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**EXTENDED SERVICES  
MASTER SERVICES AGREEMENT**

**Between**

**ONTARIO POWER GENERATION INC.**

**and**

**AECON CONSTRUCTION GROUP INC. and SNC-LAVALIN NUCLEAR INC.**

**Made as of December 19, 2014**

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## **EXTENDED SERVICES MASTER SERVICES AGREEMENT**

**THIS AGREEMENT** is made as of December 19, 2014.

**BETWEEN:**

**ONTARIO POWER GENERATION INC.**, a corporation  
existing under the laws of Ontario (“**OPG**”)

and

**AECON CONSTRUCTION GROUP INC.**, a corporation  
existing under the laws of Canada, and **SNC-LAVALIN  
NUCLEAR INC.**, a corporation existing under the laws of  
Canada, acting jointly and severally (collectively, the  
“**Contractor**”) doing business as a contractual joint venture known  
as the “**SLN-AECON, a Joint Venture**”.

**RECITALS**

- A. OPG owns and operates three nuclear generating stations, Pickering A, Pickering B and Darlington, and other related facilities, including nuclear waste management facilities, in Ontario.
- B. OPG may, from time to time, retain the Contractor (SNC-Lavalin Nuclear Inc. and AECON Construction Group Inc. (by its AECON Industrial division)) to perform Work in relation to these nuclear generating stations and other related facilities.
- C. The Parties wish to enter into this Agreement to set out the terms and conditions upon which the Contractor will perform any such Work.

For value received, the Parties agree as follows:

### **SECTION 1 - DEFINITIONS AND INTERPRETATION**

#### **1.1 Definitions**

In this Agreement, the following terms have the respective meanings set out below:

- (a) **Affiliate** means, with respect to any Person, any other Person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such Person.
- (b) **Agreement** means this extended services master services agreement, including any recitals, appendices, schedules and exhibits, as amended by an Amendment or restated from time to time, and, for greater certainty, each Purchase Order, as amended by a Purchase Order Revision.

- (c) **Amendment** means a written amendment agreement signed by the Parties, in the form of Exhibit A, which makes any change to this Agreement (or any part thereof, including any recitals, appendices, schedules or exhibits).
- (d) **Applicable Laws** means, in respect of any Person, property, transaction or event, at the applicable time:
  - (1) all applicable laws, statutes, proclamations, regulations, by-laws, treaties and decrees;
  - (2) all judgments of any relevant court of law, board, arbitrator or administrative agency which are binding precedents in Ontario;
  - (3) all applicable Approvals; and
  - (4) all Codes and Standards.
- (e) **Application for Final Payment** means the application for final payment delivered by the Contractor to OPG's Project Representative in the form of Exhibit E, together with all attachments.
- (f) **Application for Payment** means the application for payment delivered by the Contractor to OPG's Project Representative in the form of Exhibit B, together with all attachments.
- (g) **Approvals** means any permits, licences, consents, approvals, clearances, orders, ordinances, registrations, filings or other authorizations respecting the Work as may be required from any applicable Governmental Authority or by this Agreement.
- (h) **Augmented Staff** means temporary workers with various technical skill sets requested by OPG and supplied by the Contractor to OPG under this Agreement, including, without limitation, Nuclear Energy Workers.
- (i) **Business Day** means any day other than a Saturday, Sunday, New Year's Day, Family Day, Good Friday, Easter Monday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving Day, Christmas Day and Boxing Day. Each Business Day will end at 5:00 p.m. on that day.
- (j) **Category PI Score** has the meaning given in Section 5.1(d).
- (k) **Codes and Standards** means all requirements, requests, directives, rules, guidelines, standards, specifications, codes, instructions, circulars, manuals, policies and formal interpretations of any applicable technical organization or of any Governmental Authority whether or not having the force of law.
- (l) **Confidential Information** has the meaning given in Section 3.11(a).



- (m) **Consumables** means materials of nominal value that are fully consumed or used up in the performance of any Work involving construction trades and are not physically incorporated into such Work, including, without limitation, saw blades, drill bits, grinding wheels, sandpaper, masking tape, paper towels, regular adhesives and glues, light bulbs, cutting fluids, gloves, markers and rope.
- (n) **Contaminant** has the meaning given in Section 3.12(c).
- (o) **Contract Completion Date** means, in respect of each Purchase Order, the date upon which OPG accepts that the Work to be performed under such Purchase Order has been entirely finished and completed in accordance with the terms of such Purchase Order.
- (p) **Contract Price** means the amount OPG has agreed to pay the Contractor for the Work as set forth in each Purchase Order, subject to any amendments contained in a Project Change Authorization.
- (q) **Contractor Group** means the Contractor, the Subcontractors, the Contractor's Personnel or any other Person the Contractor or a Subcontractor is responsible for at law.
- (r) **Contractor's MSA Representative** means the individual designated in writing by the Contractor from time to time to act as the Contractor's representative in dealings with OPG under this Agreement.
- (s) **Contractor's Personnel** means all personnel, including the Contractor's MSA Representative, the Contractor's Project Representatives and all members of the Core Team, used by the Contractor or assisting the Contractor in the performance of the Work, including any personnel, staff, labour and other employees of the Contractor or a Subcontractor and any Subcontractor who is an individual.
- (t) **Contractor's Project Representative** means, in respect of each Purchase Order, the individual designated in writing by the Contractor in accordance with such Purchase Order to act as the Contractor's representative in dealings with OPG in respect of that Purchase Order.
- (u) **Contractor's Property** means all goods that are owned or controlled by the Contractor or a Subcontractor and used by the Contractor or a Subcontractor in the performance of the Work and to which title will not pass to OPG under this Agreement, including, for greater certainty, tools that are owned and used by the Contractor in the performance of the Work.
- (v) **Contractor's Training Plan** means the training plan submitted by the Contractor and reviewed and approved by OPG regarding the training of all of the Contractor's Personnel and which, for greater certainty, incorporates all of OPG's training requirements set out in Schedule 10, provided that the Contractor's Training Plan shall be amended from time to time, with OPG's approval, to incorporate changes to OPG's training requirements as the same evolve over time.

- (w) **Core Team** means the team of individuals listed in Schedule 2 whose services are provided by the Contractor to OPG as described in Section 3.2.
- (x) **Core Team Services Fee** means the annual fee payable for all services provided by the Core Team in respect of all Projects and all other Work performed by the Core Team under this Agreement, as adjusted from time to time in accordance herewith.
- (y) **Cost PI** has the meaning given in Section 5.1(b)(1).
- (z) **Dispute** has the meaning given in Section 11.1(a).
- (aa) **Document** means any:
  - (1) document, design, drawing (including as built drawings), diagram, illustration, schedule, performance chart, brochure, specification, plan, progress photograph, report, certificate or manual (including operating and maintenance manuals);
  - (2) information, data or other deliverable;
  - (3) software, computer program or source code (including, in each case, each of their components);
  - (4) schedule, communication plan or work instruction; or
  - (5) model or sample,whether in a written, graphic, physical, electronic or other format, prepared by or for the Contractor, which illustrates details of a part of the Work, is otherwise required by this Agreement, or is reasonably requested by OPG, and is to be submitted by the Contractor to OPG, or as OPG directs, under this Agreement.
- (bb) **Event of Default** has the meaning given in Section 9.1.
- (cc) **Excusable Delay** has the meaning given in Section 7.2(a).
- (dd) **Final Completion** has the meaning given in the relevant Worksheet in respect of Work to be conducted under a Purchase Order.
- (ee) **First Tier Subcontractor** has the meaning given in Section 3.9(b).
- (ff) **Fixed Price** means, subject to any changes made in accordance with this Agreement to the Contract Price for the Work under the applicable Purchase Order, a Contract Price that is fixed and constitutes the total compensation payable to the Contractor for providing and entirely finishing all Work under the applicable Purchase Order, including, without limitation, all costs respecting the provision of labour and benefits, mobilization, de-mobilization, construction

equipment and tools, equipment, freight (delivered duty paid) to the Site (as that term is defined in the International Chamber of Commerce Incoterms 2010), Taxes (except for any Canadian goods and services tax/harmonized sales tax levied under the *Excise Tax Act* (Canada)), currency exchange risk and costs, insurance required to be provided by the Contractor and all other costs and expenses of every kind respecting Work under this Agreement and the applicable Purchase Order.

- (gg) **Fixed Price Work** means all Work that is carried out on a Fixed Price basis.
- (hh) **Free Issue Materials** means any goods, materials, instruments, devices, articles, supplies, equipment, machinery, tools, structures and assemblies, or components of any of them, or any other tangible thing, supplied by OPG under this Agreement to the Contractor or to such place or Person as the Contractor may direct, whether or not used in performing the Work.
- (ii) **Goods** means any goods, materials, instruments, devices, articles, supplies, raw materials, equipment, machinery, tools, structures and assemblies or any other tangible thing, or components of any of them, supplied or required to be supplied by the Contractor to OPG pursuant to this Agreement.
- (jj) **Governmental Authority** means any domestic or foreign government, including, any federal, provincial, state, territorial, municipal or local government, and any government established court, agency, tribunal, commission or other authority exercising or purporting to exercise executive, legislative, judicial, regulatory or administrative functions respecting government.
- (kk) **Guarantor** means Aecon Group Inc. and SNC-Lavalin Group Inc., or any replacement guarantor permitted under section 6.1(b), as the context requires, and each of their successors or permitted assigns.
- (ll) **Hazardous Condition** means any asbestos, hazardous waste (as that term is defined in the regulations to the *Environmental Protection Act* (Ontario)), designated substances (as that term is defined in the *Occupational Health and Safety Act* (Ontario)), polychlorinated biphenyls, petroleum products or radioactive materials, to the extent such materials are in quantities or circumstances that present a material danger to any Person performing any Work.
- (mm) **Human Performance PI or HP PI** has the meaning given in Section 5.1(b)(4).
- (nn) **Intellectual Property** has the meaning given in Section 3.10(a).
- (oo) **Interface Requirements** means the Contractor/Owner Interface Requirements for Nuclear attached as Schedule 6, as amended from time to time by OPG in its sole discretion.

- (pp) **Key Personnel** means, in respect of the Work to be performed pursuant to any Purchase Order, the named individuals identified as such in the Purchase Order, excluding any members of the Core Team.
- (qq) **Key Milestone** has the meaning given in Section 3.6(b).
- (rr) **Lien** means any:
- (1) lien, charge, attachment, security interest, mortgage, hypothec, claim, deemed trust or other encumbrance, whether fixed or floating, including any lien arising in respect of the *Construction Lien Act* (Ontario) or the *Repair and Storage Liens Act* (Ontario);
  - (2) pledge or hypothecation; or
  - (3) option, right to acquire, deposit arrangement, priority, conditional sale agreement or other title retention agreement, equipment trust, capital lease or other security arrangement of any kind,
- respecting any property, whether real, personal or mixed, tangible or intangible.
- (ss) **Losses** means all claims, demands, costs, penalties, expenses, liabilities, injuries, losses and damages (including all fees and charges of engineers, architects, accountants, lawyers and other professionals and experts (in each case on a dollar for dollar full indemnification basis) and all court, arbitration and other dispute, mediation or resolution costs), whether incurred through settlement or otherwise, together with interest at a rate equal to the prime lending rate quoted by Canadian Imperial Bank of Commerce, as adjusted daily, plus 2% per annum, compounded monthly, and calculated from the date that the Losses were suffered or incurred, in each case, whether arising before or after the termination of this Agreement.
- (tt) **Master Status Report** has the meaning given in Section 3.6(a).
- (uu) **MRPH** means maximum reasonable potential for harm. This is a rating system used to classify incidents as high, medium or low according to their maximum reasonable potential for harm and to determine the level of investigation to which the incident should be subjected. Each incident is reviewed on an individual basis (i.e. on actual circumstances of the specific event) to determine the rating. Reasonable potential needs to consider whether the:
- (1) energy level was or may have been sufficiently high to cause injury;
  - (2) control of energy flow was less than adequate (e.g. safety barriers were ineffective, weak, missing); and
  - (3) likelihood or probability of personal exposure.

A high MRPH incident is one where death or permanent total disability (PTD) occurs or has the reasonable potential to occur. A medium MRPH incident is one where a permanent partial disability (PPD) or critical injury (that is not a high MRPH incident) occurs or has the reasonable potential to occur. A low MRPH incident is any other incident that is not a high or medium MRPH incident.

- (vv) **MSA Representative** means either the Contractor's MSA Representative or OPG's MSA Representative, as applicable, and **MSA Representatives** means both the Contractor's MSA Representative and OPG's MSA Representative.
- (ww) **Notice** means any notice, approval, demand, direction, instruction, consent, designation, request, document, instrument, certificate or other communication required or permitted to be given under this Agreement.
- (xx) **Nuclear Energy Worker** has the meaning assigned to that term in the *Nuclear Safety and Control Act* (Canada).
- (yy) **Nuclear Incident** has the meaning given in Section 6.6(a)(3).
- (zz) **OPG Group** means OPG, each of OPG's wholly-owned subsidiaries and each of OPG's and each such subsidiary's shareholder, directors, officers, employees, representatives, agents and advisors, including OPG's Designated Delegates, but, for greater certainty, excluding all members of the Contractor Group.
- (aaa) **OPG Specifications** means the terms, designs, drawings, technical specifications and requirements, performance specifications and requirements and other written or graphic information related to and/or describing the Work, including a description of the Work to be provided and performed by the Contractor pursuant to each Purchase Order, identified and included as part of the Worksheet attached to each Purchase Order, as amended or restated from time to time pursuant to a Project Change Authorization.
- (bbb) **OPG's Designated Delegate** means OPG's MSA Representative, any of OPG's Project Representatives or any other Person, who may or may not be an employee of OPG, who has been designated in writing by OPG's MSA Representative or any of OPG's Project Representatives from time to time as a delegate of OPG, within a specified scope and limit of authority.
- (ccc) **OPG's MSA Representative** means the individual designated in writing by OPG from time to time to act as OPG's representative in dealings with the Contractor under this Agreement.
- (ddd) **OPG's Project Representative** means, in respect of each Purchase Order, the individual designated in writing by OPG in accordance with such Purchase Order to act as OPG's representative in dealings with the Contractor in respect of that Purchase Order.
- (eee) **Other OPG Contractors** has the meaning given in Section 3.4(h)(1).

- (fff) **Overhead Amount** means, in respect of each applicable Purchase Order, the estimated Reimbursable Labour Costs (as agreed to by OPG) multiplied by the Overhead Percentage.
- (ggg) **Overhead Percentage** means [REDACTED].
- (hhh) **Parties** means each of the parties hereto, and **Party** means any one of them.
- (iii) **Performance Fee** means the fee paid to the Contractor on an applicable Performance Fee Release Date and calculated in accordance with Section 5.2(b).
- (jjj) **Performance Fee Pool** means, at any point in time, the amount representing [REDACTED] of the total amount of each Application for Payment accepted by OPG under this Agreement (except any Application for Payment in respect of Fixed Price Work or payment of the Performance Fee or the Core Team Services Fee) during the relevant calendar year.
- (kkk) **Performance Fee Release Date** means the date specified by the Steering Committee following each applicable quarterly meeting of the Steering Committee.
- (lll) **Performance Fee Work** means all Work that is carried out on a Performance Fee basis.
- (mmm) **Performance Indicators** or **PIs** has the meaning given in Section 5.1(b).
- (nnn) **Performance Score** has the meaning given in Section 5.1(a).
- (ooo) **Person** means any individual, sole proprietorship, partnership, corporation or company, with or without share capital, trust, foundation, joint venture, Governmental Authority or any other incorporated or unincorporated entity or association of any nature (including any heir, executor, administrator, personal or legal representative, successor or assign).
- (ppp) **PI Calculation Date** means (i) in respect of calculations of the Performance Score for purposes of awarding Work, the last day of each financial quarter; and (ii) in respect of calculations of the Performance Score for purposes of calculating the Performance Fee, June 30 and December 31 of each calendar year.
- (qqq) **Profit Amount** means, in respect of each applicable Purchase Order, the estimated Reimbursable Labour Costs (as agreed to by OPG) multiplied by the Profit Percentage.
- (rrr) **Profit Percentage** means [REDACTED]
- (sss) **Project** means, in respect of each Purchase Order, the Work to be provided by the Contractor pursuant to that Purchase Order.

- (ttt) **Project Change Authorization** means, in respect of any Purchase Order, a written authorization, substantially in the form of Exhibit C, agreed to by the Contractor and OPG and signed by OPG's Project Representative, in respect of that Purchase Order, which makes any change to the OPG Specifications, Worksheet, Project Schedule or Contract Price set forth in that Purchase Order.
- (uuu) **Project Representative** means, in respect of each Purchase Order, either the Contractor's Project Representative or OPG's Project Representative, as applicable, and **Project Representatives** means both the Contractor's Project Representative and OPG's Project Representative.
- (vvv) **Project Schedule** means, in respect of each Purchase Order, the Project Schedule described in Section 3.6(b), which sets out the numbers of days and/or the dates to achieve each of the milestones, including, for greater certainty, the Key Milestones, for the Work to be performed pursuant to that Purchase Order, as amended from time to time in accordance with a Project Change Authorization.
- (www) **Property** has the meaning given in Section 3.10(a).
- (xxx) **Prudent Practices** means any of the practices, methods and activities adopted by a significant part of the North American electric utility industry as good practices applicable to work similar to the Work or any of the practices, methods or activities which, in the exercise of skill, diligence, prudence, foresight and reasonable judgment by a prudent contractor in light of the facts known, or which ought to have been known, at the time the decision was made, could reasonably have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety, expedition and Applicable Laws.
- (yyy) **Purchase Order** means each written purchase order agreed to by the Contractor and OPG and issued by OPG to the Contractor for any Work to be provided in accordance with this Agreement, including the applicable Worksheet and OPG Specifications.
- (zzz) **Purchase Order Revision** means, in respect of any Purchase Order, a written amendment to such Purchase Order issued by such individual as OPG's Organizational Authority Register may permit, to the Contractor.
- (aaaa) **Rapid Response Work** means any Work requiring mobilization of appropriate levels of the Contractor's Personnel to provide work of an emergency nature, no later than twelve hours after receipt of request from OPG.
- (bbbb) **Reconciliation Policy** has the meaning given in Section 8.3(g).
- (cccc) **Reimbursable Costs** means, in respect of each applicable Purchase Order, the Reimbursable Labour Costs and the Reimbursable Non-Labour Costs.

- (dddd) **Reimbursable Labour Costs** means, in respect of each applicable Purchase Order, all labour costs for hourly and salaried personnel which are incurred and actually paid by the Contractor in good faith for direct labour employed or contracted by the Contractor in the performance of the Work, calculated in accordance with the Reimbursable Labour Costs Table, and, for greater certainty, excludes the Reimbursable Non-Labour Costs, Core Team Services Fees, Profit Amount, Overhead Amount and Statutory Burdens associated with such Work.
- (eeee) **Reimbursable Labour Costs Tables** means the tables included in Schedule 4 setting out the applicable labour rates in respect of any Work to be conducted under this Agreement.
- (ffff) **Reimbursable Non-Labour Costs** means, in respect of each applicable Purchase Order, all non-labour costs which are incurred and actually paid by the Contractor in good faith in the performance of the Work, which costs are not subject to any mark-up and are to be invoiced as flow through costs, calculated in accordance with the Reimbursable Non-Labour Costs Table, and, for greater certainty, excludes the Reimbursable Labour Costs, Core Team Services Fees, Profit Amount and Overhead Amount associated with such Work.
- (gggg) **Reimbursable Non-Labour Costs Tables** means the tables included in Schedule 5 setting out both the allowed non-labour costs that may be claimed by the Contractor and the disallowed non-labour costs that may not be claimed by the Contractor, in either case, in respect of any Work to be conducted under this Agreement.
- (hhhh) **Retained Intellectual Property** has the meaning given in Section 3.10(c).
- (iiii) **Rules** has the meaning given in Section 11.2(a).
- (jjjj) **Safety PI** has the meaning given in Section 5.1(b)(3).
- (kkkk) **Schedule PI** has the meaning given in Section 5.1(b)(2).
- (llll) **Site** means the area identified by OPG in each Worksheet where or in respect of which the Work will be performed.
- (mmmm) **Small Tools** means portable tools and devices used by the Contractor's Personnel while performing the Work involving construction trades, including, without limitation, power tools, measuring and testing devices, ladders, and standard industrial personal protective safety equipment and, for greater certainty, specifically excluding any Free Issue Materials (including radiological protective materials, if applicable, supplied by OPG).
- (nnnn) **Statutory Burdens** means any statutory assessments incurred and actually paid by the Contractor in good faith for direct labour employed or contracted by the Contractor in the performance of any Work, such as CPP, EI, WSIB and employee health tax. For clarity, Statutory Burdens shall not include amounts



paid to or by the Contractor in excess amounts required to be assessed and paid for direct labour employed or contracted by the Contractor in the performance of any Work.

(oooo) **Steering Committee** has the meaning given in Section 3.3(a).

(pppp) **Subcontract** means any agreement with a Subcontractor.

(qqqq) **Subcontractor** means a Person who performs any Work under an agreement with the Contractor, another Subcontractor or a combination of the Contractor and another Subcontractor, including, for greater certainty, the First Tier Subcontractors.

(rrrr) **Subcontractor Management Plan** means a plan detailing how the Contractor will manage the work of Subcontractors retained under this Agreement.

(ssss) **Submittal** means any Document, prepared by or for the Contractor, which:

- (1) illustrates details of part of the Work;
- (2) is necessary for the operation or maintenance of the Project or the Work;
- (3) is otherwise required by this Agreement or a Purchase Order, including certificates or policies of insurance in accordance with Schedule 12; or
- (4) is reasonably requested by OPG,

and is to be submitted by the Contractor to OPG, or as OPG directs, under this Agreement for information, review or acceptance.

(tttt) **Substantial Completion** has the meaning given in the relevant Worksheet in respect of any Work.

(uuuu) **Taxes** means all present and future taxes, surtaxes, duties, levies, imposts, rates, fees, premiums, assessments, withholdings, dues and other charges of any nature imposed by any Governmental Authority (including income, capital, gross receipts, consumption, sales, use, transfer, goods and services or other value-added, excise, customs or other import, anti-dumping, countervail, net worth, alternative or add-on minimum, windfall profits, stamp, registration, franchise, payroll, employment insurance, Canada Pension Plan, workers' compensation, health, education, school, business, property, local improvement, environmental, development and occupation taxes, surtaxes, duties, levies, imposts, rates, fees, premiums, assessments, withholdings, dues and charges), together with all fines, interest, penalties in respect thereof, or in lieu of or for non-collection thereof.

(vvvv) **Work** means the performance of all obligations under this Agreement, including, the provision of the Core Team and, as applicable in respect of each Purchase Order:

- (1) the provision of any Goods delivered or required to be delivered by the Contractor under such Purchase Order;
- (2) any services (including the provision of Augmented Staff) provided or required to be provided by the Contractor under such Purchase Order and the results of such services provided or required to be provided by the Contractor under such Purchase Order; or
- (3) an entirely finished and fully functional Project that is fit for its intended purpose provided or required to be provided by the Contractor under such Purchase Order,

in each case, (i) in accordance with this Agreement, including the terms of the applicable Purchase Order and (ii) whether nuclear or conventional.

(www) **Work Request** means a work request issued by OPG for any Work to be provided in accordance with this Agreement that will set out the process by which the Work may be awarded and all of OPG's requirements for the Work.

(xxxx) **Work Request Response** means the written response submitted to OPG by the Contractor in response to a Work Request.

(yyyy) **Worksheet** means the work sheet attached to each Purchase Order incorporating data and requirements specific to that Purchase Order, including, without limitation, an indication of which sections, if any, of the Interface Requirements apply to the Work, substantially in the form of Schedule 1, with such changes as OPG may introduce from time to time in its sole discretion.

## 1.2 Headings and Table of Contents

The division of this Agreement into sections, the insertion of headings and the provision of a table of contents are for convenience of reference only and are not to affect the construction or interpretation of this Agreement.

## 1.3 Expanded Definitions

Unless otherwise specified in this Agreement, words importing the singular include the plural and vice versa and words importing gender include all genders. The term "including" means "including without limitation", and the terms "include", "includes" and "included" have similar meanings. The term "will" means "shall". Any reference in this Agreement to any other agreement is deemed to include a reference to that other agreement, as amended or restated from time to time. When words that have a well-known technical, construction industry or trade meaning are used in this Agreement to describe any Work, such words will be interpreted in accordance with that meaning. Where used in the Appendices, the term "fit for purpose" shall not apply with respect to construction-only Work.

#### **1.4 Time**

Unless otherwise specified in this Agreement, references to time of day or date mean the local time or date in Ontario, Canada. When any period of time is referred to in this Agreement by days, it will be computed to exclude the first and include the last day of such period. A day is 24 hours measured from midnight to the next midnight. All references in this Agreement to time are intended by the Parties to be the actual time designated without the application of any principles of equity.

#### **1.5 Business Days**

If, under this Agreement, any payment or calculation is to be made on or as of a day which is not a Business Day, that payment or calculation is to be made on or as of the next day that is a Business Day.

#### **1.6 Use of English Language**

The Contractor will ensure that all communication between OPG and the Contractor and between the Contractor and each of the Subcontractors respecting the Work performed under each Purchase Order will be in English, including all drawings, notes on drawings and Submittals.

#### **1.7 Units of Measurement**

The Contractor will ensure that the International System of Units will be used for all purposes in respecting the Work performed under each Purchase Order, provided that the Contractor shall not be required to convert any Document from the imperial system of measurement to the International System of Units.

#### **1.8 Governing Law**

This Agreement, each of the documents contemplated by this Agreement and the conduct of the Parties with respect to the formation and performance of this Agreement are governed by, and are to be construed and interpreted in accordance with, the laws of Ontario and the laws of Canada applicable in Ontario. Each of the Parties irrevocably submits to the non-exclusive jurisdiction of the courts of Ontario. No party will oppose the enforcement against it, in any other jurisdiction, of any judgment or order duly obtained from an Ontario court respecting this Agreement. A party may effect service of summons or any other legal process that may be served in any action, suit or other proceeding by delivering any such process to another party in accordance with Section 12.7. Nothing in this Section 1.8 will affect the rights of a party to serve legal process in any other manner permitted by law.

#### **1.9 Conflict**

If there is a conflict between any term in one part of this Agreement and any term in another part of this Agreement, the relevant term in the part of this Agreement or other document listed first in this Section 1.9 is to prevail:

- (a) Amendments, excluding any part of an Amendment that applies to an Appendix, Schedule, Exhibit or a particular Purchase Order;
- (b) this Agreement, excluding the Appendices, Schedules, Exhibits and Purchase Orders;
- (c) Amendments to an Appendix, Schedule or Exhibit or a Project Change Authorization;
- (d) the Appendices, Schedules, Exhibits and Purchase Orders;
- (e) for each Purchase Order, Purchase Order Revisions that amend the Worksheet included in the such Purchase Order;
- (f) for each Purchase Order, the Worksheet included in such Purchase Order;
- (g) for each Purchase Order, Purchase Order Revisions that amend the provisions of the Purchase Order; and
- (h) for each Purchase Order, the provisions of such Purchase Order other than the Worksheet.

#### **1.10 Severability**

If any term of this Agreement is or becomes illegal, invalid or unenforceable, the illegality, invalidity or unenforceability of that term will not affect the legality, validity or enforceability of the remaining terms of this Agreement and the Parties will, if necessary, amend this Agreement to accomplish the intent of the Parties as originally set out in this Agreement to the maximum extent allowed by Applicable Laws.

#### **1.11 Statutory and Technical References**

Subject to Section 3.5(c) and except as otherwise expressly provided in this Agreement:

- (a) each reference to a statute in this Agreement is deemed to be a reference to that statute, and to the regulations made under that statute, all as amended or re-enacted from time to time; and
- (b) each reference, whether express or implied, to a Code or Standard in this Agreement is deemed to be a reference to that Code or Standard, as amended or re-published from time to time.

#### **1.12 Entire Agreement**

The terms and conditions that shall apply to any Work to be performed pursuant to a Purchase Order shall be as collectively set forth in that Purchase Order (including the applicable Worksheet) and the applicable provisions of this Agreement. This Agreement constitutes the entire agreement between the Parties regarding the subject matter hereof

and, except for any Amendment, Project Change Authorization or Purchase Order Revision, supersedes all other agreements, negotiations, discussions, undertakings, representations, warranties and understandings, whether written or verbal, including any Work Request or Work Request Response and any amendments or restatements of any such Work Request or Work Request Response. Specifically, except as expressly provided in this Agreement, OPG has not made any representations or warranties whatsoever respecting the Work or this Agreement.

### **1.13 Term**

The term of this Agreement commenced on the date of this Agreement first set out above and, unless this Agreement is terminated in accordance with its terms on an earlier date, will remain in effect until February 15, 2027. Notwithstanding the foregoing, OPG shall be entitled, at its option, to one or more extensions of the term of this Agreement for up to an additional five years by giving a Notice to the Contractor that OPG is exercising its option to extend the term for the number of years specified by OPG in such Notice. If OPG elects to extend the term of this Agreement, OPG shall give such Notice of extension to the Contractor by no later than the date that is six months prior to the expiry of the then current term. Within 10 Business Days of receipt of such extension Notice from OPG, the Contractor shall be entitled to reject the extension by delivery of Notice to OPG, failing which the term shall be deemed to have been extended as set out in OPG's Notice to the Contractor. If OPG elects not to extend the term of this Agreement, or if the Contractor rejects an extension by Notice to OPG delivered within the foregoing 10 Business Day period, and there are any Purchase Orders outstanding upon the expiry date, such Purchase Orders will be completed by the Contractor in accordance with the terms of this Agreement.

## **SECTION 2 - PERFORMANCE OF WORK**

### **2.1 General**

The Contractor will provide all Work in accordance with this Agreement. OPG does not guarantee that any specific amount of Work will be provided to the Contractor hereunder, nor does OPG guarantee the exclusive right of the Contractor to submit a Work Request Response in respect of any Work.

### **2.2 Bargain**

The Work has inherent complexities. This Agreement and the Purchase Orders issued pursuant to this Agreement contain certain allocations of risk which reflect an informed and voluntary allocation of risk between OPG and the Contractor. This allocation represents a material part of this Agreement.

### **2.3 Types of Work**

The following types of Work may be performed by the Contractor pursuant to this Agreement. In addition to the provisions of this Agreement applicable to all Work, each

such type of Work will be subject to the terms and conditions in the applicable Appendix listed below:

- (a) engineering, procurement and construction, where OPG is both the “owner” and the “constructor” for the purposes of the *Occupational Health and Safety Act* (Ontario), will be subject to the terms and conditions set out in Appendix 1;
- (b) engineering, procurement and construction, where OPG is the “owner” and the Contractor is the “constructor” for the purposes of the *Occupational Health and Safety Act* (Ontario), will be subject to the terms and conditions set out in Appendix 2;
- (c) engineering will be subject to the terms and conditions set out in Appendix 3;
- (d) procurement will be subject to the terms and conditions set out in Appendix 4;
- (e) construction will be subject to the terms and conditions set out in Appendix 5;
- (f) engineering and procurement will be subject to the terms and conditions set out in Appendix 6;
- (g) engineering and construction will be subject to the terms and conditions set out in Appendix 7, which includes by reference the terms and conditions set out in Appendix 2 and Schedule 13;
- (h) procurement and construction will be subject to the terms and conditions set out in Appendix 8; and
- (i) the provision of augmented staff will be subject to the terms and conditions set out in Appendix 9.

Notwithstanding the foregoing, (i) OPG always reserves the right, in its sole discretion, to issue Free Issue Materials that are required for the performance of the Work in accordance with the terms and protocols set out in Schedule 13 and as specified in the applicable Worksheet; (ii) OPG may, in a Work Request, require that the Work referred to in such Work Request will be subject to other or additional terms and conditions as set out in such Work Request; and (iii) OPG may request that any Work be performed on a phased basis.

