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Our File No. 134380

April 17, 2014

VIA RESS, EMAIL AND COURIER

Ontario Energy Board
2300 Yonge Street
Suite 2700
Toronto Ontario
M4P 1E4

Attention: Kirsten Walli,
Board Secretary

Dear Ms. Walli:

Re: Suncor Energy Products Inc. ("Suncor") - Cedar Point, Leave to Construct Application
Board File No. EB-2014-0022

Please find attached Suncor's Responses to Board Staff and Intervenors' Interrogatories. Two hard copies will be delivered by courier to the Board.

Yours sincerely,

FOGLER, RUBINOFF LLP

Tom Brett per TB.

Thomas Brett
TB/dd
Encls.
cc: All Parties

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EB-2014-0022

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

AND IN THE MATTER OF an application by Suncor Energy Products Inc. for an Order granting leave to construct a new transmission line and associated facilities.

Responses of Suncor Energy Products Inc. to Interrogatories of Board Staff, Hydro One Networks Inc., County of Lambton, Concerned Seniors Lambton County, and WAIT_PW (April 17, 2014)

Responses of Suncor Energy Products Inc. to Interrogatories from Board Staff

Interrogatory #1

Reference:

a. Exh. B/ Tab 1/ § 2-4
b. Exh. E/ Tab 2/ Sch. 1/ § 3

Preamble:

Reference (a) indicates that the Applicant was awarded an OPA FIT contract in respect of the Cedar Point Wind Power Project on July 11, 2011.

Reference (a) also indicates that Suncor has developed two other wind generation facilities, and is in the process of developing two additional ones, including the Cedar Point Wind Power Project.

On licences, reference (b) states in part that:

...Ontario Regulation 161/99 to the Ontario Energy Board Act exempts Suncor from the requirement to obtain a licence to own or operate transmission facilities pursuant to Section 57(b) of the Act. The exemption is based on the fact that Suncor will be a transmitter that is also a generator and the Proposed Transmission Facilities will be used exclusively to transmit electricity to the IESO-controlled grid.

Question/Request:

i. Please submit a copy of the OPA's Notice to Proceed.

ii. Have there been any amendments to the OPA FIT contract since receipt of the Notice to Proceed?

iii. Please confirm that Suncor recognizes that this application is based upon current information and that any changes, including FIT contract amendments, may require notifying the Board.

iv. Please confirm that Suncor is not a transmitter.

Response:

i. The Notice to Proceed (NTP) has not yet been provided by the OPA. Suncor did receive a letter from the OPA which provide written notice that the OPA has waived their remedy under 9.2 a). of the FIT Contract.

ii. NTP has not been received to date. Suncor intends to submit NTP Request to the OPA once a REA is received from the Ministry of Environment on or after June 5, 2014.

iii. Suncor confirms that the application is based upon current information and that any amendments including FIT contract amendments may require notifying the Board.

iv. Suncor's transmission facility, for which it seeks Leave to Construct approval from the Ontario Energy Board, is an unlicensed transmitter which will operate under the authority of Suncor's generation licence. Its sole purpose will be to transmit electricity from Suncor's wind generation facility to the IESO grid.

Interrogatory #2

Reference:

a. Exh. C/ Tab 1/ Sch. 1/p. 2-3/ Gantt Chart

b. Exh. E/ Tab 2/ Sch. 1/ Table1 - Potentially Applicable Permits, Approvals and Authorizations

c. Filing Requirements for Transmission and Distribution Applications/ Chapter 4/p.14/Project Planning

Preamble:

Some necessary approvals such as the environmental assessment (REA) are included in the Gantt chart mentioned at reference (a). However, other permits at reference (b) do not include any timeline.

Reference (c) points to the need to provide the Board with time estimates for construction and service dates, including but not limited to the critical path and time frame for the completion of construction and operational start-up of the proposed facilities.

Question/Request:

i. Please provide an updated list of all outstanding approvals and permits needed to complete construction of the Project, and indicate the timeline for obtaining each permit or approval cited at reference (b).

ii. In accordance with reference (c), if delays in obtaining some of these permits/approvals are foreseen, please discuss the impact of these delays (if any) on the project schedule, and impact on the OPA contract terms (if any).

iii. If milestones noted in the Gantt chart have changed, please file an updated chart.

Response:

i. An updated list of permits has been provided including timelines to obtain each.

ii. The FIT Contract definition of Force Majeure includes delays in permits from a governmental authority. As such the contract can seek relief from the OPA in the event to a maximum of 24 months.

iii. No milestones have changed. Should milestone dates change, Suncor will inform the Board.

Board Staff Interrogatory #3

Reference:

a. Exh. E/ Tab 2/ Sch. 1/ § 1/ Codes and Standards

b. Exh. E/ Tab 2/ Sch. 1/ Table1 - Potentially Applicable Permits, Approvals and Authorizations

c. Exh. H/ Tab 2/ Sch. 1/ System Impact Assessment/ IESO Requirements for Connection/ p.2-5

d. Exh. H/ Tab 3/ Sch. 1/ Customer Impact Assessment

Preamble:

With respect to technical standards, transmission line design and construction standards, reference (a) generally notes that the proposed Project would meet all applicable codes, standards and IESO Market Rules.

At reference (b), Suncor indicates that while the System Impact Assessment is complete and approved, it needs to determine whether the SIA requires an amendment.

Reference (c) lists several requirements that the transmitter and Suncor would have to meet. The IESO notes that it will issue a Notification of Conditional Approval for Connection subject to the implementation of these requirements.

At reference (d) Hydro One states in part that:

Any liability that Hydro One may have to Suncor Energy Products Inc. in respect of the Customer Impact Assessment is governed by the Agreement between:
1. Suncor Energy Products Inc. and Hydro One dated February 14, 2012.

Question/Request:

i. Please clarify what is meant by the SIA amendment at reference (a) and whether in fact one is required.

ii. Please provide an update on progress to meet the Requirements for Connection by Suncor.

iii. Please provide evidence that the transmitter intends to meet the Requirements for Connection.

iv. Please file a copy of the IESO's Notification of Conditional Approval for Connection.

v. Please file a copy of the agreement referenced at (d) between Hydro One and Suncor.

Response:

i. An SIA amendment is not required at this time for the Project. The wind farm will seek approval of 55 turbine locations of which 46 will be constructed. Depending on which 46 are selected and design refinement that occurs at the engineering stage of the project, the changes will be submitted to Connection Assessments at the IESO to determine if an SIA amendment would be required.

ii. The requirements indicated in the SIA which pertains to the technical design of the Cedar Point facility such as reactive power capability, voltage control system, SPS requirements, frequency response, ride-through requirements, short circuit level withstand, protection system requirements etc. are provided to Suncor's engineering provider to ensure these requirements are met. Suncor will complete the IESO Facility Registration and Market Entry process, following timelines as recommended by the IESO.

    Negotiations between Suncor, NextEra, and Hydro One continue with respect to this arrangement.

iii. Suncor confirms that it intends to meet the Requirements for Connection, where applicable to Suncor.

iv. File is attached to this response.

v. File is attached to this response.

Interrogatory #4

a. Exh. B/ Tab 1/§10-12

b. Exh. D/ Tab 1/Sch. 1/ Physical Design Features

c. Exh. B/ Tab 2/Sch. 3/Attach. 1

d. Exh. E/ Tab 2/Sch. 1/ Table 1 - Potentially Applicable Permits, Approvals and Authorizations

Preamble:

At references (a) and (b), Suncor describes the Project and how it interconnects with other planned private renewable energy projects in the vicinity that are being developed by NextEra Energy Canada ("NextEra"). The NextEra projects will require transmission infrastructure, a portion of which the Project will interconnect to. NextEra's projects will also require Hydro One to build certain transmission infrastructure.

Reference (c) provides further information on NextEra's "Joint Transmission Facilities" and Hydro One's Evergreen Switching Station.

At reference (a), Suncor notes that NextEra's affiliate Bornish Wind Inc. was granted leave to construct certain transmission facilities by the Board in late 2013, and that NextEra's affiliate Jericho Wind Inc.'s transmission facilities are under review and have not been granted leave to construct yet.

At reference (a), respecting contractual arrangements with the various entities, Suncor states at paragraph 11 that:

In order to secure this pathway to the Hydro One grid, Suncor has obtained an option from NextEra to interconnect with, and to utilize as licensee, the Jericho Substation, Jericho Shared Transmission Line, and the Shared Transmission Facilities. These arrangements will provide Suncor with capacity on those facilities sufficient to convey the electricity from the Cedar Point Project to the IESO-controlled grid for the term of the FIT Contract. Suncor plans to exercise that option once it has received the required approvals for its project.

At reference (d), Suncor mentions that NextEra (Bornish) will obtain a Transmission Connection Agreement from Hydro One Networks Inc. and provide a copy to Suncor.

Board staff notes that the timelines for NextEra's transmission projects, Hydro One's, and this Project may differ. Also, Board staff notes that the way in which these timelines interplay with

the Project are not clear from the pre-filed evidence. With respect to FIT contracts for this Project and NextEra's, Board staff observes that terms are varied. Also, FIT contracts terms, customarily 20 years long, would be shorter than the useful life of the transmission assets.

Question/Request:

i. How many projects in total are proposed to be integrated? What elements of these projects are critical to the energization of the Transmission Facilities?

ii. Please provide an overview of the timelines and status of all relevant projects, possibly in Gantt chart format, and highlight key elements that tie into the proposed Transmission Facilities.

iii. Please confirm that interests in the Suncor Transmission Facilities are held exclusively by Suncor.

iv. Please discuss the impact on this Project if any of the proposed necessary transmission infrastructure being erected as part of initiatives outside the present application fail to materialize. What are the implications for this Project? Please discuss the probability of such an occurrence and options available to continue the construction of the Transmission Facilities.

v. Please file a copy of the agreement(s) Suncor has entered into with NextEra in respect of the necessary interconnection facilities.

vi. Is Hydro One the only licensed transmitter to which these three projects connect?

vii. If certain elements of the Connection Cost Recovery Agreement (CCRA) between Hydro One and NextEra are relevant to this project, please submit a copy.

viii. With respect to the varied projects timelines, and varied FIT contract terms, and contract life vs. transmission assets useful lives, where applicable, please discuss potential asset divesting.

Response:

i. In total, four wind farms are proposed for integration. Affiliates of NextEra Energy Canada, ULC control three – the Adelaide (Kerwood), Bornish, and Jericho Wind Energy Centres – and Suncor controls one – Cedar Point II. In addition to Suncor's proposed transmission facilities, there are six components of the NextEra-controlled facilities that are necessary for energization of the Cedar Point II transmission facilities. These are:

- the Jericho Collection Substation (CS) owned by Jericho Wind, Inc. ("Jericho");
- the approximately 15.7 km Jericho Transmission Line;

- the Bornish Switching Station (SS) that is jointly owned by Jericho, Bornish Wind LP ("Bornish") and Kerwood Wind, Inc. ("Kerwood");
- the approximately 12.6 km Shared Transmission Line that is jointly owned by Jericho, Bornish and Kerwood;
- the Parkhill Customer Transformer Station (CTS) that is jointly owned by Jericho, Bornish and Kerwood; and
- the Evergreen Switching Station (SS) that is owned by Hydro One Networks Inc.

The Jericho CS and the Jericho Transmission Line were the subject of Jericho's application for leave to construct (EB-2013-0361). The Bornish SS, the Shared Transmission Line and the Parkhill CTS were the subject of the application for leave to construct by Bornish, Kerwood and Jericho (EB-2013-0040). Additional transmission facilities owned by Bornish and Kerwood will also connect to the Bornish Switching Station, but will not affect energization of the Cedar Point II transmission facilities. Those additional facilities were the subject of a combined leave to construct proceeding (EB-2013-0040/EB-2013-0041).

ii.

Project	**Construction Start**	**Construction End**	**Energization Date**
Evergreen SS	Underway	Q2/Q3 2014	Q3 2014
Parkhill CTS	Underway	Q2/Q3 2014	Q3 2014
Shared Line	Underway	Q2 2014	Q3 2014
Bornish SS	Underway	Q2 2014	Q3 2014
Jericho Line	Q2 2014	Q3 2014	Q3 2014
Jericho CS	Q2 2014	Q3 2014	Q3 2014
Cedar Point Line	Q3 2014	Q4 2014	Q2 2015
Cedar Point CS	Q3 2014	Q4 2014	Q2 2015

iii. Interests in the Suncor Transmission Facilities are held exclusively by Suncor.

iv. The failure of any of the critical elements described in 4 (i) would significantly impact the project. Suncor does have the right to acquire the failed infrastructure, as is, in an attempt to correct the failure. This risk continues to be reduced as NextEra's projects continue to advance. At this time HONI has begun construction of the Evergreen Switching Station. NextEra has begun construction of the Parkhill Collector Station, transmission line BTS1P, and Bornish substation, leaving only the transmission line J1BTS and Jericho Energy Centre Collection Sub, both of which are currently expected to be completed prior to the completion of the Cedar Point II infrastructure. As such the probability is medium to low. Suncor realizes the risk this brings to the project, but must continue to advance the project to meet contract deadlines. This arrangement was preferred by Hydro One to reduce connections to their 500 kV infrastructure, as well as by both project proponents to reduce the proliferation of transmission lines in the community and to make the interconnection more economic.

v. Suncor will be filing a copy of the Shared Transmission Facilities Agreement and the Jericho Shared Transmission Facilities Agreement in accordance with the Board's Practice Direction on Confidential Filings, on the basis of them being commercially sensitive. Please see the attached letter.

vi. Yes.

vii. A redacted copy of the CCRA between Hydro One and NextEra, as filed on the public record in EB-2013-0040/EB-2013-0041 on June 25, 2013, is attached hereto.

viii. At the completion of each FIT contract, the project companies will attempt to renegotiate new Power Purchase Agreements or enter into merchant production, making it difficult to predict the useful life of each asset. However, in the event that Jericho, Bornish, or Kerwood permanently ceases to transmit energy through any of the shared transmission facilities, the project company will transfer its interest in the facilities to the remaining project companies within 60 days in accordance with the remaining project companies' pro rata shares. Likewise, Cedar Point II will have the option of acquiring the shared transmission facilities in the event all of the Co-owners terminate their interests in the shared transmission facilities.

Interrogatory #5

Reference:

a. Exh. B/ Tab 1/ § 20

Preamble:

At the reference, Suncor indicates that it is responsible for the cost of the proposed Transmission Facilities, and therefore the Project will have no impact on transmission rates in Ontario.

Question/Request:

i. If applicable what are the impacts of this Project on the licensed transmitter?

ii. Please describe any ongoing operation and maintenance costs not payable by Suncor.

Response:

i. The CCRA with HONI requires the project proponents to pay for the full cost of the installation of the Evergreen Switching Station. Thereafter, HONI will be responsible to operate and maintain that facility, and so will be responsible for any costs associated with the facility after construction. While this cost would be expected to be recovered from the Ontario rate base, Suncor does not believe this to be a material cost. As the operator, HONI would be the best party to provide any further details on this question. The cost of the remaining transmission infrastructure is the subject of the agreement between NextEra and Suncor, and it provides for the costs of all phases (development, construction, operations, and decommissioning) to be borne by NextEra and Suncor, as applicable.

ii. All costs related to the ongoing operation and maintenance of the Transmission Facilities will be paid for by Suncor.

Interrogatory #6

Reference:

a. Exh. E/ Tab 1/ Sch. 1/ Operational Details

b. Exh. E/ Tab 2/ Sch. 1/ Table1 - Potentially Applicable Permits, Approvals and Authorizations

Preamble:

Board staff notes that in assessing the quality of service, additional operational detail may be beneficial.

At reference (a), Suncor provides some detail on operation and maintenance, stating in part:

The Proposed Transmission Facilities will include maintenance, protection and control systems capable of minimizing the severity and extent of disturbances to the Transmission Line. Visual transmission line inspections will be scheduled at least once every year to ensure continued compliance with all applicable codes and standards. Detailed thermography scans will be conducted on critical connection points after energization. Further, a regular vegetation and right of way management program will be developed in maintaining vegetation proximity to energized components and minimize hazards within the right of way. A maintenance program will also be developed to maintain the health of the major equipment within the Substation. This includes periodic testing of equipment electrical insulation systems as well as other equipment functional tests.

At reference (b), Suncor indicates that it would obtain a Connection Assessment Approval from the Electrical Safety Authority ("ESA").

Question/Request

i. As several projects could be involved in the maintenance of infrastructure critical to the operation of the proposed Transmission Facilities, please indicate what assets will be maintained by a third party and which entity will be liable for the maintenance of such assets.

ii. Please confirm that Suncor will retain ultimate responsibility and accountability for the quality and the reliability of the electricity service in relation to the proposed Transmission Facilities.

iii. Please indicate whether Suncor has established a communications plan to ensure that local stakeholders, (ie. municipality, first responders and the public) are kept informed during emergency situations involving the Transmission Facilities during construction. If so, please submit your plan.

iv. Does the ESA's Connection Assessment Approval pertain to the transmission facilities or does it concern the distribution facilities of the overall project? If it relates to transmission assets please file a copy when acquired.

Response:

i. Suncor shall be responsible for the operation and maintenance of the Cedar Point II collector substation and transmission line to the Jericho Energy Centre substation tie in point. From that point on, Jericho Wind Inc. is responsible to operate and maintain the substation and transmission line to the Bornish Collector substation tie in point. From that point to the Evergreen Switching Station tie in point, the Bornish, Adelaide, and Jericho projects have a Co-Owners' Agreement to deal with managing the operations and maintenance of the substation and transmission infrastructure, for which Suncor, as a Licensee in the Shared Transmission Facilities Agreement and the Shared Transmission Facilities Operation & Maintenance Agreement, is responsible to reimburse those entities for a portion of the costs to operate and maintain the transmission facilities. Once the Evergreen Switching Station tie in point is reached, HONI is responsible for operating and maintaining the Evergreen Switching Station and any remaining elements to tie into the 500kV Transmission System.

ii. Confirmed.

iii. A telephone number for contacting Suncor (1-866-344-0178) along with the mailing/e-mail address is posted on the Project website (http://www.suncor.com/cedarpointwind) and provided directly to the local municipalities and MOE. These would be the direct contact points for Suncor during all phases of the Project. The Emergency Response and

Communications Plan will include key contact information for emergency service providers, a description of the chain of communications and how information would be disseminated between Suncor and the relevant responders. Suncor is currently preparing this document and relevant information will be obtained during consultations with the municipalities/County's Emergency Services Departments.

The telephone number provided for the reporting of concerns and/or complaints would be equipped with a voice message system used to record the name, address, telephone number of the complainant, time and date of the complaint along with details of the complaint. All reasonable efforts would be made to take appropriate action as a result of concerns as soon as possible. The actions taken to remediate the cause of the complaint and the proposed actions to be taken to prevent reoccurrences of the same complaint in the future would also be recorded. If appropriate, the MOE Spills Action Centre would be contacted to notify them of the complaint. Correspondence would be shared with other stakeholders, such as the MOE, as required and/or as deemed appropriate.

iv. A copy of the ESA approval will be provided once obtained.

Interrogatory #7

Reference:

a. Exh. E/ Tab 2/ Sch. 1/ Table1 - Potentially Applicable Permits, Approvals and Authorizations

b. Exh. B/ Tab 1/ Sch. 2/ § 10

Preamble:

At reference (a), Suncor indicates that where necessary it will obtain road use agreements and building permits from the municipal county and municipal governments.

As noted at reference (b), Suncor has requested relief under Section 101 of the Act to construct portions of the proposed Transmission Facilities upon, under or over a highway, utility, line or ditch.

Question/Request:

i. Are there any crossings (roads, streams, etc.) related to this application?

ii. Please identify any concerns Suncor may have regarding any crossings during construction and/or the operation and maintenance of the facilities. If so, what measures have been taken to alleviate or mitigate such concerns?

iii. Please indicate the nature (e.g. overheard transmission/distribution lines, underground cables, water pipes, railway lines, etc…) of any other existing facilities in the right-of-

way which might affect construction and or maintenance. If applicable, please identify proposed approaches to mitigate possible disruption to such facilities.

Response:

i. Yes, A list of road and drain crossings are provided in the below table.

Road Name/PIN #	Description	Drain Name/Road Type	X	Y
Cedar Point Line	Road Crossing	Municipal Road	-82.02181	43.124108
Fuller Road	Transmission Cross Road	Municipal Road	-82.010314	43.129592
Proof Line	Transmission Cross Road	Municipal Road	-81.997353	43.138705
Rawlings Road	Transmission Cross Road	Provincial Highway	-81.984561	43.1461
Thomson Line	Transmission Cross Road	County Road	-81.948769	43.152952
Army Camp Road	Transmission Cross Road	Municipal Road	-81.933738	43.156651
Jericho Road	Transmission Cross Road	Municipal Road	-81.908065	43.156241
Thomson Line	Transmission Cross Road	County Road	-81.90108	43.152324
430310082	Transmission Cross Drain	Woods Creek Drain	-82.010493	43.129213
430310083	Transmission Cross Drain	Brush Drain	-82.021874	43.126082
430330067	Transmission Cross Drain	Wadsworth Drain	-81.991123	43.138861
430330077	Transmission Cross Drain	Stewardson Drain	-81.974483	43.145984
430330077	Transmission Cross Drain	Frayned Drain	-81.980491	43.14602
430330086	Transmission Cross Drain	Shashawandah Creek	-81.959303	43.153013
430330086	Transmission Cross Drain	Ross Drain	-81.966733	43.153079
430340088	Transmission Cross Drain	Duffus Drain	-81.941352	43.153044
430420053	Transmission Cross Drain	Lusby Drain	-81.951645	43.152935
430350065	Transmission Cross Drain	10th Concession Drain	-81.933498	43.156663

Road Name/PIN #	Description	Drain Name/Road Type	X	Y
430350065	Transmission Cross Drain	Jericho Creek	-81.920439	43.156497
430350099	Transmission Cross Drain	Elliott McBryan Drain	-81.900939	43.156081
430350098	Transmission Cross Drain	Anderson Drain	-81.907781	43.156186
430350065	Transmission Cross Drain	Anderson Drain	-81.908466	43.156315
430350065	Transmission Cross Drain	Hamilton Fissher Anderson Drain	-81.913517	43.156379
430350065	Transmission Cross Drain	Donald Drain	-81.926955	43.156588
430330070	Transmission Cross Drain	Beith Creek/Govenlock Drain	-81.997361	43.13831
430330070	Transmission Cross Drain	Govenlock Drain	-81.997442	43.134116
430330077	Transmission Cross Drain	Shepherd-Frayne Drain	-81.984138	43.146085

ii. Suncor is concerned about costs associated with crossings, specifically requests for unreasonable heights above road travelled portions of the road or specific requests to bury transmission lines to cross infrastructure. Suncor has addressed these concerns by meeting with the owners of road allowances (Municipality of Lambton Shores, County of Lambton, and MTO) impacted by the proposed Transmission line to understand their concerns and determine their permitting processes. Suncor has also ensured conservation authorities and the Municipal staff are aware of our proposed project route and to determine what processes are required for crossing drains.

iii. A list of facilities within the right of way starting from the Cedar Point substation to Jericho Collection Substation which the Project crosses include:

Right of Way Name	Utility Description	Owner	Mitigation
Cedar Point Line	none	N/A	None
Fuller Road	buried municipal water line	Municipality of Lambton Shores	Poles are located outside of the municipal right of way. No impact anticipated.
Fuller Road	overhead distribution	Hydro One Networks	Ensure appropriate separation distance is maintained as per

Right of Way Name	Utility Description	Owner	Mitigation
	line	Inc.	the Transmission System Code.
Proof Line	Buried 27.6 kV distribution generation tie line	Capstone Infrastructure	Poles are located outside of the municipal right of way. No impact anticipated.
Rawlings Road	Overhead 27.6 kV distribution line	Hydro One Networks Inc.	Ensure appropriate separation distance is maintained as per the Transmission System Code.
Rawlings Road	buried municipal water line	Municipality of Lambton Shores	Poles are located outside of the municipal right of way. No impact anticipated.
Kinnaird Road	buried municipal water line	Municipality of Lambton Shores	Poles are located outside of the municipal right of way. No impact anticipated.
Thomson Line	No known utilities	N/A	None
Army Camp Road	buried municipal water line	Municipality of Lambton Shores	Poles are located outside of the municipal right of way. No impact anticipated.
Army Camp Road	overhead distribution line	Hydro One Networks Inc.	Ensure appropriate separation distance is maintained as per the Transmission System Code.
Jericho Road	buried municipal water line	Municipality of Lambton Shores	Poles are located outside of the municipal right of way. No impact anticipated.
Jericho Road	Overhead 27.6kV distribution line	Hydro One Networks Inc.	Ensure appropriate separation distance is maintained as per the Transmission System Code.
Thomson Line	No Known Utilities	NA	None.

Interrogatory #8

Reference:

a. Exh. E/ Tab 2/ Sch. 1/ Table1 - Potentially Applicable Permits, Approvals and Authorizations

b. Exh. F/ Tab 1/ Sch. 1/ Land Matters

c. Exh. F/ Tab 1/ Sch. 1/ Attach. 1/ Option for Ontario Ground Leases

Preamble:

At reference (a), Suncor indicates that it may need to obtain road use agreements and/or building permits from county and municipal governments.

At reference (b) Suncor states in part:

Although pursuant to Subsection 41 (I0) of the *Electricity Act* the Board does not have the authority to determine the specific location of structures, equipment or facilities in public streets and highways where the facilities are also subject to the need for leave to construct pursuant to Section 92 of the *Ontario Energy Board Act,* it is Suncor's understanding that the Board has such authority either ancillary to its powers under Section 92 or pursuant to Section 101 of the *Ontario Energy Board Act,* under which the Board may grant authority to construct works upon, under or over a highway, utility line or ditch.

Reference (b) mentions that Suncor has secured all the permanent private land rights it requires.

Suncor provides at reference (c) a form of land agreement for Board approval.

Question/Request:

i. Does Suncor plan to negotiate a land-use agreement with the County of Lambton? Please update the Board on the status of any discussions / negotiations that have /are taking place with the County of Lambton.

ii. Aside from the permanent land rights referenced at (b), please indicate whether access during construction, and at other times such as maintenance, will require additional land rights. If additional land rights are required, please submit appropriate evidence.

iii. Has the form at reference (c) been reviewed by an independent third party? Or has Suncor offered and/or provided any legal compensation to landowners to cover legal costs for those who wished to have the form of land agreement reviewed by a legal consultant, or counsel?

