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February 28, 2014

VIA RESS and Courier

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street
P.O. Box 2319
Suite 2700
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Niagara Region Wind Corporation Leave to Construct Application
Board File No. EB-2013-0203
Niagara Region Wind Corporation Interrogatory Responses**

Please find attached the responses to the Interrogatories of Board Staff and Township of West Lincoln in the above-noted application.

Please contact the undersigned if you have any questions in relation to the foregoing.

Sincerely,

Signed in the Original

George Vegh
Enclosure

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Sch. B, as amended;

AND IN THE MATTER OF an application by Niagara Region Wind Corporation (the “**Applicant**”) for an order or orders pursuant to section 92 of the *Ontario Energy Board Act, 1998* (the “**OEB Act**”) granting leave to construct transmission facilities in the townships of West Lincoln, Lincoln, Wainfleet, the Niagara Region and Haldimand County.

NIAGARA REGION WIND CORPORATION (“NRWC”) RESPONSES TO TOWNSHIP OF WEST LINCOLN INTERROGATORIES

Township of West Lincoln Interrogatory 1:

Interrogatory No. 1: General

PREAMBLE:

The Township of West Lincoln recognizes the need in appropriate circumstances to locate hydro lines on municipal road allowances. In the case of transmission facilities, West Lincoln has the concerns as described in its request for intervenor status. The Township acknowledges and understands the comments of the Board concerning jurisdiction made in Procedural Order #2.

1. *Will there be any negative effect on the interests of consumers with respect to prices and the reliability of quality of electrical service if the transmission facilities proposed are buried or re-routed?*

RESPONSE 1:

The Application is for Leave to Construct transmission facilities that are above ground and to follow the route proposed in the application. All of the evidence on engineering, geotechnical studies, watershed mapping, interference with existing infrastructure, etc. is therefore based on the proposal as filed. The Board has not ordered undergrounding of transmission facilities in leave to construct applications and it is not common practice in Ontario to bury transmission lines. The questions of burying or re-routing the facilities therefore do not address an issue that is relevant to the application. Nevertheless, for the sake of providing information to the Board, if

the Board were to determine that transmission lines across the province were to be buried, the prices to electricity consumers would be almost incalculable and electricity consumers would not gain a reliability benefit for this cost.

2. *Will there be any negative effect on the promotion of the use of renewable energy sources consistent with the policies of the Government of Ontario if transmission facilities are buried or re-routed?*

RESPONSE 2:

The Application is for Leave to Construct transmission facilities that are above ground and to follow the route proposed in the application. All of the evidence on engineering, geotechnical studies, watershed mapping, interference with existing infrastructure, etc. is therefore based on the proposal as filed. The Board has not ordered undergrounding of transmission facilities in leave to construct applications and it is not common practice in Ontario to bury transmission lines. The questions of burying or re-routing the facilities therefore do not address an issue that is relevant to the application. Nevertheless, for the sake of providing information to the Board, the cost of achieving the government's renewable energy policy would be greatly increased if transmission lines are required to be buried.

3. *We understand that the proponent considered alternate locations for the transmission line which it ultimately rejected. Did this review consider placement of the transmission line to the east of the Smithville Urban Area and further, did the review disclose*

- (i) ***any negative effect on the interest of consumers with respect to prices and reliability of quality of electrical service; and***
- (ii) ***any negative effects on the promotion of the use of renewable energy resources consistent with the policies of the Government of Ontario.***

RESPONSE 3(i) and (ii):

NRWC considered four alternate routes (locations) for the transmission line route in the area called the Majority or Middle Section of the entire transmission line route. The evaluation of these four routes is contained within Subsection 4.2 of the report "Niagara Region Wind Farm – Route Selection and Evaluation Summary" dated November 1, 2012 and found in Exhibit F, Tab 1, Schedule 5 of the pre-filed evidence. Alternate Route 3 and Route 4 went south and east of the Smithville urban area. Evaluation of the alternative routes included considerations of natural environment, constructability, operation, maintenance and socioeconomic factors. The minimization of route length to reduce impacts, construction time and costs, and energy losses were key in preferring Route 1 in lieu of Routes 2, 3 and 4 through the Majority or Middle Section of the Transmission Line route. The review did not discuss negative effects on the interest of consumers with respect to prices and reliability of quality of electrical service nor

negative effects on the promotion of the use of renewable energy resources consistent with the policies of the Government of Ontario.

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Sch. B, as amended;

AND IN THE MATTER OF an application by Niagara Region Wind Corporation (the “**Applicant**”) for an order or orders pursuant to section 92 of the *Ontario Energy Board Act, 1998* (the “**OEB Act**”) granting leave to construct transmission facilities in the townships of West Lincoln, Lincoln, Wainfleet, the Niagara Region and Haldimand County.

NIAGARA REGION WIND CORPORATION (“NRWC”) RESPONSES TO BOARD STAFF INTERROGATORIES

Board Staff Interrogatory 1:

Interrogatory No. 1: Customer Impact Assessment Report (CIA) and System Impact Assessment Report (SIA)

References: Ex. H/Tab. 1/Sch. 1 - 4

- (a) Has the Applicant received the updated SIA report from the IESO, in light of the April 22, 2013 amendments? Please file the updated SIA report. If the IESO review is still on-going, please indicate when the review is expected to be completed and please file the updated SIA report upon completion of the review.***
- (b) Is an update to the CIA report also required in light of the amendments to the SIA? If an updated CIA is required, please submit the updated CIA report or indicate when the updated CIA report will be available. If applicable, please file the updated CIA report upon completion.***

RESPONSE 1:

- (a) An amendment to the SIA application was submitted on March 28, 2013. The final updated SIA was provided by the IESO on September 23, 2013. A copy of the revised SIA is enclosed at Schedule “A”.
- (b) HONI provided a CIA Addendum dated August 15th, 2013, which confirmed that there were no material changes from the previous arrangement documented in the original CIA. The CIA Addendum is attached at Schedule “B”.

Board Staff Interrogatory 2:

Interrogatory No. 2: Project Schedule

References: Ex. C/Tab. 1/Sch. 2

- (a) Please update the Project Schedule at the above reference if the schedule has changed.***

RESPONSE 2:

- (a)** Please see Schedule "C". Please note that the Gantt Chart provided assumes a REA decision date of June 3, 2014 (see Response 3, below).

Board Staff Interrogatory 3:

Interrogatory No. 3: Status of REA

Reference: Ex. B/Tab. 1/Sch. 1/paragraph 6

- (a) At the above reference the Applicant states that a decision from the MOE regarding its REA application was expected in Q4 2013. Has the Applicant received the referenced MOE decision? Please file the MOE's decision if one has been issued or indicate when a decision is expected.***

RESPONSE 3:

- (a)** The MOE issued a letter on December 3, 2013 which confirmed that the REA application met the requirements of Ontario Regulation 359/09 and was deemed complete. The MOE therefore initiated the technical review of the application starting on this date. The MOE follows a six month service standard for the technical review of REA applications, which would result in a decision on the REA by June 3, 2014.

Board Staff Interrogatory 4:

Interrogatory No. 4: Land Matters

References: Ex. F/Tab 1/Sch. 1

- (a) In paragraph 44 at the above of reference, the Applicant states it has entered into a road-use agreement with the Town of Lincoln and that it will enter into similar***

agreements with the other municipalities. What is the status of the agreements with the other three affected municipalities?

- (b) In paragraph 50 at the above reference, the Applicant states that an easement may be required from the property owner on the north side of Canborough Road. What is the status of this agreement? Please describe the infrastructure that is planned to be located on this property?***
- (c) Has the Applicant successfully executed an agreement with property owners in relation to the properties identified in Table A, at the above reference? If applicable, please identify the properties in Table A in relation to which the Applicant has not been able to execute an agreement with the owner.***
- (d) With respect to the property (PIN # 640010059) in Table A, please describe the infrastructure that is planned to be located on this property.***
- (e) Is the Applicant required to enter into an agreement with the property owners in Table B, at the above reference? Please provide an update on the status of these negotiations.***
- (f) Will the Applicant require temporary land rights (for example during construction) from any private landowners? Does the applicant know which of the properties will be affected if such temporary rights are needed?***

RESPONSE 4:

- (a) The status of the Road Use Agreements with the affected municipalities include:

Haldimand County: Several drafts of the Road Use Agreement were developed in consultation with Haldimand County in 2013. The final terms and conditions have been confirmed between NRWC and Haldimand County and the document is awaiting signature.

Wainfleet: A Draft Road Use Agreement was provided to the Wainfleet planning committee on April 25, 2013. Wainfleet staff advised that further discussions and negotiations for the Road Use Agreement could commence after approval of the REA application by the MOE (expected June 2014).

West Lincoln: NRWC has been meeting regularly with the Township of West Lincoln to refine the terms and conditions of the Road Use Agreement. The most recent meetings were February 21st, 2014, January 8th, 2014, and September 24th, 2013. NRWC will continue negotiations to finalize the agreement prior to the start of construction.

Niagara Region: Niagara Region staff have worked cooperatively with NRWC to provide comments on several drafts of the Road Use Agreement. NRWC and the Niagara Region are currently finalizing the agreement.

- (b) An easement for the property north of Canborough Road was originally thought to be required due to a crossing of an existing HONI transmission line which would necessitate an low-profile pole overhanging the property. Further progress on the design of the HONI transmission line has confirmed that this crossing will be installed via underground cables. As a result, no infrastructure or overhang will be required on this property north of Canborough Road and therefore no easement will be required. This property is therefore considered an “Adjacent Landowner” only.
- (c) Summarized in Table 1 below is the status of the agreements with the property owners of the Table A properties. These properties are identified as “Directly Affected Properties”. Note that two properties in Table A have been re-classified as “Adjacent Landowners” because further design work confirmed that easements and/or infrastructure on these properties are no longer required for operation of the facility. NRWC has executed agreements with all applicable property owners from Table 1. Attached at Schedule “D” is a land use agreement (not previously included in the Applicant’s pre-filed evidence) offered to landowners in Table 1.

Table 1: Agreement status of Directly Affected Properties

PIN	CON	LOT	Easement on Title	Nature of Impact	Crossing Type	Status of Agreement
460330080	CON 1	LOT 21	No easement on title	Infrastructure located on property (Interconnect Station)	None	Option to Lease agreement executed with landowner
460900076	CON 5	LOT 23	No easement on title	Infrastructure located on property (Transition Station)	None	Option to Lease agreement executed with landowner
460720223	CON 1	LOT 12	No easement on title	Infrastructure located on property (Northern Substation)	None	Option to Lease agreement executed with landowner
640010055	CON 7	LOT 43	Easement to permit	Infrastructure located on	None	Option to Lease

			operational emissions from adjacent field.	property (Transmission Line Poles)		agreement executed with landowner
640010059	CON-7	LOT-42	No easement on title	Infrastructure located on property (Transmission Line)	None	Infrastructure and easement no longer required due to change in design
381030111	SOUTH OF FORKS ROAD	LOT 1	No easement on title	Infrastructure located on property (Transmission Line Poles)	None	Option to Lease agreement executed with landowner
381030117	SOUTH OF FORKS ROAD	LOT 2	No easement on title	Infrastructure located on property (Southern Substation)	None	Option to Lease agreement executed with landowner
460720083	BROKEN FRONT CONC	LOT-8	No easement on title	Clearance for infrastructure located on property (Transmission Line)	HONI Transmission Line Corridor	Infrastructure and easement no longer required due to change in design

(d) The property PIN #640010059 is located along Creek Road just west of Sideroad 42 shown in Figure F-1-5.6 of the LTC pre-filed evidence. This property was originally proposed to host transmission line poles. Further design considerations confirmed that the transmission line will be installed entirely within the municipal right of way at this location. As such, this property is an Adjacent Landowner and not a Directly Affected Property. No transmission line infrastructure will be located on this property and no transmission line easements will be required at this property.

(e) Locations of transmission line crossings over existing infrastructure are identified in Table B referenced by the adjacent PIN number. These crossings impact assets owned by CN Railway, HONI, TransCanada, CP Railway and Enbridge. NRWC distributed the Notice of Application for Leave to Construct Transmission Facilities to these companies in August 2013. Crossing Agreements will be executed between NRWC and these

companies upon the completion of detailed engineering drawings of the crossings. NRWC will continue consultation in support of the Crossing Agreements.

- (f) The Application and pre-filed evidence identified "Adjacent Landowners" which are owners of properties adjacent to the transmission line corridor which may be affected by the facility through aerial overhang, hosting related equipment (guys or anchors) or requiring temporary construction access. Topographic and legal survey work within the Project Area was initiated in February 2014. The results of these surveys along with continued detailed design will help refine which Adjacent Landowners will in fact require temporary construction access. This information is expected to be confirmed in Q3 2014.

Schedule "A"

REPORT



Power to Ontario.
On Demand.

System Impact Assessment Report

CONNECTION ASSESSMENT & APPROVAL PROCESS

Addendum

CAA ID: 2012-466

Project: Niagara Region Wind Farm

Applicant: Niagara Region Wind Corporation

Market Facilitation Department
Independent Electricity System Operator

Date: September 23, 2013

PUBLIC

Document Name	System Impact Assessment Report
Issue	Addendum
Reason for Issue	First Issue
Effective Date	September 23, 2013

System Impact Assessment Report

Acknowledgement

The IESO wishes to acknowledge the assistance of Hydro One in completing this assessment.

Disclaimers

IESO

This report has been prepared solely for the purpose of assessing whether the connection applicant's proposed connection with the IESO-controlled grid would have an adverse impact on the reliability of the integrated power system and whether the IESO should issue a notice of conditional approval or disapproval of the proposed connection under Chapter 4, section 6 of the Market Rules.

Conditional approval of the proposed connection is based on information provided to the IESO by the connection applicant and Hydro One at the time the assessment was carried out. The IESO assumes no responsibility for the accuracy or completeness of such information, including the results of studies carried out by Hydro One at the request of the IESO. Furthermore, the conditional approval is subject to further consideration due to changes to this information, or to additional information that may become available after the conditional approval has been granted.

If the connection applicant has engaged a consultant to perform connection assessment studies, the connection applicant acknowledges that the IESO will be relying on such studies in conducting its assessment and that the IESO assumes no responsibility for the accuracy or completeness of such studies including, without limitation, any changes to IESO base case models made by the consultant. The IESO reserves the right to repeat any or all connection studies performed by the consultant if necessary to meet IESO requirements.

Conditional approval of the proposed connection means that there are no significant reliability issues or concerns that would prevent connection of the proposed project to the IESO-controlled grid. However, the conditional approval does not ensure that a project will meet all connection requirements. In addition, further issues or concerns may be identified by the transmitter(s) during the detailed design phase that may require changes to equipment characteristics and/or configuration to ensure compliance with physical or equipment limitations, or with the Transmission System Code, before connection can be made.

This report has not been prepared for any other purpose and should not be used or relied upon by any person for another purpose. This report has been prepared solely for use by the connection applicant and the IESO in accordance with Chapter 4, section 6 of the Market Rules. The IESO assumes no responsibility to any third party for any use, which it makes of this report. Any liability which the IESO may have to the connection applicant in respect of this report is governed by Chapter 1, section 13 of the Market Rules. In the event that the IESO provides a draft of this report to the connection applicant, the connection applicant must be aware that the IESO may revise drafts of this report at any time in its sole discretion without notice to the connection applicant. Although the IESO will use its best efforts to advise you of any such changes, it is the responsibility of the connection applicant to ensure that the most recent version of this report is being used.

Hydro One

The results reported in this report are based on the information available to Hydro One, at the time of the study, suitable for a System Impact Assessment of this connection proposal.

The short circuit and thermal loading levels have been computed based on the information available at the time of the study. These levels may be higher or lower if the connection information changes as a result of, but not limited to, subsequent design modifications or when more accurate test measurement data is available.

This study does not assess the short circuit or thermal loading impact of the proposed facilities on load and generation customers.

In this report, short circuit adequacy is assessed only for Hydro One circuit breakers. The short circuit results are only for the purpose of assessing the capabilities of existing Hydro One circuit breakers and identifying upgrades required to incorporate the proposed facilities. These results should not be used in the design and engineering of any new or existing facilities. The necessary data will be provided by Hydro One and discussed with any connection applicant upon request.

The ampacity ratings of Hydro One facilities are established based on assumptions used in Hydro One for power system planning studies. The actual ampacity ratings during operations may be determined in real-time and are based on actual system conditions, including ambient temperature, wind speed and project loading, and may be higher or lower than those stated in this study.

The additional facilities or upgrades which are required to incorporate the proposed facilities have been identified to the extent permitted by a System Impact Assessment under the current IESO Connection Assessment and Approval process. Additional project studies may be necessary to confirm constructability and the time required for construction. Further studies at more advanced stages of the project development may identify additional facilities that need to be provided or that require upgrading.

Table of Contents

Table of Contents	i
Executive Summary	1
Notification of Conditional Approval	1
Rationale for Conditional Approval for Connection	1
1. Introduction	2
2. Data Verification	4
2.1 Connection Arrangement.....	4
2.2 Wind Turbine Generators	5
2.3 Main Step-Up Transformers	6
2.4 Collector System	6
2.5 Connection Equipment	7
2.6 Wind Farm Control System.....	8
3. Assessments.....	9
3.1 Short Circuit Assessments	9
3.2 Reactive Power Compensation	10
3.3 Steady-State Assessments.....	12
3.4 Transient Stability Performance.....	12
3.5 Voltage Ride-Through Capability	13
Appendix A: Transient Stability Results	15

Executive Summary

Notification of Conditional Approval

Niagara Region Wind Corporation (the “connection applicant”) has proposed the following changes to Niagara Region Wind Farm (the “project”), whose original SIA was finalized in July 27, 2012:

- (1) The 44 kV collector system has been changed to a 34.5 kV collector system. In addition, the collector system will change from a combination underground and overhead system to a completely underground collector system;
- (2) There will be two collector substations where the 34.5 kV collection voltages are stepped up to 115 kV;
- (3) There will be several lengths of 115 kV underground cable required for the tap line and the circuit between two collector substations.

This assessment concluded that the proposed changes to the project would not result in new requirements for the connection of the project. The connection of the project, operating up to 230 MW, subject to the requirements specified in the original SIA report, is expected to have no material adverse impact on the reliability of the integrated power system. It is recommended that a *Notification of Conditional Approval for Connection* be issued for the Niagara Region Wind Farm subject to the implementation of the requirements outlined in the original SIA report.

Rationale for Conditional Approval for Connection

We have analyzed the changes to the project on the system reliability of the IESO-controlled grid, and based on our study results, we have identified that:

1. Based on the proposed connection configuration at Beach TS for the project, under the outage of 115 kV breaker H3H5, H5H7, or “New CB” (breaker designation to be assigned by Hydro One during facility registration) at Beach TS, the project would have to curtail its output unless a local special protection scheme (SPS) monitoring the status of 115 kV breakers at Beach TS is implemented.
2. There will be no short circuit concern after the incorporation of the project.
3. The reactive capability of the project will be able to meet the Market Rules based on the equivalent collector impedance parameters provided by the connection applicant.
4. Thermal and voltage assessment results in the original SIA are not expected to change.
5. The Wind Turbine Generators (WTG) of the project and the power system are expected to be transiently stable following recognized fault conditions.
6. The proposed WTGs will be capable of remaining connected to the grid for recognized system contingencies which do not remove the project by configuration.

– End of Section –

1. Introduction

In 2012, Niagara Region Wind Corporation (the “connection applicant”) submitted an SIA application for the 230 MW wind farm located in West Lincoln and Haldimand County, Ontario, to be known as Niagara Region Wind Farm (NRWF, the “project”). The project had been awarded a Power Purchase Agreement under the Feed-In Tariff (FIT) program with the Ontario Power Authority. It was expected that full commercial operation would start on February 23, 2014.

The IESO completed the SIA study for the project and issued the final SIA report at July 27, 2012. The connection applicant recently submitted material changes to the original application, therefore further assessment of the connection proposal was required. The changes primarily include:

- (1) The 44 kV collector system has been changed to a 34.5 kV collector system. In addition, the collector system will change from a combination underground and overhead system to a completely underground collector system;
- (2) There will be two collector substations where the 34.5 kV collection voltages are stepped up to 115 kV;
- (3) There will be several lengths of 115 kV underground cable required for the tap line and the circuit between two collector substations.

Additionally some of Enercon E-101 FT wind turbines have been replaced by other Enercon E-101 models FTS or FTQS to meet the reactive power requirements of the Market Rules. The modified project is described as below:

Wind Turbine Generators

The WTGs will a mix of Enercon E-101 FT, FTS, and FTQS, rated 3 MW each. The primary voltage of generator’s step-up transformers has been changed from 44 kV to 34.5 kV. The project will be composed of 77 WTGs, totaling 231 MW.

Collector System

The WTGs will be arranged into 9 collectors. There will be two collector substations: North and South substations. The North Substation will consist of 5 collectors (Collector 4, 5, 6, 7, and 8) with 9 WTGs (3 FT, 2 FTS, and 4 FTQS) on each collector. The South Substation will consist of 4 collectors (Collector 1, 2, 3, and 9) with 8 WTGs (4 FT, 2 FTS, and 2 FTQS) on each. Each collector will be connected to a 34.5 kV bus via a circuit breaker at either North or South substation. Each substation will include one 34.5/115kV main step-up transformer with a circuit breaker at both sides to connect the 34.5 kV bus to the 115 kV bus.

Transmission Facilities

The 115 kV circuit between the two substations will be a mix of 9 km overhead line and 1.29 km underground cable. There will be a circuit breaker at each end. The North Substation will be connected to the connection point via a tap line combining a 30.75 km overhead line and a 4.31 km underground cable. There will be a circuit breaker and two motorized disconnect switches on the tap line at the connection point. The connection point will be on Hydro One’s de-commissioned 115 kV circuit, former Q5G, approximately 25 km from Beach TS, which will be returned to service by adding a new circuit breaker to the loop bus configuration at Beach 115 kV.

The single-line diagram of the project is shown in Figure 1.

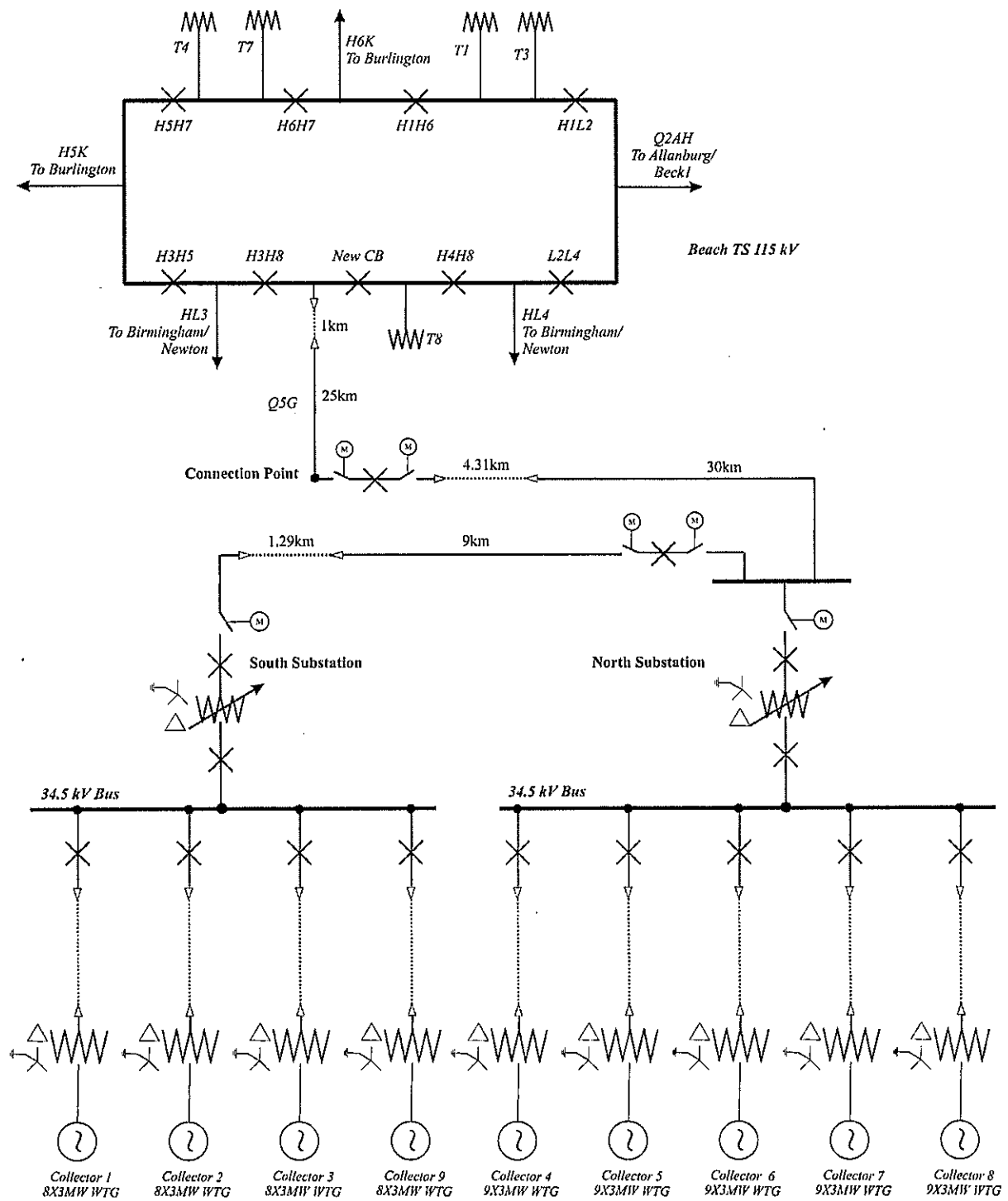


Figure 1: Revised single line diagram of the project

– End of Section –

2. Data Verification

2.1 Connection Arrangement

With all elements in-service, the connection arrangement of the project shown in Figure 1 is not expected to reduce the level of reliability of the integrated power system and is, therefore, acceptable to the IESO.