## **2.4 Rapid Response Work**

Except for any Work performed pursuant to Appendix 9, OPG may determine that the requirement for any Work is an emergency and that such Work will constitute Rapid Response Work, in which case the following provisions will apply:

- (a) OPG will contact the Contractor and advise of the emergency and required Rapid Response Work. The Parties will consult and agree upon the scope of the Rapid Response Work to be performed, and the Contractor may rely on the verbal or

written authorization of OPG's MSA Representative for the Contractor to proceed with the Rapid Response Work with no requirement for a Purchase Order. Written confirmation of such authorization, including a description of the scope and the proposed duration of the Rapid Response Work, will be submitted to the Contractor within 24 hours after the authorization to proceed. The Contractor will provide to OPG a list of emergency contacts for this purpose and will keep said list up-to-date. The Contractor will immediately assign high priority to the Rapid Response Work, mobilize its resources, as are available, and take all practical steps to provide the Rapid Response Work.

- (b) Requirements for Purchase Orders, written communications and notices, prior approvals by OPG, including prior approvals of overtime, assignment of personnel and placing orders on third parties, and formal reporting are waived for the purpose of immediate initiation of Rapid Response Work, however, OPG will issue a Purchase Order to the Contractor for such Rapid Response Work as soon as reasonably practicable after OPG's authorization to the Contractor to proceed with the Rapid Response Work. The Contractor will commit and incur costs and perform the Rapid Response Work to the best of its ability and in good faith, cooperating with OPG and other parties that may be engaged by OPG to assist in the emergency.
- (c) For Rapid Response Work, the Contractor will immediately use its best efforts to provide OPG with an estimate of its cost and duration. Such estimate may be provided orally, however, the Contractor will deliver a written confirmation of such estimate within 48 hours following the commencement of such Rapid Response Work. The commencement of Rapid Response Work will not be delayed due to the absence of a written estimate.

## 2.5 Process for Requesting Work

- (a) **General.** The provision of all Work will follow the request and approval process identified in Sections 2.5(b) to 2.5(j) below.
- (b) **Issuance of Work Request.** If OPG wishes the Contractor to submit a Work Request Response for the performance of any Work, OPG will issue a Work Request to the Contractor which will, using the form of Worksheet attached as Schedule 1, include any relevant OPG Specifications, an indication of which sections, if any, of the Interface Requirements apply to the Work, the pricing model that will be applicable to the Work and any additional information to be considered by the Contractor in responding to the Work Request. The Work Request will also set out the process by which the Work may be awarded, including the basis on which OPG will evaluate Work Request Responses. The evaluation criteria may include, without limitation, a reference to the then applicable Performance Score, prior experience in performing work similar to the Work, ability and willingness to meet the proposed schedule for performing the Work and overall price quoted by the Contractor.

- (c) **OPG's Options.** Notwithstanding anything else to the contrary herein contained, OPG may, in its sole discretion, issue a Work Request:
- (1) to the Contractor alone or to any other contractor alone, whether or not such other contractor has entered into a similar extended services master services agreement with OPG;
  - (2) to the Contractor and any other contractor who has entered into a similar extended services master services agreement with OPG; and
  - (3) to the Contractor and any other contractor or contractors, whether or not such other contractor has, or other contractors have, entered into a similar extended services master services agreement with OPG,

which Work Request will be in the form and will contain such terms and conditions as OPG, in its sole discretion, determines.

- (d) **Contractor's Response.** The Contractor shall respond to all Work Requests within the time periods specified therein by providing a Work Request Response. The Contractor will include in each Work Request Response submitted by it to OPG all information required by OPG, including all required particulars with respect to the Contractor's estimated schedule for performing the Work and estimated cost of performing the Work.
- (e) **OPG's Acceptance or Rejection of Work Request Response.** OPG will signify acceptance of a Work Request Response by the issuance of a Purchase Order within a reasonable period of time following receipt by OPG of such Work Request Response. OPG is under no obligation to accept any Work Request Response submitted by the Contractor. While OPG will endeavour to notify the Contractor of any rejected Work Request Responses, the Contractor acknowledges that any Work (except Rapid Response Work) may only be commenced after receipt of a Purchase Order from OPG and that OPG will incur no liability for any Work (except Rapid Response Work) performed without a Purchase Order.
- (f) **OPG's Right to Amend Work Request.** OPG reserves the right to cancel, suspend, terminate or amend any Work Request at any time and for any reason, including, without limitation, by amending the process by which the Work may be awarded.
- (g) **OPG's Right to Not to Award Work.** OPG reserves the right not to award any Work to the Contractor if the Contractor is responsible for a major safety or human performance issue until such time as the Contractor has implemented corrective actions satisfactory to OPG, in its sole discretion.
- (h) **Contractor's Obligation to Perform Work Awarded.** The Contractor will perform all Work awarded to it pursuant to and in accordance with the terms of this Agreement and the applicable Purchase Order.



- (i) **No Collusion.** The Contractor shall not, without the prior written consent of OPG's MSA Representative, in its sole discretion, discuss or communicate, directly or indirectly, with any other contractor who has entered into a similar extended services master services agreement with OPG, any information whatsoever regarding the preparation of its Work Request Response, or any response being prepared by another contractor. The Contractor shall prepare and submit its Work Request Response independently and without any connection, knowledge, comparison of information or arrangement, direct or indirect, with any other contractor who has entered into a similar extended services master services agreement with OPG.
- (j) **Contractor Acknowledgement.** The Contractor expressly acknowledges that, in submitting each Work Request Response, the Contractor is expected to have and will be deemed to have taken into account and have provided for all relevant aspects of OPG's ongoing nuclear operations which could affect the performance of the Work and, accordingly, the Contractor shall not be entitled to any relief from its obligation to meet any Key Milestone or any compensation for any delay, event, circumstance or change in circumstance which the Contractor ought to have taken into account in its Work Request Response in respect of the Work.

### SECTION 3 - CONTRACTOR'S OBLIGATIONS

#### 3.1 Intent and Initial Actions

- (a) **Guiding Principles.** Without limiting any other specific provision of this Agreement, the Parties confirm this Agreement is based on the following principles and understandings:
  - (1) continuously throughout the term of this Agreement, the Contractor will be qualified and will have the capacity to perform all Work awarded to the Contractor pursuant to this Agreement, and will perform all Work (regardless of type) which OPG awards to the Contractor in accordance with the terms of this Agreement;
  - (2) the Contractor will respond to all Work Requests received from OPG with responses that are submitted in good faith and which constitute the Contractor's most reasonable proposal, having due regard to the Contractor's reasonable commercial interests, of terms on which the Contractor will perform the Work, and the Contractor will not submit any such responses with the intention of avoiding the award of any Work;
  - (3) continuously throughout the term of this Agreement, the Contractor will strive for and is responsible for achieving efficiency gains and continuous improvements in performance; and
  - (4) OPG is relying on the Contractor's acknowledgement of these principles and understandings in entering into this Agreement.

- (b) **General.** The Contractor will provide all Work in accordance with this Agreement, including the applicable Purchase Order, including the provision of all services and goods, whether or not specifically required under this Agreement or the applicable Purchase Order, which can be reasonably implied for the safe and proper performance of the Work.
- (c) **Standard of Care.** The Contractor shall, at a minimum, exercise the standard of care normally exercised by professional contractors having specialized knowledge and expertise in performing work of a similar nature, scope and complexity to the Work and shall implement all Prudent Practices applicable to the Work.
- (d) **Means and Methods.** The Contractor will be solely responsible for the means, methods, techniques, sequences and procedures used to perform the Work and OPG will not supervise, direct, have control or authority over, or otherwise be responsible for:
  - (1) such means, methods, techniques, sequences or procedures respecting the Work; or
  - (2) the safety programs and precautions used in respect of the Work, subject to OPG's rights and obligations under the *Occupational Health and Safety Act*, 1997 (Ontario).
- (e) **Examinations.** For each Purchase Order, the Contractor will confirm that it is satisfied that it will fulfill all its obligations under this Agreement within the Contract Price for the Work to be performed under that Purchase Order, including the obligations imposed by the Project Schedule and OPG Specifications. The Contractor will also, by submission of a Work Request Response, be deemed to have examined and accepted all matters respecting the Work, including Applicable Laws, risks, contingencies, collective agreements, the nature, location and physical conditions of any Site (including surface and, if required by the applicable Purchase Order, subsurface conditions), working and storage space, transportation, delivery, weather and other work being provided on, or in the vicinity of, any Site.
- (f) **Qualification and Training of Personnel.** The Contractor will ensure that sufficient numbers of qualified and experienced professional, trade and other personnel are available to perform the Work to be performed under any Purchase Order issued by OPG under this Agreement. The Contractor will also ensure that all Contractor's Personnel are properly trained to perform any Work in accordance with the terms of this Agreement, the Contractor's Training Plan and any applicable OPG policies and procedures, including, if applicable, all training required by OPG for any Contractor's Personnel working at a Site.
- (g) **Contractor's MSA and Project Representatives.** The Contractor will designate, in writing, both the Contractor's MSA Representative and, for each Purchase Order, the Contractor's Project Representative. In addition, the

Contractor will designate, in writing, one Contractor's Project Representative with responsibility for all Purchase Orders involving Augmented Staff. The Contractor may not change these designations without the prior written consent of OPG's MSA Representative. OPG may give Notices to, and rely on instructions from, the Contractor's MSA Representative and any of the Contractor's Project Representatives. The Contractor will ensure that the Contractor's MSA Representative and the Contractor's Project Representative are available to OPG at all reasonable times to render any necessary decisions or instructions promptly to avoid delays to any Work.

(h) **Financial Information.**

- (1) The Contractor authorises OPG to make credit enquiries about the Contractor or any of its Affiliates or the Guarantor from time to time with, and to receive and exchange credit information from, credit reporting agencies, financial institutions and, if and to the extent reasonably required by OPG for its credit assessment processes, other Persons with which the Contractor or any of its Affiliates or the Guarantor has or may expect to have financial dealings. The Contractor has provided OPG with the Contractor's unaudited financial statements and the Guarantor's audited financial statements for the last three financial years. Such financial statements have been prepared in accordance with International Financial Reporting Standards or Canadian generally accepted accounting practices, consistently applied. Such financial statements fairly reflect, the financial position and results of operations of the Contractor and the Guarantor as at the dates and for the periods set out in such statements.
- (2) Unaudited financial statements shall consist of balance sheet, income statement, cash flow statement, material notes (as applicable), and an officer's certificate signed by two officers of the respective company attesting to the material correctness of the financial information and that it is materially the same as provided to the respective parent company for consolidation purposes.
- (3) The Contractor will provide, to OPG's MSA Representative, with its certified or audited financial statements as applicable, together with the Guarantor's audited financial statements within 120 days of each financial year end and its, and if the Guarantor is not, or ceases to be, a reporting issuer under the *Securities Act* (Ontario), the Guarantor's unaudited quarterly financial statements within 60 days of each financial quarter end, reflecting the consolidated financial position and results of operations of the Contractor and the Guarantor as at the dates and for the periods set out in such statements. For so long as the Guarantor is a reporting issuer under the *Securities Act* (Ontario), the public posting on the SEDAR website of the financial statements of the Guarantor with the timeframes specified in the *Securities Act* (Ontario) will be deemed to satisfy the Contractor's obligation to deliver financial statements of the Guarantor to OPG. The

Contractor will also provide, or cause to be provided to, OPG any other financial information respecting the Contractor, any of the Contractor's Affiliates and the Guarantor (and, with respect to Subcontractors, use commercially reasonable efforts to provide, or cause to be provided, financial information) that OPG may reasonably request to assist OPG in its ongoing evaluation of the value of the indemnifications and other rights provided to OPG by the Contractor under this Agreement.

- (i) **Control and Information Exchange.** All decisions with respect to the performance of the Work shall be recorded in writing and the applicable Project Representatives shall be copied on any correspondence related thereto.
- (j) **Information Waiver.** Except as may be otherwise explicitly set out in a Purchase Order in respect of the Work pursuant to that Purchase Order, the Contractor must satisfy itself with respect to the accuracy and/or completeness of any information (including estimates), assumptions or representations provided or made available by any member of the OPG Group. The Contractor expressly waives any and all claims against any member of the OPG Group for any extensions of time, additional compensation and/or claims for Losses or damages attributable to inconsistencies, errors and/or omissions in any information (including estimates), assumptions or representations provided or made available by any member of the OPG Group, whenever or however made, relative to any matter relating to the Work, including the physical conditions at the Site, the labour conditions affecting any Work, the quantity of any Work to be provided or the scheduling of any Work.

### 3.2 Contractor Core Team

- (a) **Establishment of Core Team.** The Contractor will establish and maintain, subject to the following, a Core Team capable of managing, controlling and administering the provision of all Work, including with respect to compliance with OPG's COMS (constructability, operability, maintainability and safety) process:
  - (1) all proposed members for the Core Team will have successfully passed OPG's Oral Review Board;
  - (2) all members of the Core Team will have been security cleared to work at OPG's nuclear facilities in accordance with Section 3.9(i);
  - (3) all members of the Core Team will have been trained and have access to and are able to work at OPG's nuclear facilities and other Sites, as required;
  - (4) all Core Team members will have been located to designated locations as agreed to by OPG's MSA Representative;

- (5) the compensation package of each Core Team member will have been approved by OPG's MSA Representative;
- (6) a letter will have been provided to the Contractor from OPG's MSA Representative confirming acceptance of each individual to the Core Team; and
- (7) all Core Team members will have a good understanding of nuclear safety and have nuclear experience to be able to execute their roles efficiently and effectively in the nuclear environment.

The members of the Core Team will be available to perform their roles and functions as set out in Schedule 2 in respect of all Work awarded to the Contractor under any Purchase Order, and no additional Contractor's Personnel will be required to perform such roles or functions. For the first year of the term of this Agreement, unless OPG otherwise agrees in writing, the Core Team will consist of the individuals listed in Schedule 2, performing the roles more particularly described in Schedule 2. Schedule 2 will be amended to reflect changes to the Core Team made from time to time in accordance with this Agreement.

- (b) **Full Time Engagement of the Core Team.** The Parties intend that the Core Team will be engaged on a full-time basis in performing their respective roles and functions as set out in Schedule 2. If any members of the Core Team are not so engaged on a full-time basis, OPG may require such members to perform such other work and/or services for OPG as OPG reasonably designates so that such members are engaged on a full-time basis in performing Work and/or other work or services for OPG.
- (c) **Replacement of Core Team Members.** The Contractor will provide any information reasonably required by OPG about any member of the Core Team. The Contractor will not replace any member of the Core Team without the prior written consent of OPG's MSA Representative. The Contractor will immediately give Notice to OPG's MSA Representative if any member of the Core Team ceases to be available for his or her role on the Core Team as a result of such individual ceasing to be employed by the Contractor, its Affiliates, a Subcontractor or its Affiliates.
- (d) **Core Team Review.** Beginning on the first anniversary of the date of this Agreement or such earlier date as the Steering Committee may recommend, the composition of the Core Team will be reviewed on an annual or more frequent basis, as the Steering Committee may recommend. The Parties will consult on the changes to the composition of the Core Team having regard to the overall type, volume and dollar value of Work awarded or expected to be awarded to the Contractor, expected efficiency gains and continuous improvement, the Contractor's performance as measured against the Performance Indicators, possible opportunities for sharing positions and resources between the Contractor

and any other contractor who has entered into a similar extended services master services agreement with OPG and such other criteria as OPG may consider, in its sole discretion. Based upon such consultation, OPG shall determine what adjustments will be made to the composition of the Core Team.

- (e) **Key Personnel.** Key Personnel for an individual Project may be designated in the Purchase Order for such Project with OPG's consent. The Contractor will not replace any Key Personnel designated in a Purchase Order without the prior written consent of OPG's Project Representative, except where any such Key Personnel ceases to be available to continue performing the Work as a result of such individual (i) suffering from a serious illness or injury or (ii) ceasing to be employed by the Contractor, its Affiliates, a Subcontractor or its Affiliates and provided that any replacement for any such Key Personnel has been approved by OPG.
- (f) **Secondment of OPG Employees.** OPG may from time to time, with the prior written consent of the Contractor, not to be unreasonably withheld, second OPG employees to the Contractor pursuant to the terms and conditions to be developed in good faith and agreed by the Parties prior to any such secondment and set out in Schedule 15.

### 3.3 Steering Committee

- (a) **Establishment of Steering Committee.** The Parties will, within 30 days of the date hereof, establish a committee (the "**Steering Committee**") consisting of the MSA Representatives and such other individuals determined by the MSA Representatives within each party who have direct overall responsibility for the execution and success of all of the Work. The Parties will agree upon the composition of the Steering Committee, which may change over time. The expectation is that senior representatives of both Parties will attend, and will only use delegates occasionally. It is expected that there will be a semi-annual meeting of the Steering Committee which the senior executive officers of the Contractor and OPG will attend.
- (b) **Adherence to General Principles.** The members of the Steering Committee shall, in addition to other Steering Committee matters, monitor compliance with the general principles of this Agreement as set out in Section 3.1(a) and consider consequences for any failure to do so.
- (c) **Function and Role.** The Steering Committee shall assist the Parties by promoting cooperative and effective communication with respect to all matters related to this Agreement and any Work. In particular, the Steering Committee will be responsible for reviewing and commenting on the Master Status Report and receiving and reviewing information with respect to the Performance Indicators and the status of all Work and for attempting to resolve any Disputes referred to the Steering Committee in accordance with Section 11.

- (d) **Procedures and Practices.** The members of the Steering Committee may:
- (1) adopt such procedures and practices for the conduct of the activities of the Steering Committee as they consider appropriate from time to time;
  - (2) invite to any meeting of the Steering Committee such other persons as the members of the Steering Committee may agree;
  - (3) exclude from any meeting of the Steering Committee such persons as the members of the Steering Committee may agree; and
  - (4) receive and review reports from any person or organization agreed to by the members of the Steering Committee,

in each case, in accordance with the provisions of Schedule 14.

- (e) **Timing of Meetings.** The Steering Committee shall meet at least once each quarter during the term of this Agreement, unless otherwise agreed by the members of the Steering Committee or the Parties. It is expected that there will be an annual meeting of the Steering Committee which shall be attended by senior officers of each party.
- (f) **Minutes of Meeting.** Minutes of all meetings of the Steering Committee shall be recorded and maintained by a Person appointed by the Steering Committee who shall circulate copies of such minutes within five Business Days of the holding of the meeting.
- (g) **Other Project Meetings.** Any meetings between the Parties required in respect of a particular Project will be as specified in the applicable Purchase Order.

### 3.4 Site-Specific Responsibilities

- (a) **Designated Areas.** During the provision of any Work on a Site, the Contractor will ensure that all operations of the Contractor's Personnel will be restricted only to those areas of the Site as designated in the applicable Worksheet to the extent specified, and in all cases as necessary for the performance of the Work being performed by such Contractor's Personnel. The Contractor will ensure that all structures and facilities will be of materials that conform to, and will be constructed and located in accordance with, OPG site rules. The Contractor will remove all such structures and facilities at the completion of the Work. If the Contractor does not so remove any such structure or facility, OPG may remove such structure or facility at the Contractor's cost.
- (b) **Clean Site.** During the provision of any Work on a Site, the Contractor will ensure that the Contractor's Personnel implement a housekeeping program to ensure that the Site is kept clean and tidy and that all materials are stored in a safe manner. Promptly following Substantial Completion, the Contractor will remove all rubbish, debris and other waste or surplus Goods from and about the Site, as

well as all applicable construction, equipment, tools, fuel, temporary structures and facilities, including for offices, lunchrooms, canteens, sanitation, showers, change rooms, accommodations, shops, warehouses and garbage disposal, and all other Goods not otherwise necessary to complete punch list items, if any. Any materials remaining to complete punch list items will be removed by no later than the Final Completion Date. The Contractor will leave the Site clean and ready for occupancy by OPG at Substantial Completion and once the Project is entirely finished. The Contractor will restore to original condition, as at the date of the applicable Purchase Order, all property not designated for alteration by the applicable Purchase Order. In addition, the Contractor will provide any other cleaning activities required by the applicable Purchase Order.

- (c) **Stand Downs.** A stand down occurs when OPG orders that the Contractor suspend any Work as a result of a situation that puts such Work, any part of the Site or any people at the Site at risk. Examples of a situation that may result in a stand down are human performance errors or safety, procedural or environmental issues. OPG will act reasonably when ordering a stand down. If OPG calls a stand down:
- (1) OPG may require that the Contractor suspend the performance of the Work until OPG is satisfied that appropriate corrective actions have been taken, at which time OPG will advise the Contractor that it may continue the performance of the Work;
  - (2) if the stand down is ordered by OPG as a result of an action or inaction of the Contractor, its Subcontractors or any Contractor's Personnel, OPG shall have no liability to the Contractor for any costs, expenses or damages suffered by the Contractor as a result of the stand down;
  - (3) if the stand down is ordered by OPG as a result of an action or inaction of someone other than the Contractor, its Subcontractors or any Contractor's Personnel, then OPG will compensate the Contractor for the direct costs and expenses that it incurred as a result of the stand down; and
  - (4) if OPG unnecessarily delays the Contractor from continuing the performance of the Work after appropriate corrective actions have been taken, OPG will compensate the Contractor for the direct costs and expenses that it incurred after such corrective actions were in place.

Notwithstanding the foregoing, if a stand down results from an Excusable Delay that does not result in a change in the Contract Price under Section 7.2(c), then the Contractor will not be compensated for its direct costs and expenses. The Contractor will take all commercially reasonable steps to mitigate the impact of the stand down on its direct costs and expenses, including, without limitation, by redeploying any Contractor's Personnel.



- (d) **Emergencies, Stop Work, Investigations.** In emergencies affecting the safety or protection of individuals, goods or other property on, under, over or near a Site, the Contractor, without the express consent of OPG, will take reasonable actions to prevent or minimize all threatened or actual damage, injury and loss. The Contractor will comply with any order to comply, stop work or any similar order or notice respecting any Work issued by any Governmental Authority or by OPG. The Contractor will, at the Contractor's sole expense, cooperate with OPG, in reporting and investigating safety violations caused by any act or failure to act of any member of the Contractor Group. To the extent that a member of the Contractor Group is responsible for the circumstances giving rise to a safety violation, the Contractor will pay OPG for the applicable part of the costs incurred by OPG in respect of steps taken by OPG to investigate, report and/or alleviate the safety violation.
- (e) **Requirement to Leave.** In the case of an emergency requiring the Contractor to leave a Site at the direction of OPG, the Contractor will put all equipment in a safe state in accordance with the *Occupational Health and Safety Act* (Ontario) and leave the Site in an orderly fashion pending further instructions from OPG's Project Representative.
- (f) **Shipping, Handling and Storage for Contractor's Property.** The Contractor will be solely responsible for the care, custody and control of the Contractor's Property when performing any Work at a Site, including, without limitation, the responsibilities described in the OPG Specifications. OPG assumes no responsibility or liability for the Contractor's Property and no action or inaction of OPG will result in a transfer of such responsibility or liability. Notwithstanding the foregoing, OPG will take reasonable care of any of the Contractor's Property that is in OPG's possession or control only if OPG's Project Representative or his delegate has accepted responsibility, in writing, for such part of the Contractor's Property prior to possession or control being transferred to OPG. In such event, the Contractor will ensure that it has provided OPG's Project Representative or his delegate with appropriate shipping, handling, storage or other instructions and will ensure that OPG's Project Representative or his delegate has agreed, in writing, to take reasonable steps to comply with such instructions. The Contractor will confine construction equipment, the storage of and warehousing of equipment and materials, and the operations of workers to the Site or other real estate that the Contractor has attained the right to use, and will not unreasonably encumber the Site or other real estate associated with the Work, with construction equipment or other equipment and materials. In addition, it is the Contractor's responsibility to:
  - (1) ensure that the Contractor's Property is packed, braced and loaded in such a manner as to prevent physical damage and damage from environmental conditions and, where necessary, use skids, hauling eyes, jacking plates, and sling hooks to do so;

- (2) clearly mark on the outside of each shipping container, package, box, crate, bundle, or unpackaged component all specific instructions setting out any precautions required during shipping, handling and storage in a durable envelope securely attached to each shipping container and suitably labeled;
- (3) monitor the Contractor's Property while it is on Site to ensure that it is safely and appropriately stored, handled and protected from damage; and
- (4) ensure that all shipping containers, packages, boxes, crates, bundles, and unpackaged components are clearly and indelibly marked to show necessary shipping, handling and storage information. Labels and markings shall be clearly and visibly applied by a method suitable to the type of product and packaging involved and shall provide the following information:
  - (A) destination address and OPG's Purchase Order number;
  - (B) other identification specific to the Work;
  - (C) the Contractor's shipment identification number, numbering of shipping containers, packages, boxes, crates, bundles, components, or assemblies;
  - (D) the mass and sizes of each shipping/storage container (if the lifting points are critical, they shall be clearly marked and identified);
  - (E) shipping, handling and storage precautions; and
  - (F) identified as the property of the Contractor.

A detailed packing slip, listing each separate item, will be enclosed in a weatherproof envelope and firmly attached to each shipping container, package, box, crate, bundle, or unpackaged component.

Where applicable, the Contractor will be responsible for obtaining any permits required for transportation or storage of the Contractor's Property.

- (g) **Contractor Responsibility for Damages.** The Contractor will have exclusive responsibility for any damage, injury or loss to any area on any Site, including street curbs and sidewalks, or to OPG or any other occupant of any Site or to any adjacent area, respecting the performance of the Work. The Contractor will make good and pay all costs incurred by others in making good any such damage, injury or loss. If any claim, demand, action, suit or proceeding is made against OPG by any Person for any Losses arising in respect of the Work, the Contractor will promptly resolve the claim. The Contractor will indemnify and hold harmless each member of the OPG Group and all claims, demands, actions, suits or proceedings for Losses made against any member of the OPG Group by any

Person, to the extent arising in respect of the Work, including in respect of any breach of Applicable Laws.

- (h) **Access by Other OPG Contractors.** If specified in the applicable Worksheet, the following provisions will apply where any Work is performed at a Site:
- (1) the Contractor acknowledges that OPG will from time to time grant other contractors (“**Other OPG Contractors**”) access to all or parts of the Site;
  - (2) the Contractor, in performing the Work, will do so in a manner that does not materially interfere with access by Other OPG Contractors and OPG personnel during performance of the Work, and the Contractor, the Contractor’s Personnel and all Subcontractors will comply with the *Contractor Access Request Protocol for OPG’s Nuclear Projects (N-FORM-11594)*, as amended or replaced from time to time (the “**Access Request Protocol**”) and will not materially interfere with the work of Other OPG Contractors when having to access the project and/or site of an Other OPG Contractor. The Contractor will work co-operatively with each Other OPG Contractor and OPG to prevent material adverse interference with access to or the work taking place on any of the project(s)/sites by any of them;
  - (3) Other OPG Contractors will also be required to perform their work in accordance with the Access Request Protocol;
  - (4) without limiting the foregoing, the Contractor will with such Other OPG Contractors, and OPG will so direct such Other OPG Contractors to, cooperate and coordinate in a commercially reasonable manner all concurrent Site activities and access to services. It is expressly acknowledged that neither the Contractor nor such Other OPG Contractors has, or will have any presumptive rights over the Site, and accordingly each will be required to interact in a commercially reasonable manner in the circumstances; and
  - (5) in addition, the Contractor acknowledges that the interaction with such Other OPG Contractors as contemplated by the foregoing provisions under this Section 3.4(h) shall not, in any event, support a claim for an Excusable Delay pursuant to Section 7.2 or any additional compensation, unless the Contractor has fully performed its obligations under this Section 3.4(h) and under any access protocol arrangement or agreement and such Other OPG Contractors have failed to meet their obligations and the Contractor has no further cause of action against such Other OPG Contractor.

### 3.5 Applicable Laws and Approvals

- (a) **Applicable Laws.** Notwithstanding any term in this Agreement, the Contractor will comply with all Applicable Laws in respect of the performance of any Work.

- (b) **Approvals.** Unless otherwise specified in the applicable Purchase Order and except for any Approvals from the Canadian Nuclear Safety Commission, which will be obtained by OPG in accordance with the Interface Requirements, the Contractor will obtain and pay for, and provide OPG with copies of (including, at OPG's request, any supporting materials), all Approvals required in respect of any Work, including in respect of any non-residents who may be engaged in performing any Work in Canada. On request, OPG will provide reasonable assistance to the Contractor in obtaining any Approvals.
- (c) **Codes and Standards.** The Contractor will, in applying Codes and Standards in the performance of any Work:
- (1) apply any Codes and Standards to the extent required by this Agreement, including the applicable Purchase Order; and
  - (2) to the extent this Agreement, including the applicable Purchase Order, does not specify Codes and Standards that are required to be applied for any aspect of the Work, apply such Codes and Standards as Prudent Practices would dictate in the circumstances, provided that such Codes and Standards are not inconsistent with this Agreement and that such Codes and Standards permit the Contractor and OPG to comply with their respective obligations in this Agreement, including the applicable Purchase Order.
- (d) **Changes in Codes and Standards.** If, during the performance of any Work, newer Codes and Standard become effective, OPG and the Contractor will consult as to the application of the newer Codes and Standards to the Work. Notwithstanding such consultation:
- (1) if the newer Code and Standards are required by Applicable Laws, the Contractor will, subject to Section 7.1(b), apply the newer Codes and Standards in providing the Work; and
  - (2) if the newer Code and Standards are not required by Applicable Laws, OPG may, in its sole discretion, require that the Contractor apply the newer Code or Standard to the Work. For greater certainty, the Contractor will not apply newer Codes and Standards not required by Applicable Laws to the Work until the Contractor receives a Notice from OPG to that effect. Any such Notice will be deemed to be a Project Change Authorization pursuant to Section 7.1(b).

The Contractor will provide OPG with prompt Notice of any actual or proposed revision to any Code and Standard applicable to any Work.

- (e) **OPG Code of Conduct.** The Contractor will not take any action that would cause any member of the OPG Group to breach an obligation set out in OPG's code of business conduct, as amended from time to time. The current copy of the code is located at [www.opg.com](http://www.opg.com) and has been reviewed by the Contractor.

- (f) **OPG Policies and Procedures.** The Contractor will comply with all OPG policies and procedures that are applicable to the performance of any Work. As of the date hereof, the Contractor acknowledges and agrees that OPG has made all such policies and procedures available to the Contractor for review pursuant to OPG's document management system, including Passport. A description of how to retrieve OPG policies and procedures through OPG's document management system is set out in Schedule 9. The Contractor will ensure that it remains up-to-date on all OPG policies and procedures that are applicable to the performance of any Work by accessing OPG's document management on a timely and continuous basis and by regularly communicating with OPG's Project Representatives and other personnel.

### 3.6 Master Status Report and Project Schedules

- (a) **Development of Master Status Report.** The Contractor will develop and maintain a master status report for all Work performed under this Agreement. This report (the "**Master Status Report**") will be in such form as OPG requires and shall be updated on an agreed to basis (but not less frequently than once a month) for the purpose of providing to OPG such information as OPG requires with respect to the Work and shall:
- (1) track and control progress for all Work and for all Purchase Orders issued under this Agreement;
  - (2) provide an integrated schedule for all Purchase Orders;
  - (3) track safety, environmental and such other indicators as OPG may reasonably specify;
  - (4) show the work loading of all Contractor's Personnel;
  - (5) track the level of effort of the Core Team;
  - (6) track all corrective actions, including Station Condition Reports and their disposition, issued against the Work by OPG or the Contractor; and
  - (7) include such other information as OPG shall reasonably request.
- (b) **Development of Project Schedule.** Unless otherwise specified in the applicable Purchase Order, for each Purchase Order, the Contractor will complete, and, within five days of the date of issue of the Purchase Order, submit electronically to OPG's Project Representative, a draft Project Schedule showing the activities to be performed and the dates for starting and entirely finishing each component of the Work as specified in the Purchase Order, incorporating and consistent with any milestones set out in the Purchase Order (each, a "**Key Milestone**"). The Contractor will ensure that the Project Schedule provides for sufficient time for review of Submittals by OPG and for the Contractor to revise Submittals in accordance with the terms of this Agreement. OPG shall review and provide

comments on the draft Project Schedule. Once OPG has completed its review and any comments from OPG have been incorporated, the Project Schedule shall be final and may only be further amended pursuant to a Project Change Authorization.