Response:

i. Suncor believes that a land-use agreement or Road Use Agreement would be beneficial for both Suncor and Lambton County to execute. A draft agreement has been provided to Suncor for consideration.

ii. All land rights for access have been secured for construction and maintenance.

iii. This form has not, to Suncor's knowledge, been reviewed by an independent third party. No, Suncor has not offered nor provided legal compensation to landowners to cover legal costs for those who wished to have the form of land agreement reviewed by a legal consultant, or counsel.

Interrogatory #9

Reference:

a. Exh. B/ Tab 2/ Sch. 1/ § 8

Preamble:

The route for this a project is approved in the environmental assessment process. Any changes to the route may require the re-filing of an application. In the pre-filed evidence, Suncor states that a decision from the Ministry of the Environment (MOE) in relation to the Renewable Energy Approval application is expected in the second quarter of 2014.

Question/Request:

i. Please indicate whether there have been any objections to the granting of the REA and if so by which parties? Is the timeline for a decision on the REA maintained?

ii. Please confirm that Suncor understands that should the REA decision result in a material alteration to the route of the transmission line as proposed in this application, any Board decision and order would be predicated on the original route and would therefore no longer be valid.

iii. Upon completion of the environmental assessment, please file a copy of the REA approval along with a copy of the REA documentation that is germane to this application. (may be filed in electronic form).

Response:

i. Suncor understands that comments were received by the Ministry of the Environment from both Concerned Seniors Lambton County and We're Against Industrial Turbines Plympton-Wyoming. At this time we have not been informed of any delays in the Ministry's technical review of our application and expect a decision in June 5, 2014 (based on six-month technical review).

ii. Confirmed.

iii. Once a Renewable Energy Approval is issued by the Ministry of the Environment, Suncor will provide a copy along with a copy of the REA application documents to the Board.

Responses of Suncor Energy Products Inc. to Interrogatories from Hydro One Networks Inc.

Interrogatory #1

Preamble

A distributor is obliged by legislation (*the Electricity Act*, 1998) to connect and serve customers in its Service Area, while meeting certain requirements respecting service quality, reliability and cost. Distributors must meet these and other obligations even when their customers reside on the other side of the road behind high-voltage transmission lines. The increasing need of electricity 'generator-transmitters' and distributors to share the same rights of way, therefore, also implies the need to share certain responsibilities and incremental costs fairly.

Questions

1. An arrangement with the local distributor in the area, Hydro One Networks ("Networks"), has not yet been completed. How does the Applicant plan to address operational issues with distribution facilities in the vicinity of the proposed transmission facilities?

2. Hydro One Networks will likely require access to properties of its distribution customers which may lie behind the Applicant's high voltage line, to, among other things, provide a new connection, upgrade or expand existing service, maintain or repair its assets or restore power. This would require that Networks route its line across the road and undertake a "perpendicular crossing" of the Applicant's assets and share the right of way. To physically accommodate this access, a variety of scenarios are being considered, such as:

    - Networks installing underground assets,
    - The Applicant installing a new pole mid-span at Networks' request to accommodate a specific road crossing or changing existing poles with higher ones.

    These different types of configurations could drive higher costs that Networks, or a new electrical customer in the subject area, would not have otherwise incurred in the absence of the Applicant's adjacent facilities.

    a) Does the Applicant believe that these higher costs are in the interest of ratepayers, and that ratepayers should therefore bear the incremental costs via a Board-approved mechanism?

b) Does the Applicant agree that Networks and its customers should be required to bear only those "base" costs that it would normally have incurred in the absence of the Applicant's assets, and that the Applicant should bear any incremental costs that Networks may incur over and above those "base" costs?

c) What principles and methodology would the Applicant suggest for allocating the higher costs between itself and Networks in cases such as the above?

3. What is the Applicant's process for notifying Networks of its ongoing plans where Networks' involvement is required?

Response:

1. Suncor is in negotiations with Hydro One Networks Inc. regarding two agreements: Perpendicular Crossing Agreement and Emergency Services Agreement. Suncor agrees with the principle of the agreement and will endeavor to negotiate and execute the agreements.

2. a) No, Suncor does not believe the rate payer should be burdened with these cost increases over the base case. Suncor is currently negotiating the terms of agreements that would satisfy the concerns raised by Hydro One Networks Inc.

   b) Suncor is in general agreement with the principle of paying for the incremental costs required for distribution customers that are impacted by Suncor's transmission line. Suncor is currently negotiating the terms of agreements that would satisfy the concerns raised by Hydro One Networks Inc.

   c) The principles in the perpendicular crossing agreement are acceptable to Suncor. We will continue to review and negotiate the details of the agreement with Hydro One Networks Inc.

3. Suncor is not clear on what is being asked by Hydro One Networks Inc. The Project defined includes multiple crossings of existing Hydro One Network Lines. Notification of these crossings is a result of this application to the Board. Please clarify.

Responses of Suncor Energy Products Inc. to Interrogatories from County of Lambton

Interrogatory #1

Exhibit B - Application, Paragraph 10

The applicant requires the use of the Jericho Shared Transmissions Facilities (Jericho Facilities) to connect the Cedar Point Project Transmission Facilities (Transmission Line) to the IESO - controlled grid. The Jericho Facilities are currently the subject of a Section 92 Application [OEB 2013-0361] by Jericho Wind, Inc., a wholly-owned subsidiary of NextEra Energy Canada, ULC. This establishes a significant level of reliance on the approval, construction and continued long term operation of the Jericho Facilities, of which both are uncertain at the time of this Application.

1. Please provide a copy of the executed agreement between the Applicant and Jericho Wind, Inc. for the use of the Jericho Facilities.

2. Indicate what the Applicant's alternative options are, if any, to connect to the IESO-controlled grid in the event that the Section 92 Application by Jericho Wind, Inc. is unsuccessful or delayed significantly with respect to the Cedar Point Project operational timelines?

3. Indicate what the Applicant's alternative options are, if any, to connect to the IESO-controlled grid in the event that the Jericho Facilities fall into disrepair, become inoperative, or are otherwise unable to meet the Cedar Point Project transmission needs during the term of the Feed-In-Tariff contract?

Response:

1. Suncor will be filing a copy of the Jericho Shared Transmission Facilities Agreement in accordance with the Board's Practice Direction on Confidential Filings, on the basis of it being commercially sensitive. Please see the attached letter.

2. Please see the response provided under Board Staff Interrogatories, Interrogatory #4, Response iv.

3. The agreement between Suncor and NextEra requires that NextEra maintain the facilities so they do not fall into disrepair, become inoperative, or are otherwise unable to meet the Cedar Point Project transmission needs during the term of the Feed-In-Tariff contract. If NextEra ceases to operate its projects using this infrastructure, then Suncor has the right to step in and take over ownership, operations and maintenance of the infrastructure.

Interrogatory #2

Exhibit B - Application, Paragraph 14; Exhibit B, Tab 2, Schedule 4 - Maps

Suncor indicates that the entire Transmission Line will be located on privately owned lands and has signed options to lease the required land from each landowner from whom it requires such rights. The information provided in Exhibit B - Tab 2, Schedule 4 - Maps is neither consistent nor is it accurate enough to determine the exact proposed pole locations.

In addition, even though it is indicated that proposed pole locations are located on privately owned lands, there is the potential for the Transmission Line to impact road user safety based on the proximity of pole locations. There is no evidence in the Application that the Applicant has made any consideration regarding safety of the road user with respect to the proposed Transmission Line pole locations and, as stated above, the information provided is not presented in sufficient detail for the County to assess or make informed comments regarding such matters.

Lastly, the County Official Plan prescribes a road allowance width for County Roads that has been determined using sound engineering judgement for the construction, operation, and maintenance of the County road network. In some locations in the County, legacy road allowances exist which are less than the prescribed widths for various historical reasons and the County has a mandate to acquire additional lands adjacent to the existing road allowance to meet the minimum width. The Application proposes Transmission Lines near or adjacent to County Road 6 (Thomson Line) which exhibits this situation in the current state and requires greater than ten (10) metres of additional road allowance width outside the existing property line to meet the County's requirement. The future road cross-section and maintenance activities may be subject to significant operational and cost impacts due to infrastructure associated with the Transmission Line being located adjacent to the existing County road allowance. This situation has been demonstrated to the Applicant as part of their municipal liaison.

1. Please provide detailed engineering drawings to 1:1000 scale or greater showing the exact location, with relative sizing, of all Transmission Line poles and other appurtenances proposed to be located within ten (10) metres of the County road allowances including all material and construction specifications of poles, wires, guying, foundations, trenching, temporary conditions and any other items related to this infrastructure.

2. Identify through explanation, drawings, and plans any and all easement rights owned by the Applicants, Suncor Energy Products Incorporated, or any Suncor Energy Products Incorporated affiliate which are within ten (10) metres of the County road allowances.

3. Provide the analysis and engineering review to demonstrate that road user safety was considered as part of the design locating the Transmission Line poles and other appurtenances.

4. Demonstrate that the design locating the Transmission Line infrastructure accounted for the efficient maintenance of the road allowances, location of other utilities and associated maintenance of those utilities, and avoidance of unnecessary and costly future relocation of the Transmission Line infrastructure due to the County acquiring property and upgrading the County road allowances to specified widths.

Response:

1. Suncor will commit to preparing drawings as described for each of the crossings of Thomson Line by the Suncor's Transmission Lines for attachment to a schedule of a Road Use Agreement.

2. The properties that Suncor intends to utilize for the Transmission line infrastructure are shown in Suncor's Application Exhibit B (2) Proposed Transmission Facilities. Both the lot and concession and the property identification number are provided and the properties identified by green shading.

3. A Clear Zone Analysis is currently being completed which will assess road user safety with respect to the transmission line infrastructure. This will be provided to the County at the time of its completion.

4. Suncor has selected to install the transmission poles outside of the County right of way for the purpose of reducing impacts on existing utilities within the County right of ways. The two locations where Suncor proposes to cross the County right of way with their overhead transmission line are clear of any existing above ground utilities. As such, our planned route has considered existing utilities. Suncor has also considered in the design the potential maintenance of utilities in the right of way by designing a pole that limits the swing of the transmission wires.

   Of paramount importance to Suncor when planning a wind power facility is to minimize our impact on the existing agricultural industry which is the main industry currently utilizing the land. Suncor attempts to follow the Provincial Policy Statement, and consider renewable energy appurtenances as ancillary to the main industry of agriculture. As such Suncor is attempting to reduce the amount of agricultural land taken out of production by the transmission line. Those individuals planning to host the transmission line have requested that Suncor place poles as close as possible to their property lines. Suncor has proposed a location 1.5 meters from their property limit along Thomson Line.

Interrogatory #3

Exhibit E, Tab 2, Schedule 1 - Codes, Standards, and Other Regulatory Approvals, Paragraph 4

Table 1 - Potentially Applicable Permits, Approvals, and Authorizations is not a full representation of potentially required permits or approvals from the County of Lambton.

1. Please comment on and include the following Municipal permits or approvals:

    a. Entrance Permits under County of Lambton By-Law 142 of 1994
    b. Sign Permits under County of Lambton By-Law 23 of 2000
    c. Oversize Overweight Load Permit under County of Lambton By-Law 88 of 1998

Response:

1. Suncor is in the process of preparing permit applications to the County of Lambton for the three types of permits listed above.

Interrogatory #4

Absent or Omitted Evidence

Although the Board has instructed the parties to reference a section in the Application with respect to the Interrogatories, for the following questions there is no material to reference. It is the County's position that the omissions in the following regards are serious deficiencies with respect to the application. Essentially, it is impossible to fully review, comment or approve the application in the absence of the foregoing:

Please acknowledge or deny that in the event the County were to grant the Applicants permission for County's road allowances to be used, the Applicants' willingness to:

1. Install all transmission lines above-grade in the location approved by the County Engineer at an appropriate elevation so to avoid conflicts with other existing infrastructure, road maintenance responsibilities and future planed road construction by the County;

2. To minimize the potential interference with and be 100% responsible for damages to all existing equipment, installations, utilities, and other facilities within, on or under County road allowances;

3. Obtain written approval from the County Engineer prior to installation, placement, installation, construction, re-construction, inspection, maintenance, operation, alteration, enlarging, repair, replacement, relocation and/or removal of electrical infrastructure;

4. Act in accordance at all times with County and other municipal by-laws, the *Highway Traffic Act*, and all other applicable law;

5. Arrange, pay for and maintain insurance satisfactory to the County which insures the Applicants, their guarantors, and the County from all claims related to the use of the road allowance for electrical infrastructure;

6. Release, indemnify, defend and save harmless the County from any and all claims related to the use of the County road allowances for electrical infrastructure and ensure that such indemnity will not be discharged by any change in the existence, structure, constitution, name, control or ownership of the Applicants or any insolvency, bankruptcy, reorganization or other similar proceeding affecting the Applicants or their assets;

7. Not to transfer or assign any easements potential rights enjoyed by the Applicants without the written consent of the County;

8. Make all security deposits required by the County;

9. Acknowledge that any easement rights granted by the County would be non-exclusive in the nature and subject to the rights and privileges that the County may grant to other persons on the road allowances; and

10. Install, construct, re-construct, inspect, maintain, operate, alter, enlarge, repair, replace, relocate and remove electrical infrastructure and related appurtenances over, along, across, within or under County road allowances at 100% its own expense

Response:

1-10) Suncor is currently reviewing a draft road use agreement provided by the County which covers many if not all of the principles identified above in 1 through 10 as it relates to the Suncor transmission facilities. Suncor agrees that a Road Use Agreement is beneficial to both parties and hopes to enter into to one shortly.

Responses of Suncor Energy Products Inc. to Interrogatories from Concerned Seniors Lambton County, and WAIT_PW

Interrogatory #1

The wording of s.92 and the fact that this application is under consideration by the OEB, implies that this transmission facility will provide a benefit to the consumer should it proceed.

In order to participate fully and in a more knowledgeable manner in this hearing, we wish to have a better understanding of what the contribution from this transmission line will be, and what the benefit to consumers will be. Thus we would ask Suncor to provide the following information listed below. In the event that Suncor is not in a position to provide the answers, we would ask the other stakeholders to provide their input as they see fit:

1. The wording *"in the public interest"* and "*the interests of consumers"* appear in the OEB Act and in the PO1 document. Our understanding is that both terms refer to the ratepayers and taxpayers in the province. Is this consistent with Suncor's understanding of these terms?

2. Section 1.1 of the Act, includes the following directives to the Board:

    1. *"To protect the interests of consumers with respect to prices", and*

    2. *To promote economic efficiency and cost effectiveness in the generation, transmission, distribution, sale and demand management of electricity and to facilitate the maintenance of a financially viable electricity industry"*

    We interpret that to mean that the Board is tasked to consider all options in the generation, transmission, distribution, sale and demand management of electricity, and to select the lowest cost option, so long as that option does not compromise the safety and reliability of the grid or electricity supply. Is this interpretation consistent with Suncor's interpretation?

3. The fourth item in the Section 1.1 of the Act includes the following directives to the Board: *"To promote the use and generation of electricity from renewable energy sources in a manner consistent with the policies of the Government of Ontario, including the timely expansion or reinforcement of transmission systems and distribution systems to accommodate the connection of renewable energy generation facilities"* We understand "timely" to mean that any required facilities are to be built and operational before the need arises, but we are uncertain what timeframe this refers to. What is Suncor's interpretation of "timely expansion" in terms of months or years?

4. Based on the nameplate capacity of the electrical source, and the meteorological data on the availability of favourable weather conditions, what is the total potential quantity of electricity, in MWh, that Suncor believe could be conveyed to the IESO controlled grid through this transmission line for each quarter during the first full calendar year of operation, and on a yearly basis for the next five years?

5. Based on:

1. the current (Q1 2014) base capacity of the IESO grid,

2. the projected electrical demand provided by the IESO,

3. the overlap of favourable weather conditions and electricity demand above the current base capacity of the IESO grid,

4. the new rules for power dispatching that came into effect in September 2013,

what is Suncor's estimate of the total actual quantity of electricity, in MWh, that will be delivered by this transmission line to the grid for each quarter during the first full year of operation, and on a yearly basis, for the next five years expressed in terms of MWh?

Response:

1. The Board has described how it interprets the phrase the "public interest" in several decisions. The Board considers the public interest to be an amalgam of several particular and specific interests, including the interests of ratepayers (consumers of utility delivery services). The weight the Board gives to each component of the public interest may vary from case to case. Suncor agrees with the Board's perception of the public interest.

   In considering leave to construct applications, the Board is guided by section 96(2) of the Ontario Energy Board Act (the "Act"), which states that:

   > "In an application under section 92, the Board shall only consider the following when, under subsection (1), it considers whether the construction, expansion or reinforcement of the electricity transmission line or electricity distribution line, or the making of the interconnection, is in the public interest:
   >
   > 1. The interests of consumers with respect to prices and the reliability and quality of electricity service.
   >
   > 2. Where applicable and in a manner consistent with the policies of the Government of Ontario, the promotion of the use of renewable energy sources. 2009, c. 12, Sched. D, s. 16."

   As stated above, in leave to construct applications, section 96(2) directs the Board to take into account the interest of consumers with respect to the price, reliability and quality of delivery service.

2. In leave to construct applications, the Board considers the stand-alone economic viability of the proposed transmission facility to ensure that it does not impose undue costs on existing ratepayers. In cases like this one, where the applicant (Suncor) agrees to pay the capital and operating costs of the proposed transmission facility, the Board has deemed the project to be economically viable. More generally, the Board regulates the transmission and distribution of electricity; it does not regulate the price of the electricity commodity.

3. Suncor interprets the Board objectives cited in the question to include the responsibility to consider the application by transmitters for leave to construct facilities to attach their renewable energy projects to the IESO-controlled grid (or distribution system) as appropriate, in a timely fashion. Because Suncor's FIT contract contains commercial milestones for placing the generation project in service, the Board's consideration of the leave to construct application needs to be "timely" in the sense of being synchronized with the generation project's commercial timetable.

4. The Cedar Point Project and associated transmission facilities has been designed to provide up to 100 MW (nameplate capacity) of renewable energy to the IESO-controlled grid, consistent with its obligations under the FIT contract. The information requested is considered commercially sensitive.

5. The Cedar Point Project and associated transmission facilities has been designed to provide up to 100 MW (nameplate capacity) of renewable energy to the IESO-controlled grid, consistent with its obligations under the FIT contract. The information requested is considered commercially sensitive.

ONTARIO POWER AUTHORITY

120 Adelaide Street West
Suite 1600
Toronto, Ontario M5H 1T1

T 416-967-7474
F 416-967-1947
www.powerauthority.on.ca

VIA EMAIL

Wednesday January 8th, 2013

Attention: **Christopher Scott**

Suncor Energy Products Inc.
112 4th Ave SW
Calgary, AB
T2P2V5
Canada

Re: FIT Contract F-002175-WIN-130-601 between Suncor Energy Products Inc. **(the "Supplier") and the Ontario Power Authority ("OPA"), dated July 6, 2011, as amended (the "FIT Contract") re: Failure to provide NTP Request**

Dear: **Christopher Scott,**

We refer to Feed-In Tariff Contract No. **F-002175-WIN-130-601** between the Ontario Power Authority and **Suncor Energy** Products Inc., dated **July 6, 2011** (the "**FIT Contract**"). All capitalized terms not otherwise defined have the meaning ascribed to them under the FIT Contract and "including" means including (or includes) without limitation.

An NTP Request in the Prescribed Form was not provided to the OPA as required pursuant to Section 2.4(c) of the FIT Contract. This letter is to inform you of this default and to advise you that the OPA waives its right to exercise the remedy specified in Section 9.2(a) of the FIT Contract in relation to this default.

The Milestone Date for Commercial Operation for the FIT Contract is **July 6, 2014**. It shall be a Supplier Event of Default if the Commercial Operation Date has not occurred on or before
January 6, 2016
pursuant to Section 9.1(j) of the FIT Contract giving rise to the OPA's right to terminate the FIT Contract. No extensions will be provided to this date.

This letter shall not constitute an amendment or waiver of any provision of the FIT Contract or a waiver of any breach, potential breach, Supplier Event of Default, potential Supplier Event of Default or any remedy thereunder except as expressly provided herein.

All of the provisions of the FIT Contract including, without limitation, all rights and remedies of the OPA not expressly waived herein shall remain in full force and effect.

ONTARIO POWER AUTHORITY

120 Adelaide Street West
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Toronto, Ontario M5H 1T1

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Yours truly,

Michael Killeavy
Director, Contract Management

cc: JoAnne Butler; OPA
Bonnie Hiltz, OPA

ONTARIO POWER AUTHORITY

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Toronto, Ontario M5H 1T1
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VIA COURIER AND EMAIL

Thursday, January 09, 2014

Suncor Energy Products Inc.
112 4th Ave SW
Calgary, AB
T2P2V5

Dear Christopher Scott:

RE: Feed-in Tariff Contract # F-002175-WIN-130-601 between the Ontario Power Authority ("OPA") and Suncor Energy Products Inc. ("Supplier") dated July 6, 2011, (the "FIT Contract") – Force Majeure Claim No 1.

We acknowledge receipt of the Supplier's Force Majeure Notice dated July 26, 2013 (the "**Notice**"), wherein the Supplier provided written notice to the OPA under Section 10.1(b) of the FIT Contract. The Supplier has invoked Force Majeure related to a delay in the Ministry of Environment's ("**MOE**") REA application completeness review, as set out in greater detail in the Notice (the "**FM Claim**"). We also acknowledge receipt of the Supplier's update notice dated October 3, 2013 (the "**Update Notice**") and the Force Majeure termination notice dated December 17, 2013 (the "**Termination Notice**").

All capitalized terms not otherwise defined in this letter have the meanings ascribed to them under the FIT Contract.

Based on the information provided by the Supplier, the OPA has determined that the FM Claim is valid pursuant to the FIT Contract. The event or circumstances constituting Force Majeure commenced on July 16, 2013 when MOE's REA application completeness review exceeded 3 months. The Force Majeure event terminated on December 5, 2013 when the MOE deemed the REA application complete. Subject to the Supplier countersigning and returning this letter to the OPA, the Milestone Date for Commercial Operation of July 6, 2014 has been extended by 142 days to November 25, 2014.

The OPA's determination that the FM Claim is valid is made in reliance on the Notice, the Update Notice and the Termination Notice and the representations, warranties and covenants set out herein, and the Supplier acknowledges that the OPA is relying on such representations, warranties and covenants as a condition of providing this letter.

By countersigning and returning this letter, the Supplier represents and warrants to the OPA that, as at the date that this letter is countersigned:

(a) the information submitted by the Supplier to the OPA relating to the Force Majeure claimed is true, complete and accurate in all material respects and that there is no

material information omitted which would make the information contained therein misleading or inaccurate;

(b) Except as described in Schedule "A"
no Supplier Event of Default that has not been remedied has occurred or is occurring; and

(c) except with respect to the FM Claim and any other Force Majeure as described in Schedule "A", if attached, as of the date hereof the Supplier is not aware after due inquiry of any Force Majeure that has occurred or is continuing or of any reason that any Force Majeure may occur.

In addition, by countersigning and returning this letter, the Supplier agrees and covenants with the OPA that the Supplier shall not claim, nor be entitled to receive, any Force Majeure relief other than expressly provided in this letter for any event described in the Notice. For certainty, if the Supplier does not countersign and return this letter to the OPA, the Supplier's Milestone Date for Commercial Operation will not be extended as expressed herein and the relief, if any, will be determined pursuant to Article 10 of the FIT Contract.

This letter shall not constitute an amendment or waiver of any provision of the FIT Contract or a waiver of any breach or potential breach or Supplier Event of Default or potential Supplier Event of Default thereunder, and all of the provisions of the FIT Contract, including, without limitation, all rights and remedies of the OPA shall remain in full force and effect. The OPA reserves all rights and remedies under the FIT Contract and at law, including the right to exercise any rights and remedies at any time and from time to time.

Please confirm your agreement with this letter by countersigning the enclosed duplicate of this letter below and returning a copy to the OPA.

If you have any questions or comments in respect of the foregoing, please feel free to contact Sura Abdul-Razzak at (416) 969-6356.

Yours very truly,

Michael Killeavy
Director, Contract Management

Agreed to and Accepted:

Suncor Energy Products Inc.

By: [signature] Date: Feb 19, 2014

Name:
Title: VP Renewable Energy

Schedule "A" to a Letter dated January 9, 2014 from the Ontario Power Authority to Suncor Energy Products Inc. and pertaining to Feed-in Tariff Contract# F -002175-WIN -130-601 between the Ontario Power Authority ("OP A") and Suncor Energy Products Inc. ("Supplier") dated July 6, 2011, (the "FIT Contract") -Force Majeure Claim No 1.

Supplier Events of Default

- NTP Request in the Prescribed Form not provided to the OPA as required pursuant to Section 2.4(c) of the FIT Contract and the OPA's waiver of its right to exercise the remedy specified in Section 9.2(a) of the FIT Contract in relation to this default, as set forth in the Letter dated January 8, 2013 from the Ontario Power Authority to Suncor Energy Products Inc. and pertaining to FIT Contract F-002175-WIN-130-601 between Suncor Energy Products Inc. (the "Supplier") and the Ontario Power Authority ("OPA"), dated July 6, 2011, as amended (the "FIT Contract") re: Failure to provide NTP Request.

Other Force Majeure

- Amended Notice of Application to Quash a Municipal By-Law dated January 22, 2013 from Suncor Energy Products Inc., as Applicant to The Corporation of the Town of Plympton-Wyoming, as Respondent (Ontario Superior Court of Justice File No. 6964/13.

Exhibit E, Tab 2, Schedule 1
Codes, Standards, and Other Regulatory Approvals

CODES, STANDARDS & OTHER REGULATORY APPROVALS

1. Codes and Standards

The Proposed Transmission Facilities will be constructed in accordance with applicable technical codes and standards, including the Canadian Electrical Code, Part III (which incorporates by reference CSA Standard C22.3), as well as applicable IEEE transmission line design and construction standards. The Proposed Transmission Facilities will also comply with applicable requirements of the Transmission System Code and the Market Rules for the Ontario Electricity Market.

