

COPY



June 7, 2011

Hon. Paul Bonwick, P.C.
Compenso Communications Inc.
186 Hurontario St., Suite 203
Collingwood, ON L9Y 4T4

Re: Consulting Engagement

Dear Paul:

This letter will serve as our agreement with respect to the Services and the Terms and Conditions upon which you, as principal of Compenso Communications Inc. (CCI), will provide services to PowerStream.

Background

As part of our corporate strategy, PowerStream is committed to pursuing growth opportunities by way of acquisitions and/or mergers, involving other Ontario Local Distribution Companies ("LDCs") within the Province of Ontario, specifically within the Geographic Footprint, approved by PowerStream's Board of Directors. Hon. Paul Bonwick ("Bonwick"), as principal of CCI, has expertise in government relations and communications that may assist PowerStream in achieving its M&A objectives. Hon. Paul Bonwick is a Registered Lobbyist.

Therefore, the Parties have agreed upon the following initial engagement:

Scope of Work

CCI and Bonwick shall:

- Identify potential opportunities for the purchase, merger or other business combinations with LDCs, primarily within PowerStream's Geographic Footprint, or outside of the Geographic, as specifically authorized by PowerStream.
- Prepare detailed briefings identifying key decision makers related to a particular opportunity.



- Assist in the preparation of any Proposals that PowerStream intends to submit.
- Provide strategic advice relating to communications.
- Assist with any other duties required as it relates to PowerStream's M&A activity.

Methodology and Deliverables

While executing this retainer CCI and Bonwick shall undertake the following:

Build the Case and Enhance Profile:

- Provide consistent, professional, and concise information/reports outlining the history of the current situation as well as recognizing the potential short and long term impacts.
- Ensure key decision makers have clear access to relevant information to move forward in a positive manner.
- Recommend and develop appropriate positioning depending on the audience and objective.

Develop a Personalized Contact Program:

- This will ensure that PowerStream appropriately targets its messaging. The purpose will be to obtain, maintain and enhance political and bureaucratic relationships related to this file.
- Seek out internal government champions to help position and advocate for the initiative.

Access Key Decision Makers:

- Work with PowerStream, developing and implementing specific strategies for communicating your unique benefits. As PowerStream's plans progress, we as a matter of course will make every effort to maintain progressive professional profiles for our client. It is your success that is our priority.

Issue Monitoring:

- CCI is in constant contact with the Municipal Government Leaders and as such is able to monitor and report any changes or opportunities that may arise. As your early-warning system, our intelligence gathering will help prepare you to respond to any potential critical challenges brought forward regarding this approach.



Tactical Recommendations:

- Throughout this process we will provide PowerStream with an identified contact list and detailed verbal brief of tactics and recommended approaches for proceeding.

Term

The initial term of this Agreement shall be 90 days within commencing June 1, 2011, and shall be subject to extension as mutually agreed to by the Parties.

Fees

The Parties agree that the following fee structure shall apply during the initial 90 day term. The Parties will mutually agree upon a fee structure if the Agreement is extended beyond the initial term.

- CCI will be paid the sum of \$10,000.00 per month, plus applicable taxes, invoiced on a monthly basis.
- In addition, CCI will be paid an administrative fee of \$1,000.00 per month to cover out-of-pocket expenses.

Disclosure

Bonwick agrees to make all necessary and prudent disclosures of his/CCI's engagement with PowerStream. Any such disclosures shall be discussed and authorized by PowerStream in advance. Specifically, with respect to any authorized activity on PowerStream's behalf, relating to COLLUS Power, Bonwick represents and warrants that he has disclosed the scope of his services and his retainer by PowerStream to the Mayor and Clerk of the Town of Collingwood, and shall provide written evidence of such disclosure to PowerStream. Further, with respect to COLLUS Power, CCI shall, after consulting with PowerStream, make any additional disclosure(s) that may be prudent or required by applicable law, during the course of this engagement, or any extension thereof. Further, Bonwick nor CCI, will advocate on PowerStream's behalf to the Province of Ontario, or any Ministry or Agency thereof, without PowerStream's express written direction, and further, any such authorized activity shall comply with applicable law, including the *Lobbyists Registration Act, 1998*.



Confidentiality

CCI and Bonwick agree to be bound by the Terms of the attached Confidentiality Agreement, attached as Schedule A to this Agreement.

Yours truly,

A handwritten signature in black ink, appearing to read "B. Bentz", written over a horizontal line.

Brian Bentz
President & CEO

cc: Dennis Nolan
John Glicksman

Please indicate that you are in agreement with the foregoing terms and conditions set out in this letter by executing a copy of this letter and returning it to me.

Accepted and Agreed, this ____ day of _____, 2011.

COMPENSO COMMUNICATIONS INC.

Hon. Paul Bonwick, P.C.

