

ENMAX CORPORATION

HUMAN RESOURCES COMMITTEE MANDATE

Pursuant to Section 4.1 of the Amended and Restated Bylaw of ENMAX Corporation (the "Corporation"), and the Amended and Restated Bylaws of the Corporation's direct and indirect subsidiaries, a committee of the Board of Directors (the "Board") to be known as the Human Resources Committee (hereinafter referred to as the "Committee") is hereby established. The Committee has the oversight responsibility and specific duties described below.

1) **Committee Composition**

The Committee shall be composed of a minimum of three directors, none of whom shall have any interest in, or business or other relationship with the Corporation that may, or may reasonably be perceived to, interfere with the exercise of their independence from management and the Corporation.

If not an appointed member of the Committee, the Chair of the Board may attend Committee meetings at his discretion but shall not be entitled to vote except as required by Section 3b.

The members of the Committee shall be appointed or reappointed at the Organizational Meeting of the Board which will be the next regularly scheduled Meeting following the Annual Meeting of the Shareholder of the Corporation. Each member of the Committee shall continue to be a member thereof until his/her successor is appointed; unless he/she shall resign or be removed by the Board or he/she shall cease to be a director of the Corporation. Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board and shall be filled by the Board if the membership of the Committee is less than three directors as a result of the vacancy.

The Board shall appoint a Chair of the Committee. If the Chair of the Committee cannot be present at any meeting of the Committee, the Chair shall, in advance of the meeting, designate another member of the Committee as Chair. Failing which, the Chair shall be chosen by the Committee from among the members present. At all meetings of the Committee, every question shall be decided by a majority of the votes cast on the question. In the case of an equality of votes, the motion shall be lost and the person acting as Chair of the meeting shall not be entitled to a second or casting vote.

2) Committee Secretary

The Secretary of the Corporation, or with the approval of the Chair of the Committee, the Secretary's designate, shall attend at and be the secretary of all meetings of the Committee.

3) Committee Meetings

The time and place of meetings of the Committee and the procedure at such meetings shall be determined from time to time by the members thereof provided that:

- a) a quorum for meetings shall be a majority of Committee members, present in person or by telephone or other telecommunication device that permit all persons participating in the meeting to speak and hear each other;
- b) in circumstances where a quorum cannot be constituted as in 3a), the Chair of the Board may be considered in establishing quorum and shall be entitled to vote for the duration of the meeting;
- c) the Committee shall meet at least semi-annually; and
- d) notice of the time and place of every meeting shall be given in writing or facsimile communication to each member of the Committee at least 24 hours prior to the time fixed for such meeting, provided, however, that a member may in any manner waive a notice of a meeting; except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

4) Responsibility

The Committee's primary purpose is to assist the Board in fulfilling its oversight responsibilities with respect to matters related to compensation, organizational structure, workforce planning, management development and succession planning, union relations, pension governance and health and safety, which include the specific duties as set out below.

5) Specific Duties – Human Resources

The Committee shall, with respect to the human resources policies and practices of the Corporation:

- a) in connection with its advisory functions:
- i) Annually review and, in the Committee's discretion, make recommendations to the Board for consideration regarding the CEO's short-term and long-term corporate goals and objectives.
 - ii) review and recommend to the Board for approval the remuneration of the Chief Executive Officer (the "CEO"), and the CEO's direct reports, namely the executive vice presidents and vice presidents reporting directly to the CEO provided, however, that any director has right of access to more detailed executive compensation related information beyond that contained in such recommendation;
 - iii) report annually and as necessary to the Board on an aggregate basis on the adjustment to salary ranges for all other employees provided however that any director has right of access to more detailed compensation information beyond that contained in such report;
 - iv) recommend, when required, a candidate for appointment to the office of President and CEO;
 - v) review and recommend to the Board for approval any employment contracts and employment offers for the CEO and his direct reports. Review and present any retiring allowance agreements or any agreement to take effect in the event of termination or change in control affecting the CEO and his direct reports;
 - vi) review and report to the Board, annually and as necessary, on the appropriateness of the current and future organizational structure of the Corporation, position descriptions for the CEO and his direct reports, and plans for the succession of the CEO and his direct reports;
 - vii) on an annual basis, recommend to the Board, the approval of ENMAX's annual disclosure of Executive Compensation and Executive Compensation Practices, in accordance with National Instrument 51-102F6 "Disclosure of Executive Compensation Practices".
 - viii) review and report to the Board on union relations, collective agreement issues and negotiations;
 - ix) review and report to the Board, on an annual basis, on the general employee termination policies of the Corporation and the extent to which they are in compliance with the *Employment Standards Code* (Alberta);

- x) review and report to the Board on an annual basis, on the status and adequacy of the Corporation's efforts to ensure its businesses are conducted and its facilities operated in a manner ensuring the rights of the employees under the *Canada Human Rights Act* (Canada);
- b) in connection with the exercise of its powers:
 - i) review the remuneration of management (other than the CEO and his direct reports) and the remuneration of all other employees of the Corporation on an aggregate basis;
 - ii) compare periodically, the component and total remuneration of the chief executive officer and his direct reports with the remuneration practices of designated benchmark companies/corporations;
 - iii) annually and as necessary, review the total compensation practices of the Corporation;
 - iv) annually, and as necessary, review and monitor the executive development programs of the Corporation;
 - v) annually, and as necessary, review long range human capital plans and human resources policies for attracting, retaining and developing an appropriate complement of skilled employees;
 - vi) fulfill the obligations assigned to the Committee pursuant to any remuneration plans approved by the Board; and
 - vii) annually review new legislation or changes to legislation impacting the Human Resources Committee.

6) Interpretation:

For purposes of paragraph 5, the following definition shall be applicable:

Remuneration includes:

- a) changes in individual salaries and salary ranges, or the basis for establishing salary levels;
- b) individual variable incentive payments and the basis for these payments, including performance against established objectives and targets;

- c) individual short/long term incentive programs; and
- d) any other types of compensation mechanism utilized by the Corporation.

7) Specific Duties: Pension Governance

The Committee shall with respect to the pension governance practices of the Corporation govern the ENMAX Pension Plan ("Plan"), which includes the Defined Benefit Provisions (the "DB Provisions" or "DB") and the Defined Contribution Provisions (the "DC Provision" or "DC") and the related Funding Agreement (the "Agreement"), in accordance with its terms and shall comply with directions, if any, from the Board. The Committee shall also govern the ENMAX Supplemental Retirement Plan ("SRP"). The Committee shall consider recommendations and advice from the Joint Pension Board of ENMAX with respect to the Plan; however, ENMAX, through its Board and the Human Resources Committee shall have unfettered discretion in deciding all matters in respect of the governance, operation, administration and interpretation of the Plan.

- a) in connection with its advisory functions:
 - i) recommend to the Board of Directors:
 - the appointment or removal of the auditors for the Plan and the SRP;
 - the governance structure of the Plan and the SRP including the number and type of committees involved in the administration of the plans and changes to the governance structure;
 - changes to the Human Resources Committee Mandate and the Joint Pension Board Terms of Reference.
 - amendments to the Plan and SRP that are of a material nature. Changes of a material nature are those that have a financial impact to ENMAX or the Plan;
 - approval of the Plan and SRP Annual Report, quarterly and Audited Year-End Financial Statements.
 - ii) having regard for, among other things, competitive posture, review and report to the ENMAX Board of Directors annually and as necessary, on

the appropriateness of the Corporation's participation in the Plan and SRP and on the adequacy of the monitoring thereof;