2. Renewable Energy Approval

Renewable energy projects (other than waterpower projects) are no longer subject to the *Environmental Assessment Act*. Rather, the environmental protections of the environmental assessment process have been incorporated into the Renewable Energy Approval ("**REA**") process. Most renewable energy projects in Ontario therefore require a REA from the Ministry of the Environment. As a Class 4 wind facility (as defined in subsection 6(1) of the REA Regulation, O. Reg. 359/09 under the *Environmental Protection Act*), the Cedar Point Project is no exception. Cedar Point is currently undergoing its REA process, as noted above. Renewable energy projects are no longer subject to land use planning instruments under the *Planning Act*.

3. Licences

Although the Proposed Transmission Facilities are for the transmission of electricity generated by the Cedar Point Project, to the Jericho Station, Ontario Regulation 161/99 to the Ontario Energy Board Act exempts Suncor from the requirement to obtain a licence to own or operate transmission facilities pursuant to Section 57(b) of the Act. The exemption is based on the fact that Suncor will be a transmitter that is also a generator and the Proposed Transmission Facilities will be used exclusively to transmit electricity to the IESO-controlled grid.

Suncor will apply for a generator licence in respect of its generation facility in due course. In accordance with the instructions set out on the Board's form, Application for an Electricity Generation Licence under the Feed-in Tariff Program, Suncor will file its generator licence application following receipt of the Notice to Proceed from the OPA pursuant to its FIT Contract. Suncor will also provide its "Section 81 Notice" to the Board at the time this Application is filed.

4. Other Permits, Approvals and Authorizations

In addition to the codes, standards and REA requirements set out above, a number of other permits, licenses and approvals from other governmental authorities may be required before the Proposed Transmission Facilities can be constructed and operated. These are set out in Table 1, below.

Table 1 - Potentially Applicable Permits, Approvals and Authorizations

Government	Authority	Potentially Required Permit or Approval	Status	Timing
Federal	Fisheries and Oceans Canada	Authorization under Subsection 35(2) of the *Fisheries Act* for watercourse crossings (or Letter of Advice)	Not Required. All crossings are municipal drains.	N/A
Provincial	Ministry of Natural Resources	Approval and permitting requirements under the Renewable Energy Approval process	obtained	Complete
Provincial	Ministry of Natural Resources	Species at Risk Permit under the *Endangered Species Act* (if designated species habitat is impacted, which is to be confirmed)	Not Required.	N/A
Provincial	Conservation Authorities	Generic Regulations Permit for water crossings and works within floodplain	Applications Submitted.	July 2014
Provincial	Ministry of Tourism, Culture and Sport	Archaeological and Cultural Heritage Clearances under the *Heritage Act*	obtained	Complete
Provincial	Ministry of Transportation	Compliance with the *Highway Traffic Act* and *Road Safety Regulations* - Highway	MTO has been consulted with. Applications to be submitted in	July 2014

Government	Authority	Potentially Required Permit or Approval	Status	Timing
		Entrance Permit.	May 2014	
Provincial	Ministry of Transportation	Building & Land Use Permit. (Covers both the crossing of Hwy 21 and parallel section that is within 45 m of the right of way.)	MTO has been consulted with. Applications to be submitted in May 2014	July 2014
Provincial	Ministry of Transportation	Encroachment Permits	MTO has been consulted with. Applications to be submitted in May 2014	July 2014
Provincial	Ontario Energy Board	Notice of Proposal under Section 81 of the *Ontario Energy Board Act*	Not Required	N/A
Provincial	Ontario Energy Board	Electricity Generators Licence	Submission Pending NTP from OPA.	June 2014
Provincial	Ministry of Labour	Notice of Project prior to commencing construction (to be obtained by contractor)	Required to be obtained	August 2014
Provincial	Hydro One Networks Inc.	Customer Impact Assessment	Complete	June 2012
Provincial	Hydro One Networks Inc.	Transmission Connection Agreement (will be obtained by NextEra)	Obtained by Bornish and copies provided to Suncor.	May 2014
Provincial	Hydro One Networks Inc.	Perpendicular Crossing Agreement	Currently being negotiated	Prior to Construction
Provincial	Hydro One Networks Inc.	Emergency Services Agreement	Currently being negotiated	Prior to Construction
Provincial	Independent Electricity System Operator	Facility Registration	Pending OEB Generators Licence	June 2014
Provincial	Independent Electricity System	Metering Registration	Required to be obtained.	

Government	Authority	Potentially Required Permit or Approval	Status	Timing
	Operator			
Provincial	Independent Electricity System Operator	System Impact Assessment (obtained)	Completed	June 2012
Provincial	Electrical Safety Authority	Connection Authorization	To be obtained	
Municipal	County of Lambton	Road Use Agreement	Currently being negotiated.	
Municipal	County of Lambton	Pipeline Agreements – for crossing County Road Allowances.	Uncertain if this requirements under bylaw 13 of 2008 is applicable for a transmission line crossing.	August 2014
Municipal	Municipality of Lambton Shores	Road Use Agreement for crossing of Municipality road allowances and construction within road allowances	To be obtained	August 2014
Municipal	Municipality of Lambton Shores	Building Permit for Substation	To be Obtained	August 2014
Municipal	Municipality of Lambton Shores	Municipal Drain Crossing Approvals – Drainage Act s 74.	Consents have been obtained and submitted to Council to hire a drainage engineer	Prior to construction.
N/A	NextEra and/or affiliates	Connection Agreements – defining connection requirements of Suncor to the NextEra Transmission Infrastructure.	To be Negotiated.	December 2014

Board Staff IRR#3(iv)
Attachment

Power to Ontario.
On Demand.
Station A, Box 4474
Toronto, ON
M5W 4E5

June 4, 2012

Christopher Scott
Renewable Energy Engineer
340 Breezewood Cr.
Waterloo, Ontario
N2L 5K5

Dear Mr. Scott:

RE: Cedar Point II Wind Power Project
Notification of Conditional Approval of Connection Proposal
CAA ID 2011-445:

The IESO has now had an opportunity to review and assess your company's proposed connection of the Cedar Point II Wind Power Project as described in your System Impact Assessment application. The IESO has concluded that the proposed connection will not result in a material adverse impact on the reliability of the integrated power system. The IESO is therefore pleased to grant "conditional" approval as detailed in the attached System Impact Assessment report. Please note that any further material change to your proposed connection may require a re-assessment by the IESO and may result in a nullification of the conditional approval.

You may now initiate the IESO's "Market Entry" process. To do so, please contact Registration & Compliance Support at market.entry@ieso.ca at least eight months prior to your expected energization date. The SIA report, attached hereto, details the requirements that your company must fulfill during this process, including demonstrating that the facility *as installed* will not be materially different from the facility *as approved* by the IESO. The document entitled Market Entry: A Step-by-Step Guide describes the key steps in the Market Entry process.

Please also be advised that the Market Rules governing the connection of renewable generation facilities in Ontario are currently being reviewed through the SE-91 stakeholder initiative and, therefore, new connection requirements (in addition to those outlined in the attached SIA), may be imposed in the future. More details can be found through the following link:
http://www.ieso.ca/imoweb/consult/consult_se91.asp

When your company has successfully completed the IESO's "Facility Registration/Market Entry" process, the IESO will provide you with a "final" approval, thereby confirming that the facility is fully authorized to connect to the IESO-controlled grid.

If you have any questions or require further information, please contact me.

Yours truly,

Michael Falvo

Michael Falvo
Manager – Market Facilitation
Telephone: *(905) 855-6209*
Fax: *(905) 855-6319*
E-mail: *mike.falvo@ieso.ca*
cc: *IESO Records*

Hydro One Networks Inc.
483 Bay St.
North Tower, 15th Floor
Toronto, Ontario M5G 2P5
www.hydroone.com

February 17, 2012

Ms. Karen Reiman
Suncor Energy Inc.
P.O. Box 2844
150-6th Avenue SW
Calgary, AB T2P 3E3

STRICTLY CONFIDENTIAL

Re: Cedar Point Wind II – Customer Impact Assessment (CIA) Agreement

Dear Ms. Reiman,

Please find enclosed a copy of the CIA agreement executed for Cedar Point Wind project.

The original is being forwarded to Mr. Chris Scott.

Please do not hesitate to contact me if you have questions or require clarification in respect to the agreement.

Sincerely,

Mike Lesychyn,
Team Lead/Senior Advisor
Transmission Planning Dept.
System Development Division
Hydro One Networks Inc.
483 Bay Street, TCT15-C12
Toronto, Ontario
M5G-2P5

Bell line: 416-345-5954

michael.lesychyn@hydroone.com

Renewable Energy Generation Facility Study Agreement –Cedar Point Wind Power Project Phase II

Suncor Energy Products Inc. (the "**Customer**") has requested and Hydro One Networks Inc. ("**Hydro One**") has agreed to perform the Work described below to determine the impact of the Proposed Project defined below and to undertake the Work (as defined in the Scope of Work attached hereto as Schedule "A"), under the Standard Study Agreement Terms and Conditions v. 4 (December 2010) attached hereto as Schedule "B" and both forming a part hereof (the "**Agreement**").

I. Proposed Project

1. The Proposed Project is the connection of the Customer's proposed 100 MW generation facility known as Cedar Point Wind Power Project Phase II, located in Forest, Ontario, a Renewable Energy Generation Facility (as that term is defined in the *Electricity Act, 1998*) (hereinafter the "**Generation Facility**"). This project is being developed and constructed in conjunction with the Bornish Wind Energy Centre, Jericho Wind Energy Centre and Adelaide Wind Energy Centre. All four projects will be connected into a common switching station known as Bornish 115 kV switching station that will connect to a common owned Parkhill TS 115 kV/500 kV station via 115 kV 11 km transmission circuit BTS1P to be owned and built by the Customer and the three parties above. The Parkhill TS will be connected to Hydro One's 500 kV circuit 562L by a Hydro One owned switching station to be located between the Bruce TS and Longwood TS, approximately 36.5 km from the Longwood TS.

II. Information Requirements

The Customer shall provide Hydro One and the IESO with the following:

1. site location map(s) with suitable details of the Generation Facility, line routing and the proposed connection to Hydro One's facilities; and

2. a completed Renewable Energy Generation Facility Application to Request a Connection Assessment form which is available at www.ieso.ca.

III. Completion Date:

Hydro One shall complete the Work, by no later than 150 days after the latter of the Customer:

(a) executing this Agreement; and

(b) providing the information described above under the heading "Information Requirements",

PROVIDED THAT the IESO provides Hydro One with a list of System Impact Assessment requirements prepared by the IESO for the Proposed Project by no later than 75 days following the date that the IESO advises the Customer that the Customer's Connection Assessment Application has been deemed to be "complete" and that the 150-day service guarantee clock began running.

IV. Impact of Subsequent Changes to the Information Provided by Customer or to the IESO System Impact Assessment

Should the Customer make any changes to the information provided by the Customer as described above under the heading "Information Requirements" after Hydro One has commenced the Work or the IESO makes any changes to the System Impact Assessment requirements and any of those changes:

(i) result in an increase in the cost of Hydro One performing the Work above the payment contemplated below under the heading "Costs", the Customer shall make such further payment as may be required by Hydro One in the time specified by Hydro One; and

(ii) otherwise affect any other provision of this Agreement, such as the time required for completion of the Work, the parties shall negotiate and agree upon the required amendments to this Agreement and Hydro One shall be under no obligation to resume performance of the Work until such time as the parties agree on such amendments.

V. Cost:

Hydro One acknowledges receipt of the sum of $15,000.00 plus Harmonized Sales Tax in the amount of $1,950.00 for the Work.

VI. HST Registration Information

The HST registration number for Hydro One is 87086-5821 RT0001 and the HST registration number for the Customer is 10507-3779 RT0001

VII. No Commitment to Back Feed and Ready for Service Dates for the Proposed Project Until CCRA Execution

The Customer acknowledges and agrees that Hydro One cannot agree to be bound to a ready for service date or a back feed date for the Proposed Project until such time as Hydro One and the Customer have executed a Connection and Cost Recovery Agreement for the Proposed Project.

[Signature Page Follows]

VIII. Term

Except as expressly set out in this Agreement, this Agreement shall be in full force and effect and binding on the parties upon the date that this Agreement was executed by Hydro One and shall expire on the date that is after the latest of:

(a) Hydro One performing all of the Work; and
(b) the Customer paying all amounts required to be paid by the Customer under the terms of this Agreement.

Termination of this Agreement for any reason shall not affect the liabilities of either party that were incurred or arose under this Agreement prior to the time of termination. Termination of this Agreement for any reason shall be without prejudice to the right of the terminating Party to pursue all legal and equitable remedies that may be available to it.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by the signatures of their proper officers, as of the Execution Date written below.

HYDRO ONE NETWORKS INC.

Name: John Sabiston
Title: Manager – Transmission Planning
Execution Date: Feb 14/12
I have the authority to bind the Corporation

SUNCOR ENERGY PRODUCTS INC., by its duly authorized agent Suncor Energy Services Inc.

Name: CHRISTOPHER SCOTT
Title: RENEWABLE ENERGY ENGINEER
Date: FEB 9 2012
I have the authority to bind the Corporation

SCHEDULE "A": Scope of Work - Customer Impact Assessment

General Description:

Hydro One will prepare a Customer Impact Assessment ("**CIA**") that will be incorporated into the Connection Assessment issued by the IESO for the connection of the Proposed Project based on the information provided by the Customer and the IESO in accordance with the terms of this Agreement.

Customer Impact Assessment Study

The purpose of the study is to assess the impact of the Proposed Project on existing transmission customers connected to Hydro One's transmission system. The study, which focuses on customer issues and impacts which are outside the scope of the IESO's System Impact Assessment, is intended to supplement the IESO's System Impact Assessment.

The Work will include the following studies to be performed by Hydro One:

- Fault level study analysis; and
- Voltage performance analysis.

In accordance with Section 6.4.5 of the *Transmission System* Code, Hydro One will provide copies of the CIA report to the Customer, each transmission customer whose facilities are located in the study area used by Hydro One for conducting this CIA study, the Ontario Electrical Safety Authority and the IESO.

Any existing transmission customers that are impacted by the Proposed Project will have twenty five (25) days to provide their comments on the Customer Impact Assessment report. Hydro One will issue the Customer Impact Assessment report in its final form five (5) days after receiving comments from the impacted transmission customers and the IESO.

SCHEDULE B – Standard Study Agreement Terms and Conditions

1. Definitions

In the Agreement, unless there is something in the subject matter or context inconsistent therewith, the following words shall have the following meanings:

"Actual Cost" means Hydro One's charge for equipment, labour and materials at Hydro One's standard rates plus Hydro One's standard overheads and interest thereon.

"Applicable Laws" means any and all applicable laws, including environmental laws, statutes, codes, licensing requirements, treaties, directives, rules, regulations, protocols, policies, by-laws, orders, injunctions, rulings, awards, judgments or decrees or any requirement or decision or agreement with or by any government or government department, commission, board, court or agency.

"Business Day" means a day that is not a Saturday, Sunday, statutory holiday in Ontario or any other day on which the principal chartered banks located in the City of Toronto are not open for business during normal banking hours.

"Code" means the *Transmission System Code*, the code of standards and requirements issued by the OEB on July 25, 2005 that came into force on August 20, 2005 as published in the Ontario Gazette, as it may be amended, revised or replaced in whole or in part from time to time.

"Confidential Information" means:

(i) the terms of the Agreement and the operations and dealings under the Agreement;
(ii) all information disclosed by a party to the other party under the Agreement or in negotiating the Agreement which by its nature is confidential to the party disclosing the information, including, but not limited to, Hydro One's transmission system design and system specifications.; and
(iii) all interpretative reports or other data generated by a party that are based in whole or in part on information that is made Confidential Information by clauses (i) and (ii).

"Connection Agreement" means the form of connection agreement appended to the *Code* as Appendix 1, Version A or B, as appropriate to the Customer.

"Customer's Facilities" has the meaning set forth in the *Code*, and includes, but is not limited to any new, modified or replaced Customer's Facilities.

"IESO" means the Independent Electricity System Operator.

"Good Utility Practice" has the meaning set forth in the Code.

"Lender" means a bank or other entity whose principal business is that of a financial institution.

"OEB" means the Ontario Energy Board.

"OEB-Approved Connection Procedures" means Hydro One's connection procedures as approved by the OEB from time to time.

"Person" shall include individuals, trusts, partnerships, firms and corporation or any other legal entity.

"Representative" means (i) a person controlling or controlled by or under common control of a party and each of the respective directors, officers, employees and independent contractors of a party and such party's Representative, (ii) any consultants, agents or legal, financial or professional advisors of a party or such party's Representative and (iii) in the case of Customer, any institution providing or considering providing financing for the Proposed Project, including such institution's directors, officers, employees and independent contractors or its consultants, agents or legal, financial or professional advisors.

"Taxes" means all property, municipal, sales, use, value added, goods and services, harmonized and any other non-recoverable taxes and other similar charges (other than Taxes imposed upon income, payroll or capital).

"Work" means the work to be conducted in accordance with the Scope of Work attached to the Agreement as Schedule "A".

2. Representations and Warranties

Each party represents and warrants to the other that:

(a) it is duly incorporated, formed or registered (as applicable) under the laws of its jurisdiction of incorporation, formation or registration (as applicable);
(b) it has all the necessary corporate power, authority and capacity to enter into the Agreement and to perform its obligations hereunder;
(c) the execution, delivery and performance of the Agreement by it has been duly authorized by all necessary corporate and/or governmental and/or other organizational action and does not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) result in a violation, a breach or a default under or give rise to termination, greater rights or increased costs, amendment or cancellation or the acceleration of any obligation under

(i) its charter or by-law instruments; (ii) any material contracts or instruments to which it is bound; or any laws applicable to it;

(d) any individual executing the Agreement, and any document in connection herewith, on its' behalf has been duly authorized by it to execute The Agreement and has the full power and authority to bind it;

(e) the Agreement constitutes a legal and binding obligation on it, enforceable against it in accordance with its terms;

(f) it is registered for purposes of Part IX of the *Excise Tax Act* (Canada); and

(g) no proceedings have been instituted by or against it with respect to bankruptcy, insolvency, liquidation or dissolution.

3. The Customer and Hydro One shall perform their respective obligations outlined in the Agreement in a manner consistent with Good Utility Practice and in compliance with all Applicable Laws.

4. Except as provided herein, Hydro One makes no representation or warranty, express, implied, statutory or otherwise, including, but not limited to, any representation or warranty as to the merchantability or fitness of the Work or any part thereof for a particular purpose.

5. **Customer Covenants**

The Customer acknowledges and agrees that:

(a) Hydro One has informed the Customer that the OEB-Approved Connection Procedures apply to the Proposed Project;

(b) should the Proposed Project proceed, an agreement must be executed by the Customer and Hydro One to address the terms and conditions (which may include terms with respect to capital contributions required to be made) of Hydro One performing the work required in order to provide for the connection of the Customer's Facilities prior to Hydro One initiating any modifications to Hydro One's facilities or purchasing any equipment;

(c) the Customer will be responsible for ensuring that the Proposed Project complies with all Applicable Laws;

(d) if the Customer is a Generator Customer (as that term is defined in the *Code*), the Customer shall rectify at its expense, any negative impacts that the connection of the Customer's generation facility and operation of the generation facility following connection may have on Hydro One's transmission system in accordance with the terms of the Connection Agreement, the Code and any applicable reliability standards;

(e) if the Customer is a Generator Customer (as that term is defined in the *Code*), the Customer is responsible for:

i. providing the IESO with the modeling and studies to show the acceptable dynamic behavior of the generators as specified in the IESO Assessment; and

ii. any resulting requirements that come from the IESO's review of dynamic studies that were or are not part of the IESO's System Impact Assessment including, but not limited to changes required to be made to the Work as a consequence of such review;

(f) the Customer shall obtain all applicable approvals required by the IESO for the connection of the Proposed Project;

(g) all right, title and interest, including copyright ownership, to all information and material of any kind whatsoever (including, but not limited to the work product developed as part of the Work) that may be developed, conceived and/or produced by Hydro One during the performance of the Agreement is the property of Hydro One, and the Customer shall not do any act that may compromise or diminish Hydro One's interest as aforesaid;

(h) if the Work involves Hydro One preparing a Customer Impact Assessment, the Customer consents, notwithstanding any term to the contrary in the Agreement, to Hydro One releasing the completed Customer Impact Assessment Report to be prepared by Hydro One to the IESO, the Ontario Electrical Safety Authority and customers connected to Hydro One's transmission system in the vicinity of the Proposed Project that may be affected by the Proposed Project;

(i) if the Work involves Hydro One preparing a Customer Impact Assessment, it may provide a deposit to the IESO for the IESO studies in relation to the Proposed Project. In the event that the IESO refunds part of the deposit to Hydro One, Hydro One will refund such funds to the Customer within 30 days of receipt by Hydro One. In the event that the IESO studies cost more than the deposit, the Customer agrees that it will pay the additional costs of such studies as invoiced to Hydro One by the IESO; and

(j) Hydro One performs the Work based on the known and anticipated system conditions at the time the Work is performed, should there be any changes to system conditions, including, anticipated system

conditions, between the time that Hydro One completes the Work and when the Customer proposes to connect the Proposed Project, the Work may have to be revised at the Customer's expense at that time.

6. **Code Revisions and Amendments**

This Agreement is subject to the *Transmission System Code* and the OEB-Approved Connection Procedures. If any provision of this Agreement is inconsistent with the:

(a) *Transmission System Code,* the said provision shall be deemed to be amended so as to comply with the *Transmission System Code;* or
(b) OEB-Approved Connection Procedures the said provision shall be deemed to be amended so as to comply with the OEB-Approved Connection Procedures.

7. **Liability and Force Majeure**

PART III: LIABILITY AND FORCE MAJEURE and Sections 1.1.12 and 1.1.17 of the Connection Agreement are hereby incorporated in their entirety by reference into, and form an integral part of the Agreement. Unless the context otherwise requires, all references in PART III: LIABILITY AND FORCE MAJEURE TO "the Agreement" shall be deemed to be a reference to the Agreement and all references to the "the Transmitter" shall be deemed to be a reference to Hydro One.

For the purposes of this Section 7, the Parties agree that the reference to:

(i) the Transmitter in lines 3 and 4 of Section 15.1 of the Connection Agreement means the Transmitter or any party acting on behalf of the Transmitter such as contractors, subcontractors, suppliers, employees and agents; and

(ii) the Customer in lines 3 and 4 of Section 15.2 of the Connection Agreement means the Customer or any party acting on behalf of the Customer such as contractors, subcontractors, suppliers, employees and agents.

The parties agree that the aggregate liability of Hydro One under the Agreement and in particular under this Section 7 shall at no time exceed the Actual Cost of the Work.

This Section 7 shall survive the termination of the Agreement.

8. **Events of Default**

8.1 Each of the following events shall constitute an "Event of Default" under the Agreement:

(a) failure by the Customer to pay any amount due under the Agreement;

(b) breach by the Customer or Hydro One of any term, condition or covenant of the Agreement; or

(c) the making of an order or resolution for the winding up of the Customer or Hydro One or of their respective operations or the occurrence of any other dissolution, bankruptcy or reorganization or liquidation proceeding instituted by or against the Customer or Hydro One.

8.2 Upon the occurrence of an Event of Default by the Customer hereunder (other than those specified in Subection 8.1(c) of the Agreement, for which no notice is required to be given by Hydro One), Hydro One shall give the Customer written notice of the Event of Default and allow the Customer 15 calendar days from the date of receipt of the notice to rectify the Event of Default, at the Customer's sole expense. If such Event of Default is not cured to Hydro One's reasonable satisfaction within the 15 calendar day period, Hydro One may, in its sole discretion, exercise the following remedy in addition to any remedies that may be available to Hydro One under the terms of the Agreement, at common law or in equity: deem the Agreement to be repudiated and, after giving the Customer at least 10 calendar days' prior written notice thereof, recover, as liquidated damages and not as a penalty, the sum of the amounts payable by the Customer less any amounts already paid by the Customer under the terms of the Agreement.

8.3 Upon the occurrence of an Event of Default by Hydro One hereunder (other than those specified in Subection 8.1(c), the Customer shall give Hydro One written notice of the Event of Default and shall allow Hydro One 15 calendar days from the date of receipt of the notice to rectify the Event of Default at Hydro One's sole expense. If such Event of Default is not cured to the Customer's reasonable satisfaction within the 15 calendar day period, the Customer may pursue any remedies available to it at law or in equity, including at its option the termination of the Agreement.

8.4 All rights and remedies of Hydro One and the Customer provided herein are not intended to be exclusive but rather are cumulative and are in addition to any other right or remedy otherwise available to Hydro One and the Customer respectively at law or in equity, and any one or more of Hydro One's and the Customer's rights and remedies may from time to time be exercised independently or in combination and without prejudice to any other right or remedy Hydro One or the Customer may have or may not have exercised. The parties further agree that where any of the remedies provided for and elected by the non-defaulting party are found to be unenforceable, the non-defaulting party shall not be

precluded from exercising any other right or remedy available to it at law or in equity.

9. **Confidential Information**

9.1 Disclosures of Confidential Information

Pursuant to the terms and conditions contained herein, a party may disclose Confidential Information to the other party solely for the purpose of the Proposed Project or the Work. Notwithstanding such disclosure the Confidential Information shall remain the sole and exclusive property of the disclosing party and as such shall be maintained in confidence by the receiving party using the same care and discretion to avoid disclosure as the receiving party uses with its own similar information that it does not wish to disclose. The receiving party may disclose Confidential Information to its Representatives pursuant to Section 9.3 below but may not use or disclose it to others without the disclosing party's prior written consent. Notwithstanding the generality of the foregoing, all intellectual property rights which may subsist in the Confidential Information shall remain with the disclosing party. The receiving party shall not use the confidential information for any purposes other than the Proposed Project or the Work without the disclosing party's prior written consent.

9.2. Information that is not Confidential

Confidential Information shall not include information which:

(a) is previously known to or lawfully in the possession of the receiving party prior to the date of disclosure as evidenced by the receiving party's written record;
(b) is independently known to or discovered by the receiving party, without any reference to the Confidential Information;
(c) is obtained by the receiving party from an arm's length third party having a bona fide right to disclose same and who was not otherwise under an obligation of confidence or fiduciary duty to the disclosing party or its Representatives;
(d) is or becomes publicly available through no fault or omission of, or breach of this Schedule "B" by, the receiving party or its Representatives;
(e) is disclosed by the disclosing party to another entity without obligation of confidentiality;
(f) is required to be disclosed on a non-confidential basis by operation of law or pursuant to a final judicial or governmental order;
(g) is disclosed in the circumstances described in Section 4.7.2 of the Code; or
(h) is contained in the Customer Impact Assessment report prepared by Hydro One and released by Hydro One to customers connected to Hydro One's transmission system in the vicinity of the Proposed Project that may be affected by the Proposed Project, the Ontario Electrical Safety Authority and the IESO.