- (c) **Minimum Requirements.** Unless otherwise specified in the applicable Purchase Order, the Project Schedule shall include:
- (1) the dates for delivery of all Submittals, which will include the dates for the Contractor submitting and finalizing each Submittal and the date that OPG shall have reviewed each Submittal;
  - (2) the dates for starting and entirely finishing each component of the Work, including all Key Milestones;
  - (3) if applicable, an indication of the total number of days set aside for contingencies and the allocation of these days among the tasks constituting the Work, provided that the Project Schedule shall be based upon the Contractor's Personnel working normal working hours;
  - (4) support required from OPG relating to access, equipment and manpower, if agreed to in the Purchase Order; and
  - (5) the resources required by the Contractor to complete each activity, including the date by which OPG has agreed to provide any Free Issue Material, if applicable.

The standard for scheduling will be Primavera 6.0 or subsequent versions as mutually agreed between OPG and the Contractor, or a format otherwise acceptable for each Purchase Order. The Contractor will adhere to such scheduling standards and conventions as may be issued by OPG from time to time to facilitate integration of the Contractor's schedules with OPG schedules for other work being performed by OPG, other contractors to OPG or the Contractor.

- (d) **Adherence to Project Schedule.** The Contractor will adhere to the Project Schedule. OPG will provide Free Issue Materials, if applicable, in accordance with the Project Schedule (as long as the time frames set forth in the Project Schedule have been agreed to by OPG). The Contractor is responsible to complete the Work in accordance with the delivery date set forth in the Purchase Order and, if necessary, will:
- (1) for any Fixed Price Work, increase the level of effort or resources necessary to ensure the Project Schedule is maintained at no additional cost to OPG; and
  - (2) for any Work other than Fixed Price Work, increase the level of effort or resources necessary to ensure the Project Schedule is maintained only with the prior written consent of OPG's Project Representative.

- (e) **Progress Updates.** Unless otherwise specified in the applicable Purchase Order, the Contractor will provide OPG with a weekly report (or as otherwise required pursuant to the OPG Specifications) indicating the status and progress of the Work (including labour hours expended and the expected outstanding labour hours of work), and setting out any deviations or anticipated deviations from the Project Schedule. To the extent that the Project Schedule has not been, or is anticipated not to be, met, the Contractor will provide OPG with satisfactory assurances, including, at the Contractor's cost, recovery plans, involving all necessary additional resources, acceptable to OPG, that progress will be made to restore the Project Schedule.

### 3.7 Submittals and Specifications

- (a) **Submittals.** The Contractor will deliver all Submittals to OPG's Project Representative in accordance with and in order to meet the Project Schedule. The Contractor will ensure that all Submittals comply with the requirements for Submittals set out in this Agreement and the applicable Purchase Order, including the OPG Specifications, or otherwise communicated by OPG to the Contractor from time to time.
- (b) **Submittal Schedule.** Unless otherwise specified in the applicable Purchase Order, the Project Schedule will provide for a progressive, timely and orderly flow of Submittals from the Contractor to OPG's Project Representative to allow sufficient time for review of each Submittal by OPG's Project Representative, taking into account both the resources necessary to be available to OPG's Project Representative to conduct such review and whether delay in the review of the subject matter of the Submittal shall have a material impact on the Contractor's ability to progress the Work.
- (c) **OPG Review Period.** Unless otherwise specified in the applicable Purchase Order, the Project Schedule will allow a period of 10 Business Days (or such other period as the Parties may agree) from the date of receipt for review of and response to each Submittal. The Contractor shall, in scheduling Submittals, allow adequate time prior to performing the Work that is the subject of the Submittals, for review of the Submittals and for the Contractor to make changes to any Submittals that may be required if comments are received on the Submittals. If the Project Schedule indicates that a large number of Submittals will be made at one time, OPG's Project Representative may request a longer period for review or a staggering of the Submittals, and the Contractor will review and revise the Project Schedule accordingly, taking into account both the resources necessary to be available to OPG's Project Representative to conduct such review and whether delay in the review of the subject matter of the Submittal shall have a material impact on the Contractor's ability to progress the Work.
- (d) **Review of Submittals by Contractor.** Unless otherwise specified in the applicable Purchase Order, the Contractor will review all Submittals before submission to OPG's Project Representative, such review to be indicated by a

stamp, seal (if applicable), date and a signature of the responsible and qualified member of the Contractor Group who conducted the review. By this review, the Contractor will be deemed to represent that it has determined and verified all necessary requirements including field measurements, field construction criteria, materials, catalogue numbers and similar data and has checked and coordinated all Submittals with the requirements of the Purchase Order, including the OPG Specifications. Together with any Submittal, the Contractor will notify OPG's Project Representative of, and clearly show or describe, any deviation of that Submittal from any requirement under the Purchase Order.

- (e) **Return of Submittals.** Unless otherwise specified in the applicable Purchase Order, OPG's Project Representative will return Submittals to the Contractor, indicating whether any revision or revision and resubmission by the Contractor is required. Review of Submittals by OPG will be for general conformity to the obligations and requirements of this Agreement, and will not indicate OPG's acceptance or approval of such Submittals or relieve the Contractor of the risk and responsibility for the Work and for meeting all of its obligations under and requirements of this Agreement.
- (f) **Non-Compliance.** The Contractor will respond, in a timely manner, to queries from OPG's Project Representative respecting the Submittals. Where there is an error in a Submittal, OPG's Project Representative may require the Contractor to conform that Submittal to the requirements of this Agreement. The Contractor will then return to OPG's Project Representative a corrected Submittal clearly identifying any revisions. The Contractor will be responsible for recovering any time lost or costs incurred on account of any error in a Submittal.
- (g) **OPG Specifications.** By the Contractor's acceptance of a Purchase Order, the Contractor will be deemed to represent and warrant to OPG that the Contractor is not aware of any error, deficiency, defect, inconsistency, discrepancy, omission or deviation from the requirements of this Agreement in the OPG Specifications included in such Purchase Order. The Contractor will promptly provide Notice to OPG's Project Representative of any error, deficiency, defect, inconsistency, discrepancy, omission or deviation from the requirements of this Agreement in the OPG Specifications of which the Contractor becomes aware. After the Contractor provides OPG's Project Representative with all information reasonably requested by OPG's Project Representative, OPG's Project Representative will provide a direction to the Contractor resolving the error, deficiency, defect, inconsistency, discrepancy, omission or deviation by way of a Project Change Authorization. All Work performed by the Contractor after the Contractor becomes aware of any error, deficiency, defect, inconsistency, discrepancy, omission or deviation in the OPG Specification will be at the Contractor's sole risk until OPG's Project Representative makes a decision as to how to reconcile or fix the error, deficiency, defect, inconsistency, discrepancy, omission or deviation and issues a Project Change Authorization. If the Contractor fails to provide Notice to OPG's Project Representative respecting any error, deficiency, defect, inconsistency, discrepancy, omission or deviation in the



OPG Specifications of which the Contractor becomes aware, the Contractor may not make any claim whatsoever against OPG respecting such error, deficiency, defect, inconsistency, discrepancy, omission or deviation.

### 3.8 Quality Assurance

- (a) **General.** The Contractor acknowledges and agrees that this Agreement was entered into by OPG in reliance on the Contractor having established and maintaining, at all times while this Agreement remains in effect, an OPG-approved quality assurance program. If there are any conflicts between the Contractor's quality assurance program and the OPG Specifications, the OPG Specifications will prevail. Compliance with applicable quality assurance requirements will not relieve the Contractor from any of its obligations or liabilities under this Agreement. The Contractor will be responsible for ensuring that its Subcontractors are working under the Contractor's quality assurance program or have implemented an appropriate quality assurance program acceptable to the Contractor and OPG.
- (b) **Quality Assurance Program.** The Contractor must implement, maintain and comply with an OPG-approved quality assurance program that:
  - (1) will ensure the workmanship used to perform the Work will fully meet the applicable Purchase Order requirements;
  - (2) conforms to the requirements of CSA Quality Standard Z299.1 or such equivalent quality standard agreed to by OPG that may replace said standard;
  - (3) meets all applicable elements of CSA N286-05 (Management Systems for Nuclear Power Plants), as amended, restated or replaced from time to time, for engineering, procurement and construction necessary to enable OPG to fulfill its obligations under CSA N286-05;
  - (4) meets the requirements of CSA N285 (General Requirements for Pressure Retaining Systems and Components in CANDU Nuclear Power Plants), as amended, restated or replaced from time to time, together with a valid Technical Standards and Safety Authority certificate of authorization covering any required pressure boundary activities to be performed, and the Contractor shall ensure that all Work including pressure boundary activities are carried out in compliance with CSA N285 and the Contractor's certificate of authorization;
  - (5) meets all applicable elements of CSA N286.7;
  - (6) meets the Electric Power Research Institute guidelines with respect to the prevention and detection of counterfeit, fraudulent and suspect items (CFSI); and

- (7) will ensure that supplier and Subcontractor evaluation and selection is performed in compliance with the requirements of CSA Quality Standard Z299.2, Z299.3 or Z299.4, as applicable, or such equivalent quality standard agreed to by OPG that may replace said standard, and applicable elements of CSA N286-05, as required.
- (c) **Quality Records.** The Contractor will provide OPG with signed and dated legible copies or originals of all quality documentation pertaining to any Work. The Contractor will identify, index, and file quality records for prompt retrieval for seven years after the completion of the Work or for any other period specified in the relevant OPG Specifications or required by the applicable quality assurance standard.
- (d) **Non-Conformance.** If, either before or after installation, the Contractor or OPG identifies anything which does not conform to the quality assurance program requirements set out in this Section 3.8, the relevant OPG Specifications or the applicable quality assurance standard, the Contractor will promptly notify OPG of such non-conformance and deliver a Notice to OPG's Project Representative reporting the corrective action to be taken by the Contractor. OPG's Project Representative will deliver a Notice to the Contractor indicating OPG's acceptance or rejection of the proposed corrective action and requiring the Contractor to either proceed with the corrective action or propose alternate corrective action. Any actions necessary to correct any non-conformance by the Contractor or any Subcontractor shall be undertaken by the Contractor at its cost and so that the Project Schedule is met.
- (e) **Inspection, Surveillance and Audit Rights.** OPG may conduct, and the Contractor will take all steps necessary (including obtaining all necessary cooperation and access to facilities from Subcontractors) to ensure that OPG is able to conduct, such quality surveillance as OPG deems necessary, at any stage of the project cycle, on a graded approach basis based on OPG's assessment of the relevant risk exposure associated with each Purchase Order. OPG may have any aspect of the Contractor's quality assurance program reviewed by OPG or auditors designated by OPG. The Contractor will, at its expense, provide, or cause its Subcontractors to provide, OPG or such auditors prompt access to all premises and documents required for the performance of any inspection, surveillance or audit.
- (f) **Application of OPG's Quality Assurance Program.** Without limiting the Contractor's other obligations in this Section 3.8, including, without limitation, the Contractor's obligation to implement, maintain and comply with an OPG-approved quality assurance program in accordance with Section 3.8(b), in respect of any Purchase Order, OPG may specify that OPG's quality assurance program is applicable to the Work to be performed pursuant to such Purchase Order.

### 3.9 Labour and Subcontractors

- (a) **Contractor's Personnel and Subcontractors.** The Contractor will provide, schedule and co-ordinate all labour required for any Work and, to the extent applicable, maintain good discipline and order at any Site. The Contractor will ensure all of the Contractor's Personnel and Subcontractors understand, and, in the case of Subcontractors, are contractually bound to, and have the necessary skills to perform their roles and obligations under this Agreement, including those relating to safety, the environment, quality assurance, labour requirements, nuclear safety requirements and, except for any Work performed in accordance with Appendix 2, OPG's required qualifications, rules and procedures. The Contractor will co-operate with OPG and third parties to ensure that the Work will not obstruct the operations of OPG or other parties providing services at or near any Site. The Contractor will be fully responsible for all acts and omissions of each of the Contractor's Personnel and each of the Subcontractors and any such acts and omissions will be deemed to be those of the Contractor. The Contractor will not be relieved of any liability or obligation under this Agreement by the appointment of any Subcontractor. For purposes of each Purchase Order, the Contractor will identify all proposed Subcontractors (name, address and/or resume) to OPG prior to engaging them in performing the Work and will not engage any Subcontractor to which OPG objects. Notwithstanding the foregoing, the Parties acknowledge and agree that the Contractor shall not, without the prior written consent of OPG, such consent not to be unreasonably withheld or denied, Subcontract with an Affiliate of SNC-Lavalin Nuclear Inc. or AECON Construction Group Inc. or any Person in which any one of them or their Affiliates has a direct or indirect beneficial interest of 10% or greater.
- (b) **First Tier Subcontractors.** The Contractor has entered into subcontracts with each Person listed in Schedule 3 (each, a "**First Tier Subcontractor**") under which each such Person will provide the Work described opposite such Person's name in Schedule 3. The Contractor will immediately notify OPG of any change or proposed change to any First Tier Subcontractor, or to any Work to be provided by any First Tier Subcontractor as set out in Schedule 3, and no such change shall be permitted without the prior written consent of OPG's MSA Representative.
- (c) **Terms in Subcontracts.** The Contractor will ensure that each contract with a Subcontractor respecting the Work will give OPG the right to take an assignment of the contract with the Subcontractor and continue the contract with the Subcontractor in the place of the Contractor if OPG decides to finish the Work in accordance with Section 9.3 or 9.4. In the case of assumption of a subcontract by OPG, all invoices submitted by the Subcontractor must be addressed directly to OPG.
- (d) **Labour Obligations.** The Contractor will, or will cause its Subcontractors to, comply, with all labour obligations set out in Schedule 7, including, without limitation, with respect to Nuclear Energy Workers and those set out in the

“Labour Requirements Clause - Form 1” attached to Schedule 7, and will ensure that no act or omission by the Contractor or any Subcontractor results in a breach by OPG of its labour obligations. In particular, with respect to construction trade Work performed at the Site, the Contractor will carry out its Work in a manner consistent with OPG’s collective agreement requirements, including those flowing from the EPSCA and CUSW agreements in effect at the time. The Contractor also agrees to conduct its business in a manner that is consistent with harmonious labour relations. This includes, but is not limited to, engaging in good faith efforts to resolve any issues or workplace disputes involving a trade union without recourse to the arbitration process. The Contractor will indemnify and save harmless all members of the OPG Group from and against any and all Losses suffered or incurred by any member of the OPG Group on account of claims made or grievances filed by any unions on account of any breach by the Contractor of the obligations set out in this Agreement in the course of performing the Work or on account of other non-unionized labourers performing any part of the Work. Specifically, the Contractor acknowledges and agrees that OPG may be required to obtain a Purchased Services Agreement (“PSA”) with its union(s) with respect to some or all of the Work, and that, if OPG is unable to obtain such PSA, OPG may terminate the Work, in whole or in part, in accordance with this Agreement and such termination shall be deemed a termination under section 10.2.

- (e) **Management of Subcontractors.** If required by OPG in the OPG Specifications, the Contractor will submit to OPG’s Project Representative a Subcontractor Management Plan, detailing how the Contractor will manage the work of Subcontractors retained under the applicable Purchase Order. The Subcontractor Management Plan will include all aspects of the Work, including health and safety, training, environmental management, quality, schedule and work coordination, materials management and change management, necessary for complete oversight of Subcontractor activities under the terms of the applicable Purchase Order.
- (f) **WSIB.** The Contractor’s Workplace Safety and Insurance Board (“WSIB”) account number is [REDACTED]. The Contractor will be and remain at all times in good standing with the Workplace Safety and Insurance Board and the Contractor shall provide OPG with evidence of such good standing. Upon initial arrival on any Site, and from time to time at the request of OPG, the Contractor will submit a certificate of compliance from the Workplace Safety and Insurance Board as to the Contractor’s status and that of all Subcontractors that will be performing Work at such Site. Together with the letter, the Contractor will submit a list of the Workplace Safety and Insurance Board registration numbers of each of the Contractor’s Personnel who will be employed at such Site, and will thereafter update the list as the Work progresses.
- (g) **Contractor’s Personnel.** The Contractor’s Personnel are employees of, or independent contractors to, the Contractor or its Subcontractors, not OPG, for all

purposes under this Agreement and Applicable Laws. Accordingly, none of the Contractor's Personnel are entitled to any benefits respecting any pension or other benefit plan, program or policy of OPG.

- (h) **Non-Residents.** The Contractor will obtain at its cost all Approvals from all applicable Governmental Authorities respecting all non-residents who may engaged in performing any Work in Canada.
- (i) **Security Checks.** As a condition precedent to the award of any Work to the Contractor, OPG must perform an employment suitability check for each of the Contractor's Personnel who will be involved in performing the Work and any Augmented Staff provided to OPG pursuant to this Agreement. Upon request by OPG, the Contractor will, at no cost to OPG, submit to OPG'S Project Representative the information required by OPG for each of the OPG identified Contractor's Personnel and Augmented Staff. The information that OPG requires, such as photographic identification, birth certificate and citizenship card, may vary from individual to individual, depending on the individual's background and circumstances. In addition, OPG may require, from time to time, that any of the Contractor's Personnel and Augmented Staff complete OPG forms for security clearance. These forms may include a five year, or more, residence and work history. If any of the Contractor's Personnel or Augmented Staff have not resided in Canada for more than five years, OPG will require that such Contractor's Personnel or Augmented Staff provide further information, including references, education credentials and criminal record checks. OPG may require any supporting documentation to be verified in a manner established by OPG, including by notarizing. If OPG determines that any of the Contractor's Personnel or Augmented Staff is unsuitable for any reason, or if OPG is not satisfied with the timeliness, accuracy, validity, adequacy or completeness of any of the information received by OPG, then the Contractor will ensure that the applicable Contractor's Personnel or Augmented Staff is replaced immediately, at no cost to OPG. OPG will maintain all the information submitted to OPG under this Section 3.9(i) in accordance with Applicable Laws. In addition, any Contractor's Personnel who routinely work on OPG security systems are to apply for and hold a Level II (Secret) security clearance. Exceptions to this shall be granted only by OPG Security.
- (j) **Security Protected Documents and General Document Management.** The Contractor shall manage all documents in accordance with all applicable OPG document management standards including N-INS-61400-10009, OPG-HR-SEC-STD-008 and OPG-STD-0030 Classification Protection and Release of Information. General document management shall be done in accordance with N-PROC-AS-0003.
- (k) **Protection of Confidential Information.** OPG will protect all confidential information of (i) the Contractor's Personnel, (ii) the Core Team and (iii) Augmented Staff in accordance with the requirements of the *Personal*

*Information Protection and Electronic Documents Act (Canada) and the Freedom of Information and Protection of Privacy Act (Ontario).*

- (l) **Objections.** The Contractor will not use, as part of the Contractor's Personnel, any individual against whom OPG has a reasonable objection (including if the Contractor's Personnel has a criminal record or if the Contractor's Personnel failed to comply with any applicable health or safety obligation), and will replace any such individual with a suitable individual and acceptable to OPG, without cost to OPG. If OPG does not refuse access to a Site to any Contractor's Personnel with a criminal record, the Contractor will not be relieved of any of its obligations under this Agreement respecting the Contractor's Personnel and the Contractor will remain completely responsible for all actions and failures to act of all Contractor's Personnel while on such Site.
- (m) **Payment of Subcontractors.** The Contractor will pay in a timely manner all costs (including Taxes) respecting Work performed or caused to be performed by a Subcontractor on any Site which could result in any Lien being filed under the *Construction Lien Act* (Ontario) or otherwise against any property owned, leased or licensed by OPG or any of its subsidiaries or in which OPG or any of its subsidiaries has an interest, in whole or in part, including such Site, provided that the Contractor shall not be in breach of this Section 3.9(m) to the extent that any amounts are withheld from a Subcontractor by reason of a legitimate dispute in good faith.
- (n) **Non-Solicitation of OPG Employees.** During the term of this Agreement and until the date that is six months from the date of termination of this Agreement, the Contractor will not, and will ensure that none of its subsidiaries, directly or indirectly, without the prior written consent of OPG's MSA Representative, knowingly solicit, hire or otherwise retain in any capacity, any employee of OPG who the Contractor or any of its subsidiaries is dealing with or dealt with in its relationship with OPG to facilitate the performance of this Agreement.
- (o) **Former OPG Employees.** The Contractor acknowledges and agrees that OPG has a policy restricting the involvement in OPG contracts of former OPG employees who received a severance package or who are receiving pension payments from OPG, or an affiliated contractor, or are on a non-working pension bridge from working at OPG. The use of all former OPG employees as Contractor's Personnel or Augmented Staff must be approved in writing by OPG prior to the commencement of the Work or engagement of the Augmented Staff, as applicable. OPG will assist the Contractor in verifying whether or not the proposed Contractor's Personnel or Augmented Staff were former OPG employees and subject to the applicable restrictions.
- (p) **Liens.** The Contractor will not create or allow any Liens relating to the Work or to any act or omission of any member of the Contractor Group on any property owned, leased or licensed by OPG or any of its subsidiaries or on which OPG or any of its subsidiaries has an interest, in whole or in part, including any Site. The

Contractor will immediately notify OPG of any such Lien, claim of Lien or other action of which it has knowledge and which affects the title to any property owned, leased or licensed by OPG or any of its subsidiaries or in which OPG or any of its subsidiaries has an interest, in whole or in part, including any Site. If any Lien relating to any act or omission of any member of the Contractor Group is registered against any such property, in whole or in part, including any Site, the Contractor will cause the Lien to be vacated or discharged from title within 10 Business Days of registration. If the Contractor fails to vacate or discharge any such Lien in a timely manner, OPG may vacate or discharge that Lien by paying into court any sum or providing such security as may be necessary to vacate or discharge the Lien. In addition, the Contractor will immediately reimburse OPG on demand for all OPG's costs and expenses respecting the discharge or vacating of the Lien, including the amount of the payment into court, the cost of any such security, OPG's legal fees and expenses and a reasonable charge for time spent by OPG personnel. OPG may set off the full amount of any such reimbursement obligation against any amount otherwise owing by OPG to the Contractor. The Contractor will indemnify and hold harmless each member of the OPG Group from and against all Losses suffered or incurred by a member of the OPG Group and all claims, demands, actions, suits or proceedings for Losses made against any member of the OPG Group by any Person in respect of any breach by the Contractor of this Section 3.9(p).

- (q) **Information and Consent Form.** Upon request by OPG, having regard to the nature of the applicable Work, the Contractor shall cause any Contractor's Personnel and Augmented Staff to execute and deliver to OPG an Information and Consent Form in the form of Exhibit F.

### 3.10 Intellectual Property

- (a) **Grant of Intellectual Property Rights.** The Contractor grants to OPG all rights (including ownership of the physical property) in all Work, Projects, Submittals, results of any Work and all other documents of any kind, designs, drawings (including as built drawings), inventions, ideas, processes, discoveries, techniques, diagrams, illustrations, schedules, performance charts, brochures, specifications, plans, photographs and other recordings, reports, manuals (including operating and maintenance manuals), software (hard copies and machine readable formats), information, data, models, samples and other deliverables provided or required to be provided by the Contractor to OPG under this Agreement (collectively, the "**Property**"). Without limiting the generality of the foregoing, this grant includes all intellectual property rights (including all trade secrets, confidential information, patents, patent applications, rights to file patents, trade-marks, trade-mark applications, rights to file trade-marks, copyrights, industrial and similar designs, rights to file for industrial and similar designs, and know-how) contained, embedded or disclosed in or otherwise existing in respect of, used in the production of, or required or desirable for the provision, use, reproduction, modification, maintenance, servicing, improvement or continued operation of the Property (collectively, the "**Intellectual Property**").

Subject to Section 3.10(c), the Contractor does not retain any right, title or interest in or licence to the Intellectual Property, except for the purpose of fulfilling its obligations under this Agreement. This grant of rights becomes effective in respect of each item of the Property on the completion of each such item. Effective on the date of each such grant, each such item also becomes Confidential Information.

- (b) **No Diminishing of Intellectual Property Rights.** The Contractor will not take any action that may compromise or diminish the grant to OPG of rights in the Property. The Contractor will perform any acts required to confirm or document OPG's rights in the Property. These acts include obtaining, at the request of OPG and at the Contractor's expense, assignments of rights from the Contractor's Personnel, as applicable, any applicable Subcontractor and any applicable Subcontractor's employee. These acts also include providing, at OPG's expense, access to the Contractor's Personnel, as applicable, any applicable Subcontractor and any applicable Subcontractor's employee to assist OPG to protect fully its rights in the Intellectual Property. The Contractor will not put and will not permit to be put any legend, logo, trademark, proprietary statement or other marking on any Intellectual Property, and OPG is entitled to remove from any Intellectual Property any legend, logo, trademark, proprietary notice or other marking.
- (c) **Exception and Licence.** Notwithstanding any term in this Section 3.10, the Contractor and each Subcontractor retains its rights in its part of the Intellectual Property, so long as the Contractor or the applicable Subcontractor can establish through written records that such Intellectual Property existed before the earlier of, the date of this Agreement or the date that the Contractor commenced any Work (the "**Retained Intellectual Property**"). In respect of all such Retained Intellectual Property that the Contractor or a Subcontractor owns or claims to own, the Contractor grants to OPG, or, in the case of a Subcontractor cause such Subcontractor to provide to OPG (provided that in the case of Subcontractors who are original equipment manufacturers providing Goods, the Contractor will use commercially reasonable efforts to cause such Subcontractors to provide such rights to OPG and will provide OPG prompt written notice should the Contractor fail to obtain any such rights), at the Contractor's cost, a perpetual, irrevocable, royalty-free, non-exclusive, fully paid up, non-transferrable (except in accordance with section 12.4) licence, to:
- (1) use all or any such Retained Intellectual Property, including in respect of the operation and maintenance, construction, commissioning, refurbishment, replacement, alteration, relocation, decommissioning, dismantling or demolition of any one or more of OPG's generating stations (including nuclear generating stations of which OPG is, is in the process of becoming, or becomes the licensed operator) or other related or supporting OPG facilities, in whole or in part;
  - (2) use all or any such Retained Intellectual Property in respect of any transaction relating to the financing, sale, lease or other transfer of rights



to a successor in interest involving any one or more of OPG's generating stations (including nuclear generating stations of which OPG is, is in the process of becoming, or becomes the licensed operator) or other related or supporting OPG facilities, in whole or in part;

- (3) disclose any Retained Intellectual Property to any Person who requires such Retained Intellectual Property in respect of any of the actions referred to in Sections 3.10(c)(1) or 3.10(c)(2) provided that, such disclosure is made subject to a confidentiality agreement with terms no less stringent than those which OPG would use in the normal course to protect OPG Confidential Information;
- (4) use, reproduce, copy, transmit, modify, exploit and create derivative works from any Retained Intellectual Property in respect of any of the actions referred to in sections 3.10(c)(1) or 3.10(c)(2); and
- (5) sublicense any or all rights granted to OPG under this Section 3.10(c) to an Affiliate of OPG or to any Person who provides or may provide goods or services to OPG in respect of any of the actions referred to in sections 3.10(c)(1) or 3.10(c)(2) provided that, such sublicense is made subject to a confidentiality agreement with terms no less stringent than those which OPG would use in the normal course to protect OPG Confidential Information.

(d) **Representation and Warranty.** The Contractor represents and warrants to OPG as follows:

- (1) there is no claim, demand or suit respecting any part of the Property, the Intellectual Property or the Retained Intellectual Property;
- (2) there is no potential claim, demand or suit respecting the Property, the Intellectual Property or the Retained Intellectual Property, in whole or in part, that could affect the performance, function or use of the Property, Intellectual Property or Retained Intellectual Property, in whole or in part, as intended by this Agreement;
- (3) before transferring ownership in the Property (including the Intellectual Property) to OPG, the Contractor is the exclusive owner of, and has good and marketable title to, all the Property, and, except in regard to the Retained Intellectual Property, there is no ownership interest, agreement option or other right, title, benefit, interest or privilege outstanding in favour of any Person for the purchase or licence from the Contractor of, or any Lien in favour of any other Person in, any of the Property; and
- (4) the Contractor has the right to grant the licence rights in the Retained Intellectual Property and will obtain such rights from Subcontractors as contemplated by this Agreement.

- (e) **OPG's Remedy for Breach.** The Contractor will indemnify and hold harmless each member of the OPG Group from and against all Losses suffered or incurred by a member of the OPG Group and all claims, demands, actions, suits or proceedings for Losses made against any member of the OPG Group by any Person arising in respect of any breach or infringement or alleged breach or infringement by any member of the OPG Group of any right of any third party in any of the Property, the Intellectual Property or the Retained Intellectual Property. If any such claim, demand, action, suit or proceeding arises, the Contractor will, at its own cost:
- (1) obtain the right for OPG to continue using the Property, the Intellectual Property and the Retained Intellectual Property in the manner intended by this Agreement;
  - (2) make such modifications to the Property, the Intellectual Property and the Retained Intellectual Property so that it becomes non-infringing, without incurring any diminution in the performance, function or use of the Property, the Intellectual Property or the Retained Intellectual Property, as intended by this Agreement; or
  - (3) replace the Property, the Intellectual Property and the Retained Intellectual Property to the extent necessary with non-infringing substitutes, so long as such substitutes do not result in a diminution in the performance, function or use of the Property, the Intellectual Property or the Retained Intellectual Property as intended by this Agreement.

Notwithstanding anything to the contrary in this Agreement, the Contractor shall not be liable for any Losses arising from, and shall have no obligation under this Section 3.10(e) in respect of: (i) the use of any Intellectual Property or Retained Intellectual Property by any member of the OPG Group for a purpose other than the purpose for which such Intellectual Property or Retained Intellectual Property was provided as part of the Work; or (ii) any modification or alteration of any Intellectual Property or Retained Intellectual Property not contemplated by the purpose for which such Intellectual Property or Retained Intellectual Property was provided as part of the Work.

- (f) **License to use OPG-Provided Intellectual Property.** During the course of the Work, OPG may provide to Contractor certain intellectual property contained, embedded or disclosed in OPG deliverables that is either owned by OPG or licensed by OPG from third parties ("**OPG-Provided Intellectual Property**"). OPG grants to Contractor a non-exclusive licence to use and modify such OPG-Provided Intellectual Property solely for the purpose of performing the Work in accordance with this Agreement, including a right to sublicense such OPG-Provided Intellectual Property (on the same terms and conditions as set out in this Agreement) to its permitted Subcontractors solely for the purpose of performing the Work in accordance with this Agreement.

- (g) **Indemnity for OPG-Provided Intellectual Property.** OPG will indemnify and hold harmless Contractor and each Subcontractor from and against all Losses suffered or incurred by Contractor or any Subcontractor and all claims, demands, actions, suits or proceedings for Losses made against Contractor or any Subcontractor by any Person arising in respect of any breach or infringement or alleged breach or infringement by Contractor or any Subcontractor of any right of any third party (other than a member of the Contractor Group) in any of the OPG-Provided Intellectual Property (except to the extent arising in respect of: (i) the Property, the Intellectual Property or the Retained Intellectual Property; or (ii) the Contractor's or any Subcontractor's use of the OPG-Provided Intellectual Property other than as expressly provided in 3.11(f)).

