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April 1, 2025

British Columbia Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC
V6Z 2N3

Attention: Patrick Wruck, Commission Secretary

Dear Patrick Wruck:

Re: FortisBC Energy Inc. (FEI)

**Application for a Certificate of Public Convenience and Necessity (CPCN) and
Approval of Amending Agreements to Expand the Compressed Natural Gas
(CNG) Fueling Station at Annacis Island in Delta, BC (Application)**
**Response to the British Columbia Utilities Commission (BCUC) Information
Request (IR) No. 1**

On February 11, 2025, FEI filed the Application referenced above. In accordance with the regulatory timetable established in BCUC Order G-52-25 for the review of the Application, FEI respectfully submits the attached response to BCUC IR No. 1.

For convenience and efficiency, if FEI has provided an internet address for referenced reports instead of attaching the documents to its IR responses, FEI intends for the referenced documents to form part of its IR responses and the evidentiary record in this proceeding.

If further information is required, please contact the undersigned.

Sincerely,

FORTISBC ENERGY INC.

Original signed:

Sarah Walsh

Attachments

FortisBC Energy Inc. (FEI or the Company) Application for a Certificate of Public Convenience and Necessity (CPCN) and Approval of Amending Agreements to Expand the Compressed Natural Gas (CNG) Fueling Station at Annacis Island in Delta, BC (Application)	Submission Date: April 1, 2025
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1 A. INTRODUCTION

2 1.0 Reference: BACKGROUND AND REGULATORY HISTORY

3 Exhibit B-1 (Application), Section 1.1, p. 2, footnote 3, Section 5.2.2,
4 pp.15-16,

5 Table 5-4; FortisBC Energy Inc.'s Compressed Natural Gas Fuelling
6 Station under the Greenhouse Gas Reduction (Clean Energy)
7 Regulation (GGRR) at Annacis Island in Delta – Permanent Rates
8 proceeding, Exhibit B-1, p. 2

9 Host Agreement Renewal and Extension

10 On page 2 of the FortisBC Energy Inc.'s (FEI) Application for a Certificate of Public
11 Convenience and Necessity (CPCN) to Expand the Compressed Natural Gas (CNG)
12 Fueling Station at Annacis Island in Delta, BC (Application), FEI states:

13 On June 11, 2019, FEI and Coastland Wood Industries Ltd. (Coastland Wood)
14 entered into a Property Access and Use Agreement for FEI to lease a portion of
15 Coastland Wood's land on Annacis Island, which was further amended with three
16 amending agreements³, which are collectively referred to as the Host Agreement,
17 to enable FEI to construct, own and operate the Annacis Island Fueling Station
18 [CNG Fuelling Station at Annacis Island in Delta, BC]. The initial term of the Host
19 Agreement expired on January 17, 2025. On September 13, 2024, FEI and
20 Coastland Wood signed a letter to exercise both Renewal Term #1 and #2 options
21 to extend the Host Agreement for a total of six years, expiring on January 17, 2031.

22 3. Amending Agreement No. 1 dated April 16, 2021, and Amending Agreement No. 2 dated
23 June 29, 2021, were signed extending the deadline in Section 1.1(a) for the Condition Precedent
24 to obtain the necessary approvals required, including from the BCUC, to December 31, 2021.
25 Amending Agreement No. 3 dated November 10, 2024, is to increase the leasing area by 1,175
26 square feet of land in exchange for a higher lease price.

27 1.1 Please provide a brief discussion of the key terms of the Host Agreement including
28 the renewal and termination clauses. As part of the discussion, please provide
29 definitions for Renewal Term #1 and #2 options.
30

31 **Response:**

32 The Host Agreement between FEI and Coastland Wood Industries Ltd. (Coastland) is effective
33 June 11, 2019 (Effective Date). The initial term of the Host Agreement begins on the Effective
34 Date and expires on the third anniversary of the In-Service Date, unless extended, renewed, or
35 terminated earlier. While the Host agreement originally defined the In-Service Date as the first
36 day of the month after the Fueling Equipment is operational, in Amending Agreement No. 3 dated
37 November 10, 2022, the In-Service date definition was amended to be January 18, 2022. As the

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- 1 In-Service Date is January 18, 2022, the end of the initial term of the Host Agreement is January
2 17, 2025.
- 3 Within three months prior to the end of Initial Term, the parties have the option to agree to the
4 “Renewal Terms”, subject to the same terms and conditions as the Host Agreement.
- 5 On September 13, 2024, both parties agreed to Renewal Term #1 and Renewal Term #2, which
6 are as follows:
- 7 • **Renewal Term #1:** This is the first renewal period after the Initial Term, lasting three years,
8 from January 18, 2025 to January 17, 2028.
 - 9 • **Renewal Term #2:** This is the second renewal period following Renewal Term #1, also
10 lasting three years, from January 18, 2028 to January 17, 2031.
- 11 The Host Agreement sets out that upon expiry or termination, FEI will remove the Fueling
12 Equipment to surface level and restore any damage to the property, excluding any underground
13 portions.
- 14 The following table sets out the key terms and relevant dates of the Host Agreement (as
15 amended) and extension letters 1 through 3.

Term	Definition / Discussion	Dates
Effective Date		June 11, 2019
In-Service Date	As per Amending Agreement No. 3 dated November 10, 2022.	January 18, 2022
Term	Begins on the Effective Date and expires on the third anniversary of the In-Service Date, unless extended, renewed, or terminated earlier.	
Expiry date		January 17, 2025
Renewal	Within three months prior to the end of Initial Term, parties have the option to agree, in writing, to the “Renewal Terms”, subject to the same terms and conditions: <ul style="list-style-type: none"> • Renewal Term 1 (RT 1): Three years • Renewal Term 2 (RT 2): Three years • Renewal Term 3 (RT 3): One year On September 13, 2024, both parties agreed to RT 1 and RT 2.	
Expiry Date after Renewals	RT 1 and RT 2 add a total of six years to the term of the agreement.	January 17, 2031
Termination	FEI could have terminated the Host Agreement at any time before the installation of the Fueling Equipment without liability for payment to Coastland.	
Removal	Upon expiry or termination, FEI will remove the Fueling Equipment to surface level and restore any damage to the property, excluding any underground portions.	

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Term	Definition / Discussion	Dates
Other Relevant Terms	FEI has free access to the Fueling Site and its Fueling Equipment via the designated route. FEI will follow the Property Owner's rules, maintain ownership of the Fueling Equipment, ensure security, keep the equipment in safe working order, and operate it according to instructions and regulations.	

1.2 Please discuss the future operation of the CNG Fueling Station on Annacis Island after January 17, 2031. Please explain what factors will determine whether the agreement is renewed, renegotiated, or terminated at expiry.

Response:

FEI expects to exercise Renewal Term #3, which would extend the Host Agreement until January 17, 2032. However, there are a number of factors that could impact whether renewal, renegotiation or termination occurs. These factors include the state of economic conditions, CNG demand in the market generally, the availability and competitiveness of CNG technology, the state and level of competition from alternative technologies and fuels, demand at the Annacis Island Fueling Station, Coastland's willingness to renew, and potential alternative locations to relocate the station if necessary. These factors will be considered by the parties as expiry approaches.

1.3 Please discuss the operational and financial risks, if any, to FEI, its ratepayers, and the Annacis Island Fueling Station customers in the event the Host Agreement is not renewed on or before January 17, 2031. In the response, please discuss any risk mitigation measures FEI has taken or intends to take.

Response:

If the Host Agreement is not renewed on or before January 17, 2031, customers (ratepayers) who rely on the station for their CNG needs could experience inconvenience and/or service impacts.

In this scenario, FEI would need to find and establish a new location for the fueling station, which may involve logistical challenges and delays. Station customers may face inconvenience and additional costs if they need to find alternative fueling locations. Station closure or relocation may cause station customers to experience financial impacts to their operations due to the potential inability to access the Annacis Island Fueling Station either temporarily or permanently to fuel and operate their fleet vehicles, experience inconvenience either temporarily or permanently from the need to access fueling services at an alternate location, or depending on the state of alternative

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CNG fueling infrastructure available at that time, there may be impacts to their longer-term plans for operation of their CNG fleet vehicles.

To mitigate these risks, FEI intends to initiate early renewal negotiations to address potential issues before the Host Agreement expiry date. Additionally, FEI will develop contingency plans to ensure a smooth transition in the event of non-renewal which involves identifying alternative fueling stations to maintain service continuity. Furthermore, FEI will keep station customers informed about potential changes and available alternatives, minimizing the impact on their operations.

Regarding FEI's other customers (i.e., non-station customers), FEI considers there to be minimal risk if the Host Agreement is not renewed because, as explained above, FEI would first seek to relocate the Annacis Island Fueling Station, and if necessary, will seek approval to adjust the capital rate of the station for recovery of the relocation cost. In the unlikely event that FEI were unable to relocate the station and repurpose the assets, the remaining cost of the assets would be recovered from FEI's other non-bypass customers. Considering the low capital cost of the station, the impact to customer rates would be negligible. However, the risk of this occurring is low for the reasons discussed in the response to BCUC IR1 2.3.

Footnote 3 on page 2 of the Application states that "Amending Agreement No. 3 dated November 10, 2024, is to increase the leasing area by 1,175 square feet of land in exchange for a higher lease price."

On pages 15 and 16 of the Application, FEI provides Table 5-4 which includes key inputs and outputs of the cost of service, including the land lease cost of \$44,628 with 6 percent escalation per annum. FEI states that the 2025 Expansion (2025 Expansion Project) does not result in additional lease costs.

On page 2 of Exhibit B-1 in FEI's CNG Fueling Station under the Greenhouse Gas Reduction (Clean Energy) Regulation (GGRR) at Annacis Island in Delta – Permanent Rates proceeding, FEI stated that "on November 10, 2022, FEI and Coastland Wood entered into Amending Agreement No. 3, for Coastland Wood to provide FEI with 1,175 additional square feet of land in exchange for a higher lease price."

1.4 Please confirm, or explain otherwise, that Amending Agreement No. 3 was executed on November 10, 2022.

Response:

Confirmed. Amending Agreement No. 3 was executed on November 10, 2022.

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1.5 Please confirm, or explain otherwise, that the \$44,628 lease costs incorporate the higher lease price resulting from Amending Agreement No. 3. If not confirmed, please provide a revised lease cost and updates to the Application, as necessary.

Response:

Confirmed. Pursuant to Amending Agreement No. 3, the lease cost before taxes was increased from \$2,872.16 per month to \$3,122.54 per month commencing November 1, 2022 for the costs of the additional space used by the Annacis Island Fueling Station. This was incorporated into the capital rate of the existing station with an annual escalation of 6 percent as part of the permanent rate application approved by Order G-198-23. As such, the lease cost of \$44,628 in 2025 reflected in Table 5-4 of the Application already included the increased costs for the additional space used by the Annacis Island Fueling Station.

Please refer to Table 1 below for the calculation of the monthly and annual lease costs from November 2022 to January 2032. The first lease escalation occurred on January 18, 2023. As shown in Table 1, the annual lease cost of \$44,628 in 2025 reflects the higher lease price resulting from Amending Agreement No. 3 and the annual escalation of 6 percent.

Table 1: Monthly and Annual Lease Schedule for Annacis Island Station

	Monthly Rental	Annual Rental	NRCan Rpt Period
18-Jan-22	2,872.19	<i>per original Host Agreement</i>	
1-Nov-22	3,122.54	<i>Per Amendment</i>	
1-Jan-23	3,309.89	\$ 39,719	Year 1
1-Jan-24	3,508.48	\$ 42,102	Year 2
1-Jan-25	3,718.99	\$ 44,628	Year 3
1-Jan-26	3,942.13	\$ 47,306	Year 4
1-Jan-27	4,178.66	\$ 50,144	Year 5
1-Jan-28	4,429.38	\$ 53,153	Year 6
1-Jan-29	4,695.14	\$ 56,342	Year 7
1-Jan-30	4,976.85	\$ 59,722	Year 8
1-Jan-31	5,275.46	\$ 63,306	Year 9
1-Jan-32	5,591.99	\$ 67,104	Year 10

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2.0 Reference: INTRODUCTION

Exhibit B-1, Section 1, p. 1, Section 5.2.2, p. 14, footnote 14, Appendix A Amending Agreements with Anchor Customers

On page 1 of the Application, FEI states:

FEI seeks approval from the BCUC [British Columbia Utilities Commission], pursuant to sections 59 to 61 and 89 of the UCA [*Utilities Commission Act*], for the rates established in seven amending agreements (Amending Agreements) to the Fueling Service Agreements (FSAs) between FEI and seven anchor customers (Anchor Customers), based on the requirements in Section 12B of FEI's General Terms and Conditions of its Tariff (GT&Cs), to facilitate the 2025 Expansion.

In footnote 14 on page 14 of the Application, FEI states:

Section 12B.5 of the GT&Cs includes a provision where, at the end of the expiry of the initial term of an executed service agreement, if the customer does not wish to renew the service agreement, the customer can terminate the service agreement provided the customer agrees to pay any unrecovered capital costs (including the positive or negative salvage value) associated with the fueling station. Because the Annacis Island Fueling Station is a public station, the Anchor Customer Agreements (original and amended) do not include a requirement to pay the unrecovered capital cost of the fueling station.

The Amending Agreements to the FSAs between FEI and the Anchor Customers related to the 2025 Expansion Project have been provided in Appendix A to the Application.

2.1 Please provide a copy of the original FSAs and all subsequent amending agreements with the Anchor Customers that have not been included in Appendix A to the Application.

Response:

Please refer to Attachment 2.1.

2.2 Please explain why the Annacis Island Fueling Station's status as a public fueling station warrants the exclusion of the provision in Section 12B.5 of FEI's GT&Cs in the Anchor Customers' Amending Agreements requiring anchor customers to pay the unrecovered capital cost of the fueling station.

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1 **Response:**

2 The original Annacis Island fueling station was constructed as a prescribed undertaking pursuant
3 to section 18 of the *Clean Energy Act* and section 2(2)(c) of the *Greenhouse Gas Reduction*
4 (*Clean Energy*) *Regulation* (GGRR); therefore, GT&C 12B.5 is not applicable to the original
5 Annacis Island fueling station.

6 Regarding the expansion, FEI does not consider it fair or reasonable to require the Anchor
7 Customers to pay any unrecovered capital costs of the expansion to the fueling station. In order
8 to promote clean energy initiatives for public benefit, the Annacis Island Fueling Station received
9 a \$0.743 million capital contribution in aid of construction (CIAC) from Natural Resources Canada
10 (NRCan) with a condition that the station be open to the public for fueling services. Therefore, the
11 Annacis Island Fueling Station is a publicly accessible fueling station designed to serve a broad
12 customer base, including anchor customers, third-party customers and public customers. The
13 CIAC amounted to approximately 30 percent of the total capital investment of the station.
14 Therefore, should Anchor Customers' fueling services contract terms end while the station
15 continues to serve other third-party customers and the public, it would not be reasonable to have
16 the Anchor customers pay for the undepreciated capital cost of the station while it was still
17 operational and serving other customers.

18 Additionally, GT&C Section 12B.5 was developed under the presumption that one fueling station
19 was serving one customer. Under such a scenario where the fueling station asset was only
20 serving one customer, it may have been reasonable in the event of termination to have the one
21 customer bear a termination payment to pay the unrecovered capital cost of the fueling station.
22 However, with multiple customers being served from the Annacis Island Fueling Station, including
23 public CNG fueling customers, requiring a termination clause and a termination payment from the
24 Anchor Customers in the event of termination would not be fair or reasonable.

25 Finally, Direction No. 5 to the BCUC¹ states that CNG service and LNG service, and all costs and
26 revenues related to those services, are part of the utility's natural gas class of service, and costs
27 and revenues for CNG and LNG service must be allocated to "applicable customers," where
28 applicable customers is defined as the customers of a utility other than customers receiving
29 service under a fixed rate. This has the effect of having FEI's non-bypass natural gas customers
30 bear in their rates the difference between the costs and revenues of CNG and LNG stations.

31
32
33
34 2.3 Please describe any mechanisms, contractual or otherwise, that FEI has in place
35 to recover the remaining capital costs of the 2025 Expansion Project if the Anchor
36 Customers do not renew their FSAs after the initial term.
37

¹ Order In Council 557, BC Reg 245/2013.

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1 **Response:**

2 As discussed in the response to BCUC IR1 2.2, because the Annacis Island Fueling Station is a
3 public station it is likely that costs will be recovered regardless of the duration over which Anchor
4 Customers take service. Further, it is very unlikely that all seven Anchor Customers will terminate
5 their FSAs without renewal at the end of the Initial Term given that the Anchor Customers are a
6 diverse group of seven customers representing a range of industries, demonstrating a broad
7 demand for CNG fueling at the Annacis Island Fueling Station. Several customers, such as
8 McRae's and UPS, are planning to expand their fleets, signaling an anticipated higher demand
9 for fuel consumption. Moreover, the continued presence of third-party and public fueling
10 customers will provide ongoing revenue to offset costs. The location of the Annacis Island Fueling
11 Station is close to a major transportation hub along Highways 91 and 91A. Fuel consumption at
12 the station has been steadily rising since it began its operations in early 2022. Given these positive
13 indicators, there is no expectation for a decline in usage from existing contracted customers.
14 Therefore, the Annacis Island Fueling Station is expected to continue to meet growing demand
15 for CNG fueling in the region, necessitating the Expansion Project.

16 FEI also notes that the cost of service of the 2025 Expansion is approximately \$52 thousand in
17 2029 (the year after the end of the Initial Term), as shown in Appendix D, Schedule 1 of the
18 Application, which is approximately 0.004 percent of FEI's 2025 delivery margin.² As such, the
19 impact to FEI's other customers from the remaining capital cost of the 2025 Expansion Project
20 would be negligible, particularly considering there will likely still be offsetting revenue from third-
21 party and public fueling at the station.

22

² Approved on an interim basis pursuant to Order G-313-24.

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1 **B. PROJECT DESCRIPTION**

2 **3.0 Reference: PROPOSED REGULATORY PROCESS AND INSTALLATION AND**
3 **PROJECT SCHEDULE**

4 **Exhibit B-1, Section 1.0, p. 1, footnote 2, Section 1.4, p. 4, Table 1-1,**
5 **Section 4.3, p. 9**

6 **Timing of Decision**

7 On page 4 of the Application, FEI provides Table 1-1 which outlines the proposed
8 preliminary regulatory timetable, including an anticipated BCUC decision on the
9 Application by Thursday, May 1, 2025.

10 In footnote 2 on page 1 of the Application, FEI states:

11 The anticipated In-Service Date will be approximately one to two months from the
12 granting of a CPCN, if approved, which accounts for the current anticipated lead
13 time to receive the compressor and one to two weeks for the installation and
14 commissioning of the compressor and related facilities.

15 On page 9 of the Application, FEI states that based on the proposed regulatory process,
16 the estimated earliest in-service date for the 2025 Expansion Project is July 1, 2025.

17 3.1 Please explain any potential impacts if a BCUC decision on the 2025 Expansion
18 Project is delayed beyond May 1, 2025.

19

20 **Response:**

21 Since the existing Annacis Island Fueling Station remains in service, there is unlikely to be
22 significant impacts if the BCUC's decision timing on the 2025 Expansion Project is delayed for a
23 short time beyond May 1, 2025. However, a lengthy delay in a decision could hinder the Annacis
24 Island Fueling Station from meeting increasing demand. Such impacts may include longer fueling
25 wait times, which could affect customer satisfaction and uncertainties for the 2025 Expansion
26 Project timeline, such as obtaining equipment in a timely manner or challenges securing
27 contractor availability which could further delay the Project's estimated in-service date. Please
28 also refer to the response to BCUC IR1 4.2 regarding the potential for warehousing costs due to
29 a delay.

30

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C. PROJECT COSTS AND RATE IMPACT

4.0 Reference: SUMMARY OF CAPITAL COSTS

**Exhibit B-1, Section 5.1, p. 11, Section 5.1, p. 12, Table 5-1; BCUC's
CPCN Guidelines, p. 8**

Project Capital Costs - Class 4 Estimate

On page 12 of the Application, FEI provides Table 5-1 showing a summary of the estimated project capital costs and states that "[t]he Project's cost estimate has an expected accuracy range between – 15 percent and +20 percent, which is consistent with a Class 4 degree of accuracy as defined in the latest version of the Association for the Advancement of Cost Engineering (AACE) International Recommended Practices."

Page 8 of the BCUC's CPCN Guidelines states that "[t]he cost estimate should be stated in nominal as well as real dollars, identify an expected accuracy range with stated confidence level and have, at a minimum, a Class 3 degree of accuracy as defined in the latest revision of the AACE International Recommended Practices."

4.1 Please explain, with rationale, why FEI did not progress the cost estimate for the 2025 Expansion Project to an AACE Class 3 degree of accuracy.

Response:

FEI mistakenly referred to an AACE Class 4 degree of accuracy in the Application. The estimated Project capital costs are consistent with an AACE Class 3 degree of accuracy, not an AACE Class 4 degree of accuracy. The Project's cost estimate has an expected accuracy range of -15 percent to +20 percent, which is consistent with an AACE Class 3 degree of accuracy.

On page 11 of the Application, FEI states that "[t]he quote for the compressor package, which is the majority of the estimated total Project cost, is a fixed price quote, while other quotes for materials and parts are not."

4.2 Please provide the expiration date of the fixed price quote received for the compressor and explain any price adjustments after the expiration date.

Response:

The CNG Compressor Package quote was guaranteed by IMW Industries Ltd. (IMW), the equipment manufacturer, by an initial deposit of 30 percent, paid on January 9, 2025, and was not time limited. It is possible that the vendor could seek a price adjustment due to warehousing fees from a delay in the Project timeline. IMW provided an initial delivery date of April 30, 2025,

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1 and if FEI does not receive a decision on this Application such that delivery by IMW is delayed
2 past April 30, 2025, it is possible that IMW may seek warehousing costs.

3
4
5
6 4.2.1 Given that a substantial portion of the Project costs are contained in the
7 fixed price quote for the compressor package, please explain why the
8 Project capital cost estimate does not reflect a higher level of accuracy
9 .

10 **Response:**

11 Please refer to the response to BCUC IR1 4.1.

12
13
14
15 4.3 Please discuss the degree to which FEI considers the recently announced tariffs,
16 including those on US³ and Canadian⁴ Steel and Aluminum products, could impact
17 the 2025 Expansion Project. In the response, please discuss any risk mitigation
18 strategies that FEI has taken or will take.
19

20 **Response:**

21 Regarding the CNG Compressor Package, the costs for the steel and aluminum components
22 have been secured and finalized as per the fixed price quote. The ancillary components required
23 for this Project are mainly electrical supplies, with a few stainless-steel components needed to
24 connect both compressors. These ancillary components, which make up a small proportion of the
25 Project cost, may be subject to price adjustments due to the announced tariffs. Given the majority
26 of the Project cost is based on fixed price quotes, FEI expects the impact due to the tariffs on US
27 and Canadian Steel and Aluminum products on the 2025 Expansion Project would be limited.

28 However, as noted on page 14 of the Application and in Section 3(e) of the amending agreements
29 signed by the Anchor Customers, FEI will amend the Dispensing Rate with further amending
30 agreements if the actual capital costs differ from the current capital cost estimate as part of the
31 permanent rate application after the 2025 expansion completes and in-service.
32

³ The article: "Tax Insights: US to impose tariffs on steel and aluminum imports from Canada," [Tax Insights: US to impose tariffs on steel and aluminum imports from Canada | PwC Canada](#).

⁴ The article: "Here are the U.S. products Canada is targeting in response to Trump's tariffs on steel and aluminum," [What U.S. products are Canada targeting in response to Trump's tariffs on steel and aluminum? | CBC News](#).

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**5.0 Reference: PROJECT COSTS, FINANCIAL ANALYSIS, ACCOUNTING
TREATMENT AND RATE IMPACT**

**Exhibit B-1, Section 1.1, pp. 2-3, Section 5.2.2, p. 14, Section 5.2.2, p.
15, Table 5-4, Section 5.2.3, p. 16, Table 5-5; FEI's Revised/Renewal
Rates for Langford CNG Fuelling Station under the GGRR
proceeding, Exhibit B-4, BCUC IR 8.2**

Recovery of the Cost of Service

On page 2 of the Application, FEI states that the BCUC determined that the Annacis Island Fueling Station met the requirements for a prescribed undertaking as defined by the GGRR and approved the FSAs and associated amending agreements with six anchor customers (Original Anchor Customers). FEI further states that on July 25, 2025, by Order G-198-23, permanent rates were approved by the BCUC for the Original Anchor Customers, effective January 18, 2022.

On page 3 of the Application, FEI states that in September 2024, it entered into an amending agreement with McRae's Environmental Services Ltd. (McRae's), a third-party customer, committing to a minimum annual volume, among other things, and that by doing so became the seventh anchor customer.

On page 14 of the Application, FEI states:

FEI has calculated the proposed rates in the Amending Agreements to recover, at a minimum:

- a) 60 percent of the capital-related cost of service items of the existing station (as approved by Order G-198-23 as part of FEI's filing for the permanent rates of the existing Annacis Island Fueling Station) until the end of the term of the Original Agreements (i.e., from 2025 to 2028) based on the Anchor Customer's minimum take-or-pay in the Original Agreements; and
- b) 100 percent of the present value (PV) of the cost of service of the 2025 Expansion over the term of the Amending Agreements in accordance with Section 12B of FEI's GT&Cs.

On page 15 of the Application, FEI provides Table 5-4 with the key inputs and outputs of the cost of service. Table 5-4 is reproduced, in part, below:

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Input	Notes	Amount
Term	• Initial Term remaining from the Original Agreements.	4 years remaining, out of 7-year initial term
Volume	• Annual take-or-pay commitment contracted among all Anchor Customers, as shown in Table 5-3 above.	Contract Year 4 (2025): 32,500 GJ Contract Year 5 (2026): 32,500 GJ Contract Year 6 (2027): 32,500 GJ Contract Year 7 (2028): 29,000 GJ
Existing Station Capital Rate Recovery	<ul style="list-style-type: none"> • The forecast recovery from 2025 to 2028 under the Capital Rate of the existing station (i.e., cost of service of the existing station, excluding O&M) as approved by Order G-198-23 and set out in Appendix D, Schedule 10, Line 27 of FEI's 2023 Permanent Rate Application, dated March 31, 2023 (included as Appendix E to this Application). • Set to recover 60 percent of the cost of service, excluding O&M of the existing station as a GRRR prescribed undertaking at the annual take-or-pay commitment from the Anchor Customers as discussed above. 	Approved capital-related forecast recoveries of the existing station: 2025: \$107,478 2026: \$109,628 2027: \$111,820 2028: \$111,630
2025 Expansion Capital	• Estimated capital expenditure of the 2025 Expansion, including AFUDC as shown in Table 5-1 above.	2025 Expansion Capital: \$475,528

In Table 5-5 on page 16 of the Application, FEI provides the current (January 2025) and proposed interim (effective July 1, 2025) capital rates at the Annacis Island Fueling Station, which are \$4.484 and \$4.703 per GJ, respectively. FEI explains that the proposed interim capital rate includes the recovery of the 2025 Expansion Project.

In FEI's response to BCUC Information Request (IR) 8.2 in Exhibit B-4 of FEI's Application for Approval of Revised/Renewal Rates for the Langford CNG Fuelling Station under the GRRR proceeding, FEI explained the distinction between anchor customers and third-party customers, as follows:

During the initial term of the GRRR station, FEI considers an anchor customer or tenant to be a customer(s) that commits to a minimum contractual term and fueling volume upon which the station rates are calculated to meet the minimum cost recovery requirements to meet the definition of a prescribed undertaking under the GRRR [...]

Once the station base rates are established on a permanent basis, and if the station allows fueling access to other users, all customers (other than the anchor customer(s)) who execute fueling services agreements to access refueling service at the station are considered by FEI to be third-party customers of the station [...]