9.3. Disclosure to Representatives

Confidential Information shall only be disclosed to Representatives who need to know the Confidential Information for the purposes of the Proposed Project or the Work. Except in the case of officers, directors or employees, Confidential Information may only be disclosed to Representatives where the receiving party has an agreement in place with those Representatives sufficient to obligate them to treat the Confidential Information in accordance with the terms hereof. The receiving party hereby specifically acknowledges that it shall be solely responsible to ensure that its Representatives comply with the terms of this Section 9 and that the receiving party shall defend, indemnify and hold harmless the disclosing party from and against all suits, actions, damages, claims and costs arising out of any breach of this Section 9 by the receiving party or any of its Representatives.

9.4 Compelled Disclosure

In the event that a receiving party, or anyone to whom a receiving party transmits Confidential Information pursuant to this Section 9 or otherwise, becomes legally compelled to disclose any Confidential Information, the receiving party will provide the disclosing party with prompt notice so that the disclosing party may seek injunctive relief or other appropriate remedies. In the event that both parties are unable to prevent the further transmission of the Confidential Information, the receiving party will, or will use reasonable efforts to cause such person to whom the receiving party transmitted the Confidential Information to furnish only that portion of the Confidential Information, which the receiving party is advised by written opinion of counsel is legally required to be furnished by the receiving party, to such person and exercise reasonable efforts to obtain assurances that confidential treatment will be afforded to that portion of the Confidential Information so furnished.

9.5 Records with respect to Confidential Information

The receiving party shall keep all written or electronic confidential information furnished to or created by it. All such Confidential Information, including that portion of the Confidential Information which consists of analyses, compilations, studies or other documents prepared by the receiving party or by its Representatives, is the disclosing party's property and will be returned immediately to the disclosing party or destroyed upon its request and the receiving party agrees not to retain any copies, extracts or other reproductions in whole or in part. If a receiving party does not receive a request to

return Confidential Information to the disclosing party within six months of the last communication between the parties concerning the Proposed Project or the Work then the receiving party shall destroy any Confidential Information it holds.

Notwithstanding the foregoing and provided that the Proposed Project is connected to Hydro One's transmission system, Hydro One shall have the right to retain such electrical information concerning the Proposed Project that it has received from the Customer or its Representatives for the purpose of Hydro One making the required calculations and decisions related to the design, operation, and maintenance of Hydro One's facilities and those for any other person that may connect or is considering connecting to Hydro One's transmission system that could be impacted by or could impact the Proposed Project.

9.6 Remedies

The receiving party agrees that the disclosing party would be irreparably injured by a breach of this Section 9 and that the disclosing party shall be entitled to equitable relief, including a restraining order, injunctive relief, specific performance and/or other relief as may be granted by an court to prevent breaches of this Section 9 and to enforce specifically the terms and provision hereof in any action instituted in any court having subject matter jurisdiction, in addition to any other remedy to which the disclosing party may be entitled at law or in equity in the event of any breach of the provisions hereof. Such remedies shall not be deemed to be the exclusive remedies for a breach of this Section 9 but shall be in addition to all other remedies available at law or equity.

9.7 Obligations Survive Termination

The obligations in this Section 9 shall be effective as of the date of this Agreement and shall remain in force and effect in perpetuity unless modified by further written agreement of the parties.

10. Assignment for Financing Purposes

(a). The Customer may, without the written consent of Hydro One, assign by way of security only all or any part of its rights or obligations under the Agreement to a Lender(s). The Customer shall promptly notify Hydro One, in writing, upon making such assignment.

(b) The Customer may disclose confidential information of Hydro One to a Lender or prospective Lender provided that the Customer has taken all precautions as may be reasonable and necessary to prevent unauthorized use or disclosure of Hydro One's confidential information by a Lender or prospective Lender.

(c) Where a notice of an Event of Default has been served on the Customer under Section 8.2, an agent or trustee for and on behalf of the Lender(s) ("**Security Trustee**") or a receiver appointed by the Security Trustee ("**Receiver**") shall upon notice to Hydro One be entitled (but not obligated) to exercise all of the rights and obligations of the Customer under the Agreement and shall be entitled to remedy the default specified in the notice of default within the cure period referred to in Section 8.2. Hydro One agrees to accept performance of the Customer's obligations under the Agreement by the Security Trustee or Receiver in lieu of the Customer's performance of such obligations, and will not exercise any right to terminate the Assigned Agreements due to an event of default if the Security Trustee, its nominee or transferee, or the Receiver acknowledges in writing its intention to be bound by the terms of the Assigned Agreements by notifying Hydro One, and such acknowledgment is received within 15 calendar days of the date of receipt by the Generator of the notice of default.

(d) the Lender will have no obligation or liability under the Agreement by reason of the assignment until such time as the Lender, the Security Trustee or the Receiver exercises any of the rights or obligations of the Customer under the Agreement.

(e) The Customer shall be deemed to hold the provisions of this Section 10 that are for the benefit of Lender(s) in trust for such Lender(s) as third party beneficiary(ies) under the Agreement.

11. General

(a) Subject to Section 6, any amendment to the Agreement shall be made in writing and duly executed by both parties..

(b) Unless otherwise specified, references in the Agreement to Sections or Schedules are to sections, articles and Schedules of the Agreement. Any reference in the Agreement to any statute, regulation, any OEB-approved documents or any section thereof will, unless otherwise expressly stated, be deemed to be a reference to such statute, regulation, document or section as amended, restated or re-enacted from time to time. The insertion of headings is for convenience only, and shall not affect the interpretation of the Agreement. Unless the context requires otherwise, words importing the singular include the plural and vice versa. The words "including" or "includes" means including (or includes) without limitation.

(c) The failure of either party hereto to enforce at any time any of the provisions of the Agreement or to

exercise any right or option which is herein provided shall in no way be construed to be a waiver of such provision or any other provision nor in any way affect the validity of the Agreement or any part hereof or the right of either party to enforce thereafter each and every provision and to exercise any right or option. The waiver of any breach of the Agreement shall not be held to be a waiver of any other or subsequent breach. Nothing shall be construed or have the effect of a waiver except an instrument in writing signed by a duly authorized officer of the party against whom such waiver is sought to be enforced which expressly waives a right or rights or an option or options under the Agreement.

(d) Other than in accordance with Section 10 above, the Agreement may not be assigned without the written consent of the other party, which consent will not be unreasonably withheld.

(e) The Agreement may be executed in counterparts, including facsimile counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same agreement.

(f) The Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the Province of Ontario and the laws of Canada applicable therein.

(g) Invoiced amounts are due 30 days after invoice issuance. All overdue amounts including, but not limited to amounts that are not invoiced but required under the terms of this Agreement to be paid in a specified time period, shall bear interest at 1.5% per month compounded monthly (19.56 percent per year) for the time they remain unpaid.

(h) The obligation to pay any amount due and payable hereunder shall survive the termination of the Agreement.

(i) The Agreement will supersede the terms of any purchase orders issued by the Customer to Hydro One in respect of the Proposed Project irrespective of whether same have been issued by Customer and/or accepted by Hydro One on or after the execution of this Agreement by the Customer.

Generation Facility Connection and Cost Recovery Agreement

among

Kerwood Wind, Inc., Jericho Wind, Inc. and Bornish Wind, LP

and

Hydro One Networks Inc.

for

CONNECTION OF MULTIPLE GENERATION FACILITIES VIA CO-OWNED FACILITIES TO HYDRO ONE'S TRANSMISSION SYSTEM

This Generation Facility Connection and Cost Recovery Agreement made in duplicate as of the 2 day of ~~December, 2012.~~ January, 2013 B.G.-M.O.S Jw

WHEREAS:

A. Kerwood Wind, Inc. is the proponent of a proposed 60 MW renewable energy generation facility located in Middlesex County, Ontario (the **"Adelaide Wind Energy Centre"**);

B. Jericho Wind, Inc. is the proponent of a proposed 150 MW renewable energy generation facility located in Lambton County, Ontario (the **"Jericho Wind Energy Centre"**);

C. Bornish Wind, LP is the proponent of a proposed 73.5 MW renewable energy generation facility located in Middlesex County, Ontario (the **"Bornish Wind Energy Centre"**);

D. Suncor Energy Products Inc. is the proponent of a proposed renewable energy generation facility of up to 100 MW located in Lambton County, Ontario (the **"Cedar Point II Wind Power Project"**);

E. Kerwood Wind Inc., Jericho Wind Inc. and Bornish Wind, LP propose to jointly develop, own and operate transmission facilities, including a substation known as Parkhill CTS, (the **"Co-owned Facilities"**) that will be connected to the transmission system owned and operated by Hydro One Networks Inc., which system forms part of the IESO-controlled grid, at the proposed Evergreen Sectionalizing Station located approximately 36.5 km from Longwood TS on Hydro One Networks Inc.'s 500 kV circuit B562L (the **"Connection Point"**); and

F. Kerwood Wind Inc., Jericho Wind Inc., Bornish Wind, LP and Hydro One Networks Inc. acknowledge that the connection of the Co-owned Facilities to Hydro One Networks Inc.'s transmission system at the Connection Point pursuant to this Generation Facility Connection and Cost Recovery Agreement, and pursuant to a Connection Agreement upon execution thereof, shall be for the purpose of conveying onto Hydro One Networks Inc.'s transmission system the electricity generated by each of the Adelaide Wind Energy Centre, the Jericho Wind Energy Centre, the Bornish Wind Energy Centre and the Cedar Point II Wind Power Project, and that the capacity of said connection, being at least 383.5 MW, will be sufficient to accommodate the total generation from each of these renewable energy generation facilities.

NOW THEREFORE in consideration of the foregoing, and of the mutual covenants, agreements, terms and conditions herein contained, the parties, intending to be legally bound, agree as follows:

I. Kerwood Wind, Inc. ("Party 1"), Jericho Wind, Inc. ("Party 2"), and Bornish Wind, LP ("Party 3"), jointly and severally the **"Generator Customer"**, have requested and Hydro One Networks Inc. (**"Hydro One"**) is agreeable to performing the work required to connect the Generation Facility to Hydro One's transmission system at the Connection Point on the terms and conditions set forth in this agreement, Schedules "A" – Scope of Work- Work Chargeable to Generator Customer, "B" – Scope of Work- Work Not Chargeable to Generator Customer, "C" - Generator Connection Work, "D" - Estimated Capital Contribution, Payment Schedule and Miscellaneous, "E" – Statement of Engineering and Construction Costs, "F" – Form of Grant of Easement in Gross, "G" - Form of Access Easement, "H" - Form of Early Access Agreement, "I" – Form of Agreement of Purchase and Sale and the Standard Terms and Conditions V2012-2 attached hereto (the "**Standard Terms and Conditions**" or "**T&C**") (collectively, the "**Agreement**").

II. Each of the Generator Customer parties represents and warrants to Hydro One, and Hydro One represents and warrants to each of the Generator Customer parties, that:

(a) it is duly incorporated, formed or registered (as applicable) under the laws of its jurisdiction of incorporation, formation or registration (as applicable);

(b) it has all the necessary corporate power, authority and capacity to enter into the Agreement and to perform its obligations hereunder;

(c) the execution, delivery and performance of the Agreement by it has been duly authorized by all necessary corporate and/or governmental and/or other organizational action and does not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) result in a violation, a breach or a default under or give rise to termination, greater rights or increased costs, amendment or cancellation or the acceleration of any obligation under (i) its charter or by-law instruments; (ii) any contracts or instruments to which it is bound; or any laws applicable to it;

(d) any individual executing this Agreement, and any document in connection herewith, on its behalf has been duly authorized by it to execute this Agreement and has the full power and authority to bind it;

(e) the Agreement constitutes a legal and binding obligation on it, enforceable against it in accordance with its terms;

(f) it is registered for purposes of Part IX of the *Excise Tax Act* (Canada). The HST registration number for Hydro One is 87086-5821 RT0001 and the HST registration number for the Generator Customer parties are [redacted]; and

(g) no proceedings have been instituted by or against it with respect to bankruptcy, insolvency, liquidation or dissolution.

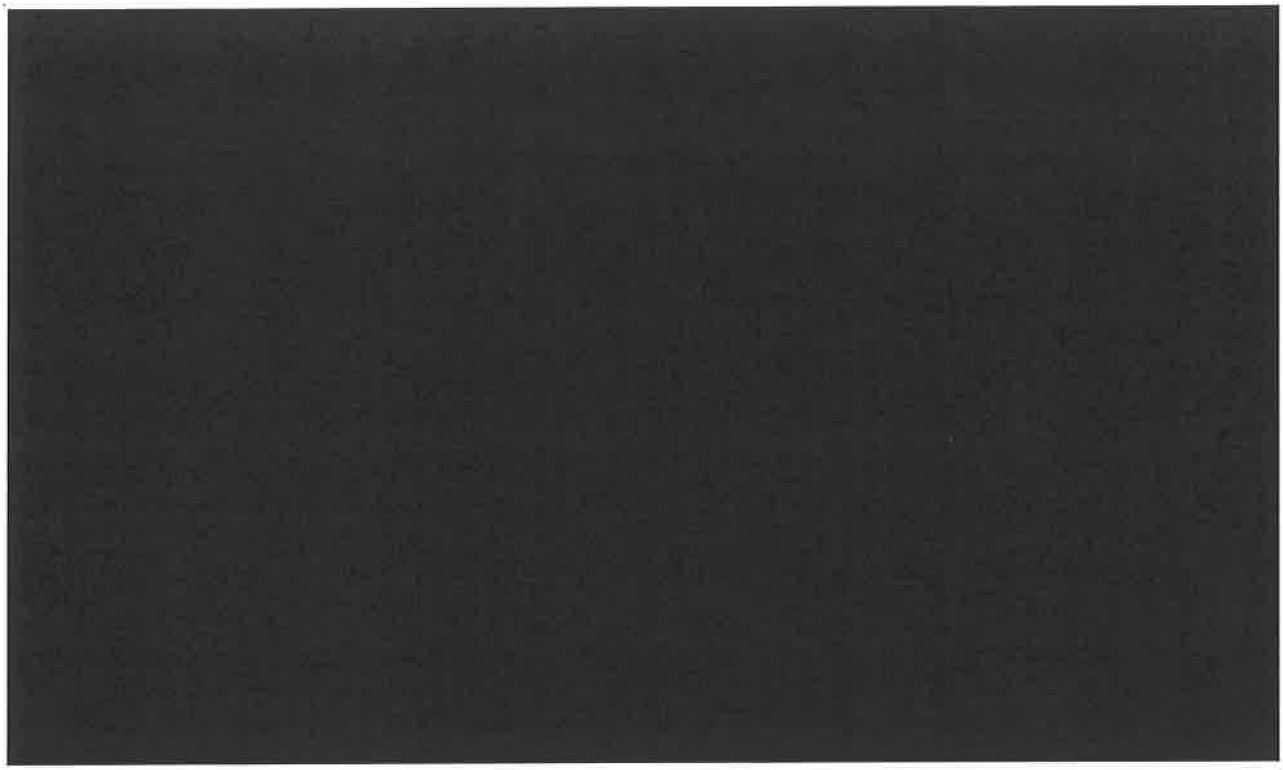
III. Hydro One shall use reasonable efforts to have:

(i) that part of the Hydro One Work required such that the Generation Customer owned substation known as Parkhill CTS may be connected to Hydro One's transmission system at 500 kV circuit B562L through the proposed Evergreen Sectionalizing Station (the "SS") that would be constructed, owned and operated by Hydro One ready for energization to feed construction power radially to the Generation Customer's Facilities (the "**Backfeed Work**) by [redacted] (the "**Backfeed Date**"); and [redacted]

(ii) that part of the Hydro One Work required to be constructed, installed, commissioned and energized in order for the Generator Customer to synchronize the Generator Customer's Facilities to Hydro One's transmission system (the "**Synchronization Work**") by [redacted] (the "**Ready for Service Date**");

provided that and subject to:

[redacted]



Any delays or inability of Hydro One to complete the Backfeed Work by the Backfeed Date or the Synchronization Work by the Ready for Service Date, on account of and subject to the conditions listed above, and any losses or damages suffered as a result of any delays associated with any of the forgoing are at the sole risk of the Generator Customer.

The Generator Customer acknowledges and agrees that the Backfeed Date and Ready for Service Date may be materially affected by delays in obtaining or the inability to obtain all necessary land rights and/or environmental approvals, permits or certificates.

The Generator Customer has notified Hydro One that its Parkhill TS will be sized to accommodate up to 100 MW of output from Suncor Energy Products Inc., being a third party generator that is developing the Cedar Point II Wind Power Project (the "**Cedar Point Project**"), that is proposed to be connected to the Generator Customer's Facilities in the future. Hydro One acknowledges that the Evergreen SS will also be sized to accommodate the output from the third party generator's Cedar Point Project. The Generator Customer acknowledges and agrees that any increase in incremental cost of the Hydro One Work for accommodating the future connection of the Cedar Point Project to the Generator Customer's Facilities will be borne by the Generator Customer and included in the Generator Customer's Capital Contribution. Hydro One shall provide the Generator Customer with an estimate of the incremental cost to connect the Cedar Point II Wind Power Project to the Evergreen SS by the Backfeed Date.

IV. Subject to Section 19 of the T&C, this Agreement shall be in full force and effect and binding on the parties as of the date first written above and shall expire on the In Service Date (the "**Term**"). The obligation to pay any amount due and payable under the terms of this Agreement shall survive the termination of the Agreement.

V. Any written notice required by this Agreement shall be deemed properly given only if either mailed or delivered to the Secretary, Hydro One Networks Inc., 483 Bay Street, North Tower, 15th Floor, Toronto, Ontario M5G 2P5, fax (416) 345-6240 on behalf of Hydro One, and Project Director, c/o NextEra Energy Canada, 390 Bay Street, Suite 1720, Toronto, Ontario, M5H 2Y2, fax (416) 364-2533, on behalf of the Generator Customer. A faxed

notice will be deemed to be received on the date of the fax if received before 4 p.m. or on the next Business Day if received after 4 p.m. Notices sent by courier or registered mail shall be deemed to have been received on the date indicated on the delivery receipt. The designation of the person to be so notified or the address of such person may be changed at any time by either party by written notice.

VI. Acknowledgements re. Appeal of Generator Customer's REA

INTENTIONALLY DELETED

VII. Acknowledgements re. Letter Agreement

Hydro One and the Generator Customer are parties to a Pre-CCRA Letter Agreement for Advance Payment of Engineering Design Work and Procurement of Certain Equipment Prior to Execution of a Generation Facility Connection and Cost Recovery Agreement for the Evergreen SS dated June 6, 2012 (the "**Letter Agreement**"):

(i) pursuant to which the Generator Customer made payments totalling [redacted] (plus HST in the amount of [redacted] (the "**Advance Payment**") for performance of the Pre-CCRA Work (as that term is defined in the Letter Agreement) (hereinafter referred to as the "**Letter Agreement Pre-CCRA Work**");

(ii) which required that the scope of the Letter Agreement Pre-CCRA Work to be performed by Hydro One would be included in the scope of work and the cost estimate under this Agreement;

(iii) which required that the Advance Payment be credited against the amounts payable by the Generator Customer under the terms of this Agreement; and

(iv) which provided that the Letter Agreement would be superseded by this Agreement.

VIII. This Agreement:

(a) subject to Section 30 of the Standard Terms and Conditions, constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior oral or written representations and agreements concerning the subject matter of this Agreement, including, but not limited to the Letter Agreement;

(ii) shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the Province of Ontario and the laws of Canada applicable therein; and

(iii) may be executed in counterparts, including facsimile counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same agreement.

[INTENTIONALLY LEFT BLANK]

IX. Obligations are Joint and Several

The obligations of the Generator Customer under this Agreement are joint and several.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by the signatures of their proper officers, as of the day and year first written above.

HYDRO ONE NETWORKS INC.

NAME: Bing Young
TITLE: Director, Transmission System Development
I have the authority to bind the Corporation.

KERWOOD WIND, INC.

NAME:
TITLE: Michael O'Sullivan
DATE: Senior Vice President
I HAVE THE AUTHORITY TO BIND THE CORPORATION

JERICHO WIND, INC.

NAME: Michael O'Sullivan
TITLE: Senior Vice President
DATE:
I HAVE THE AUTHORITY TO BIND THE CORPORATION

BORNISH WIND, LP
by its general partner, **BORNISH WIND GENERAL PARTNERSHIP**

NAME: F. Alley Wiley
TITLE: Vice President
DATE: Dec. 21, 2012
I HAVE THE AUTHORITY TO BIND BORNISH WIND GENERAL PARTNERSHIP AND BORNISH WIND GENERAL PARTNERSHIP HAS THE AUTHORITY TO BIND THE LIMITED PARTNERSHIP.

Schedule "A": Scope of Work – Work Chargeable to Customer

Hydro One will provide project management, engineering, equipment and material, construction and commissioning of new and modified Hydro One facilities for all work pertaining to the Connection of the Generator Customer's Facilities to Hydro One's transmission system and described in this Schedule "A".

The scope of the work is based on the requirements from:

- the IESO's System Impact Assessment (SIA) Report dated December 21, 2011 (CAA ID #2011-441, #2011-443, #2011-446);
- the IESO's System Impact Assessment (SIA) Addendum Report dated June 6, 2012 (CAA ID #2011-441, #2011-443, #2011-446);
- Hydro One's Customer Impact Assessment (CIA) Report dated December 20, 2011; and
- Hydro One's Customer Impact Assessment (CIA) Addendum Report dated June 8, 2012.

Hydro One, or its agents, will supply and install all materials and equipment not specifically described herein that are required or may be necessary to complete the work for the purpose required.

Introduction:

The Generator Customer is developing 283.5 MW of wind energy generation from three separate wind energy projects. Party 1 is developing the 60 MW Adelaide Wind Energy Centre (WEC), Party 2 is developing the 73.5 MW Bornish WEC, and Party 3 is developing the 150 MW Jericho WEC. Party 1's and Party 2's 34.5 kV collection systems are located in Middlesex County, and Party 3's 34.5 kV collection system is located in Lambton County. The interconnection to Hydro One will also be located in Middlesex County, in the Municipality of North Middlesex. The Generator Customer is proposing to connect to Hydro One's transmission system through two new step-up transformers via a new 500 kV class switching station that will sectionalize circuit B652L, approximately 36.5 km from Longwood TS. The switching station will be called Evergreen SS. Evergreen SS will be located just west of and adjacent to Hydro One's B562/563L Right-Of-Way (ROW).

The Generator Customer will collect the output of all three WECs into a new 115 kV class Customer Switching Station (CSS) named Bornish CSS. Bornish CSS will be owned and operated by the Generator Customer. The station will consist of a four breaker ring bus and will be located in the Municipality of North Middlesex. From Bornish CSS an approximately 11.4 km, 115 kV nominal transmission line will transfer the generated power to the Generator Customer's Customer Transformer Station ("CTS") named Parkhill CTS. Parkhill CTS will be located in close proximity (67 m) to Evergreen SS. At Parkhill CTS, the power will be transformed to 500 kV nominal via two 525/121/27.6 kV 135/180/225 MVA transformers. The 500 kV bus at Parkhill CTS will connect to the new Hydro One 500 kV bus Evergreen SS.

The Generator Customer has notified Hydro One that its Parkhill TS will be sized to accommodate up to 100 MW of output from Suncor Energy Products Inc., being a third party generator that is developing the Cedar Point II Wind Power Project, that is proposed to be connected to the Generator Customer's Facilities in the future. Hydro One acknowledges that the Evergreen SS will also be sized to accommodate the output from the third party generator's Cedar Point II Wind Power Project. The Generator Customer acknowledges and agrees that any increase in incremental cost of the Hydro One Work for accommodating the future connection of the Cedar Point II Wind Power Project to the Generator Customer's Facilities will be borne by the Generator Customer and included in the Generator Customer's Capital Contribution.

Part 1: Line Work

Hydro One will perform the following activities and/or provide the following deliverables associated with Lines Engineering work related to the construction of Evergreen SS, the connection of the Generator Customer's Facilities to Evergreen SS and the connection of Evergreen SS to Hydro One's transmission system: .

Evergreen SS – Connection to Transmission System:

Sectionalize existing circuit B562L Activities:

- Sectionalize circuit B562L into two new sections known as B562E and E564L as shown in Figure 1 below.

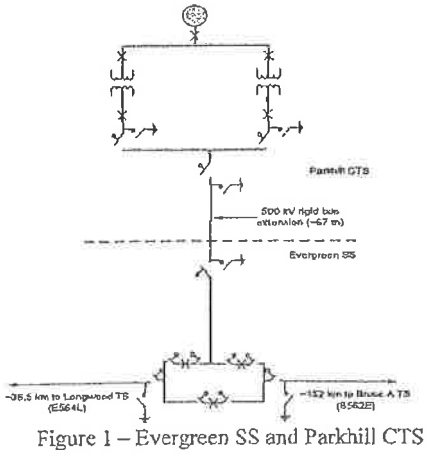


Figure 1 – Evergreen SS and Parkhill CTS

- Temporary move middle phase of circuit B562L on tower #562 towards tower shaft, reinforce middle arm to accommodate change as required
- Construct one (1) new dead-end tower similar to V1H-A (+10' ext) approximately 23 m (c/c) from existing tower #562, with additional arms to provide line drop and loop support
- After new dead-end tower is built, dead-end circuit B562L on the new tower; existing tower will carry circuit B563L only, transfer one sky wire to new dead-end tower
- Check the integrity of existing tower structures, making modifications where necessary
- Design and install foundations and structures

High Voltage Line Drops and Intermediate Tapping Structures:

For B562E section:

- Design and provide high voltage line drops into Evergreen SS by building three (3) new tapping structures
- String all three phases from one end of new dead-end tower structure to 3 new tapping structures and then on to the 500 kV ring bus.