### 3.11 Confidential Information

- (a) **Definition of Confidential Information.** In preparation for, and in the course of, performing any Work, OPG or the Contractor (each, for this purpose, a “**Disclosing Party**”) may disclose to the Contractor or OPG (each, for this purpose, a “**Recipient Party**”) certain information which is confidential, a trade secret or otherwise proprietary to the Disclosing Party or to another party, including the terms and conditions of this Agreement and any details related to the performance of the Work (collectively, the “**Confidential Information**”). Confidential Information does not include, however, information that the Recipient Party is able to demonstrate to the Disclosing Party's satisfaction, acting reasonably:
- (1) was or becomes generally known to the public through no fault of the Recipient Party, its current or former shareholders, directors, officers, partners, members, representatives, agents and advisors or any other Person for whom the Recipient Party is responsible at law; or
  - (2) was specifically known by the Recipient Party before disclosure by the Disclosing Party and was not subject to any confidentiality obligation, as shown by written record.
- (b) **Ownership and Treatment of Confidential Information.** All Confidential Information is, and shall at all times remain, the sole and exclusive property of the Disclosing Party. Except as expressly set out in this Section 3.11(b), the Recipient Party has no licence or other right to use or disclose any Confidential Information for any purpose whatsoever. The Recipient Party may use Confidential Information only in respect of the preparation for, and the performance of, any Work. The Recipient Party may not disclose any Confidential Information to any Person except as required by Applicable Laws or with the prior written consent of OPG's MSA Representative or the Contractor's MSA Representative, as applicable, which consent may include a requirement that the Person enter into a confidentiality agreement, in form and content satisfactory to the Disclosing Party, in favour of the Disclosing Party. The Recipient Party will ensure that none of its current or former shareholders, directors, officers,

partners, members, representatives, agents and advisors or any other Person for whom the Recipient Party is responsible at law will use any of the Confidential Information for any purposes other than as required to perform the Work. The Contractor acknowledges and agrees that OPG is subject to the *Freedom of Information and Protection of Privacy Act* (Ontario) and may be required to disclose Confidential Information in accordance with such legislation.

- (c) **Information and Consent Form.** Upon request by OPG, having regard to the nature of the applicable Work, the Contractor shall cause any Contractor's Personnel and Augmented Staff to execute and deliver to OPG an Information and Consent Form in the form of Exhibit F.
- (d) **AECL Documentation.** In addition to the other provisions herein relating to Confidential Information, the AECL Documentation that has been or may be disclosed to the Contractor under or in connection with this Agreement will be made on the basis that the Contractor will keep the Technical Information strictly confidential and will not, without the prior written consent of OPG's MSA Representative, disclose the Technical Information, in whole or in part, to any other party.

In addition, the Contractor acknowledges and agrees that it may only use the AECL Documentation in respect of the Stations and solely for all activities of OPG relating to the design, licensing, qualification, operation, maintenance, repair, inspection, analysis, life extension, refurbishment, alteration, improvement, commissioning, decommissioning, dismantling and/or demolition of the Stations and for no other commercial purpose. For this purpose, the Contractor may use, make derivative works from and modify the AECL Intellectual Property, however, it will acquire no rights to such AECL Intellectual Property or to any derivative works or modifications. The Contractor acknowledges and agrees that each of AECL and Her Majesty the Queen in Right of Canada shall have the right to enforce as a third party beneficiary the obligations of the Contractor with respect to the Technical Information created pursuant to a contract between AECL and OPG that was effective on or before March 25, 1993 as though it was a party to this Agreement. To the extent that the rights and obligations of the Contractor set out in the provisions of this Agreement other than this Section 3.11(d) are more restrictive than the rights and obligations of the Contractor set out in this Section 3.11(d), the rights and obligations of the Contractor set out in the other provisions of this Agreement shall prevail and shall not be modified by this Section 3.11(d).

For the purposes of this Section 3.11(d), the following additional definitions shall apply:

- (1) "AECL" means Atomic Energy of Canada Limited.
- (2) "AECL Documentation" means any drawing, design, design basis document, bill of material, list, report, technical specification, source code,

data calculations, analysis, test cases or other written technical material, including any amendments, modifications, additions, updates, corrections or supplements thereto, for the design, qualification, licensing, operation, maintenance, repair, inspections, analysis, life extension, refurbishment, alteration, improvement, commissioning, decommissioning, dismantling or demolition of the Stations, in each case which was created by AECL.

- (3) **“AECL Intellectual Property”** means all trade secrets, confidential information, patents, copyright, inventions, ideas, processes, designs, techniques, drawings, specifications, data, software (hard copies and machine readable formats and object and source code versions) and know-how, integrated circuit topography, industrial design or other intellectual property rights of any kind, whether registered or unregistered, that are evidenced by the AECL Documentation.
- (4) **“CNSC”** means the Canadian Nuclear Safety Commission and includes any successor thereto.
- (5) **“Stations”** means (A) the nuclear stations that are currently owned by OPG and known as the Pickering A nuclear generating station, the Pickering B nuclear generating station and the Darlington nuclear generating station, and (B) the nuclear generating stations known as the Bruce A and the Bruce B nuclear generating stations, at such time as any of OPG or a Successor Operator becomes the CNSC-licensed operator thereof.
- (6) **“Successor Operator”** means any CNSC-licensed operator to whom a Station is leased, sold, transferred or otherwise disposed, or the Nuclear Waste Management Organization or an entity wholly owned by the Government of Ontario.
- (7) **“Technical Information”** means AECL Documentation and AECL Intellectual Property.
- (e) **Return of Confidential Information.** At any time, at the Disclosing Party’s request, the Recipient Party will deliver promptly to the Disclosing Party all of the Confidential Information, or any portion of the Confidential Information specified by the Disclosing Party, together with all copies, extracts or other reproductions in whole or in part of such Confidential Information. In addition, at any time, at the Disclosing Party’s request, the Recipient Party will destroy, demonstrably, promptly and irrevocably:
  - (1) all such copies, extracts or other reproductions of the Confidential Information, or any portion of the Confidential Information specified by the Disclosing Party, which cannot, because of the device on which such Confidential Information is stored, be removed from the possession of the Recipient Party by delivery to the Disclosing Party; and

- (2) all documents, designs, drawings, specifications, plans, reports, information and other deliverables or data whatsoever (regardless of the form, medium or device on or in which such Confidential Information is written, recorded, stored or reproduced) prepared in respect of the Work and which is based on any of the Confidential Information.

Following such delivery and destruction, the Recipient Party will promptly provide the Disclosing Party with written confirmation of completion. In any event, the Recipient Party will complete all such actions within 10 Business Days of receipt of the Disclosing Party's initial request. Notwithstanding the foregoing, the Recipient Party shall not be required to return or destroy Confidential Information that it is required to retain in accordance with Applicable Laws or to destroy or alter any computer archival/backup tapes or files to remove Confidential Information, which Confidential Information will, for greater certainly, be kept confidential in accordance with the terms of this Agreement.

- (f) **Remedies.** The Recipient Party acknowledges that the Disclosing Party would not have an adequate remedy at law for money damages if the Recipient Party fails to fulfill any of its obligations under this Section 3.10(f). Accordingly, in addition to any other remedies under this Agreement, the Disclosing Party will be entitled to any injunction, specific performance or other remedy in law or equity (without being required to post a bond or other security), in respect of any breach or threatened breach of this Section 3.10(f) and, in which case, the Recipient Party consents to any such injunction, specific performance or other remedy in law or equity. The Recipient Party will indemnify and hold harmless the Disclosing Party, from and against all Losses suffered or incurred by the Disclosing Party and all claims, demands, actions, suits or proceedings for Losses made against the Disclosing Party by any Person, to the extent arising in respect of a breach or threatened breach of this Section 3.10(f).

### 3.12 Access to OPG's Computer System

- (a) **Grant of Access.** OPG may, from time to time and to the extent required for purposes of any Work, provide the Contractor with full or partial access to OPG's computer system (including programs such as Passport, OPG E-mail, OPG network, OPG intranet, ONCORE and Tempus) in order for the Contractor to access and/or amend OPG documentation as required to perform the Work. OPG may, at any time, immediately change or terminate in whole or in part any grant of access to the Contractor.
- (b) **Restrictions on Grant of Access.** The Contractor will ensure that, if any of its agents or employees are granted such access, they (i) will not provide such access to any other individual or entity, and (ii) will only access those parts of the OPG computer system to which OPG has expressly granted access and only in the manner and during the times specified by OPG. Such access will be provided in accordance with OPG's IT Security Requirements for Users procedure (CIO-ATD-SE-003), as amended from time to time, and the Contractor agrees to

comply with same and to cause any of its agents or employees who are granted access to comply with same. In the event that the Contractor is provided such access by OPG, it acknowledges that such access is subject to the confidentiality provisions of this Agreement, that it will ensure that its agents and employees agree to be bound by such terms and that the Contractor will be fully responsible to OPG for all access to OPG's computer systems by any employee or agent of the Contractor. If OPG requests a written confidentiality agreement from any of the Contractor's employees that are provided such access, the Contractor shall deliver same to OPG, in form and content satisfactory to OPG. The Contractor will not provide any Subcontractor with any access to OPG's computer system without the prior written consent of OPG's MSA Representative.

- (c) **Contaminants.** The Contractor will ensure that no Contaminants (as defined below) are placed on, or allowed access to, any of OPG's computer systems by any employee or agent of the Contractor. The Contractor will fully compensate OPG for all damages, costs and losses incurred by OPG as a result of any breach of this Section 3.12(c). A "**Contaminant**" includes any virus, worm, Trojan horse, adware, spyware, trackware, hack tool, dialler, joke program, time lock or other software routine, code or instruction of a similar nature.
- (d) **OPG Not Liable for Damage.** The Contractor acknowledges and agrees that OPG shall not be responsible for any damages, costs or losses incurred by the Contractor, any Subcontractor or any of their respective employees or agents as a result of accessing OPG's computer system in accordance with this Section 3.12.
- (e) **Ownership of Information.** The Contractor acknowledges and agrees that OPG owns all information and documentation on OPG's computer system, including, without limitation, all information and documentation created by the Contractor, any Subcontractor or any of their respective employees or agents while accessing OPG's computer system in accordance with this Section 3.12.

## SECTION 4 - OPG'S OBLIGATIONS

### 4.1 Take Actions Promptly

OPG will take, or cause an Other OPG Contractor to take under their respective agreements, all actions that it is obligated to take under this Agreement and any Purchase Order, including, without limitation, each of the following actions, in a responsible manner so as not to materially delay the Contractor:

- (a) if the Work will be performed at a Site, provide access to the Site, subject to any restrictions set out in the applicable Purchase Order respecting certain parts of the Site;
- (b) if the Work will be performed at a Site, provide information known to OPG relating to the presence on the Site of any Hazardous Condition; and

- (c) obtain those Approvals, if any, that OPG is required to obtain under the applicable Purchase Order.

#### **4.2 OPG's MSA and Project Representatives**

OPG will designate, in writing, both OPG's MSA Representative and, for each Purchase Order, OPG's Project Representative. OPG may, from time to time, change these designations, or OPG's MSA Representative or any of OPG's Project Representatives may delegate duties to an OPG's Designated Delegate, by delivering a Notice to this effect to the Contractor. OPG's MSA Representative or OPG's Project Representative, as applicable, will specify the scope of authority of each of OPG's Designated Delegates. The Contractor may give Notices to, and rely on instructions from, any of OPG's Designated Delegates, subject to the scope of authority of the applicable OPG's Designated Delegate.

#### **4.3 Review and Other Actions by OPG**

For greater certainty, none of the following actions, nor any other act, matter or thing done or omitted to be done under this Agreement, will constitute acceptance of any Work, in whole or in part, by OPG or a waiver or release of any of the Contractor's obligations under this Agreement, affect or change the Contractor's obligation to perform the Work in accordance with this Agreement, impose on OPG any responsibility in respect of any aspect of the Work (including, for greater certainty, the sequencing, scheduling or progress of the Work), be deemed to constitute OPG's confirmation that any schedule is a reasonable plan for providing any Work, transfer any obligation under this Agreement from the Contractor to OPG or otherwise have the effect of amending this Agreement:

- (a) any review, approval, comment, acceptance or rejection, or any failure to review, approve, comment, accept or reject, by OPG of a Submittal (including, for greater certainty, any Project Schedule) or other Document, in whole or in part, under this Agreement, including, without limitation, any action taken by OPG in accordance with the Interface Requirements;
- (b) any inspection, test or approval by OPG or any third party, either on OPG's behalf or otherwise;
- (c) any payment under this Agreement;
- (d) the issuance of any certificate, including, if applicable, a certificate of Substantial Completion or Final Completion;
- (e) any use or occupancy of the Project in whole or in part by OPG or any third party; or
- (f) any correction or replacement of a defect in the Work by OPG or any third party, either on OPG's behalf or otherwise.



## SECTION 5 - PERFORMANCE INDICATORS

### 5.1 Performance Indicators

- (a) **Purpose.** The Parties acknowledge and agree that the Contractor's ongoing and overall performance with respect to Work conducted hereunder, as measured by a continuous performance score (the "**Performance Score**") calculated in accordance with this Section 5.1 and Schedule 11, shall be applicable to:
  - (1) OPG's evaluation, together with other relevant criteria, of the Contractor or a specific Work Request Response, in each case, for the purpose of OPG considering an award of Work under this Agreement; and
  - (2) OPG's calculation of the Performance Fee to be paid to the Contractor in accordance with this Agreement.
- (b) **Performance Indicators.** In order to determine the Contractor's Performance Score from time to time, OPG shall measure each of the following inputs (each a "**Performance Indicator**" or "**PI**" and, together, the "**Performance Indicators**" or "**PIs**"):
  - (1) a Cost PI (a "**Cost PI**") that measures (i) the total aggregate actual Contract Price in respect of Work completed pursuant to a Purchase Order against (ii) the Contractor's estimated Contract Price (as accepted by OPG) for such Work, in accordance with those certain cost metrics set out in Schedule 11. The Cost PI for each Purchase Order shall be measured and added to the Performance Score on the date upon which the Application for Final Payment for Work conducted thereunder is accepted by OPG. The Cost PI shall apply to all Purchase Orders issued hereunder except for Purchase Orders in respect of Augmented Staff or Goods only, provided that, for Rapid Response Work and Fixed Price Work, the Cost PI shall be deemed to achieve the target level (i.e. a score of 1) for purposes of the Performance Score. The Cost PI shall be re-set on December 31 of each calendar year;
  - (2) a Schedule PI (a "**Schedule PI**") that measures the Contractor's ability to (i) entirely finish and complete the Work, to OPG's satisfaction, in accordance with the terms of each Purchase Order on or before the Contract Completion Date for such Purchase Order, and (ii) adhere, on an ongoing basis, to the Project Schedule, in accordance with those certain schedule metrics set out in Schedule 11. The Schedule PI for each Purchase Order shall be measured and added to the Performance Score on the Contract Completion Date. The Schedule PI shall apply to all Purchase Orders issued hereunder except for Purchase Orders in respect of Augmented Staff or Goods only, provided that, for Rapid Response Work, the Schedule PI shall be deemed to achieve the target level (i.e. a score of 1) for purposes of the Performance Score. The Schedule PI shall be re-set

on December 31 of each calendar year. For clarity, OPG agrees that it will not make any claim against the Contractor arising from failures to achieve those certain schedule metrics set out in Schedule 11 in excess of the aggregate amount of the performance disincentives contemplated by this Section 5;

- (3) a Safety PI (a “**Safety PI**”) that measures the Contractor’s overall safety performance in respect of Work completed from time to time as measured by those certain safety metrics set out in Schedule 11. The Safety PI shall be continuously measured during the term of this Agreement and the Performance Score shall be adjusted on each PI Calculation Date to take into account the Safety PIs in respect of all Work carried out for the financial quarter just ended regardless of the type of Work being conducted or the stage of completion of a Purchase Order. The Safety PI shall be re-set to zero on December 31 of each calendar year; and
  - (4) a Human Performance PI (“**HP PI**”) that measures the Contractor’s overall record for responding to and correcting human performance related issues in respect of Work completed from time to time as measured by those certain human performance metrics set out in Schedule 11. The HP PI shall be continuously measured during the term of this Agreement and the Performance Score shall be adjusted on each PI Calculation Date to take into account the HP PIs in respect of all Work carried out for the financial quarter just ended regardless of the type of Work being conducted or the stage of completion of a Purchase Order. The HP PI shall be re-set to zero on December 31 of each calendar year.
- (c) **PI Data.** All data in respect of the Performance Indicators shall be compiled by OPG and recorded in a Performance Indicator database that shall be made available to the Steering Committee from time to time pursuant to Section 3.3.
  - (d) **Calculating the Category PI Score.** On each PI Calculation Date, all new PI data available since the last PI Calculation Date (whether derived from completed Purchase Orders in the case of Cost PIs and Schedule PIs or from ongoing data inputs in the case of the Safety PIs and the HP PIs) shall be entered into the Performance Score to determine the relevant PI. For purposes of calculating Cost PIs and Schedule PIs, all data derived from any one particular Purchase Order completed since the last applicable PI Calculation Date shall be averaged with all data derived from each other Purchase Order completed to date. For purposes of calculating Safety PIs and HP PIs, all data shall be aggregated with all other available data. Once the relevant PI has been measured, OPG shall give the PI a score (a “**Category PI Score**”) based on the Contractor’s actual performance as follows:
    - (1) each PI shall be measured against the benchmarks set out in Schedule 11 to generate a raw score; and

- (2) each raw score shall then be multiplied by the weighting for such PI set out in Schedule 11 to produce a final Category PI Score.
- (e) **Calculating the Performance Score.** Once the Category PI Score has been calculated for each category, OPG shall add the Category PI Scores together to produce the final aggregate Performance Score.
- (f) **Performance Score Adjustments.** The Parties hereto agree that the Performance Indicators, the weighting attributable to each Category PI Score and the targets set for each Category PI Score shall, beginning on the first anniversary of the date of this Agreement, be adjusted annually by OPG after consultation with the Contractor. In making such adjustments, OPG may consider whether the Contractor has achieved expected efficiency gains and continuous improvement, and such other criteria as OPG may determine, in its sole discretion.
- (g) **Allocation of Work.** In considering whether to award Work under this Agreement to the Contractor, OPG may attribute certain value to the Contractor's then applicable Performance Score and, where the Work is being awarded under a competitive process, OPG will disclose how such Performance Score will be weighed against other factors.
- (h) **Project-specific Performance Indicators.** If specified in the applicable Purchase Order, OPG may elect to measure Project-specific Performance Indicators on a stand-alone basis, in which event a Project-specific score card against which the Project-specific Performance Score shall be measured shall be attached to the Purchase Order in place of Schedule 11.

## 5.2 Performance Fee

- (a) **Addition to Performance Fee Pool.** In respect of each Application for Payment accepted by OPG under this Agreement (except any Application for Payment in respect of Fixed Price Work or payment of the Performance Fee or the Core Team Services Fee), ■■■ of the total amount of the Application for Payment shall be withheld and added to the Performance Fee Pool.
- (b) **Calculation and Payment of Performance Fee.** In order to determine the Performance Fee payable to the Contractor on the first Performance Fee Release Date in any calendar year, OPG shall multiply the then applicable Performance Score by the amount then comprising the Performance Fee Pool. In order to determine the Performance Fee payable to the Contractor on each subsequent Performance Fee Release Date in any calendar year, OPG shall multiply the applicable Performance Score for such calendar year by the amount added to the Performance Fee Pool in such calendar year and deduct the amount of the Performance Fee paid on the prior Performance Fee Release Dates in such calendar year. If the Performance Fee calculated on any Performance Fee Release Date is negative, the Contractor will promptly pay OPG the amount by which the

Performance Fee is negative. The Performance Fee Pool shall be re-set to zero on December 31 of each calendar year.

## **SECTION 6 - PERFORMANCE SECURITY, INSURANCE, INDEMNITIES**

### **6.1 Performance Security**

#### **(a) Letter of Credit.**

##### **(1) Letter of Credit.**

(A) As a condition precedent to the effectiveness of this Agreement, the Contractor must deliver to OPG a letter of credit substantially in the form of Exhibit D, which letter of credit must be acceptable to OPG, in its sole discretion, in the amount of \$2 million. The amount of the letter of credit will be subject to quarterly adjustment based on the estimated quarterly spend at the beginning of each calendar quarter provided that the amount of the letter of credit shall not exceed 10% of the estimated quarterly spend, provided that, if OPG reasonably determines at any time that there is a material change in the current estimated quarterly spend, OPG may require that the amount of the letter of credit be decreased or increased by an amount reasonably acceptable to OPG to account for such material change.

(B) The Contractor will maintain the letter of credit in force, at its expense, until 60 days after all obligations of the Contractor under this Agreement, and any outstanding Purchase Order issued pursuant to this Agreement, have been satisfied in full, including, for greater certainty, all warranty obligations, provided that on the date that the Agreement expires or terminates in accordance with its terms, the letter of credit shall be adjusted to an amount equal to the lesser of: (i) 2% of the aggregate total contract prices of all outstanding Purchase Orders and Purchase Orders with unexpired warranty obligations at such date; or (ii) 10% of the last quarterly spend prior to the expiration or termination of this Agreement, provided that the letter of credit shall not in any event be an amount less than \$2 million.

(2) **Project-specific Letter of Credit.** If specified in the applicable Purchase Order, OPG may require that the Contractor provide a Project-specific letter of credit substantially in the form of Exhibit D, which letter of credit must be acceptable to OPG, in its sole discretion, in the amount specified in the applicable Purchase Order (which amount may be subject to adjustments as set out in the Purchase Order provided that the amount of the letter of credit shall not exceed 10% of the total value of the Purchase Order). For clarity, if a Project-specific letter of credit is required under

the applicable Purchase Order, the estimated quarterly spend for such Purchase Order will not be taken into account for purposes of determining the amount of the letter of credit under section 6.1(a) above. The Contractor will maintain the Project-specific letter of credit in force, at its expense, until 60 days after all obligations of the Contractor under the applicable Purchase, have been satisfied in full, including, for greater certainty, all warranty obligations.

- (3) **Draw Conditions.** OPG may draw on the letter of credit to remedy any failure of the Contractor to satisfy any obligation under this Agreement (including, without limitation, with respect to any correction or removal of a defective part of any one or more Projects).
- (4) **Issuing Bank.** The bank issuing the letter of credit must be:
  - (A) listed on Schedule I of the Bank Act (Canada), as amended or replaced from time to time,
  - (B) have and maintain a senior, unsecured long-term credit rating of not less than A+ or equivalent from any one of Standard & Poor's, Moody's, DBRS or Fitch and no rating less than A or equivalent from any of Standard & Poor's, Moody's, DBRS or Fitch (or any other credit rating approved for this purpose by OPG, which may grant or decline such approval in its absolute discretion), and
  - (C) otherwise be acceptable to OPG, acting reasonably.

The Contractor will ensure that the letter of credit may be cashed by OPG at one of the issuing bank's branches in Toronto, Ontario. For clarity, OPG confirms that The Toronto-Dominion Bank, the Bank of Nova Scotia, Royal Bank of Canada, Bank of Montreal, Canadian Imperial Bank of Commerce, National Bank of Canada and HSBC Bank Canada will be acceptable issuing banks for the original issuance of the letter of credit; provided that, in the case of HSBC Bank Canada, its parent HSBC Holdings plc also has and maintains the credit rating specified in this section.

- (b) **Parental Indemnity.** On the date of this Agreement, the Contractor will provide OPG with Guarantees from the Guarantors, which will be in the applicable forms set out in Schedule 16. The Contractor acknowledges that, in order to induce OPG to enter into this Agreement, the Guarantors have agreed to provide these Guarantees. If, at any time, a change of ownership of the Contractor occurs, such that SNC-Lavalin Group Inc. or AECON Group Inc. is no longer the ultimate owner of SNC-Lavalin Nuclear Inc. or AECON Construction Group Inc., respectively, the Contractor will immediately obtain a guarantee, substantially in the form of the Guarantee provided by the Guarantor and otherwise satisfactory to OPG, acting reasonably, from the new ultimate owner, as applicable.

## 6.2 Security Interests in Goods and Subcontracts

- (a) **Assignment and Creation of Security Interests.** As continuing security for the timely performance of all of the Contractor's obligations under this Agreement, the Contractor hereby assigns and transfers to OPG, and grants to OPG a security interest in, all Goods and Subcontracts. The Contractor confirms that OPG has given value to the Contractor for the security interests granted in this Section 6.2(a). OPG and the Contractor have not agreed to postpone the time for attachment of the security interest granted in this Section 6.2(a). For Subcontracts that are entered into after the date of this Agreement, attachment of OPG's security interest will occur immediately following the execution and delivery of such Subcontract. For Goods delivered after the date of this Agreement, attachment will occur immediately after the Contractor has rights in such Goods. OPG may register a financing statement, or take such other steps as may be necessary or desirable, to perfect the security interest granted in this Section 6.2(a).
- (b) **Contractor Remains Liable.** Notwithstanding any term in this Agreement, the Contractor will be exclusively responsible for all obligations of the Contractor under each Subcontract. Until such time as OPG exercises its rights under Section 6.2(c) with respect to any such Subcontract, no term contained in this Section 6.2 will render OPG liable to the applicable Subcontractor for the performance or non-performance of any obligation of the Contractor under such Subcontract.
- (c) **Enforcement by OPG.** The Contractor will ensure that each Subcontract permits the Contractor to freely assign, transfer and grant a security interest in the Subcontract to OPG or as OPG may direct. The Contractor will also ensure that each Subcontractor agrees that:
  - (1) OPG may, on delivering written notice to the Subcontractor indicating that OPG is enforcing its rights against the Contractor under any applicable terms in this Agreement (an "**OPG Enforcement Notice**"), either:
    - (i) proceed in the place of the Contractor, whether itself or through the appointment of a receiver or receiver and manager, and enjoy all of the rights of the Contractor under the Subcontract; or
    - (ii) assign the Subcontract to a replacement contractor appointed by OPG, so long as the replacement contractor has executed an agreement in favour of the Subcontractor agreeing to perform all of the obligations to be performed by the Contractor under the Subcontract;
  - (2) following receipt of an OPG Enforcement Notice, the Subcontractor will disregard any written notices or instructions from the Contractor, and OPG will only be responsible for the obligations of the Contractor under the

Subcontract that accrue from the date of receipt by the Subcontractor of the OPG Enforcement Notice until the date of receipt by the Subcontractor of a further written notice that OPG is no longer enforcing its rights under the Subcontract or that OPG has further assigned the Subcontract;

- (3) the Subcontractor will give OPG a copy of the Subcontract, any amendments thereto, any notice of default thereunder or claim under any bond given by the Subcontractor to the Contractor under the Subcontract;
- (4) the Subcontractor will not terminate the Subcontract as a result of default by the Contractor (assuming that the default would allow the Subcontractor to terminate the Subcontract) without first giving OPG a period of 30 days from receipt of written notice from the Subcontractor to OPG regarding the defaults of the Contractor, or such longer period as is reasonably necessary to remedy such default, except that if any such default is not curable (such as the bankruptcy or insolvency of the Contractor), the Subcontractor will not terminate the Subcontract so long as all curable defaults are cured; and
- (5) from time to time on request from OPG, the Subcontractor will provide a written statement to OPG with respect to the status of the Subcontract.

### **6.3 Insurance Requirements and General Insurance Terms**

The insurance requirements and general insurance terms are set out in Schedule 12.

### **6.4 Construction Equipment**

In respect of each member of the OPG Group, the Contractor waives all Losses whatsoever arising in respect of loss of, loss of use of or damage to any construction equipment, tools, fuel and temporary structures and facilities of any member of the Contractor Group, except to the extent such Losses are caused by a breach of this Agreement by OPG or by any negligent act or omission of any member of the OPG Group.

### **6.5 Contractor Indemnities and Limit of Liability**

- (a) **Indemnity.** The Contractor will indemnify and hold harmless each member of the OPG Group, from and against:
  - (1) all Losses suffered or incurred by a member of the OPG Group arising in respect of the Work, including any such Losses attributable to bodily injury, sickness, disease or death, or to damage to or destruction of tangible property, including any resulting loss of use; and
  - (2) all claims, demands, actions, suits or proceedings for Losses made against any member of the OPG Group by any Person,

but only, in each case, to the extent such Losses are caused by a breach of this Agreement by the Contractor or by any negligent or other act or omission of any member of the Contractor Group. The obligations of the Contractor under this Section 6.5(a) will not be affected in any way by any act, matter or thing done or omitted to be done under this Agreement.

- (b) **OPG's Liability.** Notwithstanding any term in this Agreement, the Contractor may not make any claim against OPG for breach of this Agreement by OPG unless the Contractor, within seven Business Days of the date the Contractor knew or ought to have known about the breach, gives Notice to OPG in the form of Exhibit G describing the breach and the anticipated claim for the breach. The Contractor will be estopped from making any claim against OPG unless it provides this Notice in the time period required by this Section 6.5(b). Notwithstanding any term in this Agreement, OPG's maximum liability in respect of any Purchase Order for any claim for breach of this Agreement by OPG, or any other claim in respect of this Agreement, other than failure to pay any part of the Contract Price otherwise due to the Contractor, will not exceed 5% (five percent) of the relevant Contract Price. For greater certainty, nothing in this Section 6.5(b) limits OPG's waiver of liability in Section 6.6(b) or OPG's indemnity in Section 6.6(c) or section 3.10(g). For further clarity, this section 6.5(b) does not apply to third party claims for injury or damage arising out of OPG's negligence.
- (c) **Limit of Liability.** Subject to Section 6.5(d), the total aggregate liability of the Contractor respecting all claims by OPG or any member of the OPG Group against the Contractor arising in respect of this Agreement, whether based on contract, tort (including negligence), strict liability or any other legal theory or cause of or form of action, will not exceed, at the date of the relevant claim, the sum of:
  - (1) the greater of:
    - (i) \$1 million (indexed for inflation); and
    - (ii) for Purchase Orders having a total value of \$25 million (indexed for inflation) or less, an amount equal to 100% of the total value of the Purchase Order;
    - (iii) for Purchase Orders having a total value greater than \$25 million (indexed for inflation), an amount equal to the sum of:
      - (1) \$25 million (indexed for inflation); plus
      - (2) 30% of the total value of the Purchase Order in excess of \$25 million (indexed for inflation); and
  - (2) the amount of insurance recovered under policies of insurance required under this Agreement up to, but not to exceed, the minimum coverage amount specified in Schedule 12. For clarity, the Contractor's limitation



of liability shall not be increased for the amount of any insurance recovered in excess of the minimum coverage specified in Schedule 12.

(See illustrative examples provided in Exhibit H).

- (d) **Exceptions.** The limitations of liability set out in Section 6.5(c) will not apply to:
- (1) the Contractor's obligations under:
    - (i) Sections 3.10, 3.11 and 8.9;
    - (ii) Sections 2.3 and 2.4 of Appendix 1, if applicable;
    - (iii) Sections 2.3 and 2.4 of Appendix 2, if applicable;
    - (iv) Sections 2.4 of Appendix 3, if applicable;
    - (v) [Intentionally Deleted];
    - (vi) Sections 2.3 and 2.4 of Appendix 5, if applicable;
    - (vii) Sections 2.4 of Appendix 6, if applicable;
    - (viii) Sections 2.3 and 2.4 of Appendix 8, if applicable; and
    - (ix) Section 2.2(b), 2.5 and 2.6 of Appendix 9, if applicable; and
  - (2) Losses suffered or incurred by a member of the OPG Group or any claims, demands, actions, suits or proceedings for Losses made against any member of the OPG Group by any Person, to the extent arising in respect of,
    - (i) the deliberate or wilful breach of this Agreement by the Contractor; or
    - (ii) liability for contribution or indemnity for injury or damage to third parties arising in respect of the Contractor's negligence.
- (e) **Consequential Damages.** Notwithstanding any other term in this Agreement, in no circumstances whatsoever will a Party be liable to another Party for: (a) liabilities, damages, losses, costs or expenses which are consequential or indirect; (b) loss of profit; (c) economic loss, interest or any other similar damages or loss (including loss of use, loss of production, loss of business, loss of business opportunity and the cost of replacement power); or (d) special damages suffered or incurred by such other Party arising out of or in connection with this Agreement. For clarity, the foregoing waiver will not apply to any disincentive amounts. For clarity, the term "special damages" is not intended to refer to damages that are ascertainable only at the time of trial.

