

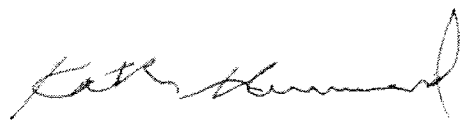
## Darlington RFR Contract


### Joint Principles (OPG and B&W)

1. Information gaps
  - (a) missing information will be provided to support the process
2. Risk sharing/target cost model (not T&M)
  - (a) meaningful incentives and disincentives around target
  - (b) meaningful fee at risk
  - (c) all costs prudently incurred
  - (d) meaningful schedule incentives and disincentives
3. Transparency
  - (a) open book (including key subcontractors)
  - (b) reasonable profit is acceptable, "hidden" profit is not
  - (c) scope transparency on fixed price work
  - (d) comprehensive audit rights
4. Scope definition
  - (a) agreement that definition phase scope well understood prior to signing
  - (b) mutually accepted roles and responsibilities (eg. DAIA and IRP)
  - (c) defined division of responsibility (example – RD 360)
  - (d) contractor delivers well defined execution phase scope during definition phase
  - (e) contractor initiated change orders restricted to changes in applicable laws, excusable delay, concealed conditions, amendment to scope initiated by OPG and economic cost adjustments
5. Key Personnel
  - (a) confirmation of the "A" team
  - (b) assurance as to quality and continuity of RFR project management team
6. Tooling and tooling intellectual property
  - (a) if the relationship comes to an end for any reason, OPG requires the tools and sufficient intellectual property rights to use the tools for the Darlington RFR project (under defined licensing arrangement)
  - (b) documented strategies required for both traditional and innovative tooling
7. Warranty
  - (a) meaningful warranty
  - (b) adequate warranty period (not less than the first outage period for each unit) with defined sunset clause
  - (c) correction costs will be paid by contractor

8. Rework
  - (a) rework reimbursable only if performed in accordance with prudent practices; no increase to fixed fee or target cost/schedule
  
9. Financial
  - (a) meaningful L/C for duration of project
  - (b) appropriate parental guarantee
  - (c) reasonable limits of liability
  
10. Job start by October 2015
  - (a) defined contract start date
  
  - (b) cooperation, collaboration and teamwork to ensure project is successful
  
11. Procurement
  - (a) documented procurement strategies for agency and full procurement
  
12. Safety
  - (a) demonstrate alignment with OPG safety policies
  
13. Value for money

Date: August 12, 2011

  
\_\_\_\_\_  
OPG Lead

  
\_\_\_\_\_  
B&W Lead