**THIS AGREEMENT** is dated as of the 2<sup>nd</sup> day of September, 2020.

BETWEEN:

#### THE GOVERNMENT OF YUKON

as represented by the Minister of Energy, Mines and Resources ("Yukon")

AND:

# HER MAJESTY THE QUEEN IN RIGHT OF CANADA as represented by the CANADA ENERGY REGULATOR (CER)

HEREINAFTER REFERRED TO AS THE "PARTIES" (plural) or "PARTY" (singular)

#### **PREAMBLE**

**WHEREAS** paragraph 32(1)(c) and section 84 of the *Canadian Energy Regulator Act*, S.C., 2019, c. 28, s. 10 ("CER Act"), as amended from time to time, authorize the CER to perform services for Yukon and provide advice to Yukon with respect to energy matters and sources of energy;

**WHEREAS** Yukon wishes to contract for services to be provided by the CER;

**WHEREAS** the CER has the requisite expertise and staff to provide the contracted services either directly through its own employees or through third party contractors;

**WHEREAS** the CER wishes to perform the contracted services for Yukon;

**WHEREAS** section 5 of the *Oil and Gas Act*, R.S.Y. 2002, c. 162 ("OGA") authorizes the Minister of Energy, Mines and Resources, on behalf of Yukon, to enter into a contract with an agency of the Government of Canada respecting the provision of services of employees of that agency for the purpose of assisting the Minister and the Department in the administration of the OGA;

**Whereas** paragraph 32(1)(c) and section 84 of the Canadian Energy Regulator Act, S.C., 2019, c. 28, s. 10 ("CER Act"), as amended from time to time, authorizes the CER to perform services for Yukon and provide advice to Yukon with respect to energy matters and sources of energy; and

**WHEREAS** Yukon has the legislative authority, administration and control of oil and gas on Yukon lands.

**NOW THEREFORE** the Parties hereby agree as follows to the principles and procedures in this agreement (the "Agreement") for the provision of technical advice by the CER to Yukon, and the recovery of the associated costs by the CER from Yukon.

#### **ARTICLE 1 - THE AGREEMENT**

## The Agreement

The Parties agree that this Agreement, together with the attached schedules and any other annexes to be attached hereto, shall be read together and collectively constitute the whole agreement between the Parties.

#### **ARTICLE 2 - DEFINITIONS**

#### **Definitions**

In this Agreement

"CER" means the Canada Energy Regulator as established by the CER Act S.C., 2019, c. 28, s. 10.

"Chief Operations Officer" and "COO" means the Yukon Chief Operations Officer as defined in and established in and appointed by the Minister of Energy, Mines, and Resources in accordance with the OGA.

"Decision" includes a permit, licence, registration, authorization, approval, disposition, certificate, allocation, declaration or other instrument or form of approval, consent or relief, an order, direction or notice of administrative penalty that is or may be made by an authorized person under the OGA.

"Decision Documents" mean written Decisions.

"Fiscal Year" means a period of 12 months starting April 1 and ending on March 31.

"NEB" means that Board established pursuant to the *National Energy Board Act* R.S.C. 1985 c.N-7, as amended.

"Records" mean any records and work product and includes books, documents, maps, drawings, photographs, letters, vouchers, notes, papers, correspondence, memorandum, plan, diagram, pictorial or graphic work, film, microfilm, sound recording, videotape, machine readable record, and any other documentary material, regardless of form or characteristics, and any copy thereof. This includes Records produced in performance of duties under this Agreement, as well as any historic records which may have arisen from other joint cooperation arrangements between the Parties.

"Regular Hours" are routine hours of work performed by CER employees during normal business days, Monday through Friday, 7.5 hours a day and 37.5 hours a week

"Services" mean those services provided for in the attached Schedule 'A' to this Agreement, or as otherwise agreed to by the Parties in accordance with Article 6.4.