Once the initial term of the GRRR station has completed, [...] the GRRR is silent with respect to any cost recovery requirements to establish base rates for stations constructed as prescribed undertakings for renewal periods beyond the initial term. As such, in this context, FEI considers that anchor tenant/customers also includes customers that execute new fueling agreements with firm term and volume commitments at the time of establishing renewal base rates for a station, because these anchor customer agreement(s) form the basis of calculating the renewal base rates for the station. FEI notes that the anchor customer(s) for a renewal term

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may differ from the anchor customer(s) who took on the financial risk from the initial term [...]

FEI defines third-party customers as all other customers (other than the anchor customer(s)) who enter into agreements for refueling service at the station after the effective date of base rates approved by the BCUC. Third-party customer agreements (which may or may not include term or volume commitments) are not used to calculate and establish the base rates at the station as the third-party customers execute fueling agreements after the establishment of the base rates based on anchor tenant(s)' committed volumes [...]

5.1 Please confirm, or explain otherwise, that the proposed interim rates include the recovery of at least 60 percent of the cost of service of the existing station from the Anchor Customers, including McRae's committed minimum annual volume.

5.1.1 If confirmed, with consideration of FEI's distinction of anchor and third-party customers as noted in the preamble above and with consideration that McRae's was not an anchor customer when the permanent rates for the existing Annacis Island Fueling Station were established, please explain the appropriateness of including McRae's committed minimum annual volume to calculate the recovery of the cost of the service of the existing station.

Response:

Not confirmed. The following response provides an explanation of the proposed interim capital rate. Please refer to the response to BCUC IR1 5.3 for an explanation of the proposed interim O&M rate.

The proposed interim capital rate includes the recovery of 60 percent of the existing station's cost of service (excluding O&M) from the six Original Anchor Customers, which excludes McRae's committed minimum annual volume, plus 100 percent of the cost of service (excluding O&M) of the 2025 Expansion Project from all Anchor Customers, including McRae's. The proposed interim capital rate is essentially a blended capital rate for both the existing station at the existing volume and the expansion at the new volume that includes McRae's.

Please refer to Table 1 below which demonstrates the following:

- the present value (PV) of the recovery under the blended capital rate (i.e., Line 14) at the minimum take-or-pay volume from all Anchor Customers, including McRae's (i.e., Line 11) over the four remaining years of the Initial Term from 2025 to 2028

is equal to:

- the PV of the recovery under separate capital rates (i.e., Line 9) at separate minimum take-or-pay volumes from the Original Anchor Customers for the existing station (i.e., Line

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5) and from all volumes, including McRae's, for the expansion which includes McRae's (i.e., Line 2).

As such, there is no change to FEI's distinction of Anchor and third-party customers as noted in the proceeding for the Langford CNG Fuelling Station (as referenced in the preamble above). McRae's minimum take-or-pay volume was only used for the expansion part of the proposed interim capital rate (when McRae's becomes an Anchor Customer). FEI considers a single blended capital rate is efficient and appropriate, and will help to avoid customer confusion from multiple rates at different volume commitments.

Table 1: Proof of Recovery from Proposed Interim Capital Rate is equal to Recovery from Separate Capital Rate for the Expansion and Current Capital Rate for the Existing Station

Line	Station	Capital COS Recovery Rate	Particulars	Reference	2025	2026	2027	2028
1			Capital rate (\$/GJ)	BCUC IR1 5.2 Table 1 Line 8	1.327	1.353	1.380	1.408
2	Expansion only	100%	Take or Pay Volume Contracted (TJ)	Appendix D, Schedule 10, Line 49	32.5	32.5	32.5	29.0
3			Capital Revenue (\$)	Line 1 x Line 2 x 1000	43,123	43,986	44,865	40,834
4			Capital rate (\$/GJ)	G-198-23	4.574	4.665	4.758	4.853
5	Existing only	60%	Take or Pay Volume Contracted (TJ)	G-198-23	23.5	23.5	23.5	23.0
6			Capital Revenue (\$)	Line 4 x Line 5 x 1000	107,478	109,628	111,820	111,630
7	Separate		Total Capital Revenue (\$)	Line 3 + Line 6	150,601	153,613	156,686	152,464
8	Expansion + Existing	100% for Expansion;	Total Capital Revenue PV (\$)	Line 7 / (1 + Line 15) ^ Line 16	150,601	144,596	138,830	127,160
9	Rates	60% for Existing	Sum of Total PV (\$)	Sum of Line 8	561,187			
10			Proposed Blended Rate (\$/GJ)	Appendix D, Schedule 10, Line 66	4.703	4.797	4.893	4.991
11	Proposed Blended		Proposed Blended Volume (TJ)	Appendix D, Schedule 10, Line 49	32.5	32.5	32.5	29.0
12	Expansion + Existing	100% for Expansion;	Proposed Blended Revenue (\$)	Line 10 x Line 11 x 1000	152,840	155,897	159,015	144,728
13	Rates	60% for Existing	PV of Blended Revenue (\$)	Line 12 / (1 + Line 15) ^ Line 16	152,840	146,746	140,894	120,708
14			Sum of Total PV (\$)	Sum of Line 13	561,187			
15			Annual Discount Rate		6.24%	6.24%	6.24%	6.24%
16			Year for Discount Purposes		0	1	2	3

5.2 Please provide the incremental capital rate (\$/GJ), with supporting calculations, that recovers 100 percent of the capital related cost of service of only the 2025 Expansion Project from the fueling volumes of all the Anchor Customers.

Response:

If a separate capital rate is used to recover 100 percent of the 2025 Expansion Project only (excluding O&M) at the minimum take-or-pay volumes from all Anchor Customers, including McRae's, then the capital rate will be \$1.327 per GJ (2025). Please refer to Table 1 below for the calculation of the \$1.327 per GJ (also see Table 1, Line 1 of BCUC IR1 5.1).

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Table 1: Calculation of Separate Capital Rate for the 2025 Expansion Only (Excl. O&M)

Line	Particular	Reference	2025	2026	2027	2028
1	Annual Cost of Service (Excl. O&M) - Expansion (\$)	Schedule 1, Line 10 - Line 2	22,651	48,699	51,398	53,121
2	% of Annual Revenue Required to be Collected - Expansion	100% of Annual COS to be Recovered	100%	100%	100%	100%
3	Annual Revenue Required to be Collected (Excl. O&M) - Expansion (\$)	Line 1 x Line 2	22,651	48,699	51,398	53,121
4	PV of Cost of Service (excl O&M) over contract term (\$)	Line 3 / (1 + Line 12) ^ Line 13	22,651	45,839	45,538	44,300
5	Sum of PV of Cost of Service (excl O&M) over contract term (\$)	Sum of Line 4	158,327			
6	Take or Pay Volume Contracted (TJ) - Expansion	Schedule 10, Line 49	32.5	32.5	32.5	29.0
7	r _i Formula	(Line 6 x Line 11 x 1000) / ((1 + Line 12) ^ Line 13 x Line 5)	0.2053	0.1971	0.1892	0.1621
8	Capital Rate (\$/GJ) - Expansion	1 / Sum of Line 7; 2% escalation thereafter	1.327	1.353	1.380	1.408
9						
10	Annual Escalator over Contract Term	No escalation year 1; Yr2-> (1 + 2%)	100%	102%	102%	102%
11	Product of Escalators	Cumulative Product of Line 10	100%	102%	104%	106%
12	Annual Discount Rate	Schedule 1, Line 19	6.24%	6.24%	6.24%	6.24%
13	Year for Discount Purposes		0	1	2	3

However, FEI notes that this is not the incremental capital rate due to the 2025 Expansion Project. The incremental capital rate for the 2025 Expansion Project would be \$0.129 per GJ, which is the difference between the proposed interim capital rate of \$4.703 per GJ and the existing 2025 capital rate of \$4.574 per GJ. This accounts for both the incremental costs of the 2025 Expansion Project as well as the additional volume from McRae's as an Anchor Customer. As explained in the response to BCUC IR1 5.1, the proposed interim capital rate of \$4.703 per GJ is a blended rate for both the existing station (and existing volume) and the expansion (and new volume).

In Table 5-4 on page 15 of the Application, FEI states that the incremental operations and maintenance (O&M) expenditures related to the 2025 Expansion is estimated to be approximately \$10,000 per year over the remaining term of the original FSAs. FEI proposes no change to the current O&M rate stating that the incremental 9,000 GJ minimum annual volume from McRae's would be sufficient to cover over 100 percent the incremental O&M costs of the 2025 Expansion Project. FEI also states that the O&M rate will continue to escalate by the British Columbia Consumer Price Index (BC CPI) on an annual basis.

In Table 5-5 on page 16 of the Application, FEI provides the current (January 2025) and proposed interim (effective July 1, 2025) O&M rates at the Annacis Island Fueling Station, which are \$2.775 per GJ and \$2.828 per GJ, respectively.

5.3 Please provide the calculation to support that the incremental 9,000 GJ minimum annual volume from McRae's would be sufficient to cover over 100 percent the incremental O&M costs of the 2025 Expansion Project.

Response:

FEI inadvertently entered an incorrect current O&M Rate of \$2.773 per GJ instead of \$2.775 per GJ into the financial model included as Appendix C of the Application. Therefore, the proposed interim O&M Rate, effective July 1, 2025, escalated by 2 percent as a placeholder until the June 2025 BC CPI is released, should be \$2.831 per GJ, not \$2.828 per GJ. Upon the release of the

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1 June 2025 BC CPI, FEI's proposed interim O&M Rate will be adjusted accordingly on July 1,
2 2025.

3 Please refer to Table 1 below which shows that the existing O&M rate would be more than
4 sufficient (i.e., Line 14) to cover the O&M recoveries required for both the existing station and the
5 2025 Expansion Project under the minimum take-of-pay volumes from all Anchor Customers,
6 including McRae's. Once accounting for the additional minimum take-or-pay volume from
7 McRae's, the new blended O&M rate would have been \$2.355 per GJ for July 1, 2025 (which is
8 an incremental decrease of \$0.476 per GJ to the existing O&M rate of \$2.831 per GJ) to recover
9 100 percent of the incremental O&M for the 2025 Expansion Project plus the O&M of the existing
10 station.

11 Given the existing station was approved as a prescribed undertaking under the GGRR, with the
12 O&M rate of the existing station set to recover only at least 60 percent of the forecast O&M
13 expenditures, FEI considers the small surplus resulting from maintaining the existing O&M rate is
14 appropriate. Maintaining the existing O&M rate will help to improve the overall recovery from the
15 minimum 60 percent for the existing station, which ultimately reduces the impact to FEI's other
16 customers.

17 **Table 1: Demonstration of the Recoveries from the Existing O&M Rate Sufficient to Cover Over**
18 **100% the Incremental O&M Costs of the 2025 Expansion Project**

Line	Particular	Reference	2025	2026	2027	2028
1	Existing O&M Rate	G-198-23, annual escalated by 2% ¹	2.831	2.888	2.945	3.004
2	Existing Take-or-Pay Volume (TJ) - Original Anchor Only	G-198-23	23.5	23.5	23.5	23.0
3	O&M Recovery for Existing Station (\$)	Line 1 x Line 2 x 1,000	66,529	67,859	69,216	69,098
4	Incremental O&M for 2025 Expansion (\$)	Application, Page 15, annual escalation by 2%	10,000	10,200	10,404	10,612
5	Total O&M Recovery Required (\$)	Line 3 + Line 4	76,529	78,059	79,620	79,711
6						
7	New Take-or-Pay Volume (TJ) - Incl. McRae	Appendix D, Schedule 10, Line 49	32.5	32.5	32.5	29.0
8	New Blended O&M Rate (\$/GJ)	Line 5 / Line 7 / 1,000	2.355	2.402	2.450	2.749
9						
10	Existing O&M Rate	Line 1	2.831	2.888	2.945	3.004
11	Existing Take-or-Pay Volume (TJ) - Original Anchor Only	Line 7	32.5	32.5	32.5	29.0
12	Total O&M Recovery at Existing (\$)	Line 10 x Line 11 x 1,000	92,008	93,848	95,725	87,124
13						
14	O&M Recovery Suplus/(Deficit)	Line 12 - Line 5	15,479	15,789	16,104	7,414

19 Note 1:

20 Assumed BC CPI at 2 percent per year.

21

22

23

24 5.4 Please confirm, or explain otherwise, that FEI's proposed interim O&M rate will
25 escalate by the BC CPI on July 1, 2025.

26

27 **Response:**

28 Please refer to the response to BCUC IR1 5.3.

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5.5 Please provide the incremental O&M rate, with supporting calculations, that recovers 100 percent of the O&M expenditures of only the 2025 Expansion Project from the fueling volumes of all the Anchor Customers.

Response:

Please refer to the response to BCUC IR1 5.3.

5.6 Please compare the following, in table format:

- (i) The proposed interim capital rate with a capital rate calculated based on the sum of the current approved capital rate (i.e. \$4.484/GJ escalated by 2 percent on July 1, 2025) and the incremental capital rate related to the recovery of 100 percent of the capital related cost of service of the 2025 Expansion Project, as provided in IR 5.2; and
- (ii) The proposed interim O&M rate with an O&M rate calculated based on the sum of the current approved O&M rate (i.e. \$2.775 per GJ escalated by the BC CPI on July 1, 2025) and the incremental O&M rate to recover 100 percent of the O&M expenditures of the 2025 Expansion, as provided in IR 5.6.

Response:

For the capital rate, please refer to the response to BCUC IR1 5.1 which explains that the proposed interim capital rate of \$4.703 per GJ is already the sum of the current approved capital rate (i.e., \$4.484 per GJ escalated by 2 percent on July 1, 2025, which is equal to \$4.574 per GJ) and the incremental capital rate for recovering 100 percent of the cost of service of the 2025 Expansion Project (excluding O&M). It accounts for both the costs of the 2025 Expansion Project as well as the increase in the minimum take-or-pay volume from McRae's.

For the O&M rate, please refer to the response to BCUC IR1 5.3 which shows that an O&M rate of \$2.355 per GJ would recover exactly 100 percent of the O&M expenditures of the 2025 Expansion as well as 60 percent of the existing station.

Please refer to Table 1 below which compares the proposed interim capital and O&M rates against the rates suggested in this information request.

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Table 1: Comparison of Interim Fueling Station Capital and O&M Rates between Proposed and BCUC IR1 5.6

	Proposed Interim (July 1, 2025)	BCUC IR 5.6	Difference
Capital	4.703	4.703	-
O&M	2.831	2.355	(0.476)

Attachment 2.1



FUELING SERVICES AGREEMENT (ANNACIS ISLAND SITE)

PART I – BASIC TERMS

Customer						
Company name: Ancor Transport Ltd.			Mailing/billing address: 12582 82 Ave Surrey BC V3W 3E9			
Contact name and title: Bajinder Nijjar			Telephone: 604-572-5266		Email: dispatch@ancortransport.com	
Fueling Location						
Annacis Island CNG Fueling Station – 675 Belgrave Way, Delta, BC V3M 5R8						
Term						
Commencement Date: November 1, 2021		Rate Change Date: (see section 4(b) of Part II) January 1 st of each year with the first rate escalation occurring on January 1, 2023		Initial Term: 7 years starting from the Rate Change Date of January 1 st , 2022		Renewal Period: (see section 1(b) of Part II) One 3 year renewal and annual auto renewal thereafter
Dispensing Rate						
\$/Gigajoule ("GJ"), as at the Commencement Date, subject to adjustment pursuant to sections 4(b) and (c) of Part II.						
Capital Rate	O & M Rate	Overhead Rate	Short Term Charge	Spot Charge	Host Fee	Total
\$4.382	\$2.686	\$0.520	N/A	N/A	N/A	\$7.588
Minimum Annual Quantity						
1000 GJs, subject to adjustment pursuant to section 4(d) of Part II.						
Supplemental Terms and Conditions						
<ol style="list-style-type: none">Additional Charges - The Dispensing Rate payable pursuant to this Agreement is in addition to any amounts payable by the Customer to FEI for the purchase of fuel and transportation services, if applicable, pursuant to the Rate Schedules.Fueling Vehicles - Unless otherwise directed by FEI by written notice to the Customer, the dispensing of fuel into the Customer's vehicles shall be performed by the Customer.						

The Customer and FortisBC Energy Inc. ("FEI"), by signing this Fueling Services Agreement (this "Agreement"), accept and agree to be bound by the terms and conditions herein contained. This Agreement, including Part I and Part II, constitutes the entire agreement between the parties and supersedes all other agreements with respect to the services described herein. This Agreement will not come into effect and does not bind the parties until:

- FEI has obtained the necessary approvals for this Agreement from all regulatory or other applicable governmental authorities having jurisdiction, including the British Columbia Utilities Commission ("BCUC"), on terms and conditions which are satisfactory to FEI;
- FEI has entered into an agreement with the Host (as defined in Part II) with respect to the installation and operation of the Fueling Equipment at the Fueling Location and permitting access over its lands to enable access to and use of the Fueling Equipment, and, if applicable, that agreement has been approved by the BCUC; and
- the Fueling Equipment has been installed at the Fueling Location and is operational as determined by FEI, in its sole discretion; and

If the condition listed above is not satisfied or waived by the Commencement Date or such later date agreed to by both parties in writing, at FEI's sole discretion, this Agreement will automatically terminate and neither party will have recourse against the other party due its termination nor will either party have any further rights or obligations under this Agreement. Sections 5(d) and 6 shall survive termination of this Agreement.

CUSTOMER:		FORTISBC ENERGY INC.:	
			
Signature	Date	Signature	Date
Bajinder S. Nijjar	Sept 30, 2021	Sarah Smith, Director, Low Carbon Transportation and LNG Business Growth	October 4, 2021
Name	Title		

	Name	Title
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PART II – BACKGROUND AND TERMS AND CONDITIONS

SECTION A – BACKGROUND AND INTERPRETATION

- A. Capitalized terms shall have the meanings ascribed to those terms as set out in Part I - Basic Terms and Part II – Background and Terms and Conditions.
- B. FEI, as at the Commencement Date, owns and operates fueling equipment at the Fueling Location from which it sells and distributes fuel (the “**Fueling Equipment**”).
- C. The Customer has agreed to purchase fuel, and obtain transportation services (if applicable), from FEI pursuant to FortisBC Rate Schedules as established or amended from time to time (the “**Rate Schedules**”) and wishes to use the Fueling Equipment to fuel their vehicles.

SECTION B – TERMS AND CONDITIONS

1. TERM

- (a) *Initial Term* -The Initial Term of this Agreement will be for the period set out in Part I.
- (b) *Renewal* - This Agreement automatically renews at the end of the Initial Term for the additional Renewal Period(s) of time set out in Part I. The Customer or FEI may decide not to renew this Agreement by providing the other party with written notice at least sixty (60) days prior to the expiry of the Initial Term or any Renewal Period.

2. USE OF FUELING EQUIPMENT AND ACCESS TO PROPERTY

- (a) *Use of Fueling Equipment* – Provided the Customer is, at all times, in compliance with this Agreement, and unless otherwise provided herein, the Customer shall be entitled to access and use the Fueling Equipment to fuel vehicles.
- (b) *Training and Operation*- The Customer shall not permit any of its personnel to access the Fueling Location until such person has participated in and successfully completed the applicable orientation/training (including safety training) and, when required, refresher training, either directly from FEI or a supervisor/manager of the Customer approved by FEI or provided by any other party that is deemed satisfactory to FEI, on the use of the Fueling Equipment, in accordance with the manufacturer’s dispensing instructions, if applicable, all applicable laws, and the requirements of FEI, as established or amended from time to time. The Customer shall provide, and shall ensure each of its personnel accessing the Fueling Location and dispensing fuel from the Fueling Equipment, or using a Fueling Card, provides proof of orientation/training to FEI or the owner and/or occupier of the Fueling Location (the “**Host**”) upon request.
- (c) *Emergency Preparedness and Response* - The Customer will, when requested by FEI from time to time, participate in emergency preparedness and emergency response training exercises and initiatives.
- (d) *Access to Property* – The Customer shall only access those parts of the property on which the Fueling Equipment is located and designated for access to the Fueling Equipment and shall, at all times, comply with site safety instructions communicated by FEI or the Host and any on-site signage or instructions. The Customer is aware access to the Fueling Equipment may be detoured or made unavailable by the Host from time to time, and to the extent FEI has prior notice of such detour or lack of access, will advise the Customer accordingly.
- (e) *Fueling Cards* - To dispense fuel from the Fueling Equipment, the Customer shall use only those fueling cards or other tracking devices or systems issued or implemented by FEI to the Customer (the “**Fueling Cards**”). The Fueling Cards shall, at all times, be and remain the property of FEI.

FEI may cancel or withdraw any Fueling Card at any time where the Customer or anyone using the Fueling Card fails to comply with the terms of this Agreement, including any on-site signage or instructions. In such event, the Customer shall surrender the Fueling Cards to FEI on demand. Except to the extent prohibited by law, unless the Customer has notified FEI of any loss or theft, the Customer shall be liable for and shall pay FEI in accordance with the terms of this Agreement for the full amount of all transactions in respect of the use of any lost or stolen Fueling Card.

- (f) *Personal Identification Numbers* – Use of Fueling Cards shall be restricted through the use of personal identification numbers (“**PINs**”). The Customer shall not reveal its PINs to any person other than those authorized by the Customer to use the Fueling Cards. The Customer shall be liable for and shall pay FEI in accordance with the terms of this Agreement for the full amount of all transactions where the Customer has in any way compromised the security and confidentiality of its PIN. The Customer shall notify FEI as soon as reasonably practicable when it becomes aware of any unauthorized use of a Fueling Card or if a Fueling Card becomes lost or stolen.

3. SAFETY

- (a) *Responsibility for Safety* – The Customer is, at all times, responsible for the safety and protection of its employees, contractors, agents, representatives, subcontractors and any other person for whom the Customer is at law responsible (collectively, the “**Representatives**”) using the Fueling Equipment or otherwise accessing the property on which the Fueling Equipment is located; provided however, where the Customer’s vehicles are fueled by a third party designated by FEI, such third parties shall not be considered Representatives of the Customer for the purposes of this section 3.
- (b) *Covenant re: Training and Operation* – By issuing a Fueling Card to any person, the Customer covenants and agrees such person has successfully completed the applicable orientation and training and will continually access and use the Fueling Equipment in a safe manner. The Customer shall ensure, at all times, all safety requirements and on-site signage are adhered to strictly by its Representatives. Failure to do so constitutes a material breach of this Agreement. In addition to any remedies set out in section 6(a) or available at law, the Customer shall not permit any Representatives who have failed to adhere to the safety requirements and on-site signage from accessing the Fueling Equipment upon written request by FEI or the Host.

4. FEES, BILLING AND PAYMENT

- (a) *Dispensing Fees* – The Customer, in consideration of access to and use of the Fueling Equipment, shall pay to FEI the Dispensing Rate for each GJ of Fuel dispensed by or to the Customer from the Fueling Equipment, as measured by a meter located on the Fueling Equipment and attributable to the Customer through use of the Fueling Cards.

- (b) *Annual Rate Escalation* – On the Rate Change Date of each year:
 - (i) the Capital Rate will increase by 2%; and
 - (ii) the O & M Rate will increase by the percentage increase, if any, in the Consumer Price Index (published by Statistics Canada for the Province of British Columbia, all items, not seasonally adjusted) from the previous twelve-month period.
- (c) FEI may adjust the Dispensing Rate in Part 1 by the above Annual Rate Escalation if:
 - (i) this Agreement is signed by the Customer prior to the Rate Change Date but the Commencement Date occurs after the Rate Change Date; or
 - (ii) the Customer signs this Agreement after the Rate Change Date but those rates have not yet been escalated by FEI due to the unavailability of the Consumer Price Index as it has not yet been published by Statistics Canada for the previous twelve-month period.

Change in Dispensing Rate

- (iii) If FEI upgrades or expands the Fueling Equipment to accommodate added demand for fueling services, FEI and the Customer agree to negotiate in good faith an adjustment to the Dispensing Rate and the Minimum Annual Quantity going forward, subject to BCUC approval.
- (iv) FortisBC may, in its discretion, provide temporary reductions to the Dispensing Rate from time to time if the aggregate volume of fuel dispensed from the Fueling Equipment to all customers of FEI using the Fueling Equipment who have entered into a fueling agreement with FEI (save and except customers using the Fueling Equipment on a spot basis) materially exceeds the aggregate contracted demand for Fuel for such customers.
- (d) *Minimum Guarantee* - The Customer acknowledges the Dispensing Rate has been calculated by FEI having regard to, among other things, the Customer's estimated fuel demand profile and the number of vehicles to be served by the Fueling Equipment, and accordingly, the Customer agrees to pay a minimum annual charge (the "**Minimum Guarantee**") calculated by multiplying the Dispensing Rate by the Minimum Annual Quantity shown in Part I for each Service Year (pro-rated for part years); where a "**Service Year**" means the twelve month period of the Term calculated from the Rate Change Date or the anniversary thereof, provided that the first Service Year shall commence on the Commencement Date and end the first Rate Change Date.
- (e) *Billing and Payment* - Bills will be rendered by FEI monthly and payable by the Customer, without deduction or set-off, within thirty (30) days following the billing date.
- (f) *Payment of Minimum Guarantee* – Where the annual amount billed to the Customer is less than the Minimum Guarantee, the shortfall will be added to the next bill.
- (g) *Taxes* - Any applicable taxes will be added to all rates and charges on each bill.
- (h) *Late Payments* - Overdue payments shall be subject to a late payment charge of 1.5% per month of compound interest (19.56% per annum).
- (i) *Verification* - The Customer must report any billing errors promptly to FEI. Statements shall be final and binding unless questioned by the Customer within one year after its billing date. The Customer shall have the right to review meter data and other relevant records to verify statements. Such review shall be conducted at the Customer's expense unless such review discloses errors in the amount of fuel dispensed which exceed two percent (2%).

5. LIABILITY, RELEASE, DISCLAIMER, INSURANCE AND ENVIRONMENTAL COMPLIANCE

- (a) *Liability* - The Customer is responsible for, and shall indemnify and save harmless each of FEI and the Host from all expenses, claims and liability incurred by FEI or the Host, as applicable, with respect to the access to and use of the Fueling Location and the Fueling Equipment by the Customer's personnel, including any damage to the Fueling Equipment occasioned by its use.
- (b) *Release* - The Customer, on its own behalf and on behalf of its Representatives, hereby releases, defends, indemnifies and holds harmless FEI and the Host, and their respective directors, officers, employees, agents, contractors, successors and assigns, from and against any and all adverse claims, losses, suits, actions, judgments, demands, debts, accounts, damages, costs, penalties and expenses (including all legal fees and disbursements) arising from or incurred by or suffered as a result of the Customer's presence at the Fueling Location or while using the Fueling Equipment, howsoever caused, save and except from any negligent act or omission of FEI.
- (c) *No Warranty and Disclaimer* – The Customer acknowledges and agrees:
 - (i) Suitability of Fueling Equipment - FEI does not represent or warrant the adequacy or suitability of the Fueling Equipment for the Customer's purpose and all express or implied warranties, terms or conditions of merchantability or fitness for a particular purpose, whether existing at law or in equity, are expressly disclaimed by FEI.
 - (ii) Limitations on Use - The Customer acknowledges and is aware the fuel supply may be temporarily suspended or unavailable from time to time, including as a result of equipment breakdown, to make repairs or improvements to the Fueling Equipment or to comply with the requirements of any law. FEI will, regardless of the cause of fuel suspension or equipment breakdown and whenever practicable, give prior notice to the Customer of such suspension, will diligently undertake required repairs to minimize Fueling Equipment down-time and will use commercially reasonable efforts to provide the Customer with the right to access substituted fueling equipment on an interim basis for the duration of fuel supply suspension or equipment breakdown and, in the event the Customer elects to exercise such right, the Customer will bear FEI's reasonable costs associated with the implementation of substituted fueling equipment, on a pro rata basis. If the supply of fuel from the Fueling Equipment is interrupted or curtailed and FEI is unable to provide an interim dispensing location, the Customer may temporarily utilize another source of Fuel until FEI is able to resume supply and, if applicable, the amount of such third party fuel will be taken into account when calculating any Minimum Guarantee payable for such year.
- (d) *Limitation of Liability* – Neither party shall be liable to the other party for any indirect, punitive, exemplary, incidental, aggravated, punitive or consequential damages of any kind regardless of the form of action whether in contract, tort, strict product liability, breach of warranty, breach of representation, misrepresentation, statutory duty, or any other legal or equitable theory, even if such party has been advised of the possibility of such damages. This provision shall not apply to third party claims or to any claim by FEI for loss of profit, use or interruption of business.
- (e) *Insurance* - The Customer shall obtain and maintain the following insurance coverage and provide proof of coverage to FEI:
 - (i) Workers' Compensation Insurance in accordance with the statutory requirements;
 - (ii) Automobile Liability Insurance with a limit of not less than \$5,000,000 per occurrence in respect of bodily injury, death and property damage;

- (iii) Comprehensive General Liability Insurance from insurers registered in and licensed to underwrite insurance in British Columbia for bodily injury, death and property damage in the amount of \$5,000,000 per occurrence naming FEI as an additional insured with respect to this Agreement and providing that the insurance shall not be cancelled or materially changed without the insurer using best efforts to provide at least 30 calendar days' written notice to FEI; and
- (iv) Such other insurance as reasonably required by FEI from time to time.
- (f) *Environmental Compliance* - The Customer acknowledges and agrees the Customer has environmental responsibilities arising from the Customer's use of the Fueling Equipment pursuant to environmental laws and regulations, including related spills, and is required to comply with the requirements of FEI as they relate to environmental management, compliance and reporting, copies of which requirements will be provided by FEI to the Customer from time to time. The Customer covenants and agrees to co-operate with FEI in coordinating, establishing, implementing and verifying processes and procedures to manage and address environmental impacts and ensure compliance with environmental laws and regulations.