However, under some outage condition of one 115 kV breaker at Beach TS, there is a probability two breakers at Beach 115 kV are lost at the same time. Specially, the loss of breakers H3H5 and “New CB” would occur when the system is subject to Beach T8 contingency under the outage of breaker H3H5, or circuit H5K contingency under the outage of breaker “New CB”; and the loss of breakers H5H7 and “New CB” would occur for Beach T8 contingency under the outage of breaker H5H7, or Beach T7 contingency under the outage of breaker “New CB”.

When breaker H3H5 and “New CB” are lost, the project would be radially connected to circuit HL3 only, and the power output of the project would flow into the system through two transformers and the low-voltage bus of each station on circuits HL3/HL4, as shown in Figure 2. This may result in reverse flow through the transformers on circuit HL4. Similarly, the loss of breakers H5H7 and “New CB” may result in reverse flow through transformers on circuit H6K as well.

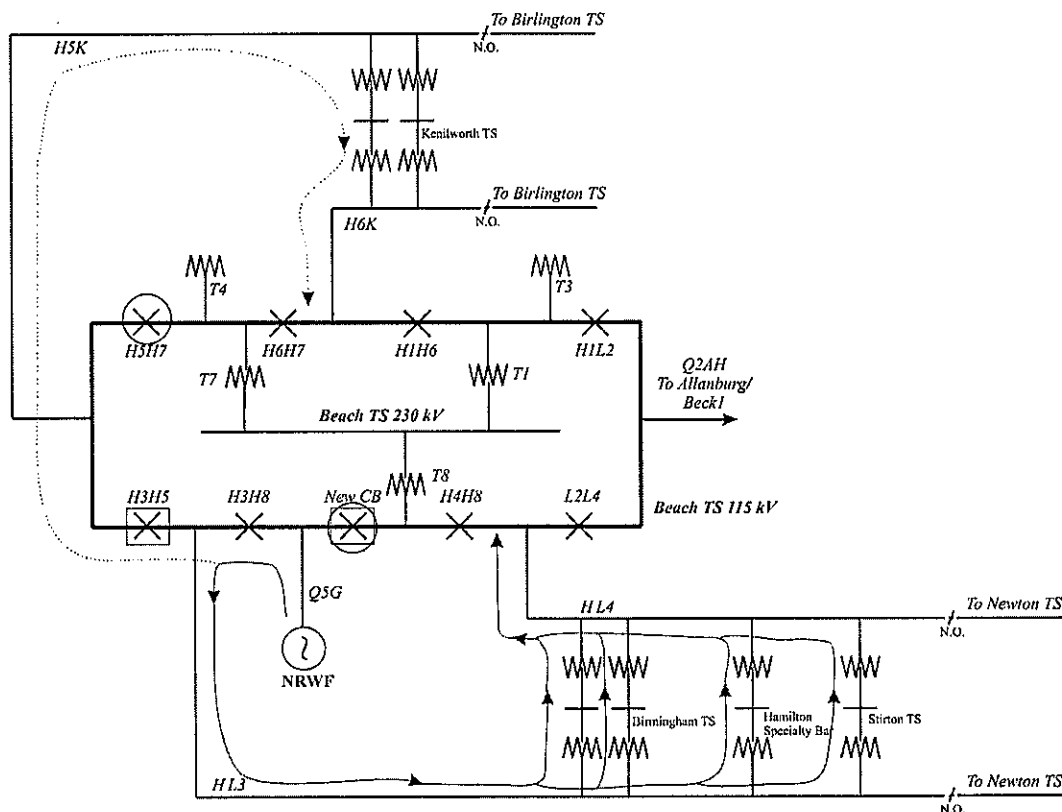


Figure 2: Connection of the project to the system for loss of two Beach 115 kV breakers

Hydro One confirmed that some transformers at the stations on HL3/HL4 and H5K/ H6K have no reverse flow capability. To prevent reverse flow through these transformers, the project will have to curtail its output under the outage of breaker H3H5, H5H7, or “New CB”. Alternatively, a local special protection scheme (SPS) monitoring status of these breakers at Beach TS could be implemented. The SPS would be normally armed and would reject the project’s output upon detection of radial connection of the project to circuit HL3 or circuits HL3 and H5K.

2.2 Wind Turbine Generators

The WTGs to be used will be Enercon E-101 FT, FTS and FTQS. Each WTG is a three bladed, variable pitch, variable speed, and full conversion WTG system. Their specifications are shown in Table 1.

Table 1: Specifications of proposed WTGs

Type	Rated Voltage	Rated MVA	Rated MW	GSU Transformer			Q_{max} (Mvar)	Q_{min} (Mvar)	I_d'' (pu)
				MVA	R	X			
E-101 FT/FTS	400 V	3.5	3	3.5	-	6%	1.7	-1.7	1.249
E-101 FTQS	400 V	3.8	3	3.8	-	6%	2.2	-2.2	1.363

E-101 FTS and FTQS WTGs are wind turbines adopting the STATCOM option, as shown in Figure 3, which enables a WTG to provide full reactive capability at low generating output.

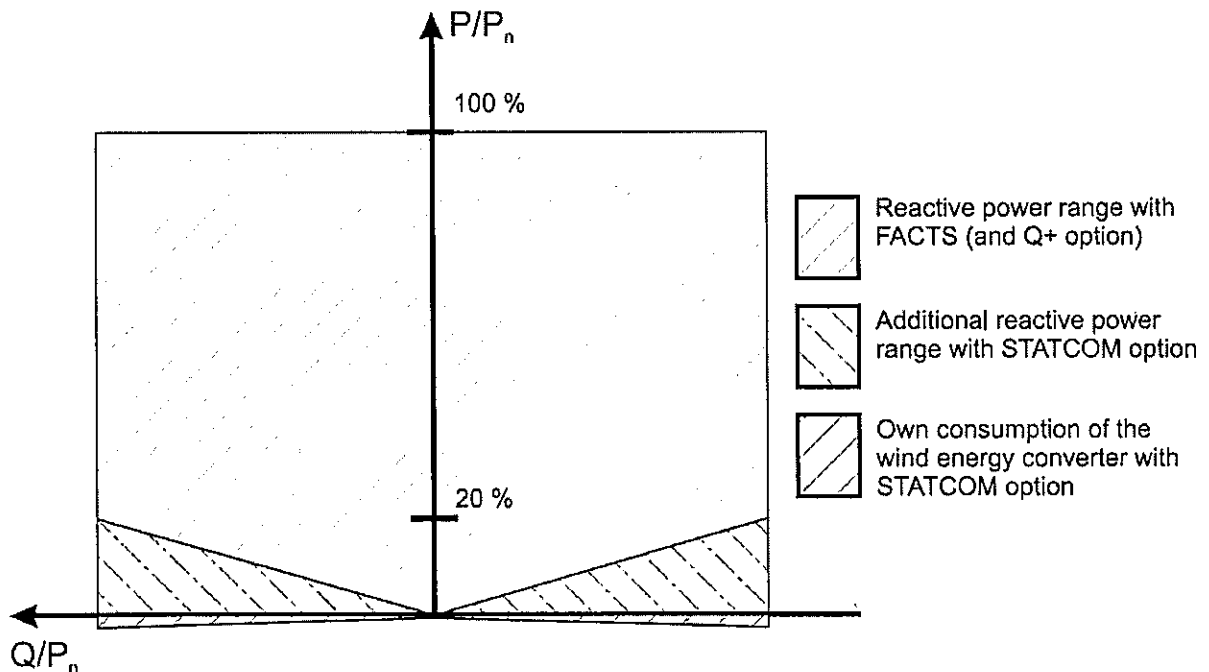


Figure 3: P/Q diagram of an ENERCON WTG with the STATCOM option

2.2.1 Voltage Ride-Through Capability

The Enercon E-101 FT, FTS or FTQS wind turbine provides a voltage ride-through capability. During a voltage drop/raise, the minimum time for a WTG to remain online is shown in Table 2.

Table 2: WTG voltage ride-through capability

Voltage Range (% of base voltage)	Minimum time for WTGs to Remain Online (s)
$V < 80$	5
$0.9 < V < 120$	Continuous
$V > 120$	0.09

The low voltage ride-through (LVRT) capability of the proposed WTGs was verified by performing transient stability studies as detailed in Section 3.5.

2.2.2 Frequency Ride-Through Capability

The Enercon E-101 FT, FTS, or FTQS wind turbine is capable of continuous operation within the frequency band of 53 Hz to 67 Hz. Based on the model provided by the connection applicant, the WTG can operate continuously within the range of 57 Hz to 60.7 Hz.

The Market Rules state that the generation project directly connecting to the IESO-controlled grid shall operate continuously between 59.4 Hz and 60.6 Hz and for a limited period of time in the region above straight lines on a log-linear scale defined by the points (0.0 s, 57.0 Hz), (3.3 s, 57.0 Hz), and (300 s, 59.0 Hz).

The frequency ride-through capability of the proposed WTGs meets the Market Rules' requirements.

2.3 Main Step-Up Transformers

Table 3: Main step-up transformer data

TS	Nominal Voltage (kV)	Rating (MVA) (ONAN/ONAF /ONAF)	Positive Sequence Impedance (pu) $S_B = 75 \text{ MVA}$	Configuration		Zero Sequence Impedance (pu) $S_B = 100 \text{ MVA}$	Tap
				HV	LV		
North	115/34.5	85/113/150	j0.1175	Yg	Δ	N/A	ULTC at HV $\pm 15\%$, 33 steps
South	115/34.5	65/86/115	j0.088	Yg	Δ	N/A	ULTC at HV $\pm 15\%$, 33 steps

2.4 Collector System

Table 4: Equivalent impedance and numbers of WTGs of collectors

Substation	Collector	Unit#			MW	Positive-Sequence Impedance (pu, $S_B = 100 \text{ MVA}$)			Zero-Sequence Impedance (pu, $S_B = 100 \text{ MVA}$)		
		FT	FTS	FTQS		R	X	B	R	X	B
South	C1	4	2	2	24	0.1022	0.0788	0.01635	0.344	0.1332	0.01635
	C2	4	2	2	24	0.0516	0.055	0.00685	0.1927	0.0634	0.00685
	C3	4	2	2	24	0.0543	0.0336	0.00833	0.1788	0.0683	0.00833

	C9	4	2	2	24	0.0735	0.0401	0.01094	0.2278	0.0998	0.01094
North	C4	3	2	4	27	0.0445	0.033	0.01224	0.188	0.076	0.01224
	C5	3	2	4	27	0.0758	0.0455	0.01599	0.2358	0.0986	0.01599
	C6	3	2	4	27	0.0993	0.0808	0.01873	0.33	0.1229	0.01873
	C7	3	2	4	27	0.0892	0.0959	0.0222	0.3472	0.1164	0.0222
	C8	3	2	4	27	0.0654	0.0564	0.01341	0.2596	0.0967	0.01341

2.5 Connection Equipment

2.5.1 115 kV Switches

No change.

2.5.2 115 kV Circuit Breakers

No change.

2.5.3 115 kV Circuits

Table 5: Parameters of 115 kV circuits

Circuit	Positive-Sequence Impedance (pu, $S_B=100$ MVA, $V_B=118$ kV)			Zero-Sequence Impedance (pu, $S_B=100$ MVA, $V_B=118$ kV)		
	R	X	B	R	X	B
Beach TS to Connection Point	0.00748	0.0748	0.01431	0.0449	0.21223	0.01065
Connection Point to North Sub	0.00609	0.06817	0.14769	0.05308	0.23557	0.13334
North Sub to South Sub	0.00358	0.03996	0.02202	0.0311	0.13794	0.01992

2.6 Wind Farm Control System

No change.

-End of Section-

3. Assessments

3.1 Short Circuit Assessments

Fault level studies were updated by the transmitter to examine the effects of the project on fault levels at existing facilities close to the project. Table 6 summarizes the fault levels at facilities near the project.

Table 6: Fault levels at facilities near the project

Station	Before the Project		After the Project		Lowest Rated Circuit Breaker (kA)
	3-phase	L-G	3-Phase	L-G	
Symmetrical Fault (kA)*					
BEACH 115 kV	27.39	32.57	27.52	32.74	39.3
BEACH 230 kV	38.06	35.78	38.63	36.34	41.1
BURLINGTON 115 kV	40.33	43.82	40.42	43.91	40 (existing)/50 (New)**
BURLINGTON 230 kV	52.63	44.24	52.99	44.46	63
TRAFALGAR 230 kV	65.00	62.86	65.17	62.96	80
BECK 2 230 kV	58.57	65.29	58.64	65.34	69.5
BECK1 115 kV	24.71	29.37	24.71	29.37	36
ALLANBURG 115 kV	35.86	40.15	35.87	40.16	40 (existing)/50 (New)**
NRWF PCC 115 kV	6.05	3.84	7.23	5.54	20
Asymmetrical Fault (kA)*					
BEACH 115 kV	33.84	42.24	34.07	42.51	45.5
BEACH 230 kV	45.20	45.94	45.93	46.67	50
BURLINGTON 115 kV	49.58	56.40	49.71	56.52	45.5 (existing)/60 (New)**
BURLINGTON 230 kV	63.56	56.85	63.99	57.12	75.6
TRAFALGAR 230 kV	84.86	86.92	85.06	87.05	92
BECK 2 230 kV	80.52	92.92	80.59	92.98	81.5
BECK1 115 kV	30.05	37.41	30.05	37.41	39
ALLANBURG 115 kV	43.20	50.15	43.21	50.16	45.5 (existing)/60 (New)**
NRWF PCC 115 kV	6.50	6.28	7.92	5.85	20

* Based on a pre-fault voltage level of 550 kV for 500 kV buses, 250 kV for 230 kV buses, and 127 kV for 115 kV buses.

**As per the CAA ID 2006-EX299 & 2011-EX542 the 115 kV breakers at this station will be upgraded before the project comes in service.

As stated in the original SIA report, the asymmetrical fault level at Beck 2 230 kV switchyard exceeds the interrupting capability of the existing breakers before the connection of the project. Hydro One ensures that the current fault levels at the existing facilities are within the interrupting capabilities of the existing breakers and is continuously monitoring the fault levels with every new confirmed generation facility that connects to the Hydro One system. Hydro One has confirmed that mitigation measures are available such as opening the bus ties to effectively address the short circuit violation at Beck 2 230 kV switchyard if necessary.

With the exception of circuit breakers at Beck 2 230 kV, the interrupting capability of the lowest rated circuit breakers near the project will not be exceeded after the incorporation of the project, and the interrupting capability of the 115 kV circuit breakers of the project are adequate for the anticipated fault levels.

3.2 Reactive Power Compensation

Appendix 4.2 of the Market Rules require that generators inject or withdraw reactive power continuously (i.e. dynamically) at a connection point up to 33% of its rated active power at all levels of active power output except where a lesser continually available capability is permitted by the IESO. A generating unit with a power factor range of 0.90 lagging and 0.95 leading at rated active power connected via impedance between the generator and the connection point not greater than 13% based on rated apparent power provides the required range of dynamic reactive capability at the connection point.

Dynamic reactive compensation (e.g. D-VAR or SVC) is required for a generating project which cannot provide a reactive power range of 0.90 lagging power factor and 0.95 leading power factor at rated active power. For a wind farm with impedance between the generator and the connection point greater than 13% based on rated apparent power, provided the WTGs have the capability to provide a reactive power range of 0.90 lagging power factor and 0.95 leading power factor at rated active power, the IESO accepts that the wind farm compensates for excessive reactive losses in the collector system of the project with static shunts (e.g. capacitors and reactors).

In addition, a wind farm is expected to inject or withdraw its full reactive power requirement for a 10% voltage change at the connection point, without provision for tap changer action. The response time is expected to be similar to that of a synchronous generator that meets the minimum Market Rules' requirements, outlined in Appendix 4.2 of the Market Rules, which is in the order of a few seconds.

The connection applicant shall be able to confirm this capability during the commission tests.

3.2.1 Dynamic Reactive Power Capability

The Enercon E-101 FT, FTS and FTQS generators can deliver IESO's required dynamic reactive power to the generator terminal at rated power and at rated voltage. Thus, there is no need to install any additional dynamic reactive power compensation device.

3.2.2 Static Reactive Power Capability

A generating facility shall inject or withdraw reactive power at the connection point up to 33% of its rated active power at all levels of active power output, which is **76.7 MVAR** for this project.

(1) Maximum Power Output Level

To justify the need for static capacitive compensation under maximum power output of the project, studies were performed with the following simulations:

- Typical low voltage of 120.4 kV at the connection point;
- Terminal voltage limit of WTGs assumed 1.2 pu;
- Both main step-up transformers set to a tap position of 127 kV;
- Voltage limits at 115 kV buses and collector buses at South and North substation assumed 133 kV and 38 kV, respectively;

The project could supply a maximum reactive power of **79.8 MVAR** at the connection point, meeting the Market Rules' requirements.

(2) Low Power Output Level

To justify the need for static capacitive compensation under low power output of the project, studies were performed with the following simulations:

- Zero power output from WTGs;
- Typical low voltage of 120.4 kV at the connection point;
- Terminal voltage limit of WTGs assumed 1.2 pu;
- Both main step-up transformers set to a tap position of 127 kV;
- Voltage limits at 115 kV buses and collector buses at South and North substation assumed 133 kV and 38 kV, respectively;

The project could inject a maximum reactive power of **110.2 MVar** at the connection point, meeting the Market Rules' requirements.

Studies were also performed with the following simulations for the need of inductive compensation:

- Zero power output from WTGs;
- Typical high voltage of 123.5 kV at the connection point;
- Terminal voltage limit of WTGs assumed 0.9 pu;
- Both main step-up transformers set to a tap position of 115.6 kV;

The project could absorb a maximum reactive power of **76.8 MVar** at the connection point, meeting the Market Rules' requirements.

Table 7 shows the voltage results of 115 kV and collector buses of substations of the project corresponding the above three scenarios. The IESO's reactive power calculation used the equivalent electrical model for the WTGs and collector feeders as provided by the connection applicant. It is very important that the project has a proper internal design to ensure that the WTG are not limited in their capability to produce active and reactive power due to terminal voltage limits or other project's internal limitations. For example, it is expected that the transformation ratio of the WTG step up transformers will be set in such a way that it will offset the voltage profile along the collector, and all the WTG would be able to contribute to the reactive power production of the project in a shared amount.

Table 7: Project's reactive power capability at the connection point

Operation	Q_{PCC} (MVar)	V_{PCC} (kV)	Tap of Main Transformers (kV)	V_{115kV_Bus} North (kV)	V_{115kV_Bus} South (kV)	Voltage at Collector Bus -North (kV)	Voltage at Collector Bus -South (kV)
P=Max, Lagging PF	79.8	120.4	127	128.8	131.0	37.7	38.0
P=0, Lagging PF	110.2	120.4	127	128.5	130.0	37.5	37.1
P=0, Leading PF	-76.8	123.5	115.6	115.6	114.1	32.5	32.9

(3) High Wind Conditions

The connection applicant confirmed that under high wind conditions, the proposed WTGs would start pitching out the blades dynamically to continue injecting power into the grid and would not simply shut down. Thus, it is not expected any adverse impact of the project on the system under such conditions.

(4) Fixed Taper Changer Action

Studies were performed for the voltage at the connection point changing from 108 kV to 127 kV with a fixed tap position of both step-up transformers set to 119 kV. Simulation results show (i) at rated power output and the voltage of 108 kV, the project could supply **78.1 MVar** reactive power at the connection point and (ii) at zero power output and the voltage of 127 kV, the project could absorb **75.3 MVar** reactive power at the connection point. Therefore, the project is expected to inject or withdraw its full reactive power requirement for a 10% voltage change at the connection point, without relying on the tap changer action.

3.2.3 Alternate DVAR Solution

The connection applicant also proposed for the assessment an alternate reactive compensation solution of installing a DVAR device instead of adopting the STATCOM option for some of its wind turbines and requested a minimum size for the DVAR device.

Additional simulations indicate that provided the DVAR device is installed at the 34.5 kV bus of the North Substation, the continuous rating of the DVAR device would be at least **+52/-92 MVar** so that the project meets the reactive power requirements of the Market Rules.

The DVAR device shall be integrated into the wind farm control system for automatic voltage control in coordination with the wind turbines.

3.3 Steady-State Assessments

Since the proposed changes to the project will not change the active power injection that was studied in the original SIA, thermal and voltage assessment results are not expected to change. Therefore, thermal assessment and voltage assessment in the original SIA report were not re-performed.

3.4 Transient Stability Performance

Transient stability simulations were completed to determine if the power system will be transiently stable with the incorporation of the project for recognized fault conditions. In particular, rotor angles of generators at Beck 2, Thorold, Decew Falls, Bruce, Pickering, and Halton Hills, and voltages close to the project were monitored.

The 2014 summer peak load base case was used with the following assumptions:

- (1) The base case included all existing, committed and under-construction transmission facilities expected to be in-service in 2014;
- (2) The base case included all existing, committed and under-construction generation facilities expected to be in-service in 2014. Specifically, the study assumed:
 - Units at Lambton, Nanticoke, Lennox were out of service;
 - All committed and existing generation in the Southwest and Bruce areas were maximized including 8 Bruce units;
 - Gas generation, in conjunction with maximum wind generation, in the West area was dispatched to maximize the NBLIP transfer while avoid pre-contingency thermal violation in Niagara area before the project was incorporated;
 - Generator in Niagara area was maximized including two Thorold units;
 - Generation in the Greater Toronto area included four Darlington units, one Pickering unit, three Halton Hills units, and three Portland units. Specially, thermal constraint of GTA

southwest transmission system was ignored to obtain a highest transfer through Trafalgar-Richview corridor for transient stability study.

- (3) The Ontario primary demand was approximately 26840 MW with major interface flows shown in Table 8.

Table 8: Interface Flows under 2014 Summer Peak Load Base Case (MW)

System Demand	NBLIP	FABC	FETT	QFW	FS	FIO
26840	1368	6385	7170	1393	1200	1556

Transient stability analyses were performed considering recognized faults in Southwest, GTA, and Niagara areas. Five contingencies were simulated as shown in Table 9.

Table 9: Simulated contingencies for transient stability

ID	Contingency	Location	Fault Type	Fault Clearing Time (ms)		SPS Action (ms)
				Local	Remote	LRSS**
SC1	B560V+B561M	Willow Creek Junction	LLG	66	91	124
SC2	M585M+V586M	Middleport TS	3 phase*	75	100	-
SC3	B18H+B20H	Beach TS	3 phase*	83	108	-
SC4	R14T+R17T	Trafalgar TS	3 phase*	83	108	-
SC5	Collector Bus of North Substation	The Project	3 phase	Un-cleared		-

* 3-phase fault was simulated instead of LG or LLG fault as required by the ORTAC, as the system is stable under the fault which is more conservative.

** LRSS refers to Longwood Reactor Switching Scheme.

Figures 4 to 13, Appendix A show the transient responses of the major generator rotor angles and bus voltages close to the project. The transient responses show that the generators remain synchronized to the power system and the oscillations are sufficiently damped following all simulated contingencies. It can be concluded that, with the project on-line, none of the simulated contingencies caused transient instability or un-damped oscillations.

3.5 Voltage Ride-Through Capability

The IESO requires that the wind turbine generators and associated equipment with the project be able to withstand transient voltages and remain connected to the IESO-controlled grid following a recognized contingency unless the generators are removed from service by configuration. This requirement is commonly referred to as the low voltage ride-through (LVRT) capability.

The LVRT capability of the proposed WTGs, as shown in Table 2, was assessed based on the terminal voltages of the WTGs under simulated contingencies in Table 10, which include the simulated contingency involving Beach TS from Table 9 and one additional contingency of a 3-phase fault on 115 kV circuit HL3 at Beach TS. The 2014 summer base case defined in Section 3.4 was used for dynamic simulations to obtain the terminal voltage responses of the WTGs.