For E564L section:

- Design and provide high voltage line drops into Evergreen SS by stringing all three phases from one end of new dead-end tower structure to the other and then on to 500 kV ring bus.
- Size the new 500 kV line tap conductors to be at least 4-bundle 585 kcmil, with skywire to be 7#5.
- Provide and install insulators and line hardware required for line tap work.

1.1 General

The specific line engineering work will cover the following activities /deliverables to be performed/provided by Hydro One:

- Design and prepare drawings for line layout for the 500 kV line taps into Evergreen SS
- Optimize line tap location, orientation and type of structures
- Design line tapping arrangement and produce line tapping drawings
- Provide sag and tension for conductor and ground wire
- Design and prepare drawings footings, structural, and electrical/hardware
- Where Hydro One deems necessary, install appropriate solutions to address public safety concerns regarding the facilities being constructed by Hydro One, which may include, but is not limited to, safety enclosures and signage.
- Update all existing drawings as required
- Provide bill of materials for engineered line components
- Provide final design documents including registration into SAP
- Provide technical support to construction
- Participate in project team meetings
- Prepare stringing charts as required

Assumptions/Notes:

i. Ownership of required lands on commercially reasonable terms are obtained and easements where/ if required, are in place.
ii. That normal, stable soil conditions exist and soil erosion and sediment controls will not be required at the new dead-end tower or tapping structures. Soil condition suitable for augered/spread footings,
iii. That there is no pipeline at the new dead end or tapping tower structure locations
iv. That there is no low voltage line interfering with the new structure designs
v. If Mid-Span Opener's (MSO's) required, will be at locations that are easily accessible by line-repair or bucket truck
vi. Outages are available when required.
vii. Access to the site is available,
viii. Build temporary access road if required,
ix. Orientation of line entrance structures inside station fence suitable for line angle, and
x. Hydro One does not have to perform a full class Environmental Assessment or an individual Environmental Assessment in respect of all or any portion of the Hydro One Work.

Evergreen SS – Connection to Parkhill CTS:

Assumptions/Notes:

i. Hydro One will provide a 500 kV interface structure complete with under-hung bus work near the motorized line-disconnect switch in Evergreen SS for the connection to the Generator Customer Facility. The 500 kV rigid bus between the Generator Customer Facility switchyard, Parkhill CTS, and Hydro One's Evergreen SS will be supplied by the Generator Customer complete with insulation, foundations, support structures and ground grid.

ii. There is approximately 67 m between Parkhill CTS and Evergreen SS.

iii. The demarcation is to be at Evergreen SS property line. The Generator Customer will assume ownership of the interface 500 kV bus extension, as well as the land between Parkhill CTS and Evergreen SS.

Part 2: Station Engineering

Hydro One's Evergreen SS 500 kV switchyard will consist of three 500 kV circuit breakers that will sectionalize the Bruce x Longwood B562L circuit at tower #562 approximately 36.5km from Longwood TS into the following sections B562E and E564L, refer to Figure 1 and 2. Evergreen SS includes, but is not limited to, three 500 kV circuit breakers, motorized line disconnect switches, breaker disconnect switches, ground switches, permanent building housing protection, control and telecommunication ("PC&T") equipment, station service facilities, CVT's and 500 kV bus work.

Hydro One will perform the following activities and/or provide the following deliverables associated with Station Engineering work related to the construction of Evergreen SS, the connection of the Generator Customer's Facilities to Evergreen SS and the connection of Evergreen SS to Hydro One's transmission system:

2.1 500 kV class Station Work:

- Design, provide and install all 500 kV buswork (including 8" rigid bus and /or strain conductor) to 63 kA symmetrical short-circuit current, 1800 kV BIL and a continuous summer rating of 4000A;
- Provide and install three (3) 500 kV class circuit breakers rated up to 570 kV maximum continuous operating voltage, 2 cycles rated interrupting time, 4000A, and at least 50 kA symmetrical short circuit current;
- Provide and install six (6) 550 kV, three phase, motor operated breaker disconnect switches;
- Provide and install two (2) sets of 500 kV, three phase, motor operated line disconnect switches complete with motor operated ground switch on the jaw side of the main switch, as line disconnect switches for incoming 500 kV circuits.
- Provide and install six (6) single phase, 500 kV motor operated interrupter type ground switches, three for each incoming 500 kV circuit.
- Provide and install one (1) 500 kV three phase motor operated disconnect switch complete with an air break, motor operated ground switch on the jaw side of the main switch which isolates Evergreen SS from Parkhill CTS
- Design, provide and install the AC &DC station service sources and associated equipment, specifically two (2) 1000 kVA, 27.6 kV/600 V AC station service transformers
- Provide and install one (1) 500 kV permanent relay building with two (2) relay rooms, two DC SS rooms, two AC SS rooms, two battery rooms and one Office/P&C Documentation Room – only the shell c/w all required electrical, mechanical and sanitary services;
- Design, provide and install cable trench systems (for A and B P&C&T Systems).
- Design, provide and install lightning protection.
- Design, provide and install foundations and structures.
- Provide and install approximately 362 station post insulators rated at 500 kV and 1800 kV BIL.
- Provide and install nine (9) 500 kV CVT's
- Design, provide and install facilities for connection of a non-permanent Diesel generator as a third AC station service source.
- Provide Project Management throughout the project.

2.2 Evergreen SS Civil

2.2.1 General

- Design and prepare site for Evergreen SS substation construction including but not limited to grading (Hydro One to cooperate with County/Municipal requirements), drainage, culverts and chain link fence with gate.

- Provide land grading ensuring a level base for construction work for new substation
- Design and prepare drawings for station & relay building layouts, single line diagrams, grading of station, station drainage, foundations and structures etc.
- Prepare design packages, reports as built documentation etc. required to obtain construction approvals and operation permits
- Provide and install manholes, storm sewer, sub-drains and crushed stone.
- hydro-seed/sod station perimeter.
- Perform chemical analysis of soil samples on excavated soil to be disposed
- Review equipment manufacturers drawings
- Create bill of material and request purchasing of material
- Participate in commissioning of civil work

Assumptions/Notes/Risks:

i. The unencumbered construction access road from Nairn Road to the Evergreen SS site property line as specified by Hydro One will be built by the Generator Customer by [redacted] to allow Hydro One to commence the Hydro One Work on [redacted]. This construction road will become the permanent access road for both Evergreen SS and Parkhill CTS after completion of construction. Generator Customer to pave road by end of construction period.
ii. Although site for Evergreen SS was selected to accommodate the quantity of land requirements of the ultimate stage of the station, this estimate only deals with the design and installation of the initial stage of the station.
iii. Estimate based on Generator Customer's topographic survey.
iv. Estimate assumes the excavated soil is not contaminated and is subject to on-site storage. Soil chemical tests to be conducted to confirm soil chemical properties.
v. Geotechnical study was unavailable at the time of the estimate preparation. Soil & groundwater conditions assumed normal (no soil reinforcement or de-watering is required). Subsoil assumed of medium permeability thus requiring sub-surface drainage. The Generator Customer's Geotechnical Study results and report will be provided to meet construction timelines
vi. Depth of topsoil is assumed to be 0.3m.
vii. No basement/crawling space, no washroom in the proposed relay building.
viii. The type of relay building does not require on-site fire-prevention water supply.
ix. Municipal (site) and MOE approvals are required. Municipality may also require review/permits by other regulatory authorities.
x. Environmental Compliance Approval (ECA) for drainage is required.
xi. Soil conditions at proposed location can support spread type footings or augered type footings.
xii. Second source of AC station service to be provided by the Generator's via their 27.6 kV tertiary of one of their autotransformers at Parkhill CTS and brought to the edge of the Evergreen SS site.
xiv. Alstom confirmed their 500 kV switches can operate continuously up to 570 kV, hence switchyard designed using all 500 kV rated disconnect switches.
xv. Station designed to comply with the physical separation of "A" and "B" protection and control equipment and associated cabling.
xvi. No underground facilities such as utility feeders or gas lines which would affect the proposed construction.
xviii. That archaeological assessment will be completed by the Generator Customer for land area identified as Evergreen SS including land under the power lines at the connection to circuit B562L.
xix. Risk: Assumed that the local municipality will not question the proximity of the proposed station to the water channel north of the site. Otherwise the station may have to be relocated further south.
xx. Risk: The proposed station may appear within the flood plain. If so, station relocation, elevation of the station finish grade and flood protection measures may be required.
xxi. Risk: The regulatory authorities may require an installation of water quality control structure at the drainage outlet since the site runoff will be discharged directly to the creek. This will add approximately $100 k to the final cost, with no schedule impact.

2.2.2 Structural

- Design station main electrical equipment, physical layout plans, drawings, and design brief for civil and structural design specification documents
- Prepare civil and structural specifications for substation above-ground main electrical and ancillary equipment and facilities
- Prepare civil and structural specifications for substation below ground services and foundations
- Provide bus support structures, line terminating structure, CVT and foundations to accommodate the new equipment
- Carry out a Geotechnical study if the Generator Customer's Geotechnical Study Report unavailable or unsuitable, if required will impact project timeline

2.2.3 AC Service

- Provide a 3-phase, 27.6 kV rural feeder (5-8 km overhead extension) to Evergreen SS as an AC station service source.
- Supply and install cables for breaker's AC power supply in cable pan and/or prefabricated cable trench;
- Provide and install Automatic Transfer Switch (ATS) and associated enclosure;
- Provide relay settings for ATS;
- Supply and install AC Station Service Voltage Transformers (SSVT),
- Provide and install station service transformer, fuse, load break switch, AC distribution panel board as required for station service;
- Coordinate AC station service 3 phase, 27.6 kV with Generator Customer's Parkhill CTS and with Generator Customer and Hydro One Distribution as required, any feeder line easements required will be obtained by the Generator Customer in accordance Part 10 of Schedule C.

2.2.4 Grounding

- Design, provide and install ground grid to achieve safe GPR and step and touch potentials in compliance with the requirements of the Code, and
- Carry out grounding study and GPR study.

Part 3: Protection and Control Engineering

Hydro One will perform the following activities and/or provide the following deliverables associated with Protection Engineering work related to the connection of the Generator Customer's Facilities to Evergreen SS and the connection of Evergreen SS to Hydro One's transmission system:

3.1 Evergreen SS

- Design, provide and install "A" and "B" protections for the 500 kV circuit B562E.
- Design, provide and install "A" and "B" protections for the 500 kV circuit E564L.
- Design, provide and install OV/LEO protection for 500 kV circuit B562E
- Design, provide and install OV/LEO protection for 500 kV circuit E564L
- Design, provide and install "A" and "B" protections for the line running between Evergreen SS and Parkhill CTS. Protection scheme to be a duplicated two-ended line current differential protection scheme. "A" group to use GE L90 and "B" group to use Schweitzer SEL-311L relay modules.
- Design, provide and install 500 kV breaker "A" and "B" protection relay modules for the three 500 kV breakers at Evergreen SS. Protections to include but not limited to: Breaker Failure protection, Reclose and Trip protection modules.
- Design, provide and install "A" and "B" Special Protection System (SPS) protection modules for logic and interface to the BSPS
- Design, provide and install "A" and "B" protection modules to generate trip signals to send to the Generator Customer's Parkhill CTS to trip either both their 500 kV and/or both 121 kV transformer breakers in the event Evergreen SS breakers exhibit breaker failure or are otherwise not able to clear a fault.
- Design, provide and install "A" and "B" protection modules to receive trip signals from the Generator Customer's Parkhill CTS to trip relevant 500 kV breakers at Evergreen SS in the event Parkhill CTS 500 kV breakers exhibit breaker failure or are otherwise not able to clear a fault.
- Design, provide and install "A" and "B" fuse & link racks for CT/CVT cabling inputs from CVTs and breaker bushing mounted CTs.
- Design, provide and install "A" and "B"; groups DC station service systems.
- Design, provide and install "A" and "B" groups AC station service systems.
- Design, provide and install DC ground detection modules
- Design, provide and install DC Distribution & Monitoring, and Disturbance Fault Recorder (DFR) cabinets.
- Design, provide and install cable runs from the relay building to: 500 kV breakers, disconnect switches, ground switches and CVTs
- The Bruce Special Protection System (BSPS) (G/R) signals will pass through Evergreen SS to the Generator Customer's Parkhill CTS. Upon receiving the BSPS (G/R) signals the Generator customer must

trip both their 500 kV and 121 kV transformer breakers or as per IESO instruction.

3.2 Bruce A TS

- Modify B562L (B562E) "A" and "B" line distance protection relay modules to account for Evergreen SS.
- Modify B562L (B562E) LEO (Line End Open) line protection relay modules and associated breaker protections to account for Evergreen SS.

3.3 Bruce B SS

- Modify existing BSPS equipment to accommodate the addition of Evergreen SS.
- Modify "A" and "B" BSPS interfaces into the BSPS's Bruce Local and Inter-area Stability (BLIS) scheme to account for Evergreen SS.
- Provide the capability to generate Generation Rejection (G/R) signals (A&B plus their duplicates) from the BSPS for rejection of Parkhill CTS and its associated wind farm connections.

3.4 Longwood TS

- Modify B562L (E564L) "A" and "B" line distance protection relay modules to account for Evergreen SS
- Modify B562L (E564L) LEO line protection relay modules and associated breaker protections to account for Evergreen SS.
- Design and provide a new "B" LEO/SPS protection relay modules for the 500 kV circuit E564L for LEO status into the BSPS/BLIS.

3.5 General

The specific Protection and Control Engineering work will cover the following activities/deliverables:

- Design and issue Elementary Wiring Diagrams (EWDs), Connection Wiring Diagrams (CWDs) and electrical arrangement (E/A) drawings for Bruce A TS, Evergreen SS, Longwood TS and Bruce B SS
- Revise existing drawings including reviewing drawings provided by the relay manufacturers
- Procure protection equipment
- Revise all single-line diagrams to show new protection changes
- Prepare and issue Protection Description document
- Issue new protection settings
- Revise control building E/A at Bruce A TS, Evergreen SS, Longwood TS and Bruce B SS to show new equipment arrangement
- Issue new cable lists
- Co-ordinate between relaying, control, metering, drafting, field P&C and construction
- Participate in project meetings and site visits
- Provide technical support to field P&C
- Mark and forward all FMPs to head office for final issue of 'As Built'
- Perform COVER activities during commissioning
- Provide to the Generator Customer, all necessary information on Evergreen SS required by the Generator Customer's engineers for preparation of relay settings, fault calculations and logic.
- Review documents and drawings of the Generator Customer's protection equipment, single lines, Elementary Wiring Diagrams (EWD) drawings, relay settings and other interface documentation.

Assumptions/Notes:

i. All protection work at Parkhill CTS and all other wind energy facilities within Adelaide WEC, Bornish WEC and Jericho WEC, is the responsibility of the Generator Customer. Hydro One may help coordinate commissioning of the line protections with the Generator Customer.

ii. The physically and geographically diverse fibre telecom links (A main, A alternate, B main and B alternate) will be available between Evergreen SS and the Generation Facility to facilitate the new differential protection. The Generator Customer to provide these telecom links.

iii. Hydro One will not perform protection design duties/activities for the Generator Customer or their designated consultant.

iv. Outages are available when required.

v. Although Evergreen SS has been designated as essential to the power system by the IESO, as

currently assessed it has been found not to be part of the Bulk Power System (BPS) at this time. However Evergreen SS must participate in the Bruce Special Protection System "BSPS" and thus its protection system must comply with NPCC Directory #7 for special protection systems, protections must be redundant and physically and geographically diverse.

vi. Existing Longwood TS, Bruce A TS and Bruce B SS stations are all NPCC BPS facilities; hence standard "A" and "B" protective relaying is to be provided at these stations with full duplication and separation for those existing facilities that are NPCC BPS in accordance with NPCC criteria for such facilities.

Part 4: Teleprotection Engineering

Hydro One will perform the following activities and/or provide the following deliverables associated with Teleprotection Engineering work related to the connection of the Generator Customer's Facilities to Evergreen SS and the connection of Evergreen SS to Hydro One's transmission system: :

4.1 Evergreen SS

- Design, provide and install teleprotection channels to facilitate Permissive/Transfer Trip (PT/TT), Line End Open (LEO) and Bruce Special Protection System Generation Rejection (BSPS G/R). Both A & B protection systems to use redundant (Main & Alternate) teleprotection and telecommunication paths.
- For B562E main path to Bruce A TS: design, provide and install RFL IMUX over digital microwave + existing SONET for connection through Longwood TS for connection to Bruce A TS
- For B562E alternate path to Bruce A TS: design, provide and install NSD570 technology over Power Line Carrier (PLC) for connections to Bruce A TS
- For E564L main path to Longwood TS: design, provide and install Contact Transfer Modules (CTM)/RFL IMUX over digital microwave for connection to Longwood TS
- For E564L alternate path to Longwood TS: design, provide and install NSD570 technology over PLC for connection to Longwood TS.
- For line differential protection: design, provide and install main and alternate paths to Parkhill CTS using dark fibre.
- For BSPS G/R signals to Parkhill CTS: design, provide and install CTM over the dark fibre

4.2 Bruce A TS

- Reconfigure all associated BSPS teleprotection outputs associated with B562L; decommission all teleprotection equipment/drawings/alarms associated with B562L.
- For B562E main path to Evergreen SS: design, provide and install on RFL IMUX over digital microwave + existing SONET for connection through Longwood TS for connection to Evergreen SS
- For B562E alternate path to Evergreen SS: design, and install NSD570 technology over PLC for connection to Evergreen SS

4.3 Longwood TS

- Reconfigure all associated BSPS teleprotection outputs associated with B562L; decommission all teleprotection equipment/drawings/alarms associated with B562L.
- For E564L main path to Evergreen SS: design, provide and install CTM/RFL IMUX over digital microwave for connection to Evergreen SS
- For E564L alternate path to Evergreen SS: design, provide and install NSD570 technology over PLC for connection to Evergreen SS.
- For B562E main path to Bruce A TS: design, provide and install RFL IMUX over digital microwave for connection from Evergreen SS through Longwood TS for connection to Bruce A TS

4.4 Bruce B SS (site of the BSPS)

- Reconfigure all associated BSPS teleprotection outputs associated with B562L.
- For BSPS G/R (A&B) signals main path to Parkhill CTS: design CTM over existing RFL IMUX over existing digital microwave & SONET to Longwood TS; then over digital microwave radio link to Evergreen SS; and then using

SEL-2595 CTM over the dark fibre to Parkhill CTS.

- For BSPS G/R (A&B) signals alternate path to Parkhill CTS: (re) design on existing RFL IMUX digital teleprotection channel to Bruce A TS; then NSD570 technology over PLC to Evergreen SS; and then using SEL-2595 CTM over the dark fibre to Parkhill CTS

4.5 General

The specific Teleprotection Engineering work will cover the following activities/deliverables:

- Provide overall system and specific site design
- Provide a complete design package as per applicable standards
- Provide connection to Telco
- Provide alarm points (SCADA) for Hydro One sites
- Produce associated P/Rs,
- Produce new drawings as required
- Revise/Approve site Drawings
- Review/approve any field design changes and process FMPs
- Prepare NOMS and change request tickets (as required) for HOT and Hydro One outages
- Provide information to Protection Engineering to complete protection EWD/CWDs
- Provide technical assistance to Field P&C and Station Construction with test and commissioning procedures
- Participate in project and coordination meetings;
- Attend site meetings as required; and
- Final commissioning and end to end testing of the teleprotection and G/R systems will be a joint effort of the Generator Customer's staff and Hydro One P&C personnel

Assumptions/Notes

i. Estimate includes removals or modification of existing 937 tone and PLC carrier equipment.

ii. Assumes that there will no longer be direct PLC channels between Bruce A TS and Longwood TS

iii. Status of B562E and E564L must be modeled in the BSPS and thus Evergreen SS teleprotection channels are to be provided with full duplication and separation in accordance with NPCC criteria.

iv. Generator Customer must participate in the BSPS Generation Rejection scheme thus Parkhill CTS telecommunication and teleprotection interfacing with Hydro One to be provided with full duplication and separation in accordance with NPCC criteria.

Part 5: Control Work (SCADA)

Hydro One will perform the following activities and/or provide the following deliverables associated with Control Engineering work related to the connection of the connection of the Generator Customer's Facilities to Evergreen SS and the connection of Evergreen SS to Hydro One's transmission system:

5.1 Evergreen SS

- Design, provide and install new SCADA LAN infrastructure at the 'A' and 'B' PC&T rooms at Evergreen SS PC&T building to accommodate new status/measurement quantities/alarms

5.2 Bruce A TS

- Modify existing 500 kV Bulk Electricity System (BES) SCADA LAN infrastructure to accommodate modified "A" and "B" protections
- Modify existing station RTU to include hard-wired protection and new-protection status/alarms

5.3 Longwood TS

- Modify existing 500 kV Bulk Electricity System (BES) SCADA LAN infrastructure to accommodate modified "A" and "B" protections
- Modify existing station RTU to include hard-wired protection and new-protection status/alarms
- Modify the Transmission Network Management System (NMS) gateway configuration at Longwood TS for the incorporation of Evergreen SS and the Generator Customer SCADA data.

5.4 General

- Design and issue drawing production to reflect RTU changes – Electrical Arrangements (E/A), Elementary Wiring Diagram (EWD) and Connection Wiring Diagram (CWD).

- Preparation of telemetry tabulation of functions in conjunction with protection, telecom, electrical and other groups to determine point requirements for new and modified facilities at Evergreen SS, Bruce A TS and Longwood TS.
- RTU configuration and hardware expansion as required, on-site testing and commissioning in conjuction with field P&C, provision/facilities of SCADA master database changes.
- Modify/expand existing SCADA LAN infrastructure and other necessary SCADA equipment to support the Generator Customer activities such as SCADA point review/validation and NMS submission to Hydro One's OGCC in Barrie.
- Provide hubsite support and point verification testing.
- Meet IESO requirements related to new assets as required.
- Assist the Generator Customer to ensure all real-time telemetry facilities comply with Hydro One requirements.
- Prepare bill of materials for new equipment for use in material requisitions
- Participate in Project Meetings
- Prepare Documentation

Assumptions/Notes:

i. SCADA data is provided by the Generator Customer in a timely manner.

ii. At Parkhill CTS, "Communication Channel Failure" alarms shall annunciate to the control system of the Generation Facility. If both communication channels fail at the same time then the Generator Customer shall be required to disconnect from the transmission system (Evergreen SS).

iii. Programmable Synchrocheck relays required at Evergreen SS for manual closing of breakers from OGCC.

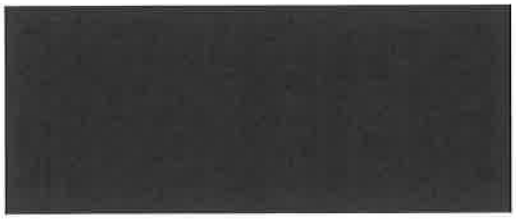
iv. The preferred method of SCADA connectivity would be a direct ICCP (Inter-Control Center Communications Protocol) connection from the Generation Facility to OGCC. However DNP to Longwood TS hub-site will be acceptable as an alternative option. Hydro One will provide notice to the Generator Customer when the hub-site facility is being decommissioned and the Generator Customer must migrate to ICCP.

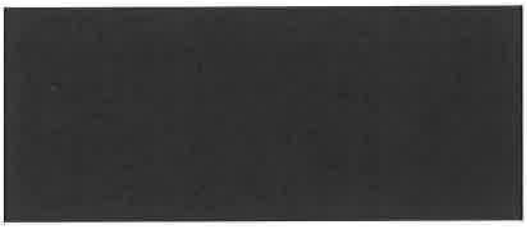
v. The Generator Customer shall arrange and pay for a Leased S4T4 circuit from Parkhill CTS to Longwood TS to transmit SCADA quantities to Hydro One. The Generator Customer is to procure, pay all costs and will be fully responsible for this circuit.

Part 6: Telecommunication Engineering

Hydro One will perform the following activities and/or provide the following deliverables associated with Telecommunication Engineering work related to the connection of the Generator Customer's Facilities to Evergreen SS and the connection of Evergreen SS to Hydro One's transmission system:

6.1 Evergreen SS

- Main telecom path for B562E (between Evergreen SS and Bruce A TS) to be digital microwave radio and Hydro One SONET via Longwood TS
- Alternate telecom path for B562E (between Evergreen SS and Bruce A TS) to be Power Line Carrier (PLC) on B562E
- Main telecom path for E564L (between Evergreen SS and Longwood TS) to be digital microwave radio
- Alternate telecom path for E564L (between Evergreen SS and Longwood TS) to be Power Line Carrier (PLC) on E564L
- Main telecom path to Parkhill CTS: Install one 48 fibre single mode cable from the 500 kV PC&T Building to the demarcation point for routing to the Generator Customer's Facilities (Notes i & ii);
- Alternate telecom path to Parkhill CTS: Install one 48 fibre single mode cable from the 500 kV PC&T Building to the demarcation point for routing to the Generator Customer's Facilities (Notes i & ii);
- 
- Install new digital PLC on E564L for Evergreen SS SCADA to Longwood TS hub-site as the alternate path for Evergreen's SCADA data.

- Install one 24 fibre multimode cable for Parkhill CTS SCADA and other real time data to Evergreen SS to use by Evergreen SS (Notes i & ii)
- Install a 50 pair Bell metallic cable entrance which will terminate in Opto-isolators located in the 500 kV PC&T building for a station voice circuit phone.
- Install a new communication (~70 m) tower at Evergreen SS to support the microwave radio link to Longwood TS (one licensed space diversity 7GHz link between Evergreen SS and Longwood TS). Microwave radio link to have 16 x DS1 capacity.
- 
- Conduct a GPR study for Evergreen SS
- Physical security material to be provided and installed.