#### **ARTICLE 3 - INTERPRETATION**

## **Independent Contractor**

- 3.1 The CER is an independent contractor under this Agreement. Nothing in this Agreement is to be construed as creating an agency, partnership, or joint venture relationship between Yukon and the CER or an employer/employee or master/servant relationship between Yukon and any CER employees, or the CER and any Yukon employees.
- 3.2 Nothing in this Agreement operates to derogate from Yukon's legislative or administrative jurisdiction in respect of matters related to oil and gas or fetter Yukon's exercise of its authority pursuant to that jurisdiction.
- 3.3 Nothing in this Agreement will derogate from or otherwise fetter the ability of the CER to regulate, administer, manage or otherwise deal with oil and gas, and related matters within its authority under any applicable legislation.
- 3.4 Nothing in this Agreement will derogate from or otherwise fetter the ability of Yukon to regulate, administer, manage or otherwise deal with oil and gas and related matters within its authority under any applicable legislation.

## **No Conflicting Interest**

3.5 The Parties warrant that they have no conflict of interest in carrying out this Agreement. Should such a conflict arise during the term of this Agreement, the conflicted Party shall disclose it immediately to the other, and the Parties shall discuss such conflict with a view to achieving a mutually satisfactory arrangement.

#### **ARTICLE 4 - SERVICES**

#### Mechanisms

- 4.1 The CER will provide Services to Yukon upon request by Yukon, subject to resource (financial and staffing) constraints or safety concerns, and in accordance with this Agreement. In determining whether it has sufficient resources to provide Services under this Agreement, the CER will determine the priority of work requested by Yukon under this Agreement in the same manner as it determines the priority of its own internal work commitments.
- 4.2 In cases where the CER determines it does not have sufficient resources to adequately perform requested Services, the CER will notify Yukon. The CER may engage third party contractors to perform the Services and will provide to Yukon the estimated costs of such Services before entering into any agreements for the provision of such Services. Yukon will then confirm whether it consents to the CER incurring the costs of such Services.
- 4.3 The provision of the Services by the CER will be subject to instructions provided from time to time by the Yukon's authorized representatives.
- 4.4 Yukon will pay to the CER for those Services rendered under this Agreement in accordance with Article 5 - Cost Recovery, using one of the following cost recovery mechanisms:
  - 4.4.1 Fee for the Services of CER Employees Annual or Hourly Rate (Schedule 'B'); or
  - 4.4.2 Fee for Third Party (Contracted) Services.

## **Service Standards**

4.5 In the course of providing the Services under this Agreement, the CER will ensure that every employee and third party contractor of the CER carrying out Services under this Agreement is qualified to do so and does so in an efficient and professional manner.

## **Applicable Laws**

4.6 Services provided by the CER pursuant to this Agreement will be provided in accordance with the OGA, and any other laws of general application. This Agreement does not create any new legal powers or duties, or fetter in any way the jurisdiction, powers and duties of the Parties.

#### **ARTICLE 5 - COST RECOVERY**

#### Calculation of Service Fees

5.1 Yukon will pay the CER for the Services according to the following:

## Fee for Services Provided by CER Employees - Annual or Hourly Rate

5.1.1 The annual salary for a CER employee providing Service(s), determined in accordance with attached Schedule 'B' to this Agreement.

## Fees for Third Party (Contracted) Services

- 5.1.2 Actual costs of contracted services performed by CER contractors.
- 5.1.3 Yukon will reimburse the CER for payment of penalties if third party service contracts are unspent or cancelled at the request of Yukon.

#### **Rental Vehicles**

5.1.4 The Parties agree that in the performance of Services, CER employees or contractors will not use their own personal vehicles but will only use rental vehicles and will obtain full insurance coverage.