Table 10: Simulated contingencies for LVRT

ID	Contingency	Location	Fault Type	Fault Clearing Time (ms)	
				Local	Remote
SC3	B18H+B20H	Beach TS	3 phase*	83	108
SC6	HL3	Beach TS	3 phase	83	-

* 3-phase fault was simulated instead of LG or LLG fault as required by the ORTAC, as the system is stable under the fault which is more conservative.

Figures 14 to 15, Appendix A show that the terminal voltages of the WTGs remain below 0.3 pu for less than 100 ms, and recover to 0.9 pu in less than 200 ms after the fault inception. As compared with the LVRT capability of Enercon E-101 FT, FTS and FTQS, the proposed WTGs are able to remain connected to the grid for recognized system contingencies that do not remove the project by configuration.

However, when the project is incorporated into the IESO-controlled grid, if actual operation shows that the WTGs trip for contingencies for which they are not removed by configuration, the IESO will require the voltage ride-through capability be enhanced by the applicant to prevent such tripping.

The voltage ride-through capability must also be demonstrated during commissioning by monitoring several variables under a set of IESO specified field tests and the results should be verifiable using the PSS/E model.

-End of Section-

Appendix A: Transient Stability Results

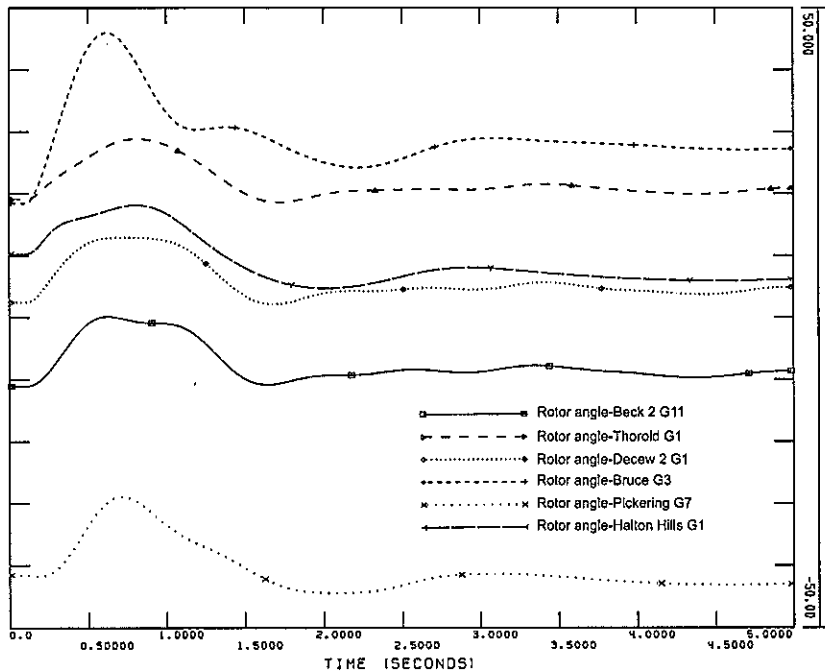


Figure 4: Major generator angle responses following a LLG fault on circuits B560V/B561M at Willow Creek Junction

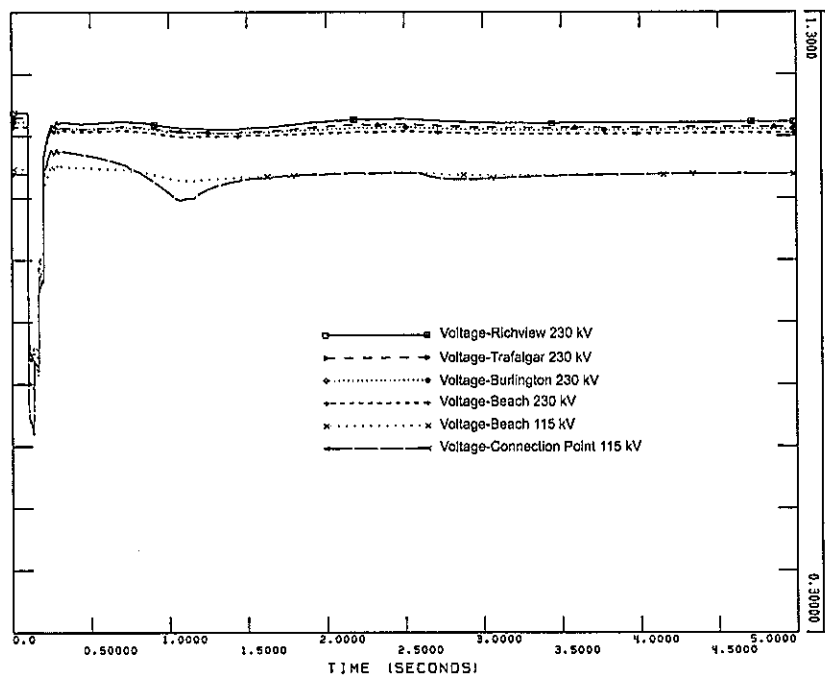


Figure 5: Major voltage responses following a LLG fault on circuits B560V/B561M at Willow Creek Junction

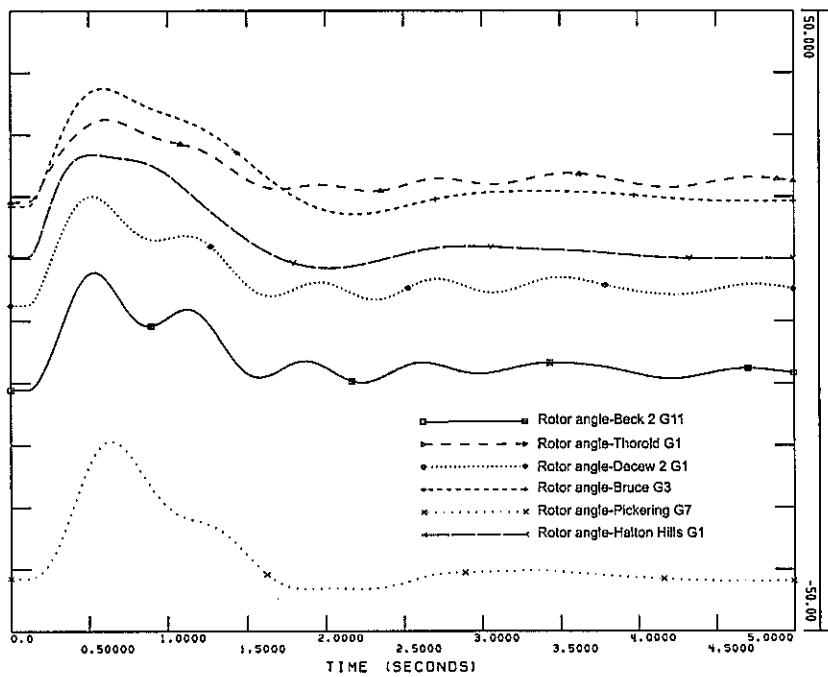


Figure 6: Major generator angle responses following a 3-phase fault on circuits M585M/V586M at Middleport TS

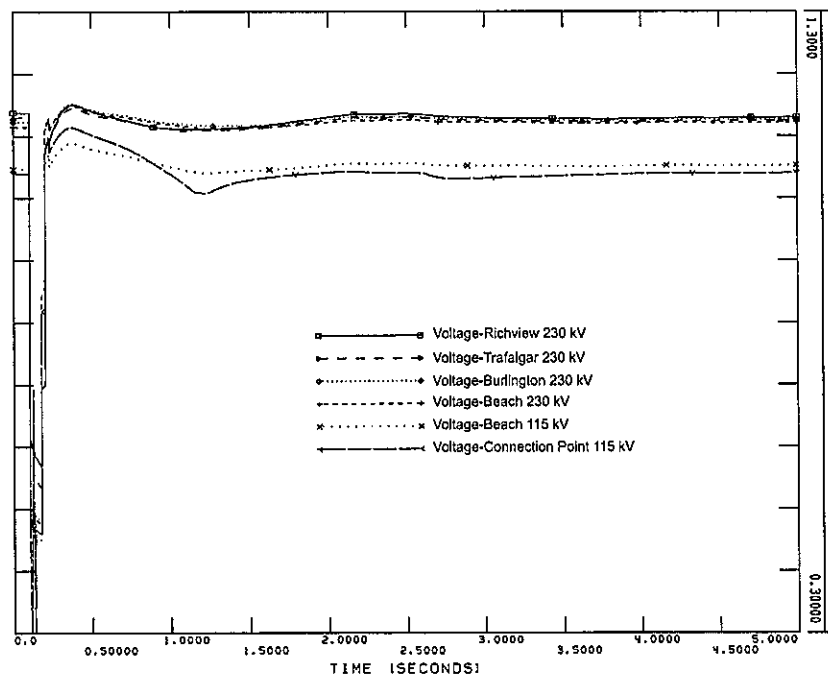


Figure 7: Major voltage responses following a 3-phase fault on circuits M585M/V586M at Middleport TS

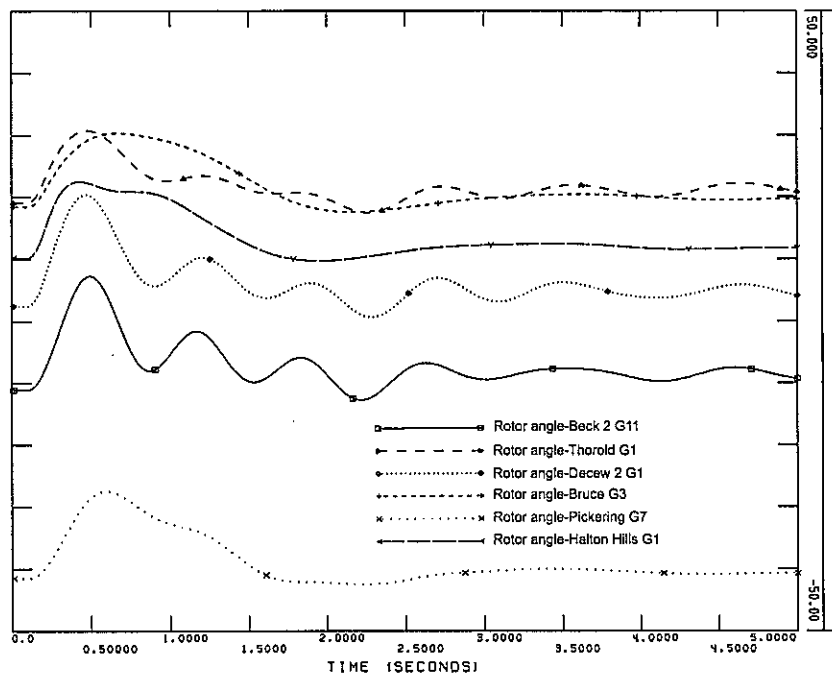


Figure 8: Major generator angle responses following a 3-phase fault on circuits B18H/B20H at Beach TS

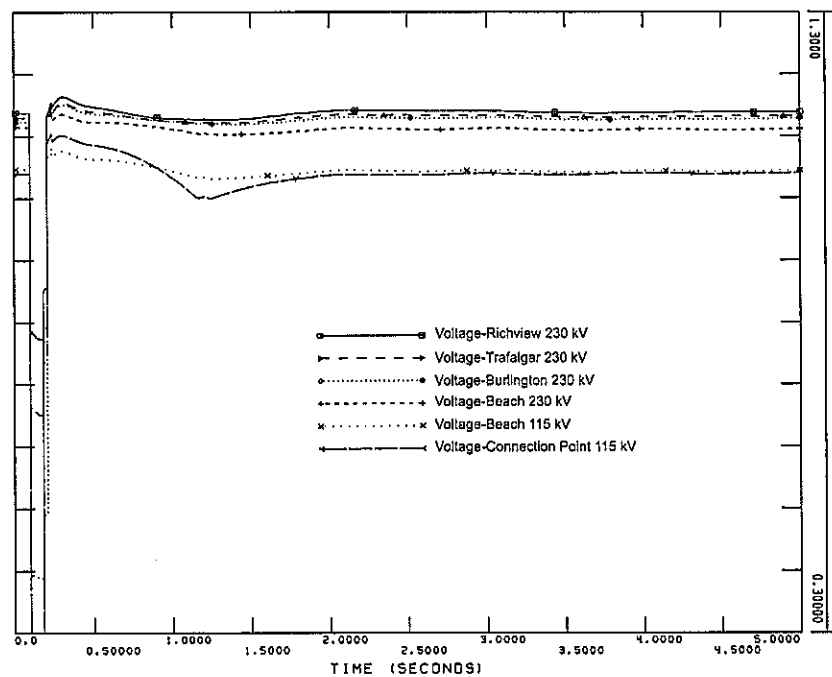


Figure 9: Major voltage responses following a 3-phase fault on circuits B18H/B20H at Beach TS

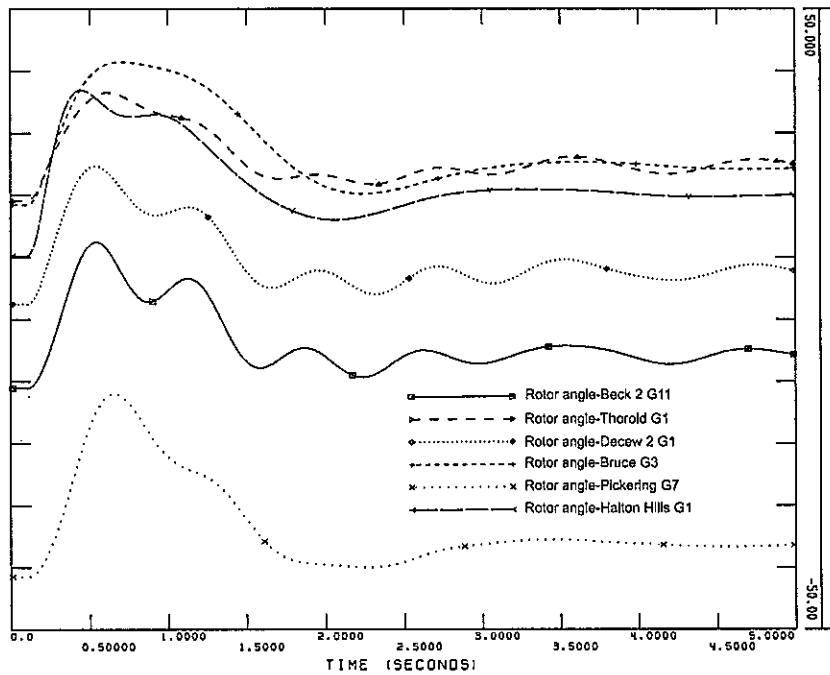


Figure 10: Major generator angle responses following a 3-phase fault on circuits R14T/R17T at Trafalgar TS

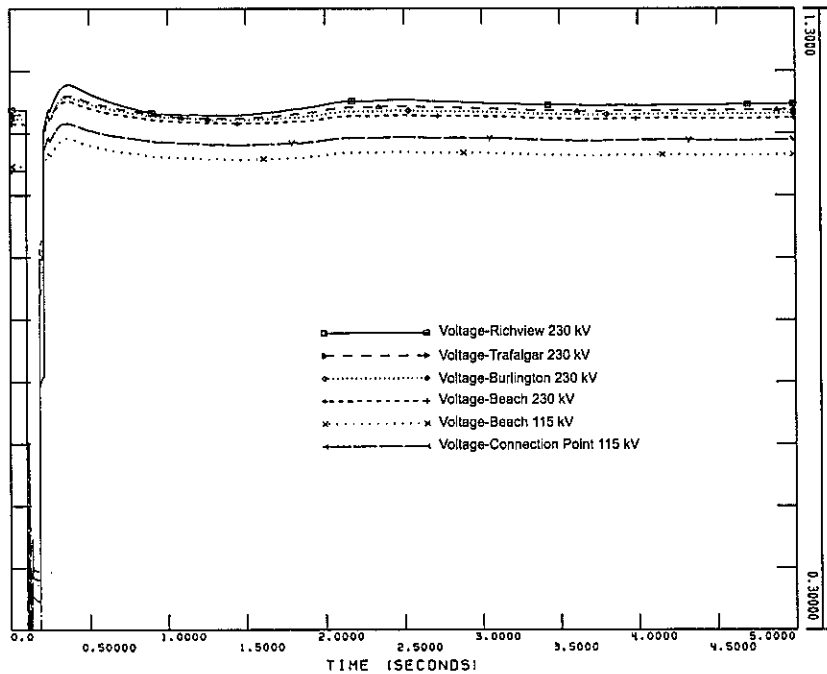


Figure 11: Major voltage responses following a 3-phase fault on circuits R14T/R17T at Trafalgar TS

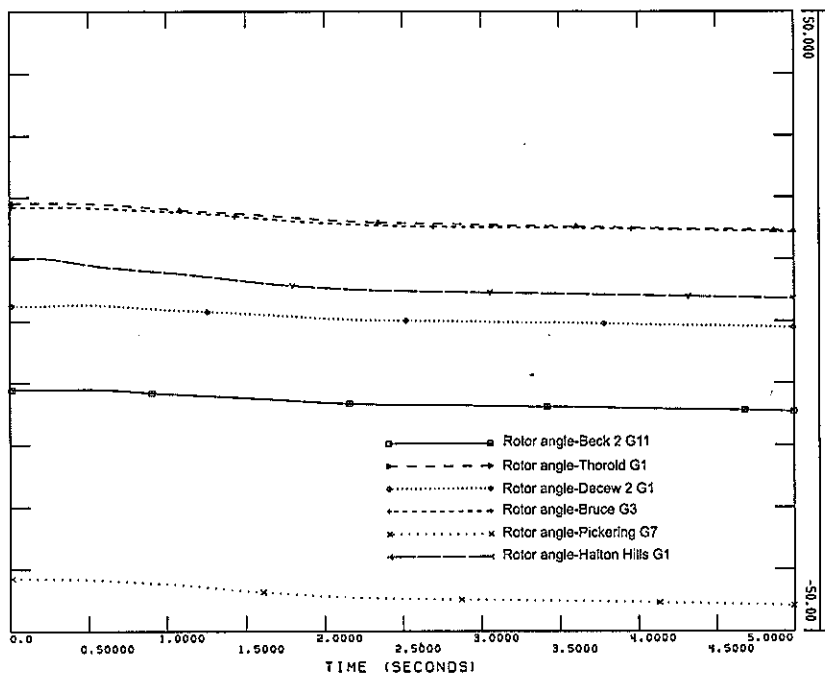


Figure 12: Major generator angle responses following an un-cleared 3-phase fault on the collector bus of North Substation of the project

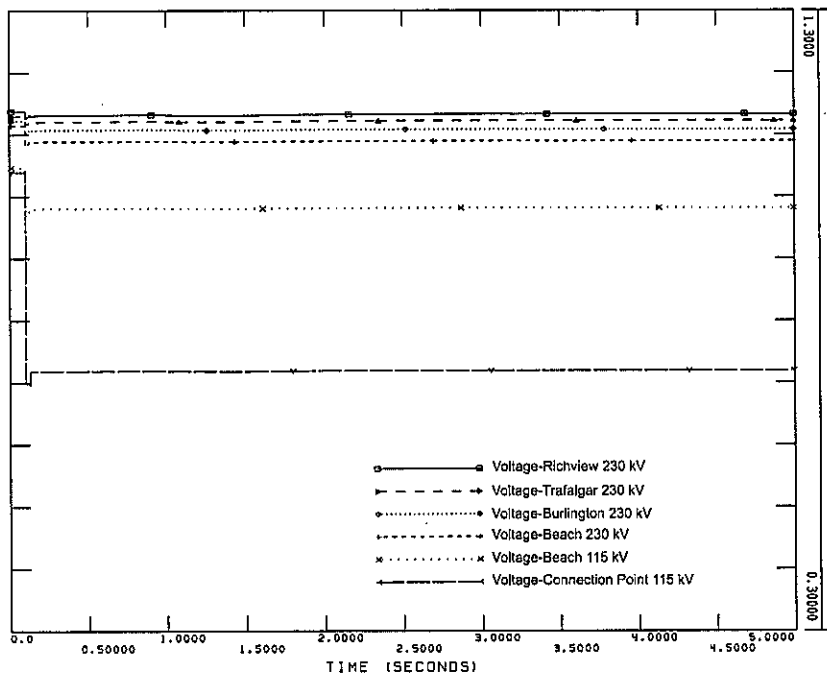


Figure 13: Major voltage responses following an un-cleared 3-phase fault on the collector bus of North Substation of the project

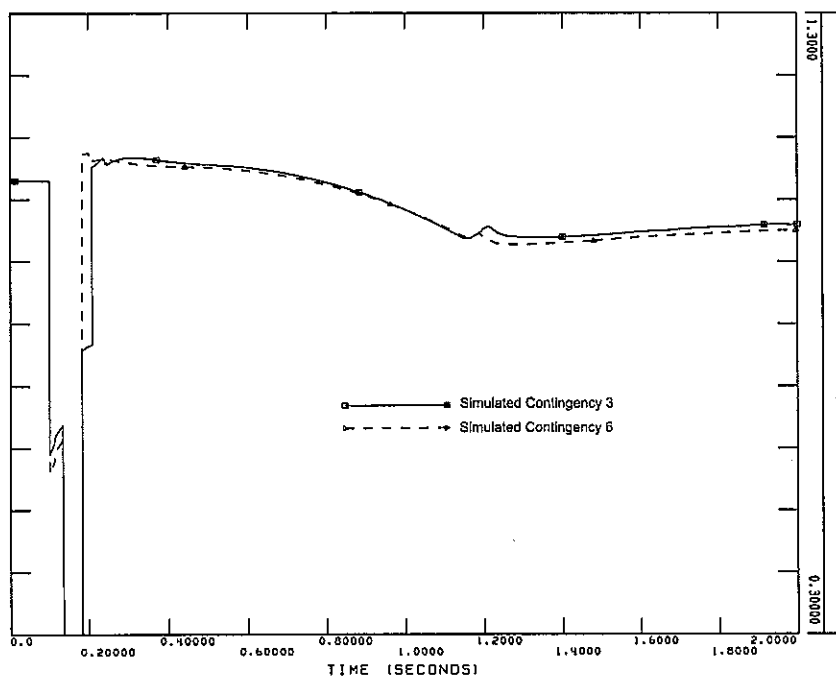


Figure 14: Terminal voltages of WTGs on collector C1 (South Substation) under simulated contingencies

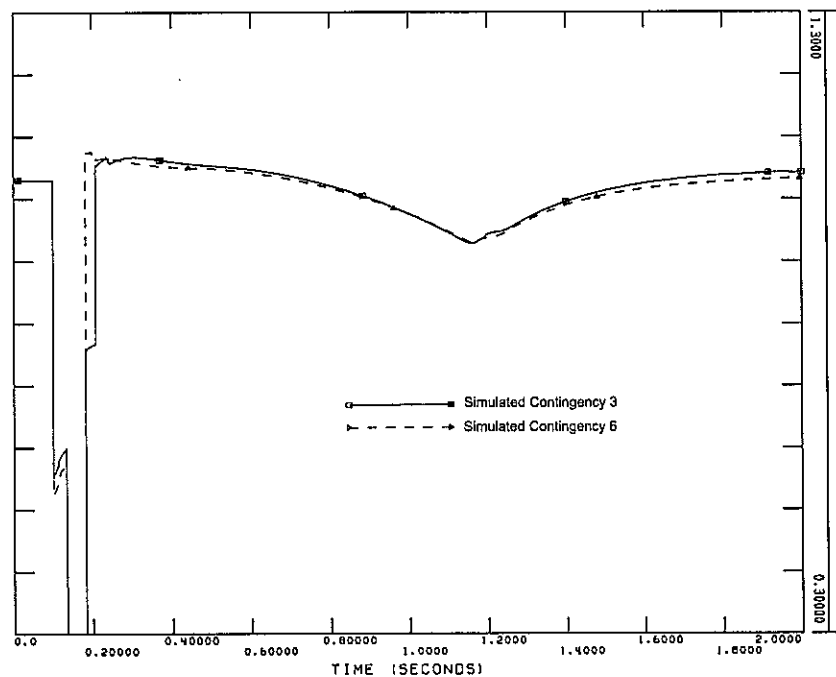


Figure 15: Terminal voltages of WTGs on collector C4 (North Substation) under simulated contingencies

-End of Document-

Schedule "B"



Hydro One Networks Inc.
483 Bay Street
Toronto, Ontario
M5G 2P5

CUSTOMER IMPACT ASSESSMENT

Proposed 230 MW Niagara Region Wind Farm

Addendum

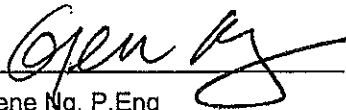
FIT-FLKZ509

Revision: **Final**


Date: **August 15th 2013**

Issued by: **Transmission System Department
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Customer Impact Assessment –
Niagara Region Wind Farm (FIT-FLKZ509)
Addendum

Background

This document is an addendum to the Customer Impact Assessment titled “CIA - Proposed 230 MW Niagara Region Wind Farm FIT-FLKZ509 – FINAL” dated August 3rd 2012.