6. DEFAULT AND TERMINATION

- (a) *Default*- If the Customer, or any person using the Fueling Cards, is unable, refuses or fails to produce proof of training upon request by FEI, or the Customer is otherwise in default of this Agreement, FEI may terminate this Agreement, or de-activate the applicable Fueling Cards, temporarily or permanently, without prior notice to the Customer and without any liability to FEI as a result thereof.
- (b) *Termination of Property Agreement /Transfer of Equipment/Decommissioning of Fueling Equipment* - In addition to any other termination provisions contained herein, this Agreement will terminate concurrent with the termination of the property agreement between FEI and the Host, the sale or transfer of the Fueling Equipment to a third party or the decommissioning of the Fueling Equipment, at no cost or liability accruing to FEI as a result of such termination, provided that, in such event, FEI will use reasonable efforts to secure an alternate fueling location and/or alternate Fueling Equipment for the Customer.
- (c) *Surrender of Fueling Cards* – Upon termination of this Agreement, all Fueling Cards issued under this Agreement will immediately cease to be valid and the Customer shall surrender the Fueling Cards to FEI upon demand.
- (d) *Effect of Termination* – If, prior to the expiry of the Initial Term, this Agreement is terminated by the Customer for any reason or by FEI pursuant to section 6(a), in addition to any other amounts due and owing by the Customer to FEI and despite any other remedies available at law or in equity, the Customer shall pay to FEI, within 30 days of billing, the Dispensing Rate (as escalated annually) calculated on the Minimum Annual Quantity to the end of the Initial Term.
- (e) *Survival* - Upon expiry or early termination of this Agreement, all claims, causes of action or other outstanding obligations remaining or being unfulfilled as of the expiry or termination date and all of the provisions of this Agreement relating to the obligation or either the parties to account to or indemnify the other and to pay to the other any amounts owing as at the date of expiry or termination in connection with this Agreement will survive such expiry or termination.
- (f) *Effect of Termination on Other Agreements* – The expiration or termination of this Agreement does not affect or result in the expiry or termination of any other agreements made between FEI and the Customer, including any fuel purchase agreements or transportation agreements.

7. MISCELLANEOUS

- (a) *Amendments* - Except as set out in this Agreement, no amendment or variation of this Agreement shall be effective or binding unless in writing and signed by the parties and, where applicable, upon receipt of BCUC approval.
- (b) *Further Assurances* - The Customer will execute and deliver any further agreement, document or instrument and do and perform any further act or thing as may be reasonably required by FEI from time to time to evidence or give full force and effect to the terms, conditions and intent of this Agreement.
- (c) *Governing Law* - This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada. The parties hereby attorn to the jurisdiction of the courts of British Columbia and all courts competent to hear appeals therefrom.
- (d) *Assignment* - FEI may assign, transfer or sell its right, title and interest in this Agreement, to any Affiliate, as that term is defined in the *Business Corporation Act*, S.B.C. 2002, c.57.
- (e) *Waiver* - FEI is not bound by any waiver of any provision of this Agreement unless it consents to such waiver in writing. No waiver of any provision of this Agreement constitutes a waiver of any other provision, nor does any waiver constitute a continuing waiver unless otherwise provided.
- (f) *Severability* - If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such determination does not impair or affect the validity, legality or enforceability of any other provision of this Agreement.
- (g) *Time of the Essence* - Time is of the essence of this Agreement.

END OF DOCUMENT

AMENDING AGREEMENT No. 1 TO FUELING SERVICES AGREEMENT

THIS AMENDING AGREEMENT No. 1 is made effective as at November 26, 2021 (the "Effective Date")

BETWEEN:

ANCOR TRANSPORT LTD., 12582 82 Ave, Surrey, BC V3W 3E9

(the "Customer")

AND:

FORTISBC ENERGY INC., 16705 Fraser Highway, Surrey, BC V4N 0E8

("FEI")

WHEREAS:

- A. The Customer and FEI entered into a Fueling Services Agreement (Annacis Island Site) signed by FEI on October 4, 2021 (the "Fueling Agreement").
- B. The parties agreed to extend the deadline, by way of a letter dated October 22, 2021, for FEI to deem the Conditions Precedent satisfied or waived from November 1, 2021 to November 30, 2021 (the "Extension Letter").
- C. The parties wish to amend the Fueling Agreement on the terms and conditions set out in this Amending Agreement No. 1, specifically the Commencement Date, the Rate Change Date, and the Initial Term.

NOW THEREFORE IN CONSIDERATION of the promises and mutual covenants and agreements hereinafter contained and other good and valuable consideration, the parties hereto covenant and agree with each other as follows:

- 1. Unless otherwise defined herein, capitalized words and expressions shall have the same meanings as are assigned to them in the Fueling Agreement.
- 2. The following amendments are made to page 1 of the Fueling Agreement, effective as of the Effective Date:
 - (a) The Commencement Date is amended from November 1, 2021 to January 18, 2022. For certainty, it is acknowledged and agreed to by both parties that the deadline for FEI to deem the Conditions Precedent satisfied or waived will be further extended (previously extended by way of the Extension Letter) to the amended Commencement Date of January 18, 2022;
 - (b) The Rate Change Date is amended to "July 1st of each year with the first rate escalation occurring on July 1, 2023"; and
 - (c) The Initial Term is amended to "7 years starting from the Rate Change Date of July 1, 2022".
- 3. The Fueling Agreement, as amended herein, will remain in full force and effect and, together with this Amending Agreement No. 1, will be read and interpreted as one agreement.
- 4. This Amending Agreement No. 1 may be executed and delivered in any number of counterparts with the same effect as if all parties had signed and delivered the same document and all counterparts will be construed together to constitute one and the same agreement. A party

may deliver an executed copy of this Amending Agreement in electronic form and will immediately deliver to the other party an originally executed copy of this Amending Agreement.

IN WITNESS WHEREOF the parties have executed this Amending Agreement as of the Effective Date.

Ancor Transport by its authorized
signatory:



Signature

Name: Baljinder Niggar
Title: Director

FORTISBC ENERGY INC., by its authorized signatory:

Sarah Smith

Digitally signed by Sarah Smith
DN: cn=Sarah Smith, o=FortisBC,
ou=NGT, Regional LNG and RNG Supply,
email=sarah.smith2@fortisbc.com, c=CA
Date: 2021.12.29 10:32:37 -08'00'

Signature

Name: Sarah Smith
*Title: Director, Low Carbon Transportation and LNG
Business Growth*

AMENDING AGREEMENT No. 2 TO FUELING SERVICES AGREEMENT

THIS AMENDING AGREEMENT No. 2 is made effective as of March 20, 2023 (the "Effective Date")

BETWEEN:

ANCOR TRANSPORT LTD., 12582 82 Ave, Surrey, BC V3W 3E9

(the "Customer")

AND:

FORTISBC ENERGY INC., 16705 Fraser Highway, Surrey, BC V4N 0E8

("FEI")

WHEREAS:

- A. The Customer and FEI entered into a Fueling Services Agreement (Annacis Island Site) effective October 4, 2021, and as amended by the Parties in writing by the way of an Amending Agreement No. 1 effective November 26, 2021 (together the "Fueling Agreement").
- B. The parties wish to further amend the Fueling Agreement on the terms and conditions set out in this Amending Agreement No. 2, specifically the Dispensing Rates.

NOW THEREFORE IN CONSIDERATION of the promises and mutual covenants and agreements hereinafter contained and other good and valuable consideration, the parties hereto covenant and agree with each other as follows:

- 1. Unless otherwise defined herein, capitalized words and expressions shall have the same meanings as are assigned to them in the Fueling Agreement.
- 2. The Customer and FEI, by signing this Amending Agreement No. 2, accept and agree to be bound by the terms and conditions herein contained. This Amending Agreement No. 2 will not come into effect and does not bind the parties until FEI has obtained the necessary approvals for this Agreement from all regulatory or other applicable governmental authorities having jurisdiction, including the British Columbia Utilities Commission ("BCUC"), on terms and conditions which are satisfactory to FEI.
- 3. The following amendments are made to page 1 of the Fueling Agreement, effective as of the Effective Date, as follows:
 - (a) The Capital Dispensing Rate is amended from \$4.382 per GJ to \$4.310 per GJ;
 - (b) The O&M Dispensing Rate is amended from \$2.686 per GJ to \$ 2.614 per GJ;
 - (c) The Total Dispensing Rate is amended from \$7.588 per GJ to \$7.444 per GJ
- 4. The Fueling Agreement, as amended herein, will remain in full force and effect and, together with this Amending Agreement No. 2, will be read and interpreted as one agreement.
- 5. This Amending Agreement No. 2 may be executed and delivered in any number of counterparts with the same effect as if all parties had signed and delivered the same document and all counterparts will be construed together to constitute one and the same agreement. A party may deliver an executed copy of this Amending Agreement in electronic form and will immediately deliver to the other party an originally executed copy of this Amending Agreement.

IN WITNESS WHEREOF the parties have executed this Amending Agreement as of the Effective Date.

Ancor Transport by its authorized
signatory:



Signature
Name: Baljinder Nijjar
Title: Director

FORTISBC ENERGY INC., by its authorized signatory:



Signature
Name: Sarah Smith
Title: Director, LCT and LNG Business Growth







FUELING SERVICES AGREEMENT (ANNACIS ISLAND SITE) PART I – BASIC TERMS

Customer						
Company name: ColdStar Solutions Inc.			Mailing/billing address: 101-937 Dunford Avenue, Victoria, BC V9B 2S4			
Contact name and title: Kelly Hawes, CEO			Telephone: 250-391-7425		Email: khawes@coldstarsolutions.com	
Fueling Location						
Annacis Island CNG Fueling Station – 675 Belgrave Way, Delta, BC V3M 5R8						
Term						
Commencement Date: November 1, 2021		Rate Change Date: (see section 4(b) of Part II) January 1 st of each year with the first rate escalation occurring on January 1, 2023		Initial Term: 7 years starting from the Rate Change Date of January 1 st , 2022		Renewal Period: (see section 1(b) of Part II) One 3 year renewal and annual auto renewal thereafter
Dispensing Rate						
\$/GigaJoule ("GJ"), as at the Commencement Date, subject to adjustment pursuant to sections 4(b) and (c) of Part II.						
Capital Rate	O & M Rate	Overhead Rate	Short Term Charge	Spot Charge	Host Fee	Total
\$4.382	\$2.686	\$0.520	N/A	N/A	N/A	\$7.588
Minimum Annual Quantity						
5000 GJs, subject to adjustment pursuant to section 4(d) of Part II.						
Supplemental Terms and Conditions						
<ol style="list-style-type: none">Additional Charges - The Dispensing Rate payable pursuant to this Agreement is in addition to any amounts payable by the Customer to FEI for the purchase of fuel and transportation services, if applicable, pursuant to the Rate Schedules.Fueling Vehicles - Unless otherwise directed by FEI by written notice to the Customer, the dispensing of fuel into the Customer's vehicles shall be performed by the Customer.						

The Customer and FortisBC Energy Inc. ("FEI"), by signing this Fueling Services Agreement (this "Agreement"), accept and agree to be bound by the terms and conditions herein contained. This Agreement, including Part I and Part II, constitutes the entire agreement between the parties and supersedes all other agreements with respect to the services described herein. This Agreement will not come into effect and does not bind the parties until:

- FEI has obtained the necessary approvals for this Agreement from all regulatory or other applicable governmental authorities having jurisdiction, including the British Columbia Utilities Commission ("BCUC"), on terms and conditions which are satisfactory to FEI;
 - FEI has entered into an agreement with the Host (as defined in Part II) with respect to the installation and operation of the Fueling Equipment at the Fueling Location and permitting access over its lands to enable access to and use of the Fueling Equipment, and, if applicable, that agreement has been approved by the BCUC; and
 - the Fueling Equipment has been installed at the Fueling Location and is operational as determined by FEI, in its sole discretion; and
- If the condition listed above is not satisfied or waived by the Commencement Date or such later date agreed to by both parties in writing, at FEI's sole discretion, this Agreement will automatically terminate and neither party will have recourse against the other party due its termination nor will either party have any further rights or obligations under this Agreement. Sections 5(d) and 6 shall survive termination of this Agreement.

CUSTOMER:		FORTISBC ENERGY INC.:	
		September 28, 2021	
Signature	Date	Signature	Date
		Sarah Smith, Director, Low Carbon Transportation and LNG Business Growth	
Name	Title	Name	Title

PART II – BACKGROUND AND TERMS AND CONDITIONS

SECTION A – BACKGROUND AND INTERPRETATION

- A. Capitalized terms shall have the meanings ascribed to those terms as set out in Part I - Basic Terms and Part II – Background and Terms and Conditions.
- B. FEI, as at the Commencement Date, owns and operates fueling equipment at the Fueling Location from which it sells and distributes fuel (the “**Fueling Equipment**”).
- C. The Customer has agreed to purchase fuel, and obtain transportation services (if applicable), from FEI pursuant to FortisBC Rate Schedules as established or amended from time to time (the “**Rate Schedules**”) and wishes to use the Fueling Equipment to fuel their vehicles.

SECTION B – TERMS AND CONDITIONS

1. TERM

- (a) *Initial Term* -The Initial Term of this Agreement will be for the period set out in Part I.
- (b) *Renewal* - This Agreement automatically renews at the end of the Initial Term for the additional Renewal Period(s) of time set out in Part I. The Customer or FEI may decide not to renew this Agreement by providing the other party with written notice at least sixty (60) days prior to the expiry of the Initial Term or any Renewal Period.

2. USE OF FUELING EQUIPMENT AND ACCESS TO PROPERTY

- (a) *Use of Fueling Equipment* – Provided the Customer is, at all times, in compliance with this Agreement, and unless otherwise provided herein, the Customer shall be entitled to access and use the Fueling Equipment to fuel vehicles.
- (b) *Training and Operation*- The Customer shall not permit any of its personnel to access the Fueling Location until such person has participated in and successfully completed the applicable orientation/training (including safety training) and, when required, refresher training, either directly from FEI or a supervisor/manager of the Customer approved by FEI or provided by any other party that is deemed satisfactory to FEI, on the use of the Fueling Equipment, in accordance with the manufacturer’s dispensing instructions, if applicable, all applicable laws, and the requirements of FEI, as established or amended from time to time. The Customer shall provide, and shall ensure each of its personnel accessing the Fueling Location and dispensing fuel from the Fueling Equipment, or using a Fueling Card, provides proof of orientation/training to FEI or the owner and/or occupier of the Fueling Location (the “**Host**”) upon request.
- (c) *Emergency Preparedness and Response* - The Customer will, when requested by FEI from time to time, participate in emergency preparedness and emergency response training exercises and initiatives.
- (d) *Access to Property* – The Customer shall only access those parts of the property on which the Fueling Equipment is located and designated for access to the Fueling Equipment and shall, at all times, comply with site safety instructions communicated by FEI or the Host and any on-site signage or instructions. The Customer is aware access to the Fueling Equipment may be detoured or made unavailable by the Host from time to time, and to the extent FEI has prior notice of such detour or lack of access, will advise the Customer accordingly.
- (e) *Fueling Cards* - To dispense fuel from the Fueling Equipment, the Customer shall use only those fueling cards or other tracking devices or systems issued or implemented by FEI to the Customer (the “**Fueling Cards**”). The Fueling Cards shall, at all times, be and remain the property of FEI.

FEI may cancel or withdraw any Fueling Card at any time where the Customer or anyone using the Fueling Card fails to comply with the terms of this Agreement, including any on-site signage or instructions. In such event, the Customer shall surrender the Fueling Cards to FEI on demand. Except to the extent prohibited by law, unless the Customer has notified FEI of any loss or theft, the Customer shall be liable for and shall pay FEI in accordance with the terms of this Agreement for the full amount of all transactions in respect of the use of any lost or stolen Fueling Card.

- (f) *Personal Identification Numbers* – Use of Fueling Cards shall be restricted through the use of personal identification numbers (“**PINs**”). The Customer shall not reveal its PINs to any person other than those authorized by the Customer to use the Fueling Cards. The Customer shall be liable for and shall pay FEI in accordance with the terms of this Agreement for the full amount of all transactions where the Customer has in any way compromised the security and confidentiality of its PIN. The Customer shall notify FEI as soon as reasonably practicable when it becomes aware of any unauthorized use of a Fueling Card or if a Fueling Card becomes lost or stolen.

3. SAFETY

- (a) *Responsibility for Safety* – The Customer is, at all times, responsible for the safety and protection of its employees, contractors, agents, representatives, subcontractors and any other person for whom the Customer is at law responsible (collectively, the “**Representatives**”) using the Fueling Equipment or otherwise accessing the property on which the Fueling Equipment is located; provided however, where the Customer’s vehicles are fueled by a third party designated by FEI, such third parties shall not be considered Representatives of the Customer for the purposes of this section 3.
- (b) *Covenant re: Training and Operation* – By issuing a Fueling Card to any person, the Customer covenants and agrees such person has successfully completed the applicable orientation and training and will continually access and use the Fueling Equipment in a safe manner. The Customer shall ensure, at all times, all safety requirements and on-site signage are adhered to strictly by its Representatives. Failure to do so constitutes a material breach of this Agreement. In addition to any remedies set out in section 6(a) or available at law, the Customer shall not permit any Representatives who have failed to adhere to the safety requirements and on-site signage from accessing the Fueling Equipment upon written request by FEI or the Host.

4. FEES, BILLING AND PAYMENT

- (a) *Dispensing Fees* – The Customer, in consideration of access to and use of the Fueling Equipment, shall pay to FEI the Dispensing Rate for each GJ of Fuel dispensed by or to the Customer from the Fueling Equipment, as measured by a meter located on the Fueling Equipment and attributable to the Customer through use of the Fueling Cards.

- (b) *Annual Rate Escalation* – On the Rate Change Date of each year:
 - (i) the Capital Rate will increase by 2%; and
 - (ii) the O & M Rate will increase by the percentage increase, if any, in the Consumer Price Index (published by Statistics Canada for the Province of British Columbia, all items, not seasonally adjusted) from the previous twelve-month period.
- (c) FEI may adjust the Dispensing Rate in Part 1 by the above Annual Rate Escalation if:
 - (i) this Agreement is signed by the Customer prior to the Rate Change Date but the Commencement Date occurs after the Rate Change Date; or
 - (ii) the Customer signs this Agreement after the Rate Change Date but those rates have not yet been escalated by FEI due to the unavailability of the Consumer Price Index as it has not yet been published by Statistics Canada for the previous twelve-month period.

Change in Dispensing Rate

- (iii) If FEI upgrades or expands the Fueling Equipment to accommodate added demand for fueling services, FEI and the Customer agree to negotiate in good faith an adjustment to the Dispensing Rate and the Minimum Annual Quantity going forward, subject to BCUC approval.
 - (iv) FortisBC may, in its discretion, provide temporary reductions to the Dispensing Rate from time to time if the aggregate volume of fuel dispensed from the Fueling Equipment to all customers of FEI using the Fueling Equipment who have entered into a fueling agreement with FEI (save and except customers using the Fueling Equipment on a spot basis) materially exceeds the aggregate contracted demand for Fuel for such customers.
- (d) *Minimum Guarantee* - The Customer acknowledges the Dispensing Rate has been calculated by FEI having regard to, among other things, the Customer's estimated fuel demand profile and the number of vehicles to be served by the Fueling Equipment, and accordingly, the Customer agrees to pay a minimum annual charge (the "**Minimum Guarantee**") calculated by multiplying the Dispensing Rate by the Minimum Annual Quantity shown in Part I for each Service Year (pro-rated for part years); where a "**Service Year**" means the twelve month period of the Term calculated from the Rate Change Date or the anniversary thereof, provided that the first Service Year shall commence on the Commencement Date and end the first Rate Change Date.
- (e) *Billing and Payment* - Bills will be rendered by FEI monthly and payable by the Customer, without deduction or set-off, within thirty (30) days following the billing date.
- (f) *Payment of Minimum Guarantee* – Where the annual amount billed to the Customer is less than the Minimum Guarantee, the shortfall will be added to the next bill.
- (g) *Taxes* - Any applicable taxes will be added to all rates and charges on each bill.
- (h) *Late Payments* - Overdue payments shall be subject to a late payment charge of 1.5% per month of compound interest (19.56% per annum).
- (i) *Verification* - The Customer must report any billing errors promptly to FEI. Statements shall be final and binding unless questioned by the Customer within one year after its billing date. The Customer shall have the right to review meter data and other relevant records to verify statements. Such review shall be conducted at the Customer's expense unless such review discloses errors in the amount of fuel dispensed which exceed two percent (2%).

5. LIABILITY, RELEASE, DISCLAIMER, INSURANCE AND ENVIRONMENTAL COMPLIANCE

- (a) *Liability* - The Customer is responsible for, and shall indemnify and save harmless each of FEI and the Host from all expenses, claims and liability incurred by FEI or the Host, as applicable, with respect to the access to and use of the Fueling Location and the Fueling Equipment by the Customer's personnel, including any damage to the Fueling Equipment occasioned by its use.
- (b) *Release* - The Customer, on its own behalf and on behalf of its Representatives, hereby releases, defends, indemnifies and holds harmless FEI and the Host, and their respective directors, officers, employees, agents, contractors, successors and assigns, from and against any and all adverse claims, losses, suits, actions, judgments, demands, debts, accounts, damages, costs, penalties and expenses (including all legal fees and disbursements) arising from or incurred by or suffered as a result of the Customer's presence at the Fueling Location or while using the Fueling Equipment, howsoever caused, save and except from any negligent act or omission of FEI.
- (c) *No Warranty and Disclaimer* – The Customer acknowledges and agrees:
 - (i) Suitability of Fueling Equipment - FEI does not represent or warrant the adequacy or suitability of the Fueling Equipment for the Customer's purpose and all express or implied warranties, terms or conditions of merchantability or fitness for a particular purpose, whether existing at law or in equity, are expressly disclaimed by FEI.
 - (ii) Limitations on Use - The Customer acknowledges and is aware the fuel supply may be temporarily suspended or unavailable from time to time, including as a result of equipment breakdown, to make repairs or improvements to the Fueling Equipment or to comply with the requirements of any law. FEI will, regardless of the cause of fuel suspension or equipment breakdown and whenever practicable, give prior notice to the Customer of such suspension, will diligently undertake required repairs to minimize Fueling Equipment down-time and will use commercially reasonable efforts to provide the Customer with the right to access substituted fueling equipment on an interim basis for the duration of fuel supply suspension or equipment breakdown and, in the event the Customer elects to exercise such right, the Customer will bear FEI's reasonable costs associated with the implementation of substituted fueling equipment, on a pro rata basis. If the supply of fuel from the Fueling Equipment is interrupted or curtailed and FEI is unable to provide an interim dispensing location, the Customer may temporarily utilize another source of Fuel until FEI is able to resume supply and, if applicable, the amount of such third party fuel will be taken into account when calculating any Minimum Guarantee payable for such year.
- (d) *Limitation of Liability* – Neither party shall be liable to the other party for any indirect, punitive, exemplary, incidental, aggravated, punitive or consequential damages of any kind regardless of the form of action whether in contract, tort, strict product liability, breach of warranty, breach of representation, misrepresentation, statutory duty, or any other legal or equitable theory, even if such party has been advised of the possibility of such damages. This provision shall not apply to third party claims or to any claim by FEI for loss of profit, use or interruption of business.
- (e) *Insurance* - The Customer shall obtain and maintain the following insurance coverage and provide proof of coverage to FEI:
 - (i) Workers' Compensation Insurance in accordance with the statutory requirements;
 - (ii) Automobile Liability Insurance with a limit of not less than \$5,000,000 per occurrence in respect of bodily injury, death and property damage;

- (iii) Comprehensive General Liability Insurance from insurers registered in and licensed to underwrite insurance in British Columbia for bodily injury, death and property damage in the amount of \$5,000,000 per occurrence naming FEI as an additional insured with respect to this Agreement and providing that the insurance shall not be cancelled or materially changed without the insurer using best efforts to provide at least 30 calendar days' written notice to FEI; and
 - (iv) Such other insurance as reasonably required by FEI from time to time.
- (f) *Environmental Compliance* - The Customer acknowledges and agrees the Customer has environmental responsibilities arising from the Customer's use of the Fueling Equipment pursuant to environmental laws and regulations, including related spills, and is required to comply with the requirements of FEI as they relate to environmental management, compliance and reporting, copies of which requirements will be provided by FEI to the Customer from time to time. The Customer covenants and agrees to co-operate with FEI in coordinating, establishing, implementing and verifying processes and procedures to manage and address environmental impacts and ensure compliance with environmental laws and regulations.

6. DEFAULT AND TERMINATION

- (a) *Default*- If the Customer, or any person using the Fueling Cards, is unable, refuses or fails to produce proof of training upon request by FEI, or the Customer is otherwise in default of this Agreement, FEI may terminate this Agreement, or de-activate the applicable Fueling Cards, temporarily or permanently, without prior notice to the Customer and without any liability to FEI as a result thereof.
- (b) *Termination of Property Agreement /Transfer of Equipment/Decommissioning of Fueling Equipment* - In addition to any other termination provisions contained herein, this Agreement will terminate concurrent with the termination of the property agreement between FEI and the Host, the sale or transfer of the Fueling Equipment to a third party or the decommissioning of the Fueling Equipment, at no cost or liability accruing to FEI as a result of such termination, provided that, in such event, FEI will use reasonable efforts to secure an alternate fueling location and/or alternate Fueling Equipment for the Customer.
- (c) *Surrender of Fueling Cards* – Upon termination of this Agreement, all Fueling Cards issued under this Agreement will immediately cease to be valid and the Customer shall surrender the Fueling Cards to FEI upon demand.
- (d) *Effect of Termination* – If, prior to the expiry of the Initial Term, this Agreement is terminated by the Customer for any reason or by FEI pursuant to section 6(a), in addition to any other amounts due and owing by the Customer to FEI and despite any other remedies available at law or in equity, the Customer shall pay to FEI, within 30 days of billing, the Dispensing Rate (as escalated annually) calculated on the Minimum Annual Quantity to the end of the Initial Term.
- (e) *Survival* - Upon expiry or early termination of this Agreement, all claims, causes of action or other outstanding obligations remaining or being unfulfilled as of the expiry or termination date and all of the provisions of this Agreement relating to the obligation or either the parties to account to or indemnify the other and to pay to the other any amounts owing as at the date of expiry or termination in connection with this Agreement will survive such expiry or termination.
- (f) *Effect of Termination on Other Agreements* – The expiration or termination of this Agreement does not affect or result in the expiry or termination of any other agreements made between FEI and the Customer, including any fuel purchase agreements or transportation agreements.