## Travel, Hospitality, Equipment, Rentals, General Expenses and Incidentals

- 5.1.5 The CER will invoice Yukon quarterly, or at other times mutually agreed to by the Parties, for Disbursements, paid or payable to CER employees and contractors.
- 5.1.6 CER employees' travel and related costs will be billed to Yukon using the most current Treasury Board of Canada Secretariat travel rates and allowances.
- 5.5 Should Yukon wish to terminate the Service early, the CER shall be reimbursed for all deployment costs until such time as the deployed employee returns to their regular place of work.

#### Invoices

- 5.6 The CER will submit invoices to Yukon on a quarterly basis during each Fiscal Year, or at other times mutually agreed to by the Parties, within 30 days of the end of that quarter or mutually agreed period.
- 5.7 Yukon will make full payment to the CER within 30 days of receiving an invoice delivered in accordance with this Agreement.

5.8 Invoices will be sent in writing to:

Director
Oil and Gas Resources Branch
Department of Energy, Mines and Resources
Government of Yukon

Mail: Oil and Gas Resources (K-11)

Box 2703, Whitehorse, YT Y1A 2C6

Courier: Suite 400, 211 Main Street (K-11)

4th Floor, Shopper's Plaza Whitehorse, YT Y1A 2B2

Phone: (867) 667-5026

- 5.9 Notwithstanding any other provision of this Agreement, the obligation of Yukon to make any payment under this Agreement is subject to the following:
  - 5.9.1 The Financial Administration Act, RSY 2002, c. 87; and
  - 5.9.2 Money being appropriated by the Legislature of Yukon for the purpose of this Agreement.

#### **Invoice Information**

- 5.10 Where Services have been performed by an employee of the CER, invoices should indicate, or be accompanied by documentation sufficient to indicate:
  - 5.10.1 The level of each employee providing the Services billed for;
  - 5.10.2 The number of Regular and Overtime hours of Services provided by that employee in the billing period;
  - 5.10.3 The Regular and Overtime hourly or annual rate applicable to that employee;
  - 5.10.4 If the hourly rate is used, the number of hours of Services provided by the employee in the billing period and the month in which the services were performed; and,
  - 5.10.5 The nature of the Services provided by that employee.

- 5.10.6 All disbursements and other normal business expenses incurred during the billing period; in an itemized format including geographical information where necessary, e.g. location and name of hotel.
- 5.10.7 All travel, transportation, and equipment costs, including rental vehicle and insurance policy costs.
- 5.10.8 Cost of replacement value damaged Personal Protective Equipment.
- 5.11 Where Services are performed by contracted third parties, the invoice will indicate, or be accompanied by documentation sufficient to indicate:
  - 5.11.1 The company and contractor name(s);
  - 5.11.2 The nature of the Services provided; and
  - 5.11.3 The cost of Services performed, including a breakdown of the hours spent and the hourly rates, if applicable.

#### **Invoice or Cost Matters**

5.12 Either Party may refer matters relating to invoicing or payment for dispute resolution in accordance with Article 11 - Dispute Resolution.

#### **Time Limits**

5.13 The CER agrees to submit invoicing on time whenever possible. When delays are anticipated, the CER shall notify Yukon by phone and in writing no later than the original delivery date.

#### **ARTICLE 6 - SERVICE PARAMETERS**

## **Spending Limits**

- 6.1 The aggregate amount for which Yukon may be made responsible to the CER for the provision of Services under this Agreement in respect of any Fiscal Year will not exceed the amount included in Yukon's budget for that fiscal year for the purpose of this Agreement, subject to the following:
  - 6.1.1 Before the start of each Fiscal Year, Yukon shall notify the CER in writing of the amount so budgeted for the Fiscal Year.

6.2 The CER may stop providing Services in a Fiscal Year once the CER has provided the Yukon with Services that cost equal to the amount budgeted by Yukon for that Fiscal Year.

## **Priority Services**

- 6.2 When Yukon is making more than one Service request at a time, it shall prioritize its requests. If the CER is unable to perform the Services as requested, the Parties shall agree of the order of the delivery of the Services.
- 6.3 Yukon may request the CER to perform particular services on a priority basis and in such a case the CER will use reasonable efforts to accommodate the request on terms that are mutually agreeable.

