERVICE < 50kW | GENERAL SERVICE > 50 kW |
|--------------------|---------------------------------|---------------------------|----------------------------|
| Electricity | First 750 kWh | \$0.0500 per kWh | Spot Market Price per kWh |
| | Remaining kWh | \$0.058 per kWh | - |
| Delivery | Fixed Monthly Charge | \$27.31 | \$201.12 |
| | Distribution Variable Charge | \$0.0101 per kWh | \$1.7029 per kWh |
| | Network Charge | \$0.0051 per kWh | \$1.8273 per kWh |
| | Connection Charge | \$0.0043 per kWh | \$1.5613 per kWh |
| Regulatory | Wholesale Market Service Charge | \$0.0062 per kWh | \$0.0062 per kWh |
| | Administration Charge | \$0.25 per month | \$0.25 per month |
| Government | Debt Retirement Charge | \$0.0070 per kWh | \$0.0070 per kWh |

UTILITIES

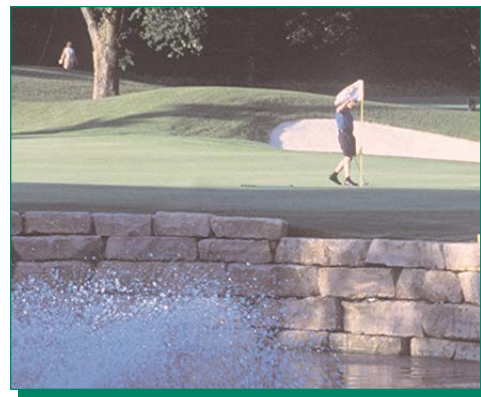
SEWER IMPROVEMENT TAX RATES

London Hydro bills for water consumption on behalf of the City of London. Individuals are also billed for Sanitary Sewer System Charges. The Sanitary Sewer System Charge is based on a user pay principle, meaning the more water you use, the more improvement tax you pay. Money raised from these taxes is used for funding the operating costs, maintenance costs and capital costs for the storm sewer systems, sanitary systems, and pollution control and treatment plants.

WATER METER RATES, EFFECTIVE JANUARY 2006

| METER SIZE | CHARGE |
|------------------|---------|
| 5/8 " or 16 mm | \$0.44 |
| 3/4" or 19 mm | \$0.49 |
| 1" or 25 mm | \$3.87 |
| 1 1/2 " or 40 mm | \$7.54 |
| 2" or 50 mm | \$10.10 |
| 3" or 76 mm | \$25.22 |
| 4" or 100 mm | \$37.13 |
| 6" or 150 mm | \$62.69 |
| 8" or 200 mm | \$96.75 |

Effective January 2006



2006 SEWER & STORM SYSTEM CHARGES

| CATEGORY | SANITARY SEWER (PER CUBIC FOOT) | STORM SEWER (MONTHLY BILL) |
|---|------------------------------------|-------------------------------|
| Multi-Family Commercial | \$0.03080 | \$7.95 |
| Commercial | \$0.01704 | \$9.59 |
| High Rise | \$0.01704 | \$9.59 |
| Institutional (annual consumption): | | |
| < 20,000,000 cu. ft. annual consumption | \$0.01251 | \$7.67 |
| > 20,000,000 cu. ft. annual consumption | \$0.01027 | \$7.67 |
| Industrial (annual consumption): | | |
| < 20,000,000 cu. ft. annual consumption | \$0.01147 | City of London |
| between 20,000,000 & 40,000,000 f. | \$0.00963 | City of London |
| > 40,000,000 f. | \$0.00814 | City of London |

Source: London Hydro

NATURAL GAS

Like the electricity market, the natural gas market is a deregulated market. Consumers of natural gas have the choice of purchasing their natural gas through a producer, an energy broker or from the local utility, Union Gas. No matter what your choice is, Union Gas will deliver the natural gas to your facility. The following table rates are effective January 2006. **Supply charges and other surcharges apply**, and are available online at www.uniongas.com.

| RESIDENTIAL & NON-CONTRACT COMMERCIAL, INDUSTRIAL MONTHLY CHARGE - \$14.00 | | |
|---|---------------------------------|-----------------------------|
| ITEM | | COST |
| Delivery | First 1, 400 m ³ | 5.6161¢ per m ³ |
| | Next 4 600 m ³ | 4.0013¢ per m ³ |
| | Next 124 000 m ³ | 2.8092¢ per m ³ |
| | Next 270 000 m ³ | 2.0735¢ per m ³ |
| | All Over 400 000 m ³ | 1.9296¢ per m ³ |
| Storage | <i>If applicable</i> | 0.9544¢ per m ³ |
| Gas Supply Charge | Commodity & Fuel | 41.6725¢ per m ³ |
| | Transportation | 3.5702¢ per m ³ |