3.2 Longwood TS

- Install analog modem at Longwood TS that will connect to Parkhill CTS via S4T4 circuit for transmission of SCADA quantities

3.3 General:

- Prepare Fibre Design and Installation Packages (DIP) for cable routing, trenching, room layouts, and rack configurations. DIP will also contain the Fibre Patch Panel Access (FFPA) port assignments, splicing, labelling and fibre testing.
- Prepare a DIP for MW radio and associated waveguide, antenna, T1 multiplexers, Security Communication Equipment and SCADA circuitry.
- Prepare or revise Telecom circuit schematic drawings for Evergreen SS, Bruce A TS and Longwood TS
- Prepare and submit radio license requests to Industry Canada
- Prepare and submit microwave tower approvals to NAV Canada and Transport Canada.
- Conduct interference study with Frequency Coordination System Association (the "FCSA")

Assumptions/Notes:

i. Demarcation points for telecom links between Parkhill CTS and Evergreen SS to be buried pull boxes located just outside Evergreen SS property. Hydro One to provide pull boxes.

ii. To avoid splicing the fibres, the Generator Customer to provide fibre plus slack for extension from the pull boxes into the Evergreen SS relay building. The Generator Customer to coil the slack at the demarcation point pull boxes for Hydro One to pull and terminate into Evergreen SS relay building. Note the pull boxes are able to hold a splice box if splicing is required. Demarcation sites to be confirmed/settled during execution phase.

iii. Demarcation of the metallic cable is the remote side of the optical isolator.

iv. The Generator Customer is responsible for procurement and monthly fees of the main and alternate communication circuits at Parkhill CTS site.

v. The existing communication tower at Longwood TS is structurally capable of handling the load of new antennas. If not, structural reinforcement may be required.

Part 7: Revenue Metering

Hydro One will perform the following activities and/or provide the following deliverables associated with Revenue Metering work related to the connection of the Generator Customer's Facilities to Evergreen SS and the connection of Evergreen SS to Hydro One's transmission system:

- H1 Distribution will install their Retail standard metering (most likely on the last pole before entering the Evergreen SS station)
-

Part 8: Environmental Engineering

Hydro One will perform the following activities and/or provide the following deliverables associated with Environmental Engineering work related to the construction of Evergreen SS, the connection of the Generator Customer's Facilities to Evergreen SS and the connection of Evergreen SS to Hydro One's transmission system::

- For the transmission line tap and Evergreen SS only, Hydro One will provide all environmental engineering planning, design and construction stage services and ensure that all environmental aspects of this project are in, and remain in compliance with all applicable

federal, provincial and municipal legislation, and with all Hydro One's internal policies, procedures and HODS (Hydro One Document System) documents.

- For the transmission line tap and Evergreen SS only, Hydro One will perform the work required to obtain all environmental permits and approvals, including the full Class EA via the EA Screen-out process. Hydro One will not file its EA Screen-out Report until such time as the Ministry of Environment has issued the Generator Customer's REA .
- Provide construction support by advising on compliance with EA requirements/commitments, and responding to environmental issues, helping to minimize environmental effects and arrange for remedial action where appropriate.
- Review Generator Customer's environmental documents/specifications as required.
- Monitor environmental impact during construction
-
- Estimate includes 1 Public Information Centre plus additional tasks as required.
- Soil testing and laboratory assessment as required to identify any potential soil contamination.
- Graphics and photo simulations to support EA and PIC, supporting communications products for PIC such as panels, brochures, newspapers, advertisements and notification mail outs, if required.
- Perform Heritage Assessment, if required
- Provide landscape PIC graphics and simulations, if required
- Provide landscape design and drafting.
- Provide Station Emergency Response Plan (ESP)

Assumptions/Notes:

i. If required, an Environmental Compliance Approval (ECA) for drainage will be obtained by Hydro One in accordance with required timeline;
ii. Estimate prepared based on the site selected by the Generator Customer for their project
iii. A building permit for the PC&T buildings is required and will be obtained by Hydro One in accordance with the required timeline.
iv. Hydro One will not have to perform a full class Environmental Assessment or an individual Environmental Assessment;
v. Hydro One is able to rely upon and use the Generator Customer's Environmental and Archaeological Studies, Provincial and Federal Agency Feedback, Notifications and Consultation Records for the purposes of Hydro One obtaining any environmental approvals, permits or certificates required in respect of all or any portion of the Hydro One Work;
vi. That no federal or provincial land is involved triggering a Federal EA or the requirement for an MNR work permit respectively;
vii. That there are good access roads for connection of the Generation Facility to Evergreen SS and that no water crossing will be needed; and
viii. That the Generator Customer completed and that the Ministry of Culture accepted an archaeological assessment report (Stage I and Stage II and Stage III if required) for the access roads and tap connection location (Evergreen SS) submitted by the Generator Customer for this project, prior to the start of construction, which report will support the Class EA screen-out to be prepared by Hydro One for the connection facilities.
ix. No significant natural environmental issues
x. Work will not require Species at Risk permits
xi. Estimates do not include funding to address Real Estate and First Nation issues that arise following execution.
xii. No provision has been included for issues associated with specific property ownership concerns.
xiii. Estimate assumes that Legal right to enter properties for survey purposes (legal, soil, biological and archaeological) will be obtained in a timely manner and in a voluntary entry bases.
xiv. Estimate assumes that Hydro One OEB Section 92 approval is not required.
xv. Additional studies/information requests by regulatory agencies are not included.
xvi. Any requirements for archaeological assessments are not included in this estimate.
xvii. Municipal, regional and MOE approvals will be obtained in a timely fashion.
xviii. Recommendations stated in the Generator Customer's archaeological assessment will be accepted by the Ministry of Culture Tourism and Sport.
xix. There is only one new relay building required.
xx. No Municipal Site Plan Approval is required.
xxi. No Storm Water Management Plans are required.
xxii. Building Permit costs are estimates only and will vary depending on municipality and/or township.
xxiii. Risk: Project schedule may change if the proponent requires a Stage 4 Archaeology Assessment.
xxiv. Risk: Project delays if not given enough lead time for the environmental permits, license and approvals mentioned in this estimate.

7.2 Refer to Schedule C – paragraph 10 for Generator Customer REA requirements.

Part 8: Field Services

Hydro One will perform the following activities / provide the following deliverables associated with Field Services work:

8.1 Construction and Commissioning Services

- Construct and commission system in accordance with the approved design: "MOE Certificate of Approval-Industrial Sewage Works" and "Environmental Specification" where applicable
- Hold Commissioning and Transfer of Control meeting on-site with the Commissioning Team as per SP0364
- Complete and provide Grid Ops with the following as part of project commissioning:
  - Commissioning Meeting Report
  - Field Report of Placing Equipment in Service form
  - Transfer of Control of Equipment form
  - Update C of A system Operating and Maintenance Manual where applicable
- Update Station's Emergency Response Plan (including associated drainage sketch(s)) and/or Fire Safety Plan as appropriate
- Provide digital picture log of key system component construction/installation
- Define Outage Plan and arrange for appropriate outages
- Provide construction management including removal and installation of all materials and equipment on site, and
- Provide Health and Safety training to Construction Staff on site in accordance with Hydro One's Policies.

Assumptions/Notes:

i. The O&M Manual must include a complete updated drawing package. If the revised drawings are not available at the time of the commissioning meeting, two (2) copies of field mark prints of systems and drainage works must be provided to Grid Ops at the commissioning meeting with the revised O&M Manual drawings to be provided within 1 month of the commissioning meeting

ii. The O&M manual must include original manufacturers' manuals, vendor contact and equipment-order information for all installed electrical/mechanical equipments such as pumps, nivotesters, relays, probes, floats, etc...

iii. All nameplate data are to be documented and supplied as part of the O&M Manual package

iv. Manuals for electrical equipments can be stand-alone documents however they are required to be referenced in the O&M Manual and issued to the Commissioning Team at the time of commissioning.

8.2 COVER

- Carry out witness verifications (COVER) at Generator Customer facilities in accordance with Hydro One COVER document

Notes:

i. Commissioning will be based on typical commissioning procedures and standard feeder protections, i.e. no communications with remote ends

ii. Hydro One will not be involved in line protection commissioning at the Generation Facility; and

iii. Hydro One will test the Generator Customer's telecom equipment rack back-to-back with Hydro One equipment at Evergreen SS.

iv. Hydro One may test the Generator Customer's telecom equipment rack back-to-back with Hydro One equipment at Longwood TS and Bruce A TS if required.

8.3 Quality Control

8.3.1 Applicable Standards, Codes, Guidelines

- . Execute all work in accordance with the applicable standards as per the scope described in this Schedule A.

Note:

i. Auditing and monitoring may occur on all projects by various parties, both internal and external, to ensure that work is being carried out as designed and as mandated by the design.

8.3.2 Health and Safety Requirements

- Use current versions of the following documents or procedures:

  i. Occupational Health and Safety Act (OHSA).
  ii. Hydro One Corporate Safety Rules & Regulations
  iii. Engineering Services Health & Safety Program.
  iv. All applicable Federal, Provincial, Municipal Statutes, By-laws and Codes
  v. Field Job Planning folders to be used for each site prior to commencement of work, and
  vi. Pre-job safety meetings prior to commencement of work to identify safety hazards.
  vii. Ensure that all personnel and visitors to construction site must wear the following personal protective clothing:
  viii. Currently approved hard hat
  ix. Safety shoes with green patch and dielectric rating
  x. Safety glasses, and
  xi. Other applicable protective equipment as required for specific tasks.

Note:

i. All visitors to construction site and subcontractors working on site(s) must have completed the safety/site orientation training and must sign in on the Construction Visitor Board immediately upon arrival at the site.

8.4 Power Outages

- Assist Construction in defining the Outage Plan and arranging for outages required for line work.

8.5 Station Soil Condition

- Assume that rock excavation and trenching will not be required; and

- Assume that sheet piling and de-watering will not be required.

8.6 Spill Management

- Ensure spill risks and appropriate spill management measures are considered as part of this project in accordance with HODS SP0785.

8.7 Underground Facilities

- Assume that there are no other underground facilities such as utility feeders or gas pipelines which would affect the proposed construction.

8.8 Clarification

- Hydro One Work does not address and does not include any joint use of pole line facilities agreement and associated land leases, road allowance occupation permits or easement arrangements that the Generator Customer and Hydro One may enter into before, during or after construction of Generator Customer's Facilities.

8.9 Real Estate

Hydro One will:

- Review and where necessary, be involved in the negotiation of, the agreements (including easements) and approvals to be obtained by the Generator Customer on behalf of Hydro One referenced in Section 10 of Schedule 'C' under the heading "Hydro One Easements and Other Land Agreements Required from Third Party for the Hydro One Work. Such easements shall be substantially in the form of Hydro One's standard form easement documents.

- provide the Generator Customer with the requisite information on the locations and dimensions of the lands associated with the easements , land acquisition and permits referenced in Section 10 of Schedule "C" in sufficient time to permit the Generator Customer to obtain said easements, reference plans, land and permits within the timeframes referenced in Part III of this Agreement.

Schedule "B": Scope of Work – Work Not Chargeable to Customer

Not Applicable

Schedule "C": Generator Customer Connection Work
Part 1: General Project Requirements:

The Generator Customer will:

(a) enter into a Connection Agreement with Hydro One or where applicable, amend its existing Connection Agreement with Hydro One at least 14 days prior to the first Connection;
(b) ensure that project data is provided to Hydro One in accordance with Subsection 10(c) of the T&C;
(c) install metering facilities in accordance with the Market Rules;
(d) provide a dedicated communication circuit for remote access to the metering equipment in accordance with the Market Rules;
(e) provide a dedicated telephone line for direct communication between Hydro One's Ontario Grid Control Centre (**"Hydro One OGCC"**) operator and the Generation Facility control room operator (the real time contact to be listed in the Connection Agreement can be a toll free (1-800...) phone number which should go directly to the Generator Customer's real time contact and not an automated teleprompt/voice recording as it may require an immediate response from the Generator Customer) and will provide round-the-clock monitoring and control of the Generator Customer's facilities;
(g) ensure that the work to be performed by the Generator Customer required for successful installation, testing and commissioning of protective, teleprotection, telecommunication and metering equipment is completed as required to enable Hydro One COVER verification to confirm satisfactory performance of such systems;
(h) perform a geotechnical survey and soil testing on Hydro One's behalf in accordance with Hydro One's technical specifications of the tap location provided by Hydro One; and
(g) satisfy all other requirements specific to the Connection.

Part 2: Line Work

None.

Part 3: Station Work

The Generator Customer's Parkhill CTS facility will be located to the North of Evergreen SS switchyard and the demarcation point will be 500 kV under-hung bus work located just inside Evergreen SSfence. Station. The 500 kV interface rigid bus between Evergreen SS and Parkhill CTS will be supplied and installed by the Generator Customer . The Generator Customer shall perform the following activities and/or provide the following deliverables associated with Station Engineering work:

- Provide the Parkhill CTS to Evergreen SS interface rigid bus complete with insulation, foundations, support structures and extended ground grid. Interface bus must be at adequate height, phase separation and ground clearances suitable for connection of 500 kV under-hung bus work at Evergreen SS
- Provide information on phase rotations at the supporting structures;
- Provide fencing of the 500 kV interface rigid bus extension from Parkhill CTS to Evergreen SS.
- Complete grounding, site preparation, fencing, imported fill, embankment, construction of ditches for storm drainage for Parkhill CTS and;
- Generator Customer to construct and permit an unencumbered construction access road from Nairn Road to the Evergreen SS site property line as specified by Hydro One by [redacted] to allow Hydro One to commence the Hydro One Work on [redacted] This construction road will be become the permanent access road for both Evergreen SS and Parkhill CTS after completion of construction. Generator Customer to pave road by end of construction period.
- Provide and install a 500 kV motor operated line disconnect switch at Parkhill CTS between the 500 kV bus at Parkhill CTS and and incoming 500 kV connection to Evergreen SS.
- All 500 kV equipment at Parkhill TS is to be capable of operating continuously between 490kV and 561 kV in accordance with the Market Rules and SIA requirements for this project.
- Provide suitable boundary fence for the Generator Customer switchyard section that meet applicable safety standards;
- Coordinate site substation construction with Hydro One consisting of, but not limited to, survey, site preparation, land grading, grounding, imported fill, embankment and construction of ditches for storm drainage; and
- Coordinate Generator Customer's station electrical arrangement equipment (rigid bus, post insulators, associated hardware, terminating structures and foundations) with Hydro One.
- The Generator Customer shall design and construct the grounding system for the Generation Facility to meet the requirements of the Electrical Safety Code (Ontario), the Transmission System Code and the requirements set out in the Connection Agreement without relying on Hydro One's grounding system;

Assumptions/Notes:

- The point of demarcation between Hydro One Evergreen SS facilities and those of the Generator Customer Facilities at Parkhill CTS will be will be 500 kV under-hung bus work located just inside Evergreen SS.
- Hydro One is planning to build Evergreen SS grounding grid to meet a maximum fault level of 50kA.
- Generator Customer is responsible for future upgrades to Parkhill CTS ground grid in accordance with paragraph 24.3 of the Connection Agreement and the Transmission System Code.
- Generator Customer will provide a second source of AC station service to Evergreen SS via their 27.6 kV tertiary of one of their autotransformers at Parkhill CTS and brought to the edge of the Evergreen SS site.
- Generator Customer and Hydro One to coordinate AC station service 3 phase, 27.6 kV between Parkhill CTS and Evergreen SS as required, any feeder line easements required will be obtained by the Generator Customer in accordance with Part 10 of this Schedule C.

Part 4: Protection Engineering Work

The Generator Customer shall perform the following activities and/or provide the following deliverables associated with Protection work:

- Provide protection documentation relating to relay settings at the Generation Facility for proper coordination with Hydro One relay settings
- Coordinate with Hydro One for a current differential protection scheme for the 500 kV connection between Parkhill CTS and Evergreen SS. Protection schemes to be consistent/compatible with Hydro One protection scheme used at Evergreen SS.
- The Generation Facility 500 kV main output transformer breakers are not allowed to auto-reclose.
- Protective relaying must be set to ensure that equipment remains in-service for voltages between 94% of the minimum continuous value and 105% of the maximum continuous value in accordance with the Market Rules and SIA requirements for this project.
- Submit for Hydro One's review the following interface documents and drawings;
  1. Operating single-line diagrams and schematic single-line diagrams, complete with measuring instrument ratings and relay devices;
  2. Protection tripping matrix, interlocking system and logic diagrams;
  3. Protection equipment technical documentation;
  4. Control and protection EWD drawings; and
  5. Relay settings and calculations;
- Coordinate between relaying, control, metering, drafting, field P&C and construction with Hydro One; and
- Provide technical support to Hydro One's field P&C.
- Participate in Hydro One COVER activities during commissioning.
- Fully duplicated protection and telecommunication system must be installed as outlined in the Transmission System Code (TSC)
- The Generation Facility is required to participate in the Bruce Special Protection System (BSPS). The BSPS is a Northeast Power Coordinating Council (NPCC) Type 1 special protection scheme; thus all installations must meet the requirements specified in the NPCC Directory #7.
- Install protection trip modules that will ensure fault clearance if the Generator Customer exhibits breaker failure on either of its 500 kV breakers at Parkhill CTS. The trip signals from the Generation Facility is to be initiated from either of the 500 kV breaker failure protection of the 500 kV Parkhill CTS breakers. Trip signals to be sent to Evergreen SS.
- Ensure that the Generation Facility receives trip signals from Evergreen SS to ensure fault clearance if an Evergreen SS breaker(s) exhibits breaker failure.
- Install a Disturbance Recording device to record power swings on the wind farm facility in accordance with the specifications to be provided by Hydro One and/or the IESO.

Assumptions/Notes

i. Hydro One will use fibre-based line current differential schemes between Evergreen SS & Parkhill CTS.

ii. That outages are available when required; and

iii. That Hydro One will not be engaged in the design, procurement and installation of protective relays or equipment for the Generator Customer or their designated consultant

iv. Hydro One Protection/teleprotection scheme will use current differential relays, L90 and SEL-311L

Part 5: Teleprotection Engineering Work

Generator Customer will provide teleprotection for Parkhill CTS based on the following design consideration:

- Fully duplicated protection and telecommunication system must be installed as outlined in the Transmission System Code (TSC)
- The Generation Facility is required to participate in the Bruce Special Protection System (BSPS). The BSPS is a Northeast Power Coordinating Council (NPCC) Type 1 special protection scheme; thus all teleprotection installations must meet the requirements specified in the NPCC Directory #7.
- All teleprotection channels must support digital and/or analog communications
- Provide a complete design package complete with EWD/CWDs for interfacing with Hydro One teleprotection system;
- The Generator Customer is responsible for site GPR (Ground Potential Rise) study for Parkhill CTS

Part 6: SCADA RTU

The Generator Customer shall:

- Provide SCADA RTU functionality to meet Hydro One configuration and communications protocol and to comply with IESO technical and performance requirements.
- The Generator Customer shall arrange and pay for a Leased S4T4 circuit from Parkhill CTS to Longwood TS to transmit SCADA quantities to Hydro One. The Generator Customer is to procure, pay all costs and will be fully responsible for this circuit.
    - Provide a port and a modem to transmit to Hydro One (Longwood TS) the required telemetry quantities. The modem and protocol details will be to Hydro One's requirements.
- Provide SCADA data over a S4T4 connection between the Generation Facility and Longwood TS (Note iv);
- Provide status information of disconnect switches and circuit breakers at the Generation Facility including measured quantities such as, MW flow, Mvar flow and phase-to-phase voltage at 500 kV, 121 kV and 34.5kV buses to Hydro One OGCC as well as protection and communication failure alarms.
- Conform to Hydro One OGCC finalized alarms, status and telemetry table lists;
- Submit a complete telemetry list for all data originating the Generation Facility to OGCC NMS System;
- Coordinate Point Verification Testing of SCADA points;
- Provide technical assistance to Hydro One's Field P&C and Station Construction with test and commissioning procedures; and
- Participate in Hydro One COVER activities during commissioning.

Assumptions/Notes:

i. Fulfilling IESO requirements for customer telemetry is the responsibility of the Generator Customer

ii. The Generator Customer will ensure that they provide the IESO with a complete telemetry list for all data originating from their system.

iii. At Parkhill CTS, "Communication Channel Failure" alarms shall annunciate to the control system of the Generator Customer Facility. If both communication channels fail at the same time then the Generator Customer shall be required to disconnect from the transmission system (Evergreen SS).

iv. The preferred method of SCADA connectivity would be a direct ICCP (Inter-Control Centre Communications Protocol) connection from the Generator Facility to OGCC. However DNP to Longwood TS hub-site will be acceptable as an alternative option. Hydro One will provide notice to the Generator Customer when the hub-site facility is being decommissioned and the Generator Customer must migrate to ICCP.

Part 7: Telecommunication Engineering

The Generator Customer shall:

- Provide the Main telecom path from Parkhill CTS to Evergreen SS by installing one 48 fibre single mode cable from Parkhill CTS relay building(s) to the demarcation point, buried pull box just outside of Evergreen SS for routing into the Evergreen SS relay

building to facilitate the new differential protection (Notes i & ii);

- Provide the Alternate telecom path from Parkhill CTS to Evergreen SS by installing one 48 fibre single mode cable from Parkhill CTS relay building(s) to the demarcation point, buried pull box just outside of Evergreen SS for routing into the Evergreen SS relay building to facilitate the new differential protection (Notes i & ii)

- Main and alternate fibre paths to be physically and geographically diverse in accordance to NPCC Directory #7

- Provide communications cable entrance facility and cable protection at the Generation Facility (Parkhill CTS)

- Provide one 24 fibre multimode cable for the Generator Customer's Facilities SCADA and other real time data to Evergreen SS's telecom point of demarcation (buried pull box just outside Evergreen SS).

Assumptions/Notes:

i. Demarcation points for telecommunication between Parkhill CTS and Evergreen SS to be buried pull boxes located just outside Evergreen SS property. Hydro One to provide buried pull boxes.

ii. To avoid splicing the fibres, the Generator Customer to provide fibres plus slack for extension from the pull boxes into the Evergreen SS relay building. The Generator Customer to coil the slack at the demarcation point pull boxes for Hydro One to pull and terminate into Evergreen SS relay building. Note the pull boxes are able to hold a splice box if splicing is required. Demarcation sites to be confirmed/settled during execution phase.

iii. The Generator Customer is responsible for all telecommunication links between Evergreen SS and Parkhill CTS up to the demarcation point.

Part 8: Revenue Metering

The Generator Customer shall:

- Provide a revenue metering system in accordance with the Market Rules.

Part 9: Requirements – Environmental, First Nations and Archaeological Studies, Provincial and Federal Agency Feedback, Notifications and Consultation Records

The Generator Customer shall:

- include the location of the connection facilities being built by Hydro One as part of the Hydro One Work (including any associated construction access and laydown areas) in the Environmental and Archaeological Studies, Notifications and Consultations;
  provide Hydro One with copies of the Environmental and Archaeological Studies, Notifications and Consultation records and applicable correspondence;
- provide Hydro One with any relevant feedback from the provincial and federal government agencies such as Ministry of Tourism and Culture ("MTC"), Ministry of Environment ("MOE"), Ministry of Natural Resources ("MNR") and the Department of Fisheries and Oceans ("DFO"), including any applicable Ministry Sign-offs;
- provide Hydro One with any agreements, written or oral, with the Crown on Duty to Consult obligations.

Notes:

- Hydro One's facilities cannot be approved under the Generator Customer's REA but Hydro One does need to rely on the Generator Customer's Environmental and Archaeological Studies, Notifications and Consultations (including records of same) for the purposes of obtaining any environmental approvals, permits or certificates that it requires in respect of all or any part of the Hydro One Work in the interest of time.

Part 10: Real Estate

The Generator Customer shall obtain the land rights described in Section 3.8 of Schedule "D" on Hydro One's behalf in accordance with the requirements of this Agreement, including, but not limited to Section 17 of the T&C,

Part 11: Documentation

The Generator Customer shall have provided Hydro One with the following Connection Interface Documents for review by Hydro One in the Implementation Connection phase:

Group A:

- IESO application-for information only.
- Single-line drawings showing ratings of all electrical equipment, such as disconnect switches, bushing potential devices, CVTs, power transformers, grounding transformers, grounding resistors, breakers, etc.
- GPR study and associated station ground design.
- Entrance structure (electrical & structural)
- General arrangement of the Generation Facility

Group B:

- DC station service 1 line showing ratings of all electrical equipment such as batteries, chargers, etc.
- Information on switchgear fault ratings
- HV surge arrestor specification
- RTU configuration/communications protocol
- Teleprotection AC and DC EWD including information on proposed vendor equipment
- Line protection AC and DC EWD
- Transformer protection, AC and DC EWD
- Disconnect switch or HV breaker AC and DC EWD
- LV breaker (transformer & bus tie breakers) AC and DC EWD
- Breaker failure (transformer & bus tie breakers) AC and DC EWD
- HV equipment operating and protection philosophy

Group C:

- Power transformer and generator nameplate ratings
- Relay settings including relay logic diagrams, coordination studies and fault calculations.
- Commissioning procedure

Group D:

- Preliminary and final generator data, including but not limited to excitation system performance and power factor regulator, to ensure compliance with all applicable reliability standards required under the IESO Market Rules.
- Generator absorption / deliverance of VARs from/to Hydro One system to maintain the Generation Facility terminal voltage to a given set point.

Part 12: Technical Requirements for Wind Farm Operation and Control

As the Generation Facility is a wind farm greater than 10 MVA, the Generator Customer shall comply with the requirements given below and forming a part hereof.

12.1 Remote Controller

- The Generator Customer is not required to have a permanently manned Control Room, but may, for example, operate the Generation Facility from a Remote Controller using a computer link. The Remote Controller must be permanently manned 24 hours a day, seven days a week.
- If the Remote Controller is more than 2 km from the Generation Facility, secure communications shall be provided between the Remote Controller and the Generation Facility.

12.2 Operational Control

The Generator Customer is responsible for safe operation of the Generation Facility in accordance with the requirements of the Transmission System Code and the Market Rules.

a) Ride-Through Capabilities

To comply with Chapter 4, Appendix 4.2, Item 7 of the Market Rules, the Generator Customer is required to provide the ability to ride-through voltage, power swings and frequency events caused by power system disturbances outside of the Generation Facility. This is to ensure that generation does not trip for faults remote from Hydro One Facilities into which they feed. However it will trip for all faults on a radial connection to the Generation Facility without any attempt at reclosing.

b) Start-Up Sequences

The start-up sequence should be staggered with a separation of at least 1.5 seconds between start-ups, or limited to a maximum step-voltage change of 3% separated by at least 70 seconds from a similar step. For a minimum step-voltage change of 0.4 %, for instance, the time interval could be reduced to 1 second between steps.

The voltage step limit will apply in all cases except the disconnection of the Generation Facility as the result of a fault.

c) Shut-Down Sequences

With regards to shutting down the Generation Facility, except for electrical faults on the Hydro One Facilities or on the Generation Facility, or for no wind or high wind shut down, or for icing conditions shut down, or due to generation rejection, no more than 25% of the registered capacity of the Generation Facility may be tripped simultaneously.

d) Disconnection

If the wind speed increases above a pre-determined upper limit, the wind turbine generator will be disconnected and the turbine will stop with blades pitched to approximately 90 deg. The wind turbine controller usually waits until the wind speed has decreased below this limit and then starts up again.