NON-DISCLOSURE AGREEMENT

THIS AGREEMENT made as of the 1st day of June, 2011

BY AND BETWEEN:

POWERSTREAM INC., an Ontario corporation
("PowerStream")

- and -

COMPENSO COMMUNICATIONS INC., an Ontario
corporation and PAUL BONWICK, P.C. (collectively
referred to as the "Consultant")

WHEREAS, PowerStream and the Consultant have entered into an agreement (the "Consulting Agreement") pursuant to which Consultant will assist PowerStream with respect to the scope of work described in the retainer letter dated June 1, 2011 between both parties, (the "Project").

AND WHEREAS, the Consultant will require access to Confidential Information (as defined herein) held by PowerStream for the purposes of conducting the Project in accordance with the Consulting Agreement;

AND WHEREAS, the Confidential Information that PowerStream may disclose to the Consultant has significant value to PowerStream and/or the supplier of the Confidential Information to PowerStream, as the case may be, and so any disclosure by the Consultant of the Confidential Information would adversely affect and prejudice PowerStream and/or the supplier of the Confidential Information to PowerStream, as the case may be, and would also infringe any legal restrictions on disclosure that were or are imposed on PowerStream by such supplier in the absence of this Agreement.

NOW THEREFORE, the parties hereby agree as follows:

1. **Definition of Confidential Information:** In this Agreement, "Confidential Information" means any and all information and data that is confidential in nature or that is treated as being confidential by PowerStream, whether such information is conveyed orally or in writing or other tangible form and whether such information is received directly or indirectly. Without limiting the generality of the foregoing, "Confidential Information" shall include all information relating to the business, operations, assets, liabilities, rights and obligations of PowerStream that is furnished by PowerStream, its directors, officers, employees, agents, consultants, solicitors or other representatives to the Consultant.
2. **Non-Disclosure:** During the course of conducting the Project, the Consultant and its employees, agents and other representatives shall not disclose or use any Confidential

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Information other than for the purpose of conducting the Project. The Consultant shall not provide Confidential Information to any of its employees, agents or other representatives other than those who require the Confidential Information to conduct the Project. The Consultant shall ensure that its employees, agents and other representatives shall maintain such information as confidential and that they do not disclose or release the Confidential Information to anyone else.


3. Security of Confidential Information: The Consultant acknowledges that the Confidential Information shall remain the property of PowerStream. The Consultant shall ensure that all reasonable protective measures are used when conducting the Project so as to prevent the unauthorized disclosure, copying, destruction, use or modification of the Confidential Information.
4. Disclaimer: PowerStream makes no representation or warranty as to the accuracy or completeness of the Confidential Information other than as represented or warranted in the Consulting Agreement.
5. Scope of Agreement: The obligations set out in this Agreement with respect to Confidential Information shall not apply to information that:
 - (a) was in the public domain prior to its disclosure to the Consultant;
 - (b) was known to the Consultant prior to its disclosure, or is at any time developed by the Consultant independently of any such disclosure; or
 - (c) was disclosed to the Consultant by a third party who was free of obligations of confidentiality to PowerStream.
6. Compulsory Disclosure: In the event that the Consultant (including its employees, agents or other representatives) is required by law or direction of a court or a regulatory tribunal or other authority to disclose Confidential Information, the Consultant shall provide PowerStream with prompt written notice of the requirement to permit PowerStream to seek a protective order or other appropriate remedy to prevent such disclosure. In the event that such protective order or other remedy is not obtained, the Consultant shall only disclose such portion of the Confidential Information as it may be required to disclose.
7. Retention of Confidential Information: PowerStream may at any time require the return of any or all Confidential Information provided to the Consultant. Otherwise, when the Project is completed, the Consultant shall hold the Confidential Information securely for a period of two years. At the conclusion of the two-year period, the Consultant shall continue to retain the information in a confidential and secure manner or, in the alternative, may destroy the Confidential Information in a secure manner.
8. Injunctive Relief and Specific Performance: The Consultant acknowledges that monetary damages would not be a sufficient remedy to compensate for any breach of this Agreement and that PowerStream shall be entitled to injunctive relief or specific performance as a remedy for any such breach, without prejudice to any other rights or remedies available to PowerStream under the applicable law.

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9. Non-Assignment: The Consultant shall not assign its rights and obligations under this Agreement without the prior consent in writing of PowerStream.
10. Enurement: This Agreement shall be binding upon and shall enure to the benefit of the parties, their respective successors and permitted assigns.
11. Governing Law: This Agreement shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.
12. Counterparts: This Agreement may be signed in counterparts and delivered by facsimile. Each counterpart shall be deemed to be an original and all counterparts shall be deemed to constitute one and the same agreement.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Agreement as of the date first above written.

POWERSTREAM INC.



Name: Dennis Nolan
Title: EVP Corporate Services & Secretary

I have authority to bind the corporation

COMPENSO COMMUNICATIONS INC.

Name: Paul Bonwick, P.C.
Title:

I have authority to bind the corporation

PAUL BONWICK, P.C.

Name: Paul Bonwick, P.C.
Title: