

ENMAX CORPORATION

ENTERPRISE RISK MANAGEMENT COMMITTEE MANDATE

Pursuant to the Section 4.1 of the Amended and Restated of ENMAX (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 Enterprise Risk Management 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 comprised 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.

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 the member's successor is appointed, unless the member shall resign or be removed by the Board or the member 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 four 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) the Committee shall meet at least semi-annually; and
- c) 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; and attendance of a member at a meeting is a waiver of notice of the 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 Enterprise Risk Management Committee is established to assist the ENMAX Board of Directors and the Boards of Directors of ENMAX's subsidiaries in their responsibility for management and oversight of matters relating to financial and other risk exposure faced by the Company and the assessment, monitoring and control of such risks.

Except as specifically authorized by the Board, the Committee's authority is limited to reviewing recommendations and submitting them to the Board for approval related to:

- a) the Company's risk philosophy;
- b) the Company's risk appetite;
- c) risk management policies,
- d) the assessment of critical risks that could prevent the Company from achieving its strategic objectives and the potential impact of such risks;

- e) the design methodologies to adjust risk management structures and systems, including the assignment of specific risks to relevant Board Committees and the Corporation's management departments;
- f) the integration of enterprise risk management across the organization and across the Committees of the Board of Directors; and
- g) the oversight of the risks allocated to the Board Committees.

5) Specific Duties

The Committee shall in connection with the exercise of its powers:

- a) make recommendations as to whether the Board of Directors, the Committees of the Board and Management have a common understanding of enterprise risk;
- b) review management's implementation of a process to identify, analyze, aggregate, evaluate and treat risks that might prevent ENMAX from achieving its strategic objectives;
- c) review the risks retained by the Company with a view to ensuring that such risks are within the risk appetite specified by the Board;
- d) review the oversight and accountability of the Committees of the Board of any assigned risks and make recommendations as to the appropriate oversight and accountability of those enterprise risks related to the Board Committees as set out in their respective mandates and the steps management has taken to monitor and control such exposures within their mandates;
- e) review with management, at least annually, reports demonstrating compliance with risk management policies;
- f) annually review with management those risks related to the Corporation's strategy;
- g) annually review with management those risks related to the Corporation's budget;
- h) quarterly review with specific Chairs of the Board Committees the risks that have been allocated to those Committees to review the oversight and accountability for those risks;
- i) ensure the integrity of the risk management system by reviewing reports, at least annually, relating to the adequacy of the Company's risk management practices together with management's responses from the:
 - i) External Auditor (related to financial controls);

- ii) The Internal Auditor (risk management systems as identified by the Committee and as developed on a rotational basis); and
 - iii) The Chief Risk Officer.
- j) review with officers of the Corporation, on an annual basis, and recommend to the Board, for approval, changes as considered advisable on the following:
- i) the risks inherent in the Corporation's businesses, facilities and strategic direction;
 - ii) the overall financing of risk;
 - iii) the risk retention philosophy and the resulting uninsured exposure of the Corporation;
 - iv) loss prevention policies, risk management programs, standards and accountabilities of the Corporation in the context of competitive and operational considerations; and
 - v) the information technology plan to ensure that it effectively supports current and future planning, operational and financial activities.

6) External Consultants

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.

7) In-Camera Meetings

The Committee shall meet separately from management for a part of each meeting of the Committee. The Committee shall also meet separately with the Chief Risk Officer for a part of each meeting of the Committee.