In the event that the Generation Facility gets disconnected from the IESO-Controlled Grid, even momentarily, it is required that the return or reconnection of the Generation Facility to the IESO-Controlled Grid should not be made without prior approval from IESO/OGCC operator. This mode of operation applies whenever the Generation Facility is disconnected from the IESO-Controlled Grid.

12.3 Reactive Power

The Generator Customer shall install reactive compensation devices in accordance with the System Impact Assessment requirements to compensate for reactive power consumption on wind turbine generators, step-up transformers and distributed feeders and to react to sudden momentary dips in voltage commonly seen in gusty wind conditions which could add stress to Hydro One's transmission system.

- The Generator Customer shall install capacitor bank(s) at or as close as possible to the Connection Point
- Capacitor bank(s) shall be sized to ensure that voltage declines/rises at the Connection Point on switching operations will be less than the 4% limit specified in Reference 1 of Appendix 4.4 of the Market Rules, and
- Capacitor bank(s) dispatches are to be based on a pre-set voltage at the Connection Point under all generating conditions.

12.4 Frequency Control

The IESO-Controlled Grid operates at 60 Hz and is normally maintained within ± 0.5 Hz.

- The Generation Facility must be capable of continuously supplying its rated active power output (given sufficient wind speed) at the wind turbine generating unit terminals within the system frequency range of 59.5 Hz to 60.5 Hz. The Generator Customer shall set the frequency control in accordance with the requirements of NPCC document A-3, Table 1
- The Generation Facility is required to trip if the system frequency is outside the range of 57 Hz to 62 Hz to ensure that the New or Modified Generating Facility does not remain connected to an unstable island system. The Generation Facility should be tripped within 1 second; and
- Power should be reduced at a minimum rate of 2% of the Generation Facility output per 0.1 Hz deviation of system frequency above 60.4 Hz. No additional wind turbines may be started while the frequency is above 60.4 Hz.

12.5 Power Quality

The Generator Customer shall comply with industry standards and guidelines for power quality including, but not limited to, the following:

- Flicker limits are as defined in IEC 61000-3-7, "*Assessment of Emission limits for Fluctuating Loads in MV and HV Power Systems*", 1996
- Harmonic limits are as defined in IEEE Standard 519-1992, "*Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems*"
- Voltage unbalance is not to exceed 3% calculated using the following formula:

$$\text{Unbalance (\%)} = \frac{100 \times \text{(deviation from average)}}{\text{Average}}$$

12.6 Dynamic Performance Tests

Joint IESO, Hydro One and Generator Customer dynamic performance tests shall be performed once all of the Generator Customer Facilities including all wind turbine generators are fully in service. The objectives of the joint tests are to demonstrate that the performance of a representative portion of the wind farm system installed meets IESO and Hydro One requirement confirming that the wind turbine data, simulation models, operating and protection philosophies provided by the Generator Customer to Hydro One and the IESO for studies and analyses are a true and accurate copy of the original generator data.

The following dynamic performance tests shall be carried out by IESO and Hydro One with participation from the Generator Customer and/or its consultants:

i. tests to verify that the Generation Facility is capable of operating within the 0.90 lag to 0.95 lead power factor ranges;
ii. tests to verify that the speed of response of the Generation Facility's control system is capable of achieving 90% of its steady-state response within 1 sec following a step change in voltage;
iii. tests to verify the Generation Facility is capable of remaining synchronized to Hydro One's transmission system following voltage step changes due to capacitor, reactor and/or static Var compensator switching; and
iv. tests to verify that the voltage and current total harmonic distortions (THD) from measured waveform data comply with industry standards and guidelines for power quality.

appears to be a mistake as this is not technically feasible and to be discussed in January

B. J.

The dynamic performance tests shall be carried out by the IESO and Hydro One with participation from the Generator Customer and/or its consultants at a time mutually agreed upon.

In the event that all or any one or more of the results of the above-referenced tests show that the performance of the wind turbines or systems do not meet one or more of IESO or Hydro One's requirements, the Generator Customer acknowledges and agrees that it may have to update and/or upgrade its Generation Facility and/or its Generator Customer's Facilities at its own expense should IESO or Hydro One require same within a time period acceptable to IESO and Hydro One.

12.7 Connection Agreement Requirements

The terms in this Part 12 of this Schedule "C" shall also be terms of the Connection Agreement.

Part 13: Representation and Warrantee

The Generator Customer represents and warrants to Hydro One that no synchronizing capability is required for the 500 kV main output transformer breaker at the Generation Facility as the Generation Facility wind turbines sense for voltage and self-synchronize.

This representation and warrantee shall also be a term of the Connection Agreement.

Schedule "D": Estimated Capital Contribution, Payment Schedule and Miscellaneous

Description of Project:

The project involves the Connection of the Generator Customer's Facilities to Hydro One's transmission system at the Connection Point, and includes any modifications to Network Facilities required for the said Connection.

Part 1: Estimated Capital Contribution

The Estimated Capital Contribution (excluding Taxes) is [redacted] (excluding applicable Taxes) and is summarized as follows:

[redacted]

(*) AFUDC = Allowance for Funds Used During Construction (if applicable) and is the term used in the OEB accounting procedures meaning interest during construction. Note this amount has been adjusted for the payments made by Generator Customer up to execution. Refer to notes at bottom of payment table in section 2.1 of Schedule D as applicable.

Notes:

1. Amount paid for the cost estimate of the Hydro One Work performed by Hydro One is not included in the Estimated Capital Contribution, but is included in the Cost Estimate Agreement dated April 30, 2012 made between the Generator Customer and Hydro One.
2. Overheads are included in the Estimated Capital Contribution.
3. The estimated amount for contingencies includes, but is not limited to amounts associated with any planned outage delays/cancellations and subsequent equipment commissioning as well as Generator Customer initiated scope changes. Any contingencies in excess of this amount will be recovered from the Generator Customer in accordance with the terms of the Agreement.
4. Capital interest is included in the Estimated Capital Contribution.
5. HST on materials is not included in the Estimated Capital Contribution,
6. Taxes are not included in the Estimated Capital Contribution.
7. The Estimated Capital Contribution does not include any amounts associated with the cost of land, easements, and other land rights to be obtained by Hydro One from third parties or from the Generator Customer for any part of the Work Chargeable to Generator Customer. The actual cost of obtaining the land and those easements and other land rights will be reflected in the actual Capital Contribution required for the Work Chargeable to Generator Customer and any Additional or Modified Work Chargeable to Generator Customer (plus applicable Taxes).
8. The Estimated Capital Contribution does not include the estimated cost of any equipment to be procured by the Generator Customer on Hydro One's behalf under the terms of this Agreement.
9. The Estimated Capital Contribution includes the estimated cost of the items set out in paragraphs 12.1(a) and 12.1(b) of the T&C, and it does not include the estimate of the Engineering and Construction Cost of any tests that may be performed under Section 4 of the T&C.

Part 2: Terms and Conditions

2.1 Manner of Payment of the Estimated Capital Contribution

The Generator Customer shall pay the Estimated Capital Contribution by making the following payments (plus applicable Taxes) to Hydro One on or before the payment dates indicated below:

No.	Payment Date	Amount ($)	Amount Paid (%)
1	[redacted]	[redacted] plus HST in the amount of [redacted]	[redacted]
2	[redacted]	[redacted] HST in the amount of [redacted]	[redacted]
3	[redacted]	[redacted] plus HST in the amount of [redacted]	[redacted]
4	[redacted]	[redacted] plus HST in the amount of [redacted]	[redacted]
5	[redacted]	[redacted] plus HST in the amount of [redacted]	[redacted]

Note: Hydro One acknowledges receipt of Payment No. 1 and Payment No. 2 under the terms of the Pre-CCRA Letter

Agreement together with the applicable HST. The [redacted] payment #5 that coincides with the planned construction date by Generator Customer on its Parkhill CTS facilities has been adjusted to reflect the payments made by the Generator Customer up to and including execution.

The Parties agree that the payment schedule above may be amended, from time to time and if mutually agreeable, to reflect the actual cash flow expended by Hydro One to reduce, as much as possible, the application of AFUDC by Hydro One.

2.2 Scope Change

See Section 2.1 of the Standard Terms and Conditions.

Part 3: Miscellaneous

3.1 Connection Point

The **[Generator Customer's Facilities / Generation Facility]** will be connected to Hydro One's 500 kV B562L circuit between Bruce A TS and Longwood TS through the proposed Evergreen SS located approximately 36.5 km from Longwood TS.

3.2 Generation Facility

The Generation Facility includes:

- Party 1's planned 60 MW wind energy generation facility located in Middlesex County, Ontario and consisting of 37 GE 1.6 MW Series Wind Turbines Generators (WTGs). Each WTG shall connect to a 34.5 kV collector feeder through 1800 KVA, 690 V/34.5 pad-mounted transformers. Party's 1 collector station will have a total of 3 – 34.5 kV collector feeders. The collector station will step the voltage up from 34.5 kV to 121 kV and will be connected to the 121 kV Bornish Customer Switching Station through an 11.5 km, 121 kV transmission line owned by Party 1;

- Party 2's planned 150 MW wind energy generation facility located in Lambton County, Ontario and consisting of 92 GE 1.6 MW Series WTGs. Each WTG shall connect to a 34.5 kV collector feeder through 1800 KVA, 690 V/34.5 pad-mounted transformers. Party's 2 collector station will have a total of 7 – 34.5 kV collector feeders. The collector station will step the voltage up from 34.5 kV to 121 kV and will be connected to the 121 kV Bornish Customer Switching Station through a 14.5 km, 121 kV transmission line owned by Party 2;

- Party 3's planned 73.5 MW planned wind energy generation facility located in Middlesex County, Ontario and consisting of 45 GE 1.6 MW Series WTGs. Each WTG shall connect to a 34.5 kV collector feeder through 1800 KVA, 690 V/34.5 pad-mounted transformers. Party's 3 collector station will have a total of 4 – 34.5 kV collector feeders. The collector station will step the voltage up from 34.5 kV to 121 kV and will be connected to the 121 kV Bornish Customer Switching Station through buswork owned by Party 3;

- The 121 kV Bornish Customer Switching Station owned by the Generator Customer will be connected to the 500 kV/121 kV Parkhill Customer Transformer Station owned by the Generator Customer through an approximately 11.5 km long transmission line owned by the Generator Customer,

- The Generator Customer represents and warrants to Hydro One that:

  - the number of generating units in service at the Generation Facility will have a total generating capacity of up to 283.5 MW;
  - each generating unit will be able to provide reactive power in the range of 0.9 lagging to 0.95 leading power factor at its generator terminals for a constant set voltage at the Generation Facility;
  - the Generation Facility generators will trip only as required for contingencies within the generator zone of protection and will not trip for faults outside of the generator zone of protection;
  - where applicable, the special protection system facilities installed at the Generating Facility comply with the Northeast Power Coordinating Council (NPCC) Special Protection System Criteria (Document A-11) for Type 1 special protection systems.

The Generator Customer has notified Hydro One that it's Parkhill TS will be sized to accommodate up to 100 MW of output from Suncor Energy Products Inc., being a third party generator that is developing the Cedar Point Project, that is proposed to be connected to the Generator Customer's Facilities in the future. Hydro One acknowledges that the Evergreen SS will also be sized to accommodate the output from the third party generator's Cedar Point Project. The Generator Customer acknowledges and agrees that any increase in incremental cost of the Hydro One Work for accommodating the future connection of the Cedar Point Project to the Generator Customer's Facilities will be borne by the Generator Customer and included in the Generator Customer's Capital Contribution.

3.3 Generator Customer's Facilities

The Generator's Customer's Facilities commence at the 500 kV rigid bus extension that meets Hydro One's under-hung bus work within the proposed Evergreen SS that will be

located at the Connection Point and terminates at the Generation Facility.

The Generator's Customer's Facilities fibre cables will be buried within a conduit that will run from the Parkhill CTA PC&T building to buried pull boxes to located just outside the Evergreen SS property line. The demarcation pull box sites to be confirmed/settled during execution phase.

3.4 Hydro One's Assets:[1]

All equipment and facilities installed by Hydro One as part of the Hydro One Work in, under, on, over, along, upon, through and crossing Hydro One's Property(ies).

3.5 Documentation Required:[2]

Documentation describing the as-built electrical characteristics of the Generator Customer's Facilities and the Generation Facility shall include, but is not limited to, a detailed single line drawing showing electrical parameters and characteristics of the Generator Customer's Facilities and the Generation Facility and step up transformer(s), AC and DC protection elementary diagrams, and relay types and setting sheets.

3.6 Miscellaneous:

Approval Date (III(ij) of Agreement): N/A

Exceptional Circumstances - Network Construction or Modifications:[3] None

Capital Contribution Includes Cost of Capacity Not Required by Generator Customer:[4] No

Event of Default[5]**:**

3.7 Security Requirements[6]

Security Requirements: Not required

Security Date: Not applicable

3.8 Easements and Other Land Rights[7]

All acquisitions of land by the Generator Customer shall be substantially in the forms attached hereto.

***Easement(s) in Gross Required*: TBD**

Easement in Gross Lands: [redacted]
MUNICIPALITY OF NORTH MIDDLESEX/EAST WILLIAMS
Easement in Gross Term: In perpetuity Easement in Gross Date: On or before [redacted]

Access Easement(s) Required: Yes

Access Easement Lands: [redacted]
MUNICIPALITY OF NORTH MIDDLESEX/EAST WILLIAMS
Access Easement Term: In perpetuity and subject to Municipal Consent
Access Easement Date: [redacted]

Easement Required for an Access Road for a Term Beyond 21 Years: Yes, must have applicable affidavit under Section 42 of the Electricity Act

***Early Access Agreement(s) Required*:** Yes

Early Access Lands: [redacted]
MUNICIPALITY OF NORTH MIDDLESEX/EAST WILLIAMS(see attached sketch)
Early Access Execution Date: on or before [redacted]

***Title to Lands Required*:** Yes

Lands to be Acquired for Hydro One: Evergreen SS lands - Insert land Description
Closing Date: on or before [redacted]

Work Chargeable to Customer on Crown (MNR) Lands: Date Work Permit/Letter of Consent Required:

***Pipeline and/or Railway Company Approvals Required:* TBD**

Affected Pipeline/Railway Companies: List Companies
Railway/Pipeline Approval Date: TBD

Consultations with Third Party Encumbrancers Required: TBD
Unopened Road Allowance: N/A

Unopened Road Allowance Lands:N/A
Municipal Confirmation Date: N/A

[1] Cross-reference Section 8 of T&C
[2] Cross-reference Sub-section 11(d) of T&C
[3] Cross-reference Section 12.3 of T&C
[4] Cross-reference Section 12.4 of T&C
[5] Cross-reference Section 18 of T&C
[6] Cross-reference Section 16 of T&C
[7] Cross-reference Section 17 of T&C

Schedule "E": Statement of Engineering and Construction Costs

Project Investment No.				
Ready for service date				
Project Title				
Project Description				
Material	$ (see Note 1)			
Construction	$			
Engineering	$			
Overhead/ Interest	$			
Total Cost K$	$			

Note 1:

This Statement of Engineering and Construction Costs will be provided to the Generator Customer with the final invoice or credit memorandum delivered in accordance with Section 12.1 of the Standard Terms and Conditions.

Schedule "F" – Form of Grant of Easement in Gross

GRANT OF EASEMENT IN GROSS

A. [NOTE – INSERT FULL LEGAL NAME OF TRANSFEROR] (the "**Transferor**") is the owner in fee simple and in possession of • (the "**Lands**").

B. Hydro One Networks Inc. (the "**Transferee**") has erected, or is about to erect, certain Works (as more particularly described in paragraph 1(a) in, through, under, over, across, and along and upon the Lands.

IN CONSIDERATION of the payment of • DOLLARS ($•.) paid by the Transferee to the Transferor, mutual covenants hereinafter set forth and other good and valuable consideration, the Transferor and Transferee hereto agree as follows:

1 The Transferor hereby grants and conveys to the Transferee, its successors and assigns the rights and easement, free from all encumbrances and restrictions, the following unobstructed and exclusive rights, easements, rights-of-way, covenants, agreements and privileges for a term of twenty-one (21) years less one (1) day from and including the date of registration of this Grant of Easement (the "Term") (the "**Rights**") in, through, under, over across, along and upon that portion of the Lands of the Transferor being Part of Lot •, Concession •, shown as Parts • & •, on Reference Plan •R-•••• (the "Strip") for the following purposes:

(a) To enter and lay down, install, construct, erect, maintain, open, inspect, add to, enlarge, alter, repair and keep in good condition, move, remove, replace, reinstall, reconstruct, relocate, supplement and operate and maintain at all times in, through, under, over, across, along and upon the Strip and electrical transmission system and telecommunications system consisting in both instances of pole structures, steel towers, anchors, guys and braces and all such aboveground or underground lines, wires, cables, telecommunications cables, grounding electrodes, conductors, apparatus, works, accessories, associated material and equipment, and appurtenances pertaining to or required by either such system (all or any of which are herein individually or collectively called the (**"Works"**) as in the opinion of the Transferee are necessary or convenient thereto for use as required by Transferee in its undertaking from time to time, or a related business venture.

(b) To enter on and selectively cut or prune, and to clear and keep clear, and remove all trees (subject to compensation to Owners for merchantable wood values), branches, bush and shrubs and other obstructions and materials, over or upon the Strip, and without limitation, to cut and remove all leaning or decayed trees located on the Lands whose proximity to the Works renders them liable to fall and come in contact with the Works or which may in any way interfere with the safe, efficient or serviceable operation of the Works or this easement by the Transferee.

(c) To conduct all engineering, legal surveys, and make soil tests, soil compaction and environmental studies and audits in, under, on and over the Strip as the Transferee in its discretion considers requisite.

(d) To erect, install, construct, maintain, repair and keep in good condition, move, remove, replace and use bridges and such gates in all fences which are now or may hereafter be on the Strip as the Transferee may from time to time consider necessary.

(e) Except for fences and permitted paragraph 2(a) installations, to clear the Strip and keep it clear of all buildings, structures, erections, installations, or other obstructions of any nature (hereinafter collectively called the "**obstruction**" whether above or below ground, including removal of any materials and equipment or plants and natural growth, which in the opinion of the Transferee, endanger its Works or any person or property or which may be likely to become a hazard to any Works of the Transferee or to any person or property or which do or may in any way interfere with the safe, efficient or serviceable operation of the Works or this easement by the Transferee.

(f) To enter on and exit by the Transferor's access routes and to pass and repass at all times in, over, along, upon and across the Strip and so much of the Lands as is reasonably required, for Transferee, its respective officers, employees, agents, servants, contractors, subcontractors, workmen and permittees with or without all plant machinery, material, supplies, vehicles and equipment for all purposes necessary or convenient to the exercise and enjoyment of this easement subject to compensation afterwards for any crop or other physical damage only to the Lands or permitted structures sustained by the Transferor caused by the exercise of this right of entry and passageway.

(g) To remove, relocate and reconstruct the line on or under the Strip.

2 The Transferor agrees that:

(a) It will not interfere with any Works established on or in the Strip and shall not, without the Transferee's consent in writing erect or cause to be erected or permit in, under or upon the strip any obstruction or plant or permit any trees, bush, shrubs, plants or natural growth which does or may interfere with the Rights granted herein. The Transferor agrees it shall not, without the Transferee's consent in writing, change or permit the existing configuration, grade or elevation of the Strip to be changed and the Transferor further agrees that no excavation or opening or work which may disturb or interfere with the existing surface of the Strip shall be done or made unless consent therefore in writing has been obtained from Transferee, provided however, that the Transferor shall not be required to obtain such permission in case of emergency. Notwithstanding the foregoing, in cases where in the reasonable discretion of the Transferee, there is no danger or likelihood of danger to the Works of the Transferee or to any persons or property and the safe or serviceable operation of this easement by the Transferee is not interfered with, the Transferor may at its expense and with the prior written approval of the Transferee, construct and maintain roads, lanes walks, drains, sewers water pipes, oil and gas pipelines, fences (not to exceed 2 metres in height) and service cables on or under the Strip (the "**Installation**") or any portion thereof; provided that prior to commencing such Installation, the transferor shall give to the Transferee thirty (30) days notice in writing thereof to enable the Transferee to have a representative present to inspect the proposed Installation during the performance of such work, and provided further that Transferor comply with all instructions given by such representative and that all such work shall be done to the reasonable satisfaction of such representative. In the event of any unauthorised interference aforesaid or contravention of this paragraph, or if any authorised interference, obstruction or Installation is not maintained in accordance with the Transferee's instructions or in the Transferee's reasonable opinion, may subsequently interfere with the Rights granted herein, the Transferee may at the Transferor's expense, forthwith remove, relocate, clear or correct the offending interference, obstruction , Installation or contravention complained of from the Strip, without being liable for any damages cause thereby.

(b) Notwithstanding any rule of law or equity, the Works installed by the Transferee shall at all times remain the property of the Transferee, notwithstanding that such Works are or may become annexed or affixed to the Strip and shall at anytime and from time to time be removable in whole or in part by Transferee.

(c) No other easement or permission will be transferred or granted and no encumbrances will be created over or in respect to the Strip, prior to the registration of a Transfer of this grant of Rights.

(d) The Transferor will execute such further assurances of the Rights in respect of this grant of easement as may be requisite.

(e) The Rights hereby granted:

(i) shall be of the same force and effect to all intents and purposes as a covenant running with the Strip; and

(ii) is declared hereby to be appurtenant to and for the benefit of the Works and undertaking of the Transferee described in paragraph 1(a).

3. The Transferee covenants and agrees to obtain at its sole cost and expense all necessary postponements and subordinations (in registrable form) from all current and future prior encumbrancers, postponing their respective rights, title and interest to the transfer of Easement herein so as to place such Rights and easement in first priority on title to the Lands.

4. Unless the Transferee advises the Transferor upon 60 days' prior written notice, the Term shall be automatically renewed for an additional term of twenty-one (21) years less one (1) day upon the same terms and conditions save for the right of renewal.

5. There are no representations, covenants agreements, warranties and conditions in any way relating to the subject matter of this grant of Rights whether expressed or implied, collateral or otherwise except those set forth herein.

6. No waiver of a breach or any of the covenants of this grant of Rights shall be construed to be a waiver of any succeeding breach of the same or any other covenant.

7. The burden and benefit of this transfer of Rights shall run with the Strip and the Works and undertaking of the Transferee and shall extend to, be binding upon and enure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

8. The Transferee declares, pursuant to Section 50(3)(d) of the *Planning Act*, R.S.O. 1990 c. P.13 that the Rights are being acquired, for the purpose of an electricity distribution line or an electricity transmission line within the meaning of Part VI of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Sched. B.

[NOTE -- IF TRANSFEROR ARE INDIVIDUALS ADD THE FOLLOWING CLAUSE AS #9

9. The Transferor represents that, except to the extent such consent has been obtained, spousal consent to this transaction is not necessary and upon registration of this Grant of Easement will not be necessary under the provisions of the *Family Law Act*, R.S.O. 1990 c.F.3

IN WITNESS WHEREOF the parties hereto have executed this Grant of Easement.

Signed by the Transferee this day of , 2012.

HYDRO ONE NETWORKS INC.

Per:_____
Name:
Position:

I have authority to bind the Corporation.

Signed by the Transferor this day of , 2012.

[NOTE – INSERT FULL LEGAL NAME OF TRANSFEROR]

Per:_____
Name:
Position:

Per:_____
Name:
Position:

We/I have authority to bind the Corporation

[OR IF TRANSFEROR IS INDIVIDUAL]

SIGNED, SEALED AND DELIVERED
In the presence of)
)
)
)
_____) _____ (seal)
Signature of Witness) Transferor's Signature
)
)
_____) _____ (seal)
Signature of Witness) Transferor's Signature
)

SIGNED, SEALED AND DELIVERED) Consent Signature & Release of
In the presence of) Transferor's Spouse, if non-owner.
)

)

)

_____) _____(seal)

Signature of Witness

CHARGEES

THE CHARGEE of land described in a Charge/Mortgage of Land dated _____

Between _____ and _____

and registered as Instrument Number _____ on _____ does

hereby consent to this Easement and releases and discharges the rights and easement herein from the said

Charge/Mortgage of Land.

Name:	Signature(s)	Date of Signatures Y M D

Per: _____

Per: _____

I/We have authority to bind the Corporation

GRANT OF EASEMENT

A. [NOTE – INSERT FULL LEGAL NAME OF TRANSFEROR] (the "Transferor") is the owner in fee simple and in possession of • (the "**Lands**").

IN CONSIDERATION of the payment of • DOLLARS ($•.) paid by Hydro One Networks Inc. (the "**Transferee**") to the Transferor, mutual covenants hereinafter set forth and other good and valuable consideration, the Transferor and Transferee hereto agree as follows:

1. The Transferor hereby grants and conveys unto Hydro One Networks Inc. (the "Transferee"), and its agents, servants and workmen, for a term of twenty-one (21) years less one (1) day from and including the date of registration of this Grant of Easement (the "Term") a, free and uninterrupted right-of-way, in common with the Transferor and all others entitled thereto, for persons, animals, plant, machinery, material, supplies, vehicles and equipment, in, over, along and upon that portion of the lands of the Transferor being Part of Lot X, Concession X, shown as Parts X & X on Plan XR-XXXX, in the Geographic Township of X, now in the City of X, subject to the following terms and conditions which the Transferee covenants and agrees to observe and be bound by:

2. Notwithstanding the rights herein granted, the Transferor may use the lands over which the said right-of-way is hereby granted for any and all purposes of its undertaking, and if at any time or times the presence or use of the right-of-way interferes with the Transferor's use or intended use of the lands, the Transferor may give the Transferees notice to cease using the right-of-way provided that the Transferor will grant an alternative right-of-way on its adjacent lands subject to the same terms and conditions as are herein contained.

3. The rights granted herein shall be subject to all leases, licenses, or any rights of use or occupation existing at the date of this indenture, and the Transferor may from time to time renew or extend them or make new ones, so long as they do not interfere unreasonably with the rights herein granted.