The proponent has confirmed on April 24th 2013 that:

- the collector system will be changed from a 44kV to 34.5kV collector system
- there are now two transformer substations with each having a 34.5kV to 115kV step up transformer with ULTC
- the transmission circuit to connect their substation to Hydro One’s transmission system is longer in length with several underground 115kV sections.

The total number of wind turbines remains the same to maintain the original 230MW contractual output.

Studies were performed to assess the impact of the proposed changes on the Hydro One connected customer busses.

Short Circuit Impact

The Hydro One connected customer short circuit values are within the capability of the existing Hydro One facilities. The proposed changes have no material change from the previous arrangement.

Voltage Variations

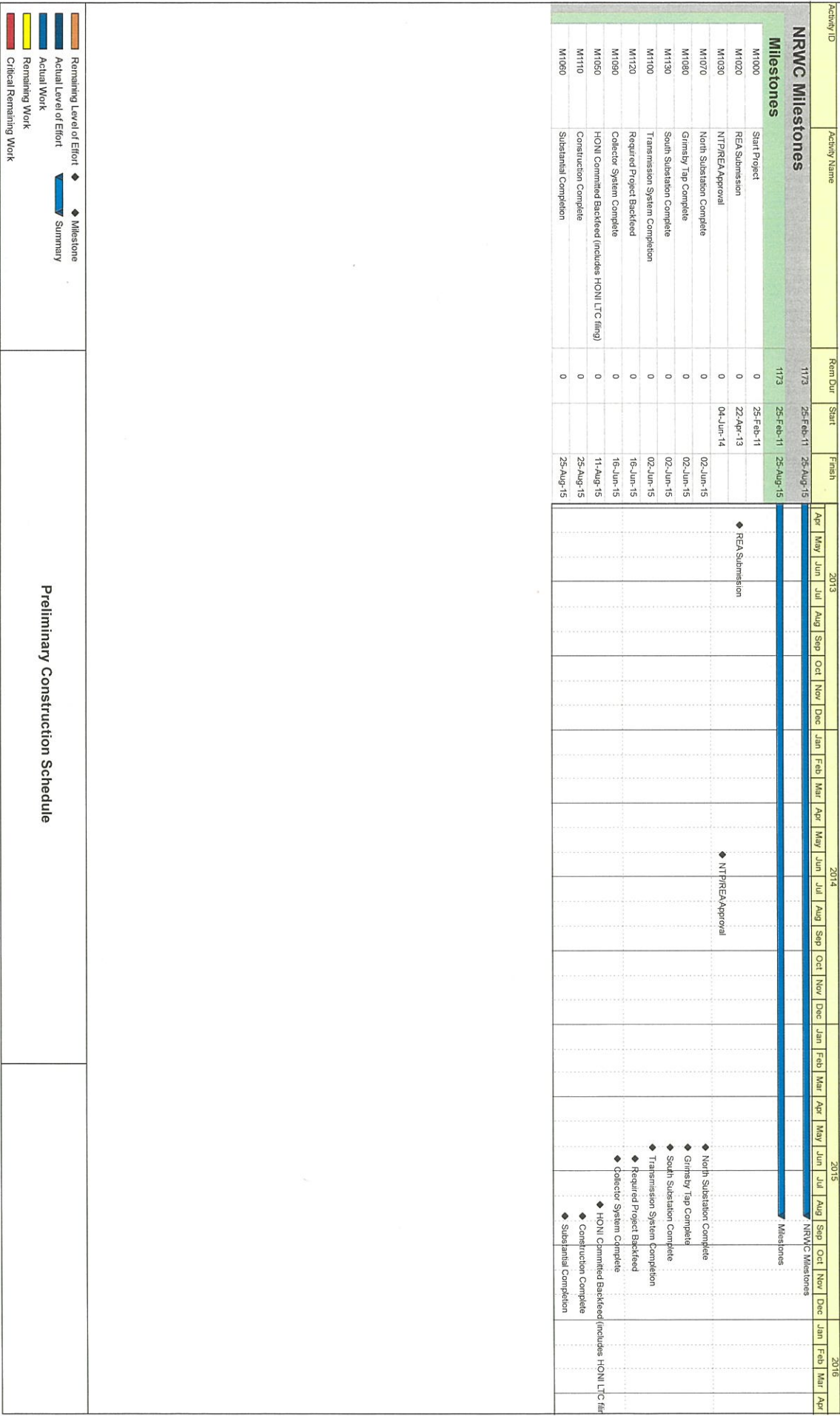
The proposed changes have no material change from the previous arrangement.

Conclusion

The proposed connection of Niagara Region Wind Farm generating facility can be incorporated into the 115kV Q5G transmission line. Hydro One customers connected to this line will not be negatively impacted by this proposed connection. Short circuit levels and voltage variations as a result of switching the wind farm in and out of service are within acceptable limits.

Schedule "C"

Niagara Region Wind Project



Schedule "D"

EXCLUSIVE OPTION

THIS OPTION (the “**Option**”) is made as of the xxth of xxxxxxxx between Niagara Region Wind Corporation (“**Optionee**”) and _____ (the “**Owner**”).

WHEREAS the Optionee has been awarded a feed-in tariff contract (“**FIT Contract**”) from the Ontario Power Authority for the development, construction, operation and maintenance of a 230 megawatt renewable energy generation facility at which wind is used to generate electricity through the use of wind turbines (the “**Turbine(s)**”) and ancillary parts and services (including, without limitation, electric cables and wires, control or monitoring or metering unit(s), security measures, fencing, storage sheds or similar structures, collectively being the “**Equipment**”) (the “**Wind Facility**”). For the purpose of this Option, Equipment is deemed to exclude meteorological towers, anemometer towers, substations, transformers, transformer stations and buildings, and switch stations;

AND WHEREAS the Optionee requires a license on the terms set out herein on, over, and under one or more parcels or portions of the property legally described in Schedule A (the “**Owner’s Property**”) to perform investigations necessary to establish whether the Owner’s Property is suitable for the Wind Facility and/or rights of way relating thereto, and in particular, whether it is feasible to locate Turbine(s) and/or Equipment on the Owner’s Property;

AND WHEREAS the Optionee may thereafter require rights to use the Owner’s Property for the purpose of installing, operating, and maintaining thereon: (a) Turbine(s); and/or (b) Equipment; and/or (c) rights of way and rights of access relating to the Wind Facility.

NOW THEREFORE, in consideration of good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Option:** The Owner grants to the Optionee for xxx years from the date hereof (the “**Option Period**”) the option to call for the grant of an agreement (the “**Agreement**”) that, at Optionee’s option, will grant Optionee one or more of the following rights (collectively, the “**Option Rights**”):

- a lease of one or more land pad(s) located on the Owner’s Property measuring approximately xxxxxxxxxx (the “**Land Pad(s)**”) for the purpose of installing, operating, and maintaining Turbine(s) (a “**Land Pad Lease**”); and/or
- a lease of portions of the Owner’s Property for the purpose of installing, operating, and maintaining Equipment (an “**Equipment Lease**”); and/or
- an easement on, over, and under portions of the Owner’s Property for the purpose of installing, operating, and maintaining Equipment (an “**Equipment Easement**”); and/or
- rights of way and rights of access on, over, and under portions of the Owner’s Property for the purpose of accessing the Wind Facility and any leased and/or easement lands (“**Access Rights**”).

2. **Test Survey:** The Owner hereby grants to the Optionee, its agents, servants, employees and licensees for the duration of the Option Period, a license in, to and over the Owner’s Property for the purpose of entering onto and upon the Owner’s Property with such machinery and equipment required for the purposes of making holes and carrying out such tests and surveys and collecting data and information (which data and information and all intellectual property rights therein shall belong solely to the Optionee) as it shall deem necessary to establish the suitability



of the Owner's Property for the Wind Facility and/or Access Rights, and in particular, the feasibility of locating the Turbine(s), Equipment, meteorological towers, transformers, or switch stations thereon; provided that the Optionee, its agents, servants, employees and licensees, as applicable, shall give 24 hours advance notice of entry onto the Owner's Property.

During the performance of such work, the Optionee, its agents, servants, employees and licensees, as applicable, shall cause as little inconvenience as possible to the Owner, shall use reasonable endeavors to ensure that the Owner's livestock shall not escape from the Owner's Property and shall make all reasonable efforts not to damage crops on or cause any other damage to the Owner's Property. As the works under this Section 2 are completed, the Optionee shall make good any damage it caused to the Owner's Property in the exercise of its rights under this Section 2 (including compensating for, repairing or replacing any direct physical damage caused by the Optionee to any crops, livestock, structures, or other improvements on the Owner's Property) and shall restore the surface condition of the Owner's Property to its former state and condition to the extent reasonably possible.

3. **Consideration:** In consideration of the grant of this Option and the license granted pursuant to Section 2, the Optionee will pay xxxxxxxxxxxxxxxxxxxx, plus any applicable HST, to the Owner within five (5) business days after the Owner delivers to the Optionee a fully executed copy of this Option.

4. **Location of Rights:** Prior to exercising the Option, the Optionee will consult with the Owner as to the locations on the Owner's Property of Turbine(s), Land Pad(s), Equipment, or Access Rights, if any, that have been selected in the context of the renewable energy approval and the recommendations of the Optionee's consultants. The factors that are considered in determining such locations are set out in Schedule B hereto.

5. **Exercise of Option:** The Option shall be exercisable by the Optionee by notice in writing to the Owner ("**Option Notice**") at any time during the Option Period, at which time the Agreement will come into effect. The Option Notice will identify those Option Rights that Optionee has exercised and will enclose a populated copy of the Agreement that has been executed by the Optionee. Those provisions of the Agreement relating to the Option Rights that Optionee has not exercised will be deleted.

The Owner shall execute the Agreement and return a fully executed copy to the Optionee within xxxxxxxx business days after receipt of the same. In accordance with Section 5.5 of the Agreement, within xxxxxxxx business days after Optionee receives a fully executed Agreement, it will pay to the Owner a non-refundable deposit to be applied against the first year's rent payable by Optionee under the Agreement in the amount of: (a) xxxxxxxxxxxxxxxxxxxx per Turbine, plus any applicable HST, if Optionee elects to install Turbine(s) on Owner's Property; or (b) xxxxxxxxxxxxxxxxxxxx plus any applicable HST, if the Optionee does not elect to install Turbine(s) on the Owner's Property.

6. **Agreement:** The Owner agrees to execute the Agreement in substantially the form attached hereto as Schedule E (subject to the deletion of provisions relating to Option Rights that have not been exercised as provided for herein). The Agreement will be effective as of the date that the Option is exercised and the term of the Agreement will remain in effect until the 20th anniversary of the date that the Wind Facility achieves commercial operation, with 4 extensions of 5 years, each at the option of the Optionee.



Rental payments payable under the Agreement will commence on the first day of the calendar month immediately following receipt by the Optionee of its first contract payment under the FIT Contract, and thereafter on the first day of each and every month of the term.

If the Optionee elects to install Turbine(s) on the Owner's Property, the total rent payable by Optionee to Owner will be xxxxxxxxxxxxxxxxxxxxxx plus any applicable HST, payable in equal monthly payments of \$xxxxxxxxxxx, per Land Pad per full year, plus any applicable HST, during the initial term of the Agreement.

If the Optionee does not elect to install Turbine(s) on the Owner's Property, total rent payable by Optionee to Owner shall be xxxxxxxxxxxxxxxxxxxxxx per month plus any applicable HST or onetime payment of xxxxxxxx plus any applicable HST in consideration of the grant of any Equipment Lease and/or Equipment Easement and/or Access Rights. For greater certainty, in the event that the Optionee is granted a Land Pad Lease on Owner's Property, Owner agrees to grant any Equipment Lease and/or Equipment Easement and/or Access Rights on Owner's Property at no additional cost to Optionee.

Commencing on the first day of January of the calendar year immediately following the commercial operation date and thereafter on the first day of January of each calendar year during the initial term, the annual rent payable will be increased by xx% of the cumulative increase in the consumer price index (all items, Ontario) between the month in which the commercial operation date occurred and the December immediately preceding the calendar year for which rent is being adjusted.

Rent for any renewal terms will be based on a fair market rent, among other considerations, to be determined by the agreement of the parties, or failing agreement, to be determined by arbitration. Rent payable during any renewal term will not be less than the rent payable in the last year of the preceding term.

7. **Community Fund:** In the first twenty years of commercial operation of the Wind Facility, the Optionee will contribute a portion of the gross revenue it receives from the Ontario Power Authority for wind generation from the Wind Facility to a community fund. The community fund will be set up by the Optionee on the terms and conditions to be set out in a separate agreement which will be finalized prior to the exercise of this Option. The community fund will include at least one landowner representative and one representative from the Optionee on its board of directors. Such contribution to the community fund will be no less than xxxxxxxxxxxxxxxxxxxxxx per full year of commercial operation during such period.

8. **Financing:** The Owner acknowledges that the Optionee may enter into certain financing arrangements with a party or parties (hereinafter collectively referred to as the "**Lender**") to provide financing to the Optionee in connection with the Wind Facility, which could require an assignment or pledge in favour of the Lender of all or any portion of the Optionee's rights and obligations under this Option, the license set out herein, the Option Rights, and the Agreement, as well as the granting of security interests (collectively with the assignment or pledge, the "**Security**") in favour of the Lender in the equipment and other personal or movable property of the Optionee located on the Owner's Property (collectively, the "**Personal Property**"). The Security will entitle the Lender, upon giving prior written notice to Owner, to take over the position of the Optionee under the Option, the licence and the Agreement on the respective terms set out therein and take possession of the Personal Property. The Owner's consent is not required to the granting of the Security nor to any transfers or assignments occurring on the enforcement of the same. The Owner shall, at the request and expense of the Optionee, acknowledge in writing the foregoing or enter into a separate direct agreement with the Lender containing the lender



protections set out in this Option, the Agreement, and other commercially reasonable provisions requested by the Lender.

9. Owner's Obligations:

- During the Option Period, the Owner shall not grant any other option to any other person for a renewable energy facility over the Owner's Property without the consent of the Optionee and shall not encumber or deal with the Owner's Property or construct any structures on Owner's Property in a manner that would be detrimental to the development, construction, operation, and maintenance of the Wind Facility. Notwithstanding the foregoing, the Owner shall be entitled to sell, transfer, or mortgage the Owner's Property during the Option Period, provided that such sale, transfer, or mortgage shall be subject to the terms of this Option, the licence granted hereunder, the Agreement and all rights granted to the Optionee thereunder.
- On the exercise of the Option, the Owner shall provide to the Optionee marketable leasehold title over portions of the Owner's Property over which the Optionee requires a lease and/or rights of access, servitudes and rights of way under, on, over and through those portions of the Owner's Property on, over, and under which the Optionee requires an easement or Access Rights, in each case, free and clear of encumbrances except those permitted encumbrances listed in Schedule C and in compliance with applicable legislation. Upon request, the Owner shall use its best efforts to obtain in respect of any permitted encumbrance any necessary consent, postponement and non-disturbance agreement in a form and substance satisfactory to the Optionee, acting reasonably.
- The Optionee shall be entitled to register a notice against title to the Owner's Property at any time on or after the date hereof in respect of the Option and to register a notice against title to the Owner's Property in respect of the Agreement and the rights granted thereunder upon exercising the Option.
- The Owner shall provide the Optionee with a copy of any sketches, surveys, drainage plans and/or agreements, title and off-title information, environmental reports, zoning information, realty tax assessments and other information relating to the Owner's Property that is presently in the possession of the Owner and that is reasonably requested by the Optionee.
- The Owner hereby undertakes to provide further written assurances, as may be reasonably requested by the Optionee and at its expense, to more effectively grant to the Optionee the Option, the license herein set out, the Agreement and the rights granted thereunder.

10. Optionee's Obligations

- The Optionee covenants that any test surveys shall be conducted, and the equipment located on the Owner's Property pursuant to Section 2 hereof shall be installed, maintained and operated, in accordance with all applicable municipal, provincial and federal laws and regulations and in a good and workmanlike manner. Any equipment located on the Owner's



Property shall be removed at the expiration of the Option Period, and the Optionee shall make good any damage to the Owner's Property as provided in Section 2 herein.

- The Optionee shall, at its sole cost and expense, obtain all necessary approvals, permits, authorizations and consents as may be necessary to conduct the investigations and work contemplated by Section 2 above.

- Prior to entering onto the Owner's Property in accordance with Section 2 above, the Optionee shall provide a certificate to the Owner evidencing the Optionee's commercial general liability insurance coverages, such coverages to have commercially reasonable limits as required in the circumstances, and, if required by applicable law, evidence of registration with the Workplace Safety and Insurance Board.

- This Option and the Agreement are subject to the provisions of the *Planning Act* and the Optionee will be responsible, as its cost, for all applications, consents and approvals as may be required to ensure that the term of the Agreement is permitted under the *Planning Act*.

- The Optionee will comply with environmental law, including the provisions of the *Environmental Protection Act*, in the performance of its activities under Section 2 above and will indemnify the Owner for any and all costs that the Owner may incur in connection with any claim or action brought against it as a result of a failure of the Optionee to so comply.

- The Optionee represents and warrants that it has been awarded the FIT Contract and that it is the Supplier (as that term is defined in the FIT Contract) under its FIT Contract with the Ontario Power Authority.

- The Optionee shall at all times during the Option Period, keep the Owner's Property in orderly condition and shall not permit refuse, garbage, waste or other loose or objectionable material to accumulate on or about the Owner's Property.

- Provided that Owner has provided the Optionee a copy of any applicable drainage plan and/or drainage agreement, the Optionee shall take reasonable precautions to prevent any damage to the Owner's drainage tiles identified thereon during completion of any works under Section 2 hereof, and to immediately repair any such damages.

11. **Spousal Consent:**

(a) Owner represents and warrants to the Optionee that if Owner is an individual, Owner:

- (i) is not or was not a spouse; or
- (ii) is a spouse who is not separated from his or her spouse and that the Owner's Property is not ordinarily occupied as a family residence; or
- (iii) is a spouse who is separated from his or her spouse and that the Owner's Property was not ordinarily occupied by the spouses as their family residence at the time of separation; or



- (iv) is a spouse and has not, together with his or her spouse, designated the Owner's Property as a matrimonial home; or
 - (v) has a spouse that has released all his or her rights in the Owner's Property by a separation agreement;
 - (vi) if more than one Owner, each Owner is a spouse of the Owner; or
 - (vii) is a spouse and that his or her spouse has consented to the grant and demise of the Owner's Property to Owner pursuant to this Option by executing a copy of this Option and that such spouse has had adequate time and opportunity to seek and obtain or waive independent legal advice in relation to this Option and has executed one of the spousal certificates attached hereto as Schedule "D".
- (b) Owner represents and warrants to the Optionee that if Owner is a corporation:
- (i) that the Owner's Property has never been occupied by any of the directors, officers or shareholders of Owner or the spouses of such directors, officers or shareholders and there are no shares in existence entitling the holders of such shares to occupation of the buildings on Owner's Property. Accordingly, the Owner's Property does not comprise a family residence within the meaning of the Family Law Act (Ontario); or
 - (ii) that the Owner's Property has been occupied by any of the directors, officers or shareholders of Owner or the spouses of such directors, officers or shareholders; and (ii) that each of the spouses of the directors, officers, or shareholders of Owner that have shares in existence entitling the holders of such shares to occupation of the buildings on Owner's Property have executed this Option; and (iii) that each such spouse has had adequate time and opportunity to seek and obtain or waive independent legal advice in relation to this Option and has executed one of the spousal certificates attached hereto as Schedule "D".

12. **General:**

- The Owner has been informed by the Optionee and understands that the presence and operations of the Wind Facility may potentially result in some nuisance to the Owner, such as higher noise levels than currently occur at the Owner's Property and the surrounding area and visual impact. Provided that the Wind Facility is being operated in material compliance with Applicable Laws and is compliant with laws relating to required setbacks for wind facilities, the Owner hereby accepts any such nuisance and waives any right that the Owner may have to object to such nuisance and the Owner releases the Optionee from any claims the Owner may have with respect to any such nuisance.
- Any dispute hereunder shall be settled by confidential binding arbitration pursuant to simplified arbitration procedures under the National Arbitration Rules of the ADR Institute of Canada, Inc. Unless otherwise agreed to in writing the arbitration



shall take place in St. Catharines, Ontario and the arbitration tribunal shall consist of one arbitrator appointed by mutual agreement of the parties or, in default of such agreement, within five business days following delivery of an arbitration notice by either party, either party may apply to the ADR Institute of Canada, Inc. for the appointment of an arbitrator pursuant to Rule 15 of its National Arbitration Rules. Unless otherwise determined in the decision of the arbitrator, the cost of such arbitration shall be borne equally by the parties.

- In the event of a conflict between the terms of this Option and the terms of the Agreement, the terms of the Agreement shall govern.
- The Optionee shall have the right to assign both this Option and the Agreement in the initial term without the consent of the Owner; provided that Optionee complies with the assignment provisions in the FIT Contract and/or obtains the Ontario Power Authority's consent to the assignment of the FIT Contract.
- The Owner has retained xxxxxxxxxxxxxxxx LLP (the "**Owner's Solicitors**") to represent and provide independent legal advice to the Owner. The Optionee will pay for Owner's Solicitors' reasonable and verifiable legal fees and disbursements incurred in connection with the provision of such legal advice and the review, negotiation and execution of (a) the Option; (b) the Agreement; and (c) any further documentation that the Optionee has requested that the Owner execute and deliver in connection therewith. If Owner elects to retain separate counsel, this shall be at its own cost.
- If the Owner is registered for HST purposes and produces verification of such registration, then, subject to any relieving provisions in the applicable legislation, the consideration set forth herein shall be increased by an amount equal to the HST percentage rate multiplied by such consideration and the Owner shall remit such taxes to the proper governmental authorities as and when required.
- Any notice regarding the matters contemplated by this Option must be in writing sent by personal delivery or courier or delivered by facsimile or electronic mail, shall have been validly given and received on the date of such delivery unless delivered after 5:00 p.m. or on a non-business day, in which case it shall be deemed to have been given on the business day following the date it was sent:

If to the Optionee:

Niagara Region Wind Corporation

xxxxxxxxxxxxxxxxxxxxx

xxxxxxxxxxxx

xxxxxxxxxx

xxxxxxx

Attention: xxxxxxxxxxxxx

Phone: (xxx) xxx-xxxx

Fax: (xxx) xxx-xxxx

E-mail: xxxxxxxxxxxxx



If to the Owner at:

_____ ON _____

Phone: _____

Fax: _____

E-mail: _____

- This Option and the Agreement shall be governed by the laws of the Province of Ontario.
- This Option may be executed in one or more counterparts, all of which together shall constitute one and the same instrument, and each of which shall be deemed an original. This Option may be delivered by facsimile or electronic transmission and the parties adopt any signature received by a fax machine or in electronic form as original signatures of the parties.
- This Option shall be binding upon and shall run with the Owner's Property. This Option shall enure to the benefit of and be binding upon the Owner and the Optionee and their respective heirs, executors, administrators, successors, and assigns.

(Remainder of Page Intentionally Left Blank)



IN WITNESS WHEREOF the parties hereto have executed and delivered this agreement on the date first above written.

Witness

Name

Witness

Name

Witness

Name

●

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

I/We have authority to bind the corporation.

SPOUSAL CONSENT:

The undersigned declares that he or she is the spouse of _____ within the meaning of the Family Law Act (Ontario) and does hereby consent to the transaction contemplated by this Option and the foregoing grant of rights, title and interests in relation to the Owner's Property pursuant to the provisions of the Family Law Act (Ontario) and hereby agrees that he or she will execute all necessary or incidental documents to further any transaction provided for herein, including the registration of a notice of this agreement on title to the Owner's Property.



Witness

Name

SPOUSAL CONSENT:

The undersigned declares that he or she is the spouse of _____ within the meaning of the Family Law Act (Ontario) and does hereby consent to the transaction contemplated by this Option and the foregoing grant of rights, title and interests in relation to the Owner's Property pursuant to the provisions of the Family Law Act (Ontario) and hereby agrees that he or she will execute all necessary or incidental documents to further any transaction provided for herein, including the registration of a notice of this agreement on title to the Owner's Property.