## **Other Services**

6.4 The Parties may, in writing, agree that the CER will provide other services not included in Schedule A, and this Agreement will govern the Parties' obligations with respect to the performance of those services as if they were Services outlined in this Agreement.

#### **ARTICLE 7 - TRAINING OF YUKON STAFF**

- 7.1 The Parties acknowledge that Yukon seeks opportunities for its staff to be trained to provide some or all of the Services. To further that objective, the CER will:
  - 7.1.1 Invite Yukon staff to attend training seminars, field demonstrations, third party presentations or other events undertaken to train CER staff;
  - 7.1.2 Make reasonable efforts to permit Yukon staff, at Yukon's expense, to shadow CER staff in the Services; and
  - 7.1.3 Use reasonable efforts to make CER staff resident in or visiting the Yukon available for consultation with Yukon staff where practical.
- 7.2 Yukon will be responsible for its own costs to participate in or observe, training, exercises, field investigations, and inspections opportunities for learning purposes.

#### **ARTICLE 8 - REPORTING**

## **Annual Reporting**

8.1 During each year of this Agreement, the Vice President – Energy Adjudication, or designate, of the CER will submit to the Director Oil and Gas Resources Branch an annual report identifying for the previous Fiscal Year the Services provided and the costs the CER has incurred in providing the Services.

#### **ARTICLE 9 - INDEMNIFICATION**

- 9.1 Subject to Article 9.3 and 9.4 Yukon will hold harmless the CER and its employees, agents, and officers from any and all third party claims, demands and actions for which Yukon is legally responsible, including those arising out of negligence or willful acts of the Yukon, its employees, agents or officers.
- 9.2 The CER will not hold harmless Yukon and its employees or agents from any and all third party claims, demands, and actions arising out of negligence or willful acts of the CER, its employees, agents, or officers.
- 9.3 In no event will a Party be liable to the other for any claim for special, punitive, incidental, indirect or consequential loss or damage (including loss of profits, data, business or goodwill), arising from all causes of action of any kind, including contract, tort, or otherwise, even if advised of the likelihood of such damages occurring.
- 9.4 To the fullest extent permitted by applicable law, the total aggregate liability to Yukon by the CER under this Agreement, regardless of whether such liability is based on breach of contract, tort, strict liability, breach of warranties, failure of essential purpose or otherwise, will be limited to the fees paid by Yukon to the date such liability was incurred, and in any event, to no more in the aggregate than the spending limit determined pursuant to Article 6.1.
- 9.5 Each Party agrees to consult with the other Party prior to negotiating, settling, or compromising any claims under this Article.

#### ARTICLE 10 - INFORMATION MANAGEMENT AND DOCUMENT CONTROL

## **Security Clearance**

10.1 The Parties will ensure that their employees and/or contractors providing Services obtain the security clearance required for viewing and/or working with documents and other sources of information as required in connection with the performance of the Services.

#### Records

- 10.2 The Parties will maintain adequate records and systems of internal control for the performance of all of their respective obligations under this Agreement.
- 10.3 All Records created by employees or contractors of the CER, or received from Yukon, in the course of providing Services under this Agreement become and remain in the custody of Yukon. Upon request from Yukon, the CER will provide all such Records to Yukon.
- 10.4 If the Records described in Article 10.3 have joint value, CER may request permission to retain a copy of the Record from Yukon and Yukon may not unreasonably withhold the requested permission.
- 10.5 The Records referred to in Articles 10.3 and 10.4 will not be disclosed by the CER without the written consent of Yukon.
- 10.6 Where one Party becomes aware that a formal access to information request related to Services rendered under this Agreement has been made it shall, as soon as possible, notify the other party of the request.

## **Continuing Obligation**

10.7 The obligations of the CER and CER employees under Articles 10 survive the expiration or termination of this Agreement.