## 6.6 Nuclear Liability

- (a) **Definitions.** The federal government of Canada has established a nuclear liability regime pursuant to the *Nuclear Liability Act* (Canada). In this Section 6.5(e), notwithstanding any provision in this Agreement to the contrary:
- (1) “**Act**” means the *Nuclear Liability Act* (Canada), as such statute may be amended or replaced from time to time;
  - (2) “**Contractor**” means the party providing goods, materials or services to OPG under this Agreement;
  - (3) “**Nuclear Incident**” has the meaning set out in the Act;
  - (4) “**Nuclear Installation**” has the meaning set out in the Act; and
  - (5) “**Subcontractor**” means any party that directly or indirectly provides goods, materials or services to the Contractor with respect to this Agreement.
- (b) **OPG Waiver of Liability.** Neither OPG nor any of its subsidiaries will hold the Contractor or any Subcontractor liable for damage to, loss of, or loss of use of, property of the OPG Group resulting from a Nuclear Incident at OPG’s Nuclear Installation, except that, if such loss or damage is caused by an unlawful act or omission of the Contractor or any Subcontractor done or omitted to be done with the intent to cause damage, the Contractor and its Subcontractors will retain liability for the amount of such loss or damage, up to the amount of the applicable insurance deductible, but not exceeding a maximum amount of \$10,000,000.
- (c) **OPG Indemnity.** OPG will indemnify and hold harmless the Contractor and each Subcontractor for:
- (1) damage to Contractor Property located at the OPG Nuclear Installation resulting from a Nuclear Incident at such Nuclear Installation, except that the Contractor and its Subcontractors will be responsible for the amount of any damage or liability for damage to property owned by the Contractor and its Subcontractors if the Contractor or a Subcontractor caused the Nuclear Incident, up to the amount of the applicable insurance deductible under OPG’s insurance, but not exceeding a maximum amount of \$10,000,000; and
  - (2) liability for damage to property of any Person other than OPG, the Contractor or a Subcontractor, if such property was located at the OPG Nuclear Installation and damage resulted from a Nuclear Incident at such Nuclear Installation, except that the Contractor and its Subcontractors will be responsible for any damage or liability for damage that is the result of an unlawful act or omission of the Contractor or a Subcontractor done or omitted to be done with intent to cause Injury or Damage, up to the

amount of the applicable insurance deductible under OPG's insurance, but not exceeding a maximum amount of \$10,000,000,

provided that, the amount for which the Contractor and its Subcontractors will be responsible pursuant paragraphs (1) and (2) above, and liable pursuant to section 6.6(c) will be limited to an aggregate amount of \$10,000,000.

- (d) **Injury or Damage in the United States.** In addition to the rights exercised by the Contractor pursuant to the Act, OPG will indemnify the Contractor, its Affiliates and its Subcontractors against any additional loss, costs, expenses, damages or liabilities in the event that it will be finally adjudicated liable (all appeals having been exhausted or abandoned) by a court in the United States (including any settlements made with the reasonable prior consent of OPG) for Injury or Damage in the United States, where such Injury or Damage resulted from a Nuclear Incident at the DNGS. Such indemnification will be limited to claims made within the period set forth in the Act.

Notwithstanding anything in the Act or any of the foregoing provisions of this section 6.6(d), OPG will not indemnify the Contractor or any of its Affiliates, Subcontractors or parent corporations:

- (1) against Injury or Damage occurring wholly or partly as a result of the unlawful act or omission of the Contractor or any of its Subcontractors, done or omitted to be done with intent to cause Injury or Damage; or
- (2) in the event that the Contractor's parent corporation or other entity with carriage of the defence will fail to use all commercially reasonable efforts to defend against all claims asserting liability for Injury or Damage resulting from a Nuclear Incident, or if the Contractor or its parent corporation will fail to procure for OPG the right to conduct the defence of the Contractor's parent corporation or such other entity having had carriage of the defence against any such claim.

If OPG may become obligated to indemnify the Contractor and its Subcontractors hereunder, the Contractor or its Affiliates, Subcontractors, or other entity with carriage of the defence, will deliver written notice to OPG, which will specify in materially complete detail, the Injury or Damage respecting which any claim is made. Indemnification by OPG pursuant to this section 6.6(d) will include, without limitation, prompt reimbursement of reasonable legal costs and expenses incurred by the indemnitee, whether or not the claim upon which said indemnification is based ultimately succeeds. OPG will have the right, but not the obligation, to participate at its own expense in the defence of any such claim made. If the Contractor or any of its affiliates or Subcontractors fail timely to defend, contest or otherwise protect against such claim, OPG will have the right to do so, including, without limitation, the right to make any compromise or settlement thereof. In the alternative, at any time OPG may elect to conduct such defence, through counsel selected by OPG, at its own expense and the Contractor

and its Affiliates will fully and promptly comply with all reasonable requests for cooperation received from such counsel.

- (e) **Sole and Exclusive Remedy.** Except as provided in the Act, OPG's commitments and obligations under this section are the sole and exclusive remedies available to the Contractor and any Subcontractor as a result of a Nuclear Incident at any of OPG's Nuclear Installations, whether pursuant to contract, statute or tort. The Contractor waives and will cause each Subcontractor to waive any other claim it may have against OPG resulting from a Nuclear Incident at any of OPG's Nuclear Installation.

## **SECTION 7 - CHANGES IN WORK, PROJECT SCHEDULE OR CONTRACT PRICE**

### **7.1 Changes in Work**

- (a) **Directed by OPG.** OPG may, at any time and from time to time, direct the Contractor to make a change in any Work by issuing a Project Change Authorization.
- (b) **Change in Law.** The Contractor may request a Project Change Authorization if, after the date of any Purchase Order, there is any:
  - (1) change in Applicable Laws (except those that relate to Taxes); or
  - (2) new Canadian federal or provincial sales, use or excise taxes, duties or any changes in the rates or applicability of such taxes and duties (but no other Taxes),

which directly and materially affects the Work to be performed pursuant to the Purchase Order, which was neither known nor reasonably foreseeable on the date of the Purchase Order and which has the effect of materially increasing or decreasing the cost or time of performing the Work. The Contractor will request the Project Change Authorization promptly once the impact of the change in Applicable Laws or new Canadian federal or provincial sales, use or excise taxes, duties or any changes in the rates or applicability of such taxes and duties (but no other Taxes) is known.

- (c) **Project Change Authorization.** The Parties will agree to an equitable change to the Project Schedule and/or Contract Price necessary as a result of the impact that the changes described in a Project Change Authorization have on the Project Schedule or Contract Price. The Contractor will take all commercially reasonable steps to mitigate the impact of a change on any Project Schedule or Contract Price and will provide such evidence as OPG reasonably requires that such steps have been taken. OPG may require that the Contractor proceed with any Project Change Authorization before the Parties have agreed on the impact of such changes. Any Dispute will be resolved in accordance with Section 11. OPG will not be deemed to have agreed to, or be required to pay for, any changes to any Project Schedule or Contract Price, until a Project Change Authorization has been

issued by OPG and the Contractor will not be entitled to a Project Change Authorization other than in accordance with Sections 7.1(a), 7.1(b) and 7.2. OPG will respond to requests by the Contractor for a Project Change Authorization in a timely fashion.

- (d) **De Minimis Amount.** Notwithstanding Section 7.1(c) above, the Contractor shall not be entitled to a Project Change Authorization authorizing any adjustment to the applicable Contract Price pursuant to this Agreement if the cost impact of the relevant change amounts to less than \$2,000 (indexed for inflation) in respect of any Purchase Order and the Contractor shall not be permitted to aggregate multiple changes to exceed such threshold.

## 7.2 Excusable Delays

- (a) **Excusable Delays.** The Contractor will not be responsible for any delay in fulfilling any of its obligations under any Purchase Order to the extent the delay affects the critical path of the relevant Project Schedule, is not caused by the fault or negligence of the Contractor and is caused by:
- (1) a breach by OPG of any of OPG's obligations under this Agreement;
  - (2) a stop work order or any similar order or notice respecting the Work issued by any other Governmental Authority for which OPG, another member of the OPG Group or, subject to section 3.4(h)(5), an Other OPG Contractor is responsible;
  - (3) a state of emergency, including, without limitation, a state of emergency declared in respect of a pandemic or epidemic affecting the applicable area of Ontario, requiring the Contractor to leave the Site at the direction of OPG (except to the extent that the state of emergency arose due to any act or failure to act by any member of the Contractor Group);
  - (4) a corrective action plan to deal with any Hazardous Condition in accordance with the section entitled "Corrective Action Plan" in the applicable Appendix for which OPG, another member of the OPG Group or, subject to section 3.4(h)(5), an Other OPG Contractor is responsible;
  - (5) fire, flood, tidal wave, lightning, earthquake, cyclone, strike or lockout by Persons working at the applicable Site, war, riot or act of public enemies, including terrorists; or
  - (6) severe and unusual weather conditions at the applicable Site, which could not have been anticipated by an experienced contractor and which exceed the fifty (50) year severity for that weather condition in the applicable area of Ontario, with reference to the records maintained by Environment Canada or such other resource as the Parties may agree,

(each, an "Excusable Delay").

- (b) **Notice of Delay.** The Contractor will, within seven Business Days of the date the Contractor knew or ought to have known about the commencement of any such delay (or in such shorter time period as may be specified in the Worksheet applicable to the Work), give a Notice to OPG describing the event giving rise to the delay and the anticipated period of the delay. Failure by the Contractor to give such Notice within such seven Business Day period is sufficient reason for denial by OPG of any extension of time.
- (c) **Compensation.** The Contractor may request a change to the Contract Price for material delays impacting the cost of performing the Work resulting from events referred to in Sections 7.2(a)(1) and 7.2(a)(4). The Contract Price may not be increased, however, by an amount that is more than is reasonably attributable to the event that caused the delay.
- (d) **Actions During Delay.** During any period of delay, the Contractor will take all commercially reasonable steps to mitigate the impact of the delay on the Project Schedule and, in the case of delays in Section 7.2(a)(1) and 7.2(a)(4) above, the Contract Price and will keep OPG informed in a timely manner of the status of the event giving rise to the delay and of the actions being taken to mitigate the impact of such delay on both the Project Schedule and the Contract Price.
- (e) **Steps After Delay Ends.** Within three Business Days after cessation of the event giving rise to the delay, the Contractor will deliver an updated Notice to OPG specifying the alleged duration of the excused delay and its impact, if any, on the Project Schedule and, if applicable, Contract Price. OPG will review the Notice and provide for an equitable change, if any, to the Project Schedule and, if applicable, Contract Price in a Project Change Authorization. Notwithstanding the foregoing, and for greater certainty, if any delay is caused directly or indirectly by any action or inaction of the Contractor in breach of this Agreement, then OPG shall have no obligation to amend the applicable Project Schedule, Contract Price or any other terms applicable to the Work, except that, if any such amendment must be made, the Contractor shall be liable for all Losses suffered by OPG in respect thereto.
- (f) **Work Not Yet Commenced.** For greater certainty, the Contractor shall not, under any circumstances, be entitled to make a claim for delay in respect of any Work under a particular Purchase Order that has not yet commenced.
- (g) **Project Schedule Delays.** With respect to any Work, the Contractor shall not be entitled to make any claims for a change in Contract Price resulting from any delay that does not impact on the applicable Project Schedule.

## SECTION 8 - PAYMENT

### 8.1 Pricing

#### (a) Core Team.

- (1) With respect to any and all Work conducted by the Core Team, OPG shall pay the Contractor, as a fixed amount (based on the fixed amount payable for each Core Team member) for the Work performed by the Core Team and based on a Core Team schedule approved by OPG's MSA Representative, as amended from time to time, 1/12 of the Core Team Services Fee on a monthly basis, to be paid on the 25<sup>th</sup> of the month for the month the services are provided by the Core Team, provided the Contractor submits an accurate, approved invoice by the 15<sup>th</sup> of the same month and the Contractor does not replace any member of the Core Team without the prior written consent of OPG's MSA Representative. Failure to maintain members of the Core Team may result in a reduction of such payment amounts at OPG's sole and absolute discretion. For greater certainty, the Core Team Services Fee shall include all costs associated with the services provided by the Core Team, including, without limitation, labour rates, profit, overhead, overtime and Taxes (except for any Canadian goods and services tax/harmonized sales tax levied under the *Excise Tax Act* (Canada), which shall apply in addition to the amount paid or payable). For clarity, except as set out in section 8.1(a)(2) below, Core Team members will not be eligible to charge overtime. The Core Team Services Fee will be reviewed in conjunction with the review of the composition of the Core Team in accordance with Section 3.2(d). After consultation on such matters with the Contractor, OPG shall determine what adjustment to the Core Team Services Fee will be made to reflect the adjustment to the composition of the Core Team. Notwithstanding the foregoing: (i) OPG may review and revise the Core Team Services Fee at any time in response to a required change in the composition of the Core Team as a result of a material and unexpected change in the projected value or composition of Work; and (ii) if, in extra-ordinary circumstances, there is a material increase (on an annualized basis) in the Work required to be performed by a Core Team member, a one-time adjustment will be made to the Core Team Services Fee for such year in respect solely of additional amounts payable to such Core Team member for such incremental Work pursuant to the Contractor's compensation policies, provided that OPG's MSA Representative approved such adjustment in writing in advance of such incremental Work being performed.
- (2) Certain individuals identified with a double asterisk in Schedule 2 (Core Team) will be required to charge directly to specific Work. The cost of the service provided by these individuals will not be considered part of the Core Team Services Fee. These individuals may be paid overtime if

approved by the OPG's MSA Representative in advance of the Work and the cost is included in the estimate of the Work.

- (b) **Rapid Response Work.** In consideration for any Rapid Response Work, OPG will pay the Contractor its Reimbursable Costs, Overhead Amount and Profit Amount.
- (c) **Performance Fee Work.** In consideration for any Performance Fee Work, OPG will pay the Contractor its Reimbursable Costs, Overhead Amount and Profit Amount and no other amounts unless:
  - (1) OPG has issued a Project Change Authorization; or
  - (2) if the Reimbursable Costs exceed the original agreed estimate set out in the relevant Purchase Order and OPG provides a consent to proceed Notice permitting the Contractor to continue with the Performance Fee Work, then the Contractor shall be entitled to its additional Reimbursable Costs (plus, subject to the following proviso, applicable Overhead Amount and Profit Amount) in excess of the original agreed estimate, provided that the amount withheld by OPG in accordance with Section 5.2(a) from the applicable Application for Payment in respect of such excess Reimbursable Costs shall be forfeited by the Contractor to the benefit of OPG. For clarity, OPG agrees that it will not make any claim against the Contractor arising from failures to achieve the original agreed estimate in excess of the aggregate amount of the forfeiture disincentives contemplated by this Section 8.1(c)(2) and, for clarity, Section 5.
- (d) **Fixed Price Work.** In consideration for any Fixed Price Work, OPG will pay the Contractor the Fixed Price that has been agreed in respect of such Fixed Price Work.
- (e) **[Intentionally Deleted]**
- (f) **Goods.** All Goods will be supplied at the Contractor's actual cost (excluding any Canadian goods and services tax/harmonized sales tax levied under the *Excise Tax Act* (Canada)) of purchasing the Goods plus an agreed administration fee not to exceed [REDACTED]. Subject to that maximum, the agreed administration fee shall be set out in the Worksheet for each Purchase Order. The Contractor shall attempt to obtain the best price possible for such Goods, while still meeting the OPG Specifications.
- (g) **Subcontracts.** All Subcontracts will be priced at the Contractor's actual cost (excluding Taxes) of engaging the Subcontractor plus an agreed administration fee of [REDACTED]. The Contractor shall attempt to obtain the best price possible for such Subcontracts, while still meeting the OPG Specifications. For greater certainty, the Contractor will not be entitled to charge any administration fee in respect of any Work performed by the Contractor (or, if applicable, any member thereof) or any First Tier Subcontractor. Notwithstanding the foregoing, the Parties



acknowledge and agree that the rates set out in the Reimbursable Labour Costs Table shall not apply to or otherwise bind, any Subcontractor of the Contractor or First Tier Subcontractor of the Contractor (unless the agreed rates for such First Tier Subcontractor are specified in the Reimbursable Labour Costs Table).

- (h) **Small Tools and Consumables.** Small Tools and Consumables supplied in connection with the provision of any Work involving construction trades shall be included as Reimbursable Non-Labour Costs.
- (i) **Equipment Rental (Owned or Rented).** Rented equipment with a book value greater than \$2,000, including, but not limited to, hoists, cranes, forklifts, trucks (greater than 5 tons), welding machines, ventilators, pumps, generators, bending and threading equipment, supplied in connection with the provision of any Work involving construction trades shall be included as Reimbursable Non-Labour Costs at the Contractor's cost plus an agreed administration fee of [REDACTED]
- (j) **Business Expenses.** If the Purchase Order identifies that the Contractor will be reimbursed for business expenses, OPG will reimburse the Contractor without mark-up and such expenses will be charged at cost in accordance with the OPG Business Expense Reimbursement Schedule, which is attached as Schedule 8, as amended from time to time. No other additional payment will be made for meals, travel, rental cars, gas, airfare or other expenses with respect to any of the Contractor's Personnel.
- (k) **Rate Escalation for Trades.** The base rates (which, for greater certainty, exclude Statutory Burdens) set out in the Reimbursable Labour Costs Table under the heading "base hourly rate" that relate to trades personnel will be escalated in accordance with the applicable collective agreements.
- (l) **Rate Escalation for Non-Trades.** Subject to Section 8.1(m), the minimum and maximum base rates (which, for greater certainty, exclude Statutory Burdens) set out in: (i) Schedule 2 under the heading "base hourly rate" that relate to non-trades personnel marked with an asterisk in Schedule 2; and (ii) the Reimbursable Labour Costs Table under the heading "base hourly rate" that relate to non-trades personnel, will be escalated, beginning on April 1, 2015, at the rate per annum approved by the Steering Committee based on the average change in the following indices over the relevant period:
  - (1) Consumer Price Index published by Statistics Canada;
  - (2) Consumer Price Index for Ontario published by Statistics Canada;
  - (3) CPI-XFET (CPI excluding food, energy and the effect of changes in indirect taxes) published by The Bank of Canada;
  - (4) Ontario Ministry of Labour - Collective Bargaining Highlights - Average Annual Wage Increase for Construction;

- (5) EPSCA - Collective Agreements - Average Annual Wage Increase;
- (6) PWU - Collective Agreements - Average Annual Wage Increase; and
- (7) OPG Society Collective Agreement - Annual Wage Increase,

or such other indices as the Steering Committee may recommend.

- (m) **Rate Escalation for Certain Non-Trades Personnel.** The base rates (which, for greater certainty, exclude Statutory Burdens) set out in the Reimbursable Labour Costs Table that relate to non-trades personnel holding the position of general foreman or technical superintendent will be escalated at the rate applicable to the trade supervised by such non-trades personnel, as determined in accordance with the collective agreement applicable to the trade supervised by such non-trades personnel.
- (n) **Discounts, Rebates and Refunds.** Except in respect of any Fixed Price Work, all (i) discounts, rebates and refunds obtained by the Contractor during the course of any Work, (ii) amounts received by the Contractor from sales of surplus materials and equipment and (iii) usage, rental or similar charges levied on any Subcontractor by the Contractor, will accrue to OPG. The Contractor will take all necessary steps to obtain, secure and pass on the benefit of all such amounts to OPG and all such amounts will be fully reflected by the Contractor in each Application for Payment.
- (o) **Open Book and Transparent Pricing.** All pricing, whether in respect of Rapid Response Work, Performance Fee Work, Fixed Price Work or Augmented Staff, will be developed by the Contractor on a fully open book and transparent basis, allowing OPG full review of quantities, unit prices, quotations, allowances and contingencies, as applicable.
- (p) **Consistent Mark-Ups.** The Contractor acknowledges and agrees that, except in respect of any Work that the Parties agree is specialty work, the Contractor shall not be entitled to charge mark-ups on trades, non-trades and engineering personnel that exceed the mark-ups applicable to trades, non-trades and engineering personnel, respectively, included in the rates set out in the Reimbursable Labour Costs Table, whether such work is performed by the Contractor (or, if applicable, any member thereof), any First Tier Subcontractor or any other Subcontractor.
- (q) **Adjustments to Reimbursable Labour Costs Table for Non-Trades Personnel.**
  - (1) Except for rate escalation set out in Sections 8.1(l) and 8.1(m), the minimum and maximum base rates (which, for greater certainty, exclude Statutory Burdens) set out in the Reimbursable Labour Costs Table relating to non-trades personnel will not be subject to any adjustments, unless such adjustments are: (i) required in exceptional circumstances; (ii)

approved by OPG Vice President, Supply Chain in writing prior to their use; and (iii) evidenced in an applicable Worksheet.

- (2) The Parties shall meet on an annual basis to review the total billing rates (but not, for clarity, the minimum and maximum base rates) set out in the Reimbursable Labour Costs Table relating to non-trades personnel and determine whether such total billing rates should be adjusted (within the band determined by the minimum and maximum base rates) to ensure that actual costs and total billing rates are aligned as closely as possible. Any such adjustment to the total billing rates set out in the Reimbursable Labour Costs Table relating to non-trades personnel will not be effective unless, prior to its use, such adjustment is: (i) approved by OPG Vice President, Supply Chain in writing; and (ii) evidenced in a Notice issued to the Contractor by OPG's MSA Representative.

## **8.2 Choice of Personnel**

With respect to any Performance Fee Work, the Contractor will use Contractor's Personnel of the appropriate experience and qualifications for each task in order to ensure the Work is performed in the most cost-effective and efficient basis. In addition, with respect to Work involving construction trades:

- (a) the Contractor will provide experienced journeymen, or personnel having the maximum experience available pursuant to union agreements, for the Work;
- (b) whenever possible, the Contractor shall retain journeymen who have previous experience working at OPG's nuclear stations and, in addition to providing experienced journeymen, the Contractor will use all commercially reasonable efforts to ensure that 10% (or such other percentage as may be required in accordance with applicable collective agreements) of the Work is carried out by apprentices;
- (c) when requested, the Contractor shall provide OPG with apprentice to experienced journeymen ratios to ensure compliance with this provision;
- (d) the Contractor understands that it is important to OPG that the Contractor retain good quality supervisors and attempt to maintain consistent supervisors for Work carried out under various Purchase Orders, as appropriate; and
- (e) the Contractor will supply workers who are physically able to perform the prescribed Work.

## **8.3 Applications for Payment**

- (a) **Application for Payment.** In connection with each Purchase Order, the Contractor will submit to OPG on a timely basis, and in any event by the end of each month or as otherwise specified in the Purchase Order, an Application for Payment which includes an accurate summary of all of its actual costs for the

Work incurred pursuant to that Purchase Order in the previous month or other period, as applicable. OPG will promptly review (and, at its option, audit) each Application for Payment, including, without limitation, the submitted actual costs against the Reimbursable Labour Costs Table and the Reimbursable Non-Labour Costs Table, as applicable, to ensure that such Application for Payment complies with the requirements of this Agreement. OPG may request additional detail on, or supporting documentation for, any item set out in an Application for Payment. OPG may reject any Application for Payment made other than in accordance with the provisions of this Agreement by returning the Application for Payment to the Contractor indicating, in writing, OPG's reasons for rejection. The Contractor will endeavour to resolve promptly any identified issues upon receiving OPG's reasons for rejection of the Application for Payment. Notwithstanding the foregoing, OPG agrees to pay invoices which do not have disputed items. If there are disputed items, the Contractor will, in a timely manner, resubmit invoices for items not in dispute for OPG's approval. Milestone payments and fixed fee payments will continue to be paid to the Contractor in accordance with the schedules for payment identified in the respective Purchase Orders. Generally, such payments will be made on the 25<sup>th</sup> of the month after the month in which the milestone or fixed fee invoice is approved by OPG, provided such milestone or fixed fee invoice was approved prior to the 25<sup>th</sup> of such month.

(b) **Invoice Requirements.** As part of each Application for Payment, the Contractor will submit to OPG an invoice, in a form to be agreed by the Parties, containing:

- (1) the total amount owing by OPG (showing separately all Canadian goods and services tax or any harmonized sales tax levied under the *Excise Tax Act* (Canada) and expressly stating any amounts invoiced in a currency other than Canadian dollars);
- (2) the OPG purchase order number;
- (3) the Contractor's full name and address;
- (4) the name of a contact individual at the Contractor, with a telephone number;
- (5) any electronic transfer instructions;
- (6) the Contractor's invoice number (which must be unique for each invoice);
- (7) the invoice date (which must be the date the invoice is delivered);
- (8) the Contractor's 15 digit registration number for the purposes of Part IX of the *Excise Tax Act* (Canada);
- (9) as a credit to OPG, the amount of any discounts, rebates, refunds or Subcontractor rental payments required to be passed on to OPG in accordance with Section 8.1(n) and received in the period prior to the

period in which the Application for Payment is submitted by the Contractor;

- (10) as a credit to OPG, the amount of proceeds of insurance received by the Contractor in respect of Reimbursable Costs in the period prior to the period in which the Application for Payment is submitted by the Contractor; and
  - (11) such additional information as OPG may reasonably request to satisfy itself that the Contractor is complying with the terms of this Agreement, including, without limitation, copies of invoices for Goods and from Subcontractors.
- (c) **Payment of Performance Fee.** Once OPG has calculated the Performance Fee for any period and notified the Contractor of same, the Contractor shall submit an Applications for Payment of the Performance Fee, if any, payable in respect of such period which Application for Payment will be payable in accordance with section 8.4 below.
  - (d) **Electronic Delivery.** The Contractor will electronically deliver to OPG (at [opg@octacom.ca](mailto:opg@octacom.ca)) all completed Applications for Payment. The Contractor will so deliver each Application for Payment in PDF format and in an excel file.
  - (e) **ONCORE.** If required by OPG, the Contractor shall use the ONCORE system or such other invoicing system required by OPG from time to time to record the Contractor's labour and non-labour expenses at no additional cost to OPG.
  - (f) **Reporting Time.** The Contractor will ensure that, for each day worked, all Contractor's Personnel (excluding members of the Core Team) and Augmented Staff record their time in accordance with OPG's policies and procedures communicated to the Contractor from time to time.
  - (g) **Time Management System.** OPG may, at its discretion, implement a time management system pursuant to which it will monitor all labour hours spent by the Contractor (whether in respect of the Contractor's Personnel (excluding members of the Core Team) or Augmented Staff) with respect to the Work conducted pursuant to each Purchase Order. The Parties anticipate that any such time management system will include a reconciliation policy (the "**Reconciliation Policy**") that will provide for, among other things, invoice validation, union acceptance, impact of variances to readings due to system malfunction or equipment failure and other exceptions that become apparent through the implementation phase. The Contractor will work collaboratively with OPG to successfully implement any such time management system.

#### 8.4 Payment Terms

- (a) **Payment Terms.** OPG's Project Representative will review each Application for Payment made in accordance with Section 8.3 and use best efforts to confirm or

decline OPG's acceptance of the amount of the Application for Payment on a weekly basis and in any event no later than the 25th day of the month in which the Application for Payment is received. OPG will use best efforts to pay the amount set out in accepted Applications for Payment on a weekly basis and in any event no later than the 25th day of the following month once an Application for Payment has been accepted by OPG, subject to OPG's right of set off in the event that the Contractor owes any amounts to OPG. If OPG considers that any of the actual costs submitted are not Reimbursable Costs, OPG and the Contractor will work cooperatively to resolve the issue. If OPG and the Contractor cannot reach agreement with regard to any submitted cost, such dispute will be resolved in accordance with Section 11. If OPG and the Contractor agree that an actual cost is a Reimbursable Cost, or if such actual cost is determined to be a Reimbursable Cost pursuant to the dispute resolution mechanisms set out in Section 11, such actual cost will be deemed to be a Reimbursable Cost and may be included in the next Application for Payment submitted to OPG.

- (b) **Ongoing Review.** All payments are conditional on the Contractor fulfilling its obligations. In respect of each Purchase Order, OPG's Project Representative will determine whether or not such obligations have been fulfilled, and all payment items are subject to ongoing review and audit by OPG.
- (c) **No Deemed Acceptance.** No payment made by OPG under this Agreement, and no use or occupancy of any results of the Work, in whole or in part, by OPG will constitute acceptance of any part of the Work, or of any Good, that is not in accordance with this Agreement.
- (d) **Refusal of Payment.** Notwithstanding any term in this Agreement, OPG may refuse to make any payment, in whole or in part, and may set off from any amount otherwise payable to the Contractor under this Agreement, an amount to be determined by OPG on account of:
  - (1) with respect to any Work, failure by the Contractor to perform all Work required to achieve the applicable milestone;
  - (2) the current or any previous Application for Payment containing costs which are not Reimbursable Costs;
  - (3) the current or any previous Application for Payment including an amount for a portion of the Performance Fee that has not been earned or properly substantiated;
  - (4) any Work or Goods being Defective, in whole or in part;
  - (5) OPG having corrected or replaced a Defective part of the Work or Goods in accordance with this Agreement, to the extent of the cost incurred by OPG;

- (6) Losses suffered or incurred by any member of the OPG Group, or claims, demands, actions, suits or proceedings for Losses having been made against a member of the OPG Group, with respect to which the Contractor is required to indemnify such Person under this Agreement;
- (7) a Lien having been filed with respect to the Work or any Goods (unless such Lien has since been vacated or otherwise dealt with to the satisfaction of OPG);
- (8) any other terms of this Agreement, or rights under Applicable Law, entitling OPG to set off against the amount requested in the Application for Payment;
- (9) any failure by the Contractor or the Contractor's Personnel to comply with any time management system implemented by OPG in accordance with Section 8.3(g) such that, except as otherwise provided in the Reconciliation Policy, the Contractor will not be reimbursed in respect of any labour hours not recorded by such time management system; or
- (10) any other material breach of any term of this Agreement by the Contractor.

## **8.5 Adjustments to Payments**

- (a) All payments made under this Agreement are subject to adjustment if either Party submits written notice to the other Party that it believes a payment should be adjusted. The Contractor must deliver any such written notice for costs incurred in the year that the Contractor wishes to claim for or, if applicable, adjustment to a Performance Fee payment at the same time as its certification delivered pursuant to Section 8.3 is provided to OPG. OPG will be entitled to exercise its rights to review and audit in accordance with Section 8.13(b). If the Parties cannot agree upon any requested adjustment, the dispute resolution mechanisms in Section 11 will apply.
- (b) Without limiting the provisions of Section 8.5(a) or Section 8.13(b), the Parties will meet on a quarterly basis to determine whether any payments made under this Agreement should be adjusted to true-up the Contractor's actual Reimbursable Labour Costs and the total billing rates paid to the Contractor in accordance with the Reimbursable Labour Costs Table or to refund any excess amounts paid by OPG in respect of Statutory Burdens.

## **8.6 Applications for Final Payment**

After OPG has accepted the Work provided under each Purchase Order as being entirely finished, the Contractor may make an Application for Final Payment in accordance herewith. The Contractor will, with respect to Work that has a construction component, submit with the Application for Final Payment (except to the extent previously delivered by the Contractor and accepted by OPG as satisfactory), the following:

- (a) as-built drawings, maintenance and operating instructions, security documents, certificates of insurance, certificates of inspection, all documents required to be maintained at the Site in accordance herewith and all other documents required by this Agreement to be delivered to OPG on the entire finishing of the Work;
- (b) a certificate of good standing from the Workers' Safety and Insurance Board or successor organization;
- (c) releases from the Contractor and each Subcontractor who performed any Work, respecting all Liens and other claims filed or otherwise arising in respect of such Work; and
- (d) statutory declarations signed by a director or officer of the Contractor, and each Subcontractor who has performed any Work at the Site, declaring that all payments due to Subcontractors, all wages and benefit payments due to any of the Contractor's Personnel and all contributions, premiums, allowances and remittances due to any Governmental Authority, pension fund, benefit plan, or union fund in accordance with a collective agreement, have been paid in a timely manner.