Witness_____
Name

(Remainder of Page Intentionally Left Blank)



**NIAGARA REGION WIND
CORPORATION**

By: _____

Name: xxxxxxxxxxxxxxxx

Title: xxxxxxxxxxxxxxxx

By: _____

Name: xxxxxxxxxxxxxxxx

Title: xxxxxxxxxxxxxxxx

We have authority to bind the Corporation

(Remainder of Page Intentionally Left Blank)



SCHEDULE A
LEGAL DESCRIPTION

SCHEDULE B

SELECTION OF LOCATIONS

The following process will be followed and factors considered to select the location(s) of Option Rights:

- Environmental scientists and wind resource engineers consider regulated setback requirements and consider natural features or species;
- Wind resource engineers arrange all Turbines, spacing them for energy yield and construction efficiency and allowing for existing road and electrical pole lines;
- Drainage/runoff patterns are checked to ensure there is no disturbance/change overall by such placement;
- Noise analysis is checked with special software to ensure there are no sound level problems;
- Transmission and Collector electrical wires and access roads are plotted to connect the Turbines;
- Special optimization software is run to minimize buried conductor cost;
- Archaeologists plow and walk down the proposed Turbine sites;
- All aspects of the Wind Facility are submitted for public consultation twice and for governmental approval in connection with the renewable energy approval;
- The Optionee shall use all reasonable efforts to ensure that, to the extent possible in the Optionee's reasonable determination, the siting and location of the Option Rights minimizes disruption to the ordinary business and farming operations of the Owner;
- The Optionee will take all reasonable steps to minimize crop loss and minimize the length and width of lands that are subject to an Equipment Lease, Equipment Easement, or Access Rights to such dimensions as are reasonable or advisable in the circumstances, and the Optionee will, where practicable, locate Easements and Access Rights along linear paths and along existing driveways and property lines, in each case, taking into consideration overall wind farm design, constraints and efficiencies; and

SCHEDULE C
PERMITTED ENCUMBRANCES

General Permitted Encumbrances

1. Agreements with any municipal, provincial or federal governments or authorities and any public utilities or private suppliers of services, including, without limitation, subdivision agreements, development agreements, site control agreements, oil and gas leases, drainage agreements and drainage plans, and similar agreements, provided that Owner is in compliance with such agreements and that such agreements do not restrict, prevent, impair, or interfere with the Optionee's uses as contemplated by this Option and the Agreement.
2. Easements and rights of way, provided that Owner is in compliance with such easements and rights of way and that such easements and rights of way do not restrict, prevent, impair, or interfere with the Optionee's uses as contemplated by this Option and the Agreement.
3. Charges/mortgages of land subject to the provisions of Section 9 of this Option.

Specific Permitted Encumbrances

SCHEDULE D
SPOUSAL CERTIFICATES

SCHEDULE D-1: FORM OF CERTIFICATE OF INDEPENDENT LEGAL ADVICE

I, _____, of _____ in the Province of Ontario,
Barrister and Solicitor, do hereby certify that I was this day consulted in my professional capacity by
_____ the spouse of _____
(name of the Owner) named in the annexed option, dated _____, 20xx (the "Option")
as to their obligations and rights under the Option, that I acted solely for and explained fully to them
the nature and effect of the Option and they did acknowledge and declare that they fully understood
the nature and effect thereof and did execute the said document in my presence and did acknowledge
and declare and it appeared to me that they were executing the said document of their own volition
and without fear, threats, compulsion, or influence by Niagara Region Wind Corporation or any other
person.

DATED this ____ day of _____, 20xx.

Name

SCHEDULE D-2: FORM OF WAIVER OF INDEPENDENT LEGAL ADVICE

I, _____, spouse of _____
(“Owner”) the owner of the Premises municipally known as _____,
in _____,
Ontario, hereby acknowledge that I was offered by Niagara Region Wind Corporation the
opportunity to obtain independent legal advice with respect to an option by and between Owner
and Niagara Region Wind Corporation dated the ____ day of _____, 2011
(the “Option”), and that Niagara Region Wind Corporation emphasized to me the importance of
obtaining legal advice with respect to the Option so that the impacts and potential impacts of the
Option upon me and the property could be more fully explained.

Notwithstanding the offer of independent legal advice made by Niagara Region Wind
Corporation, I hereby declare that I do not wish to seek the counsel of an independent legal
advisor and hereby waive my right to such legal advice. I also confirm that I have read the
Option in its entirety and that we appreciate and understand the terms of the Option.

DATED at _____ this _____ day of _____, 20xx.

Witness

Name

SCHEDULE E
FORM OF AGREEMENT

See Attached

as OWNER

and

NIAGARA REGION WIND CORPORATION

as NRW

LAND USE AGREEMENT

_____, 20____

Lot Numbers _____

Concession and Township_____

TABLE OF CONTENTS

ARTICLE 1 DEFINITIONS

Section 1.1	Definitions	2
-------------	-------------------	---

ARTICLE 2 GRANT

Section 2.1	Specific Grant of Land Pad Site(s) Lease	6
Section 2.2	Specific Grant of Lease	6
Section 2.3	Specific Grant of Easements	7
Section 2.4	Specific Grant of Access Rights	8
Section 2.5	General Grant	8

ARTICLE 3 TERM AND TERMINATION

Section 3.1	Term and Renewal Term(s)	8
Section 3.2	NRWC's Right of Termination before Commencement of Construction	9
Section 3.3	Right of Termination after Commencement of Construction	9
Section 3.4	Owner's Right of Termination	9
Section 3.5	Effect of Termination	9
Section 3.6	Overholding	10

ARTICLE 4 CONSTRUCTION

Section 4.1	Pre-Construction Period	10
Section 4.2	Construction Period	11
Section 4.3	Lay Down Site(s) and Compensation	11

ARTICLE 5 RENT

Section 5.1	Rent: Land Pad Site(s)	12
Section 5.2	Rent: Lease, Easements, and Access Rights	12
Section 5.3	CPI Increases	13
Section 5.4	Renewal Rent	13
Section 5.5	Non-Refundable Deposit	13
Section 5.6	Method of Payment	14
Section 5.7	Rent Past Due	14
Section 5.8	Net Lease	14

ARTICLE 6 REPRESENTATIONS AND WARRANTIES AND COVENANTS OF NRWC

Section 6.1	Consultation and Communication	14
Section 6.2	Underground cables and wires	14

Section 6.3	Safety and Maintenance	15
Section 6.4	Soil Maintenance	15
Section 6.5	Condition of Owner's Property after completion of Wind Facility construction 15	
Section 6.6	Damage.....	15
Section 6.7	Taxes, Rates and Assessments.....	16
Section 6.8	Utilities.....	16
Section 6.9	Government Regulation.....	16
Section 6.10	Hazardous Materials	17
Section 6.11	Maintenance.....	17
Section 6.12	Drainage	17
Section 6.13	Fencing.....	18
Section 6.14	FIT Contract	18
Section 6.15	Turbines.....	19
Section 6.16	No Liens.....	19
Section 6.17	Waste and Nuisance	19

ARTICLE 7 REPRESENTATIONS, WARRANTIES, AND COVENANTS OF OWNER

Section 7.1	Quiet Possession.....	19
Section 7.2	Owner's title.....	19
Section 7.3	Encumbrances.....	19
Section 7.4	Payment of Owner's taxes	20
Section 7.5	Payment of Owner's Mortgage(s).....	20
Section 7.6	Surveys	20
Section 7.7	Drainage	20
Section 7.8	Hazardous Materials	21
Section 7.9	Personal Property.....	21
Section 7.10	Access Rights	21
Section 7.11	Family Law Act	22

ARTICLE 8 RESTRICTIVE COVENANTS OF OWNER

Section 8.1	Restrictive Covenants and Reservations of Owner.....	23
-------------	--	----

ARTICLE 9 INSURANCE

Section 9.1	Insurance	25
Section 9.2	Increase in Owner's Premium.....	26

ARTICLE 10 INDEMNITIES

Section 10.1	Indemnification	27
Section 10.2	Limitation of Liability.....	27

**ARTICLE 11
DEFAULT AND REMEDIES**

Section 11.1	Owner Default	27
Section 11.2	NRWC Default.....	28
Section 11.3	Remedies	28

**ARTICLE 12
LENDER PROVISIONS**

Section 12.1	NRWC's Financing Arrangements	29
--------------	-------------------------------------	----

**ARTICLE 13
DECOMMISSIONING**

Section 13.1	Decommissioning and Restoration of Site(s)	31
--------------	--	----

**ARTICLE 14
GENERAL PROVISIONS**

Section 14.1	Planning Act and Environmental Protection Act, R.S.O. 1990	32
Section 14.2	Arbitration.....	33
Section 14.3	Environmental Attributes	33
Section 14.4	Waiver of Nuisance.....	33
Section 14.5	Registration.....	34
Section 14.6	Force Majeure	34
Section 14.7	Independent Legal and Business Advice.....	34
Section 14.8	Effect of Waiver or Forbearance.....	34
Section 14.9	Further Assurances	35
Section 14.10	Status Certificate.....	35
Section 14.11	Assignment	35
Section 14.12	Successors and Assigns	36
Section 14.13	Joint and Several, Number and Gender.....	36
Section 14.14	Severability.....	36
Section 14.15	Governing Law.....	36
Section 14.16	Counterparts.....	36
Section 14.17	Expenses	36
Section 14.18	Schedules.....	37
Section 14.19	Notices	37

ADDENDA

SCHEDULE "A"	PIN NUMBER(S) AND LEGAL DESCRIPTION
SCHEDULE "B"	PROJECT LANDS
SCHEDULE "C"	PERMITTED ENCUMBRANCES
SCHEDULE "D"	FORM OF AUTHORIZATION OF AGENCY AND CONSENT
(Section 14.8)	
SCHEDULE "E"	SPOUSAL CERTIFICATES
SCHEDULE "F"	DRAINAGE PLANS

[IN THE FINAL AGREEMENT ANY PROVISIONS THAT RELATE TO AN OPTION RIGHT THAT HAS NOT BEEN EXERCISED BY NRWC WILL BE INTENTIONALLY DELETED.]

LAND USE AGREEMENT

THIS AGREEMENT made as of the _____ day of _____, 20____ (the “**Agreement**”) between _____ (hereinafter collectively referred to as “**Owner**”) and **NIAGARA REGION WIND CORPORATION**, a company incorporated under the laws of the Province of Ontario (hereinafter referred to as “**NRWC**”).

WHEREAS NRWC has been awarded a feed-in tariff contract from the Ontario Power Authority (the “**FIT Contract**” and the “**OPA**”) for the development, construction and operation of a 230 megawatt renewable energy generation facility at which wind is used to generate electricity through the use of wind turbines (the “**Wind Facility**”);

AND WHEREAS Owner is the legal and beneficial owner of the real property described in Schedule “A” hereto (the “**Owner’s Property**”);

AND WHEREAS Owner has agreed to grant NRWC the following rights:

[THE FINAL AGREEMENT WILL SPECIFY WHICH OF THE FOLLOWING RIGHTS HAVE BEEN EXERCISED BY NRWC IN THE OPTION NOTICE:]

- (i) [a lease of the area(s) more particularly described in Schedule “B” hereto, being a portion of the Owner’s Property, consisting of one or more land pad site(s) each measuring approximately xxx feet x xxx feet (the “**Land Pad Site(s)**”);] [and]
- (ii) [a lease of those portions of the Owner’s Property more particularly described in Schedule “B” hereto (the “**Leased Premises**”) for the purposes set out herein;] [and]
- (iii) [easement(s) on, over, through and under portions of the Owner’s Property more particularly described in Schedule “B” hereto (the “**Easement Lands**”) for the purposes set out herein (the “**Easements**”);] [and]
- (iv) [right of way and rights of access on, over, through and under portions of the Owner’s Property more particularly described in Schedule “B” (the “**Access Lands**”) hereto for the purposes set out herein (the “**Access Rights**”)]

All of which Land Pad Site(s), Leased Premises, Easement Lands and Access Lands are shown as Parts ____ to _____, Plan __R_____ (collectively, the “**Project Lands**”).

NOW THEREFORE, in consideration of the payment of [Include for a Lease of Land Pad Site(s):] [xxxx DOLLARS (\$xxx)] OR [Include if there is a Lease of Leased Premises and/or Easements and/or Access Rights. THIS IS NOT TO BE INCLUDED IF THERE IS A LAND PAD LEASE:] [xxxx DOLLARS (\$xxx)] and the rents herein provided and payable by NRWC to Owner, the sufficiency of which is hereby acknowledged, and in consideration of the following covenants, conditions and agreements, the parties agree as follows:

ARTICLE 1 DEFINITIONS

Section 1.1 Definitions

[Include for Access Rights:] "Access Lands" has the meaning set out in the recitals.

[Include for Access Rights:] "Access Rights" has the meaning set out in the recitals.

"Applicable Laws" means statutes, regulations, orders, rules, notices, policies, guidelines, codes, certificates of authorization, permits, directives, judgments or injunctions and other requirements of a government, utility or governmental agency with jurisdiction over the applicable matter.

"Commencement Date" has the meaning set out in Section 3.1.

"Commercial Operation Date" means the date that the Wind Facility has been commissioned and electricity is regularly being generated, delivered and sold to the OPA pursuant to the FIT Contract.

"Construction Notice" has the meaning set out in Section 4.1(2).

"Initial Payment Date" means the first day of the calendar month immediately following the date on which NRWC receives its first Contract Payment (as that term is defined under the FIT Contract) from the OPA.

"CPI" means the consumer price index for "All Items" published or established by Statistics Canada (or its successor) in relation to the Province of Ontario.

[Include for Land Pad Lease:] "Crop Year" means the period of time commencing on the date a commodity crop is planted until the date such commodity crop is harvested.

"Decommissioning Period" has the meaning set out in Section 13.1(2).

[Include for Land Pad Lease:] "Decommissioning Security" means security to secure NRWC's performance of its decommissioning obligations contained herein in an amount equal to xxxxxxxxx DOLLARS (\$xx.00) Dollars per Land Pad Site, increased by cumulative increases in the CPI from the date hereof to the date of delivery of such Decommissioning Security, in the form of either (a) a letter of credit

issued by a financial institution listed in either Schedule I or II of the *Bank Act* (Canada); provided if the issuer of a letter of credit indicates its intention not to renew such letter of credit, NRW will, within TEN (10) business days of such event, post cash collateral with Owner as security in lieu of such letter of credit (which letter of credit will be returned to the issuer thereof, if applicable) or provide a replacement letter of credit. Any letter of credit will be renewed or extended within TEN (10) business days of its expiry, such that it does not expire before a date which is not less than SIX (6) months following the expiry of the Term; (b) certified cheque or money order; (c) a surety bond; (d) or such other form of security acceptable to the parties, acting reasonably. Notwithstanding the foregoing, the amount of any Decommissioning Security will be reduced by the aggregate amount of all letters of credit, bonds, or other security or financial assurances, if any, that NRW is required to post by applicable governmental authorities for reclamation, restoration and/or decommissioning associated with the Wind Facility.

[Include for Easements:] “**Easements**” has the meaning set out in the recitals.

[Include for Easements:] “**Easement Lands**” has the meaning set out in the recitals.

“**Electricity Act**” means the *Electricity Act* (Ontario)(as amended from time to time).

“**Encumbrance**” means a charge, lien, mortgage, agreement, covenant, restriction, easement, option, lease, interest, or other encumbrance.

“**Environmental Attributes**” has the meaning ascribed to that term in the FIT Contract.

“**Equipment**” means (a) underground electric cables and wires and communication lines and other similar utilities directly related to the Wind Facility; (b) telecommunications equipment and metering, monitoring, or control building(s) to be operated in connection with the Wind Facility; (c) security measures, fencing, storage sheds or similar structures directly related to the Wind Facility; (d) and any cables and wires and equipment and installation necessary or convenient for the operation or maintenance of the Wind Facility, but expressly excludes Turbine(s), substations, transformers, meteorological towers, anemometer towers and switch stations.

“**Event of Default**” means any default remaining uncured following the applicable notice and cure periods provided in Section 11.1 and Section 11.2 as applicable, but excludes any contested default that has been referred to arbitration in accordance with Section 14.2.

“**Fair Market Rent**” means, in respect of the Renewal Term(s), the compensation which could reasonably be obtained by Owner for the Project Lands from a willing party dealing at arm’s length with Owner in the market prevailing at a date THREE (3) months prior to the date upon which Fair Market Rent is to commence, having regard to all relevant circumstances including, without limitation, the size and location of the Project Lands, the condition of the Project Lands, the condition of the

Wind Facility, and the value of the Turbine(s), Equipment, improvements, and other capital investments (if any) located on the Project Lands, and having regard to compensation currently being obtained on such date for a comparable wind facility in Ontario.

"FIT Contract" means the feed-in tariff contract between NRWC and the Ontario Power Authority, the general terms of which are set out in Schedule 1, General Terms and Conditions, Version 1.3.0, which is publicly accessible on the OPA's website.

"Force Majeure Event" means any act, event, cause or condition that prevents a party from performing its obligations under this Agreement that is beyond the affected party's reasonable control. For greater certainty, a Force Majeure Event (as that term is defined under the FIT Contract) that occurs under the FIT Contract will constitute a Force Majeure Event under this Agreement, but a Force Majeure Event shall not include a lack of finances.

"HST" means the goods and services taxes, harmonized sales taxes, value added, sales, use, consumption or other similar taxes imposed by the Government of Canada or by any provincial or local government.

"Indemnified Party" has the meaning set out in Section 10.1.

"Indemnifying Party" has the meaning set out in Section 10.1.

"Initial Rent" has the meaning set out in Section 5.1(1).

"Initial Term" has the meaning set out in Section 3.1.

[Include for Land Pad Lease:] "Land Pad Site(s)" has the meaning set out in the recitals.

[Include for Land Pad Lease:] "Lay Down Site(s)" has the meaning set out in Section 2.1(d).

[Include for Lease:] "Leased Premises" has the meaning set out in the recitals.

"Lender" has the meaning set out in Section 12.1.

"Milestone Date for Commercial Operation" means February 25, 2014, which is the date set out in the FIT Contract by which the Wind Facility is required to attain commercial operation.

"OPA" means the Ontario Power Authority (or any successor agency).

"Owner's Property" has the meaning set out in the recitals.

"Permitted Encumbrances" means those Encumbrances listed in Schedule "C" hereto.

“Personal Property” has the meaning set out in Section 12.1.

“Prime Rate” means the “Royal Bank Prime” posted at the Royal Bank of Canada, being the floating annual rate of interest established from time to time by Royal Bank of Canada as the base rate it will use to determine rates of interest on Canadian Dollar loans to customers in Canada.

“Project Lands” has the meaning set out in the recitals.

“Proportionate Share” shall mean a fraction the numerator of which is the area of the Project Lands and the denominator of which is the area of the Owner’s Property.

“REA” means renewable energy approval for the Wind Facility from the Ontario Ministry of the Environment.

“Realty Taxes” means all real property taxes, rates, duties and assessments (including local improvement rates), impost charges or levies, whether general or special, that are levied, charged or assessed from time to time by any lawful authority, whether federal, provincial, municipal, school or otherwise, and any taxes payable by the Owner which are imposed in lieu of, or in addition to, any such real property taxes, whether of the foregoing character or not, and whether or not in existence at the commencement of the Term, and any such real property taxes levied or assessed against the Owner on account of its ownership of the Owner’s Property or its interest therein, but specifically excluding any taxes assessed upon the income of the Owner;

“Renewal Notice” has the meaning set out in Section 3.1.

“Renewal Rent” has the meaning set out in Section 5.4.

“Renewal Term” has the meaning set out in Section 3.1.

“Rent” means the Initial Rent and, if applicable, the Renewal Rent.

“Security” has the meaning set out in Section 12.1(1).

“Term” has the meaning set out in Section 3.1.

“Turbine” means a wind turbine and a wind turbine tower, which turbine forms part of the Wind Facility.

“Wind Facility” has the meaning set out in the recitals.

[THE EXECUTED AGREEMENT WILL SPECIFY WHICH OF THE FOLLOWING “SPECIFIC GRANTS” FROM SECTION 2.1 TO 2.5 HAVE BEEN EXERCISED BY NRWC BY THE OPTION NOTICE:]

ARTICLE 2 GRANT

Section 2.1 Specific Grant of Land Pad Site(s) Lease

Owner hereby grants to NRWC:

- (a) good and valid marketable leasehold title to the Land Pad Site(s) more particularly described in Schedule "B", subject to any Permitted Encumbrances;
- (b) the exclusive right to construct, install, erect, operate, inspect, maintain, repair, improve, renew, replace, demolish and remove on each of the Land Pad Site(s) one Turbine at a height to be determined by NRWC (subject to Section 6.9);
- (c) the right to construct, install, lay, erect, operate, inspect, maintain, repair, improve, renew, replace, demolish and remove Equipment on, over, through, and under the Land Pad Site(s);
- (d) a license to use approximately xx (x) acres of the Owner's Property, or such greater amount as required by NRWC, immediately adjacent to and surrounding the Land Pad Site(s), as shown on Schedule "B", during the period of construction to facilitate the erection and installation of the Turbine(s) and Equipment, during any maintenance, repairs, improvements or alterations, and during the decommissioning of the Turbine(s) and Equipment pursuant to Section 13.1 (the "**Lay Down Site(s)**"); and
- (e) the right to use the Land Pad Site(s) for all other purposes that are necessary or incidental to the construction, installation, laying, erection, operation, inspection, maintenance, repair, improvement, renewal, replacement, demolition and removal of the Wind Facility and the Equipment and the Turbine(s).

Section 2.2 Specific Grant of Lease

Owner hereby grants to NRWC:

- (a) good and valid marketable leasehold title to the Leased Premises more particularly described in Schedule "B", subject to any Permitted Encumbrances;
- (b) the right to construct, install, lay, erect, operate, inspect, maintain, repair, improve, renew, replace, demolish and remove Equipment on, over, through, and under the Leased Premises; and
- (c) the right to use the Leased Premises for all other purposes that are necessary or incidental to the construction, installation, laying, erection, operation, inspection, maintenance, repair, improvement, renewal, replacement, demolition and removal of the Wind Facility and the Equipment.

Section 2.3 Specific Grant of Easements

- (1) Owner hereby grants to NRWC the right to construct, install, lay, erect, operate, inspect, maintain, repair, improve, renew, replace, demolish and remove Equipment on, over, through, and under the Easement Lands and the right to use the Easement Lands for all other purposes that are necessary or incidental to the construction, installation, laying, erection, operation, inspection, maintenance, repair, improvement, renewal, replacement, demolition and removal of the Wind Facility and the Equipment.
- (2) With respect to each Easement:
 - (a) Upon NRWC's request from time to time, Owner will grant to NRWC stand alone and registrable easements for any of the Easements granted within this Agreement, for no additional cost.
 - (b) To the extent permitted by Applicable Laws, the Easement shall be deemed to be an easement in gross, freely assignable by NRWC, separately and distinct from NRWC's interest in this Agreement.
 - (c) The parties acknowledge that pursuant to Section 42.1 of the *Electricity Act*, the Easements granted pursuant to this Agreement do not have to be appurtenant or annexed to or for the benefit of any specific parcel of land to be valid.
 - (d) To the extent that the Easement does not satisfy the requirements contained in Section 42.1 of the *Electricity Act*, the burden and rights of the Easement shall run with, bind and burden the servient lands described in the Easement and every part thereof and inure to the benefit of and be annexed to NRWC's interest in the Owner's Property and every part thereof and be for the benefit of NRWC and its successors and assigns.
 - (e) No act or failure to act on the part of NRWC or the holder of the Easement shall be deemed to constitute an abandonment, surrender or termination thereof, except upon registration by such holder of a quitclaim deed or a release and abandonment specifically releasing NRWC's interest in the Easement.
 - (f) Nonuse of the Easement shall not prevent the future use of the entire scope thereof.
 - (g) Upon the expiry or termination of this Agreement, NRWC will cease to use the Easement Lands as a private easement and shall release its interest in the Easement Lands by causing a registered release or discharge of the notice of easement to that effect at the expense of NRWC in accordance with Section 14.5.

Section 2.4 Specific Grant of Access Rights

Owner hereby grants to NRWC a right of way, right of access, and easement under, on, over and through the Access Lands, for the purposes of vehicular and pedestrian access, ingress, and egress to and from the Wind Facility **[Include for Land Pad Lease, Lease, or Easement:] [and Project Lands]**, by or on behalf of NRWC, including the right to construct, use, inspect, maintain, repair, and remove temporary or permanent roadways, together with the right to use and improve any existing and future roads and access routes from time to time located on or providing access to the Owner's Property over the Access Lands, including without limitation the right to use any access routes or other means of pedestrian and vehicular access which Owner may have the right to use from time to time.

Section 2.5 General Grant

- (1) In addition to the foregoing, Owner hereby grants to NRWC:
 - (a) the right to over-sail Turbine(s) or any part thereof over the Owner's Property and the free and uninterrupted passage and flow of air and wind from across the Owner's Property to Turbine(s);
 - (b) the right to remove anything on, over, under or through the Project Lands which may interfere with the rights granted to NRWC in this Agreement or the construction, installation, operation, maintenance or repair of the Wind Facility or any part thereof; provided, however, that any existing buildings or structures located on the Project Lands will not be removed without the prior consent of Owner and provided further that any existing buildings or structures located on the Project Lands that are destroyed by casualty during the Term may be rebuilt or restored to the same dimensions and condition by Owner without NRWC's consent; and
 - (c) the benefits of the restrictive covenants set out in Section 8.1.
- (2) Owner acknowledges and agrees that NRWC's rights under this Agreement, including access to the Owner's Property, may be exercised by NRWC or one or more third parties authorized by NRWC, including, without limitation, NRWC's agents, servants, employees, contractors, subcontractors, and licensees.