#### **ARTICLE 11 - DISPUTE RESOLUTION**

- 11.1 Any dispute relating to this Agreement and the Services performed or to be performed pursuant to it will be referred to the CER, Vice President Energy Adjudication; and to the Yukon Director Oil and Gas Resources Branch for joint consideration and resolution.
- 11.2 If a dispute referred to in Article 11.1 cannot be resolved by the representatives of the Parties described in that article, it shall be brought to the Executive Vice President Regulatory, CER and the Yukon Deputy Minister of Energy, Mines, and Resources, or their respective designates.
- 11.3 Failing resolution of a dispute pursuant to Articles 11.1 and 11.2, the Parties may pursue whatever remedies are available to them pursuant to this Agreement, or available at law.
- 11.4 The provision of Services as contemplated under this Agreement will continue while the dispute resolution processes contemplated under this article are ongoing.

#### **ARTICLE 12 - GENERAL**

## No Adverse Presumption in Case of Ambiguity

12.1 There shall be no presumption that any ambiguity in this Agreement be resolved in favour of either of the Parties. For greater certainty, the *contra proferentem* rule shall not be applied in an interpretation of this Agreement.

## No Implied Obligations

12.2 No implied terms or obligations of any kind by or on behalf of either of the Parties shall arise from anything in this Agreement. The express covenants and agreements contained in this Agreement and made by the Parties are the only covenants and agreements upon which any rights against either of the Parties may be founded.

## Interpretation

12.3 The division of this Agreement into articles, paragraphs and subparagraphs and the insertion of headings are for convenience of reference only.

## **Entry into Force**

12.5 This Agreement will take effect upon the date specified on page one of this Agreement.

#### **Amendments and Waivers**

- 12.6 This Agreement may be amended at any time by the written consent of the Parties as executed by their duly authorized representatives.
- 12.7 A waiver, forgiveness, or forbearance by either Party of the strict performance by the other Party of any covenant or other provision of this Agreement shall be in writing, and will not of itself constitute a waiver of any subsequent breach of that covenant or provision or any other covenant or provision thereof. The failure of a Party to require the fulfillment of any obligation by the other Party or to exercise any rights herein will not constitute a waiver or acquiescence or surrender of those obligations or rights.

#### Term

- 12.8 This Agreement will terminate in five (5) years from the date of execution unless the Parties agree, in writing, to renew the Agreement.
- 12.9 In the event of a name change of a Party(s) prior to the termination of the signed Services Agreement, the Services Agreement will remain valid until the termination date.

## Languages

12.10 The finalized Agreement shall be produced in English and French.

## **Termination**

12.11 This Agreement may be terminated by either Party on its giving at least six (6) months' notice in writing to the other Party.

## **Notices**

12.12 Any notice or communication required to be given under this Agreement will be made in writing and will be delivered personally, sent by fax, electronic communication or by first class prepaid mail to the addresses listed below.

#### If to the Yukon:

Director
Oil and Gas Resources Branch
Department of Energy, Mines and Resources
Government of Yukon

Mail: Oil and Gas Resources (K-11)

Box 2703, Whitehorse, YT Y1A 2C6

Courier: Suite 400, 211 Main Street (K-11)

4th Floor, Shopper's Plaza Whitehorse, YT Y1A 2B2

Phone: (867) 667-5026

If to the CER:

Vice President, Energy Adjudication Canada Energy Regulator 517 Tenth Avenue SW Calgary, Alberta, T2R 0A8

Phone: (403) 292 4800 Fax: (403) 292-5503

## **Receipt of Notice**

12.13 The date of receipt of any notice shall be deemed to be:

12.13.1 If personally delivered or sent by courier, the date of delivery;

12.13.2 If sent by certified or ordinary mail, seven business days after

mailing; and

12.13.3 If sent by electronic communications or fax, 24 hours after the time

of transmission, excluding from the calculation, weekends and

public holidays.