7. MISCELLANEOUS

- (a) **Amendments** - Except as set out in this Agreement, no amendment or variation of this Agreement shall be effective or binding unless in writing and signed by the parties and, where applicable, upon receipt of BCUC approval.
- (b) **Further Assurances** - The Customer will execute and deliver any further agreement, document or instrument and do and perform any further act or thing as may be reasonably required by FEI from time to time to evidence or give full force and effect to the terms, conditions and intent of this Agreement.
- (c) **Governing Law** - This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada. The parties hereby attorn to the jurisdiction of the courts of British Columbia and all courts competent to hear appeals therefrom.
- (d) **Assignment** - FEI may assign, transfer or sell its right, title and interest in this Agreement, to any Affiliate, as that term is defined in the *Business Corporation Act*, S.B.C. 2002, c.57.
- (e) **Waiver** - FEI is not bound by any waiver of any provision of this Agreement unless it consents to such waiver in writing. No waiver of any provision of this Agreement constitutes a waiver of any other provision, nor does any waiver constitute a continuing waiver unless otherwise provided.
- (f) **Severability** - If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such determination does not impair or affect the validity, legality or enforceability of any other provision of this Agreement.
- (g) **Time of the Essence** - Time is of the essence of this Agreement.

END OF DOCUMENT

AMENDING AGREEMENT No. 1 TO FUELING SERVICES AGREEMENT

THIS AMENDING AGREEMENT No. 1 is made effective as at November 26, 2021 (the "Effective Date")

BETWEEN:

COLDSTAR SOLUTIONS INC., 101-937 Dunford Avenue, Victoria, BC V9B 2S4
(the "Customer")

AND:

FORTISBC ENERGY INC., 16705 Fraser Highway, Surrey, BC V4N 0E8
(**"FEI"**)

WHEREAS:

- A. The Customer and FEI entered into a Fueling Services Agreement (Annacis Island Site) signed by FEI on September 28, 2021 (the "Fueling Agreement").
- B. The parties agreed to extend the deadline, by way of a letter dated October 22, 2021, for FEI to deem the Conditions Precedent satisfied or waived from November 1, 2021 to November 30, 2021 (the "Extension Letter").
- C. The parties wish to amend the Fueling Agreement on the terms and conditions set out in this Amending Agreement No. 1, specifically the Commencement Date, the Rate Change Date, and the Initial Term.

NOW THEREFORE IN CONSIDERATION of the promises and mutual covenants and agreements hereinafter contained and other good and valuable consideration, the parties hereto covenant and agree with each other as follows:


- 1. Unless otherwise defined herein, capitalized words and expressions shall have the same meanings as are assigned to them in the Fueling Agreement.
- 2. The following amendments are made to page 1 of the Fueling Agreement, effective as of the Effective Date:
 - (a) The Commencement Date is amended from November 1, 2021 to January 18, 2022. For certainty, it is acknowledged and agreed to by both parties that the deadline for FEI to deem the Conditions Precedent satisfied or waived will be further extended (previously extended by way of the Extension Letter) to the amended Commencement Date of January 18, 2022;
 - (b) The Rate Change Date is amended to "July 1st of each year with the first rate escalation occurring on July 1, 2023"; and
 - (c) The Initial Term is amended to "7 years starting from the Rate Change Date of July 1, 2022".
- 3. The Fueling Agreement, as amended herein, will remain in full force and effect and, together with this Amending Agreement No. 1, will be read and interpreted as one agreement.
- 4. This Amending Agreement No. 1 may be executed and delivered in any number of counterparts with the same effect as if all parties had signed and delivered the same document and all counterparts will be construed together to constitute one and the same agreement. A party



may deliver an executed copy of this Amending Agreement in electronic form and will immediately deliver to the other party an originally executed copy of this Amending Agreement.

IN WITNESS WHEREOF the parties have executed this Amending Agreement as of the Effective Date.

COLDSTAR SOLUTIONS INC. by its authorized signatory:



Signature

Name: *K. Hawos*

Title: *CEO*

FORTISBC ENERGY INC., by its authorized signatory:

Sarah Smith

Digitally signed by Sarah Smith
DN: cn=Sarah Smith, o=FortisBC, ou=NGT,
Regional LNG and RNG Supply,
email=sarah.smith2@fortisbc.com, c=CA
Date: 2021.12.29 10:34:44 -08'00'

Signature

Name: Sarah Smith

Title: *Director, Low Carbon Transportation and LNG
Business Growth*

AMENDING AGREEMENT No. 2 TO FUELING SERVICES AGREEMENT

THIS AMENDING AGREEMENT No. 2 is made effective as at March 20, 2023 (the "Effective Date")

BETWEEN:

COLDSTAR SOLUTIONS INC., 101-937 Dunford Avenue, Victoria, BC V9B 2S4
(the "Customer")

AND:

FORTISBC ENERGY INC., 16705 Fraser Highway, Surrey, BC V4N 0E8
(“FEI”)

WHEREAS:

- A. The Customer and FEI entered into a Fueling Services Agreement (Annacis Island Site) effective September 28, 2021, and as amended by the Parties in writing by the way of an Amending Agreement No. 1 effective November 26, 2021 (together the "Fueling Agreement").
- B. The parties wish to further amend the Fueling Agreement on the terms and conditions set out in this Amending Agreement No. 2, specifically the Dispensing Rates, and the Annual Minimum Quantity.

NOW THEREFORE IN CONSIDERATION of the promises and mutual covenants and agreements hereinafter contained and other good and valuable consideration, the parties hereto covenant and agree with each other as follows:


- 1. Unless otherwise defined herein, capitalized words and expressions shall have the same meanings as are assigned to them in the Fueling Agreement.
- 2. The Customer and FEI, by signing this Amending Agreement No. 2, accept and agree to be bound by the terms and conditions herein contained. This Amending Agreement No. 2 will not come into effect and does not bind the parties until FEI has obtained the necessary approvals for this Agreement from all regulatory or other applicable governmental authorities having jurisdiction, including the British Columbia Utilities Commission ("BCUC"), on terms and conditions which are satisfactory to FEI.
- 3. The following amendments are made to page 1 of the Fueling Agreement, effective as of the Effective Date, as follows:
 - (a) The Capital Dispensing Rate is amended from \$4.382 per GJ to \$4.310 per GJ;
 - (b) The O&M Dispensing Rate is amended from \$2.686 per GJ to \$ 2.614 per GJ;
 - (c) The Total Dispensing Rate is amended from \$7.588 per GJ to \$7.444 per GJ;
 - (d) Minimum Annual Quantity is amended from 5,000 GJ to 3,000 GJ
- 4. The Fueling Agreement, as amended herein, will remain in full force and effect and, together with this Amending Agreement No. 2, will be read and interpreted as one agreement.
- 5. This Amending Agreement No. 2 may be executed and delivered in any number of counterparts with the same effect as if all parties had signed and delivered the same document and all counterparts will be construed together to constitute one and the same agreement. A party


SDS

may deliver an executed copy of this Amending Agreement in electronic form and will immediately deliver to the other party an originally executed copy of this Amending Agreement.


IN WITNESS WHEREOF the parties have executed this Amending Agreement as of the Effective Date.

CODSTAR SOLUTIONS INC by its authorized
signatory:



Signature
Name: K. HAWES
Title: CEO

FORTISBC ENERGY INC., by its authorized signatory:



Signature
Name: Sarah Smith
Title: Director, LCT and LNG Business Growth



FUELING SERVICES AGREEMENT (ANNACIS ISLAND SITE)

PART I – BASIC TERMS

Customer							
Company name: Encorp Pacific (Canada)			Mailing/billing address: 100-4259 Canada Way Burnaby, BC V5G 4Y2				
Contact name and title: Sargun Saran Manager, Special Projects			Telephone: 778-892-0731		Email: SSaran@returnit.ca		
Fueling Location							
Annacis Island CNG Fueling Station – 675 Belgrave Way, Delta, BC V3M 5R8							
Term							
Commencement Date: November 1, 2021		Rate Change Date: (see section 4(b) of Part II) January 1 st of each year with the first rate escalation occurring on January 1, 2023		Initial Term: 7 years starting from the Rate Change Date of January 1 st , 2022		Renewal Period: (see section 1(b) of Part II) One 3 year renewal and annual auto renewal thereafter	
Dispensing Rate							
\$/Gigajoule ("GJ"), as at the Commencement Date, subject to adjustment pursuant to sections 4(b) and (c) of Part II.							
<u>Capital Rate</u>	<u>O & M Rate</u>	<u>Overhead Rate</u>	<u>Short Term Charge</u>	<u>Spot Charge</u>	<u>Host Fee</u>	<u>Total</u>	
\$4.382	\$2.686	\$0.520	N/A	N/A	N/A	\$7.588	
Minimum Annual Quantity							
2500 GJs, subject to adjustment pursuant to section 4(d) of Part II.							
Supplemental Terms and Conditions							
<ol style="list-style-type: none"> 1. Additional Charges - The Dispensing Rate payable pursuant to this Agreement is in addition to any amounts payable by the Customer to FEI for the purchase of fuel and transportation services, if applicable, pursuant to the Rate Schedules. 2. Fueling Vehicles - Unless otherwise directed by FEI by written notice to the Customer, the dispensing of fuel into the Customer's vehicles shall be performed by the Customer. 							

The Customer and FortisBC Energy Inc. ("FEI"), by signing this Fueling Services Agreement (this "**Agreement**"), accept and agree to be bound by the terms and conditions herein contained. This Agreement, including Part I and Part II, constitutes the entire agreement between the parties and supersedes all other agreements with respect to the services described herein. This Agreement will not come into effect and does not bind the parties until:

- (a) FEI has obtained the necessary approvals for this Agreement from all regulatory or other applicable governmental authorities having jurisdiction, including the British Columbia Utilities Commission ("**BCUC**"), on terms and conditions which are satisfactory to FEI;
- (b) FEI has entered into an agreement with the Host (as defined in Part II) with respect to the installation and operation of the Fueling Equipment at the Fueling Location and permitting access over its lands to enable access to and use of the Fueling Equipment, and, if applicable, that agreement has been approved by the BCUC; and
- (c) the Fueling Equipment has been installed at the Fueling Location and is operational as determined by FEI, in its sole discretion; and

If the condition listed above is not satisfied or waived by the Commencement Date or such later date agreed to by both parties in writing, at FEI's sole discretion, this Agreement will automatically terminate and neither party will have recourse against the other party due its termination nor will either party have any further rights or obligations under this Agreement. Sections 5(d) and 6 shall survive termination of this Agreement.

CUSTOMER:		FORTISBC ENERGY INC.:	
DocuSigned by: 4E9890C9D3EF4BF... Signature	9/7/2021 Date	 Signature	September 9, 2021 Date
Steve Rutherford Name	Director of Logistics Title	Sarah Smith, Director, Low Carbon Transportation and LNG Business Growth Signature	

	Name	Title
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PART II – BACKGROUND AND TERMS AND CONDITIONS

SECTION A – BACKGROUND AND INTERPRETATION

- A. Capitalized terms shall have the meanings ascribed to those terms as set out in Part I - Basic Terms and Part II – Background and Terms and Conditions.
- B. FEI, as at the Commencement Date, owns and operates fueling equipment at the Fueling Location from which it sells and distributes fuel (the “**Fueling Equipment**”).
- C. The Customer has agreed to purchase fuel, and obtain transportation services (if applicable), from FEI pursuant to FortisBC Rate Schedules as established or amended from time to time (the “**Rate Schedules**”) and wishes to use the Fueling Equipment to fuel their vehicles.

SECTION B – TERMS AND CONDITIONS

1. TERM

- (a) *Initial Term* -The Initial Term of this Agreement will be for the period set out in Part I.
- (b) *Renewal* - This Agreement automatically renews at the end of the Initial Term for the additional Renewal Period(s) of time set out in Part I. The Customer or FEI may decide not to renew this Agreement by providing the other party with written notice at least sixty (60) days prior to the expiry of the Initial Term or any Renewal Period.

2. USE OF FUELING EQUIPMENT AND ACCESS TO PROPERTY

- (a) *Use of Fueling Equipment* – Provided the Customer is, at all times, in compliance with this Agreement, and unless otherwise provided herein, the Customer shall be entitled to access and use the Fueling Equipment to fuel vehicles.
- (b) *Training and Operation*- The Customer shall not permit any of its personnel to access the Fueling Location until such person has participated in and successfully completed the applicable orientation/training (including safety training) and, when required, refresher training, either directly from FEI or a supervisor/manager of the Customer approved by FEI or provided by any other party that is deemed satisfactory to FEI, on the use of the Fueling Equipment, in accordance with the manufacturer’s dispensing instructions, if applicable, all applicable laws, and the requirements of FEI, as established or amended from time to time. The Customer shall provide, and shall ensure each of its personnel accessing the Fueling Location and dispensing fuel from the Fueling Equipment, or using a Fueling Card, provides proof of orientation/training to FEI or the owner and/or occupier of the Fueling Location (the “**Host**”) upon request.
- (c) *Emergency Preparedness and Response* - The Customer will, when requested by FEI from time to time, participate in emergency preparedness and emergency response training exercises and initiatives.
- (d) *Access to Property* – The Customer shall only access those parts of the property on which the Fueling Equipment is located and designated for access to the Fueling Equipment and shall, at all times, comply with site safety instructions communicated by FEI or the Host and any on-site signage or instructions. The Customer is aware access to the Fueling Equipment may be detoured or made unavailable by the Host from time to time, and to the extent FEI has prior notice of such detour or lack of access, will advise the Customer accordingly.
- (e) *Fueling Cards* - To dispense fuel from the Fueling Equipment, the Customer shall use only those fueling cards or other tracking devices or systems issued or implemented by FEI to the Customer (the “**Fueling Cards**”). The Fueling Cards shall, at all times, be and remain the property of FEI.

FEI may cancel or withdraw any Fueling Card at any time where the Customer or anyone using the Fueling Card fails to comply with the terms of this Agreement, including any on-site signage or instructions. In such event, the Customer shall surrender the Fueling Cards to FEI on demand. Except to the extent prohibited by law, unless the Customer has notified FEI of any loss or theft, the Customer shall be liable for and shall pay FEI in accordance with the terms of this Agreement for the full amount of all transactions in respect of the use of any lost or stolen Fueling Card.

- (f) *Personal Identification Numbers* – Use of Fueling Cards shall be restricted through the use of personal identification numbers (“**PINs**”). The Customer shall not reveal its PINs to any person other than those authorized by the Customer to use the Fueling Cards. The Customer shall be liable for and shall pay FEI in accordance with the terms of this Agreement for the full amount of all transactions where the Customer has in any way compromised the security and confidentiality of its PIN. The Customer shall notify FEI as soon as reasonably practicable when it becomes aware of any unauthorized use of a Fueling Card or if a Fueling Card becomes lost or stolen.

3. SAFETY

- (a) *Responsibility for Safety* – The Customer is, at all times, responsible for the safety and protection of its employees, contractors, agents, representatives, subcontractors and any other person for whom the Customer is at law responsible (collectively, the “**Representatives**”) using the Fueling Equipment or otherwise accessing the property on which the Fueling Equipment is located; provided however, where the Customer’s vehicles are fueled by a third party designated by FEI, such third parties shall not be considered Representatives of the Customer for the purposes of this section 3.
- (b) *Covenant re: Training and Operation* – By issuing a Fueling Card to any person, the Customer covenants and agrees such person has successfully completed the applicable orientation and training and will continually access and use the Fueling Equipment in a safe manner. The Customer shall ensure, at all times, all safety requirements and on-site signage are adhered to strictly by its Representatives. Failure to do so constitutes a material breach of this Agreement. In addition to any remedies set out in section 6(a) or available at law, the Customer shall not permit any Representatives who have failed to adhere to the safety requirements and on-site signage from accessing the Fueling Equipment upon written request by FEI or the Host.

4. FEES, BILLING AND PAYMENT

- (a) *Dispensing Fees* – The Customer, in consideration of access to and use of the Fueling Equipment, shall pay to FEI the Dispensing Rate for each GJ of Fuel dispensed by or to the Customer from the Fueling Equipment, as measured by a meter located on the Fueling Equipment and attributable to the Customer through use of the Fueling Cards.

- (b) *Annual Rate Escalation* – On the Rate Change Date of each year:
 - (i) the Capital Rate will increase by 2%; and
 - (ii) the O & M Rate will increase by the percentage increase, if any, in the Consumer Price Index (published by Statistics Canada for the Province of British Columbia, all items, not seasonally adjusted) from the previous twelve-month period.
- (c) FEI may adjust the Dispensing Rate in Part 1 by the above Annual Rate Escalation if:
 - (i) this Agreement is signed by the Customer prior to the Rate Change Date but the Commencement Date occurs after the Rate Change Date; or
 - (ii) the Customer signs this Agreement after the Rate Change Date but those rates have not yet been escalated by FEI due to the unavailability of the Consumer Price Index as it has not yet been published by Statistics Canada for the previous twelve-month period.

Change in Dispensing Rate

- (iii) If FEI upgrades or expands the Fueling Equipment to accommodate added demand for fueling services, FEI and the Customer agree to negotiate in good faith an adjustment to the Dispensing Rate and the Minimum Annual Quantity going forward, subject to BCUC approval.
- (iv) FortisBC may, in its discretion, provide temporary reductions to the Dispensing Rate from time to time if the aggregate volume of fuel dispensed from the Fueling Equipment to all customers of FEI using the Fueling Equipment who have entered into a fueling agreement with FEI (save and except customers using the Fueling Equipment on a spot basis) materially exceeds the aggregate contracted demand for Fuel for such customers.
- (d) *Minimum Guarantee* - The Customer acknowledges the Dispensing Rate has been calculated by FEI having regard to, among other things, the Customer's estimated fuel demand profile and the number of vehicles to be served by the Fueling Equipment, and accordingly, the Customer agrees to pay a minimum annual charge (the "**Minimum Guarantee**") calculated by multiplying the Dispensing Rate by the Minimum Annual Quantity shown in Part I for each Service Year (prorated for part years); where a "**Service Year**" means the twelve month period of the Term calculated from the Rate Change Date or the anniversary thereof, provided that the first Service Year shall commence on the Commencement Date and end the first Rate Change Date.
- (e) *Billing and Payment* - Bills will be rendered by FEI monthly and payable by the Customer, without deduction or set-off, within thirty (30) days following the billing date.
- (f) *Payment of Minimum Guarantee* – Where the annual amount billed to the Customer is less than the Minimum Guarantee, the shortfall will be added to the next bill.
- (g) *Taxes* - Any applicable taxes will be added to all rates and charges on each bill.
- (h) *Late Payments* - Overdue payments shall be subject to a late payment charge of 1.5% per month of compound interest (19.56% per annum).
- (i) *Verification* - The Customer must report any billing errors promptly to FEI. Statements shall be final and binding unless questioned by the Customer within one year after its billing date. The Customer shall have the right to review meter data and other relevant records to verify statements. Such review shall be conducted at the Customer's expense unless such review discloses errors in the amount of fuel dispensed which exceed two percent (2%).

5. LIABILITY, RELEASE, DISCLAIMER, INSURANCE AND ENVIRONMENTAL COMPLIANCE

- (a) *Liability* - The Customer is responsible for, and shall indemnify and save harmless each of FEI and the Host from all expenses, claims and liability incurred by FEI or the Host, as applicable, with respect to the access to and use of the Fueling Location and the Fueling Equipment by the Customer's personnel, including any damage to the Fueling Equipment occasioned by its use.
- (b) *Release* - The Customer, on its own behalf and on behalf of its Representatives, hereby releases, defends, indemnifies and holds harmless FEI and the Host, and their respective directors, officers, employees, agents, contractors, successors and assigns, from and against any and all adverse claims, losses, suits, actions, judgments, demands, debts, accounts, damages, costs, penalties and expenses (including all legal fees and disbursements) arising from or incurred by or suffered as a result of the Customer's presence at the Fueling Location or while using the Fueling Equipment, howsoever caused, save and except from any negligent act or omission of FEI.
- (c) *No Warranty and Disclaimer* – The Customer acknowledges and agrees:
 - (i) Suitability of Fueling Equipment - FEI does not represent or warrant the adequacy or suitability of the Fueling Equipment for the Customer's purpose and all express or implied warranties, terms or conditions of merchantability or fitness for a particular purpose, whether existing at law or in equity, are expressly disclaimed by FEI.
 - (ii) Limitations on Use - The Customer acknowledges and is aware the fuel supply may be temporarily suspended or unavailable from time to time, including as a result of equipment breakdown, to make repairs or improvements to the Fueling Equipment or to comply with the requirements of any law. FEI will, regardless of the cause of fuel suspension or equipment breakdown and whenever practicable, give prior notice to the Customer of such suspension, will diligently undertake required repairs to minimize Fueling Equipment down-time and will use commercially reasonable efforts to provide the Customer with the right to access substituted fueling equipment on an interim basis for the duration of fuel supply suspension or equipment breakdown and, in the event the Customer elects to exercise such right, the Customer will bear FEI's reasonable costs associated with the implementation of substituted fueling equipment, on a pro rata basis. If the supply of fuel from the Fueling Equipment is interrupted or curtailed and FEI is unable to provide an interim dispensing location, the Customer may temporarily utilize another source of Fuel until FEI is able to resume supply and, if applicable, the amount of such third party fuel will be taken into account when calculating any Minimum Guarantee payable for such year.
- (d) *Limitation of Liability* – Neither party shall be liable to the other party for any indirect, punitive, exemplary, incidental, aggravated, punitive or consequential damages of any kind regardless of the form of action whether in contract, tort, strict product liability, breach of warranty, breach of representation, misrepresentation, statutory duty, or any other legal or equitable theory, even if such party has been advised of the possibility of such damages. This provision shall not apply to third party claims or to any claim by FEI for loss of profit, use or interruption of business.
- (e) *Insurance* - The Customer shall obtain and maintain the following insurance coverage and provide proof of coverage to FEI:
 - (i) Workers' Compensation Insurance in accordance with the statutory requirements;
 - (ii) Automobile Liability Insurance with a limit of not less than \$5,000,000 per occurrence in respect of bodily injury, death and property damage;

- (iii) Comprehensive General Liability Insurance from insurers registered in and licensed to underwrite insurance in British Columbia for bodily injury, death and property damage in the amount of \$5,000,000 per occurrence naming FEI as an additional insured with respect to this Agreement and providing that the insurance shall not be cancelled or materially changed without the insurer using best efforts to provide at least 30 calendar days' written notice to FEI; and
- (iv) Such other insurance as reasonably required by FEI from time to time.
- (f) *Environmental Compliance* - The Customer acknowledges and agrees the Customer has environmental responsibilities arising from the Customer's use of the Fueling Equipment pursuant to environmental laws and regulations, including related spills, and is required to comply with the requirements of FEI as they relate to environmental management, compliance and reporting, copies of which requirements will be provided by FEI to the Customer from time to time. The Customer covenants and agrees to co-operate with FEI in coordinating, establishing, implementing and verifying processes and procedures to manage and address environmental impacts and ensure compliance with environmental laws and regulations.

6. DEFAULT AND TERMINATION

- (a) *Default*- If the Customer, or any person using the Fueling Cards, is unable, refuses or fails to produce proof of training upon request by FEI, or the Customer is otherwise in default of this Agreement, FEI may terminate this Agreement, or de-activate the applicable Fueling Cards, temporarily or permanently, without prior notice to the Customer and without any liability to FEI as a result thereof.
- (b) *Termination of Property Agreement /Transfer of Equipment/Decommissioning of Fueling Equipment* - In addition to any other termination provisions contained herein, this Agreement will terminate concurrent with the termination of the property agreement between FEI and the Host, the sale or transfer of the Fueling Equipment to a third party or the decommissioning of the Fueling Equipment, at no cost or liability accruing to FEI as a result of such termination, provided that, in such event, FEI will use reasonable efforts to secure an alternate fueling location and/or alternate Fueling Equipment for the Customer.
- (c) *Surrender of Fueling Cards* – Upon termination of this Agreement, all Fueling Cards issued under this Agreement will immediately cease to be valid and the Customer shall surrender the Fueling Cards to FEI upon demand.
- (d) *Effect of Termination* – If, prior to the expiry of the Initial Term, this Agreement is terminated by the Customer for any reason or by FEI pursuant to section 6(a), in addition to any other amounts due and owing by the Customer to FEI and despite any other remedies available at law or in equity, the Customer shall pay to FEI, within 30 days of billing, the Dispensing Rate (as escalated annually) calculated on the Minimum Annual Quantity to the end of the Initial Term.
- (e) *Survival* - Upon expiry or early termination of this Agreement, all claims, causes of action or other outstanding obligations remaining or being unfulfilled as of the expiry or termination date and all of the provisions of this Agreement relating to the obligation or either the parties to account to or indemnify the other and to pay to the other any amounts owing as at the date of expiry or termination in connection with this Agreement will survive such expiry or termination.
- (f) *Effect of Termination on Other Agreements* – The expiration or termination of this Agreement does not affect or result in the expiry or termination of any other agreements made between FEI and the Customer, including any fuel purchase agreements or transportation agreements.

7. MISCELLANEOUS

- (a) *Amendments* - Except as set out in this Agreement, no amendment or variation of this Agreement shall be effective or binding unless in writing and signed by the parties and, where applicable, upon receipt of BCUC approval.
- (b) *Further Assurances* - The Customer will execute and deliver any further agreement, document or instrument and do and perform any further act or thing as may be reasonably required by FEI from time to time to evidence or give full force and effect to the terms, conditions and intent of this Agreement.
- (c) *Governing Law* - This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada. The parties hereby attorn to the jurisdiction of the courts of British Columbia and all courts competent to hear appeals therefrom.
- (d) *Assignment* - FEI may assign, transfer or sell its right, title and interest in this Agreement, to any Affiliate, as that term is defined in the *Business Corporation Act*, S.B.C. 2002, c.57.
- (e) *Waiver* - FEI is not bound by any waiver of any provision of this Agreement unless it consents to such waiver in writing. No waiver of any provision of this Agreement constitutes a waiver of any other provision, nor does any waiver constitute a continuing waiver unless otherwise provided.
- (f) *Severability* - If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such determination does not impair or affect the validity, legality or enforceability of any other provision of this Agreement.
- (g) *Time of the Essence* - Time is of the essence of this Agreement.

END OF DOCUMENT

AMENDING AGREEMENT No. 1 TO FUELING SERVICES AGREEMENT

THIS AMENDING AGREEMENT No. 1 is made effective as at November 26, 2021 (the “**Effective Date**”)

BETWEEN:

ENCORP PACIFIC (CANADA), 100-4259 Canada Way Burnaby, BC V5G 4Y2

(the “**Customer**”)

AND:

FORTISBC ENERGY INC., 16705 Fraser Highway, Surrey, BC V4N 0E8

(“**FEI**”)

WHEREAS:

- A. The Customer and FEI entered into a Fueling Services Agreement (Annacis Island Site) signed by FEI on September 9, 2021 (the “**Fueling Agreement**”).
- B. The parties agreed to extend the deadline, by way of a letter dated October 22, 2021, for FEI to deem the Conditions Precedent satisfied or waived from November 1, 2021 to November 30, 2021 (the “**Extension Letter**”).
- C. The parties wish to amend the Fueling Agreement on the terms and conditions set out in this Amending Agreement No. 1, specifically the Commencement Date, the Rate Change Date, and the Initial Term.

NOW THEREFORE IN CONSIDERATION of the promises and mutual covenants and agreements hereinafter contained and other good and valuable consideration, the parties hereto covenant and agree with each other as follows:

- 1. Unless otherwise defined herein, capitalized words and expressions shall have the same meanings as are assigned to them in the Fueling Agreement.
- 2. The following amendments are made to page 1 of the Fueling Agreement, effective as of the Effective Date:
 - (a) The Commencement Date is amended from November 1, 2021 to January 18, 2022. For certainty, it is acknowledged and agreed to by both parties that the deadline for FEI to deem the Conditions Precedent satisfied or waived will be further extended (previously extended by way of the Extension Letter) to the amended Commencement Date of January 18, 2022;
 - (b) The Rate Change Date is amended to “July 1st of each year with the first rate escalation occurring on July 1, 2023”; and
 - (c) The Initial Term is amended to “7 years starting from the Rate Change Date of July 1, 2022”.
- 3. The Fueling Agreement, as amended herein, will remain in full force and effect and, together with this Amending Agreement No. 1, will be read and interpreted as one agreement.
- 4. This Amending Agreement No. 1 may be executed and delivered in any number of counterparts with the same effect as if all parties had signed and delivered the same document and all counterparts will be construed together to constitute one and the same agreement. A party

may deliver an executed copy of this Amending Agreement in electronic form and will immediately deliver to the other party an originally executed copy of this Amending Agreement.