4. Unless the Transferee advises the Transferor upon 60 days' prior written notice, the Term shall be automatically renewed for an additional term of twenty-one (21) years less one (1) day upon the same terms and conditions save for the right of renewal.

5. The lands to be benefitted by this Transfer of Right-of-Way are as set out in Instrument No. XXXX (XXXX Transformer Station)

[NOTE – IF TRANSFEROR ARE INDIVIDUALS ADD THE FOLLOWING CLAUSE AS #6

6. The Transferor represents that, except to the extent such consent has been obtained, spousal consent to this transaction is not necessary and upon registration of this Grant of Easement will not be necessary under the provisions of the *Family Law Act*, R.S.O. 1990 c.F.3

7.

IN WITNESS WHEREOF the parties hereto have executed this Grant of Easement.

Signed by the Transferee this day of , 2012.

HYDRO ONE NETWORKS INC.

Per:_____
Name:
Position:

I have authority to bind the Corporation.

Signed by the Transferor this day of , 2012.

[NOTE – INSERT FULL LEGAL NAME OF TRANSFEROR]

Per:_____
Name:
Position:

Per:_____
Name:
Position:

We/I have authority to bind the Corporation

[OR IF TRANSFEROR IS INDIVIDUAL]

SIGNED, SEALED AND DELIVERED
In the presence of)

_____) _____ (seal)
Signature of Witness) Transferor's Signature

_____) _____ (seal)
Signature of Witness) Transferor's Signature

SIGNED, SEALED AND DELIVERED)
In the presence of)
)
)
)

_____)
Signature of Witness

Consent Signature & Release of
Transferor's Spouse, if non-owner.

_____(seal)

Schedule "H": Form of Early Access Agreement

FORM 1 – USED FOR ACCESS TO STATION LANDS, ACCESS EASEMENT LANDS + CONNECTION TAP EASEMENT LANDS

THIS AGREEMENT made in duplicate the day of 20XX

BETWEEN:

HYDRO ONE NETWORKS INC. (hereinafter called "HONI") OF THE FIRST PART

and

(hereinafter collectively called the "Owner") OF THE SECOND PART

WHEREAS:

1. The Owner is the registered owner of lands legally described as **INSERT LEGAL DESCRIPTION** (the "Lands").

2. HONI will be constructing new electrical transmission facilities (the "Transmission Facilities") on a portion of the Lands more particularly described as Part • in Plan 18R-•••• attached as Schedule "A" and a new transmission station (the "Transmission Station") on a portion of the Lands more particularly described as Part • in Plan 18R-•••• attached as Schedule "B" (the "Station Lands") together with an access road (the "Access Road") to the Transmission Station on a portion of Lands more particularly shown as Parts •,• in Plan 18R-•••• attached as Schedule "C", all which is collectively referred to as the "Works".

3. The Owner has entered into an Agreement of Purchase and Sale with **INSERT NAME OF PROPONENT** with respect to the Station Lands.

4. **INSERT NAME OF PROPONENT** in turn will be transferring the Station Lands to HONI in fee simple once its purchase transaction with the Owner is complete.

5. The Owner is agreeable in allowing HONI to enter onto the Lands in order to commence construction of its Works subject to the terms and conditions contained herein.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the lump sum of **Five Dollars ($5.00)** now paid by HONI to the Owner, and the respective covenants and agreements of the parties hereinafter contained and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties hereto agree as follows:

1. HONI agrees that it will enter into, with the Owner (i) an easement agreement with respect to the Access Road and (ii) an easement with respect to the Transmission Facilities (collectively the "Easements") with respect to the portion of the Lands referenced in Schedule "A' and Schedule "C". Such Easements shall be substantially in the form of HONI's standard form easement documents.

2. The Owner hereby grants to HONI, as of the date this Agreement, (i) the right to commence construction of the Transmission Facilities, the Access Road, and Transmission Station on the Lands, as shown in Schedules "A" "B" & "C" attached hereto; and (ii) the right to enter upon and exit from, and to pass and repass at any and all times in, over, along, upon, across, through and under the Lands as may be reasonably necessary, at all reasonable times, for HONI and its respective officers, employees, workers, permittees, servants, agents, contractors and subcontractors, with or without vehicles, supplies, machinery, plant, material and equipment for the purpose of commencing construction of the Transmission Facilities, Access Road and Transmission Station,

3. HONI agrees that it shall take all reasonable care in its construction practices.

4. All agents, representatives, officers, directors, employees and contractors and property of HONI located at any time on the Lands shall be at the sole risk of HONI and the Owner shall not be liable for any loss or damage or injury (including loss of life) to them or it however occurring except and to the extent to which such loss, damage or injury is caused by the negligence or willful misconduct of the Owner.
5. HONI agrees that it shall indemnify and save harmless the Owner from and against all claims, demands, costs, damages, expenses and liabilities (collectively the "Costs") whatsoever arising out of HONI's presence on the Lands or of its activities on or in connection with the Lands arising out of the permission granted herein except to the extent any of such Costs arise out of the negligence or willful misconduct of the Owner.

6. This Agreement and the permission granted herein shall automatically terminate upon the closing of the transactions contemplated by the Easements.

7. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable herein. The parties hereto submit themselves to the exclusive jurisdiction of the Courts of the Province of Ontario.

8. Any amendments, modification or supplement to this Agreement or any part thereof shall not be valid or binding unless set out in writing and executed by the parties with same degree of formality as the execution of this Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Agreement by the hands of their duly authorized signing officers in that regard.

WITNESS:

Signature:

_____
Print Name of Witness

INSERT NAME(S) OR COMPANY

Per: _____
Name:

Title:

I have authority to bind the Corporation

WITNESS:

Signature:

_____
Print Name of Witness

INSERT NAME(S) OR COMPANY

Per: _____
Name:

Title:

I have authority to bind the Corporation

HYDRO ONE NETWORKS INC.

Per: _____
Name:
Title:

I have authority to bind the Corporation

Schedule "A"

INSERT SKETCH OR PLAN

Schedule "B"

INSERT SKETCH OR PLAN

Schedule "C"

INSERT SKETCH OR PLAN

Schedule "H": Form of Early Access Agreement

FORM 2 – USED FOR ACCESS EASEMENT LANDS + CONNECTION TAP EASEMENT LANDS

THIS AGREEMENT made in duplicate the day of 20XX

BETWEEN:

HYDRO ONE NETWORKS INC (hereinafter called the "HONI") OF THE FIRST PART

and

INSERT NAME (hereinafter called the "Owner") OF THE SECOND PART

WHEREAS:

1. The Owner is the registered owner of lands legally described as

(the "Lands").

2. HONI will be constructing new Electrical Transmission Facilities on a portion of the Lands shown highlighted in red on Schedule "A" & "B" attached hereto.

3. The Owner is agreeable in allowing HONI to enter onto the Lands to construct its facilities in accordance with the Drawing subject to the terms and conditions contained herein.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the lump sum of FIVE Dollars ($5.00) now paid by each party to the other and the respective covenants and agreements of the parties hereinafter contained (the receipt and sufficiency of which are hereby acknowledged by the parties hereto), the parties hereto agree as follows:

1. HONI agrees that it will enter into, with the Owner, (i) an easement agreement, on HONI's standard form, with respect to the Works located on the portion of the Lands as shown hatched and highlighted in red on the attached Schedule "A" and Schedule "B" Drawings (the "Easement"); and (ii) an access easement for HONI to access the Works over a portion of the Lands shown cross-hatched and highlighted in green on the attached Schedule "A" and Schedule "B" Drawings ("Access Easement") within a reasonable period of time following execution by the parties of this Agreement.

2. The Owner hereby grants to HONI the right to enter upon the Lands for the purpose of commencing construction of the works, as of the date this Agreement is executed by both parties.

3. HONI agrees that it shall take all reasonable care in its construction practices.

4. All agents, representatives, officers, directors, employees and contractors and property of HONI located at any time on the Lands shall be at the sole risk of HONI and the Owner shall not be liable for any loss or damage or injury (including loss of life) to them or it however occurring except and to the extent to which such loss, damage or injury is caused by the negligence or willful misconduct of the Owner.

5. HONI agrees that it shall indemnify and save harmless the Owner from and against all claims, demands, costs, damages, expenses and liabilities (collectively the "Costs") whatsoever arising out of HONI's presence on the Lands or of its activities on or in connection with the Lands arising out of the permission granted herein except to the extent any of such Costs arise out of the negligence or willful misconduct of the Owner.

7. This Agreement and the permission granted herein shall automatically terminate upon the registration of the Easement.

8. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable herein. The parties hereto submit themselves to the exclusive jurisdiction of the Courts of the Province of Ontario.

9. Any amendments, modification or supplement to this Agreement or any part thereof shall not be valid or binding unless set out in writing and executed by the parties with same degree of formality as the execution of this Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Agreement by the hands of their duly authorized signing officers in that regard.

Dated this Day of , 20XX

WITNESS:

Per:

Signature:
Name:

Name:

I have authority to bind the Company

WITNESS:

Per:

Signature:
Name:

Name:

I have authority to bind the Company

HYDRO ONE NETWORKS INC.

Per:
Name:
Title:

I have authority to bind the Company

Schedule "A"

INSERT SKETCH

Schedule "B"

INSERT SKETCH

Schedule "H": Form of Early Access Agreement

FORM 3 – USED FOR CONNECTION TAP EASEMENT LANDS

THIS AGREEMENT made in duplicate the day of 20XX

BETWEEN:

HYDRO ONE NETWORKS INC (hereinafter called the "HONI") OF THE FIRST PART

and

INSERT NAME (hereinafter called the "Owner") OF THE SECOND PART

WHEREAS:

1. The Owner is the registered owner of lands legally described as

(the "Lands").

2. HONI will be constructing new Electrical Transmission Facilities on a portion of the Lands shown highlighted in red on Schedule "A" attached hereto.

3. The Owner is agreeable in allowing HONI to enter onto the Lands to construct its facilities in accordance with the Drawing subject to the terms and conditions contained herein.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the lump sum of FIVE Dollars ($5.00) now paid by each party to the other and the respective covenants and agreements of the parties hereinafter contained (the receipt and sufficiency of which are hereby acknowledged by the parties hereto), the parties hereto agree as follows:

1. HONI agrees that it will enter into, with the Owner, (i) an easement agreement, on HONI's standard form, with respect to the Works located on the portion of the Lands as shown hatched and highlighted in red on the attached Schedule "A" (the "Easement") within a reasonable period of time following execution by the parties of this Agreement.

2. The Owner hereby grants to HONI the right to enter upon the Lands for the purpose of commencing construction of the works, as of the date this Agreement is executed by both parties.

3. HONI agrees that it shall take all reasonable care in its construction practices.

4. All agents, representatives, officers, directors, employees and contractors and property of HONI located at any time on the Lands shall be at the sole risk of HONI and the Owner shall not be liable for any loss or damage or injury (including loss of life) to them or it however occurring except and to the extent to which such loss, damage or injury is caused by the negligence or willful misconduct of the Owner.

5. HONI agrees that it shall indemnify and save harmless the Owner from and against all claims, demands, costs, damages, expenses and liabilities (collectively the "Costs") whatsoever arising out of HONI's presence on the Lands or of its activities on or in connection with the Lands arising out of the permission granted herein except to the extent any of such Costs arise out of the negligence or willful misconduct of the Owner.

6. This Agreement and the permission granted herein shall automatically terminate upon the registration of the Easement.

7. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable herein. The parties hereto submit themselves to the exclusive jurisdiction of the Courts of the Province of Ontario.

8. Any amendments, modification or supplement to this Agreement or any part thereof shall not be valid or binding unless set out in writing and executed by the parties with same degree of formality as the execution of this Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Agreement by the hands of their duly authorized signing officers in that regard.

Dated this Day of , 20XX

WITNESS:

Per:

Signature: _____
Name:

_____
Name:

I have authority to bind the Company

WITNESS:

Per:

Signature: _____
Name:

_____
Name:

I have authority to bind the Company

HYDRO ONE NETWORKS INC.

Per: _____
Name:
Title:

I have authority to bind the Company

Schedule "A"

INSERT SKETCH

Schedule "I": Form of Agreement of Purchase and Sale

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT made and entered into as of this ___ day of _____ 2012.

BETWEEN:

INSERT NAME OR COMPANY

(the **"Vendor"**)
OF THE FIRST PART

AND:

HYDRO ONE NETWORKS INC.

(the **"Purchaser"**)
OF THE SECOND PART

WITNESSETH THAT in consideration of the mutual covenants, agreements and payments herein provided, the parties hereto covenant and agree as follows:

1.0 OFFER

1.1 The Vendor, being the owner of the lands and premises legally described in Schedule "A" (the "Lands") hereby agrees to sell to the Purchaser and the Purchaser agrees to purchase from the Vendor, on the terms and conditions set out in this Agreement, a portion of the Lands shown crosshatched and bolded in red on Schedule "A-1" attached hereto and being approximately _____ acres (the "Property"), upon and subject to the terms and conditions hereinafter set forth.

1.2 The Vendor acknowledges and understands that upon execution of this Agreement by the Vendor and the Purchaser there shall be a binding agreement of Purchase and Sale between the Purchaser and the Vendor.

1.3 Included in the Purchase Price is the purchase of all of the Vendor's interest in all fixtures, improvements, and appurtenances located on the Property except those listed below which are expressly excluded: NIL

2.0 PURCHASE PRICE

2.1 The purchase price to be paid by the Purchaser to the Vendor for the Property shall be the sum of INSERT AMOUNT (**$_____.__**) (the **"Purchase Price"**) payable as follows;

(a) **INSERT AMOUNT ($_____.__)** to be submitted by the Purchaser upon the execution of this Agreement by all parties by uncertified cheque payable to the Purchaser's solicitor as a deposit to be held in trust by the Purchaser's solicitor in a non-interest bearing account pending completion or other termination of this Agreement and to be credited on account of the Purchase Price on completion (the **"Deposit"**).

(b) The balance of the Purchase Price by uncertified cheque at the time of closing in accordance with section 3.2 (b) of this Agreement.

2.2 The parties acknowledge that the Purchase Price is based on **$_____ per acre for _____ acres** of unimproved lands and the actual area of the Property shall be confirmed by a survey prepared by the Purchaser and Purchase Price shall be adjusted accordingly to the actual acreage.

3.0 CLOSING

3.1 The closing of this transaction shall take place at **2:00pm on the __th day of _____, 20__** or such earlier time or later time and at such place as shall be agreed in writing by the parties hereto (the **"Closing"**).

3.2 On Closing,

(a) Vacant possession of the Property shall be given to the Purchaser.

(b) Purchaser shall pay the balance of the Purchase Price to the Vendor in accordance with section 2.1 of this Agreement;

(c) Rents, realty taxes, local improvement charges, water and unmetered utility charges and the cost of fuel as applicable shall be apportioned and allowed to the date of completion (the day itself to be apportioned to the Purchaser).

(d) In conformance with subsections 221(2) and 228(4) of the *Excise Tax Act* R.S.C. 1985, c E-15, as amended ("the Act"), Hydro One Networks Inc. shall report and pay to the Receiver General, the Harmonized Sales Tax ("HST") applicable to the purchase and sale of the Property. For the purposes of this clause 3.2(d), Hydro One Networks Inc. warrants that it is a HST registrant in good standing under the Act, that its HST registration number is 870865821RT0001, and that it is acquiring the Property for use primarily in the course of its commercial activities.

4.0 REPRESENTATIONS AND WARRANTIES OF VENDOR

4.1 The Purchaser shall until **4:00 pm on the __th day of _____, 20__** (the **"Inspection Period"**) to satisfy itself with respect to all matters respecting the Property and the Purchaser's proposed use of the Property, including but not limited to its present state of repair and condition and any structures thereon, all encumbrances and all regulations and by-laws governing the Property, and the Vendor grants to the Purchaser the right to enter upon the Property and to conduct such inspections, surveys and tests, including but not limited to soil, ground-water, environmental or other inspections, tests, measurements or surveys, as the Purchaser, acting reasonably, deems necessary in this regard, provided the Purchaser takes all reasonable care in the conduct of such inspections, surveys and tests and restores the Property to its prior condition so far as reasonably possible following such inspections and tests. The Vendor assumes no responsibility for and the Purchaser shall indemnify and save harmless the Vendor from and against all claims, demands, costs, damages, expenses and liabilities whatsoever arising out of its presence on the Property or of its activities on or in connection with the Property during the Inspection Period.

4.2 If for any reason, the Purchaser, acting reasonably, is not satisfied with respect to such matters arising from its activities in Section 4.1, it may deliver a notice (the **"Notice of Termination"**) to the Vendor prior to the expiry of the Inspection Period indicating that it is not satisfied with respect to such matters and desires to terminate this Agreement and release the Vendor from any further obligations. Upon delivery by the Purchaser of a Notice of Termination to the Vendor, and this Agreement shall be at an end and the Vendor shall return the Deposit to the Purchaser without deduction and neither Party shall have any further obligation to the other respecting the Agreement.

5.0 TITLE SEARCH PERIOD

5.1 The Purchaser shall be allowed until **4:00pm on the __th day of _____, 20__** to investigate title to the Property at its own expense (the **"Title Search Period"**), to satisfy itself that there are no outstanding encumbrances, or liens save and except those listed in Schedule "B" attached hereto and until the earlier of: (i) thirty (30) days from the later of the last date of the title search period or the date or which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five (5) days prior to completion, to satisfy itself that there are no outstanding work orders or deficiency notices affecting the property. Vendor hereby consents to the Municipality or other governmental agencies releasing to the Purchaser details of all outstanding work orders affecting the Property and the Vendor agrees to execute and deliver such further authorizations in this regard as Purchaser may reasonably require.

5.2 Provided that the title to the Property is good and free from all registered restrictions, charges, liens and encumbrances except those listed in Schedule "B" attached hereto, if within the Title Search Period, any valid objection to title is made by the Purchaser in writing to the Vendor thereof, and which the Vendor shall be unwilling or unable to remove and which the Purchaser will not waive, this Agreement, notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and the Deposit shall be returned to the Purchaser, without deduction, and the Vendor shall not be liable for any costs or damages and the Vendor and the Purchaser shall be released from all obligations hereunder, and the Vendor shall also be released from all obligations under this Agreement, save and except those covenants of the Purchaser expressly stated to survive Closing or other termination of this Agreement. Save as to any valid objection to title made in accordance with this Agreement and within the Title Search Period, and except for any objection going to the root of title, Purchaser shall be conclusively deemed to have accepted Vendor's title to the Property.

5.3 The Vendor and Purchaser agree that there is no condition, express, or implied, representation or warranty of any kind that the future intended use of the Property by the Purchaser is or will be lawful except as may be specifically stipulated elsewhere in this Agreement.

5.4 The Purchaser shall, at its expense, arrange for the preparation of the reference plan for the Property. In the event that the reference plan has not been registered against title to the Property by Closing, then the date for Closing shall be extended.

6.0 REPRESENTATIONS AND WARRANTIES OF PURCHASER

6.1 Purchaser shall, at its own cost, forthwith make such investigation as the Purchaser deems appropriate of the Property and Vendor's title as provided for in this Agreement and shall notify the Vendor of any objection to title, together with a complete copy of any documents and other material information related thereto prior to the expiry of the Inspection Period and Title Search Period.

7.0 INSURANCE

7.1 Until the completion of the sale, all buildings on the property shall be and remain at the risk of the Vendor and the Vendor shall hold all insurance policies and the proceeds thereof in trust for the parties as their interests may appear. In the event of substantial damage, the Purchaser may either (a) terminate this Agreement on written notice to the Vendor, at the earlier of five (5) business days of receiving notification of such damage, or prior to Closing, and the Deposit and accrued interest shall be returned to the Purchaser without deduction; or (b) take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on Closing.

8.0 RESTRICTIONS AND LIMITATIONS

8.1 This Agreement shall be effective to create an interest in the Property only if the applicable subdivision control provisions of the *Planning Act*, R.S.O. 1990, as amended, are complied with by the Vendor prior to Closing. The Vendor shall forthwith make any application to the local Committee of Adjustment or Land Division Committee for any consent that may be required pursuant to the Planning Act. In the event that any such application for consent is denied, or any condition imposed by such body is unacceptable to the Vendor, this Agreement shall be terminated and the Deposit and accrued interest returned to the Purchaser without deduction.

9.0 ADDITIONAL PROVISIONS

9.1 The Transfer/Deed of Land (the **"Transfer"**), save for Land Transfer Tax Affidavits, shall be prepared in registrable form by the Vendor, and the Purchaser covenants at its cost to register the Transfer on Closing. If requested by Purchaser, Vendor covenants that the Transfer Deed to be delivered on completion shall contain the statements contemplated by s. 50(22) of the *Planning Act*, R.S.O. 1990. If requested by Purchaser, the Vendor covenants that the Transfer Deed to be delivered on completion shall contain the statements contemplated by s. 50(22) of the *Planning Act*, R.S.O. 1990.

9.2 Except as otherwise provided herein, each Party shall be responsible to pay its own taxes, legal costs, and the cost of preparation and registration of its own documents

9.3 Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by the Parties or by their respective solicitors who are specifically authorized in that regard.

9.4 Any tender of documents or money hereunder may be made upon the Parties or their respective solicitors on the Closing day. Money may be tendered by bank draft or uncertified cheque.

9.5 Where this Agreement requires notice to be delivered by one party to the other, such notice shall be given in writing and delivered either personally, or by pre-paid registered post or by facsimile, by the party wishing to give such notice, or by the solicitor acting for such party, to the other party or to the solicitor acting for the other party at the addresses noted below:

To: Vendor INSERT NAME OR COMPANY
ADDRESS

Phone:

To: Purchaser

Hydro One Networks Inc.
Real Estate Services
1800 Main Street East
Milton, ON
L9T 7S3

Courier Address: 1800 Main Street East
Milton, Ontario
L9T 2X8

Facsimile No: 905-878-8356
Phone: 416-420-4830
Attention: Rob Thomson

Such notice shall be deemed to have been given, in the case of personal delivery, on the date of delivery, and, where given by registered post, on the third business day following the posting thereof, and if sent by facsimile, the date of delivery shall be deemed to be the date of transmission if transmission occurs prior to

4:00 p.m. (Toronto time) on a business day and on the business day next following the date of transmission in any other case. It is understood that in the event of a threatened or actual postal disruption in the postal service in the postal area through which such notice must be sent, notice must be given personally as aforesaid or by facsimile, in which case notice shall be deemed to have been given as set out above.

9.6 The Parties acknowledge that there are no covenants, representations, warranties, agreements or conditions, express or implied, collateral or otherwise, forming part of or in any way affecting or relating to this Agreement save as expressly set out in this Agreement and that this Agreement and all Schedules hereto constitute the entire agreement between the parties and may not be modified except as expressly agreed between the Vendor and Purchaser in writing.

9.7 Should any provision or provisions of this agreement be declared illegal or unenforceable, it or they shall be considered separate and severable from the Agreement and its remaining provisions shall remain in force and be binding upon the parties hereto as though the said provision or provisions had never been included.

9.8 No act or omission or delay in exercising any right or enforcing any term, covenant or agreement to be performed under this Agreement shall impair such right or be construed as to be a waiver of any default or acquiescence in such failure to perform, unless such waiver shall be given or acknowledged in writing.

9.9 This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

9.10 This Agreement shall constitute the entire Agreement between the Purchaser and Vendor and there is no representation, warranty, collateral agreement or condition affecting this Agreement or the Property or supported hereby other than as expressed herein in writing. This Agreement shall be read with all changes of gender or number required by the context.

9.11 This Agreement and everything herein contained shall operate to the benefit of, and be binding upon, the respective heirs, successors, permitted assigns and other legal representatives, as the case may be, of each of the Parties hereto.

9.12 The Vendor warrants that spousal consent is not necessary to this transaction under the provision of the *Family Law Act*, R.S.O. 1990 unless the Vendor's spouse has executed the consent hereinafter provided.

9.13 The Vendor represents that he is not a non-resident for the purposes of section 116 of the *Income Tax Act*, Canada,

9.14 Where each of the Vendor and the Purchaser retain a solicitor to complete this Agreement and where the transaction contemplated herein will be completed by electronic registration pursuant to Part 111 of the Land Registration Reform Act, R.S.O. 1990, and any amendments thereto, the Vendor and the Purchaser acknowledge and agree that the delivery of documents and the release thereof to the Vendor and the Purchaser may, at the solicitor's discretion; (a) not occur contemporaneously with the registration of the Transfer/Deed of Land (and other registrable) documentation), and (b) be subject to conditions whereby the solicitor receiving documents and/or money will be required to hold them in trust and not release them except in accordance with the terms of a written agreement between the solicitors.

9.15 The Purchaser agrees that it shall pay the Vendor's reasonable legal costs with respect to the Closing contemplated in this Agreement of Purchase and Sale, up to a maximum of $1,500.00 including disbursements and HST.

9.16 This Agreement and any right or interest transferred hereby may be registered on title to the Property.

9.17 The provisions of the attached Schedules "A", "A-1" and "B" shall form part of this Agreement as if set out herein.

9.18 The Vendor and Purchaser agree to take all necessary precautions to maintain the confidentiality of the terms and conditions contained herein. The Vendor acknowledges that this Agreement and any information or documents that are provided to the Purchaser may be released pursuant to the provisions of the *Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c. F.31, as amended. This acknowledgment shall not be construed as a waiver of any right to object to the release of this Agreement or of any information or documents.

IN WITNESS WHEREOF the Parties have hereunto set their respective hands and seals to this Agreement of Purchase and Sale.

SIGNED, SEALED AND DELIVERED
In the presence of)
)
)
)
)

INSERT COMPANY NAME (if applicable)

_____
Print Name of Witness

_____ (seal)
NAME (print):
TITLE (if applicable):

If company, insert "I have authority to bind the Corporation"

SIGNED, SEALED AND DELIVERED
In the presence of)
)
)
)
)

Consent Signature & Release of
Vendor's Spouse, if non-owner.

_____
Print Name of Witness

_____ (seal)
Name:

HYDRO ONE NETWORKS INC.

Per: _____
Name: Rob Thomson
Title: Acquisition and Special Projects Supervisor
I have authority to bind the Corporation

SCHEDULE "A" (LEGAL DESCRIPTION OF LANDS)
INSERT LEGAL DESCRIPTION

SCHEDULE "A-1" (SKETCH OF PROPERTY)
INSERT SKETCH OR PLAN

SCHEDULE "B" (List of Permitted Encumbrances)
NIL