## Counterparts

12.14 This Agreement may be executed in counterparts, each of which will be deemed as an original and all of which constitute one and the same document.

**IN WITNESS WHEREOF** the Parties have caused this Agreement to be executed as of the date first written above.

Date: 2 September 2020

Date: 2 September 2020

## **GOVERNMENT OF GOVERNMENT OF YUKON** as represented by the Deputy Minister of Energy, Mines and Resources

'Original signed by

Paul Moore Deputy Minister Department of Energy, Mines, and Resources

CANADA ENERGY REGULATOR as represented by the Chief Executive Officer

'Original signed by

Gitane De Silva Chief Executive Officer

#### SCHEDULE A

#### LIST OF SERVICES PERFORMED BY THE CER

The following services may be provided by CER employees or third party contractors retained by the CER. The CER may perform or contract for other services not described in Schedule A, as required from time to time by Yukon, that are mutually agreeable by the Parties.

## **CATEGORY # 1: Land Issuance**

#### **DESCRIPTION:**

Distribution and Receipt of Request for Posting and Call for Bid Packages

Review and Advice Review, consult, and advise on lease locations

## **CATEGORY # 2: Geophysical/Geological Operations**

#### **DESCRIPTION:**

- Application Review and Advice
- · Preapproval Inspections and Reporting
- Operational Inspections and Reporting
- Monitoring Programs Review and Advice
- Data Management and Follow Up
- Provision of Technical advice<sup>1</sup>

## **CATEGORY # 3: Drilling Operations**

#### **DESCRIPTION:**

- Application Review and Advice
- Preapproval Inspections and Reporting
- · Start Up Monitoring and Reporting
- Operational Inspections and Reporting
- · Monitoring Programs Review and Reporting
- Data Management and Follow Up
- Provision of Technical advice

<sup>&</sup>lt;sup>1</sup> Technical advice includes advice pertaining to conservation of resources, drilling and production, engineering, environment, financial, geoscience, safety, and security matters.

## **CATEGORY # 4: Well, Pipeline and Facility Operations**

#### **DESCRIPTION:**

- Review Program
- Inspections and Audits
- Review of reporting including that required under OGA or the Terms of an Authorization or Approval
- Data Management and Follow Up
- · Provision of technical advice

## **CATEGORY # 5: Well, Pipeline and Facility Applications**

#### **DESCRIPTION:**

- Application Review and Advice
- Construction Monitoring and Inspections, and Reporting
- Start Up Monitoring and Reporting
- Review of reporting including that required under OGA or the Terms of an Authorization or Approval
- Data Management and Follow Up
- Provision of Technical advice

## CATEGORY # 6: Applications for Well, Pipeline and Facility Modifications and Schemes

#### **DESCRIPTION:**

- · Application Review and Advice
- Construction Monitoring and Inspections, and Reporting
- Start Up Monitoring and Reporting
- Review of reporting including that required under OGA or the Terms of an Authorization or Approval
- Data Management and Follow Up
- · Provision of Technical advice

## **CATEGORY #7: Designation and Regulation of Production**

#### **DESCRIPTION:**

- Fields, Pools and Zones
- Prorating of Production
- · Pooling and Unitization
- Provision of Technical advice
- Data Management and Follow Up

## CATEGORY # 8: Emergency Response and Accident Investigation

## **DESCRIPTION:**

- Inspection & Enforcement
- Review of Reporting including that required under OGA or the Terms of an Authorization
- Data Management and Follow Up
- Provision of Technical advice

## **CATEGORY # 9: Geological Assessments**

#### **DESCRIPTION:**

- Reservoir Studies
- Geological Studies
- Petrophysical Studies
- Provision of Technical advice
- Data Management and Follow Up

## **CATEGORY # 10: Economic Evaluations**

#### **DESCRIPTION:**

- Performance Monitoring
- · Economic Development Proposals
- Resource Development Economic Studies
- Provision of Technical advice related to proof of financial responsibility
- Data Management and Follow Up