ARTICLE 3 TERM AND TERMINATION

Section 3.1 Term and Renewal Term(s)

- (1) To have and to hold for a term, commencing on _____, 20__ **[TO BE THE DATE THE OPTION IS EXERCISED.]** (the "**Commencement Date**") and ending on a date which is TWENTY (20) years following the Commercial Operation Date of the Wind Facility, subject to NRWC's rights of extension, as set out herein (the "**Initial Term**").

- (2) Provided that there is not an ongoing Event of Default by NRWC, the Initial Term of this Agreement shall be extended in favour of NRWC for four periods of FIVE (5) years each (each a “**Renewal Term**” and together with the Initial Term, the “**Term**”), provided NRWC provides Owner notice in writing (the “**Renewal Notice**”) at least SIX (6) months before the end of the Initial Term or the then current Renewal Term that it wishes to extend the Initial Term or the then-current Renewal Term of the Agreement. Each Renewal Term shall be upon the same terms and conditions as provided for in this Agreement, excluding any further rights of extension and the Rent.

Section 3.2 NRWC’s Right of Termination before Commencement of Construction

NRWC shall have the right to terminate this Agreement, without payment of compensation to Owner, at any time before the construction commencement date set out in the Construction Notice, by giving THIRTY (30) days prior written notice to that effect (provided, for greater certainty, that all payments made or due hereunder to the date of termination by NRWC to the Owner shall be paid to and retained by the Owner in accordance with Section 3.5).

Section 3.3 Right of Termination after Commencement of Construction

If the FIT Contract is terminated at any time during the Term, NRWC shall be entitled to terminate this Agreement without payment of compensation to Owner, upon TEN (10) days prior written notice. Upon the TENTH (10th) day following the giving of such notice, this Agreement will automatically terminate in accordance with Section 3.5 (provided, for greater certainty, that all payments made or due hereunder to the date of termination by NRWC to the Owner shall be paid to and retained by the Owner in accordance with Section 3.5).

Section 3.4 Owner’s Right of Termination

If, by a date which is FORTY-TWO (42) months after the Commencement Date, the Owner has not begun receiving the Initial Rent payable under this Agreement, the Owner shall have the right to terminate this Agreement upon TEN (10) days prior written notice. Upon the TENTH (10th) day following the giving of such notice, this Agreement will automatically terminate in accordance with Section 3.5 (provided, for greater certainty, that all payments made or due hereunder to the date of termination by NRWC to the Owner shall be paid to and retained by the Owner in accordance with Section 3.5).

Section 3.5 Effect of Termination

In the event of the termination of this Agreement in accordance with its terms, this Agreement shall have no further force and effect and the parties shall be released from all liabilities and obligations under this Agreement, except for the obligations to pay any amounts due and owing under this Agreement up to the date of termination; the indemnification provisions under Section 6.10, Section 6.13, Section 6.16, Section 7.8, Article 10, and Section 14.4; the decommissioning provisions hereunder (including, without limitation, Article 13 and Section 6.5); the obligation of NRWC to register a surrender/release of any notices registered on title pursuant to Section 14.5 of this Agreement; and such other obligations which, according to the express provisions of this

Agreement, are intended to be performed on or before the date of termination and which have not been so performed. On or before the date of termination, all amounts due and owing under this Agreement by a party will be prorated as of the date of such termination and paid to the other.

Section 3.6 Overholding

If, at the expiration of the Initial Term or any subsequent Renewal Term, NRWC continues to occupy the Project Lands without further written agreement, there shall be no tacit renewal of this Agreement, and the tenancy of NRWC thereafter shall be from month to month only, and may be terminated by either party on one (1) month's notice. Rent shall be payable in advance on the first day of each month equal to the sum of one hundred and fifty percent (150%) of the monthly payment of Rent payable during the last year of the Term, and all terms and conditions of this Agreement shall, so far as applicable, apply to such monthly tenancy. For greater certainty, this Section 3.6 does not apply to NRWC's occupation of the Project Lands following the expiration of the Initial Term or Renewal Term, as applicable, in connection with the performance of its decommissioning obligations pursuant to Section 13.1(2), which occupation will not be deemed to be overholding.

ARTICLE 4 CONSTRUCTION

Section 4.1 Pre-Construction Period

- (1) Prior to the construction commencement date set out in the Construction Notice pursuant to Section 4.1(2) hereof, NRWC shall be entitled to enjoy all rights of access to the Project Lands herein granted to carry out investigations, tests and surveys and do all such other things as are reasonably necessary or convenient to enable NRWC to commence construction, including entering the Project Lands with machinery and equipment necessary to carry out tests and surveys provided that NRWC complies with its obligations under Section 6.5 and Section 6.6.
- (2) NRWC shall notify Owner in writing of the approximate construction commencement date not less than SIXTY (60) days prior thereto (the "**Construction Notice**").
- (3) **[Include for Land Pad Lease and Lease:]** Commencing on the date which is THIRTY (30) business days after the giving of the Construction Notice, Owner will yield up vacant possession of the **[Include for Land Pad Lease:]****[Land Pad Site(s)]** **[and]** **[Include for Lease:]** **[Leased Premises]** for the remainder of the Term.
- (4) **[Include for Easements or Access Rights:]** Commencing on the date which is THIRTY (30) business days after the giving of the Construction Notice, Owner agrees it will not use the **[Include for Easements:]** **[Easement Lands]** **[and]** **[Include for Access Rights:]** **[Access Lands]** for agricultural or other purposes, including livestock grazing, until the day following the completion of construction thereon.

Section 4.2 Construction Period

- (1) On or after the construction commencement date specified in the Construction Notice, NRWC may commence construction and installation of **[Include for Land Pad Lease, Lease, or Easements:] [the applicable parts of the Wind Facility] [and] [Include for Access Rights:] [roadways, as required,]** on the Project Lands. NRWC shall use reasonable efforts to complete same within one (1) year of the date specified in the Construction Notice, subject to a Force Majeure Event.
- (2) NRWC shall notify Owner in writing of the Commercial Operation Date not less than ONE (1) week prior to that date. If, by reason of a Force Majeure Event or any extension of the Milestone Date for Commercial Operation granted by the OPA, the Commercial Operation Date is or will be delayed until after February 25, 2014, NRWC shall notify Owner in writing thereof on or before February 25, 2014, together with the anticipated Commercial Operation Date.

Section 4.3 Lay Down Site(s) and Compensation

[Section 4.3 is to be included for a Land Pad Lease:]

- (1) In consideration for the license to use the Lay Down Site(s) in accordance with Section 2.1(d), NRWC shall pay Owner and Owner accepts as full compensation (including for any crop damage) **xxxxxxx** DOLLARS (\$**xxxx**.00) per acre of Lay Down Site(s) per Crop Year or part thereof that NRWC uses the Lay Down Site(s). In addition to the foregoing, if the Owner can establish (a) that the crop yield on the Lay Down Site(s) for the Crop Year immediately following NRWC's possession thereof is materially decreased from the anticipated crop yield (using the actual crop yield on Owner's adjacent lands during the same Crop Year for the same crop as a benchmark); and (b) that such decrease is caused by compaction arising directly from NRWC's use of the Lay Down Site(s), then NRWC will compensate Owner **xxxxxxxxxxxxx** DOLLARS (\$**xxxx**) per acre or part thereof so affected during such Crop Year. Any dispute under this Section 4.3(1) will be arbitrated in accordance with Section 14.2.
- (2) During construction, such payment is payable in two (2) instalments, the first instalment of **xxxxxxxxx** DOLLARS (\$**xxxx**.00) per acre to be paid in connection with the delivery of the Construction Notice, and the balance becoming payable on the date on which construction is completed. Payments for the use of the Lay Down Site(s) during any repair, maintenance, alterations, or improvements or decommissioning will be payable promptly following the completion of such work.
- (3) Owner agrees it will not use the Lay Down Site(s) for agricultural or other purposes (including livestock grazing):
 - (a) during construction, commencing on the date which is THIRTY (30) business days after the giving of the Construction Notice and ending on the day following the completion of construction;

- (b) during routine repair, maintenance, alterations, or improvements, THIRTY (30) business days, or during emergency or unplanned repair or maintenance as soon as reasonably possible, following the giving of notice by NRWC of its intent to enter the Lay Down Site(s) for such purposes and ending on the day following the completion of such work; and
 - (c) during decommissioning, commencing on the expiry or earlier termination of this Agreement and ending on the day following the completion of decommissioning of the Equipment in accordance herewith.
- (4) Upon completion of any construction, maintenance or decommissioning work on the Lay Down Site(s), NRWC covenants and agrees to return the surface condition of the Lay Down Site(s) to substantially the same condition as existed prior to such work to the extent reasonably possible, in accordance with Section 6.5.

ARTICLE 5 RENT

Section 5.1 Rent: Land Pad Site(s)

[Section 5.1 is to be included for Land Pad Lease:]

- (1) From and after the Commercial Operation Date until the expiry of the Initial Term, and subject to adjustment in accordance with Section 5.3, NRWC agrees to pay Owner, in lawful money of Canada, without any prior demand therefore and without any deduction, abatement or setoff whatsoever (except as otherwise provided in Section 7.4 and Section 7.5), rent of xxxxxxxxxxxxxx DOLLARS (\$xxxxx.00) per Land Pad Site per full year during the Initial Term (the “**Initial Rent**”) payable in equal monthly payments xxxxxxxxxxxxxxxxxxxxDOLLARS AND (\$xxxxx). The initial payment of Rent will be due on the Initial Payment Date and thereafter, Rent will be due on the first day of each and every month during the Initial Term. Such initial payment will be pro-rated on a per diem basis to the extent that the Commercial Operation Date falls on a day other than the first day of a calendar month. At the time of payment, NRWC shall also pay HST exigible on the Rent, provided that liability to pay exigible HST shall be contingent upon Owner becoming an HST registrant and providing NRWC with Owner’s registration number.
- (2) [Include for Land Pad Lease, with a Lease and/or Easement and/or Access Right:] NRWC is entitled to use the [Leased Premises] [and] [Easement Lands] [and] [Access Lands] at no additional consideration.

Section 5.2 Rent: Lease, Easements, and Access Rights

[Include for a Lease and/or Easements and/or Access Rights. THE FOLLOWING SECTION DOES NOT APPLY FOR A LAND PAD LEASE.]

From and after the Commercial Operation Date until the expiry of the Initial Term, NRWC agrees to pay Owner, in lawful money of Canada, without any prior demand

therefore and without any deduction, abatement or setoff whatsoever (except as otherwise provided in Section 7.4 and Section 7.5), xxxxxxxxxxxx Dollars (\$xxx.00) per month (“**Initial Rent**”). The initial payment of Rent will be due on the Initial Payment Date and thereafter, Rent will be due on the first day of each and every month during the Initial Term. Such initial payment will be pro-rated on a per diem basis to the extent that the Commercial Operation Date falls on a day other than the first day of a calendar month. At the time of payment, NRWC shall also pay HST exigible on the Rent, provided that liability to pay exigible HST shall be contingent upon Owner becoming an HST registrant and providing NRWC with Owner’s registration number.

Section 5.3 CPI Increases

Commencing on the first day of the calendar year immediately following the Commercial Operation Date and thereafter on the first day of each calendar year during the Initial Term, Initial Rent will be adjusted for such calendar year such that TWENTY (20) per cent of annual Initial Rent for the preceding year will be increased based on cumulative increases in the CPI between the month in which the Commercial Operation Date occurred and the December immediately preceding the calendar year for which rent is being adjusted. The equal monthly payments of Rent will be increased correspondingly.

Section 5.4 Renewal Rent

The rent payable during each Renewal Term (the “**Renewal Rent**”) will be at the prevailing Fair Market Rent. Notwithstanding the foregoing, the Renewal Rent will not be less than the Rent for the last year of the term immediately preceding the applicable Renewal Term. Such Renewal Rent is to be negotiated and mutually agreed upon by the Parties THREE (3) months before the commencement of the applicable Renewal Term, or such earlier date as specified by NRWC in the Renewal Notice. If NRWC and Owner fail to agree on Fair Market Rent TWO (2) months prior to the expiry of the term immediately preceding the applicable Renewal Term, or within ONE (1) month following the date specified in the Renewal Notice, as applicable, then either party may refer the matter to arbitration in accordance with Section 14.2. Until the arbitration is settled, NRWC will continue to make payments of Rent at the Rent payable for the last year of the term immediately preceding the applicable Renewal Term.

Section 5.5 Non-Refundable Deposit

[Include for Land Pad Lease:] Within five (5) days of the execution of this Agreement by Owner, NRWC agrees to pay the sum of xxxxxxxxxxxx DOLLARS (\$xxx.00) per Land Pad Site on the Owner’s Property, plus applicable HST, as a non-refundable deposit to be applied towards the first payment of Initial Rent.

[Include for Lease and/or Easement and/or Access Right:] Within five (5) days of the execution of this Agreement by Owner, NRWC agrees to pay the sum of xxxxxxxxxxxx DOLLARS (\$xxxx.00) plus applicable HST, as a non-refundable deposit to be applied towards the first payment of Initial Rent.

Section 5.6 Method of Payment

Rent shall be paid (a) by cheque to Owner at the address for notice set forth at Section 14.19 or at such other address as Owner may from time to time designate in writing; or (b) by direct deposit, provided that Owner so elects by giving notice to NRWC with its requisite banking details.

Section 5.7 Rent Past Due

If NRWC fails to pay, when the same is due and payable, the Rent, **[Include for Land Pad Lease:] [the compensation payable pursuant to Section 4.3(2),]** the taxes required to be paid by NRWC pursuant to Section 6.7 or any other amounts payable under this Agreement such unpaid amounts shall bear interest from the due date thereof to the date of payment at the Prime Rate plus FIVE (5) per cent per annum.

Section 5.8 Net Lease

It is the intention of the parties that the Rent shall be net to the Owner. NRWC shall pay, all charges, impositions and expenses of every nature and kind relating to the Wind Facility and Project Lands (except the Owner's income taxes and except as specifically provided in this Agreement) in the manner hereinafter provided.

ARTICLE 6 REPRESENTATIONS AND WARRANTIES AND COVENANTS OF NRWC

Section 6.1 Consultation and Communication

NRWC shall consult and communicate with Owner from time to time, acting reasonably, to ensure that the development of the Wind Facility on the Project Lands, including **[Include for Land Pad Lease and the Lease and Easements:] [the construction, installation, operation, maintenance, repair and removal of the] [Include for Land Pad Lease:] [Turbine(s)] [and] [Include for Lease and Easements:] [Equipment] [and] [Include for Access Rights:] [the construction, use, and maintenance of roadways by NRWC]** is conducted with the minimum inconvenience to Owner's operations on, and minimum disturbance to, the Owner's Property. NRWC shall consult Owner as to the proposed locations of **[Include for Land Pad Lease:] [Turbine(s)] [and] [Include for Lease and Easements:] [Equipment] [and] [Include for Easements:] [Easements] [and] [Include for Access Rights:] [roadways]** which are required in connection with the installation or initial operation of the Wind Facility prior to commencement of construction to the extent such proposed location has changed from the information provided in Schedule "B".

Section 6.2 Underground cables and wires

[Include for Land Pad Lease, Lease, and Easement:] NRWC shall lay and erect underground cables and wires under the **[Include for Land Pad Lease:] [Land Pad Site(s)] [and] [Include for Lease:] [Leased Premises] [and] [Include for Easements:] [Easement Lands]** to a depth of at least 1.2 metres below the original grade.

Section 6.3 Safety and Maintenance

[Include for Land Pad Lease, Lease, and Easement only:] NRW shall install, operate and maintain the **[Include for Land Pad Lease:] [Turbine(s) [and] [Include for Lease and Easements:] [Equipment]** in a good and workmanlike manner in accordance with sound engineering standards and at a level of repair consistent with Applicable Laws in all material respects.

Section 6.4 Soil Maintenance

NRWC covenants and agrees that no soil shall be removed from the Owner's Property. Any soil displaced during construction will remain the property of Owner.

Section 6.5 Condition of Owner's Property after completion of Wind Facility construction

- (1) **[Include Land Pad Lease only:]** NRW covenants and agrees to use reasonable efforts to return the surface condition of the Lay Down Site(s) promptly following construction of the Wind Facility to substantially the same condition as existed prior to construction to the extent reasonably possible.
- (2) **[For Easements and Access Right only:]** NRW covenants and agrees to use reasonable efforts to return the surface condition of the Project Lands located adjacent to **[Include for Easements:] [Equipment] [and] [Include for Access Rights:] [roadways]** that are installed by NRW on or over the Project Lands **[Include for Easements:] [; and (b) the Project Lands over Equipment installed under the Easement Lands, in each case]** to substantially the same condition as existing prior to construction, to the extent reasonably possible.

Section 6.6 Damage

NRWC shall compensate, repair or replace any direct physical damage done to any crops, livestock, structures, roads or other improvements of Owner upon Owner's Property which is caused by NRW in the performance of its rights granted herein, provided, however, that NRW shall not be responsible to compensate Owner for such damage caused by NRW on the following Project Lands (except in the case of damage caused by NRW's negligence or wilful misconduct as provided by Section 10.1 and except for a failure of NRW to comply with Section 6.5):

- (a) **[Include for Land Pad Lease:]** the Land Pad Site(s);
- (b) **[Include for Land Pad Lease only:]** the Lay Down Site(s) during NRW activities thereon as contemplated by Section 2.1(d);
- (c) **[Include for the Lease:]** the Leased Premises;
- (d) **[Include for the Easements:]** those portions of the Easements Lands on or over which the Equipment is located;
- (e) **[Include for the Access Rights:]** the Access Lands.

Section 6.7 Taxes, Rates and Assessments

- (1) NRWC shall pay, as and when due, NRWC's Proportionate Share of all Realty Taxes and assessments levied against the Owner's Property and other taxes directly relating to the operation of the Wind Facility and the business carried on by NRWC on the Project Lands.
- (2) **[Include for Land Pad Lease and Lease and Easements:]** NRWC shall also pay for any increases in real or immovable Realty Taxes that are directly attributable to the installation of the **[Include for Land Pad Lease:] [Turbine(s) [and] [Include for Lease and Easements:] [Equipment]** and that are assessed for the period from and after the Commencement Date until the end of the Decommissioning Period.
- (3) **[Include for Land Pad Lease and Lease and Easements:]** NRWC shall have the right, at its own expense, to appeal or contest any Realty Taxes for which it is liable or increases thereto and to compromise and settle the same and Owner shall execute such petitions and agreements and otherwise cooperate with NRWC to the extent reasonably necessary. In the event that Realty Taxes payable in respect of the Project Lands, **[Include for Land Pad Lease:] [Turbine(s) [and] [Include for Lease and Easements:] [Equipment]** situated on the Project Lands have not been separately assessed, then Owner shall notify NRWC in writing forthwith and the parties, acting reasonably and equitably, shall apportion the total Realty Taxes between the Project Lands **[Include for Land Pad Lease:] [Turbine(s) [and] [Include for Lease and Easements:] [Equipment]** situated on the Project Lands and Owner's interest in the Owner's Property and NRWC shall pay Owner its proportion of such Realty Taxes within THIRTY (30) days from the date upon which Owner and NRWC determine such apportionment. Upon Owner receiving notice from the municipality of the amount of Realty Taxes assessed by it and communicating the same to NRWC, NRWC agrees to pay to Owner in advance of the applicable due date its portion of said Realty Taxes.

Section 6.8 Utilities

NRWC shall pay promptly when due all charges, costs, accounts and any other sums payable by reason of the supply of the utilities and services to the Project Lands. NRWC shall contract with and pay any such supplier directly.

Section 6.9 Government Regulation

NRWC shall at its own expense at all times ensure that its activities hereunder **[For Land Pad Lease, Lease, and Easements:] [and the construction, installation, operation, maintenance, repair and removal of the] [Include for Land Pad Lease:] [Turbine(s) [and] [Include for Lease and Easements:] [Equipment] [and] [Include for Access Rights:] [the construction, use, and maintenance of roadways by NRWC]** comply in all material respects with Applicable Laws, direction, rules and regulations of the relevant governmental authorities having jurisdiction including all applicable building codes and municipal by-laws; provided, however, NRWC shall have the right, in its sole discretion and at its sole expense, in its name or in Owner's name, to contest the validity or applicability of any law, ordinance, order, rule or regulation of any governmental agency or entity. NRWC shall

control any such contest and Owner shall cooperate with NRWC in every reasonable way in such contest, at no out of pocket expense to Owner.

Section 6.10 Hazardous Materials

NRWC covenants that NRWC shall not (i) use, store, dispose or release on or to the Owner's Property or (ii) cause or permit to exist or be used, stored, disposed of or released on or to the Owner's Property any Hazardous Material except in such quantities as may be required in its development of the Wind Facility on the Project Lands and only if such use is in compliance with all Applicable Laws. Should any claim or action be brought against Owner in connection with NRWC's operations with respect to any of the foregoing, Owner shall immediately notify NRWC and NRWC shall indemnify the Owner from any and all costs the Owner may incur in connection with such claim or action.

Section 6.11 Maintenance

- (1) NRWC covenants to keep the Project Lands, Turbine(s) and Equipment, in good and reasonable state of repair.
- (2) Any maintenance on the Project Lands, including, without limitation, grass cutting, weed removal, snow removal, and road maintenance or repair, that is deemed necessary by NRWC shall be at NRWC's cost.
- (3) Owner shall have the right of first refusal to perform grass cutting, weed removal, snow removal, and routine road maintenance work. If NRWC receives a bona-fide non-arms length third party offer to perform the aforementioned maintenance work that NRWC intends to accept, it will concurrently deliver notice to Owner setting out the price and terms of such offer. Owner will have TEN (10) days from the receipt of such notice to advise NRWC, in writing, of its acceptance or rejection of such offer. If Owner accepts the offer, Owner will perform the maintenance work in accordance with the terms and price set out in the third party offer. If Owner rejects the offer or does not respond within the timeframe set out above, NRWC is free to accept and complete the third party offer in accordance with its terms.

Section 6.12 Drainage

- (1) NRWC shall pay for only that portion of costs assessed against the Owner's Property in connection with an assessment or reassessment under the *Drainage Act* (Ontario) that are directly attributable to the installation of any **[Include for Land Pad Lease:] [Turbine(s) [and] [Include for Lease and Easements:] Equipment [and] [Include for Access Roads:] roadways]** by NRWC and that are assessed for the period from and after the Commencement Date until such **[Include for Land Pad Lease:] [Turbine(s) [and] [Include for Lease and Easements:] Equipment [and] [Include for Access Roads:] roadways]** are decommissioned. NRWC shall have the right, at its own expense, to appeal or contest any such assessment or reassessment and to compromise and settle the same and Owner shall execute such petitions and agreements and otherwise cooperate with NRWC to the extent reasonably necessary for NRWC to do so.

- (2) Prior to any construction on the Owner's Property, the parties shall consult with one another and the Owner's licensed or otherwise duly qualified drainage contractor, if applicable, to determine the most appropriate method of protecting the integrity of the Owner's drainage system on the Owner's Property during construction. If (a) the installation of the Wind Facility, the **[Include for Land Pad Lease:] [Turbine(s) [and] [Include for Lease and Easements:] Equipment [and] [Include for Access Roads:] roadways]** by NRWC; or (b) NRWC's activities hereunder, cause damage to existing drainage tiles located on the Owner's Property, NRWC shall consult with the Owner and NRWC will pay for any costs associated with returning the drainage tiles to the original state they were in as of the Commencement Date or relocating the drainage tiles to accommodate the Wind Facility.

Section 6.13 Fencing

- (1) NRWC may install security measures on the Project Lands reasonably necessary in NRWC's opinion, at NRWC's expense, for the Wind Facility, including the installation of warning signs, closed and locked gates, and fencing around the Project Lands, and **[For Land Pad Lease only:] [the Lay Down Site(s) temporarily]**, for the purpose of preventing trespass or hazards and securing the **[Include for Land Pad Lease:] [Turbine(s) [and] [Include for Lease and Easements:]] [Equipment]**. Any such security measures will be removed:
- (a) **[Include for Easements:] [from the Easement Lands after the completion of construction thereon]; and]**
 - (b) **[Include for Land Pad Lease:] [from the Lay Down Site(s) promptly after the completion of NRWC's activities thereon; and from the Land Pad Site(s) at the expiry of the Term or the earlier termination of the Lease in accordance with the provisions of Section 13.1(1) or at such earlier time should NRWC determine such security measures are no longer required] [; and]**
 - (c) **[Include for the Lease:] [from the Leased Premises at the expiry of the Term or the earlier termination of the Lease in accordance with the provisions of Section 13.1(1) or at such earlier time should NRWC determine such security measures are no longer required.]**
- (2) **[Include Land Pad Lease and Easements:]** Owner shall be entitled to access the **[Include for Land Pad Lease:] [Lay Down Site(s) [and] [Include for Easements:] [Easement Lands]** notwithstanding such security measures; provided, however, such access will be at Owner's own risk and Owner shall indemnify and hold harmless NRWC from any and all damage to property, crops, livestock of any nature or injury to persons resulting from the activities of Owner and its agents on or about the aforementioned property.