If the Contractor is unable to deliver to OPG any release or statutory declaration referred to in Sections 8.6(c) and 8.6(d) from a Subcontractor, the Contractor will deliver to OPG collateral or security satisfactory to OPG to indemnify OPG against any Lien or other claim until such time that any Lien or claim would expire by operation of Applicable Laws.

## **8.7 Final Payment Terms**

On receipt of the Application for Final Payment referred to in Section 8.6, OPG will review the Application for Final Payment within 10 Business Days of receipt and deliver a Notice to the Contractor stating either that:

- (a) OPG accepts the Application for Final Payment and OPG will make the final payment within 60 days of the delivery of such Application for Final Payment to OPG; or
- (b) the Application for Final Payment does not yet satisfy all of the applicable obligations under this Agreement and/or the applicable Purchase Order and setting out the reasons therefor.

The Contractor will promptly take such actions as are necessary to satisfy its remaining obligations. Once the Contractor has satisfied all such obligations, the Contractor will deliver to OPG an amended Application for Final Payment under Section 8.6.

Where OPG makes the final payment to the Contractor under this Section 8.7, such payment will not relieve the Contractor from any of its obligations or liabilities under this Agreement or otherwise. To the extent that any of the Project was not provided on a Fixed Price basis, the Contractor will maintain the applicable records, including time



sheets, accounts and invoices, for seven years following expiration or termination of this Agreement, or for such other period as OPG may set out in a Notice to the Contractor. On request by OPG, the Contractor will promptly provide OPG access to such records for review and copying.

## **8.8 Construction Lien Act Holdbacks**

Notwithstanding any term in this Agreement, OPG shall retain 10% of the amount of each approved Application for Payment, or such greater amount as may be required, to satisfy OPG's obligation under the *Construction Lien Act* (Ontario). OPG will pay the Contractor any holdbacks so retained when the Lien rights of the Contractor and of all Subcontractors expire with respect to those amounts, to the extent that such amounts have not otherwise been paid to another Person under this Agreement. This Agreement does not permit the release of holdbacks, in whole or in part, that OPG retains in accordance with the *Construction Lien Act* (Ontario) earlier than as may be permitted under that statute. OPG may, at its discretion, accept either a lien bond or a dedicated letter of credit in an amount agreed to by OPG instead of retaining 10% of the amount of each approved Application for Payment. For greater certainty, OPG will not retain 10% of the amount of any Application for Payment in respect of the Performance Fee or any Work to which the *Construction Lien Act* (Ontario) does not apply.

## **8.9 Transfer of Title**

The Contractor represents and warrants, and the Parties hereto agree that title to all Work (including documents, designs, drawings, specifications, plans, reports, design basis information, other information and other deliverables and data) covered by any Application for Payment, whether used or incorporated in any project or not and wherever situate, will pass to OPG no later than the time of payment, free and clear of all Liens. OPG's retention of any amount hereunder will in no way affect the passage of title set out in this Section 8.9.

## **8.10 Maintenance of Certain Records**

The Contractor will compile and maintain at a location approved in writing by OPG detailed, itemized records of all items covered by each Application for Payment, including all Work (including documents, designs, drawings, specifications, plans, reports, information and other deliverables and data) and Goods. On request by OPG, the Contractor will promptly provide OPG with access to such records for review and copying. The Contractor will maintain these records for seven years following the date on which all Work under this Agreement has been entirely finished and all warranty periods in respect thereof have expired.

## **8.11 Duty**

The Contract Price for Goods will be subject to adjustment for any applicable new customs duties, or for any change in the rate of any applicable customs duty. Adjustment will be based upon the difference between the rate of the customs duties at the date of this Agreement and the rate in effect at the date of importation. OPG will have the right to

effect an adjustment to the Contract Price for any decrease in applicable customs duties based on its estimate of value of foreign content if factual data is not provided by the contractor on request.

## 8.12 Taxes

- (a) **Goods and Services Tax/Harmonized Sales Tax.** The Contractor represents and warrants to OPG that the Contractor is duly registered for the purposes of Part IX of the *Excise Tax Act* (Canada) and that the Contractor's [REDACTED]  
[REDACTED]  
[REDACTED] The Contractor will deduct all Canadian goods and services tax or any harmonized sales tax levied under the *Excise Tax Act* (Canada) recovered or recoverable by the Contractor on the payment of expenses before submitting any Application for Payment to OPG covering any such expenses.
- (b) **Taxes on Goods for Temporary Use.** The Contractor is solely responsible for any Taxes levied in respect of any Goods (including construction equipment or tools) brought into Ontario for temporary use in respect of any Work.
- (c) **Contractor's Income Taxes and Withholdings.** OPG will have no liability for:
- (1) any of the Contractor's income or capital taxes imposed by any Governmental Authority respecting this Agreement or any Purchase Order; or
  - (2) any withholding (except for any amount withheld by OPG under Section 8.12(e)), collection, payment, remitting or reporting of any Taxes paid or payable by the Contractor in respect of this Agreement or any Purchase Order, including in respect of any of the Contractor's Personnel.
- (d) **Refund of Taxes.** All remissions or refunds of any Taxes (other than income taxes, capital taxes and rebates in respect of WSIB premiums) paid or payable by any Governmental Authority in respect of this Agreement or any Purchase Order, in whole or in part, are the exclusive property of the Contractor, unless such amounts have been included in the Contract Price payable under the applicable Purchase Order, in which case such amounts will be the exclusive property of OPG. All amounts received by the Contractor or a Subcontractor by way of a remission or refund of any Taxes which are the exclusive property of OPG will constitute trust monies to which OPG is exclusively entitled. The Contractor will promptly forward all such amounts to OPG. The Parties will co-operate with each other and take all actions required or desirable to apply for any applicable remission or refund of Taxes due to the entitled party. Upon request by OPG, the Contractor will execute, or cause any Subcontractor to execute, all required or desirable documentation to allow OPG to act in the name of the Contractor or a Subcontractor, as the case may be, to apply for and receive any such remission or refund should OPG be entitled.

- (e) **Withholding for Non-Residents.** OPG may withhold any amount that is required to be withheld by any Applicable Laws respecting Taxes. OPG will have no obligation to gross up or otherwise increase payments made to the Contractor or any Subcontractor because OPG withheld any amount in respect of Taxes. Where OPG so withholds any amount, OPG will remit such amount to the applicable Governmental Authority. If OPG is entitled to set off an amount owing by OPG under this Agreement against an amount owing to OPG under this Agreement and OPG is also required to withhold an amount under any Applicable Laws respecting Taxes, then OPG will set off an amount owing by OPG against an equal amount owing to OPG. For example, if OPG owes the Contractor \$100 and of that amount OPG is required to withhold and remit to the Canada Revenue Agency \$15, and the Contractor owes OPG \$95, then:
- (1) OPG would withhold and remit to the Canada Revenue Agency \$15; and
  - (2) the Contractor would pay OPG \$10.

These payments would thus entirely extinguish both OPG's obligation to the Contractor and the Contractor's obligation to OPG.

- (f) **Importer of Record.** If any part of any Work is to be manufactured or fabricated outside Canada, the Contractor will ensure that either the Contractor or its agent will be the importer of record for customs purposes.
- (g) **NAFTA.** Where the origin of goods is in the United States or Mexico or Canada, the Contractor will deliver to OPG a valid certificate of origin of each shipment where the goods offered qualify under NAFTA.
- (h) **Scientific Research and Experimental Development.** OPG and the Contractor acknowledge and agree that this Agreement may require the performance of scientific research and experimental development ("SR&ED") as defined in subsection 248(1) of the *Income Tax Act* (Canada) (the "ITA"). OPG and the Contractor further agree that, to the extent SR&ED is required, the SR&ED will be performed by the Contractor on behalf of OPG and/or a portion of each relevant payment to be made by OPG will be for SR&ED performed by the Contractor that is related to a business of OPG (which SR&ED OPG is entitled to exploit in the manner set out in this Agreement), and OPG will be entitled to include the amounts paid for SR&ED in computing the amounts described in subsection 37(1) of the ITA. As such, it is agreed that OPG will be entitled to claim all "investment tax credits" (as defined in subsection 127(9) of the ITA) and all similar provincial equivalents (under the tax and payments-in-lieu of tax regimes) that are relevant to OPG that arise from the activities of the Contractor under this Agreement for which OPG has made payments, and the Contractor is not entitled to claim such Investment Tax Credits. OPG may require the Contractor to provide satisfactory evidence that it has not claimed such Investment Tax Credits. The Contractor shall cooperate fully with, provide scientific, technical and financial information to, and assist OPG to determine

what activities of the Contractor under this Agreement qualify as SR&ED and what expenditures qualify for the Investment Tax Credits and to allow OPG and its tax advisors to complete OPG's claims for the Investment Tax Credits. The Contractor shall not be entitled to any separate or additional fee or compensation for such cooperation, information and assistance.

### 8.13 Records and Audits

- (a) **Records.** The Contractor will compile and maintain at the Sites, in accordance with the Contractor's other obligations hereunder and Applicable Laws, detailed, itemized records of all items covered by each Application for Payment, including all Work (including documents, designs, drawings, specifications, plans, reports, information and other deliverables and data) and Goods. On request by OPG, the Contractor will promptly provide OPG access to such records for review and copying. The Contractor will maintain these records for the period expiring on the latest of:
  - (1) seven years following expiration or termination of this Agreement;
  - (2) the period of time as may be specified in the applicable Purchase Order;
  - (3) the period of time as may be required by Applicable Laws; and
  - (4) such other period as OPG may set out in a notice to the Contractor, having regard to OPG policies and / or applicable regulatory requirements.
- (b) **Audits.**
  - (1) The Contractor will ensure that, for all Work performed under this Agreement, the Contractor, the Subcontractors and Augmented Staff retain all such records and documents as may be requested by OPG on an ongoing basis, which will include, without limitation, proper timesheets, equipment-related records, accounts, invoices and bank records which are necessary for OPG to verify the nature and quality of any such Work and the accuracy of invoices for actual costs incurred by the Contractor hereunder for any such Work (whether by the Contractor's Personnel or Augmented Staff). Timesheets will identify the provider of the Work, the Work performed, the location of the Work, the relevant period of time during which the Work was performed and the hours incurred.
  - (2) The Contractor's actual costs will be open book and will be subject to audit by OPG on an ongoing basis during the term of this Agreement. Actual costs will only be reimbursed if they are capable of being fully audited from source documents and if OPG is satisfied, on the basis of documentation provided to OPG by the Contractor, that such costs are Reimbursable Costs or, in respect of Goods, are the Contractor's actual cost (excluding any Canadian goods and services tax/harmonized sales tax levied under the *Excise Tax Act* (Canada)).

- (3) The Contractor will, and will cause its Subcontractors to, maintain all such records for seven years following the date on which all Work performed under this Agreement has been entirely completed and all warranty periods in respect of such Work have expired and such records will remain available, upon reasonable written notice by OPG, for review and inspection by OPG or its designates. The Contractor and any Subcontractor will provide copies of any or all such records to OPG upon request.
- (4) If the Contractor or any Subcontractor fails to provide any such records or other information, OPG may make any reasonable assumptions in the absence of such records. The Contractor will correct or remedy, and will cause any Subcontractor to correct or remedy, any errors or discrepancies identified during OPG's audit.
- (5) OPG may, at any time during the term of this Agreement and within two years of the date on which all Work performed under this Agreement has been entirely completed and all warranty periods in respect of such Work have expired, require from the Contractor satisfactory evidence of any aspect of the Contractor's compliance with the Contractor's obligations under this Agreement. OPG may, through auditors designated by OPG, inspect, audit and copy all records and other information, and interview all relevant Contractor's Personnel, respecting such compliance. The Contractor will provide such auditors prompt access to all premises, Contractor's Personnel, books, records and other documents, whether in written, electronic or other format, required to substantiate any calculations or compliance with this Agreement. The Contractor will provide OPG's auditors with reasonable work space at the Contractor's facilities to conduct any inspection, audit, copying and interviews. The Contractor will preserve all such records and other information necessary for any such calculations or compliance until the end of such two-year period. The Contractor will ensure that all Subcontracts contain provisions granting OPG corresponding rights in respect of all Subcontractors.
- (6) All payments made by OPG are subject to readjustment based on any such audit at any time before the expiry of the 26th month after the date on which all Work performed under this Agreement has been entirely completed and all warranty periods in respect of such Work have expired. If any audit reveals that OPG was overcharged for any reason (including because costs charged to OPG are inadequately calculated or substantiated), the Contractor will (i) promptly pay OPG the amount of the overcharge, and (ii) promptly reimburse OPG for the reasonable incremental costs of the audit related to the discovery and investigation of the overcharge.

- (7) OPG acknowledges and agrees that it will have no right to dispute or audit any profit, overhead or contingency amounts forming part of the Contract Price payable in respect of any Fixed Price Work.
- (8) The Parties will, within 30 days of the date hereof, develop and agree upon an audit plan that will contemplate, amongst other things, an annual audit conducted either by OPG or a third party auditor for the purpose of establishing and documenting ongoing compliance with the terms and conditions of this Agreement related to payment.

## **SECTION 9 - DEFAULT AND TERMINATION**

### **9.1 Events of Default**

Subject to the last sentence hereof, each of the following events and circumstances constitutes an event of default by the Contractor under this Agreement (each, an “**Event of Default**”):

- (a) the Contractor or the Guarantor commences dissolution or liquidation or has instituted, or has had instituted against it, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law;
- (b) the Contractor or the Guarantor has a secured party take possession of all or a substantial part of its assets;
- (c) the Contractor or the Guarantor has a distress, execution, attachment or sequestration enforced or sued on or against all or a substantial part of its assets;
- (d) the Contractor or the Guarantor has made a general assignment, arrangement, composition or proposal with, or for the benefit of, its creditors;
- (e) the Contractor or the Guarantor ceases to be, or admits that it is no longer, able to satisfy its obligations as they become due;
- (f) the Contractor or the Guarantor has filed a petition, answer or consent seeking reorganization, readjustment, arrangement, composition or similar relief under any Applicable Laws;
- (g) the Contractor wholly abandons all or a material part of the Work or repudiates any of its material obligations under this Agreement;
- (h) the Contractor is in any way responsible for a fatality respecting the Work;
- (i) the Contractor breaches any of its obligations under this Agreement (excepting, for the purposes of this Section 9.1(i), a breach of any of its obligations under the Appendices and Schedules attached hereto or in respect of a singular Purchase Order) and, if the breach is remediable, fails to remedy the breach to the

satisfaction of OPG within seven Business Days following receipt of Notice from OPG specifying the breach, so long as the Contractor diligently and constantly endeavours to remedy the breach during the cure period;

- (j) the Contractor, the Guarantor, any Subcontractor, any of its or their respective shareholders, directors, officers, partners, members, representatives, agents or any of the Contractor's Personnel gives or offers to give, directly or indirectly, to any Person, a bribe, gift, gratuity, commission or other thing of note, as an inducement or reward for doing or forbearing to do any action in respect of this Agreement or for showing favour or disfavour to any Person in respect of this Agreement;
- (k) the Contractor fails to comply with the provisions of Section 3.9(b) regarding the replacement of First Tier Subcontractors;
- (l) if an Event of Default exists under Purchase Orders constituting more than 50% of outstanding Purchase Orders or having an aggregate value of \$25 million or more at any point in time and, in addition, the Contractor fails to:
  - (1) deliver a rectification plan in respect of such systemic failures that is acceptable to OPG, acting reasonably;
  - (2) immediately commence and thereafter diligently continue to remedy such failures in accordance with the rectification plan accepted by OPG and to mitigate any adverse effects of the failures on OPG; or
  - (3) to bring the progress of the Work back on schedule in accordance with the rectification plan accepted by OPG;
- (m) if the Contractor's Performance Score is 0.5 or less and the Contractor fails to implement necessary corrective action in accordance with the rectification plan accepted by OPG and within the period of time specified therefor by OPG;
- (n) if there is any breach hereunder or under any Purchase Order that has a material adverse impact on (i) the Contractor's ability to perform its obligations hereunder or (ii) OPG;
- (o) a change of ultimate ownership of the Contractor occurs and a new guarantee is not provided in accordance with section 6.1(b); or
- (p) the Guarantee ceases to be in full force and effect for any reason, or if the Guarantor challenges the validity of the Guarantee or otherwise indicates that it will not, or will be unable to, honour the Guarantee if and when demand is made thereunder.

All of the forgoing events and circumstances, other than the event and circumstance described in Section 9.1(i), are Events of Default under each Purchase Order and an Event of Default will exist under a particular Purchase Order if the Contractor breaches any of its obligations thereunder and, if the breach is remediable, fails to remedy the

breach to the satisfaction of OPG within seven Business Days following receipt of Notice from OPG specifying the breach, so long as the Contractor diligently and constantly endeavours to remedy the breach during the cure period.

For purposes of this section 9.1, "Contractor" shall be deemed to be SLN-AECON, a Joint Venture, SNC-Lavalin Nuclear Inc. or AECON Construction Group Inc. and the "Guarantor" shall be deemed to be SNC-Lavalin Group Inc., AECON Group Inc. or any replacement guarantors of SNC-Lavalin Group Inc. or AECON Group Inc. as the case may be. Notwithstanding the foregoing, it shall not be an event of default of the Contractor if an event identified in one or more of sections 9.1(a), (b), (c), (d), (e) or (f) apply to only one of SNC-Lavalin Nuclear Inc. or AECON Construction Group Inc., with respect to the Contractor, or to only one of SNC-Lavalin Group Inc., AECON Group Inc. or any replacement guarantors of SNC-Lavalin Group Inc. or AECON Group Inc. as the case may be, with respect to the Guarantor, unless the Contractor fails to deliver to the satisfaction of OPG, in its sole discretion, within seven Business Days following the occurrence of such event or after such longer period of time as is reasonably required (but not longer than 60 calendar days in any circumstances) a written plan, together with supporting documentation, demonstrating how the Contractor will still be able to perform the Work in accordance with this Agreement.

## **9.2 Notice**

OPG may terminate this Agreement immediately and without any cost to OPG by delivering a Notice to the Contractor of the occurrence of any Event of Default. OPG will not be required to give Notice to the Contractor if the Event of Default relates to Sections 9.1(a) to 9.1(f).

## **9.3 OPG's Recourse**

If OPG has the right to terminate this Agreement under Section 9.2, OPG may, in addition or as an alternative to terminating this Agreement in its entirety:

- (a) direct the Contractor to cease performing any and all of its obligations hereunder immediately and without any cost to OPG, including with respect to lost profits or compensation;
- (b) elect not to award the Contractor any additional Work under this Agreement;
- (c) terminate any one or more Purchase Orders in whole or in part;
- (d) direct the Contractor to stop performing any Work, in whole or in part, and the Contractor will be entitled to no cost adjustment for any stopped Work;
- (e) eject or exclude from any Site the Contractor, any Subcontractor or any of the Contractor's Personnel;
- (f) finish any Work, in whole or in part, by whatever means OPG deems appropriate under the circumstances;



- (g) take possession of all or part of any Site, any Work and the Contractor's Property, including, without limitation, the Contractor's construction equipment, tools, fuel and temporary structures and facilities, wherever located, at no additional charge for the retention and use thereof;
- (h) enforce any indemnity, guarantee or other security provided by the Contractor, a Subcontractor or any other Person with respect to the Work, including drawing on a letter of credit (although, if the terms of any such document permit earlier enforcement, OPG may enforce such rights in accordance with the terms of such document);
- (i) incorporate or use in the Project any or all goods stored at the Site or for which OPG has paid the Contractor but which are stored elsewhere; or
- (j) withhold, without interest, all payments (including, without limitation, any payments of the Performance Fee), in whole or in part, to the Contractor under any agreement between OPG and the Contractor (including this Agreement and any Purchase Order) until the Contractor's liability to OPG is finally determined.

#### **9.4 Additional Recourse**

If an Event of Default has occurred under any Purchase Order that does not also give OPG a right to terminate this Agreement under Section 9.2, OPG may:

- (a) terminate such Purchase Order;
- (b) direct the Contractor to stop performing any Work under such Purchase Order, in whole or in part, and the Contractor will be entitled to no cost adjustment for any such stopped Work;
- (c) eject or exclude from the particular Site which that Purchase Order applies, the Contractor, any Subcontractor or any of the Contractor's Personnel;
- (d) finish any Work in respect of such Purchase Order, in whole or in part, by whatever means OPG deems appropriate under the circumstances;
- (e) take possession of all or part of any Site, any Work and the Contractor's Property, in each case in connection with such Purchase Order, including, without limitation, the Contractor's construction equipment, tools, fuel and temporary structures and facilities, wherever located, at no additional charge for the retention and use thereof;
- (f) enforce any applicable indemnity, guarantee or other security provided by the Contractor, a Subcontractor or any other Person with respect to the Work, including drawing on a letter of credit (although, if the terms of any such document permit earlier enforcement, OPG may enforce such rights in accordance with the terms of such document);

- (g) incorporate or use in the Project any or all goods stored at the Site in respect of such Purchase Order or for which OPG has paid the Contractor but which are stored elsewhere; or
- (h) withhold, without interest, all payments, in whole or in part, to the Contractor under such Purchase Order until the Contractor's liability thereunder to OPG is finally determined.

## **9.5 Deemed Termination for Convenience**

If, at any time after OPG terminates this Agreement under Section 9.2 or exercises its rights under Sections 9.3 or 9.4, it is determined for any reason that an Event of Default had not occurred or that the Event of Default was otherwise excusable, the rights and obligations of the Parties will be the same as if the termination of this Agreement by OPG had occurred under Section 10.2.

## **9.6 Contractor's Liability on Termination for Default**

In addition to any amounts in respect of which the Contractor is required to indemnify OPG pursuant to Section 6.5(a), if OPG terminates this Agreement under Section 9.2 or exercises its rights under Sections 9.3 or 9.4, the Contractor will be liable to OPG for:

- (a) all incremental costs incurred by OPG to finish any Work to the standards set out in this Agreement and the applicable Purchase Order;
- (b) all costs of correcting defects, if any, in any Work completed by the Contractor to the date of termination; and
- (c) all other Losses suffered or incurred by OPG in respect of any Event of Default, including, for greater certainty, all Losses suffered or incurred by OPG in engaging another contractor to enter into this Agreement or to perform any Work.

# **SECTION 10 - SUSPENSION AND TERMINATION FOR CONVENIENCE**

## **10.1 Suspension for Convenience**

OPG may, at any time and from time to time, for any reason without affecting the validity of this Agreement, suspend the Contractor's provision of the Work under any Purchase Order, in whole or in part, for such period of time as OPG may notify the Contractor. Except to the extent any such suspension arises in respect of any default by the Contractor or any negligent or willful act or omission of the Contractor or a Subcontractor, OPG will pay the Contractor the reasonable incremental direct costs suffered by the Contractor arising from the suspension, provided that the Contractor takes all commercially reasonable steps to mitigate such costs including by redeploying any Contractor's Personnel. For greater certainty, severance costs respecting the termination of any of the Contractor's Personnel do not constitute direct costs. In no circumstances whatsoever will OPG be liable to the Contractor for consequential or indirect loss or damages, loss of profit, economic loss, interest or any other damages or loss suffered or

incurred by the Contractor in respect of any such suspension. Before OPG pays the Contractor for any incremental direct costs pursuant to this Section 10.1, the Contractor will provide to OPG such reasonable evidence of such costs as OPG may request. In addition, before making any payment, OPG may conduct an audit of such costs in accordance with the applicable provisions of Section 8.13(b). Immediately following a Notice of resumption delivered by OPG to the Contractor, the Contractor will resume performing its obligations under the Purchase Order in accordance with the terms thereof.

## 10.2 Termination for Convenience

- (a) **Termination of Agreement.** OPG may, at any time and from time to time, for any reason, terminate this Agreement by Notice having immediate effect. Subject to Section 10.2(c), except to the extent any such termination arises in respect of any default by the Contractor or any negligent or willful act or omission of the Contractor or a Subcontractor, OPG will, without duplication, pay the Contractor:
- (1) the amounts set out in this Agreement or any Purchase Order for all parts of any Work that have been entirely finished and delivered in accordance with the terms of this Agreement, including the applicable Purchase Order, and for which OPG has not made payment;
  - (2) the amount of the Contractor's costs incurred in providing any Work in progress, not including any Work referred to in Section 10.2(a)(1);
  - (3) an amount in respect of the Performance Fee, calculated as the then current amount in the Performance Fee Pool multiplied by the Contractor's then current Performance Score;
  - (4) the lesser of 1/4 of the Core Team Services Fee and the proportion of the Core Team Services Fee still to be paid in the then current calendar year; and
  - (5) the reasonable incremental direct costs suffered by the Contractor arising from the termination (including reasonable out-of-pocket costs of demobilization and severance costs respecting the termination of any of the Contractor's Personnel), provided that the Contractor takes all commercially reasonable steps to mitigate such costs, including by redeploying any Contractor's Personnel.

In no circumstances whatsoever will OPG be liable to the Contractor for consequential or indirect loss or damages, loss of profit, economic loss, interest or any other damages or loss suffered or incurred by the Contractor in respect of any such termination. Before OPG pays the Contractor for any incremental direct costs pursuant to this Section 10.2(a), the Contractor will provide to OPG such reasonable evidence of such costs as OPG may request. In addition, before making any payment, OPG may conduct an audit of such costs in accordance with the applicable provisions of Section 8.13(b). Title to all the Work that has not

already vested in OPG will vest in OPG on payment by OPG under this Section 10.2(a).

- (b) **Termination of Purchase Order.** OPG may, at any time and from time to time, for any reason, terminate any Purchase Order by Notice having immediate effect. Subject to Section 10.2(c), except to the extent any such termination arises in respect of any default by the Contractor or any negligent or willful act or omission of the Contractor or a Subcontractor, OPG will, without duplication, pay the Contractor:
- (1) the amounts set out in this Agreement or the applicable Purchase Order for all parts of the Work being performed pursuant to that Purchase Order that have been entirely finished and delivered in accordance with the terms of this Agreement, including the applicable Purchase Order, and for which OPG has not made payment;
  - (2) the amount of the Contractor's costs incurred in providing the Work being performed pursuant to that Purchase Order in progress, not including the Work referred to in Section 10.2(b)(1); and
  - (3) the reasonable incremental direct costs suffered by the Contractor arising from the termination (including reasonable out-of-pocket costs of demobilization and severance costs respecting the termination of any of the Contractor's Personnel), provided that the Contractor takes all commercially reasonable steps to mitigate such costs, including by redeploying, rather than terminating, any Contractor's Personnel.

In no circumstances whatsoever will OPG be liable to the Contractor for consequential or indirect loss or damages, loss of profit, economic loss, interest or any other damages or loss suffered or incurred by the Contractor in respect of any such termination. Before OPG pays the Contractor for any incremental direct costs pursuant to this Section 10.2(b), the Contractor will provide to OPG such reasonable evidence of such costs as OPG may request. In addition, before making any payment, OPG may conduct an audit of such costs in accordance with the applicable provisions of Section 8.13(b). Title to all the Work that has not already vested in OPG will vest in OPG on payment by OPG under this Section 10.2(b).

- (c) **Termination of Augmented Staff Purchase Order.** Notwithstanding anything to the contrary herein contained, in respect of Augmented Staff, OPG will, without duplication, pay the Contractor for hours worked and business expenses incurred by Augmented Staff in accordance with the provisions of Section 8.1(j), together with the applicable administrative fee, calculated in accordance with the provisions of this Agreement and the applicable Purchase Order, to the date of termination.

## SECTION 11 - DISPUTE RESOLUTION

### 11.1 Procedure for Resolution of Disputes

- (a) **General.** The Parties will work cooperatively to resolve any dispute, disagreement, controversy, question or claim, including any claim for indemnification, arising out of or relating to this Agreement or any Work (in each case, a “**Dispute**”).
- (b) **Project Representatives.** If either party wishes to resolve a Dispute, they will first refer such Dispute to the Project Representative of such party, who will communicate the subject matter of such Dispute to the Project Representative of the other party. The Project Representatives will, in good faith, attempt to resolve such Dispute.
- (c) **MSA Representatives.** If the Project Representatives are unable to resolve such Dispute within 30 days of the date the Dispute was first referred to them, either Project Representative may refer such Dispute to the MSA Representative of such party, who will communicate the subject matter of such Dispute to the MSA Representative of the other party. The MSA Representatives will, in good faith, attempt to resolve such Dispute.
- (d) **Steering Committee.** If the MSA Representatives are unable to resolve such Dispute within 30 days of the date the Dispute was first referred to them, the MSA Representatives will place such Dispute on the agenda for the next scheduled meeting of the Steering Committee. At each monthly meeting, the Steering Committee will attempt to resolve any Disputes referred to the Steering Committee by the MSA Representatives. Any Dispute not resolved by the Steering Committee during such fixed period of time as may be agreed upon by all members of the Steering Committee may thereafter be referred to arbitration by either party upon written notice to the other party.

### 11.2 Arbitration

- (a) **Arbitration.** Subject to Section 11.1, all Disputes will be finally determined by arbitration conducted pursuant to the National Arbitration Rules of the ADR Institute of Canada, Inc. (as amended from time to time, the “**Rules**”). Unless otherwise agreed in writing, there will be three (3) arbitrators, appointed in accordance with Rule 14 of the Rules. The place of the arbitration will be Toronto, Ontario. The language of the arbitration will be English. The law of the arbitration will be the law of the Province of Ontario.
- (b) **Confidentiality.** In addition to the provisions of Rule 33 of the Rules, the Parties will keep confidential, and not disclose to any other Person, the arbitration and all matters arising directly or indirectly from the subject matter of the arbitration (including all documents exchanged, the evidence and the award), except that a party may disclose any such information to the extent required:

- (1) to obtain assistance from Persons to conduct the arbitration;
  - (2) by Applicable Laws (including the *Freedom of Information and Protection of Privacy Act* (Ontario)) or securities exchange rules; or
  - (3) by a disclosure requirement with a shareholder, lender or potential lender (including any advisor to any such recipient Person), so long as such Person is informed of the confidential nature of such information and such Person agrees to be bound, subject to Applicable Laws, by such confidentiality obligation.
- (c) **Final and Binding.** All interim awards, partial final awards and final awards of the arbitrators will be final and binding upon the Parties regarding all matters submitted to arbitration, with no rights of appeal, even on questions of law.
- (d) **Enforcement.** Either party may have recognized and enforced any interim awards, partial final awards and awards rendered by the arbitrators in any court having jurisdiction.
- (e) **Costs of Arbitration.** Subject to Rule 46 of the Rules, if the arbitrators do not specify the costs and expenses of the arbitration, each party will bear its own costs and will share the costs of all three arbitrators equally.

### 11.3 Continuing the Work

Notwithstanding any term in this Agreement, the Contractor will not stop or delay the performance of the Work, in whole or in part, on account of any Dispute between the Contractor and OPG or between the Contractor and any other Person, except to the extent expressly directed to do so by OPG in a Project Change Authorization, and will continue to perform all Work in a timely manner and in accordance with the Project Schedule during the continuance of any such Dispute, except to the extent expressly directed to suspend performance of the Work by OPG in a Project Change Authorization.