## **CATEGORY # 11: Information Flow**

## **DESCRIPTION:**

- Records Receipt
- Records Storage and Retrieval
- Records Transfer
- Provision of Technical advice

## **CATEGORY # 12: Frontier Information Office**

• Data Management and Follow Up

## **CATEGORY # 13: Significant Discoveries/Commercial Discoveries**

• Application Review and Advice

#### **SCHEDULE B**

#### CALCULATION OF THE ANNUAL AND HOURLY RATES

"Administrative fee" is a supplemental cost of 40% that is levied on top of rates of pay to cover the costs of accommodation and employee benefits of federal employees. It also includes cost of services incurred by the CER to support its operating activities. Support services include, but are not limited to, the cost of providing financial, contracting and procurement, business technology, information management, information and document services, and human resources.

"Calgary Allowance" is an allowance paid to all CER employees of Calgary, AB, pursuant to the PIPSC-NEB Collective Agreement and Excluded Employees Terms and Conditions, the value of which is 4.95% of the employee's annual salary.

"Disbursements" mean incidental expenses incurred by employees or contractors of the CER in the course of providing services to Yukon to the extent that such expenses are payable to compensate employees or contractors according to the CER's rules respecting such payments.

"Market Allowance" is an allowance paid under the PIPSC-NEB Collective Agreement and Excluded Employees Terms and Conditions to employees in operational job families from NEB level 08 to NEB level 12. Operational job families are: Economic & Financial Analysts; Environmental, Socio-Economic, and Lands; Market Analysts, Safety & Engineering; Supply Analysts; and Directors in operational positions.

"Overtime Hours" are employee hours worked over-and-above the regular hours. The rates for calculation purposes will be drawn from the appropriate clauses of the PIPSC-NEB Collective Agreement and Excluded Employees Terms and Conditions.

- 1. The "Annual Rate" is calculated on the basis of the current:
  - annual salary of the CER employee;
  - 4.95% Calgary Allowance;
  - the total maximum payout under all other allowances (e.g., Market Allowance) and Performance Pay; and
  - · Administrative fee.
- 2. The "Hourly Rate" is calculated on the basis of the current rates below:

Classification	Estimated Annual Salary \$	Annual Calgary Allowance \$	Anticipated Performance Pay \$	Annual Market Allowance \$	Estimated Full Annual Amount \$	Estimated Hourly Rate \$	Hourly Rate With 40% Administrative Mark-up
NEB-04	50,430	2,496	1,540		54,466	27.84	38.97
NEB-05	56,808	2,812	1,730		61,349	31.36	43.90
NEB-06	64,057	3,171	1,940		69,167	35.35	49.49
NEB-07	72,294	3,579	2,190		78,063	39.90	55.86
NEB-08	81,514	4,035	2,480	5,000	93,029	47.55	66.56
NEB-09	95,586	4,732	3,930	5,000	109,248	55.84	78.17
NEB-10	107,772	5,335	6,040	8,000	127,146	64.98	90.98
NEB-11	118,008	5,841	8,400	12,000	144,249	73.72	103.21
NEB-12	129,220	6,396	10,620	17,000	163,236	83.43	116.80
NEB-13	136,500		16,380	17,000	169,880	86.82	121.55
NEB-14	153,550		21,839	17,000	192,389	98.33	137.66
NEB-15	170,440		21,839	17,000	209,239	106.94	149.72

This table could have some small rounding errors.

The "Hourly Rate" is calculated on the basis of the Annual Rate (above), based on the average salary per NEB-level and including maximum payouts for current CER allowances and performance pay, divided by:

- 260.88 working days; and
- 7.5 hours per day.

This Schedule will be amended by the CER from time to time to reflect salary increases and other changes in effect at the CER, such as those that may result from collective bargaining or classification renewal.

Yukon agrees to pay the amounts set out in amended Schedules upon receipt of notification of the amendment.