Section 6.14 FIT Contract

NRWC represents and warrants that it has entered into a FIT Contract with the OPA and that it is the Supplier (as that term is defined in the FIT Contract) under its FIT Contract.

Section 6.15 Turbines

[Include for Land Pad Lease:] NRWC agrees that the Turbine(s) will not display or feature any logo, advertisement, or slogan, other than those associated with the turbine manufacturer and/or NRWC or its affiliates. In addition, the Turbine(s) may display Canadian, provincial, or regional symbols.

Section 6.16 No Liens

If any construction or other liens or order for the payment of money shall be filed against the Owner's Property by reason of or arising out of any labour or material furnished to NRWC or to anyone claiming through NRWC, NRWC, within thirty (30) days after receipt of notice of the filing thereof, shall cause the same to be discharged by bonding, deposit, payment, court order or otherwise. NRWC shall defend all suits to enforce such liens or orders against NRWC at NRWC's sole expense.

Section 6.17 Waste and Nuisance

NRWC shall not do or suffer any waste or damage, disfiguration or injury to the Project Lands, and shall not use or permit to be used any part of the Project Lands for any illegal or unlawful purpose or any dangerous, noxious or offensive trade or business, and shall not cause or permit any nuisance in, at or on the Project Lands, save and except as provided herein.

ARTICLE 7 REPRESENTATIONS, WARRANTIES, AND COVENANTS OF OWNER

Section 7.1 Quiet Possession

Owner warrants and represents that it has good right, full power and authority to grant this Agreement and all rights contemplated herein to NRWC, and covenants that NRWC shall be permitted to peacefully and quietly hold and enjoy the Project Lands and its appurtenances without interference, subject to the terms and conditions of this Agreement and Permitted Encumbrances.

Section 7.2 Owner's title

Owner represents and warrants that it is the legal and beneficial owner of the Owner's Property and has good and marketable title thereto in fee simple, other than the Permitted Encumbrances. If, in the opinion of NRWC, there is a defect in Owner's title to the Owner's Property which materially affects the Project Lands that NRWC insists on being remedied or removed, Owner covenants to use all reasonable efforts to remedy or remove such defect at NRWC's cost.

Section 7.3 Encumbrances

Owner warrants and represents that there exists no Encumbrance affecting the Owner's Property other than the Permitted Encumbrances. Upon request at NRWC's cost, Owner shall use its best efforts to (a) obtain the consent of the holder of any Permitted Encumbrance to the granting of the rights under this Agreement, if the same is required pursuant to such Permitted Encumbrance; and/or (b) obtain from each party to a Permitted

Encumbrance a registerable postponement and/or a non-disturbance agreement in a form satisfactory to NRWC and its Lender, acting reasonably. Such postponement or non-disturbance agreement will provide that the applicable Permitted Encumbrance and the rights of the encumbrancer thereunder will be postponed and subordinated to the Agreement and that such encumbrancer will not disturb NRWC so long as NRWC is not in default of the Agreement. During the Term, Owner shall keep NRWC's interest in the Owner's Property free and clear of all Encumbrances, other than Permitted Encumbrances, and any Permitted Encumbrance placed as a charge against NRWC's interest in the Owner's Property will be subject to, and shall not restrict, prevent, impair or interfere with, the rights of NRWC hereunder. Nothing in this Section 7.3 shall prevent the Owner from selling or mortgaging the Owner's Property in accordance with Section 14.11 herein.

Section 7.4 Payment of Owner's taxes

Owner covenants that it shall pay throughout the Term when the same fall due all taxes, rates and assessments that may be assessed or levied against the Owner's Property and not payable by NRWC in accordance with Section 6.7, failing which, in the event of non-payment, NRWC shall have the right to pay same and offset such payment against Rent.

Section 7.5 Payment of Owner's Mortgage(s)

Owner covenants that it shall pay when the same fall due all payments under any mortgages registered on title to the Owner's Property throughout the Term, failing which, in the event of non-payment, NRWC shall have the right to pay same and offset such payment against Rent. Notwithstanding the foregoing, should any power of sale or foreclosure proceedings be commenced against Owner, or should a court order be issued for a sale, which would in any way affect the Project Lands or NRWC's rights hereunder, NRWC may, after giving not less than TEN (10) days written notice to Owner, at NRWC's option, pay or discharge the whole or any portion of any Encumbrance or liens payable, incurred or created by Owner which affect the Project Lands or NRWC's rights hereunder. Should NRWC exercise its option as aforesaid, NRWC shall be subrogated to the rights of the holder of such Encumbrance and shall be entitled to immediate reimbursement from Owner for the actual, reasonable and verifiable out-of-pocket costs of such payment.

Section 7.6 Surveys

Upon request by NRWC, Owner shall provide NRWC with any surveys or other information in Owner's possession relating to the Owner's Property, buried electrical or other utility cables and wires, gas lines and water systems and NRWC shall be entitled, at its expense, to make copies of same. If Owner does not have any such surveys, Owner shall provide NRWC with sketches of or otherwise describe the approximate locations of such underground drainage systems, cables and wires, gas lines and water systems to the best of its knowledge.

Section 7.7 Drainage

Owner represents and warrants that (a) there are no drainage plans for the Owner's Property or any mutual agreement drains affecting the Owner's Property, other than as previously disclosed and provided to NRWC or listed as a Permitted Encumbrance; and (b)

that it is not aware of any petition or requisition for drains affecting the Owner's Property under the *Drainage Act* (Ontario). **[Include if a copy of a drainage plan was provided:] [A copy of the drainage plan is attached hereto as Schedule "F".]**

Section 7.8 Hazardous Materials

Owner represents and warrants to NRW that (i) no Hazardous Materials exist on, or have been released or are in imminent threat of release at, on, in, to or from the Owner's Property, (ii) Owner shall not use, store, dispose of or release Hazardous Materials at, on, in, to or from the Owner's Property, and (iii) Owner shall not cause or permit to exist or be used, stored, disposed of or released on or to the Owner's Property any Hazardous Material except in such quantities as may be required in its agricultural use of the Owner's Property and only if such use is in compliance with all Applicable Laws. Should any claim or action be brought against NRW in connection with the Owner's Property with respect to any of the foregoing, NRW shall immediately notify Owner and Owner shall indemnify NRW from any and all costs NRW may incur in connection with such claim or action.

Section 7.9 Personal Property

- (1) **[Include for the Land Pad Lease and Lease and Easements:]** The parties hereto acknowledge and agree that it is their declared will and intention that the **[Include for the Land Pad Lease:] [Turbine(s)] [and] [Include for Lease and Easements:] [Equipment]** will, notwithstanding the degree of annexation to the Owner's Property, remain as movable and personal property of NRW and be considered chattels owned by NRW and shall not be or become fixtures or otherwise part of the real property constituting the Owner's Property. The parties further agree that Owner shall have no ownership or other interest in any improvements (including the **[Include for the Land Pad Lease:] [Turbine(s)] [and] [Include for Lease and Easements:] [Equipment]**) installed at the Project Lands by or on behalf of NRW except as provided in Section 13.1(5) hereof.
- (2) Owner renounces any and all lien rights it may have at common law, or under any legislative provision, to **[Include for the Land Pad Lease:] [Turbine(s)] [and] [Include for Lease and Easements:] [Equipment]** and any personal property or other movable property of NRW which may be located on the Owner's Property and the Project Lands from time to time throughout the Term except as provided in Section 13.1(5) hereof.

Section 7.10 Access Rights

During the Term, Owner shall provide NRW uninterrupted access to the Project Lands **[Include for Land Pad Lease only:] [and, during the performance of activities contemplated by Section 2(iv) to the Lay Down Site(s),]** with or without vehicles on a TWENTY-FOUR (24) hour a day, SEVEN (7) days a week basis; provided that in all circumstances other than required maintenance or repair or an emergency, NRW will use reasonable efforts to limit such access to business days during the hours of 8:00 a.m. and 5:00 p.m. and will notify Owner in writing ONE (1) day prior to exercising such rights. NRW will use reasonable efforts to include in such notice the identity of any representatives accessing the Owner's Property, the reason for entry, and an estimate in the

length of time required by such representatives on the Owner's Property. A failure to provide such notice shall not be considered an Event of Default under this Agreement.

Section 7.11 Family Law Act

- (1) Owner represents and warrants to NRWC that if Owner is an individual, Owner:
 - (a) is not or was not a spouse; or
 - (b) is a spouse who is not separated from his or her spouse and that the Owner's Property is not ordinarily occupied as a family residence; or
 - (c) is a spouse who is separated from his or her spouse and that the Owner's Property was not ordinarily occupied by the spouses as their family residence at the time of separation; or
 - (d) is a spouse and has not, together with his or her spouse, designated the Owner's Property as a matrimonial home; or
 - (e) has a spouse that has released all his or her rights in the Owner's Property by a separation agreement; or
 - (f) if more than one Owner, each Owner is a spouse of the other; or
 - (g) is a spouse and that his or her spouse has consented to the grant and demise of the Project Lands to Owner pursuant to this Agreement by executing a copy of this Agreement and that such spouse has had adequate time and opportunity to seek and obtain or waive independent legal advice in relation to this Agreement and has executed one of the spousal certificates attached hereto as Schedule "E".
- (2) Owner represents and warrants to NRWC that if Owner is a corporation:
 - (a) that the Owner's Property has never been occupied by any of the directors, officers or shareholders of Owner or the spouses of such directors, officers or shareholders and there are no shares in existence entitling the holders of such shares to occupation of the buildings on Owner's Property. Accordingly, the Owner's Property does not comprise a family residence within the meaning of the *Family Law Act* (Ontario); or
 - (b) (i) that the Owner's Property has been occupied by any of the directors, officers or shareholders of Owner or the spouses of such directors, officers or shareholders; and (ii) that each of the spouses of the directors, officers, or shareholders of Owner that have shares in existence entitling the holders of such shares to occupation of the buildings on Owner's Property have executed this Agreement; and (iii) that each such spouse has had adequate time and opportunity to seek and obtain or waive independent legal advice in relation to this Agreement and has executed one of the spousal certificates attached hereto as Schedule "E".

**ARTICLE 8
RESTRICTIVE COVENANTS OF OWNER**

Section 8.1 Restrictive Covenants and Reservations of Owner

- (1) Owner shall not and will not suffer or permit any person to disturb or interfere with:
 - (a) **[For Land Pad Lease, Lease, and Easements:]** the construction, installation, maintenance, repair, inspection, use or operation of **[Include for the Land Pad Lease:] [the Turbine(s)] [and] [Include for Lease and Easements:] [Equipment]** located on the Project Lands **[; and]**
 - (b) **[Include for Access Rights:]** NRWC's rights of access on, over and through the Project Lands and Access Lands to the Wind Facility and **[Include if Access Rights are coupled with a Land Pad Lease, Lease, or Easement:] [remaining Project Lands].**
- (2) Owner shall be entitled to carry on normal farming activities in accordance with the terms of this Agreement; however, Owner agrees that it shall not undertake any actions, including without limitation, blasting, excavation or construction that may have the effect of constituting a danger to the Wind Facility or increasing NRWC's maintenance, repair or operation costs with respect to the Wind Facility, without the prior written consent of NRWC, acting reasonably.
- (3) Owner further agrees that it shall not engage in any activity on the Owner's Property (including the installation of machinery, planting trees or constructing buildings or other structures) that might directly or indirectly impair or impede the air flow to the Turbine(s) or the wind speed or wind direction over the Project Lands, cause a decrease in the output or efficiency of the Turbine(s), or otherwise adversely affect the operation of the Wind Facility, without the prior written consent of NRWC, acting reasonably.
- (4) **[Include for Land Pad Lease and Leases of lands directly adjacent to Turbine(s):]** Without limiting the generality of the foregoing, Owner agrees that it shall not construct or erect any structure, house, building or any other edifice in excess of THIRTY (30) metres in height, nor plant, nor allow to grow, any trees or other foliage having a height in excess of THIRTY (30) metres, anywhere within an area having a radius of THREE HUNDRED AND FIFTY (350) metres surrounding the Turbine(s) without the prior written consent of NRWC. In the event that any of Owner's activities negatively impact on the construction, installation, maintenance, repair, inspection, use or operation of the Turbine(s), Owner agrees to cease and desist such activities immediately upon notice from NRWC.
- (5) Subject to the reservation set out in Section 8.1(8) and Section 8.1(9) hereof, Owner covenants and agrees that the rights herein granted are exclusive to NRWC, and that during the Term no person (other than NRWC) shall be permitted to use or occupy the Owner's Property or any part thereof, for the purposes of renewable electrical energy generation (being biomass, biogas, waterpower, landfill gas, solar PV, and wind energy), or the transmission of electric power in related activities. NRWC, its

successors and assigns, shall have the exclusive right to collect, convert, store and transmit all wind resources on the Owner's Property, and Owner agrees that it will not interfere with NRWC's operations hereunder or enjoyment of the rights hereby granted.

- (6) Owner acknowledges and agrees that the restrictive covenants contained within this Section 8.1 are intended to run with title to the Owner's Property concurrently with the Term (or the subdivision control provisions of the *Planning Act* (Ontario)) and accordingly will bind it and all future parties having an interest in title to the Owner's Property and will inure to the benefit of and be annexed to NRWC's interest in the Owner's Property and every part thereof and will be for the benefit of NRWC and its successors and assigns. Owner acknowledges and agrees that NRWC may register notice of the restrictive covenants contained in this Section 8.1 and Owner agrees to execute any and all necessary documentation in registrable form to facilitate such registration, at no additional cost.
- (7) Reservation for Owner's agricultural purposes: Notwithstanding the provisions of Section 8.1, Owner expressly reserves the right to use:
 - (a) **[Include for Easements:]** the Easement Lands, other than those portions of the Easement Lands over which the Equipment is located or over which access rights have been granted **[: and]**
 - (b) **[Include for Land Pad Lease:]** the Lay Down Site(s) (subject to the restrictions on use during the periods set out in Section 4.3(3))) and that portion of the Owner's Property which is within the THREE HUNDRED AND FIFTY (350) metre radius described in Section 8.1(4) but which excludes the Land Pad Site(s);

for agricultural purposes that do not and will not interfere with the construction, installation, maintenance, repair, inspection, use, operation, repair or removal of the Wind Facility or the enjoyment of the rights hereby granted to NRWC. In particular, and without limiting the generality of the foregoing, Owner reserves the right to plant and harvest agricultural crops and the right of livestock to graze over the underground cables and wires.

Notwithstanding anything to the contrary contained in this Agreement, the use of such lands for such purposes will be at Owner's own risk and NRWC shall not be responsible to Owner or any third party for damage to property, crops, livestock, or injury to persons resulting from the activities of Owner and its agents on or about the aforementioned property unless caused by the negligence or wilful misconduct of NRWC. To the extent that access to such lands is required by NRWC for the purpose of exercising its rights under this Agreement, Owner will cooperate with NRWC in providing the necessary access, including by temporarily relocating any livestock and temporarily refraining from using such lands.

- (8) **[Include if there is a Lease of Leased Premises and/or Easements and/or Access Rights, but no Land Pad Lease:]** Notwithstanding the provisions of Section 8.1(5),

Owner reserves the right to locate on portions of the Owner's Property other than the Project Lands: (i) small wind turbine(s) and solar panels having a gross name plate capacity of no more than THREE HUNDRED (300) kilowatts in the aggregate, for Owner's personal use and operations, and not for commercial production or sale on the electrical grid, provided further that the height of any wind turbine(s) is no more than THIRTY (30) metres; (ii) facilities for the purpose of renewable electrical energy generation (other than wind generation); and (iii) any other use allowed under the OPA's feed-in tariff program during the Term; provided, in each case, (a) that such installations are situated outside the THREE HUNDRED AND FIFTY METRES (350) radius referred to in Section 8.1(4); (b) that such uses comply with the OPA's feed-in tariff program or any successor program; and (c) that such uses do not adversely impact any of the rights granted to NRWC hereunder or the operation of the Wind Facility.

- (9) **[Include for Land Pad Lease:]** Notwithstanding the provisions of Section 8.1(5), Owner reserves the right to locate (i) small wind turbine(s) and solar panels on the Owner's Property having a gross name plate capacity of no more than THREE HUNDRED (300) kilowatts in the aggregate, for Owner's personal use and operations, and not for commercial production or sale on the electrical grid, provided further that the height of any wind turbine(s) is no more than THIRTY (30) metres; (ii) solar panels on the Owner's Property having a gross name plate capacity of no more than TEN (10) kilowatts in the aggregate for sale under the OPA's feed-in tariff program; and (iii) any other use allowed under the OPA's feed-in tariff program during the Term; provided that, in each case, such installations are situated outside the THREE HUNDRED AND FIFTY METRES (350) radius referred to in Section 8.1(4) and provided further that such uses comply with the OPA's feed-in tariff program or any successor program.
- (10) Owner acknowledges and agrees that the restrictions set forth herein have been considered by Owner and are reasonable in the circumstances. All defenses to the strict enforcement thereof by NRWC, its successors and assigns, are hereby waived by Owner. Owner acknowledges that any breach of the provisions contained herein would cause NRWC to suffer loss which would not be adequately compensated for by damages and that accordingly NRWC may, in addition to any other remedy or relief provided for in Section 11.3 enforce the performance of the provisions contained within this Section 8.1 by injunction or specific performance.

ARTICLE 9 INSURANCE

Section 9.1 Insurance

- (1) NRWC shall, at its sole cost and expense, take out and maintain in full force and effect, at all times throughout the Term, the following insurance:
- (a) "All Risks" insurance on property of every description and kind owned by NRWC, or for which NRWC is legally liable, or which is installed by or on

behalf of NRWC, including, without limitation, equipment, trade fixtures, the Equipment and Turbine(s), in an amount not less than the full replacement cost thereof from time to time;

- (b) general liability and property damage insurance, including personal liability, contractual liability, NRWCs' legal liability, non-owned automobile liability, and owners' and contractors' protective insurance coverage with respect to the Project Lands, which coverage shall include the business operations conducted by NRWC and any other person on the Project Lands. Such policies shall be written on a comprehensive basis with coverage for any one occurrence or claim of not less than five million dollars (\$5,000,000) or such higher limits as the Owner may reasonably require from time to time, in accordance with current commercial standards;
 - (c) business interruption insurance in an amount sufficient to cover NRWC's Rent for a period of not less than TWELVE (12) months; and
 - (d) such other forms of insurance as may be reasonably required by the Owner and any mortgagee from time to time.
- (2) All such insurance shall be with insurers and shall be upon such terms and conditions as the Owner reasonably approves. The insurance shall name as loss payee the Owner and anyone else with an interest in the Project Lands from time to time designated in writing by the Owner. All public liability insurance shall contain a provision for cross-liability or severability of interest as between the Owner and NRWC.
- (3) All of the foregoing property policies shall contain a waiver of any right of subrogation or recourse by NRWC's insurers against the Owner or the Owner's mortgagees, their contractors, agents and employees, whether or not any loss is caused by the act, omission or negligence (with the exception of gross negligence or willful misconduct) of the Owner, its mortgagees, their contractors, agents or employees. NRWC shall obtain from the insurers under such policies undertakings to notify the Owner in writing at least THIRTY (30) days prior to any cancellation thereof. NRWC shall furnish to the Owner, on written request, certificates of all such policies. NRWC agrees that if it fails to take out or to keep in force such insurance or if it fails to provide a certificate of every policy and evidence of continuation of coverage as herein provided, the Owner shall have the right to take out such insurance and pay the premium therefor and, in such event, NRWC shall pay to the Owner the amount paid as premium plus fifteen percent (15%), which payment shall be deemed to be additional Rent payable on the first day of the next month following payment by the Owner.

Section 9.2 Increase in Owner's Premium

If the occupancy by NRWC of the Owner's Property, the conduct of business on the Owner's Property, or any acts or omissions of NRWC on the Owner's Property or any part thereof, causes or results in any increase in premiums for the insurance carried from time to

time by the Owner with respect to the Owner's Property, NRWC shall pay any reasonable and verifiable increase in premiums forthwith after invoices for such additional premiums are rendered by the Owner. In determining whether increased premiums are caused by or result from the use and occupancy of the Owner's Property, a schedule issued by the organization computing the insurance rate on the Owner's Property showing the various components of such rate shall be conclusive evidence of the several items and charges which make up such rate. NRWC shall have the right, at its own expense, to contest any increases and to compromise and settle the same with the insurance carrier and Owner shall cooperate with NRWC to the extent reasonably necessary. NRWC shall comply promptly with all requirements and recommendations of the Insurer's Advisory Organization of Canada (or any successor thereof), or of any insurer now or hereafter in effect, pertaining to or affecting the Owner's Property. Any dispute under this Article 9 will be arbitrated in accordance with Section 14.2.

ARTICLE 10 INDEMNITIES

Section 10.1 Indemnification

Each party (the "**Indemnifying Party**") agrees to indemnify, defend and hold harmless the other party and its affiliates, directors, officers, employees and agents (and in the case of NRWC, its Lender and its directors, officers, employees and agents) (collectively, the "**Indemnified Party**") from and against all claims, demands, losses, liabilities, penalties, and expenses (including reasonable solicitors' fees) for personal injury or death to persons and damage to the property of any Indemnified Party or third party to the extent arising out of, resulting from, or caused by the negligent or wilful misconduct of the Indemnifying Party, its affiliates, its directors, officers, employees, or agents.

Section 10.2 Limitation of Liability

Except as expressly provided herein, neither party shall be liable to the other for any damage to property (including, without limitation, the **[Include for Land Pad Lease:] [Turbine(s) [and] [Include for the Lease and Easements:] [the Equipment]**, structures or improvements, crops, or livestock) or injury to persons except for the negligent acts or omissions, or the wilful or wrongful acts or omissions of such party or those for whom it is responsible at law. Notwithstanding anything to the contrary contained herein, neither party shall be liable to the other for any indirect or consequential damage resulting from any cause.

ARTICLE 11 DEFAULT AND REMEDIES

Section 11.1 Owner Default

Upon the material default of Owner of its covenants or obligations under this Agreement, such default shall be remedied within SIXTY (60) days of Owner receiving

written notice from NRWC of such default, or such longer period as is reasonable in the circumstances so long as Owner is diligently moving to remedy the same.

Section 11.2 NRWC Default

- (1) Upon the failure of NRWC to pay Rent when due, such default shall be remedied within THIRTY (30) days of NRWC receiving written notice from Owner of such default.
- (2) Upon the failure of NRWC to pay HST, Realty Taxes or other fixed monetary and quantifiable amounts payable hereunder when due, such default shall be remedied within SIXTY (60) days of NRWC receiving written notice from Owner of such default.
- (3) Upon default of NRWC of its covenants or obligations under this Agreement (other than a default referred to in Section 11.2(1) or Section 11.2(2)) such default shall be remedied within SIXTY (60) days of NRWC receiving written notice from the Owner of such default, or such longer period as is reasonable in the circumstances so long as NRWC is diligently moving to remedy the same.

Section 11.3 Remedies

- (1) Subject to Section 11.3(2) and any Lenders' rights under Section 12.1 **[Include for Land Pad Lease:]****[and Section 13.1(5)]**, upon the occurrence of an Event of Default, the non-defaulting party shall have and shall be entitled to exercise any and all remedies available to it at law or in equity, which remedies shall be cumulative; provided, however, that, subject to Section 11.3(2), neither party's remedies as a result of such uncured Event of Default shall include the right to terminate or cancel this Agreement or evict the other party from the Owner's Property. Available remedies shall include (a) the right to enjoin prohibited conduct under this Agreement and require specific performance of this Agreement; and (b) the right by the non-defaulting party to pay or perform any obligations of the defaulting party that have not been paid or performed as required hereunder, and to obtain (i) subrogation rights therefor and (ii) immediate reimbursement from the defaulting party for the actual, reasonable and verifiable out-of-pocket costs of such payment or performance.
- (2) Upon the occurrence of an Event of Default under Section 11.2(1) or Section 11.2(2), Owner may elect to terminate this Agreement upon giving TEN (10) days prior written notice, subject to Lenders' rights under Section 12.1. Upon the TENTH (10th) day following the giving of such notice, this Agreement will automatically be terminated in accordance with Section 3.5.