IN WITNESS WHEREOF the parties have executed this Amending Agreement as of the Effective Date.

Encorp Pacific by its authorized
signatory:



Signature
Name: Steve Rutherford
Title: Director of Logistics

FORTISBC ENERGY INC., by its authorized signatory:

Sarah Smith

Digitally signed by Sarah Smith
DN: cn=Sarah Smith, o=FortisBC,
ou=NGT, Regional LNG and RNG Supply,
email=sarah.smith2@fortisbc.com, c=CA
Date: 2021.12.29 10:36:43 -08'00'

Signature
Name: Sarah Smith
Title: Director, Low Carbon Transportation and LNG
Business Growth

AMENDING AGREEMENT No. 2 TO FUELING SERVICES AGREEMENT

THIS AMENDING AGREEMENT No. 2 is made effective as of March 20, 2023 (the “**Effective Date**”)

BETWEEN:

ENCORP PACIFIC (CANADA), 100-4259 Canada Way Burnaby, BC V5G 4Y2

(the “**Customer**”)

AND:

FORTISBC ENERGY INC., 16705 Fraser Highway, Surrey, BC V4N 0E8

(“**FEI**”)

WHEREAS:

- A. The Customer and FEI entered into a Fueling Services Agreement (Annacis Island Site) effective September 9, 2021, and as amended by the Parties in writing by the way of an Amending Agreement No. 1 effective November 26, 2021 (together the “**Fueling Agreement**”).
- B. The parties wish to further amend the Fueling Agreement on the terms and conditions set out in this Amending Agreement No. 2, specifically the Dispensing Rates.

NOW THEREFORE IN CONSIDERATION of the promises and mutual covenants and agreements hereinafter contained and other good and valuable consideration, the parties hereto covenant and agree with each other as follows:

- 1. Unless otherwise defined herein, capitalized words and expressions shall have the same meanings as are assigned to them in the Fueling Agreement.
- 2. The Customer and FEI, by signing this Amending Agreement No. 2, accept and agree to be bound by the terms and conditions herein contained. This Amending Agreement No. 2 will not come into effect and does not bind the parties until FEI has obtained the necessary approvals for this Agreement from all regulatory or other applicable governmental authorities having jurisdiction, including the British Columbia Utilities Commission ("BCUC"), on terms and conditions which are satisfactory to FEI.
- 3. The following amendments are made to page 1 of the Fueling Agreement, effective as of the Effective Date, as follows:
 - (a) The Capital Dispensing Rate is amended from \$4.382 per GJ to \$4.310 per GJ;
 - (b) The O&M Dispensing Rate is amended from \$2.686 per GJ to \$ 2.614 per GJ;
 - (c) The Total Dispensing Rate is amended from \$7.588 per GJ to \$7.444 per GJ
- 4. The Fueling Agreement, as amended herein, will remain in full force and effect and, together with this Amending Agreement No. 2, will be read and interpreted as one agreement.
- 5. This Amending Agreement No. 2 may be executed and delivered in any number of counterparts with the same effect as if all parties had signed and delivered the same document and all counterparts will be construed together to constitute one and the same agreement. A party may deliver an executed copy of this Amending Agreement in electronic form and will immediately deliver to the other party an originally executed copy of this Amending Agreement.

IN WITNESS WHEREOF the parties have executed this Amending Agreement as of the Effective Date.

Encorp Pacific Canada Inc

_____ by its authorized
signatory:

DocuSigned by:

Steve Rutherford

4E9890C9D3EF4BF...

Signature

Name:

Steve Rutherford

Title:

Director of Logistics

FORTISBC ENERGY INC., by its authorized signatory:

S. Smith

Signature

Name: Sarah Smith

Title: Director, LCT and LNG Business Growth



FUELING SERVICES AGREEMENT (ANNACIS ISLAND SITE) PART I – BASIC TERMS

Customer

Company name:
MARTIN-BROWER OF CANADA CO.

Mailing/billing address:
6985 Financial Drive, Mississauga, ON L5N 0G3

Contact name and title:
Wayne Dingee

Telephone:
(506) 857-9126

Email:
wdingee@mbcan.com

Fueling Location

Annacis Island CNG Fueling Station – 675 Belgrave Way, Delta, BC V3M 5R8

Term

Commencement Date:

November 1, 2021

Rate Change Date:

(see section 4(b) of Part II)
January 1st of each year
with the first rate
escalation occurring on
January 1, 2023

Initial Term:

7 years starting from the Rate Change Date of
January 1st, 2022

Renewal Period:

(see section 1(b) of Part II)

One 3 year renewal and annual auto
renewal thereafter

Dispensing Rate

\$/Gigajoule ("GJ"), as at the Commencement Date, subject to adjustment pursuant to sections 4(b) and (c) of Part II.

<u>Capital Rate</u>	<u>O & M Rate</u>	<u>Overhead Rate</u>	<u>Short Term Charge</u>	<u>Spot Charge</u>	<u>Host Fee</u>	<u>Total</u>
\$4.382	\$2.686	\$0.520	N/A	No Spot Charge from Year 1 to Year 5. \$1.00 to apply starting in year 6 and thereafter including the Renewal Period	N/A	\$7.588

Minimum Annual Quantity

Starting on the Rate Change Date of each year, and adjusted by the volume below, subject to adjustment pursuant to section 4(d) of Part II.

<u>Year</u>	<u>Year</u>	<u>Minimum Annual Quantity (GJs)</u>
1	January 1 2022 to December 31, 2022	1,000
2	January 1 2023 to December 31, 2023	1,000
3	January 1 2024 to December 31, 2024	1,000
4	January 1 2025 to December 31, 2025	1,000
5	January 1 2026 to December 31, 2026	1,000
6	January 1 2027 to December 31, 2027	0
7	January 1 2028 to December 31, 2028	0
Renewal Period	January 1, 2029 and thereafter	0



Supplemental Terms and Conditions

- Additional Charges** - The Dispensing Rate payable pursuant to this Agreement is in addition to any amounts payable by the Customer to FEI for the purchase of fuel and transportation services, if applicable, pursuant to the Rate Schedules.
- Fueling Vehicles** - Unless otherwise directed by FEI by written notice to the Customer, the dispensing of fuel into the Customer's vehicles shall be performed by the Customer.

The Customer and FortisBC Energy Inc. ("FEI"), by signing this Fueling Services Agreement (this "Agreement"), accept and agree to be bound by the terms and conditions herein contained. This Agreement, including Part I and Part II, constitutes the entire agreement between the parties and supersedes all other agreements with respect to the services described herein. This Agreement will not come into effect and does not bind the parties until:

- (a) FEI has obtained the necessary approvals for this Agreement from all regulatory or other applicable governmental authorities having jurisdiction, including the British Columbia Utilities Commission ("BCUC"), on terms and conditions which are satisfactory to FEI;
- (b) FEI has entered into an agreement with the Host (as defined in Part II) with respect to the installation and operation of the Fueling Equipment at the Fueling Location and permitting access over its lands to enable access to and use of the Fueling Equipment, and, if applicable, that agreement has been approved by the BCUC; and
- (c) the Fueling Equipment has been installed at the Fueling Location and is operational as determined by FEI, in its sole discretion; and

If the condition listed above is not satisfied or waived by the Commencement Date or such later date agreed to by both parties in writing, at FEI's sole discretion, this Agreement will automatically terminate and neither party will have recourse against the other party due its termination nor will either party have any further rights or obligations under this Agreement. Sections 5(d) and 6 shall survive termination of this Agreement.

CUSTOMER:		FORTISBC ENERGY INC.:	
			
Signature	Date	Signature	Date
Wayne Dingee	September 21, 2021		October 1, 2021
Name	Title	Name	Title
	General Manager	Sarah Smith, Director, Low Carbon Transportation and LNG Business Growth	

PART II – BACKGROUND AND TERMS AND CONDITIONS

SECTION A – BACKGROUND AND INTERPRETATION

- A. Capitalized terms shall have the meanings ascribed to those terms as set out in Part I - Basic Terms and Part II – Background and Terms and Conditions.
- B. FEI, as at the Commencement Date, owns and operates fueling equipment at the Fueling Location from which it sells and distributes fuel (the “**Fueling Equipment**”).
- C. The Customer has agreed to purchase fuel, and obtain transportation services (if applicable), from FEI pursuant to FortisBC Rate Schedules as established or amended from time to time (the “**Rate Schedules**”) and wishes to use the Fueling Equipment to fuel their vehicles.

SECTION B – TERMS AND CONDITIONS

1. TERM

- (a) *Initial Term* - The Initial Term of this Agreement will be for the period set out in Part I.
- (b) *Renewal* - This Agreement automatically renews at the end of the Initial Term for the additional Renewal Period(s) of time set out in Part I. The Customer or FEI may decide not to renew this Agreement by providing the other party with written notice at least sixty (60) days prior to the expiry of the Initial Term or any Renewal Period.

2. USE OF FUELING EQUIPMENT AND ACCESS TO PROPERTY

- (a) *Use of Fueling Equipment* – Provided the Customer is, at all times, in compliance with this Agreement, and unless otherwise provided herein, the Customer shall be entitled to access and use the Fueling Equipment to fuel vehicles.
- (b) *Training and Operation* - The Customer shall not permit any of its personnel to access the Fueling Location until such person has participated in and successfully completed the applicable orientation/training (including safety training) and, when required, refresher training, either directly from FEI or a supervisor/manager of the Customer approved by FEI or provided by any other party that is deemed satisfactory to FEI, on the use of the Fueling Equipment, in accordance with the manufacturer’s dispensing instructions, if applicable, all applicable laws, and the requirements of FEI, as established or amended from time to time. The Customer shall provide, and shall ensure each of its personnel accessing the Fueling Location and dispensing fuel from the Fueling Equipment, or using a Fueling Card, provides proof of orientation/training to FEI or the owner and/or occupier of the Fueling Location (the “**Host**”) upon request.
- (c) *Emergency Preparedness and Response* - The Customer will, when requested by FEI from time to time, participate in emergency preparedness and emergency response training exercises and initiatives.
- (d) *Access to Property* – The Customer shall only access those parts of the property on which the Fueling Equipment is located and designated for access to the Fueling Equipment and shall, at all times, comply with site safety instructions communicated by FEI or the Host and any on-site signage or instructions. The Customer is aware access to the Fueling Equipment may be detoured or made unavailable by the Host from time to time, and to the extent FEI has prior notice of such detour or lack of access, will advise the Customer accordingly.
- (e) *Fueling Cards* - To dispense fuel from the Fueling Equipment, the Customer shall use only those fueling cards or other tracking devices or systems issued or implemented by FEI to the Customer (the “**Fueling Cards**”). The Fueling Cards shall, at all times, be and remain the property of FEI.

FEI may cancel or withdraw any Fueling Card at any time where the Customer or anyone using the Fueling Card fails to comply with the terms of this Agreement, including any on-site signage or instructions. In such event, the Customer shall surrender the Fueling Cards to FEI on demand. Except to the extent prohibited by law, unless the Customer has notified FEI of any loss or theft, the Customer shall be liable for and shall pay FEI in accordance with the terms of this Agreement for the full amount of all transactions in respect of the use of any lost or stolen Fueling Card.

- (f) *Personal Identification Numbers* – Use of Fueling Cards shall be restricted through the use of personal identification numbers (“**PINs**”). The Customer shall not reveal its PINs to any person other than those authorized by the Customer to use the Fueling Cards. The Customer shall be liable for and shall pay FEI in accordance with the terms of this Agreement for the full amount of all transactions where the Customer has in any way compromised the security and confidentiality of its PIN. The Customer shall notify FEI as soon as reasonably practicable when it becomes aware of any unauthorized use of a Fueling Card or if a Fueling Card becomes lost or stolen.

3. SAFETY

- (a) *Responsibility for Safety* – The Customer is, at all times, responsible for the safety and protection of its employees, contractors, agents, representatives, subcontractors and any other person for whom the Customer is at law responsible (collectively, the “**Representatives**”) using the Fueling Equipment or otherwise accessing the property on which the Fueling Equipment is located; provided however, where the Customer’s vehicles are fueled by a third party designated by FEI, such third parties shall not be considered Representatives of the Customer for the purposes of this section 3.
- (b) *Covenant re: Training and Operation* – By issuing a Fueling Card to any person, the Customer covenants and agrees such person has successfully completed the applicable orientation and training and will continually access and use the Fueling Equipment in a safe manner. The Customer shall ensure, at all times, all safety requirements and on-site signage are adhered to strictly by its Representatives. Failure to do so constitutes a material breach of this Agreement. In addition to any remedies set out in section 6(a) or available at law, the Customer shall not permit any Representatives who have failed to adhere to the safety requirements and on-site signage from accessing the Fueling Equipment upon written request by FEI or the Host.

4. FEES, BILLING AND PAYMENT

- (a) *Dispensing Fees* – The Customer, in consideration of access to and use of the Fueling Equipment, shall pay to FEI the Dispensing Rate for each GJ of Fuel dispensed by or to the Customer from the Fueling Equipment, as measured by a meter located on the Fueling Equipment and attributable to the Customer through use of the Fueling Cards.

- (b) *Annual Rate Escalation* – On the Rate Change Date of each year:
 - (i) the Capital Rate will increase by 2%; and
 - (ii) the O & M Rate will increase by the percentage increase, if any, in the Consumer Price Index (published by Statistics Canada for the Province of British Columbia, all items, not seasonally adjusted) from the previous twelve-month period.
- (c) FEI may adjust the Dispensing Rate in Part 1 by the above Annual Rate Escalation if:
 - (i) this Agreement is signed by the Customer prior to the Rate Change Date but the Commencement Date occurs after the Rate Change Date; or
 - (ii) the Customer signs this Agreement after the Rate Change Date but those rates have not yet been escalated by FEI due to the unavailability of the Consumer Price Index as it has not yet been published by Statistics Canada for the previous twelve-month period.

Change in Dispensing Rate

- (iii) If FEI upgrades or expands the Fueling Equipment to accommodate added demand for fueling services, FEI and the Customer agree to negotiate in good faith an adjustment to the Dispensing Rate and the Minimum Annual Quantity going forward, subject to BCUC approval.
- (iv) FortisBC may, in its discretion, provide temporary reductions to the Dispensing Rate from time to time if the aggregate volume of fuel dispensed from the Fueling Equipment to all customers of FEI using the Fueling Equipment who have entered into a fueling agreement with FEI (save and except customers using the Fueling Equipment on a spot basis) materially exceeds the aggregate contracted demand for Fuel for such customers.
- (d) *Minimum Guarantee* - The Customer acknowledges the Dispensing Rate has been calculated by FEI having regard to, among other things, the Customer's estimated fuel demand profile and the number of vehicles to be served by the Fueling Equipment, and accordingly, the Customer agrees to pay a minimum annual charge (the "**Minimum Guarantee**") calculated by multiplying the Dispensing Rate by the Minimum Annual Quantity shown in Part I for each Service Year (pro-rated for part years); where a "**Service Year**" means the twelve month period of the Term calculated from the Rate Change Date or the anniversary thereof, provided that the first Service Year shall commence on the Commencement Date and end the first Rate Change Date.
- (e) *Billing and Payment* - Bills will be rendered by FEI monthly and payable by the Customer, without deduction or set-off, within thirty (30) days following the billing date.
- (f) *Payment of Minimum Guarantee* – Where the annual amount billed to the Customer is less than the Minimum Guarantee, the shortfall will be added to the next bill.
- (g) *Taxes* - Any applicable taxes will be added to all rates and charges on each bill.
- (h) *Late Payments* - Overdue payments shall be subject to a late payment charge of 1.5% per month of compound interest (19.56% per annum).
- (i) *Verification* - The Customer must report any billing errors promptly to FEI. Statements shall be final and binding unless questioned by the Customer within one year after its billing date. The Customer shall have the right to review meter data and other relevant records to verify statements. Such review shall be conducted at the Customer's expense unless such review discloses errors in the amount of fuel dispensed which exceed two percent (2%).

5. LIABILITY, RELEASE, DISCLAIMER, INSURANCE AND ENVIRONMENTAL COMPLIANCE

- (a) *Liability* - The Customer is responsible for, and shall indemnify and save harmless each of FEI and the Host from all expenses, claims and liability incurred by FEI or the Host, as applicable, with respect to the access to and use of the Fueling Location and the Fueling Equipment by the Customer's personnel, including any damage to the Fueling Equipment occasioned by its use.
- (b) *Release* - The Customer, on its own behalf and on behalf of its Representatives, hereby releases, defends, indemnifies and holds harmless FEI and the Host, and their respective directors, officers, employees, agents, contractors, successors and assigns, from and against any and all adverse claims, losses, suits, actions, judgments, demands, debts, accounts, damages, costs, penalties and expenses (including all legal fees and disbursements) arising from or incurred by or suffered as a result of the Customer's presence at the Fueling Location or while using the Fueling Equipment, howsoever caused, save and except from any negligent act or omission of FEI.
- (c) *No Warranty and Disclaimer* – The Customer acknowledges and agrees:
 - (i) Suitability of Fueling Equipment - FEI does not represent or warrant the adequacy or suitability of the Fueling Equipment for the Customer's purpose and all express or implied warranties, terms or conditions of merchantability or fitness for a particular purpose, whether existing at law or in equity, are expressly disclaimed by FEI.
 - (ii) Limitations on Use - The Customer acknowledges and is aware the fuel supply may be temporarily suspended or unavailable from time to time, including as a result of equipment breakdown, to make repairs or improvements to the Fueling Equipment or to comply with the requirements of any law. FEI will, regardless of the cause of fuel suspension or equipment breakdown and whenever practicable, give prior notice to the Customer of such suspension, will diligently undertake required repairs to minimize Fueling Equipment down-time and will use commercially reasonable efforts to provide the Customer with the right to access substituted fueling equipment on an interim basis for the duration of fuel supply suspension or equipment breakdown and, in the event the Customer elects to exercise such right, the Customer will bear FEI's reasonable costs associated with the implementation of substituted fueling equipment, on a pro rata basis. If the supply of fuel from the Fueling Equipment is interrupted or curtailed and FEI is unable to provide an interim dispensing location, the Customer may temporarily utilize another source of Fuel until FEI is able to resume supply and, if applicable, the amount of such third party fuel will be taken into account when calculating any Minimum Guarantee payable for such year.
- (d) *Limitation of Liability* – Neither party shall be liable to the other party for any indirect, punitive, exemplary, incidental, aggravated, punitive or consequential damages of any kind regardless of the form of action whether in contract, tort, strict product liability, breach of warranty, breach of representation, misrepresentation, statutory duty, or any other legal or equitable theory, even if such party has been advised of the possibility of such damages. This provision shall not apply to third party claims or to any claim by FEI for loss of profit, use or interruption of business.
- (e) *Insurance* - The Customer shall obtain and maintain the following insurance coverage and provide proof of coverage to FEI:
 - (i) Workers' Compensation Insurance in accordance with the statutory requirements;
 - (ii) Automobile Liability Insurance with a limit of not less than \$5,000,000 per occurrence in respect of bodily injury, death and property damage;

- (iii) Comprehensive General Liability Insurance from insurers registered in and licensed to underwrite insurance in British Columbia for bodily injury, death and property damage in the amount of \$5,000,000 per occurrence naming FEI as an additional insured with respect to this Agreement and providing that the insurance shall not be cancelled or materially changed without the insurer using best efforts to provide at least 30 calendar days' written notice to FEI; and
- (iv) Such other insurance as reasonably required by FEI from time to time.
- (f) *Environmental Compliance* - The Customer acknowledges and agrees the Customer has environmental responsibilities arising from the Customer's use of the Fueling Equipment pursuant to environmental laws and regulations, including related spills, and is required to comply with the requirements of FEI as they relate to environmental management, compliance and reporting, copies of which requirements will be provided by FEI to the Customer from time to time. The Customer covenants and agrees to co-operate with FEI in coordinating, establishing, implementing and verifying processes and procedures to manage and address environmental impacts and ensure compliance with environmental laws and regulations.

6. DEFAULT AND TERMINATION

- (a) *Default*- If the Customer, or any person using the Fueling Cards, is unable, refuses or fails to produce proof of training upon request by FEI, or the Customer is otherwise in default of this Agreement, FEI may terminate this Agreement, or de-activate the applicable Fueling Cards, temporarily or permanently, without prior notice to the Customer and without any liability to FEI as a result thereof.
- (b) *Termination of Property Agreement /Transfer of Equipment/Decommissioning of Fueling Equipment* - In addition to any other termination provisions contained herein, this Agreement will terminate concurrent with the termination of the property agreement between FEI and the Host, the sale or transfer of the Fueling Equipment to a third party or the decommissioning of the Fueling Equipment, at no cost or liability accruing to FEI as a result of such termination, provided that, in such event, FEI will use reasonable efforts to secure an alternate fueling location and/or alternate Fueling Equipment for the Customer.
- (c) *Surrender of Fueling Cards* – Upon termination of this Agreement, all Fueling Cards issued under this Agreement will immediately cease to be valid and the Customer shall surrender the Fueling Cards to FEI upon demand.
- (d) *Effect of Termination* – If, prior to the expiry of the Initial Term, this Agreement is terminated by the Customer for any reason or by FEI pursuant to section 6(a), in addition to any other amounts due and owing by the Customer to FEI and despite any other remedies available at law or in equity, the Customer shall pay to FEI, within 30 days of billing, the Dispensing Rate (as escalated annually) calculated on the Minimum Annual Quantity to the end of the Initial Term.
- (e) *Survival* - Upon expiry or early termination of this Agreement, all claims, causes of action or other outstanding obligations remaining or being unfulfilled as of the expiry or termination date and all of the provisions of this Agreement relating to the obligation or either the parties to account to or indemnify the other and to pay to the other any amounts owing as at the date of expiry or termination in connection with this Agreement will survive such expiry or termination.
- (f) *Effect of Termination on Other Agreements* – The expiration or termination of this Agreement does not affect or result in the expiry or termination of any other agreements made between FEI and the Customer, including any fuel purchase agreements or transportation agreements.

7. MISCELLANEOUS

- (a) *Amendments* - Except as set out in this Agreement, no amendment or variation of this Agreement shall be effective or binding unless in writing and signed by the parties and, where applicable, upon receipt of BCUC approval.
- (b) *Further Assurances* - The Customer will execute and deliver any further agreement, document or instrument and do and perform any further act or thing as may be reasonably required by FEI from time to time to evidence or give full force and effect to the terms, conditions and intent of this Agreement.
- (c) *Governing Law* - This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada. The parties hereby attorn to the jurisdiction of the courts of British Columbia and all courts competent to hear appeals therefrom.
- (d) *Assignment* - FEI may assign, transfer or sell its right, title and interest in this Agreement, to any Affiliate, as that term is defined in the *Business Corporation Act*, S.B.C. 2002, c.57.
- (e) *Waiver* - FEI is not bound by any waiver of any provision of this Agreement unless it consents to such waiver in writing. No waiver of any provision of this Agreement constitutes a waiver of any other provision, nor does any waiver constitute a continuing waiver unless otherwise provided.
- (f) *Severability* - If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such determination does not impair or affect the validity, legality or enforceability of any other provision of this Agreement.
- (g) *Time of the Essence* - Time is of the essence of this Agreement.

END OF DOCUMENT

AMENDING AGREEMENT No. 1 TO FUELING SERVICES AGREEMENT

THIS AMENDING AGREEMENT No. 1 is made effective as at November 26, 2021 (the "Effective Date")

BETWEEN:

MARTIN-BROWER OF CANADA CO., 6985 Financial Drive, Mississauga, ON L5N 0G3
(the "Customer")

AND:

FORTISBC ENERGY INC., 16705 Fraser Highway, Surrey, BC V4N 0E8
(**"FEI"**)

WHEREAS:

- A. The Customer and FEI entered into a Fueling Services Agreement (Annacis Island Site) signed by FEI on October 1, 2021 (the "Fueling Agreement").
- B. The parties agreed to extend the deadline, by way of a letter dated October 22, 2021, for FEI to deem the Conditions Precedent satisfied or waived from November 1, 2021 to November 30, 2021 (the "Extension Letter").
- C. The parties wish to amend the Fueling Agreement on the terms and conditions set out in this Amending Agreement No. 1, specifically the Commencement Date, the Rate Change Date, the Initial Term, and the Minimum Annual Quantity.

NOW THEREFORE IN CONSIDERATION of the promises and mutual covenants and agreements hereinafter contained and other good and valuable consideration, the parties hereto covenant and agree with each other as follows:

- 1. Unless otherwise defined herein, capitalized words and expressions shall have the same meanings as are assigned to them in the Fueling Agreement.
- 2. The following amendments are made to page 1 of the Fueling Agreement, effective as of the Effective Date:
 - (a) The Commencement Date is amended from November 1, 2021 to January 18, 2022. For certainty, it is acknowledged and agreed to by both parties that the deadline for FEI to deem the Conditions Precedent satisfied or waived will be further extended (previously extended by way of the Extension Letter) to the amended Commencement Date of January 18, 2022;
 - (b) The Rate Change Date is amended to "July 1st of each year with the first rate escalation occurring on July 1, 2023";
 - (c) The Initial Term is amended to "7 years starting from the Rate Change Date of July 1, 2022"; and
 - (d) The Minimum Annual Quantity as described in Part 1 of the Fueling Agreement is deleted in it's entirety and replaced with the following:


Starting on the Rate Change Date of each year, and adjusted by the volume below, subject to adjustment pursuant to section 4(d) of Part II.

Year	Year	Minimum Annual Quantity (GJs)
1	July 1 2022 to June 30, 2023	1,000
2	July 1 2023 to June 30, 2024	1,000
3	July 1 2024 to June 30, 2025	1,000
4	July 1 2025 to June 30, 2026	1,000
5	July 1 2026 to June 30, 2027	1,000
6	July 1 2027 to June 30, 2028	0
7	July 1 2028 to June 30, 2029	0
Renewal Period (if applicable)	July 1, 2029 and thereafter	0

3. The Fueling Agreement, as amended herein, will remain in full force and effect and, together with this Amending Agreement No. 1, will be read and interpreted as one agreement.
4. This Amending Agreement No. 1 may be executed and delivered in any number of counterparts with the same effect as if all parties had signed and delivered the same document and all counterparts will be construed together to constitute one and the same agreement. A party may deliver an executed copy of this Amending Agreement in electronic form and will immediately deliver to the other party an originally executed copy of this Amending Agreement.

IN WITNESS WHEREOF the parties have executed this Amending Agreement as of the Effective Date.

