

municipal and domestic purposes, which are hereby declared to include the furnishing of a water supply to any railway company doing business in the said Town of Port Arthur, provided, however, and it is hereby expressly stipulated and agreed, that the corporation shall not take, and the contractor shall not be bound to supply or deliver, any water to be used by the corporation for the purpose of making power or energy of any kind for any purpose, or any water to be sold, disposed of, furnished or delivered to customers or consumers, for use in the manufacture of power or energy of any kind, or for any other hydraulic or manufacturing purpose.

6. The corporation shall have the right to make use of the said seven hundred and fifty (750) horse power of electric power or energy as well as of the additional power or energy to be supplied on the terms and conditions hereinafter contained, during the whole twenty-four hours of every day for all municipal purposes for which such power or energy may be required by the corporation, including the operation of the electric railway, lighting and heating systems owned and operated by it, so long as the same shall continue to be owned and operated by the corporation, but no longer; and it is hereby expressly stipulated and agreed that the corporation shall not take and the contractor shall not be bound to supply or deliver, any electric power or energy to be used by the corporation for any other purpose than those hereinafter mentioned, except as set forth in paragraph number seven (7) of this agreement.

7. During a term of five years, commencing from the completion of the said works, but no longer, the corporation shall have the right to sell, lease, or otherwise dispose of to consumers, or customers within the said Town of Port Arthur, any surplus electric power or energy supplied to it as aforesaid over and above that which may be required by the corporation to properly and efficiently operate its electric railway, lighting and heating systems and fully supply the demands and requirements of the public in respect thereof, and further, after the expiration of the said term of five years, when the right of the corporation to sell, lease, or otherwise dispose of surplus power or energy, as aforesaid, shall have ceased, the corporation shall have the right from time to time to alter the respective quantities of water and of electric power or energy to be supplied to it as aforesaid, by exchanging the surplus water to which it may be entitled as aforesaid over and above its requirements, for electric power or energy, or by exchanging for water the surplus electric power or energy to which it may from time to time be entitled as aforesaid over and above its said requirements, and such exchanges, if any, shall be effected on the basis of each single horse power of electric power or energy being equal in value to one million gallons of water, provided, however, that before effecting any such exchange the corporation shall give to the contractor twenty days' notice in writing of its desire to do so, and of the respective amounts of water and of power or energy required by it, and that such notice shall be binding and conclusive as to the respective amounts of water and of power or energy to be thereafter delivered.

8. Before the completion of the said works the contractor shall give to the corporation notice in writing specifying the date at which he expects to have the same completed and ready for operation, and such notice, if given between the first day of November in any year and the first day of May next ensuing, shall be for a period of six months commencing from such first day of May, and if given between the first day of May in any year and the first day of November next ensuing, it shall be for a period of twelve months, commencing from the said first day of November, but no penalty or damages shall be recoverable from the contractor for failure to complete the said works according to or at the time named in such notice, and the parties hereto may by mutual agreement change and alter the stipulations and agreements contained in this paragraph as to such notice.

9. Upon the completion of the works necessary to provide the said water and power supply, and from and after the date of such completion, and yearly and every year thereafter during the currency of this agree-