## SECTION 12 - GENERAL

### 12.1 Representations and Warranties of Contractor

The Contractor hereby represents and warrants to OPG as follows:

- (a) the Contractor is a corporation duly organized, validly existing and in good standing under the laws of the Province of Ontario, and has all requisite corporate power and authority to own and operate its business and properties and to carry on its business as such business is now being conducted and is duly qualified to do business in the Province of Ontario and in any other jurisdiction in which the transaction of its business makes such qualification necessary;
- (b) the Contractor has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, and the execution, delivery, and

performance of this Agreement by the Contractor have been duly authorized by all necessary action on the part of the Contractor;

- (c) this Agreement has been duly and validly executed and delivered by the Contractor and, assuming due execution and delivery by OPG, constitutes the legal, valid and binding obligation of the Contractor enforceable against the Contractor in accordance with its terms, except as such enforcement may be limited by (i) bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the enforcement of creditors' rights in an action (whether considered in an action at law or in equity) generally, or (ii) general equitable principles (whether considered in any action at law or in equity);
- (d) the execution, delivery and performance of this Agreement by the Contractor and the consummation of the transactions contemplated hereby do not and will not contravene the governing documents of the Contractor and do not and will not conflict with or result in a breach of or default under any indenture, mortgage, lease, agreement, instrument, judgment, decree, order or ruling to which the Contractor is a party or by which it or any of its properties is bound or affected;
- (e) all Approvals required in connection with the execution, delivery and performance of this Agreement by the Contractor have been obtained or will be obtained in due course; and
- (f) all documents and other deliverables previously submitted by the Contractor to OPG under or pursuant to this Agreement are materially true and correct in all respects.

## **12.2 Representations and Warranties of OPG**

OPG hereby represents and warrants to the Contractor that:

- (a) OPG has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder and the execution, delivery and performance of this Agreement by OPG have been duly authorized by all necessary action on the part of OPG;
- (b) this Agreement has been duly and validly executed and delivered by OPG and, assuming due execution and delivery by the Contractor, constitutes the legal, valid and binding obligation of OPG enforceable against OPG in accordance with its terms, except as such enforcement may be limited by (i) bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the enforcement of creditors' rights in an action (whether considered in an action at law or in equity) generally, or (ii) general equitable principles (whether considered in any action at law or in equity);
- (c) the execution, delivery and performance of this Agreement by OPG and the consummation of the transactions contemplated hereby do not and will not contravene the governing documents of OPG and do not and will not conflict with

or result in a breach of or default under any indenture, mortgage, lease, agreement, instrument, judgment, decree, order or ruling to which OPG is a party or by which it or any of its properties is bound or affected; and

- (d) all Approvals required in connection with the execution, delivery and performance of this Agreement by OPG have been obtained or will be obtained in due course.

### **12.3 Non-Solicitation Memorandum of Understanding**

The Parties acknowledge and agree that they have entered into a memorandum of understanding with certain other parties regarding the solicitation of employees working on OPG projects. Each Party will comply, and will cause the members of the Contractor Group and the OPG Group, as applicable, to comply, with the terms and conditions of such memorandum of understanding.

### **12.4 Assignment and Benefit**

The Contractor may not assign this Agreement, in whole or in part, without the prior written consent of OPG's MSA Representative. This Agreement enures to the benefit of and binds the Parties and their respective successors and permitted assigns.

### **12.5 Amendments to Agreement**

OPG's Vice President, Supply Chain is the only individual authorized to execute any Amendment on behalf of OPG. Aside from this individual, no other Person has any authority to make any agreement, undertaking, representation, warranty, guarantee, release or waiver on behalf of OPG in respect of this Agreement. Except as expressly provided in this Agreement, no amendment (including an Amendment), restatement or termination of this Agreement, in whole or in part, is binding unless it is in writing and signed by each party in accordance with this Section 12.5. Accordingly, this Agreement will not be amended by any Purchase Order, Application for Payment, Project Change Authorization, Purchase Order Revision, invoice or other document (even where such Purchase Order, Application for Payment, Project Change Authorization, Purchase Order Revision, invoice or other document purports, directly or indirectly, to be paramount to any term of this Agreement).

### **12.6 Amendments to Purchase Orders**

In respect of any Purchase Order, OPG's Project Representative is authorized to execute any Project Change Authorizations on behalf of OPG. Any Purchase Order Revisions may only be executed by such individual(s) as OPG's Organizational Authority Register may permit.

### **12.7 Notice**

Except as otherwise provided in this Agreement, every Notice required or permitted under this Agreement must be in writing and in accordance with Section 2.7



(Documentation) of the Interface Requirements and may be delivered in person, by courier or by fax (if a fax number is provided in this section 12.7) to the applicable party, as follows:

<p>If to OPG,</p> <p>Ontario Power Generation 1908 Colonel Sam Drive, 011-226, Oshawa, ON L1H 8P7</p> <p>Attention: Project Director, Projects and Modifications</p> <p>with a copy to:</p> <p>Ontario Power Generation Inc. Darlington Energy Centre 1855 Energy Drive Courtice, ON L1E 0E7</p> <p>Attention: Vice President, Supply Services, OPG Projects, Business and Administrative Services</p>	<p>if to the Contractor (constituting notice to both SNC-Lavalin Nuclear Inc. and AECON Construction Group Inc.):</p> <p>SNC-Lavalin Nuclear Inc. 2275 Upper Middle Road east Oakville, Ontario L6H 0C3</p> <p>Attn: Project Director, ESMSA Fax: (905) 829-8809</p> <p>With a copy to (which copy shall not constitute notice and without limiting section 2.3(c)):</p> <p>Aecon Industrial, a division of Aecon Construction Group Inc. 150 Sheldon Drive Cambridge, Ontario N1R 7K9</p> <p>Attn: President</p> <p>Fax: (519) 624-0363</p>
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or to any other address, fax number (if a fax number is provided in this section 12.7) or individual that a Party designates by Notice. Any Notice under this Agreement, if delivered personally or by courier, will be deemed to have been given when actually received, if delivered by fax (if a fax number is provided in this section 12.7) before 3:00 p.m. on a Business Day, will be deemed to have been delivered on that Business Day and, if delivered by fax (if a fax number is provided in this section 12.7) after 3:00 p.m. on a Business Day or on a day which is not a Business Day, will be deemed to be delivered on the next Business Day.

## **12.8 Currency**

Unless otherwise specified in this Agreement, all amounts to be paid or calculated under this Agreement are to be paid or calculated in Canadian dollars. Any amounts to be paid or calculated which are denominated in a foreign currency will be converted into Canadian dollars for the Application for Payment for the applicable period using the quarterly average Bank of Canada nominal noon exchange rate for the immediately preceding calendar quarter for such foreign currency, as posted on the Bank of Canada website (currently located at [www.bankofcanada.ca](http://www.bankofcanada.ca)). For clarity, there will be no

adjustments to the Reimbursable Labour Costs Table for changes in foreign currency exchange rates.

## **12.9 Set Off**

OPG may set off any amount owing to OPG from the Contractor or the Guarantor under any agreement between OPG and SNC-Lavalin Nuclear Inc. and AECON Construction Group Inc., acting as a joint venture, from any amount otherwise owing by OPG to the Contractor or the Guarantor.

## **12.10 Waivers**

No waiver of any term of this Agreement is binding unless it is in writing and signed by all the Parties entitled to grant the waiver. No failure to exercise, and no delay in exercising, any right or remedy, under this Agreement will be deemed a waiver of that right or remedy. No waiver of any breach of any term of this Agreement will be deemed to be a waiver of any subsequent breach of that term.

## **12.11 Joint and Several Liability**

SNC-Lavalin Nuclear Inc. and AECON Construction Group Inc., together with their respective successors and permitted assigns, will be jointly and severally liable for all of the obligations of the Contractor under this Agreement.

## **12.12 Cumulative Remedies**

OPG's rights and remedies under this Agreement, and under any security held by OPG for the Contractor's performance under this Agreement, are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise. No single or partial exercise by a party of any right or remedy precludes or otherwise affects the exercise of any other right or remedy to which that party may be entitled.

## **12.13 Survival of Obligations**

All representations, warranties, guarantees and indemnities made in, required by or given under this Agreement, as well as all continuing obligations under this Agreement, will survive final payment, Substantial Completion, Final Completion and/or acceptance of any Project or Work, as applicable, and termination or expiry of this Agreement.

## **12.14 Relationship of Parties**

The relationship between the Parties is that of a purchaser and an independent contractor. The Contractor's Personnel are solely employees of the Contractor or a Subcontractor (and not OPG) for all purposes under this Agreement, including for all purposes under any Applicable Laws.

## **12.15 Acknowledgement as to Negotiation of this Agreement**

Each Party acknowledges that all Parties have participated in the drafting of this Agreement. Accordingly, no term of this Agreement will be interpreted less favourably to any Party because that party or its counsel was primarily responsible for the drafting of that term.

#### **12.16 Counterparts**

This Agreement and any Amendment may be signed and delivered in any number of counterparts, each of which, when signed and delivered, is an original, but all of which, taken together, constitute one and the same instrument. This Agreement and any Amendment may be delivered by fax.

#### **12.17 Third Party Beneficiaries**

(a) **OPG Group.** The provisions of Section 6.5(a) and each other provision of this Agreement which is to the benefit of a member of the OPG Group (other than OPG) are:

- (1) intended for the benefit of each member of the OPG Group (other than OPG) and, if set out in the relevant provision, each such member's directors, officers, employees, agents and representatives, and shall be enforceable by each of such persons and his or her heirs, executors, administrators and other legal representatives (collectively, the "**OPG Third Party Beneficiaries**"); and
- (2) are in addition to, and not in substitution for, any other rights that the OPG Third Party Beneficiaries may have by contract or otherwise.

OPG shall hold the rights and benefits of Section 6.5(a) and each other provision of this Agreement which is to the benefit of a member of the OPG Group (other than OPG) in trust for and on behalf of the OPG Third Party Beneficiaries and OPG hereby accepts such trust and agrees to hold the benefit of and enforce performance of such covenants on behalf of the OPG Third Party Beneficiaries.

(b) **No Other Third Party Beneficiaries.** Except as set out in Sections 3.11(d) and 12.17(a), this Agreement is solely for the benefit of the Parties and no term of this Agreement will be deemed to confer upon other third parties any claim, remedy, reimbursement or other right. The Contractor represents and warrants to OPG that the Contractor is entering into this Agreement solely on its own behalf and not as agent for any other Person.

#### **12.18 Name of Joint Venture**

SNC-Lavalin Nuclear Inc. and AECON Construction Group Inc. agree that the name of the contractual joint venture formed to perform this Agreement, "SLN-AECON, a Joint Venture", shall not be changed without the prior written consent of OPG, acting reasonably.

## **12.19 Joint Venture Account**

SNC-Lavalin Nuclear Inc. and AECON Construction Group Inc. represent and warrant to OPG that the Contractor has established and will maintain at all times the joint venture bank account, wire instructions for which are set out in Schedule 17, as such Schedule 17 may be updated from time to time by notice to OPG (the “**Joint Venture Account**”). SNC-Lavalin Nuclear Inc. and AECON Construction Group Inc. hereby irrevocably and unconditionally authorize and direct OPG, directly or indirectly, to pay all amounts payable to the Contractor hereunder into the Joint Venture Account and such payment shall be in satisfaction of OPG’s payment obligations in respect of such payment to the Contractor hereunder. This shall be OPG’s good and sufficient authority to do so.

**[SIGNATURE PAGE FOLLOWS]**

The Parties have duly executed this Agreement.

**ONTARIO POWER GENERATION  
INC.**

By: \_\_\_\_\_  
Name: Stephun Cliver  
Title: Chief Supply Officer

**AECON CONSTRUCTION GROUP  
INC.**

By: \_\_\_\_\_  
Name: Paul Murray  
Title: Executive Vice President,  
Aecon Energy

By: \_\_\_\_\_  
Name: Ian Turnbull  
Title: President, Aecon Industrial, a  
division of Aecon  
Construction Group Inc.

**SNC-LAVALIN NUCLEAR INC.**

By: \_\_\_\_\_  
Name: Robert Stewart  
Title: Senior Vice-President  
and General Manager

**APPENDIX 1**

**TERMS AND CONDITIONS FOR  
ENGINEERING, PROCUREMENT AND CONSTRUCTION  
(OPG AS OWNER AND CONSTRUCTOR)**

See attached.

**APPENDIX 1**

**TERMS AND CONDITIONS FOR  
ENGINEERING, PROCUREMENT AND CONSTRUCTION  
(OPG AS OWNER AND CONSTRUCTOR)**

**RECITALS**

- A. These additional terms and conditions applicable to engineering, procurement and construction work (OPG as Owner and Constructor) supplement the terms and conditions on which certain Work (the “**Project**”) will be performed by the Contractor for OPG pursuant to OPG Purchase Order #\_\_\_\_\_ (the “**Purchase Order**”).
- B. The contract between OPG and the Contractor in respect of the Project consists of the ES MSA, this Appendix 1 and the terms and conditions set out in the worksheet (the “**Worksheet**”) included in the Purchase Order (collectively, the “**Contract**”).

**SECTION 1 – DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

Capitalized terms used but not defined in this Appendix have the meanings given to those terms in the ES MSA, and in this Appendix (including the recitals to this Appendix), the following terms have the following meanings:

- (a) **Contract** has the meaning given in the recitals to this Appendix.
- (b) **Correction Costs** is defined in section 6.7(b).
- (c) **Defective** means:
  - (1) any part of the Project that is defective, is inoperative, fails because of any defect or does not comply with the Contract, including any failure to comply with any requirement of any Submittal, reference standard, inspection, test or Approval required for the Project or otherwise referred to in the Contract, including whether or not the non-compliance is the result of defective Services (including design, workmanship and installation) or Goods;
  - (2) any part of the Project that has been negligently performed or provided; or
  - (3) any part of the Project that was damaged on or before the Final Completion Date (but excluding damage that was caused by OPG unless such damage was caused by OPG as a result of the Contractor’s failure to comply with any of its obligations under the Contract).

For clarity, provided the Contractor has complied with its obligations under Schedule 13, defects in the Free Issue Materials do not constitute a Defective part of the Project.

- (d) **Designated Substances** is defined in section 2.3(j)(1).
- (e) **ES MSA** means the Extended Services Master Services Agreement made as of December 19, 2014 between OPG and the Contractor, excluding the Other Appendices, as amended from time to time (and, for greater certainty, excluding any OPG purchase orders issued pursuant to such agreement, other than the Purchase Order).
- (f) **Final Completion Date** means the day on which OPG accepts the Project as being entirely finished under section 5.2(a).
- (g) **Job Safety Analysis** is defined in section 2.3(h)(2).
- (h) **Other Appendices** means each Appendix to the ES MSA, other than this Appendix.
- (i) **Procurement Plan** has the meaning given in Appendix C to the Interface Requirements.
- (j) **Professional** means a licensed professional, including engineers and architects, duly licensed in Ontario, and designated by the Contractor, to provide, in whole or in part, any of the Professional Services.
- (k) **Professional Services** means all the services in respect of the Contract, including with respect to preparing and/or providing detailed documents, designs, drawings (including as built drawings), diagrams, illustrations, schedules, performance charts, brochures, specifications, plans, operating guides, progress photographs, reports, manuals (including operating and maintenance manuals), information, data or other deliverables, models or samples whether in a written, graphic, physical, electronic or other format provided, or required to be provided, by the Contractor to OPG under the Contract, that are:
  - (1) required under Applicable Laws or any Approvals to be provided by a Professional;
  - (2) required by the Contract to be provided by a Professional; or
  - (3) provided by a Professional retained by the Contractor, including by the Contractor's Personnel.
- (l) **Project** has the meaning given in the recitals to this Appendix.
- (m) **Project Specific Site Safety Plan** is defined in section 2.3(h)(1).



- (n) **Purchase Order** has the meaning given in the recitals to this Appendix.
- (o) **Services** means providing to OPG an entirely finished and fully functional Project, designed, procured and constructed in accordance with the Contract that is fit for the purposes set out in the Contract and including:
- (1) providing the Professional Services;
  - (2) performing engineering analysis, preparing documentation in support of the process of obtaining Approvals, conducting technical feasibility investigations, preparing preliminary designs and cost estimates, evaluating contractor proposals, and providing technical support in connection with other Services including providing assessing services;
  - (3) providing, manufacturing, supplying, procuring, factory testing, transporting, delivering, erecting, constructing, assembling, installing, connecting, applying, using, field testing, calibrating, adjusting, conditioning, cleaning, training, commissioning, commissioning support (including support from Subcontractors), performance testing and cleaning up respecting the Project;
  - (4) providing various construction and maintenance services including structural, electrical and mechanical installations, modifications and removals;
  - (5) procuring Goods;
  - (6) providing quality assurance/quality control and/or field inspection services;
  - (7) providing any rework, repairs or replacements of anything that is Defective;
  - (8) providing mobilizing, labour, demobilizing, management, supervision and administration;
  - (9) providing construction equipment and tools, including scaffolding, mobile cranes, air compressors and welding sets;
  - (10) using any goods of any kind in respect of the Project;
  - (11) providing the design and delivery of any documents, designs, drawings (including as built drawings), diagrams, illustrations, schedules, performance charts, brochures, specifications, plans, progress photographs, reports, manuals (including operating and maintenance manuals), information, data or other deliverables, or models or samples, whether in a written, graphic, physical, electronic or other format, software, computer programs and source codes (including in each case

each of their components) necessary for the operation and maintenance of the Project or otherwise required to be delivered to OPG under the Contract (other than the Professional Services); and

- (12) providing any other services required by, and performing its obligations under, the Contract, including the services referred to in section 3.1(b) of the ES MSA and the obligations set out in section 2.3 of this Appendix,

all in accordance with the Contract, including the Worksheet.

- (p) **Substantial Completion** is defined in section 5.1(a).
- (q) **Warranty Period** is defined in section 6.8(a).
- (r) **Worksheet** has the meaning given in the recitals to this Appendix.

## 1.2 Attachments

The following attachments are attached to and form part of this Appendix:

Attachment	Description
Attachment 2.4(b)	Environmental Notice and Consent Form
Attachment 4.4	Notice of Delay Form
Attachment 5.1(a)	Notice of Substantial Completion Form
Attachment 5.1(b)	Substantial Completion Confirmation Form
Attachment 5.2	Final Completion Confirmation Form

## SECTION 2 – CONTRACTOR’S OBLIGATIONS

### 2.1 Representations Regarding the Project

- (a) In addition to the representations and warranties contained elsewhere in the Contract, the Contractor represents and warrants to OPG that the Contractor:
- (1) is sufficiently experienced and properly qualified, licensed, equipped, organized and financed to provide, or cause to be provided, the Project;
  - (2) has engaged and will engage only Subcontractors that are competent and have an acceptable health and safety record based on OPG’s safety program evaluation criteria;
  - (3) has examined and has satisfied itself in respect of all matters respecting the Project, including:

- (A) all necessary information respecting the risks, contingencies and other circumstances which may affect the Project Schedule, the Key Milestones, the Contract Price or the Project;
  - (B) the current versions of all documents issued by a standards, regulatory or other organization referred to in the Contract and all collective agreements applicable to the Project;
  - (C) the nature, location and physical conditions of the Site, including, surface and, if required by the applicable Purchase Order, subsurface conditions, and the location of all above and below surface buildings, utilities, structures, pipes, conduits and works;
  - (D) working and storage space, transportation (including any load or speed restrictions), delivery, construction facilities, uncertainties of weather and other work being carried out on, or in the vicinity of, the Site;
  - (E) the general and local conditions, particularly those respecting labour, health and safety, site access and other administrative practices and normal working hours;
  - (F) all Applicable Laws, including any restrictions on hours of work, and any required Approvals; and
  - (G) the goods, equipment and facilities needed to provide the Project;
- (4) except as may be otherwise explicitly set out under the heading “Information Waiver (Section 3.1(j))” of a Purchase Order in respect of the Work pursuant to that Purchase Order, has relied solely on its findings, conclusions, interpretations and other opinions in evaluating the risks, contingencies and other circumstances that may be encountered in carrying out all the requirements of the Contract;
  - (5) has reviewed the Key Milestones and is satisfied that it can provide and entirely finish the Project in accordance with the Key Milestones;
  - (6) confirms that the OPG Specifications will ensure conformity of the Project with all Applicable Laws and, at a minimum, Prudent Practices;
  - (7) is not aware of any error, inconsistency or omission in the Worksheet;
  - (8) has disclosed in writing to OPG the names of each of the Contractor’s Personnel who will be providing Services at the Site continuously, who is a former OPG employee and who received a severance package from OPG, is receiving pension payments from OPG, or is receiving a non-working pension bridge from OPG;

- (9) is not aware of any legal action instituted, threatened or pending against it that could have a material adverse effect on its ability to perform its obligations under the Contract; and
- (10) has made due allowance, including by way of pricing, for all the matters referred to in this section 2.1(a).

## **2.2 Kick off and Subsequent Meetings**

Unless otherwise specified in the applicable Purchase Order, the following provisions shall apply:

- (a) **Preparation Phase.** Within 10 Business Days of the date of the Contract, the Contractor will:
  - (1) meet with all appropriate Persons, including OPG's Project Representative to confirm, among the parties and such Persons, the manner and approach in fulfilling the requirements of the Contract;
  - (2) meet with individuals designated by OPG's Project Representative to confirm design requirements and approach;
  - (3) identify and analyze requirements of applicable Governmental Authorities with whom consultation is to be undertaken in respect of the Project; and
  - (4) obtain such additional information that it deems necessary for providing the Project.
- (b) **Kick-Off Meeting.** Within 10 Business Days of the date of the Contract, OPG's Project Representative will arrange a kick-off meeting. The Contractor will ensure attendance by its authorized representatives and any representatives of Subcontractors, including senior management, as required by OPG. At this meeting the parties will discuss safety and environmental protection programs (including those of Subcontractors) and requirements, the hazards associated with the Project, labour matters, design concepts, schedules, procedures for handling Submittals, communication protocols, procedures for processing each Application for Payment, delivery procedures for the Site, records maintenance, Site security, nuclear safety requirements, radiological safety requirements and "conduct of" requirements for work in a nuclear facility, if applicable, and any other matter raised by a party.
- (c) **Meetings.** In addition to the kick-off meeting, the Contractor will schedule, attend and conduct such other pre-construction, construction, pre-job mark up (including resolution of jurisdictional issues), hazard review, Site co-ordination, weekly (or daily as required by OPG) progress review meetings and commissioning meetings as are requested by OPG or are otherwise desirable, including any meetings required by the Worksheet. The Contractor will include in the agenda of any such meeting any issue requested by OPG. Progress review

meetings will usually focus on safety, environmental matters, labour requirements, procedures, progress, clarifications of the requirements of the Contract and scheduling (including interfaces between Persons providing services at the generating station). The Contractor will ensure that all Subcontractors and other Persons requested by OPG will attend these meetings. The Contractor will ensure that each representative of the Contractor and any Subcontractor attending meetings will be qualified and authorized to act on behalf of the party each represents. The Contractor will provide the space for the meeting. Unless OPG otherwise requests regarding a particular meeting, OPG will prepare and distribute minutes of each meeting within three Business Days.

## 2.3 Safety

- (a) **Primary Goal.** Safety of the Contractor's Personnel, individuals at or near the Site and the public is of paramount concern to OPG. In providing the Project the Contractor will not in any manner endanger the safety of, or unlawfully interfere with other Persons on or off the Site, including the public.
- (b) **Constructor.** OPG will be the "Constructor" in respect of the Services for the purposes of the *Occupational Health and Safety Act, 1997* (Ontario). The "Constructor" will submit the required notice of project and registration form to the applicable Governmental Authority.
- (c) **Compliance.** The Contractor will provide the Project in accordance with:
  - (1) all Applicable Laws, including the *Occupational Health and Safety Act, 1997* (Ontario), as amended from time to time;
  - (2) to the extent not inconsistent with section 2.3(c)(1), OPG's safety requirements, as amended from time to time;
  - (3) to the extent not inconsistent with sections 2.3(c)(1) and 2.3(c)(2), the Contractor's safety program (a copy of which is attached to the Worksheet), as amended from time to time with OPG's approval; and
  - (4) to the extent not inconsistent with sections 2.3(c)(1), 2.3(c)(2) and 2.3(c)(3), the very best of practices respecting health and safety and in a manner that recognizes and minimizes the risks to workers, other individuals and property.

The Contractor will forward to OPG for OPG's review and prior approval, without delay, any changes to its safety program made during the course of providing the Project. The Contractor will also provide OPG with a copy of the safety program of each Subcontractor for OPG's review and prior approval. OPG will monitor the compliance of the Contractor and Subcontractors with these requirements through field inspections from time to time during the course of the provision of the Project. The Contractor will rectify any deficiencies immediately upon written or verbal direction from OPG's Project Representative or his or her

OPG Designated Delegate. OPG may also have any aspect of the Contractor's safety program reviewed by Persons designated by OPG. The Contractor will provide these inspectors and other Persons with prompt access to the Site and all premises and documents required for such review. The Contractor will forward to OPG, without delay, any change to the Council Amendment to Draft #7 (CAD-7) rating of the Contractor or to any Subcontractor providing the Project at the Site.

- (d) **Effect of Review.** If OPG reviews, comments on, accepts, rejects or fails to review, comment on, accept or reject any aspect of the Contractor's or a Subcontractor's safety program (including at a meeting or as part of OPG's inspections or reviews), or if the Contractor or a Subcontractor satisfies or fails to satisfy any comments or concerns of OPG, such action or failure to act will not in any way relieve the Contractor from any of its safety obligations under the Contract.
- (e) **Safety Representative.** The Contractor will provide a qualified and experienced full time health and safety supervisor. The Contractor will make this supervisor's sole obligation the training of the Contractor's Personnel in safety, prevention of accidents and the maintaining, reviewing, revising and supervising of safety precautions and programs.
- (f) **Safety Precautions and Remedies**
  - (1) **Protection.** Subject to a written or verbal direction from OPG's Project Representative or his or her OPG Designated Delegate to the Contractor, the Contractor will be solely responsible for initiating, maintaining, reviewing, revising and supervising all safety precautions and programs in respect of the Project. The Contractor will take all necessary precautions (including ensuring that all of the Contractor's Personnel are equipped with, and properly use, all safeguards and personal protective equipment necessary for the provision of the Project) for the safety of, and will provide the necessary protection to prevent damage, injury or loss resulting from the provision of the Project to:
    - (A) each Person who is on the Site or who may otherwise be affected by the provision of the Project, including the Contractor's Personnel and members of the public;
    - (B) any of the Goods, whether in storage on or off Site;
    - (C) the Project; and
    - (D) any other property on, under, over or near the Site, whether belonging to OPG or to any other Person, including buildings and other structures, facilities, fences, gates, pavements, roadways, sidewalks, walks, vegetation and utilities that are not designated for removal and disposal in the course of providing the Project.

- (2) **Work Protection.** The Contractor will provide the Project under work protection ensuring that equipment being worked on is safely isolated and de-energized. Generally, OPG will provide isolation and de-energization, although the Contractor is responsible for co-ordinating all work protection with OPG's Project Representative or his or her OPG Designated Delegate. Under special circumstances, suitably trained and qualified members of the Contractor's Personnel may be permitted to apply trades administered work protection in accordance with OPG's work protection code, a copy of which has been made available to and reviewed by the Contractor.
- (3) **Notification of Owners.** The Contractor will promptly deliver a Notice to OPG's Project Representative as the Contractor becomes aware of, and indicating the identity of, each utility, owner of underground facilities and owner of property (excluding OPG and its subsidiaries) on, under, over or near the Site that may be affected by the Project and how each such utility or owner may be affected. OPG will deliver a Notice to the Contractor indicating the identity of each such Person and the Contractor will, at OPG's direction, deal with or co-operate with OPG in dealing with settling all issues respecting the provision of the Project, including the protection, removal, relocation or replacement of the property of any such Person.
- (4) **Repair of Damage.** To the extent that any third party, such as a utility, owner of underground facilities or owner of property (excluding OPG and its subsidiaries) on, under, over or near the Site suffers or incurs any Losses to any property caused by the Contractor or a Subcontractor, the Contractor will remedy such Losses in a timely manner and at the Contractor's expense. The Contractor will indemnify and hold harmless each member of the OPG Group, from and against all Losses suffered or incurred by a member of the OPG Group and all claims, demands, actions, suits or proceedings for Losses made against any member of the OPG Group by any Person, to the extent arising in respect of the Services or the Goods.
- (g) **Safety Reports.** During the provision of the Project, the Contractor will provide OPG's Project Representative with:
  - (1) a verbal report immediately of all accidents, near misses or high MRPH incidents which the Contractor is required to provide to OPG in accordance with OPG's safety incident management standard, a copy of which has been made available to and reviewed by the Contractor, including any serious incident requiring off-site medical attention or near miss incidents which do or could have resulted in the death of, or serious injury to, a worker or other Person on or off the Site or an incident which has resulted in the death of or serious injury to a worker or other Person on or off the Site;

- (2) an immediate verbal report of all high MRPH incidents and evidence that a senior executive of the Contractor has also made this report immediately to OPG's Project Representative;
- (3) within 24 hours of an accident, construction occurrence or incident report, a copy of all accident, construction occurrence and incident reports which the Contractor, any Subcontractor, or OPG is required to submit in respect of the Project under the *Occupational Health and Safety Act*, 1997 (Ontario) or the *Workplace Safety and Insurance Act*, 1997 (Ontario);
- (4) within 24 hours, Notice of any visits by the Ministry of Labour and copies of any reports, orders to comply, charges, stop work orders, and notices of compliance under the *Occupational Health and Safety Act*, 1997 (Ontario) or other Applicable Laws;
- (5) a copy of the minutes of each meeting of the joint health and safety committee; and
- (6) a monthly report within 10 days of each month's end with safety statistics for the Contractor and all Subcontractors providing the Project at the Site. The Contractor will include in this report, with a brief description of each incident and injury:
  - (A) the number of injuries resulting in a worker requiring medical aid;
  - (B) the number of near miss incidents or high MRPH incidents which could have resulted in the death of, or serious injury to, a worker;
  - (C) the number of injuries resulting in a worker's absence from one or more complete shifts;
  - (D) the time off each worker takes off from work for each injury;
  - (E) the number of Ministry of Labour orders to comply; and
  - (F) the total number of person hours worked by the Contractor's Personnel at the Site broken down between the Contractor and each Subcontractor.

(h) **Project Specific Site Safety Plan.**

- (1) If required by the Worksheet, the Contractor will perform a safety hazard analysis to identify all significant safety hazards in respect of the Project. Based on this analysis, the Contractor will prepare a Project specific Site safety plan (as amended from time to time, the "**Project Specific Site Safety Plan**") which will document how the Contractor will address all significant safety hazards. The Contractor will provide a copy of this Project Specific Site Safety Plan to OPG's Project Representative



promptly after completion and at least ninety (90) days prior to the OPG approved commencement date for the provision of work in respect of the Project at the Site. The Contractor will provide for the communication of the Project Specific Site Safety Plan to all Contractor's Personnel performing work in respect of the Project at the Site, and to all Subcontractors. The Contractor will provide to OPG's Project Representative, without delay, any changes to the Project Specific Site Safety Plan made during the course of the provision of the work in respect of the Project.

- (2) If required by the Worksheet, the Contractor shall also prepare and provide OPG's Project Representative with a detailed job safety analysis (as amended from time to time, the "**Job Safety Analysis**") for the Project at least ninety (90) days before the provision of any of the work in respect of the Project to which the Job Safety Analysis relates. The Contractor will revise and resubmit the Job Safety Analysis, where required, to account for any changes to the Services made in accordance with the Contract or the Contractor's planned work methods. The Contractor will identify in each Job Safety Analysis the potential hazards and "Maximum Reasonable Potential for Harm" as that term is defined in OPG's procedure OPG-SFTY-STD-005 associated with each job step in the performance of work in respect of the Project and indicate what controls and barriers will be implemented for each potential hazard and Maximum Reasonable Potential for Harm. The Contractor will clearly communicate to all applicable Contractor's Personnel the contents of each Job Safety Analysis, as revised, before such Persons commence their applicable part of the work in respect of the Project. The Contractor will forward to OPG, without delay, any changes to the Job Safety Analysis made during the performance of the work in respect of the Project.

- (i) **Hazard Communication Programs.** The Contractor will co-ordinate all exchanges of material safety data sheets and other hazard communication information related to the Project required to be made available to, or exchanged between or among, Persons at the Site.