MARTIN-BROWER OF CANADA CO. by its authorized signatory:


Signature
Name: WAYNE DENCE
Title: DIRECTOR, FLEET & FACILITIES

FORTISBC ENERGY INC., by its authorized signatory:

Sarah Smith

Digitally signed by Sarah Smith
DN: cn=Sarah Smith, o=FortisBC, ou=NGT,
Regional LNG and RNG Supply,
email=sarah.smith2@fortisbc.com, c=CA
Date: 2021.12.29 10:33:43 -08'00'

Signature
Name: Sarah Smith
Title: Director, Low Carbon Transportation and LNG
Business Growth

² jcd SDS
AMENDING AGREEMENT No. ~~1~~² TO FUELING SERVICES AGREEMENT

THIS AMENDING AGREEMENT No. ~~1~~² is made effective as at June 23rd, 2022 (the “Effective Date”)

BETWEEN:

jcd SDS
MARTIN-BROWER OF CANADA CO., 6985 Financial Drive, Mississauga, ON L5N 0G3
(the “Customer”)

AND:

FORTISBC ENERGY INC., 16705 Fraser Highway, Surrey, BC V4N 0E8
(“FEI”)

WHEREAS:

- A. The Customer and FEI entered into a Fueling Services Agreement signed by FEI October 1st, 2021 (the “Fueling Agreement”).
- B. The parties wish to amend the Fueling Agreement on the terms and conditions set out in this Amending Agreement No. ~~1~~², specifically the Spot Charge, and the Minimum Annual Quantity.

jcd SDS ← ²
NOW THEREFORE IN CONSIDERATION of the promises and mutual covenants and agreements hereinafter contained and other good and valuable consideration, the parties hereto covenant and agree with each other as follows:

1. Unless otherwise defined herein, capitalized words and expressions shall have the same meanings as are assigned to them in the Fueling Agreement.
2. The following amendments are made to page 1 of the Fueling Agreement, as of the Effective Date, as follows:
 - (a) The Spot Charge as described in the dispensing rate is deleted in its entirety and replaced with:

“No Spot Charge from Year 2 to Year 7. \$1.00 to apply year 1 and starting again in year 8 and thereafter including the Renewal Period”.
 - (b) The Minimum Annual Quantity table is deleted in its entirety and is replaced with the following table:

Year	Year	Minimum Annual Quantity (GJs)
1	January 1 2022 to December 31, 2022	0
2	January 1 2023 to December 31, 2023	500
3	January 1 2024 to December 31, 2024	3,500
4	January 1 2025 to December 31, 2025	3,500
5	January 1 2026 to December 31, 2026	3,500
6	January 1 2027 to December 31, 2027	3,500
7	January 1 2028 to December 31, 2028	3,000
Renewal Period	January 1, 2029 and thereafter	0

3. The Fueling Agreement, as amended herein, will remain in full force and effect and, together with this Amending Agreement No. ~~1~~² will be read and interpreted as one agreement.

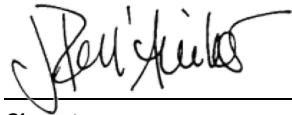
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4. This Amending Agreement No. ~~1~~² may be executed and delivered in any number of counterparts with the same effect as if all parties had signed and delivered the same document and all counterparts will be construed together to constitute one and the same agreement. A party may deliver an executed copy of this Amending Agreement in electronic form and will immediately deliver to the other party an originally executed copy of this Amending Agreement.

IN WITNESS WHEREOF the parties have executed this Amending Agreement as of the Effective Date.

MARTIN-BROWER OF CANADA CO. by its authorized signatory:



Signature

Name: Julie Dell'Aniello

Title: President

FORTISBC ENERGY INC., by its authorized signatory:



Signature

Name: Sarah Smith

Title: Director, Low Carbon Transportation and LNG Business Growth

AMENDING AGREEMENT No. 3 TO FUELING SERVICES AGREEMENT

THIS AMENDING AGREEMENT No. 3 is made effective as at March 20, 2023 (the “**Effective Date**”)

BETWEEN:

MARTIN-BROWER OF CANADA CO., 6985 Financial Drive, Mississauga, ON L5N 0G3
(the “**Customer**”)

AND:

FORTISBC ENERGY INC., 16705 Fraser Highway, Surrey, BC V4N 0E8
(“**FEI**”)

WHEREAS:

- A. The Customer and FEI entered into a Fueling Services Agreement (Annacis Island Site) effective October 1, 2021, and as amended by the Parties in writing by the way of an Amending Agreement No. 1 effective November 26, 2021 and Amending Agreement No. 2 effective June 23, 2022 (together the “**Fueling Agreement**”).
- B. The parties wish to further amend the Fueling Agreement on the terms and conditions set out in this Amending Agreement No. 3, specifically the Dispensing Rates, and the Annual Minimum Quantity.

NOW THEREFORE IN CONSIDERATION of the promises and mutual covenants and agreements hereinafter contained and other good and valuable consideration, the parties hereto covenant and agree with each other as follows:

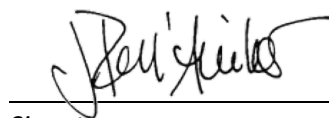
- 1. Unless otherwise defined herein, capitalized words and expressions shall have the same meanings as are assigned to them in the Fueling Agreement.
- 2. The Customer and FEI, by signing this Amending Agreement No. 3, accept and agree to be bound by the terms and conditions herein contained. This Amending Agreement No. 3 will not come into effect and does not bind the parties until FEI has obtained the necessary approvals for this Agreement from all regulatory or other applicable governmental authorities having jurisdiction, including the British Columbia Utilities Commission ("BCUC"), on terms and conditions which are satisfactory to FEI.
- 3. The following amendments are made to page 1 of the Fueling Agreement, effective as of the Effective Date, as follows:
 - (a) The Capital Dispensing Rate is amended from \$4.382 per GJ to \$4.310 per GJ;
 - (b) The O&M Dispensing Rate is amended from \$2.686 per GJ to \$ 2.614 per GJ;
 - (c) The Total Dispensing Rate is amended from \$7.588 per GJ to \$7.444 per GJ
- 4. The following amendments are made to the Amending Agreement No. 2:
 - (a) Minimum Annual Quantity table is deleted and is replaced with the following table:

Year	Year	Minimum Annual Quantity (GJs)
1	July 1, 2022, to June 30, 2023	0
2	July 1, 2023, to June 30, 2024	500
3	July 1, 2024, to June 30, 2025	3,500
4	July 1, 2025, to June 30, 2026	3,500
5	July 1, 2026, to June 30, 2027	3,500
6	July 1, 2027, to June 30, 2028	3,500
7	July 1, 2028, to June 30, 2029	3,000
Renewal Period (if applicable)	July 1, 2029 and thereafter	0

5. The Fueling Agreement, as amended herein, will remain in full force and effect and, together with this Amending Agreement No. 3, will be read and interpreted as one agreement.
6. This Amending Agreement No. 3 may be executed and delivered in any number of counterparts with the same effect as if all parties had signed and delivered the same document and all counterparts will be construed together to constitute one and the same agreement. A party may deliver an executed copy of this Amending Agreement in electronic form and will immediately deliver to the other party an originally executed copy of this Amending Agreement.

IN WITNESS WHEREOF the parties have executed this Amending Agreement as of the Effective Date.

MARTIN-BROWER OF CANADA CO., by its authorized signatory:



Signature

Name: Julie Dell'Aniello, President

Title: President

FORTISBC ENERGY INC., by its authorized signatory:



Signature

Name: Sarah Smith

Title: Director, LCT and LNG Business Growth




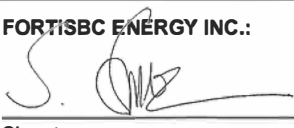
FUELING SERVICES AGREEMENT (ANNACIS ISLAND SITE) PART I – BASIC TERMS

Customer						
Company name: United Parcel Services Canada Ltd.			Mailing/billing address: 2900 Steeles Avenue West, Concord, ON L4K 3S2			
Contact name and title: Bob Gill, Automotive Fleet Manager, West Canada			Telephone: 604-528-4213		Email: harjeetbobgill@ups.com	
Fueling Location						
Annacis Island CNG Fueling Station – 675 Belgrave Way, Delta, BC V3M 5R8						
Term						
Commencement Date: November 1, 2021		Rate Change Date: (see section 4(b) of Part II) January 1 st of each year with the first rate escalation occurring on January 1, 2023		Initial Term: 7 years starting from the Rate Change Date of January 1 st , 2022		Renewal Period: (see section 1(b) of Part II) One 3 year renewal and annual auto renewal thereafter
Dispensing Rate						
\$/Gigajoule ("GJ"), as at the Commencement Date, subject to adjustment pursuant to sections 4(b) and (c) of Part II.						
Capital Rate	O & M Rate	Overhead Rate	Short Term Charge	Spot Charge	Host Fee	Total
\$4.382	\$2.686	\$0.520	N/A	N/A	N/A	\$7.588
Minimum Annual Quantity						
6500 GJs, subject to adjustment pursuant to section 4(d) of Part II.						
Supplemental Terms and Conditions						
<ol style="list-style-type: none">Additional Charges - The Dispensing Rate payable pursuant to this Agreement is in addition to any amounts payable by the Customer to FEI for the purchase of fuel and transportation services, if applicable, pursuant to the Rate Schedules.Fueling Vehicles - Unless otherwise directed by FEI by written notice to the Customer, the dispensing of fuel into the Customer's vehicles shall be performed by the Customer.						

The Customer and FortisBC Energy Inc. ("FEI"), by signing this Fueling Services Agreement (this "Agreement"), accept and agree to be bound by the terms and conditions herein contained. This Agreement, including Part I and Part II, constitutes the entire agreement between the parties and supersedes all other agreements with respect to the services described herein. This Agreement will not come into effect and does not bind the parties until:

- FEI has obtained the necessary approvals for this Agreement from all regulatory or other applicable governmental authorities having jurisdiction, including the British Columbia Utilities Commission ("BCUC"), on terms and conditions which are satisfactory to FEI;
- FEI has entered into an agreement with the Host (as defined in Part II) with respect to the installation and operation of the Fueling Equipment at the Fueling Location and permitting access over its lands to enable access to and use of the Fueling Equipment, and, if applicable, that agreement has been approved by the BCUC; and
- the Fueling Equipment has been installed at the Fueling Location and is operational as determined by FEI, in its sole discretion.

If the conditions listed above are not satisfied or waived by the Commencement Date or such later date agreed to by both parties in writing, this Agreement will terminate, at FEI's sole discretion, and neither party will have recourse against the other party due its termination nor will either party have any further rights or obligations under this Agreement. Sections 5(d) and 6 shall survive termination of this Agreement.

CUSTOMER:  Signature		FORTISBC ENERGY INC.:  Signature	
10/7/2021 Date		October 12, 2021 Date	
Eric Dowd Name		Sarah Smith, Director, Low Carbon Transportation and LNG Business Growth Title	

	Name	Title
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PART II – BACKGROUND AND TERMS AND CONDITIONS

SECTION A – BACKGROUND AND INTERPRETATION

- A. Capitalized terms shall have the meanings ascribed to those terms as set out in Part I - Basic Terms and Part II – Background and Terms and Conditions.
- B. FEI, as at the Commencement Date, owns and operates fueling equipment at the Fueling Location from which it sells and distributes fuel (the “**Fueling Equipment**”).
- C. The Customer has agreed to purchase fuel, and obtain transportation services (if applicable), from FEI pursuant to FortisBC Rate Schedules as established or amended from time to time (the “**Rate Schedules**”) and wishes to use the Fueling Equipment to fuel their vehicles.

SECTION B – TERMS AND CONDITIONS

1. TERM

- (a) *Initial Term* -The Initial Term of this Agreement will be for the period set out in Part I.
- (b) *Renewal* - This Agreement automatically renews at the end of the Initial Term for the additional Renewal Period(s) of time set out in Part I. The Customer or FEI may decide not to renew this Agreement by providing the other party with written notice at least sixty (60) days prior to the expiry of the Initial Term or any Renewal Period.

2. USE OF FUELING EQUIPMENT AND ACCESS TO PROPERTY

- (a) *Use of Fueling Equipment* – Provided the Customer is, at all times, in compliance with this Agreement, and unless otherwise provided herein, the Customer shall be entitled to access and use the Fueling Equipment to fuel vehicles.
- (b) *Training and Operation*- The Customer shall not permit any of its personnel to access the Fueling Location until such person has participated in and successfully completed the applicable orientation/training (including safety training) and, when required, refresher training, either directly from FEI or a supervisor/manager of the Customer approved by FEI or provided by any other party that is deemed satisfactory to FEI, on the use of the Fueling Equipment, in accordance with the manufacturer’s dispensing instructions, if applicable, all applicable laws, and the requirements of FEI, as established or amended from time to time. The Customer shall provide, and shall ensure each of its personnel accessing the Fueling Location and dispensing fuel from the Fueling Equipment, or using a Fueling Card, provides proof of orientation/training to FEI or the owner and/or occupier of the Fueling Location (the “**Host**”) upon request.
- (c) *Emergency Preparedness and Response* - The Customer will, when requested by FEI from time to time, participate in emergency preparedness and emergency response training exercises and initiatives.
- (d) *Access to Property* – The Customer shall only access those parts of the property on which the Fueling Equipment is located and designated for access to the Fueling Equipment and shall, at all times, comply with site safety instructions communicated by FEI or the Host and any on-site signage or instructions. The Customer is aware access to the Fueling Equipment may be detoured or made unavailable by the Host from time to time, and to the extent FEI has prior notice of such detour or lack of access, will advise the Customer accordingly.
- (e) *Fueling Cards* - To dispense fuel from the Fueling Equipment, the Customer shall use only those fueling cards or other tracking devices or systems issued or implemented by FEI to the Customer (the “**Fueling Cards**”). The Fueling Cards shall, at all times, be and remain the property of FEI.

FEI may cancel or withdraw any Fueling Card at any time where the Customer or anyone using the Fueling Card fails to comply with the terms of this Agreement, including any on-site signage or instructions. In such event, the Customer shall surrender the Fueling Cards to FEI on demand. Except to the extent prohibited by law, unless the Customer has notified FEI of any loss or theft, the Customer shall be liable for and shall pay FEI in accordance with the terms of this Agreement for the full amount of all transactions in respect of the use of any lost or stolen Fueling Card.

- (f) *Personal Identification Numbers* – Use of Fueling Cards shall be restricted through the use of personal identification numbers (“PINs”). The Customer shall not reveal its PINs to any person other than those authorized by the Customer to use the Fueling Cards. The Customer shall be liable for and shall pay FEI in accordance with the terms of this Agreement for the full amount of all transactions where the Customer has in any way compromised the security and confidentiality of its PIN. The Customer shall notify FEI as soon as reasonably practicable when it becomes aware of any unauthorized use of a Fueling Card or if a Fueling Card becomes lost or stolen.

3. SAFETY

- (a) *Responsibility for Safety* – The Customer is, at all times, responsible for the safety and protection of its employees, contractors, agents, representatives, subcontractors and any other person for whom the Customer is at law responsible (collectively, the “Representatives”) using the Fueling Equipment or otherwise accessing the property on which the Fueling Equipment is located; provided however, where the Customer’s vehicles are fueled by a third party designated by FEI, such third parties shall not be considered Representatives of the Customer for the purposes of this section 3.
- (b) *Covenant re: Training and Operation* – By issuing a Fueling Card to any person, the Customer covenants and agrees such person has successfully completed the applicable orientation and training and will continually access and use the Fueling Equipment in a safe manner. The Customer shall ensure, at all times, all safety requirements and on-site signage are adhered to strictly by its Representatives. Failure to do so constitutes a material breach of this Agreement. In addition to any remedies set out in section 6(a) or available at law, the Customer shall not permit any Representatives who have failed to adhere to the safety requirements and on-site signage from accessing the Fueling Equipment upon written request by FEI or the Host.

4. FEES, BILLING AND PAYMENT

- (a) *Dispensing Fees* – The Customer, in consideration of access to and use of the Fueling Equipment, shall pay to FEI the Dispensing Rate for each GJ of Fuel dispensed by or to the Customer from the Fueling Equipment, as measured by a meter located on the Fueling Equipment and attributable to the Customer through use of the Fueling Cards.

- (b) *Annual Rate Escalation* – On the Rate Change Date of each year:
 - (i) the Capital Rate will increase by 2%; and
 - (ii) the O & M Rate will increase by the percentage increase, if any, in the Consumer Price Index (published by Statistics Canada for the Province of British Columbia, all items, not seasonally adjusted) from the previous twelve-month period.
- (c) FEI may adjust the Dispensing Rate in Part 1 by the above Annual Rate Escalation if:
 - (i) this Agreement is signed by the Customer prior to the Rate Change Date but the Commencement Date occurs after the Rate Change Date; or
 - (ii) the Customer signs this Agreement after the Rate Change Date but those rates have not yet been escalated by FEI due to the unavailability of the Consumer Price Index as it has not yet been published by Statistics Canada for the previous twelve-month period.

Change in Dispensing Rate

- (iii) If FEI upgrades or expands the Fueling Equipment to accommodate added demand for fueling services, FEI and the Customer agree to negotiate in good faith an adjustment to the Dispensing Rate and the Minimum Annual Quantity going forward, subject to BCUC approval.
 - (iv) FortisBC may, in its discretion, provide temporary reductions to the Dispensing Rate from time to time if the aggregate volume of fuel dispensed from the Fueling Equipment to all customers of FEI using the Fueling Equipment who have entered into a fueling agreement with FEI (save and except customers using the Fueling Equipment on a spot basis) materially exceeds the aggregate contracted demand for Fuel for such customers.
- (d) *Minimum Guarantee* - The Customer acknowledges the Dispensing Rate has been calculated by FEI having regard to, among other things, the Customer's estimated fuel demand profile and the number of vehicles to be served by the Fueling Equipment, and accordingly, the Customer agrees to pay a minimum annual charge (the "**Minimum Guarantee**") calculated by multiplying the Dispensing Rate by the Minimum Annual Quantity shown in Part I for each Service Year (pro-rated for part years); where a "**Service Year**" means the twelve month period of the Term calculated from the Rate Change Date or the anniversary thereof, provided that the first Service Year shall commence on the Commencement Date and end the first Rate Change Date.
- (e) *Billing and Payment* - Bills will be rendered by FEI monthly and payable by the Customer, without deduction or set-off, within thirty (30) days following the billing date.
- (f) *Payment of Minimum Guarantee* – Where the annual amount billed to the Customer is less than the Minimum Guarantee, the shortfall will be added to the next bill.
- (g) *Taxes* - Any applicable taxes will be added to all rates and charges on each bill.
- (h) *Late Payments* - Overdue payments shall be subject to a late payment charge of 1.5% per month of compound interest (19.56% per annum).
- (i) *Verification* - The Customer must report any billing errors promptly to FEI. Statements shall be final and binding unless questioned by the Customer within one year after its billing date. The Customer shall have the right to review meter data and other relevant records to verify statements. Such review shall be conducted at the Customer's expense unless such review discloses errors in the amount of fuel dispensed which exceed two percent (2%).

5. **LIABILITY, RELEASE, DISCLAIMER, INSURANCE AND ENVIRONMENTAL COMPLIANCE**

- (a) *Liability* - The Customer is responsible for, and shall indemnify and save harmless each of FEI and the Host from all expenses, claims and liability incurred by FEI or the Host, as applicable, with respect to the access to and use of the Fueling Location and the Fueling Equipment by the Customer's personnel, including any damage to the Fueling Equipment occasioned by its use.
- (b) *Release* - The Customer, on its own behalf and on behalf of its Representatives, hereby releases, defends, indemnifies and holds harmless FEI and the Host, and their respective directors, officers, employees, agents, contractors, successors and assigns, from and against any and all adverse claims, losses, suits, actions, judgments, demands, debts, accounts, damages, costs, penalties and expenses (including all legal fees and disbursements) arising from or incurred by or suffered as a result of the Customer's presence at the Fueling Location or while using the Fueling Equipment, howsoever caused, save and except from any negligent act or omission of FEI.
- (c) *No Warranty and Disclaimer* – The Customer acknowledges and agrees:
 - (i) Suitability of Fueling Equipment - FEI does not represent or warrant the adequacy or suitability of the Fueling Equipment for the Customer's purpose and all express or implied warranties, terms or conditions of merchantability or fitness for a particular purpose, whether existing at law or in equity, are expressly disclaimed by FEI.
 - (ii) Limitations on Use - The Customer acknowledges and is aware the fuel supply may be temporarily suspended or unavailable from time to time, including as a result of equipment breakdown, to make repairs or improvements to the Fueling Equipment or to comply with the requirements of any law. FEI will, regardless of the cause of fuel suspension or equipment breakdown and whenever practicable, give prior notice to the Customer of such suspension, will diligently undertake required repairs to minimize Fueling Equipment down-time and will use commercially reasonable efforts to provide the Customer with the right to access substituted fueling equipment on an interim basis for the duration of fuel supply suspension or equipment breakdown and, in the event the Customer elects to exercise such right, the Customer will bear FEI's reasonable costs associated with the implementation of substituted fueling equipment, on a pro rata basis. If the supply of fuel from the Fueling Equipment is interrupted or curtailed and FEI is unable to provide an interim dispensing location, the Customer may temporarily utilize another source of Fuel until FEI is able to resume supply and, if applicable, the amount of such third party fuel will be taken into account when calculating any Minimum Guarantee payable for such year.
- (d) *Limitation of Liability* – Neither party shall be liable to the other party for any indirect, punitive, exemplary, incidental, aggravated, punitive or consequential damages of any kind regardless of the form of action whether in contract, tort, strict product liability, breach of warranty, breach of representation, misrepresentation, statutory duty, or any other legal or equitable theory, even if such party has been advised of the possibility of such damages. This provision shall not apply to third party claims or to any claim by FEI for loss of profit, use or interruption of business.
- (e) *Insurance* - The Customer shall obtain and maintain the following insurance coverage and provide proof of coverage to FEI:
 - (i) Workers' Compensation Insurance in accordance with the statutory requirements;
 - (ii) Automobile Liability Insurance with a limit of not less than \$5,000,000 per occurrence in respect of bodily injury, death and property damage;

- (iii) Comprehensive General Liability Insurance from insurers registered in and licensed to underwrite insurance in British Columbia for bodily injury, death and property damage in the amount of \$5,000,000 per occurrence naming FEI as an additional insured with respect to this Agreement and providing that the insurance shall not be cancelled or materially changed without the insurer using best efforts to provide at least 30 calendar days' written notice to FEI; and
 - (iv) Such other insurance as reasonably required by FEI from time to time.
- (f) *Environmental Compliance* - The Customer acknowledges and agrees the Customer has environmental responsibilities arising from the Customer's use of the Fueling Equipment pursuant to environmental laws and regulations, including related spills, and is required to comply with the requirements of FEI as they relate to environmental management, compliance and reporting, copies of which requirements will be provided by FEI to the Customer from time to time. The Customer covenants and agrees to co-operate with FEI in coordinating, establishing, implementing and verifying processes and procedures to manage and address environmental impacts and ensure compliance with environmental laws and regulations.

6. DEFAULT AND TERMINATION

- (a) *Default*- If the Customer, or any person using the Fueling Cards, is unable, refuses or fails to produce proof of training upon request by FEI, or the Customer is otherwise in default of this Agreement, FEI may terminate this Agreement, or de-activate the applicable Fueling Cards, temporarily or permanently, without prior notice to the Customer and without any liability to FEI as a result thereof.
- (b) *Termination of Property Agreement /Transfer of Equipment/Decommissioning of Fueling Equipment* - In addition to any other termination provisions contained herein, this Agreement will terminate concurrent with the termination of the property agreement between FEI and the Host, the sale or transfer of the Fueling Equipment to a third party or the decommissioning of the Fueling Equipment, at no cost or liability accruing to FEI as a result of such termination, provided that, in such event, FEI will use reasonable efforts to secure an alternate fueling location and/or alternate Fueling Equipment for the Customer.
- (c) *Surrender of Fueling Cards* – Upon termination of this Agreement, all Fueling Cards issued under this Agreement will immediately cease to be valid and the Customer shall surrender the Fueling Cards to FEI upon demand.
- (d) *Effect of Termination* – If, prior to the expiry of the Initial Term, this Agreement is terminated by the Customer for any reason or by FEI pursuant to section 6(a), in addition to any other amounts due and owing by the Customer to FEI and despite any other remedies available at law or in equity, the Customer shall pay to FEI, within 30 days of billing, the Dispensing Rate (as escalated annually) calculated on the Minimum Annual Quantity to the end of the Initial Term. An example of this calculation is attached hereto as Appendix A.
- (e) *Survival* - Upon expiry or early termination of this Agreement, all claims, causes of action or other outstanding obligations remaining or being unfulfilled as of the expiry or termination date and all of the provisions of this Agreement relating to the obligation or either the parties to account to or indemnify the other and to pay to the other any amounts owing as at the date of expiry or termination in connection with this Agreement will survive such expiry or termination.
- (f) *Effect of Termination on Other Agreements* – The expiration or termination of this Agreement does not affect or result in the expiry or termination of any other agreements made between FEI and the Customer, including any fuel purchase agreements or transportation agreements.

7. MISCELLANEOUS

- (a) *Amendments* - Except as set out in this Agreement, no amendment or variation of this Agreement shall be effective or binding unless in writing and signed by the parties and, where applicable, upon receipt of BCUC approval.
- (b) *Further Assurances* - The Customer will execute and deliver any further agreement, document or instrument and do and perform any further act or thing as may be reasonably required by FEI from time to time to evidence or give full force and effect to the terms, conditions and intent of this Agreement.
- (c) *Governing Law* - This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada. The parties hereby attorn to the jurisdiction of the courts of British Columbia and all courts competent to hear appeals therefrom.
- (d) *Assignment* - FEI may assign, transfer or sell its right, title and interest in this Agreement, to any Affiliate, as that term is defined in the *Business Corporation Act*, S.B.C. 2002, c.57.
- (e) *Waiver* - FEI is not bound by any waiver of any provision of this Agreement unless it consents to such waiver in writing. No waiver of any provision of this Agreement constitutes a waiver of any other provision, nor does any waiver constitute a continuing waiver unless otherwise provided.
- (f) *Severability* - If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such determination does not impair or affect the validity, legality or enforceability of any other provision of this Agreement.
- (g) *Time of the Essence* - Time is of the essence of this Agreement.

Appendix A

The table below is an example of the payment as described in Section 6(d) of Part II, if this Agreement was terminated by the Customer prior to the expiry of the Initial Term.. The table below is designed to display the methodology and to provide an example on how to calculate the payment by the Customer to FEI, and does not reflect the actual amounts that would be calculated pursuant to section 6(d), in the event a payment is required:

Example of Payment Pursuant to Section 6(d) of Part II, if the Agreement was terminated in Year 2 of the Initial Term (all amounts are estimated):							
Escalating Factor*	2%						
Year	1	2	3	4	5	6	7
Capital Rate (\$/GJ)	4.382	4.470	4.559	4.650	4.743	4.838	4.935
O&M Rate (\$/GJ)	2.686	2.740	2.795	2.851	2.908	2.966	3.025
OH&M Rate (\$/GJ)	0.520						
Total Dispensing Rate	7.588	7.740	7.895	8.053	8.214	8.378	8.546
Minimum Annual Quantity (GJ per year)	6,500						
Payment from year 3 to 5			51,317.50	52,344.50	53,391.00	54,457.00	55,549.00
Total Termination Payment (\$)	267,059.00						
Notes							
*Assumes 2% Capital Rate and CPI escalation							

AMENDING AGREEMENT No. 1 TO FUELING SERVICES AGREEMENT

THIS AMENDING AGREEMENT No. 1 is made effective as at November 26, 2021 (the “**Effective Date**”)

BETWEEN:

UNITED PARCEL SERVICES CANADA LTD., 2900 Steeles Avenue West, Concord, ON L4K 3S2
(the “**Customer**”)

AND:

FORTISBC ENERGY INC., 16705 Fraser Highway, Surrey, BC V4N 0E8
(“**FEI**”)

WHEREAS:

- A. The Customer and FEI entered into a Fueling Services Agreement (Annacis Island Site) signed by FEI on October 12, 2021(the “Fueling Agreement”).
- B. The parties agreed to extend the deadline, by way of a letter dated October 22, 2021, for FEI to deem the Conditions Precedent satisfied or waived from November 1, 2021 to November 30, 2021 (the “Extension Letter”).
- C. The parties wish to amend the Fueling Agreement on the terms and conditions set out in this Amending Agreement No. 1, specifically the Commencement Date, the Rate Change Date, and the Initial Term.