ARTICLE 12 LENDER PROVISIONS

Section 12.1 NRWC's Financing Arrangements

- (1) Owner acknowledges that NRWC may enter into certain financing arrangements with a party or parties (hereinafter collectively referred to as the "**Lender**") to provide financing to NRWC in connection with the Wind Facility, which could require an assignment or pledge in favour of the Lender of all or any portion of NRWC's rights and obligations under this Agreement, as well as the granting of security interests (collectively with the assignment or pledge, the "**Security**") in favour of the Lender in **[Include for Land Pad Lease:] [the Turbine(s),] [Include for the Lease and Easements:] [the Equipment,]** and other personal or movable property of the NRWC located on the Owner's Property (collectively, the "**Personal Property**"). The Owner's consent is not required to the granting of the Security.
- (2) The Lender shall have the right to do any act or thing required to be performed by NRWC under this Agreement and such performance by a Lender will be as effective to prevent a default under this Agreement or a forfeiture of any of NRWC's rights under this Agreement as if NRWC performed such act or thing.
- (3) If Owner is entitled to terminate the Agreement following the occurrence of an uncured Event of Default by NRWC, Owner will not terminate the Agreement until unless it gives written notice to the Lender (or the agent of the Lenders if there is more than one Lender) upon the occurrence of a default under Section 11.2(1) or Section 11.2(2), as applicable, and has given each Lender an opportunity to cure such default within the applicable cure period provided to NRWC for curing such default hereunder. Notwithstanding the foregoing, if the Lender notifies NRWC that it must foreclose on NRWC's interest or otherwise take possession of NRWC's interest in the Agreement in order to cure the Event of Default, Owner will not exercise any remedies available to it and will permit the Lender a sufficient period of time as may be necessary for the Lender, with the exercise of due diligence, to foreclose or acquire NRWC's interest in this Agreement and to perform or cause to be performed any of the covenants or agreements to be performed by NRWC under this Agreement.
- (4) If the Lender is entitled to enforce any or all of the Security, the Lender will not take over the position of NRWC under this Agreement or take possession or sell the Personal Property or assign or sublet NRWC's interest in this Agreement to any third party in accordance with such enforcement proceedings, until it has first given written notice to Owner upon the occurrence of a default by NRWC under the Security and has given Owner an opportunity to cure such default within the applicable cure period provided to NRWC under the Security for curing such default. In the event the Lender shall elect to enforce any or all of the Security, Owner hereby confirms that its consent is not required.
- (5) In case of the termination, disclaimer, repudiation or resiliation of this Agreement in connection with a bankruptcy, insolvency or appointment of a receiver in

bankruptcy for NRWC, Owner shall give prompt notice to the Lender. Owner shall, upon written request of the first priority Lender, made within FORTY (40) Days after notice to such Lender, enter into a new agreement with such Lender, or its designee, within TWENTY (20) Days after the receipt of such request. Such new agreement shall be effective as of the date of the termination of this Agreement, upon the same terms, covenants, conditions and agreements as contained in this Agreement. Upon the execution of any such new agreement, the Lender shall (i) pay Owner any amounts which are due to Owner from NRWC, (ii) pay Owner any and all amounts which would have been due under this Agreement (had this Agreement not been terminated) from the date of the termination of this Agreement to the date of the new agreement, and (iii) agree in writing to perform or cause to be performed all of the other covenants and agreements set forth in this Agreement to be performed by NRWC to the extent that NRWC failed to perform the same prior to the execution and delivery of the new agreement and to the extent such covenants and agreements are not personal to Owner and are capable of being performed by the Lender.

- (6) Without the prior written consent of the Lender, the parties hereto undertake not to voluntarily terminate, surrender, amend, extend, or otherwise alter the terms of this Agreement or take any action causing, consenting to or accepting the amendment or modification of the Agreement or enter into and any other ancillary agreements or documents between the parties hereto in regard to the operations of NRWC on the Project Lands, nor shall any **[Include for Easements:] [Easement or any other]** interest granted to NRWC be altered or cancelled or encumbered, in each case if such amendment or modification or ancillary agreement would reduce the rights or remedies of the Lender or impair or reduce the security interest held by such Lender, unless such amendment or modification or ancillary agreement is contemplated by the terms hereof and the Lender is given notice thereof.
- (7) Should the Lender, acting commercially reasonably, require an amendment to this Agreement prior to providing the financing contemplated in this Section 12.1, Owner and NRWC agree to provide such amendment provided that Owner's rights and benefits hereunder are not detrimentally affected. Any costs associated with obtaining such amendment, including Owner's legal costs, shall be for the account of NRWC.
- (8) At the request of the Lender, Owner will enter into a direct agreement with any Lender which will include the lender protections contained in this Section 12.1, an obligation of the Lender to comply with the terms of this Agreement in the event that the Lender takes over the position of NRWC under this Agreement, and any other provisions reasonably required by the Lender.
- (9) NRWC agrees to notify the Owner in writing of the name and address of any Lender for the purposes of the Owner providing the notices required herein.

ARTICLE 13 DECOMMISSIONING

Section 13.1 Decommissioning and Restoration of Site(s)

- (1) NRW shall **[Include for Land Pad Lease, Lease, and Easement:]**~~remove the~~ **[Include for Land Pad Lease:] [Turbine(s)] [and] [Include for Lease, and Easement:] [Equipment]** from the Project Lands following the expiration of the Term or the earlier termination of this Agreement and shall restore the Site(s) as provided in Section 13.1(2).
- (2) Upon the expiry or earlier termination of the Term, NRW shall, within a period of SIX (6) months thereafter, or such further period of time as required by NRW and agreed by the parties, acting reasonably, (the “Decommissioning Period”) cause all excavations made by NRW or on its behalf on the Project Lands, to be filled in with soil that NRW stockpiled in accordance with Section 6.4, if any, plus suitable purchased materials at the expense of NRW, if necessary, and to restore the surface of the Project Lands to substantially the same condition as it was at the Commencement Date to the satisfaction of the Owner, acting reasonably (subject to reasonable wear and tear, expropriation, casualty damage and acts of God excepted), including the removal of all **[Include for Land Pad Lease:] [Turbine(s)] [and] [Include for Lease and Easements:] [Equipment] [and] [Include for Access Rights:] [roadways]** placed or constructed thereon by or on behalf of NRW. Any foundations, concrete bases or pads or cables and wires buried below the surface to a depth of at least 1.2 metres below the original grade do not have to be removed by NRW. During such period, Owner shall grant NRW a license in, to, over, and under the Project Lands at no additional cost for such purposes, save and except as provided with respect to the Lay Down Site(s) in Section 4.3. In addition, NRW shall repair any drainage tile damage in accordance with Section 6.11.
- (3) During the Decommissioning Period, NRW will comply with the insurance coverages specified in Article 9 and its obligations under Section 6.4.
- (4) **[Include for Land Pad Lease:]** If Owner so requests in writing, NRW will deliver to Owner Decommissioning Security on a date which is the later of (i) TWO (2) years prior to the expiry of the Initial Term; (ii) TWO (2) years prior to the expiry of any applicable Renewal Term; and (iii) TWENTY (20) days following Owner’s written request for Decommissioning Security. If NRW provides notice to Owner of its election to extend the then current term of the Agreement, Owner will promptly return to NRW any Decommissioning Security previously delivered to Owner within TEN (10) days after the giving of such notice, but in such case if the Owner so requests in writing during any Renewal Term, NRW will re- deliver to the Owner the Decommissioning Security in accordance with the provisions hereof .
- (5) **[Include for Land Pad Lease:]** If NRW defaults in the performance of its obligations under Section 13.1(1) or Section 13.1(2):
 - (a) In the event that the Owner has requested Decommissioning Security, the Decommissioning Security may be drawn upon or otherwise enforced, in

whole or in part, without prejudice to any other rights or remedies of Owner in respect of such default in accordance with Section 11.3(1), to reimburse Owner for any direct costs or expenses it incurs in connection with such default; and

- (b) any Turbine(s) and Equipment and other personal property of NRWC that is not removed from the Owner's Property at the expiry of the Decommissioning Period because NRWC has so defaulted shall, if Owner so elects, be deemed abandoned and become the property of Owner, on an as-is where-is basis and subject to any encumbrances, without compensation to NRWC.

Notwithstanding the foregoing, Owner shall not be entitled to, and NRWC shall not be liable for, a greater sum than the reasonable costs associated with the performance and/or completion of the decommissioning obligations under this Section 13.1(1) or Section 13.1(2).

- (6) **[Include for Land Pad Lease:]** The Decommissioning Security will be returned to NRWC within TEN (10) days of the completion of the obligations of NRWC pursuant to Section 13.1(1) or Section 13.1(2).
- (7) In addition to the aforementioned Decommissioning Security, NRWC shall maintain any security as required by any current or future Applicable Laws.
- (8) At the expiration of the Decommissioning Period, NRWC shall peaceably surrender and give up to the Owner vacant possession of the Project Lands in the condition and state of repair as required under this Article 13.

ARTICLE 14 GENERAL PROVISIONS

Section 14.1 Planning Act and Environmental Protection Act, R.S.O. 1990

- (1) This Agreement is entered into on the express condition that it is subject to compliance with the severance control provisions of the *Planning Act*, R.S.O.1990, Chapter P.13, as amended, if applicable; provided that pending any such compliance, the aggregate of the Term, and any preceding option period, shall be deemed to be for a total period of ONE (1) day less than the maximum term permitted by law without such compliance. NRWC declares that it is acquiring its interest in the Project Lands pursuant to this Agreement for the purpose of a renewable energy generation facility or renewable energy project.
- (2) In addition, this Agreement is entered into on the express condition that it is subject to compliance with Part V.0.1 of the *Environmental Protection Act*, R.S.O. 1990, Chapter E.19, as amended, and regulations thereunder, and specifically this Agreement is subject to NRWC obtaining the REA. Owner hereby agrees to co-operate with NRWC and agrees to execute such consents or authorizations as may be necessary for NRWC to obtain the REA, all at the expense of NRWC. If at any

time prior to obtaining the REA it becomes apparent to NRWC, acting reasonably, that an amendment to this Agreement is required in order to obtain the REA, Owner and NRWC agree to enter into such amendment provided that Owner's rights and benefits hereunder are not detrimentally affected by the amendment.

Section 14.2 Arbitration

- (1) If there is a dispute relating to any aspect of this Agreement, of which either party has notified the other, the parties will meet and diligently attempt in good faith to resolve such dispute for a period of ten (10) business days following one party's written request to the other for such a meeting. If either party refuses or fails to meet or if the dispute is not resolved by such meeting, the balance of this Section 14.2 will apply.
- (2) If a dispute is not resolved as set out above, either party may give notice to the other of its intent to submit the dispute to be settled by confidential binding arbitration pursuant to simplified arbitration procedures under the National Arbitration Rules of the ADR Institute of Canada, Inc. Unless otherwise agreed to in writing the arbitration shall take place in St. Catharines, Ontario and the arbitration tribunal shall consist of one arbitrator appointed by mutual agreement of the parties or, in default of such agreement, within five business days following delivery of an arbitration notice by either party, either party may apply to the ADR Institute of Canada, Inc. for the appointment of an arbitrator pursuant to Rule 15 of its National Arbitration Rules. Unless otherwise determined in the decision of the arbitrator, the cost of such arbitration shall be borne equally by the parties.

Section 14.3 Environmental Attributes

Owner acknowledges that NRWC shall have all right, title and interest in and to all Environmental Attributes, which are available as a result of wind energy being produced from the Wind Facility. If any Environmental Attributes are initially credited or paid to Owner, Owner will cause such Environmental Attributes to be assigned or transferred to NRWC without delay.

Section 14.4 Waiver of Nuisance

- (1) Owner has been informed by NRWC and understands that the presence and operations of the Wind Facility may potentially result in some nuisance to Owner, such as higher noise levels than currently occur at the Owner's Property and the surrounding area and visual impact. Provided that the Wind Facility is being operated in material compliance with Applicable Laws and is compliant with laws relating to required setbacks for wind facilities, Owner hereby accepts any such nuisance and waives any right that Owner may have to object to such nuisance and Owner releases NRWC from any claims Owner may have with respect to any such nuisance.
- (2) Should any claim or action of nuisance be brought against Owner by a third party, Owner shall immediately notify NRWC and NRWC shall indemnify Owner with respect to such claim or action.

Section 14.5 Registration

NRWC may register a [Include for Land Pad Lease or Lease:] [notice of lease] [and] [Include for Easements or Access Rights:] [notice of easement] on title to the Owner's Property (as well as a charge of such registered interests in favour of the Lender) notwithstanding that the Project Lands may be less than the entire Owner's Property, at its own expense, stipulating NRWC's interest in such lands and the Term. Owner agrees to execute any and all necessary documentation in registrable form to facilitate such registration, at no additional cost. NRWC agrees to register, at its own expense, a surrender/release of the said notice within THIRTY (30) days of the expiry or earlier termination of this Agreement. [Include for a Land Pad Lease or Lease:] In addition, NRWC may, at its option and expense, make an application to the land registrar to have a leasehold parcel opened.

Section 14.6 Force Majeure

Neither party will be considered to be in breach or liable to the other party in the event it is prevented from or delayed in performing its obligations under this Agreement in whole or in part due to a Force Majeure Event. The party rendered unable to fulfill any obligation by reason of a Force Majeure Event shall take reasonable actions necessary to remove such inability with due speed and diligence. If a Force Majeure Event causes a party to not achieve any of the deadlines set out in this Agreement, then any such deadlines will be extended for such reasonable period of delay directly resulting from such Force Majeure Event. In the event of any delay or non-performance resulting from a Force Majeure Event, the party suffering the Force Majeure Event shall (a) as soon as practicable, notify the other party in writing of the nature, cause, estimated date of commencement thereof, and the anticipated extent of any delay or interruption in performance, and (b) notify the other party of the cessation or termination of such Force Majeure Event, all as known or estimated in good faith by the affected party.

Section 14.7 Independent Legal and Business Advice

Owner and NRWC agree that they have each had adequate time and opportunity to seek and obtain independent legal and business advice in respect of this Agreement and its implications and Owner understands the nature and consequences of this Agreement and is signing it voluntarily.

Section 14.8 Effect of Waiver or Forbearance

No waiver by any party of any breach by any other party of any of its covenants, agreements or obligations contained in this Agreement shall be or be deemed to be a waiver of any subsequent breach thereof or the breach of any other covenants, agreements or obligations, nor shall any forbearance by any party to seek a remedy for any breach by any other party be a waiver by the party so forbearing of its rights and remedies with respect to such breach or any subsequent breach. The subsequent acceptance of Rent by the Owner shall not be deemed a waiver of any preceding breach by NRWC of any term, covenant or condition regardless of the Owner's knowledge of such preceding breach at the time of the acceptance of such Rent.

Section 14.9 Further Assurances

Each of the parties shall, from time to time on written request of the other party, do all such further acts and execute and deliver or cause to be done, executed or delivered all such further acts, deeds, documents, assurances and things as may be required, acting reasonably, in order to fully perform and to more effectively implement and carry out the terms of this Agreement. Upon request, Owner will deliver NRWC with an executed authorization of agency and consent in the form attached hereto as Schedule "D".

Section 14.10 Status Certificate

Either party shall, on ten (10) days' notice from the other, execute and deliver to the requesting party and/or as the requesting party may direct a statement certifying the following: (a) that this Agreement is unmodified and in full force and effect, or, if modified, stating the modifications and that the same is in full force and effect as modified; (b) the amount of the Rent then being paid; (c) the dates to which Rent, by installments or otherwise, and other payments hereunder have been paid; (d) whether or not there is any existing Event of Default on the part of the requesting party of which the other party has notice; and (e) any other information and particulars as the requesting party may reasonably request.

Section 14.11 Assignment

- (1) Owner may sell, mortgage or transfer its interest in the Owner's Property; provided that in the case of a sale or transfer of Owner's fee simple interest in the Owner's Property to a proposed purchaser, that Owner provides NRWC SEVEN (7) days prior written notice of the proposed sale and that Owner obtains an agreement in favour of NRWC from such transferee pursuant to which such party agrees to assume and be bound by Owner's obligations under this Agreement.
- (2) Provided that there is not an ongoing Event of Default by NRWC, NRWC may freely assign, sublet, charge, mortgage, hypothecate or grant a security interest in all or any portion of its interests under this Agreement and may sell, assign, lease, sublease, charge, mortgage, hypothecate or grant a security interest in or transfer any improvements **[[Include for Land Pad Lease:] [Turbine(s) [and] [Include for Lease and Easements:] [Equipment]]]** that it may install on the Owner's Property, without obtaining the consent of Owner.
- (3) In the event of an assignment of NRWC's entire interest in this Agreement, NRWC (including a successor NRWC by assignment) shall be released of all further liability under this Agreement; provided, that (a) in the case of an assignment during the Initial Term, NRWC complies with the assignment provisions in, or obtains the OPA's consent to the assignment of, the FIT Contract; or (b) in the case of an assignment of NRWC's entire interest in the Agreement during a Renewal Term (other than an assignment pursuant to Section 12.1), that NRWC assigns the Agreement to a proposed purchaser with a financial standing substantially similar to that of NRWC.

Section 14.12 Successors and Assigns

This Agreement shall enure to the benefit of and be binding upon the successors and assigns of Owner and NRWC and every assignee or successor shall be bound by all obligations of the parties hereunder.

Section 14.13 Joint and Several, Number and Gender

The obligations of Owner hereunder shall be joint and several if there is more than one Owner. Words importing the singular include the plural and vice versa and words importing gender include all genders.

Section 14.14 Severability

Should any provision or provisions of this Agreement be determined to be void or unenforceable in whole or in part, it or they shall be deemed not to affect or impair the validity or enforceability of any other provision, and it or they shall be considered separate and severable from this Agreement and its remaining provisions which shall remain in force and be binding on the parties hereto.

Section 14.15 Governing Law

This Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.

Section 14.16 Counterparts

This Agreement may be executed in one or more counterparts, all of which together shall constitute one and the same instrument, and each of which shall be deemed an original. This Agreement may be delivered by facsimile or electronic transmission and the parties adopt any signature received by a fax machine or in electronic form as original signatures of the parties.

Section 14.17 Expenses

- (1) NRWC will pay for its own costs and expenses incurred in connection with the negotiation, preparation, execution and performance of this Agreement and the transactions contemplated hereby.
- (2) The Owner has appointed xxxxxxxxxxxx LLP to represent and provide independent legal advice to the Owner and others connected to the Wind Facility (the "**Owner's Solicitor**"), NRWC will pay for Owner's Solicitor's reasonable and verifiable legal fees and disbursements incurred in connection with the provision of such legal advice, the review, negotiation and execution of this Agreement and any further documentation that NRWC requests that Owner execute and deliver in connection therewith. If, at the time of the request for further documentation, the Owner's Solicitor is no longer acting for the Owner, then NRWC will pay for any reasonable and verifiable legal fees incurred by Owner in connection with the review and negotiation of such further documentation by another solicitor. Upon request, Owner will provide NRWC invoices and receipts evidencing the same.

Section 14.18 Schedules

Schedules "A" and "B" and "C" and "D" and "E" and "F" shall form an integral part of this Agreement.

Section 14.19 Notices

Any notice regarding the matters contemplated by this Agreement must be in writing sent by personal delivery or courier or delivered by facsimile or electronic mail, shall have been validly given and received on the date of such delivery unless delivered after 5:00 p.m. or on a non-business day, in which case it shall be deemed to have been given on the business day following the date it was sent:

(a) OWNER:

Name: ●
Address: ●
Facsimile: ●
Telephone: ●
Email: ●

(b) NRW:

Niagara Region Wind Corporation

xxxxxxxxxxxxxxxxxxxx

xxxxxxxxxxxx

xxxxxxxxxxxxxxxxxxxxxxxx

xxxxxxxxxxxxxxxx

Attention: xxxxxxxxxxxxxxx

Phone: (905) xxxxxxxxxxx

Fax: (905) xxxxxxxxxxx

E-mail: xxxxxxxxxxxxxxx

[Remainder of page intentionally left blank – signature page follows]

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above written.

SIGNED, SEALED AND

DELIVERED, in the presence of:

(OWNER)

Witness

Name

Witness

Name

SPOUSAL CONSENT:

The undersigned declares that he or she is the spouse of Owner within the meaning of the *Family Law Act* (Ontario) and does hereby consent to the transaction contemplated by this Agreement and the foregoing grant of rights, title and interests in relation to the Owner's Property pursuant to the provisions of the *Family Law Act* (Ontario) and hereby agrees that he or she will execute all necessary or incidental documents to further any transaction provided for herein, including the registration of a notice of this agreement on title to the Owner's Property.

Witness

Name

NIAGARA REGION WIND CORPORATION

By: _____

Name: xxxxxxxxxxxxxxxx

Title: xxxxxxxxxxxxxxxx

SCHEDULE "A"
PIN NUMBER(S) AND LEGAL DESCRIPTION

[To be provided based on Schedule A of the Option]

SCHEDULE "B"
PROJECT LANDS

Sketch and Legal Description of the Project Lands

[Include for Land Pad Lease:]

-and-

Sketch of Five (5) Acres immediately adjacent to and surrounding the Land Pad Site(s)]

-and-

Location of Turbines

[To be provided]

SCHEDULE "C"
PERMITTED ENCUMBRANCES

PART I - General

1. Agreements with any municipal, provincial or federal governments or authorities and any public utilities or private suppliers of services, including, without limitation, subdivision agreements, development agreements, drainage agreements and plans, site control agreements, oil and gas leases, and similar agreements, provided that Owner is in compliance with such agreements and that such agreements do not restrict, prevent, impair, or interfere with NRWC's uses as contemplated by the Agreement.
2. Easements and rights of way, provided that Owner is in compliance with such easements and rights of way and that such easements and rights of way do not restrict, prevent, impair, or interfere with NRWC's uses as contemplated by the Agreement.
3. Charges/mortgages of land subject to the provisions of Section 7.3 of the Agreement.

PART II - Specific

[To be provided.]

SCHEDULE "D"
FORM OF AUTHORIZATION OF AGENCY AND CONSENT

(Section 14.8)

AUTHORIZATION OF AGENCY AND CONSENT

The undersigned owner(s) ("**OWNER**") is the owner of real property located in _____ in the Province of Ontario, further identified as PIN _____ (the "**PROPERTY**")

OWNER hereby authorizes Niagara Region Wind Corporation, or its successor or assignee (hereinafter referred to as the "**AGENT**"), temporary authority, which shall automatically expire on the Expiration Date (as defined below), to act as its agent and on its behalf in applying to any public agency for land use entitlements or permits necessary or convenient for the construction, operation and maintenance of wind energy producing facilities on the PROPERTY, including but not limited to, all applications, agreements, other instruments or entitlements, plan amendments, specific plans, zoning changes, tentative and final maps, conditional use permits, variances, rights of way, or any kind of environmental permit, as well as grading permits, foundation permits, building permits, development permits, storm water drainage permits, driveway entrance permits, access permits, or similar construction permits. OWNER shall, at no cost or expense to OWNER, cooperate with and assist AGENT in the processing of the foregoing items, and to the extent necessary or appropriate, promptly execute any such items and materials.

OWNER further authorizes the COUNTY OF _____ and its agents, consultants, and employees to enter the PROPERTY for the purpose of making inspections necessary or convenient to the issuance of land use entitlements or permits for the construction, operation and maintenance of wind-energy producing facilities. This Authorization of Agency and Consent will automatically expire on _____.

IN WITNESS THEREOF, OWNER hereby executes this Authorization of Agency and Consent as of the ____ day of _____, 2011.

Witness

Name

Witness

Name

SCHEDULE "E"
SPOUSAL CERTIFICATES

SCHEDULE E-1: FORM OF CERTIFICATE OF INDEPENDENT LEGAL ADVICE

I, _____, of _____ in the Province of Ontario, Barrister and Solicitor, do hereby certify that I was this day consulted in my professional capacity by _____ the spouse of _____ (name of the Owner) named in the annexed Agreement, dated _____, 20__ (the "Agreement") as to their obligations and rights under the Agreement, that I acted solely for and explained fully to them the nature and effect of the Agreement and they did acknowledge and declare that they fully understood the nature and effect thereof and did execute the said document in my presence and did acknowledge and declare and it appeared to me that they were executing the said document of their own volition and without fear, threats, compulsion, or influence by Niagara Region Wind Corporation or any other person.

DATED this ____ day of _____, 20__.

Name

SCHEDULE E-2: FORM OF WAIVER OF INDEPENDENT LEGAL ADVICE

I, _____, spouse of _____
("Owner") the owner of the Premises municipally known as _____, in _____, Ontario,
hereby acknowledge that I was offered by Niagara Region Wind Corporation the opportunity to obtain independent legal advice with respect to an Agreement by and between Owner and Niagara Region Wind Corporation dated the ____ day of _____, 20__ (the "Agreement"), and that Niagara Region Wind Corporation emphasized to me the importance of obtaining legal advice with respect to the Agreement so that the impacts and potential impacts of the Agreement upon me and the property could be more fully explained.

Notwithstanding the offer of independent legal advice made by Niagara Region Wind Corporation, I hereby declare that I do not wish to seek the counsel of an independent legal advisor and hereby waive my right to such legal advice. I also confirm that I have read the Agreement in its entirety and that we appreciate and understand the terms of the Agreement.

DATED at _____ this _____ day of _____, 20__

Witness

Name

SCHEDULE "F"
DRAINAGE PLANS

[TO BE ATTACHED IF APPLICABLE]