- iii) ensure the implementation and administration of the day-to-day functions and operations of any ENMAX Corporation Pension Plan and SRP in compliance with the directions of the ENMAX Board of Directors;
 - iv) report to the ENMAX Board of Directors - at least annually in respect of pension governance matters.
- b) in connection with the exercise of its powers:
- i) review and approve a formal funding policy for the defined benefit provision;
 - ii) review the defined benefit actuarial valuation and approve the underlying actuarial assumptions;
 - iii) monitor asset/liability studies;
 - iv) review, monitor and approve major asset allocation policy;
 - v) review, monitor and approve a Pension Member Communication and Information Policy for the "Plan" and for the Supplemental Retirement Plan (SRP);
 - vi) review, monitor and approve a Statement of Investment Policies and Procedures, including any changes to the Statement;
 - vii) appoint or remove the investment managers for the Defined Benefit provision and the actuary for the Plan and the Supplemental Retirement Plan (SRP).
 - viii) review the strategy, criteria and process for the appointment of service providers, including the trustee/custodian, the record-keeper for the defined contribution option; the general investment consultant, legal counsel and any other pension-related service providers and monitor compliance with policies to help ensure prudent and sound selection decisions are made;
 - ix) periodically review the appropriateness of DC Provision Investment options and DB investment managers' performance against pre-determined performance evaluation criteria;

- x) monitor minor Plan amendments; and
- xi) review with management and report to the Board on compliance with the requirements regarding minimum employer contributions and the creation and destruction of records under the *Employment Pension Plan Act* (Alberta).

8) Specific Duties - Health and Safety

The Committee shall with respect to the occupational, health and safety practices of the Corporation:

- a) review annually and recommend to the Board, for approval, any necessary changes in, and the appropriateness of the policy guidelines in place to administer occupational health and safety policies, standards, accountabilities and programs for the Corporation;
- b) receive an annual report as to the nature and extent of compliance with occupational health and safety policies, standards under applicable legislation including worker safety under the *Occupational Health and Safety Act* (Alberta), the duty to reasonably ensure the safety of people arising from employment under the *Criminal Code* (Canada), and the prevention of negligence resulting in workers' injury under the *Workers Compensation Act* (Alberta), as well as the nature and extent of non compliance together with the reasons therefore, and report to the Board on the status of such matters;
- c) receive routine reports on the status of implementation of Management's Response Plan.
- d) review and report to the Board, annually, on the Corporation's state of readiness to respond to crisis situations;
- e) review Safety Dashboards with a view to monitoring where the corporation stands relative to the CEA safety performance statistics (and how these statistics are monitored), disciplinary action taken or considered, safety related reports and general compliance matters.
- f) review internal and external occupational health and safety audit reports and meet in camera with the internal and external health and safety auditor(s) when such reports are tabled with the Committee;
- g) review annually with management and legal counsel any civil and criminal occupational, health and safety proceedings, claims or other contingency that

could have a significant effect on the Corporation and report to the Board on the status of such matters; and

- h) review such other occupational health and safety or crisis management matters as from time to time the Committee may consider suitable or the Board may specifically direct.

9) Risk Management

The Committee shall receive regular risk reports from management with respect to the risks identified in Schedule "A". Based on these regular risk reports, on a tri-annual basis, the Committee shall accept the accountability for such risks and consent that such risks identified in Schedule "A" are appropriate to be monitored by the Committee. The Committee shall then monitor ongoing compliance and performance of such risk reports.

To honor the spirit and intent of the enterprise risk management process, authority to make amendments to the risks identified in Schedule "A" shall be delegated to the Chair of the Enterprise Risk Management Committee ("ERMC"). In conjunction and upon recommendation of the Committee, the ERMC shall have the authority to make amendments to the risks identified on Schedule "A", without proposing such amendments to the Board for approval.

Once such a determination has been made, risks will be amended accordingly, if necessary, and approved by the Committee.

10) External Advisors

In instances where members of the Committee believe that in order to properly discharge their fiduciary obligations to the Corporation it is necessary to obtain the advice of outside experts, the Chair shall, at the request of the Committee, engage the necessary experts. The Board shall be kept apprised of both the selection of the experts and the expert's findings through the Committee's regular reports to the Board.

11) In-Camera Sessions

The Committee shall meet separately from management for a part of each meeting of the Committee.