NOW THEREFORE IN CONSIDERATION of the promises and mutual covenants and agreements hereinafter contained and other good and valuable consideration, the parties hereto covenant and agree with each other as follows:

- 1. Unless otherwise defined herein, capitalized words and expressions shall have the same meanings as are assigned to them in the Fueling Agreement.
- 2. The following amendments are made to page 1 of the Fueling Agreement, effective as of the Effective Date:
 - (a) The Commencement Date is amended from November 1, 2021 to January 18, 2022. For certainty, it is acknowledged and agreed to by both parties that the deadline for FEI to deem the Conditions Precedent satisfied or waived will be further extended (previously extended by way of the Extension Letter) to the amended Commencement Date of January 18, 2022;
 - (b) The Rate Change Date is amended to “July 1st of each year with the first rate escalation occurring on July 1, 2023”; and
 - (c) The Initial Term is amended to “7 years starting from the Rate Change Date of July 1, 2022”.
- 3. The Fueling Agreement, as amended herein, will remain in full force and effect and, together with this Amending Agreement No. 1, will be read and interpreted as one agreement.
- 4. This Amending Agreement No. 1 may be executed and delivered in any number of counterparts with the same effect as if all parties had signed and delivered the same document and all counterparts will be construed together to constitute one and the same agreement. A party

may deliver an executed copy of this Amending Agreement in electronic form and will immediately deliver to the other party an originally executed copy of this Amending Agreement.

IN WITNESS WHEREOF the parties have executed this Amending Agreement as of the Effective Date.

United Parcel Service Canada by its authorized
signatory:



Signature

Name: Eric Dowd

Title: Vice President, Finance

FORTISBC ENERGY INC., by its authorized signatory:

Sarah Smith

Digitally signed by Sarah Smith
DN: cn=Sarah Smith, o=FortisBC,
ou=NGT, Regional LNG and RNG Supply,
email=sarah.smith2@fortisbc.com, c=CA
Date: 2021.12.29 10:31:29 -08'00'

Signature

Name: Sarah Smith

Title: Director, Low Carbon Transportation and LNG
Business Growth

AMENDING AGREEMENT No. 2 TO FUELING SERVICES AGREEMENT

THIS AMENDING AGREEMENT No. 2 is made effective as at March 20, 2023 (the “**Effective Date**”)

BETWEEN:

UNITED PARCEL SERVICES CANADA LTD., 2900 Steeles Avenue West, Concord, ON L4K 3S2
(the “**Customer**”)

AND:

FORTISBC ENERGY INC., 16705 Fraser Highway, Surrey, BC V4N 0E8
(“**FEI**”)

WHEREAS:

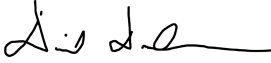
- A. The Customer and FEI entered into a Fueling Services Agreement (Annacis Island Site) effective October 12, 2021, and as amended by the Parties in writing by the way of an Amending Agreement No. 1 effective November 26, 2021 (together the “**Fueling Agreement**”).
- B. The parties wish to further amend the Fueling Agreement on the terms and conditions set out in this Amending Agreement No. 2, specifically the Dispensing Rates.

NOW THEREFORE IN CONSIDERATION of the promises and mutual covenants and agreements hereinafter contained and other good and valuable consideration, the parties hereto covenant and agree with each other as follows:

- 1. Unless otherwise defined herein, capitalized words and expressions shall have the same meanings as are assigned to them in the Fueling Agreement.
- 2. The Customer and FEI, by signing this Amending Agreement No. 2, accept and agree to be bound by the terms and conditions herein contained. This Amending Agreement No. 2 will not come into effect and does not bind the parties until FEI has obtained the necessary approvals for this Agreement from all regulatory or other applicable governmental authorities having jurisdiction, including the British Columbia Utilities Commission ("BCUC"), on terms and conditions which are satisfactory to FEI.
- 3. The following amendments are made to page 1 of the Fueling Agreement, effective as of the Effective Date, as follows:
 - (a) The Capital Dispensing Rate is amended from \$4.382 per GJ to \$4.310 per GJ;
 - (b) The O&M Dispensing Rate is amended from \$2.686 per GJ to \$ 2.614 per GJ;
 - (c) The Total Dispensing Rate is amended from \$7.588 per GJ to \$7.444 per GJ
- 4. The Fueling Agreement, as amended herein, will remain in full force and effect and, together with this Amending Agreement No. 2, will be read and interpreted as one agreement.
- 5. This Amending Agreement No. 2 may be executed and delivered in any number of counterparts with the same effect as if all parties had signed and delivered the same document and all counterparts will be construed together to constitute one and the same agreement. A party may deliver an executed copy of this Amending Agreement in electronic form and will immediately deliver to the other party an originally executed copy of this Amending Agreement.

IN WITNESS WHEREOF the parties have executed this Amending Agreement as of the Effective Date.

United Parcel Service Canada Ltd. by its authorized
signatory:



Signature

Name: David Dressler

Title: VP Procurement

FORTISBC ENERGY INC., by its authorized signatory:



Signature

Name: Sarah Smith

Title: Director, LCT and LNG Business Growth



FUELING SERVICES AGREEMENT (ANNACIS ISLAND SITE) PART I – BASIC TERMS

Customer						
Company name: Western Pacific Transport Ltd.			Mailing/billing address: 1364 Cliveden Ave, Delta, BC V3M 3M1			
Contact name and title: Ravi Dhanoa			Telephone: 604-598-1669		Email: ravi@westernpacifictransport.ca	
Fueling Location						
Annacis Island CNG Fueling Station – 675 Belgrave Way, Delta, BC V3M 5R8						
Term						
Commencement Date: November 1, 2021		Rate Change Date: (see section 4(b) of Part II) January 1 st of each year with the first rate escalation occurring on January 1, 2023		Initial Term: 7 years starting from the Rate Change Date of January 1 st , 2022		Renewal Period: (see section 1(b) of Part II) One 3 year renewal and annual auto renewal thereafter
Dispensing Rate						
\$/Gigajoule ("GJ"), as at the Commencement Date, subject to adjustment pursuant to sections 4(b) and (c) of Part II.						
Capital Rate	O & M Rate	Overhead Rate	Short Term Charge	Spot Charge	Host Fee	Total
\$4.382	\$2.686	\$0.520	N/A	N/A	N/A	\$7.588
Minimum Annual Quantity						
5000 GJs, subject to adjustment pursuant to section 4(d) of Part II.						
Supplemental Terms and Conditions						
<ol style="list-style-type: none">Additional Charges - The Dispensing Rate payable pursuant to this Agreement is in addition to any amounts payable by the Customer to FEI for the purchase of fuel and transportation services, if applicable, pursuant to the Rate Schedules.Fueling Vehicles - Unless otherwise directed by FEI by written notice to the Customer, the dispensing of fuel into the Customer's vehicles shall be performed by the Customer.						

The Customer and FortisBC Energy Inc. ("FEI"), by signing this Fueling Services Agreement (this "Agreement"), accept and agree to be bound by the terms and conditions herein contained. This Agreement, including Part I and Part II, constitutes the entire agreement between the parties and supersedes all other agreements with respect to the services described herein. This Agreement will not come into effect and does not bind the parties until:

- FEI has obtained the necessary approvals for this Agreement from all regulatory or other applicable governmental authorities having jurisdiction, including the British Columbia Utilities Commission ("BCUC"), on terms and conditions which are satisfactory to FEI;
- FEI has entered into an agreement with the Host (as defined in Part II) with respect to the installation and operation of the Fueling Equipment at the Fueling Location and permitting access over its lands to enable access to and use of the Fueling Equipment, and, if applicable, that agreement has been approved by the BCUC; and
- the Fueling Equipment has been installed at the Fueling Location and is operational as determined by FEI, in its sole discretion; and

If the condition listed above is not satisfied or waived by the Commencement Date or such later date agreed to by both parties in writing, at FEI's sole discretion, this Agreement will automatically terminate and neither party will have recourse against the other party due its termination nor will either party have any further rights or obligations under this Agreement. Sections 5(d) and 6 shall survive termination of this Agreement.

CUSTOMER:		FORTISBC ENERGY INC.:	
			
Signature	Date	Signature	Date
Ravi Dhanoa	Aug 18 / 2021	Sarah Smith	
Name	Title	Name	Title
	President		Director, Low Carbon Transportation and LNG Business Growth

PART II – BACKGROUND AND TERMS AND CONDITIONS

SECTION A – BACKGROUND AND INTERPRETATION

- A. Capitalized terms shall have the meanings ascribed to those terms as set out in Part I - Basic Terms and Part II – Background and Terms and Conditions.
- B. FEI, as at the Commencement Date, owns and operates fueling equipment at the Fueling Location from which it sells and distributes fuel (the “**Fueling Equipment**”).
- C. The Customer has agreed to purchase fuel, and obtain transportation services (if applicable), from FEI pursuant to FortisBC Rate Schedules as established or amended from time to time (the “**Rate Schedules**”) and wishes to use the Fueling Equipment to fuel their vehicles.

SECTION B – TERMS AND CONDITIONS

1. TERM

- (a) *Initial Term* -The initial term of this Agreement will be for the period set out in Part I.
- (b) *Renewal* - This Agreement automatically renews at the end of the Initial Term for the additional period(s) of time set out in Part I. The Customer may decide not to renew this Agreement by providing FEI with written notice at least sixty (60) days prior to the expiry of the Initial Term.

2. USE OF FUELING EQUIPMENT AND ACCESS TO PROPERTY

- (a) *Use of Fueling Equipment* – Provided the Customer is, at all times, in compliance with this Agreement, and unless otherwise provided herein, the Customer shall be entitled to access and use the Fueling Equipment to fuel vehicles.
- (b) *Training and Operation*- The Customer shall not permit any of its personnel to access the Fueling Location until such person has participated in and successfully completed the applicable orientation/training (including safety training) and, when required, refresher training, either directly from FEI or a supervisor/manager of the Customer approved by FEI or provided by any other party that is deemed satisfactory to FEI, on the use of the Fueling Equipment, in accordance with the manufacturer’s dispensing instructions, if applicable, all applicable laws, and the requirements of FEI, as established or amended from time to time. The Customer shall provide, and shall ensure each of its personnel accessing the Fueling Location and dispensing fuel from the Fueling Equipment, or using a Fueling Card, provides proof of orientation/training to FEI or the owner and/or occupier of the Fueling Location (the “**Host**”) upon request.
- (c) *Emergency Preparedness and Response* - The Customer will, when requested by FEI from time to time, participate in emergency preparedness and emergency response training exercises and initiatives.
- (d) *Access to Property* – The Customer shall only access those parts of the property on which the Fueling Equipment is located and designated for access to the Fueling Equipment and shall, at all times, comply with site safety instructions communicated by FEI or the Host and any on-site signage or instructions. The Customer is aware access to the Fueling Equipment may be detoured or made unavailable by the Host from time to time, and to the extent FEI has prior notice of such detour or lack of access, will advise the Customer accordingly.
- (e) *Fueling Cards* - To dispense fuel from the Fueling Equipment, the Customer shall use only those fueling cards or other tracking devices or systems issued or implemented by FEI to the Customer (the “**Fueling Cards**”). The Fueling Cards shall, at all times, be and remain the property of FEI. FEI may cancel or withdraw any Fueling Card at any time where the Customer or anyone using

the Fueling Card fails to comply with the terms of this Agreement, including any on-site signage or instructions. In such event, the Customer shall surrender the Fueling Cards to FEI on demand. Except to the extent prohibited by law, unless the Customer has notified FEI of any loss or theft, the Customer shall be liable for and shall pay FEI in accordance with the terms of this Agreement for the full amount of all transactions in respect of the use of any lost or stolen Fueling Card.

- (f) *Personal Identification Numbers* – Use of Fueling Cards shall be restricted through the use of personal identification numbers (“**PINs**”). The Customer shall not reveal its PINs to any person other than those authorized by the Customer to use the Fueling Cards. The Customer shall be liable for and shall pay FEI in accordance with the terms of this Agreement for the full amount of all transactions where the Customer has in any way compromised the security and confidentiality of its PIN. The Customer shall notify FEI as soon as reasonably practicable when it becomes aware of any unauthorized use of a Fueling Card or if a Fueling Card becomes lost or stolen.

3. SAFETY

- (a) *Responsibility for Safety* – The Customer is, at all times, responsible for the safety and protection of its employees, contractors, agents, representatives, subcontractors and any other person for whom the Customer is at law responsible (collectively, the “**Representatives**”) using the Fueling Equipment or otherwise accessing the property on which the Fueling Equipment is located; provided however, where the Customer’s vehicles are fueled by a third party designated by FEI, such third parties shall not be considered Representatives of the Customer for the purposes of this section 3.
- (b) *Covenant re: Training and Operation* – By issuing a Fueling Card to any person, the Customer covenants and agrees such person has successfully completed the applicable orientation and training and will continually access and use the Fueling Equipment in a safe manner. The Customer shall ensure, at all times, all safety requirements and on-site signage are adhered to strictly by its Representatives. Failure to do so constitutes a material breach of this Agreement. In addition to any remedies set out in section 6(a) or available at law, the Customer shall not permit any Representatives who have failed to adhere to the safety requirements and on-site signage from accessing the Fueling Equipment upon written request by FEI or the Host.

4. FEES, BILLING AND PAYMENT

- (a) *Dispensing Fees* – The Customer, in consideration of access to and use of the Fueling Equipment, shall pay to FEI the Dispensing Rate for each GJ of Fuel dispensed by or to the Customer from the Fueling Equipment, as measured by a meter located on the Fueling Equipment and attributable to the Customer through use of the Fueling Cards.

- (b) *Annual Rate Escalation* – On the Rate Change Date of each year:
- (i) the Capital Rate will increase by 2%; and
 - (ii) the O & M Rate will increase by the percentage increase, if any, in the Consumer Price Index (published by Statistics Canada for the Province of British Columbia, all items, not seasonally adjusted) from the previous twelve-month period.
- (c) FEI may adjust the Dispensing Rate in Part 1 by the above Annual Rate Escalation if:
- (i) this Agreement is signed by the Customer prior to the Rate Change Date but the Commencement Date occurs after the Rate Change Date; or
 - (ii) the Customer signs this Agreement after the Rate Change Date but those rates have not yet been escalated by FEI due to the unavailability of the Consumer Price Index as it has not yet been published by Statistics Canada for the previous twelve-month period.

Change in Dispensing Rate

- (iii) If FEI upgrades or expands the Fueling Equipment to accommodate added demand for fueling services, FEI and the Customer agree to negotiate in good faith an adjustment to the Dispensing Rate and the Minimum Annual Quantity going forward, subject to BCUC approval.
 - (iv) FortisBC may, in its discretion, provide temporary reductions to the Dispensing Rate from time to time if the aggregate volume of fuel dispensed from the Fueling Equipment to all customers of FEI using the Fueling Equipment who have entered into a fueling agreement with FEI (save and except customers using the Fueling Equipment on a spot basis) materially exceeds the aggregate contracted demand for Fuel for such customers.
- (d) *Minimum Guarantee* - The Customer acknowledges the Dispensing Rate has been calculated by FEI having regard to, among other things, the Customer's estimated fuel demand profile and the number of vehicles to be served by the Fueling Equipment, and accordingly, the Customer agrees to pay a minimum annual charge (the "**Minimum Guarantee**") calculated by multiplying the Dispensing Rate by the Minimum Annual Quantity shown in Part I for each Service Year (pro-rated for part years); where a "**Service Year**" means the twelve month period of the Term calculated from the Rate Change Date or the anniversary thereof, provided that the first Service Year shall commence on the Commencement Date and end the first Rate Change Date.
- (e) *Billing and Payment* - Bills will be rendered by FEI monthly and payable by the Customer, without deduction or set-off, within thirty (30) days following the billing date.
- (f) *Payment of Minimum Guarantee* – Where the annual amount billed to the Customer is less than the Minimum Guarantee, the shortfall will be added to the next bill.
- (g) *Taxes* - Any applicable taxes will be added to all rates and charges on each bill.
- (h) *Late Payments* - Overdue payments shall be subject to a late payment charge of 1.5% per month of compound interest (19.56% per annum).
- (i) *Verification* - The Customer must report any billing errors promptly to FEI. Statements shall be final and binding unless questioned by the Customer within one year after its billing date. The Customer shall have the right to review meter data and other relevant records to verify statements. Such review shall be conducted at the Customer's expense unless such review discloses errors in the amount of fuel dispensed which exceed two percent (2%).

5. **LIABILITY, RELEASE, DISCLAIMER, INSURANCE AND ENVIRONMENTAL COMPLIANCE**

- (a) *Liability* - The Customer is responsible for, and shall indemnify and save harmless each of FEI and the Host from all expenses, claims and liability incurred by FEI or the Host, as applicable, with respect to the access to and use of the Fueling Location and the Fueling Equipment by the Customer's personnel, including any damage to the Fueling Equipment occasioned by its use.
- (b) *Release* - The Customer, on its own behalf and on behalf of its Representatives, hereby releases, defends, indemnifies and holds harmless FEI and the Host, and their respective directors, officers, employees, agents, contractors, successors and assigns, from and against any and all adverse claims, losses, suits, actions, judgments, demands, debts, accounts, damages, costs, penalties and expenses (including all legal fees and disbursements) arising from or incurred by or suffered as a result of the Customer's presence at the Fueling Location or while using the Fueling Equipment, howsoever caused, save and except from any negligent act or omission of FEI.
- (c) *No Warranty and Disclaimer* – The Customer acknowledges and agrees:
 - (i) Suitability of Fueling Equipment - FEI does not represent or warrant the adequacy or suitability of the Fueling Equipment for the Customer's purpose and all express or implied warranties, terms or conditions of merchantability or fitness for a particular purpose, whether existing at law or in equity, are expressly disclaimed by FEI.
 - (ii) Limitations on Use - The Customer acknowledges and is aware the fuel supply may be temporarily suspended or unavailable from time to time, including as a result of equipment breakdown, to make repairs or improvements to the Fueling Equipment or to comply with the requirements of any law. FEI will, regardless of the cause of fuel suspension or equipment breakdown and whenever practicable, give prior notice to the Customer of such suspension, will diligently undertake required repairs to minimize Fueling Equipment down-time and will use commercially reasonable efforts to provide the Customer with the right to access substituted fueling equipment on an interim basis for the duration of fuel supply suspension or equipment breakdown and, in the event the Customer elects to exercise such right, the Customer will bear FEI's reasonable costs associated with the implementation of substituted fueling equipment, on a pro rata basis. If the supply of fuel from the Fueling Equipment is interrupted or curtailed and FEI is unable to provide an interim dispensing location, the Customer may temporarily utilize another source of Fuel until FEI is able to resume supply and, if applicable, the amount of such third party fuel will be taken into account when calculating any Minimum Guarantee payable for such year.
- (d) *Limitation of Liability* – Neither party shall be liable to the other party for any indirect, punitive, exemplary, incidental, aggravated, punitive or consequential damages of any kind regardless of the form of action whether in contract, tort, strict product liability, breach of warranty, breach of representation, misrepresentation, statutory duty, or any other legal or equitable theory, even if such party has been advised of the possibility of such damages. This provision shall not apply to third party claims or to any claim by FEI for loss of profit, use or interruption of business.
- (e) *Insurance* - The Customer shall obtain and maintain the following insurance coverage and provide proof of coverage to FEI:
 - (i) Workers' Compensation Insurance in accordance with the statutory requirements;
 - (ii) Automobile Liability Insurance with a limit of not less than \$5,000,000 per occurrence in respect of bodily injury, death and property damage;

- (iii) Comprehensive General Liability Insurance from insurers registered in and licensed to underwrite insurance in British Columbia for bodily injury, death and property damage in the amount of \$5,000,000 per occurrence naming FEI as an additional insured with respect to this Agreement and providing that the insurance shall not be cancelled or materially changed without the insurer using best efforts to provide at least 30 calendar days' written notice to FEI; and
 - (iv) Such other insurance as reasonably required by FEI from time to time.
 - (f) *Environmental Compliance* - The Customer acknowledges and agrees the Customer has environmental responsibilities arising from the Customer's use of the Fueling Equipment pursuant to environmental laws and regulations, including related spills, and is required to comply with the requirements of FEI as they relate to environmental management, compliance and reporting, copies of which requirements will be provided by FEI to the Customer from time to time. The Customer covenants and agrees to co-operate with FEI in coordinating, establishing, implementing and verifying processes and procedures to manage and address environmental impacts and ensure compliance with environmental laws and regulations.
- 6. DEFAULT AND TERMINATION**
- (a) *Default*- If the Customer, or any person using the Fueling Cards, is unable, refuses or fails to produce proof of training upon request by FEI, or the Customer is otherwise in default of this Agreement, FEI may terminate this Agreement, or de-activate the applicable Fueling Cards, temporarily or permanently, without prior notice to the Customer and without any liability to FEI as a result thereof.
 - (b) *Termination of Property Agreement /Transfer of Equipment* - In addition to any other termination provisions contained herein, this Agreement will terminate concurrent with the termination of the property agreement between FEI and the Host or the sale or transfer of the Fueling Equipment to a third party, at no cost or liability accruing to FEI as a result of such termination, provided that, in such event, FEI will use reasonable efforts to secure an alternate fueling location and/or alternate Fueling Equipment for the Customer.
 - (c) *Surrender of Fueling Cards* – Upon termination of this Agreement, all Fueling Cards issued under this Agreement will immediately cease to be valid and the Customer shall surrender the Fueling Cards to FEI upon demand.
 - (d) *Effect of Termination* – If, prior to the expiry of the Initial Term, this Agreement is terminated by the Customer for any reason or by FEI pursuant to section 6(a), in addition to any other amounts due and owing by the Customer to FEI and despite any other remedies available at law or in equity, the Customer shall pay to FEI, within 30 days of billing, the Dispensing Rate (as escalated annually) calculated on the Minimum Annual Quantity to the end of the Initial Term.
 - (e) *Survival* - Upon expiry or early termination of this Agreement, all claims, causes of action or other outstanding obligations remaining or being unfulfilled as of the expiry or termination date and all of the provisions of this Agreement relating to the obligation or either the parties to account to or indemnify the other and to pay to the other any amounts owing as at the date of expiry or termination in connection with this Agreement will survive such expiry or termination.
 - (f) *Effect of Termination on Other Agreements* – The expiration or termination of this Agreement does not affect or result in the expiry or termination of any other agreements made between FEI and the Customer, including any fuel purchase agreements or transportation agreements.

7. MISCELLANEOUS

- (a) *Amendments* - Except as set out in this Agreement, no amendment or variation of this Agreement shall be effective or binding unless in writing and signed by the parties and, where applicable, upon receipt of BCUC approval.
- (b) *Further Assurances* - The Customer will execute and deliver any further agreement, document or instrument and do and perform any further act or thing as may be reasonably required by FEI from time to time to evidence or give full force and effect to the terms, conditions and intent of this Agreement.
- (c) *Governing Law* - This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada. The parties hereby attorn to the jurisdiction of the courts of British Columbia and all courts competent to hear appeals therefrom.
- (d) *Assignment* - FEI may assign, transfer or sell its right, title and interest in this Agreement, to any Affiliate, as that term is defined in the *Business Corporation Act*, S.B.C. 2002, c.57.
- (e) *Waiver* - FEI is not bound by any waiver of any provision of this Agreement unless it consents to such waiver in writing. No waiver of any provision of this Agreement constitutes a waiver of any other provision, nor does any waiver constitute a continuing waiver unless otherwise provided.
- (f) *Severability* - If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such determination does not impair or affect the validity, legality or enforceability of any other provision of this Agreement.
- (g) *Time of the Essence* - Time is of the essence of this Agreement.

END OF DOCUMENT

AMENDING AGREEMENT No. 1 TO FUELING SERVICES AGREEMENT

THIS AMENDING AGREEMENT No. 1 is made effective as at November 26, 2021 (the “Effective Date”)

BETWEEN:

WESTERN PACIFIC TRANSPORT LTD., 1364 Cliveden Ave. Delta, BC V3M 3M1
(the “Customer”)

AND:

FORTISBC ENERGY INC., 16705 Fraser Highway, Surrey, BC V4N 0E8
(“FEI”)

WHEREAS:

- A. The Customer and FEI entered into a Fueling Services Agreement (Annacis Island Site) signed by FEI on August 31, 2021 (the “Fueling Agreement”).
- B. The parties agreed to extend the deadline, by way of a letter dated October 22, 2021, for FEI to deem the Conditions Precedent satisfied or waived from November 1, 2021 to November 30, 2021 (the “Extension Letter”).
- C. The parties wish to amend the Fueling Agreement on the terms and conditions set out in this Amending Agreement No. 1, specifically the Commencement Date, the Rate Change Date, and the Initial Term.


NOW THEREFORE IN CONSIDERATION of the promises and mutual covenants and agreements hereinafter contained and other good and valuable consideration, the parties hereto covenant and agree with each other as follows:

- 1. Unless otherwise defined herein, capitalized words and expressions shall have the same meanings as are assigned to them in the Fueling Agreement.
- 2. The following amendments are made to page 1 of the Fueling Agreement, effective as of the Effective Date:
 - (a) The Commencement Date is amended from November 1, 2021 to January 18, 2022. For certainty, it is acknowledged and agreed to by both parties that the deadline for FEI to deem the Conditions Precedent satisfied or waived will be further extended (previously extended by way of the Extension Letter) to the amended Commencement Date of January 18, 2022;
 - (b) The Rate Change Date is amended to “July 1st of each year with the first rate escalation occurring on July 1, 2023”; and
 - (c) The Initial Term is amended to “7 years starting from the Rate Change Date of July 1, 2022”.
- 3. The Fueling Agreement, as amended herein, will remain in full force and effect and, together with this Amending Agreement No. 1, will be read and interpreted as one agreement.
- 4. This Amending Agreement No. 1 may be executed and delivered in any number of counterparts with the same effect as if all parties had signed and delivered the same document and all counterparts will be construed together to constitute one and the same agreement. A party

may deliver an executed copy of this Amending Agreement in electronic form and will immediately deliver to the other party an originally executed copy of this Amending Agreement.

IN WITNESS WHEREOF the parties have executed this Amending Agreement as of the Effective Date.

Western Pacific Transfer by its authorized
signatory:



Signature
Name: Harinder S. Ahluwalia
Title: President

FORTISBC ENERGY INC., by its authorized signatory:

Sarah Smith

Digitally signed by Sarah Smith
DN: cn=Sarah Smith, o=FortisBC,
ou=NGT, Regional LNG and RNG Supply,
email=sarah.smith2@fortisbc.com, c=CA
Date: 2021.12.29 10:35:43 -08'00'

Signature
Name: Sarah Smith
Title: *Director, Low Carbon Transportation and LNG
Business Growth*

AMENDING AGREEMENT No. 2 TO FUELING SERVICES AGREEMENT

THIS AMENDING AGREEMENT No. 2 is made effective as of March 20, 2023 (the “**Effective Date**”)

BETWEEN:

WESTERN PACIFIC TRANSPORT LTD., 1364 Cliveden Ave. Delta, BC V3M 3M1

(the “**Customer**”)

AND:

FORTISBC ENERGY INC., 16705 Fraser Highway, Surrey, BC V4N 0E8

(“**FEI**”)

WHEREAS:

- A. The Customer and FEI entered into a Fueling Services Agreement (Annacis Island Site) effective August 31, 2021, and as amended by the Parties in writing by the way of an Amending Agreement No. 1 effective November 26, 2021 (together the “**Fueling Agreement**”).
- B. The parties wish to further amend the Fueling Agreement on the terms and conditions set out in this Amending Agreement No. 2, specifically the Dispensing Rates, and the Annual Minimum Quantity.


NOW THEREFORE IN CONSIDERATION of the promises and mutual covenants and agreements hereinafter contained and other good and valuable consideration, the parties hereto covenant and agree with each other as follows:

- 1. Unless otherwise defined herein, capitalized words and expressions shall have the same meanings as are assigned to them in the Fueling Agreement.
- 2. The Customer and FEI, by signing this Amending Agreement No. 2, accept and agree to be bound by the terms and conditions herein contained. This Amending Agreement No. 3 will not come into effect and does not bind the parties until FEI has obtained the necessary approvals for this Agreement from all regulatory or other applicable governmental authorities having jurisdiction, including the British Columbia Utilities Commission ("BCUC"), on terms and conditions which are satisfactory to FEI.
- 3. The following amendments are made to page 1 of the Fueling Agreement, effective as of the Effective Date, as follows:
 - (a) The Capital Dispensing Rate is amended from \$4.382 per GJ to \$4.310 per GJ;
 - (b) The O&M Dispensing Rate is amended from \$2.686 per GJ to \$ 2.614 per GJ;
 - (c) The Total Dispensing Rate is amended from \$7.588 per GJ to \$7.444 per GJ;
 - (d) Minimum Annual Quantity is amended from 5,000 GJ to 7,000 GJ
- 4. The Fueling Agreement, as amended herein, will remain in full force and effect and, together with this Amending Agreement No. 2, will be read and interpreted as one agreement.
- 5. This Amending Agreement No. 2 may be executed and delivered in any number of counterparts with the same effect as if all parties had signed and delivered the same document and all counterparts will be construed together to constitute one and the same agreement. A party

may deliver an executed copy of this Amending Agreement in electronic form and will immediately deliver to the other party an originally executed copy of this Amending Agreement.


IN WITNESS WHEREOF the parties have executed this Amending Agreement as of the Effective Date.

WESTERN PACIFIC TRANSPORT CO. by its authorized
signatory:



Signature
Name: BALWINDER DHANOO
Title: vice president

FORTISBC ENERGY INC., by its authorized signatory:



Signature
Name: Sarah Smith
Title: Director, LCT and LNG Business Growth



FUELING SERVICES AGREEMENT (ANNACIS ISLAND SITE)



PART I – BASIC TERMS

Customer						
Company name: McRae's Environmental			Mailing/billing address: 23591 Dyke Road, Richmond, BC V6V 1E3			
Contact name and title: Sharan Pohar, Controller			Telephone: 604-940-6200	Email: spohar@mcrasesenvironmental.com		
Fueling Location						
Annacis Island CNG Station – 675 Belgrave Way, Delta, BC V3M 5R8						
Term						
Commencement Date: March 1st, 2022		Rate Change Date: (see section 4(b) of Part II) July 1 st of each year		Initial Term: 5 years		Renewal Period: (see section 1(b) of Part II) Auto Renew Annually
Dispensing Rate						
\$/Gigajoule ("GJ"), as at the Commencement Date, subject to adjustment pursuant to sections 4(b) and (c) of Part II.						
Capital Rate	O & M Rate	Overhead Rate	Short Term Charge	Spot Charge	Host Fee	Total
\$4.382	\$2.686	\$0.520	N/A	\$1.00	N/A	\$8.588
Minimum Annual Quantity						
0 GJs, subject to adjustment pursuant to section 4(d) of Part II.						
Supplemental Terms and Conditions						
<ol style="list-style-type: none">Additional Charges - The Dispensing Rate payable pursuant to this Agreement is in addition to any amounts payable by the Customer to FEI for the purchase of fuel and transportation services, if applicable, pursuant to the Rate Schedules.Fueling Vehicles - Unless otherwise directed by FEI by written notice to the Customer, the dispensing of fuel into the Customer's vehicles shall be performed by the Customer.						

The Customer and FortisBC Energy Inc. ("FEI"), by signing this Fueling Services Agreement (this "Agreement"), accept and agree to be bound by the terms and conditions herein contained. This Agreement, including Part I and Part II, constitutes the entire agreement between the parties and supersedes all other agreements with respect to the services described herein. This Agreement will not come into effect and does not bind the parties until:

FEI has obtained the necessary approvals for this Agreement from all regulatory or other applicable governmental authorities having jurisdiction, including the British Columbia Utilities Commission ("BCUC"), on terms and conditions which are satisfactory to FEI.

If the condition(s) listed above is/are not satisfied or waived by the Commencement Date or such later date agreed to by both parties in writing, at FEI's sole discretion, this Agreement will automatically terminate and neither party will have recourse against the other party due its termination nor will either party have any further rights or obligations under this Agreement. Sections 5(d) and 6 shall survive termination of this Agreement.

CUSTOMER:		FORTISBC ENERGY INC.:	
		Digitally signed by Sarah Smith DN: cn=Sarah Smith, o=FortisBC, ou=NGT, Regional LNG and RNG Supply, email=sarah.smith@fortisbc.com, c=CA Date: 2022.02.16 10:38:44 -0800	
Signature	Date	Signature	Date
Bert Blair	Feb 15/22	Sarah Smith	Feb 16 2022
Name	Title	Name	Title
General Manager			Director, LCT and LNG Business Growth

PART II – BACKGROUND AND TERMS AND CONDITIONS

SECTION A – BACKGROUND AND INTERPRETATION

- A. Capitalized terms shall have the meanings ascribed to those terms as set out in Part I - Basic Terms and Part II – Background and Terms and Conditions.
- B. FEI, as at the Commencement Date, owns and operates fueling equipment at the Fueling Location from which it sells and distributes fuel (the “**Fueling Equipment**”).
- C. The Customer has agreed to purchase fuel, and obtain transportation services (if applicable), from FEI pursuant to FortisBC Rate Schedules as established or amended from time to time (the “**Rate Schedules**”) and wishes to use the Fueling Equipment to fuel their vehicles.

SECTION B – TERMS AND CONDITIONS

1. TERM

- (a) *Initial Term* - The Initial Term of this Agreement will be for the period set out in Part I.
- (b) *Renewal* - This Agreement automatically renews at the end of the Initial Term for the additional Renewal Period(s) of time set out in Part I. The Customer or FEI may decide not to renew this Agreement by providing the other party with written notice at least sixty (60) days prior to the expiry of the Initial Term or any Renewal Period.

2. USE OF FUELING EQUIPMENT AND ACCESS TO PROPERTY

- (a) *Use of Fueling Equipment* – Provided the Customer is, at all times, in compliance with this Agreement, and unless otherwise provided herein, the Customer shall be entitled to access and use the Fueling Equipment to fuel vehicles.
- (b) *Training and Operation* - The Customer shall not permit any of its personnel to access the Fueling Location until such person has participated in and successfully completed the applicable orientation/training (including safety training) and, when required, refresher training, either directly from FEI or a supervisor/manager of the Customer approved by FEI or provided by any other party that is deemed satisfactory to FEI, on the use of the Fueling Equipment, in accordance with the manufacturer’s dispensing instructions, if applicable, all applicable laws, and the requirements of FEI, as established or amended from time to time. The Customer shall provide, and shall ensure each of its personnel accessing the Fueling Location and dispensing fuel from the Fueling Equipment, or using a Fueling Card, provides proof of orientation/training to FEI or the owner and/or occupier of the Fueling Location (the “**Host**”) upon request.
- (c) *Emergency Preparedness and Response* - The Customer will, when requested by FEI from time to time, participate in emergency preparedness and emergency response training exercises and initiatives.
- (d) *Access to Property* – The Customer shall only access those parts of the property on which the Fueling Equipment is located and designated for access to the Fueling Equipment and shall, at all times, comply with site safety instructions communicated by FEI or the Host and any on-site signage or instructions. The Customer is aware access to the Fueling Equipment may be detoured or made unavailable by the Host from time to time, and to the extent FEI has prior notice of such detour or lack of access, will advise the Customer accordingly.
- (e) *Fueling Cards* - To dispense fuel from the Fueling Equipment, the Customer shall use only those fueling cards or other tracking devices or systems issued or implemented by FEI to the Customer (the “**Fueling Cards**”). The Fueling Cards shall, at all times, be and remain the property of FEI.

FEI may cancel or withdraw any Fueling Card at any time where the Customer or anyone using the Fueling Card fails to comply with the terms of this Agreement, including any on-site signage or instructions. In such event, the Customer shall surrender the Fueling Cards to FEI on demand. Except to the extent prohibited by law, unless the Customer has notified FEI of any loss or theft, the Customer shall be liable for and shall pay FEI in accordance with the terms of this Agreement for the full amount of all transactions in respect of the use of any lost or stolen Fueling Card.

- (f) *Personal Identification Numbers* – Use of Fueling Cards shall be restricted through the use of personal identification numbers (“PINs”). The Customer shall not reveal its PINs to any person other than those authorized by the Customer to use the Fueling Cards. The Customer shall be liable for and shall pay FEI in accordance with the terms of this Agreement for the full amount of all transactions where the Customer has in any way compromised the security and confidentiality of its PIN. The Customer shall notify FEI as soon as reasonably practicable when it becomes aware of any unauthorized use of a Fueling Card or if a Fueling Card becomes lost or stolen.

3. SAFETY

- (a) *Responsibility for Safety* – The Customer is, at all times, responsible for the safety and protection of its employees, contractors, agents, representatives, subcontractors and any other person for whom the Customer is at law responsible (collectively, the “Representatives”) using the Fueling Equipment or otherwise accessing the property on which the Fueling Equipment is located; provided however, where the Customer’s vehicles are fueled by a third party designated by FEI, such third parties shall not be considered Representatives of the Customer for the purposes of this section 3.
- (b) *Covenant re: Training and Operation* – By issuing a Fueling Card to any person, the Customer covenants and agrees such person has successfully completed the applicable orientation and training and will continually access and use the Fueling Equipment in a safe manner. The Customer shall ensure, at all times, all safety requirements and on-site signage are adhered to strictly by its Representatives. Failure to do so constitutes a material breach of this Agreement. In addition to any remedies set out in section 6(a) or available at law, the Customer shall not permit any Representatives who have failed to adhere to the safety requirements and on-site signage from accessing the Fueling Equipment upon written request by FEI or the Host.

4. FEES, BILLING AND PAYMENT

- (a) *Dispensing Fees* – The Customer, in consideration of access to and use of the Fueling Equipment, shall pay to FEI the Dispensing Rate for each GJ of Fuel dispensed by or to the Customer from the Fueling Equipment, as measured by a meter located on the Fueling Equipment and attributable to the Customer through use of the Fueling Cards.

- (b) *Annual Rate Escalation* – On the Rate Change Date of each year:
 - (i) the Capital Rate will increase by 2%; and
 - (ii) the O & M Rate will increase by the percentage increase, if any, in the Consumer Price Index (published by Statistics Canada for the Province of British Columbia, all items, not seasonally adjusted) from the previous twelve-month period.
- (c) FEI may adjust the Dispensing Rate in Part 1 by the above Annual Rate Escalation if:
 - (i) this Agreement is signed by the Customer prior to the Rate Change Date but the Commencement Date occurs after the Rate Change Date; or
 - (ii) the Customer signs this Agreement after the Rate Change Date but those rates have not yet been escalated by FEI due to the unavailability of the Consumer Price Index as it has not yet been published by Statistics Canada for the previous twelve-month period.

Change in Dispensing Rate

- (iii) If FEI upgrades or expands the Fueling Equipment to accommodate added demand for fueling services, FEI and the Customer agree to negotiate in good faith an adjustment to the Dispensing Rate and the Minimum Annual Quantity going forward, subject to BCUC approval.
- (iv) FortisBC may, in its discretion, provide temporary reductions to the Dispensing Rate from time to time if the aggregate volume of fuel dispensed from the Fueling Equipment to all customers of FEI using the Fueling Equipment who have entered into a fueling agreement with FEI (save and except customers using the Fueling Equipment on a spot basis) materially exceeds the aggregate contracted demand for Fuel for such customers.
- (d) *Minimum Guarantee* - The Customer acknowledges the Dispensing Rate has been calculated by FEI having regard to, among other things, the Customer's estimated fuel demand profile and the number of vehicles to be served by the Fueling Equipment, and accordingly, the Customer agrees to pay a minimum annual charge (the "**Minimum Guarantee**") calculated by multiplying the Dispensing Rate by the Minimum Annual Quantity shown in Part I for each Service Year (pro-rated for part years); where a "**Service Year**" means the twelve month period of the Term calculated from the Rate Change Date or the anniversary thereof, provided that the first Service Year shall commence on the Commencement Date and end the first Rate Change Date.
- (e) *Billing and Payment* - Bills will be rendered by FEI monthly and payable by the Customer, without deduction or set-off, within thirty (30) days following the billing date.
- (f) *Payment of Minimum Guarantee* – Where the annual amount billed to the Customer is less than the Minimum Guarantee, the shortfall will be added to the next bill.
- (g) *Taxes* - Any applicable taxes will be added to all rates and charges on each bill.
- (h) *Late Payments* - Overdue payments shall be subject to a late payment charge of 1.5% per month of compound interest (19.56% per annum).
- (i) *Verification* - The Customer must report any billing errors promptly to FEI. Statements shall be final and binding unless questioned by the Customer within one year after its billing date. The Customer shall have the right to review meter data and other relevant records to verify statements. Such review shall be conducted at the Customer's expense unless such review discloses errors in the amount of fuel dispensed which exceed two percent (2%).

5. LIABILITY, RELEASE, DISCLAIMER, INSURANCE AND ENVIRONMENTAL COMPLIANCE

- (a) *Liability* - The Customer is responsible for, and shall indemnify and save harmless each of FEI and the Host from all expenses, claims and liability incurred by FEI or the Host, as applicable, with respect to the access to and use of the Fueling Location and the Fueling Equipment by the Customer's personnel, including any damage to the Fueling Equipment occasioned by its use.
- (b) *Release* - The Customer, on its own behalf and on behalf of its Representatives, hereby releases, defends, indemnifies and holds harmless FEI and the Host, and their respective directors, officers, employees, agents, contractors, successors and assigns, from and against any and all adverse claims, losses, suits, actions, judgments, demands, debts, accounts, damages, costs, penalties and expenses (including all legal fees and disbursements) arising from or incurred by or suffered as a result of the Customer's presence at the Fueling Location or while using the Fueling Equipment, howsoever caused, save and except from any negligent act or omission of FEI.
- (c) *No Warranty and Disclaimer* – The Customer acknowledges and agrees:
 - (i) Suitability of Fueling Equipment - FEI does not represent or warrant the adequacy or suitability of the Fueling Equipment for the Customer's purpose and all express or implied warranties, terms or conditions of merchantability or fitness for a particular purpose, whether existing at law or in equity, are expressly disclaimed by FEI.
 - (ii) Limitations on Use - The Customer acknowledges and is aware the fuel supply may be temporarily suspended or unavailable from time to time, including as a result of equipment breakdown, to make repairs or improvements to the Fueling Equipment or to comply with the requirements of any law. FEI will, regardless of the cause of fuel suspension or equipment breakdown and whenever practicable, give prior notice to the Customer of such suspension, will diligently undertake required repairs to minimize Fueling Equipment down-time and will use commercially reasonable efforts to provide the Customer with the right to access substituted fueling equipment on an interim basis for the duration of fuel supply suspension or equipment breakdown and, in the event the Customer elects to exercise such right, the Customer will bear FEI's reasonable costs associated with the implementation of substituted fueling equipment, on a pro rata basis. If the supply of fuel from the Fueling Equipment is interrupted or curtailed and FEI is unable to provide an interim dispensing location, the Customer may temporarily utilize another source of Fuel until FEI is able to resume supply and, if applicable, the amount of such third party fuel will be taken into account when calculating any Minimum Guarantee payable for such year.
- (d) *Limitation of Liability* – Neither party shall be liable to the other party for any indirect, punitive, exemplary, incidental, aggravated, punitive or consequential damages of any kind regardless of the form of action whether in contract, tort, strict product liability, breach of warranty, breach of representation, misrepresentation, statutory duty, or any other legal or equitable theory, even if such party has been advised of the possibility of such damages. This provision shall not apply to third party claims or to any claim by FEI for loss of profit, use or interruption of business.
- (e) *Insurance* - The Customer shall obtain and maintain the following insurance coverage and provide proof of coverage to FEI:
 - (i) Workers' Compensation Insurance in accordance with the statutory requirements;
 - (ii) Automobile Liability Insurance with a limit of not less than \$5,000,000 per occurrence in respect of bodily injury, death and property damage;

- (iii) Comprehensive General Liability Insurance from insurers registered in and licensed to underwrite insurance in British Columbia for bodily injury, death and property damage in the amount of \$5,000,000 per occurrence naming FEI as an additional insured with respect to this Agreement and providing that the insurance shall not be cancelled or materially changed without the insurer using best efforts to provide at least 30 calendar days' written notice to FEI; and
 - (iv) Such other insurance as reasonably required by FEI from time to time.
- (f) *Environmental Compliance* - The Customer acknowledges and agrees the Customer has environmental responsibilities arising from the Customer's use of the Fueling Equipment pursuant to environmental laws and regulations, including related spills, and is required to comply with the requirements of FEI as they relate to environmental management, compliance and reporting, copies of which requirements will be provided by FEI to the Customer from time to time. The Customer covenants and agrees to co-operate with FEI in coordinating, establishing, implementing and verifying processes and procedures to manage and address environmental impacts and ensure compliance with environmental laws and regulations.

6. DEFAULT AND TERMINATION

- (a) *Default*- If the Customer, or any person using the Fueling Cards, is unable, refuses or fails to produce proof of training upon request by FEI, or the Customer is otherwise in default of this Agreement, FEI may terminate this Agreement, or de-activate the applicable Fueling Cards, temporarily or permanently, without prior notice to the Customer and without any liability to FEI as a result thereof.
- (b) *Termination of Property Agreement /Transfer of Equipment/Decommissioning of Fueling Equipment* - In addition to any other termination provisions contained herein, this Agreement will terminate concurrent with the termination of the property agreement between FEI and the Host, the sale or transfer of the Fueling Equipment to a third party or the decommissioning of the Fueling Equipment, at no cost or liability accruing to FEI as a result of such termination, provided that, in such event, FEI will use reasonable efforts to secure an alternate fueling location and/or alternate Fueling Equipment for the Customer.
- (c) *Surrender of Fueling Cards* – Upon termination of this Agreement, all Fueling Cards issued under this Agreement will immediately cease to be valid and the Customer shall surrender the Fueling Cards to FEI upon demand.
- (d) *Effect of Termination* – If, prior to the expiry of the Initial Term, this Agreement is terminated by the Customer for any reason or by FEI pursuant to section 6(a), in addition to any other amounts due and owing by the Customer to FEI and despite any other remedies available at law or in equity, the Customer shall pay to FEI, within 30 days of billing, the Dispensing Rate (as escalated annually) calculated on the Minimum Annual Quantity to the end of the Initial Term.
- (e) *Survival* - Upon expiry or early termination of this Agreement, all claims, causes of action or other outstanding obligations remaining or being unfulfilled as of the expiry or termination date and all of the provisions of this Agreement relating to the obligation or either the parties to account to or indemnify the other and to pay to the other any amounts owing as at the date of expiry or termination in connection with this Agreement will survive such expiry or termination.
- (f) *Effect of Termination on Other Agreements* – The expiration or termination of this Agreement does not affect or result in the expiry or termination of any other agreements made between FEI and the Customer, including any fuel purchase agreements or transportation agreements.

7. MISCELLANEOUS

- (a) *Amendments* - Except as set out in this Agreement, no amendment or variation of this Agreement shall be effective or binding unless in writing and signed by the parties and, where applicable, upon receipt of BCUC approval.
- (b) *Further Assurances* - The Customer will execute and deliver any further agreement, document or instrument and do and perform any further act or thing as may be reasonably required by FEI from time to time to evidence or give full force and effect to the terms, conditions and intent of this Agreement.
- (c) *Governing Law* - This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada. The parties hereby attorn to the jurisdiction of the courts of British Columbia and all courts competent to hear appeals therefrom.
- (d) *Assignment* - FEI may assign, transfer or sell its right, title and interest in this Agreement, to any Affiliate, as that term is defined in the *Business Corporation Act*, S.B.C. 2002, c.57.
- (e) *Waiver* - FEI is not bound by any waiver of any provision of this Agreement unless it consents to such waiver in writing. No waiver of any provision of this Agreement constitutes a waiver of any other provision, nor does any waiver constitute a continuing waiver unless otherwise provided.
- (f) *Severability* - If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such determination does not impair or affect the validity, legality or enforceability of any other provision of this Agreement.
- (g) *Time of the Essence* - Time is of the essence of this Agreement.

END OF DOCUMENT

AMENDING AGREEMENT No. 1 TO FUELING SERVICES AGREEMENT

THIS AMENDING AGREEMENT No. 1 is made effective as of September 1, 2023 (the "Effective Date")

BETWEEN:

MCRAE'S ENVIRONMENTAL SERVICES LTD., 23591 Dyke Road, Richmond, BC V6V 1E3
(the "Customer")

AND:

FORTISBC ENERGY INC., 16705 Fraser Highway, Surrey, BC V4N 0E8
(**"FEI"**)

WHEREAS:

- A. The Customer and FEI entered into a Fueling Services Agreement (Annacis Island Site) effective February 16, 2022 (the "Fueling Agreement").
- B. The parties wish to further amend the Fueling Agreement on the terms and conditions set out in this Amending Agreement No. 1, specifically the Dispensing Rates.

NOW THEREFORE IN CONSIDERATION of the promises and mutual covenants and agreements hereinafter contained and other good and valuable consideration, the parties hereto covenant and agree with each other as follows:

- 1. Unless otherwise defined herein, capitalized words and expressions shall have the same meanings as are assigned to them in the Fueling Agreement.
- 2. The Customer and FEI, by signing this Amending Agreement No. 1, accept and agree to be bound by the terms and conditions herein contained. This Amending Agreement No. 1 will not come into effect and does not bind the parties until FEI has obtained the necessary approvals for this Agreement from all regulatory or other applicable governmental authorities having jurisdiction, including the British Columbia Utilities Commission ("BCUC"), on terms and conditions which are satisfactory to FEI.
- 3. The following amendments are made to page 1 of the Fueling Agreement, effective as of the Effective Date, as follows:
 - (a) The Capital Dispensing Rate is amended from \$4.382 per GJ to \$4.310 per GJ;
 - (b) The O&M Dispensing Rate is amended from \$2.686 per GJ to \$ 2.614 per GJ;
 - (c) The Total Dispensing Rate is amended from \$8.588 per GJ to \$8.444 per GJ
- 4. The Fueling Agreement, as amended herein, will remain in full force and effect and, together with this Amending Agreement No. 1, will be read and interpreted as one agreement.
- 5. This Amending Agreement No. 1 may be executed and delivered in any number of counterparts with the same effect as if all parties had signed and delivered the same document and all counterparts will be construed together to constitute one and the same agreement. A party may deliver an executed copy of this Amending Agreement in electronic form and will immediately deliver to the other party an originally executed copy of this Amending Agreement.

IN WITNESS WHEREOF the parties have executed this Amending Agreement as of the Effective Date.

McRae's Enviro by its authorized
signatory:



Signature

Name: Bert Blair

Title: V. P. of Operations

FORTISBC ENERGY INC., by its authorized signatory:



Signature

Name: Sarah Smith

Title: Director, LCT and LNG Business Growth

AMENDING AGREEMENT No. 2 TO FUELING SERVICES AGREEMENT

THIS AMENDING AGREEMENT No. 2 is made effective as of November 28, 2023 (the "Effective Date").

BETWEEN:

MCRAE'S ENVIRONMENTAL SERVICES LTD., 23591 Dyke Road, Richmond, BC V6V 1E3
(the "Customer")

AND:

FORTISBC ENERGY INC., 16705 Fraser Highway, Surrey, BC V4N 0E8
("FEI")

WHEREAS:

- A. The Customer and FEI entered into a Fueling Services Agreement (Annacis Island Site) effective February 16, 2022 (the "Fueling Agreement"), as amended by Amending Agreement No. 1 dated September 1, 2023 ("Amendment No. 1").
- B. It has been determined that the date of change of the Dispensing Rate in Amendment No. 1 needs to be further revised as described herein.
- C. The parties wish to further amend the Fueling Agreement on the terms and conditions set out in this Amending Agreement No. 2, specifically the date of the Dispensing Rate change.

NOW THEREFORE IN CONSIDERATION of the promises and mutual covenants and agreements hereinafter contained and other good and valuable consideration, the parties hereto covenant and agree with each other as follows:

- 1. Unless otherwise defined herein, capitalized words and expressions shall have the same meanings as are assigned to them in the Fueling Agreement.
- 2. The Customer and FEI, by signing this Amending Agreement No. 2, accept and agree to be bound by the terms and conditions herein contained. This Amending Agreement No. 2 will not come into effect and does not bind the parties until FEI has obtained the necessary approvals for this Agreement from all regulatory or other applicable governmental authorities having jurisdiction, including the British Columbia Utilities Commission ("BCUC"), on terms and conditions which are satisfactory to FEI.
- 3. The amendments to the Dispensing Rate, as set out in Section 3 of Amendment No. 1, are to be effective as of the Commencement Date.
- 4. The Fueling Agreement, as amended herein, will remain in full force and effect and, together with Amendment No. 1 and this Amending Agreement No. 2, will be read and interpreted as one agreement.
- 5. This Amending Agreement No. 2 may be executed and delivered in any number of counterparts with the same effect as if all parties had signed and delivered the same document and all counterparts will be construed together to constitute one and the same agreement. A party may deliver an executed copy of this Amending Agreement in electronic form and will immediately deliver to the other party an originally executed copy of this Amending Agreement.

IN WITNESS WHEREOF the parties have executed this Amending Agreement as of the Effective Date.

MCRAE'S ENVIRONMENTAL SERVICES LTD.

By its authorized signatory:



Signature

Name: Bert Blair

Title: V.P. of Operations

FORTISBC ENERGY INC.

By its authorized signatory:



Signature

Name: Ian Finke

Title: Director, LNG Operations

Date: November 30, 2023

AMENDING AGREEMENT NO. 3 TO FUELING SERVICES AGREEMENT

This **AMENDING AGREEMENT NO. 3** is made effective as of October 1, 2024 (the "**Effective Date**").

BETWEEN:

MCRAE'S ENVIRONMENTAL SERVICES LTD., 23591 Dyke Road, Richmond, BC V6V 1E3
(the "**Customer**")

AND:

FORTISBC ENERGY INC., 16705 Fraser Highway, Surrey, BC V4N 0E8
(the "**FEI**")

WHEREAS:

- A. The Customer and FEI entered into a Fueling Services Agreement (Annacis Island Fueling Station) effective February 16, 2022, and as amended by the Parties in writing by the way of Amending Agreement No.1 effective September 1, 2023, and Amending Agreement No.2 effective November 28, 2023 (together the "**Fueling Agreement**").
- B. The parties wish to further amend the Fueling Agreement on the terms and conditions set out in this Amending Agreement No. 3, specifically the Initial Term, the Spot Charge, and the Minimum Annual Quantity.

NOW THEREFORE IN CONSIDERATION of the promises and mutual covenants and agreements hereinafter contained and other good and valuable consideration, the parties hereto covenant and agree with each other as follows:

- 1. Unless otherwise defined herein, capitalized words and expressions shall have the same meanings as are assigned to them in the Fueling Agreement.
- 2. The Customer and FEI, by signing this Amending Agreement No. 3, accept and agree to be bound by the terms and conditions herein contained. This Amending Agreement No. 3 will not come into effect and does not bind the parties until FEI has obtained the necessary approvals for this Agreement from all regulatory or other applicable governmental authorities having jurisdiction, including the British Columbia Utilities Commission ("BCUC"), on terms and conditions which are satisfactory to FEI.
- 3. The following amendments are made to page 1 Part I of the Fueling Agreement, effective as of October 1, 2024:
 - (a) The Initial Term is amended from 5 years to 7 years, expiring on February 28, 2029;
 - (b) The Spot Charge is amended from \$1 per GJ to \$nil;
 - (c) The Total Dispensing Rate is amended from \$8.779 per GJ to \$7.779 per GJ; and
 - (d) The Minimum Annual Quantity is amended from nil to 9,000 GJ
- 4. The Fueling Agreement, as amended herein, will remain in full force and effect and, together with Amendment No. 1, Amendment No. 2, and this Amending Agreement No. 3, will be read and interpreted as one agreement.

5. This Amending Agreement No. 3 may be executed and delivered in any number of counterparts with the same effect as if all parties had signed and delivered the same document and all counterparts will be construed together to constitute one and the same agreement. A party may deliver an executed copy of this Amending Agreement in electronic form and will immediately deliver to the other party an originally executed copy of this Amending Agreement.

IN WITNESS WHEREOF the parties have executed this Amending Agreement as of the Effective Date.

MCRAE'S ENVIRONMENTAL SERVICES LTD.

By its authorized signatory:



Signature

Name: Bert Blair

Title: V.P. of Operations

FORTISBC ENERGY INC.

By its authorized signatory:



Signature

Name: Phil Horacek

Title: Director, Low Carbon Transportation