- (j) **Designated Substances and Other Hazardous Materials.**

- (1) The Contractor shall obtain OPG's prior approval before bringing any "designated substances" (as defined under the *Occupational Health and Safety Act, 1997* (Ontario), the "**Designated Substances**") on or into the Site. The Contractor shall be solely responsible for any such Designated Substances brought on or into the Site by it, and shall fully remove any remaining amounts prior to or upon completion of the Work in respect of the Project. The Contractor shall also ensure that in no event will Designated Substances be incorporated into the permanent facilities.

- (2) The Contractor shall not expose OPG's personnel to any potentially hazardous materials or substances except as permitted in OPG's hazardous materials ("HAZMAT") approved material list.
- (3) Prior to execution of the Contract, OPG will provide (either by providing access to an applicable database or otherwise) the Contractor with a list of Designated Substances, if any, present at the Site as required pursuant to the *Occupational Health and Safety Act, 1997* (Ontario).
- (k) **Indemnity Relating to Safety.** To the extent that any member of the Contractor Group is responsible for, caused or contributed to, in whole or in part, the circumstances giving rise to a violation, charge, fine, order, direction, stop work order or other consequence pursuant to legislation applicable to worker health and safety, including the *Occupational Health and Safety Act, 1997* (Ontario) or its Regulations, the Contractor shall indemnify and hold harmless each member of the OPG Group from and against all Losses suffered or incurred by a member of the OPG Group and from and against all claims, demands, actions, suits or any other proceedings for Losses made against any member of the OPG Group in connection with such violation, charge, fine, order, direction, stop work order or consequence.

## 2.4 Environment

- (a) **Compliance and Protection.** In addition to the Contractor's obligation to comply with all Applicable Laws, the Contractor will provide the Project in a manner that:
  - (1) protects health and the environment;
  - (2) complies with the Contractor's environmental management and protection program and plan, a copy of which is attached to the Worksheet;
  - (3) complies with all requirements of OPG's environmental management system manual, a copy of which has been made available to and reviewed by the Contractor, except to the extent the provisions of the manual do not comply with Applicable Laws or the Contract;
  - (4) adequately anticipates, protects and plans for impacts to the environment, including spills, erosion and sedimentation, waste disposal and the use, storage and disposal of hazardous materials; and
  - (5) uses all commercially reasonable efforts to reduce, reuse or recycle non-hazardous and non-radioactive waste.
- (b) **Permission.** The Contractor will obtain the prior written consent of OPG's Project Representative, in the form attached as Attachment 2.4(b) before:
  - (1) discharging, releasing, emitting or depositing; or

- (2) disturbing any vegetation or wildlife on the Site through discharging, releasing, emitting or depositing,

any substance, material, solid, liquid or gas, exposure to which is prohibited, limited or regulated by Applicable Laws, OPG's environmental management system manual or the Contractor's environmental management and protection program and plan.

- (c) **Notices.** The Contractor will immediately provide OPG's Project Representative with Notice in the form attached as Attachment 2.4(b):

- (1) of any changes to its environmental management and protection program and plan made during the course of providing the Project for OPG's review and prior approval;

- (2) of any discharges, spills, releases, emissions, deposits or leaks of:

- (A) fuels, oils, hydraulic fluid, herbicides; or

- (B) any substance, material, solid, liquid or gas, exposure to which is prohibited, limited or regulated by any Applicable Law, OPG's environmental management system manual or the Contractor's environmental management and protection program and plan,

that occur at or near the Site or that occur with materials owned or controlled by the Contractor or a Subcontractor; and

- (3) upon receipt of any order, directive, notice or other communication whatsoever received from any Governmental Authority respecting any substance, material, solid, liquid or gas, exposure to which is prohibited, limited or regulated by any Applicable Law, together with a copy of such order, directive, notice or other communication.

- (d) **Clean up.** Unless otherwise specified in the applicable Purchase Order, the Contractor is responsible for the transport, receipt, inspection, use, storage and disposal of all hazardous and non-hazardous substances, materials, solids, liquids and gases that are brought on to the Site or created at the Site by the Contractor or any other member of the Contractor Group during the provision of the Project. The Contractor will, to the satisfaction of all applicable Governmental Authorities and OPG, in a timely manner, at the Contractor's expense, prevent all further discharges, spills, releases, emissions, deposits or leaks contrary to and clean up, dispose of and otherwise comply with all requirements of:

- (1) Applicable Laws;

- (2) to the extent not inconsistent with section 2.4(d)(1), OPG's then current environmental management system manual; or

- (3) to the extent not inconsistent with sections 2.4(d)(1) and 2.4(d)(2), the Contractor's environmental management and protection program and plan as at the date of the Contract, as amended in accordance with section 2.4(c)(1),

respecting all discharges, spills, releases, emissions, deposits or leaks of any substances, materials, solids, liquids or gases whatsoever that are caused by the Contractor and that occur at or near the Site or that occur with materials owned or controlled by the Contractor or any other member of the Contractor Group.

- (e) **Disposal of Hazardous Waste.** Unless otherwise specified in the applicable Purchase Order, the Contractor may not dispose of any waste, including any hazardous waste (as that term is defined in the regulations to the *Environmental Protection Act* (Ontario)), including asbestos, polychlorinated biphenyls, petroleum products or radioactive materials and any Designated Substances, or disturb any vegetation on, under, over or near any property owned, leased or licensed by OPG or any of its subsidiaries or in which OPG or any of its subsidiaries has an interest, in whole or in part, including the Site. The Contractor will not incorporate any Designated Substances in the Project.
- (f) **Remedy for Breach.** Subject to section 3, the Contractor will indemnify and hold harmless each member of the OPG Group from and against all Losses suffered or incurred by a member of the OPG Group and all claims, demands, actions, suits or proceedings for Losses made against any member of the OPG Group by any Person in respect of any breach by the Contractor of any of its obligations under sections 2.4(a) to 2.4(e) inclusive.

## 2.5 Professional Services

- (a) **Provision.** The Contractor will provide all the Professional Services necessary or desirable to provide the Project.

## 2.6 Commissioning and Completion

- (a) **Commissioning Phase.** Unless otherwise specified in the applicable Purchase Order, during the commissioning phase for the Project as set out in the Project Schedule, the Contractor will:
- (1) be responsible for the start-up, testing, verification, calibrating, refining and adjusting of all mechanical or electrical elements, equipment or systems, in the presence of OPG's personnel, to ensure that installation and performance are as specified in the Contract and suitable for use by OPG;
  - (2) demonstrate operation of equipment and systems for the Project and train OPG's staff to operate and maintain the Project;

- (3) develop systems and procedures for use by OPG in the control of the operation and maintenance of, and record keeping for, the Project; and
  - (4) provide manufacturers' authorized representatives, specialists and/or representatives of Subcontractors as may be required by OPG for the Project.
- (b) **Demonstrations.** Unless otherwise specified in the applicable Purchase Order, the Contractor will, before any demonstrations, inspect and put into operation all equipment and systems in accordance with the OPG Specifications; perform testing, adjusting and balancing; ensure equipment and systems are fully operational; and provide to OPG copies of completed operation and maintenance manuals for use in demonstrations. The Contractor will submit a schedule, for OPG's approval, with the time and date for the demonstration of each item of equipment and each system, with a list of all personnel to be present, not more than one month and not less than two weeks before designated dates.

## 2.7 Procurement

- (a) **Goods.** Unless otherwise specified in the applicable Purchase Order, the Contractor will be responsible, at the cost agreed to in the applicable Purchase Order, for manufacturing or supplying or procuring, factory testing, transporting, delivering, inspecting, receiving and installing all Goods, and providing all construction equipment, tools, transportation, fuel, construction and start-up power, air, light, heat, communications, water (including potable water), sewer connections and temporary structures and facilities, including for offices, lunchrooms, canteens, sanitation, showers, change rooms, accommodations, shops, warehouses and garbage disposal, and all other goods and services reasonably required in respect of the Project. The Contractor will maintain all construction equipment, tools and such temporary structures and facilities in good working order. The Contractor will conduct all these activities in accordance with the Contract. Unless otherwise specified in the applicable Purchase Order, the Contractor will be responsible, at the cost agreed to in the applicable Purchase Order, for all first fills of all chemicals, lubricants and other liquids and gases respecting the Project. The Contractor will maintain absolute control over, and exclusive responsibility for, the Contractor's own, and each Subcontractor's own, operations and the Contractor's Personnel.
- (b) **Warranty on Goods.** The Contractor will ensure that all Goods will be fit for the purposes set out in the Contract, new, unused, not Defective and free from all Liens, of good quality and comply with all requirements under the Contract. All warranties and guarantees set out in the Contract are for the benefit of OPG. If required by OPG, the Contractor will provide satisfactory evidence (including reports of required inspections, tests and approvals) as to the kind and quality of all Goods. The Contractor will ensure that all Goods will be constructed, applied, assembled, erected, installed, used, connected, adjusted, field tested, conditioned, cleaned, commissioned and cleaned up in accordance with instructions of the

applicable Subcontractor, except to the extent as may otherwise be provided in the Contract.

- (c) **Procurement Plan.** If required by the Worksheet, the Contractor will develop a Procurement Plan for procurement of the Goods. The Procurement Plan will be provided to OPG for acceptance. Any deviation of mandatory criteria from the Procurement Plan will require approval by OPG.
- (d) **Delivery.** The Contractor will be responsible for arranging its design, manufacturing, and shipping schedules so that the Goods will arrive at the stipulated destination in accordance with the delivery schedule and will be aligned with the Project Schedule. The Contractor will deliver the Goods to the delivery point by the date specified in the Project Schedule. Contractor will not deliver the Goods prior to the date specified in the Project Schedule without the written consent of OPG's Project Representative, acting in its sole discretion. Unless otherwise specified, the Goods will be delivered duty paid (DDP), as that term is defined in the Incoterms 2010, to the Site, by the date specified in the Project Schedule and will be specifically documented by the Contractor in the applicable Procurement Plan, if any (unless otherwise specified in the applicable Purchase Order).
- (e) **Good Shipping and Storage Practices.** To the extent applicable, the Contractor will transport, deliver, receive, and store (whether on site or off site) all Goods in accordance with good shipping and storage practices (as recommended by the applicable manufacturer and/or Subcontractor or, if applicable, OPG) and in accordance with Applicable Laws, Prudent Practices and the terms and conditions for all applicable insurance policies.
- (f) **Electrical Safety.** The Contractor will ensure that all electrical Goods, before delivery, has the safety approval of the Canadian Standards Association (CSA), United Laboratories (UL) or the electrical approval of the Electrical Safety Authority (ESA). The Contractor will arrange for such approval at its expense.

## 2.8 Shipping and Packaging Instructions

- (a) **Shipping.** Where applicable, the Contractor will ship Goods complete and ready for installation. If the size of the Goods prevents the Contractor from shipping it fully assembled, the Contractor will segregate the Goods into components to allow safe and convenient transportation. The Contractor will only release and ship Goods when the following conditions have been met:
  - (1) release form has been signed by OPG's Project Representative;
  - (2) certified test results required by the Contract have been accepted by OPG;
  - (3) certificate of conformance, where applicable, has been accepted by OPG;

- (4) shipping bill of material has been submitted by the Contractor and accepted by OPG; and
  - (5) all relevant Documents have been accepted by OPG.
- (b) **Receipt.** The receipt or taking delivery of the Goods by OPG will not be deemed a waiver of any right, claim or remedy of OPG under the Contract or otherwise.
- (c) **Packaging.** When applicable, the Contractor will pack, brace and load all Goods in a manner as to prevent physical damage and damage from climatic conditions. The Contractor will clearly mark on the outside of the shipping container all specific instructions setting out any precautions required during shipping and storage in a durable envelope attached to the container and suitably labeled. The Contractor will ensure that all openings in Goods such as vessels, valves and pumps will be sealed. The Contractor will ensure that where necessary, skids, hauling eyes, jacking plates, and sling hooks, will be provided for unloading and field assembly. The Contractor will ensure that where pallets are required for shipping purposes, the Contractor must obtain approval from OPG's Project Representative to use wooden pallets prior to shipping. The Contractor will ensure that all cages, packages, boxes, crates, bundles, and unpackaged components will be clearly and indelibly marked to show necessary shipping information. Any damage to the Goods during shipping shall be the Contractor's sole liability and responsibility.
- (d) **Marking.** When applicable, the Contractor will apply markings suitable to the type of product and packaging involved and will provide the following information:
  - (1) destination address and OPG's Purchase Order number;
  - (2) material identification number, as applicable, and other identifications specified in the Purchase Order;
  - (3) the Contractor's shipment identification number, numbering of packages, boxes, crates, components, or assemblies of the shipment; and
  - (4) the mass and sizes of each major component or assembly (if the lifting points are critical, they will be clearly marked by the Contractor and identified).
- (e) **Packing Slip.** When applicable, the Contractor will provide a detailed packing slip, listing each separate item, in a waterproof envelope and firmly attached to each shipping container. The Contractor will ensure each packing slip includes the following certification:

"The Goods listed herein have been inspected and tested by the Contractor and are in conformance with the contract requirements and approved for shipment".

The Contractor must endorse such certification with the signature and title of an authorized representative of the Contractor's quality authority. The Contractor will ensure that such certification includes references to the Purchase Order number, purchase order line number and material identification number.

The Contractor will mail a duplicate copy of the packing slip to OPG's Project Representative as soon as a shipment is ready for dispatch.

## **2.9 Hazardous Material**

The Contractor, when shipping to the Site or to any other location any product which is categorized as hazardous material (including compressed gas, flammable or combustible material, oxidizing material, poisonous and infectious material, corrosive material or dangerously reactive material), will comply with all relevant federal and provincial regulations and all applicable OPG procedures and policies pertaining to such materials. The Workplace Hazardous Material Information System (WHMIS) will apply and all such materials will be properly identified with WHMIS type warning labels. All shipments of such material will include a Material Safety Data Sheet (MSDS) with a copy to the OPG MSDS Centre, 1549 Victoria Street East, Whitby, Ontario L1W 3C7, Attention: Technical Information Services.

## **2.10 Reference Points**

The Contractor will establish the layout for the Project and will maintain and protect the reference points and property monuments, if any, established by OPG. The Contractor will ensure that such reference points are not changed or relocated without the prior written consent of OPG's Project Representative. The Contractor will promptly report to OPG's Project Representative whenever any reference points or property monument are lost or destroyed or require relocation because of necessary changes in grades or locations. If OPG's Project Representative provides consent to any change to, or relocation of, a reference point or property monument, the Contractor will cause such change or relocation to be carried out accurately by professionally qualified individuals.

## **SECTION 3 – HAZARDOUS CONDITIONS**

### **3.1 Division of Responsibility**

OPG will be responsible for the costs of dealing with a Hazardous Condition encountered at the Site that (1) was not identified in the OPG Specifications to be part of the Project; or (2) the Contractor was not otherwise responsible for under the Contract, including pursuant to section 2.4 of this Appendix. Subject to the previous sentence, the Contractor will be responsible for any Hazardous Condition arising in respect of providing the Project.

### **3.2 Actions on Discovery**

Immediately on the discovery of a Hazardous Condition on the Site, the Contractor will:

- (a) in accordance with Prudent Practices, act to contain the Hazardous Condition in order to minimize the impact of the Hazardous Condition;



- (b) stop all work in respect of the Project in the area that could reasonably be affected by the Hazardous Condition, subject to section 3.4(d) of the ES MSA; and
- (c) verbally notify OPG of the discovery and confirm by Notice within 48 hours of the discovery.

### **3.3 Corrective Action Plan**

OPG will promptly determine whether it is necessary or desirable to retain a qualified expert to evaluate the Hazardous Condition. Unless the Parties otherwise agree, the Party that is responsible for the Hazardous Condition under section 3.1 will be responsible for establishing a corrective action plan and for obtaining any required Approvals from any applicable Governmental Authorities. Any corrective action plan developed by the Contractor will be in accordance with Prudent Practices and will minimize the impact on the Contract Price, Key Milestones and Project Schedule. The Contractor will advise OPG of any proposed change to the Contract Price, calculated in accordance with the ES MSA, and of any proposed changes to the Project Schedule and/or the Key Milestones that the Contractor estimates will occur as a result of its corrective action plan. The Contractor will not resume work in respect of the Project in the area that could reasonably be affected by the Hazardous Condition until the corrective action plan has been established and any such required Approvals have been obtained.

## **SECTION 4 - RELATED CONSTRUCTION AT SITE**

### **4.1 Providing Additional Services**

OPG may provide additional services and goods at the Site that are not contemplated by the Contract. These services and goods may be provided directly by OPG's employees or indirectly under contracts with utility owners or other third parties. The Contract Price, the Key Milestones and the Project Schedule incorporate all costs and delays respecting those services and goods listed in the Worksheet that are to be provided by OPG or a third party. If, after the date of the Contract, OPG determines that additional services or goods not listed in the Worksheet are to be provided by OPG or a third party, OPG will give Notice of such services and goods to the Contractor, together with any anticipated additional changes to the Project Schedule. The Contractor will accommodate these changes. The Contractor may, however, make a claim in accordance with section 7.1 of the ES MSA, if such additional services or goods will involve material additional expense for the Contractor or will materially affect the Project Schedule. Unless otherwise set out in the Contract or specified by OPG's Project Representative in writing, the Contractor will have sole authority and responsibility for co-ordination of all additional services and goods in connection with the Project.

### **4.2 Access to the Site**

If OPG desires to provide, directly or indirectly, any additional services or goods at the Site in accordance with section 4.1, the Contractor will provide OPG or the applicable third party with reasonable and safe access to the Site to provide the services and goods (and to store goods, construction equipment and tools). In addition, the Contractor will co-ordinate the Project with such additional services and goods. The Contractor will do all cutting, fitting, patching and take

all other actions required in respect of the Project to the extent, if any, which is required to integrate the Project with the contribution provided by the additional services and goods.

#### **4.3 No Interference with Additional Services**

The Contractor will not alter, interfere with or make it difficult to access the product of any additional services or goods provided under section 4.1. The Contractor will not take any such actions without the prior written consent of OPG and the applicable third party, if any.

#### **4.4 Report of Delays or Defects**

If the proper provision of any part of the Project depends upon additional services or goods provided under section 4.1, the Contractor will, following reasonable notice from OPG, promptly inspect such services and goods and promptly provide written Notice, in the form of document attached as Attachment 4.4 to OPG of any delays or defects in such services or goods that render such services or goods unavailable or unsuitable for the proper or prompt provision of the Project. If the Contractor does not provide Notice to OPG under this section 4.4 of any such delay or defect to OPG in a timely manner, the Contractor will be deemed to have accepted such services and goods as fit and proper for integration with the Project.

### **SECTION 5 – SUBSTANTIAL COMPLETION AND FINAL COMPLETION**

#### **5.1 Substantial Completion**

- (a) **Notice of Ready for Use.** The Contractor will deliver a Notice in the form attached as Attachment 5.1(a) to OPG (including a punch list of all items that remain unfinished and which will not impair the intended use of the Project and a schedule for entirely finishing each such item) when:
- (1) “**substantial performance**” has occurred, as such term is defined in the *Construction Lien Act* (Ontario);
  - (2) the Project has progressed to the point where the Project is ready for use and is sufficiently complete, in accordance with the Contract, so that the Project may be used as intended in accordance with the Contract;
  - (3) the cost to entirely finish the Project that remain unfinished and to correct any known Defective parts of the Project does not exceed the amount, if any, specified in the definition of “substantial completion” set out in the Worksheet;
  - (4) the Contractor has obtained and delivered to OPG the Approvals which the Contractor is required to obtain;
  - (5) the Project has been commissioned and meets all of the tests if any, required under the Contract (including those, if any, specified in the definition of “substantial completion” set out in the Worksheet);

- (6) the Project is operating materially in accordance with the requirements of the Contract (including those, if any, specified in the definition of “substantial completion” set out in the Worksheet);
- (7) the Contractor has delivered copies of all certified reports of the performance tests required under the Contract (including those, if any, specified in the definition of “substantial completion” set out in the Worksheet);
- (8) the Contractor has satisfied all other requirements set out in the Worksheet which the Contractor is required to satisfy, and all other conditions to “substantial completion” included in the definition of “substantial completion” set out in the Worksheet have been fulfilled and satisfied; and
- (9) the Contractor has delivered to OPG’s Project Representative a certificate of an independent Professional (who will be approved in advance by OPG which approval will not be unreasonably withheld). This certificate will be prepared at the Contractor’s expense. The Professional’s certificate will:
  - (A) confirm compliance with this section 5.1(a); and
  - (B) confirm the operability of the Project in accordance with the Contract.

When OPG determines, acting reasonably, that all of the terms of sections 5.1(a)(1) to 5.1(a)(8) inclusive have been complied with then “**Substantial Completion**” has occurred.

- (b) **Joint Inspection.** Within a reasonable time after receipt of the Notice under section 5.1(a), the parties will make a joint inspection of the Project to determine the status of the Project and each outstanding item, including each item set out in the Notice delivered under section 5.1(a). If OPG determines that Substantial Completion has not occurred in accordance with section 5.1(a), OPG will deliver a Notice in the form of document attached as Attachment 5.1(b) to this effect to the Contractor, giving reasons and the Contractor will correct such errors and deficiencies at its sole cost as soon as possible. If OPG determines that Substantial Completion has occurred in accordance with section 5.1(a), OPG will deliver a Notice in the form of document attached as Attachment 5.1(b) containing a certificate of Substantial Completion. This certificate will fix the date of Substantial Completion. The parties will then sign a certificate of substantial completion as contemplated by section 32(1)1 of the *Construction Lien Act* (Ontario). The Contractor will then promptly publish the notice in accordance with the *Construction Lien Act* (Ontario) and deliver proof of publication to OPG’s Project Representative.
- (c) **Punch List and Allocation of Responsibilities.** OPG will attach to the certificate of Substantial Completion a punch list of items that are to be entirely

finished or are Defective and must be corrected or replaced by the Contractor before final payment will be made. At the time of delivery of the certificate of Substantial Completion, OPG will also deliver to the Contractor a written allocation of responsibilities between OPG and the Contractor pending final payment respecting safety, security, operation, maintenance, heat, utilities, insurance and warranties and guarantees respecting the remaining Project. The Contractor will deliver a Notice to OPG each week setting out an update as to the status of completion of each punch list item.

- (d) **Access to Perform Remaining Obligations.** OPG may exclude the Contractor from the Site, in whole or in part, after the date of Substantial Completion. OPG will, however, allow the Contractor reasonable access to such parts of the Site as are required to permit the Contractor to finish entirely or correct all items on the punch list.

## 5.2 Final Inspections

When the Contractor considers that it has entirely finished or corrected all items on the punch list, the Contractor may deliver a Notice to this effect to OPG. Promptly following receipt of this Notice, the parties will make a joint inspection of the Project. OPG will then deliver a Notice in the form attached as Attachment 5.2 to the Contractor stating either that:

- (a) OPG accepts the Project as being entirely finished, including because the Contractor has delivered to OPG all Approvals and other written or graphic documents, designs, drawings, specifications, plans, reports, information and other deliverables or data required to be provided by the Contractor to OPG under the Contract and because the Contractor has satisfied all requirements of Applicable Laws; or
- (b) there are items remaining to be entirely finished or that are Defective and must be corrected or replaced by the Contractor. The Contractor will promptly take such actions as are necessary to finish entirely, correct or replace all such items. Once the Contractor has finished all such actions, the Contractor will deliver another Notice to OPG in accordance with this section 5.2.

## SECTION 6 – ACCEPTANCE OF PROJECT AND CORRECTION OF DEFECTS

### 6.1 Warranty

- (a) **Basic Warranty.** The Contractor warrants and guarantees to OPG that, for the duration of the Warranty Period:
  - (1) the Project will in all respects be fit for the purposes set out in the Contract, including the OPG Specifications; and
  - (2) the Project will be provided in accordance with the Contract including any additional warranties contained in the Worksheet.

- (b) **Exclusions.** The Contractor's warranties and guarantees in section 6.1(a) do not apply to the extent that any breach of the warranty or guarantee is due to:
- (1) maintenance or operation by OPG contrary to any maintenance or operating instructions delivered by the Contractor to OPG;
  - (2) conditions of operation materially more severe than those specified for the Project;
  - (3) the negligence of OPG or any Person providing services to OPG, other than the Contractor or a Subcontractor, or the willful destruction of the Project or any part thereof by OPG;
  - (4) the effects of reasonable wear and tear under normal usage by OPG (other than as a result of a failure of such warranty or guarantee); or
  - (5) any repair, replacement or correction of a Defective part of the Project by a third party (other than a third party authorized by the Contractor or a Subcontractor) except where such repair, replacement or correction by such third party was as a result of the Contractor's failure to comply with its obligations under this Agreement.
- (c) **Risk of Loss.** The Project will remain at the sole risk of the Contractor against loss or damage up to and including the Final Completion Date or, with respect to any part of the Project, such earlier date as OPG accepts care, custody and control of such part of the Project (but excluding damage that was caused by OPG unless such damage was caused by OPG as a result of the Contractor's failure to comply with any of its obligations under the Contract).

## 6.2 Access to Project

The Contractor will provide access to the Project, the Site and the premises of the Contractor and Subcontractors, at all reasonable times and from time to time, to OPG's Project Representative, and at the request of OPG's Project Representative, to his or her OPG Designated Delegate, for the purposes of viewing, performing surveillance on, inspecting, testing and/or accepting the Project, in whole or in part, including to monitor compliance with the Contract and any applicable quality assurance program. In particular, the Contractor will deliver a Notice to OPG's Project Representative providing OPG with Notice of at least four Business Days before OPG is required to inspect any Goods at any hold point in any inspection plan. At the request of OPG's Project Representative, the Contractor will promptly provide to OPG's Project Representative and/or his or her OPG Designated Delegate a copy of all the documents respecting any subcontract for the Project subject to viewing, performing surveillance, inspecting, testing and/or accepting. No such viewing, performing surveillance, inspecting, testing and/or accepting by OPG will relieve the Contractor of any of its obligations under the Contract. The Contractor will advise each applicable representative of OPG of the Contractor's or Subcontractor's applicable site safety procedures and policies. The Contractor will provide each such representative with proper and safe transportation and conditions for such access.

### 6.3 Inspections, Tests and Approvals

The Contractor will with promptness and in an orderly sequence so as not to cause any delay to the Project arrange for and obtain all inspections, tests and approvals required for the acceptance of Goods that are to be incorporated or used in the Project. The Contractor will ensure that each inspection, test or approval that is required to be carried out, in whole or in part, by a Professional, is so carried out by a Professional. The Contractor will pay all costs respecting such inspections, tests and approvals. If the Contract, the applicable quality assurance program or any Applicable Laws or Approvals require any part of the Project to be inspected, tested or approved, in whole or in part, the Contractor will arrange for and obtain all such inspections, tests and approvals. The Contractor will pay all costs respecting such inspections, tests and approvals and will reimburse OPG for OPG's costs if at any hold-point date any test, inspection or approval is not successfully completed due to an act or omission of the Contractor or fails such test, inspection or approval. The Contractor will deliver to OPG all certificates, reports and other documents respecting any inspections, tests and approvals made in accordance with this section 6.3 or the Contract, including the Worksheet. The Contractor will give OPG reasonable Notice of the date, time and location for all inspections, tests or approvals carried out under this section 6.3 or the Contract, including the Worksheet so that OPG and OPG's Designated Delegates can attend. If Notice is not given, OPG may require the inspection, test or approval to be redone. If any such approval is to be issued in the name of OPG or that will affect the operation of the Project following the Final Completion Date, the Contractor will submit the draft approval to OPG's Project Representative or his or her OPG Designated Delegate for acceptance, before the Contractor obtains this approval. The Contractor will only obtain any such approval following receipt of the written acceptance of OPG's Project Representative or his or her OPG Designated Delegate of the draft approval. In addition to any other inspection, test or approval set out in the Contract, OPG may require, at its cost (but, for certainty, without payment of any amount to the Contractor), any other inspection, test or approval of any part of the Project, in whole or in part, either on or off the Site, upon Notice to the Contractor.

### 6.4 Uncovering Project

- (a) **Covered Without OPG's Consent.** If, without the prior written consent of OPG, the Contractor covers any part of the Project (or the construction work of any Person) that is required under the Contract or Applicable Laws or Approval to be inspected, tested or approved, the Contractor will, at its cost, uncover and recover such part of the Project or construction work. If, however, the Contractor has given OPG timely Notice of the Contractor's intention to cover such part of the Project or the construction work and OPG has not acted with reasonable promptness in response to such Notice, OPG will only be responsible for the reasonable direct Reimbursable Labour Costs of uncovering and recovering such part of the Project or the construction work.
- (b) **Covered Contrary to OPG's Request.** If the Contractor covers any part of the Project (or the construction work of any Person) contrary to the request of OPG, the Contractor will, at its cost, if requested by OPG, uncover and recover such part of the Project or construction work.

- (c) **OPG's Request to Uncover.** If, for any reason not set out in sections 6.4(a) or 6.4(b), OPG wishes to have part of the Project uncovered to be inspected, tested or approved by any Person designated by OPG, the Contractor will, at OPG's request, uncover the requested part of the Project for inspection, testing, approval and providing all necessary Services. If it is determined that any part of the Project uncovered under this section 6.4(c) is Defective, the Contractor will:
- (1) pay all costs for uncovering and recovering the part of the Project requested by OPG to be uncovered;
  - (2) pay all of OPG's reasonable costs of inspection, testing and approval; and
  - (3) correct or replace the Defective part of the Project in accordance with this section 6.4.

If, however, it is determined that none of the Project uncovered under this section 6.4(c) is not Defective, OPG will only pay all the Contractor's reasonable direct Reimbursable Labour Costs for uncovering and recovering the part of the Project requested by OPG to be uncovered.

## **6.5 Notice of Defective Project**

OPG will, within a reasonable period of time after having actual knowledge of a Defective part of the Project and before the expiration of the Warranty Period, deliver Notice to the Contractor of the Defective part, but OPG's failure to do so will not impose any liability on OPG and the Contractor will be estopped from making any claim against OPG for failure to do so. In addition, OPG's failure to do so will not:

- (a) have the effect of transferring any obligation under the Contract from the Contractor to OPG or otherwise have the effect of amending the Contract; or
- (b) will not affect or change in any way the Contractor's,
  - (1) obligation to entirely finish the Project in accordance with the Contract, or
  - (2) responsibility for repairing, replacing or re-providing any Defective part of the Project.

## **6.6 OPG May Stop Construction**

OPG may at any time and from time to time, by delivering a Notice to the Contractor, direct the Contractor to stop the Project, in whole or in part, including, if:

- (a) the Project is Defective, in whole or in part;
- (b) the Contractor fails to supply sufficient competent and skilled workers, in whole or in part;

- (c) the Contractor fails to supply suitable Goods, in whole or in part;
- (d) the Contractor fails to provide the Services, in whole or in part, in a manner that ensures that the entirely finished Project will conform to the Contract; or
- (e) the Contractor has breached any term of the Contract, including due to any act or omission of a Subcontractor that breaches a term of the Contract.

The Contractor may only resume the stopped aspect of the Project to which OPG's direction applies only once the Contractor has remedied the issue that was the cause for OPG to deliver such Notice. OPG is not obliged to deliver a Notice to the Contractor under this section 6.6 for any reason whatsoever. The Contractor will not be entitled to any cost adjustment for the Project being stopped.

#### **6.7 Correction or Removal of Defective Part of Project – Before Substantial Completion**

- (a) **Services Required.** Before Substantial Completion, OPG may accept or reject any Defective parts of the Project, whether or not such part has been incorporated into the Project, on delivery of Notice to this effect to the Contractor. The Contractor will promptly correct all Defective parts of the Project either upon discovery or upon rejection by OPG under this section 6.7. If reasonably requested by OPG, the Contractor will remove any and all Defective parts of the Project from the Site, whether or not such parts have been incorporated into the Project, and replace such parts with parts that are not Defective and that comply with the Contract.
- (b) **Cost to Correct or Remove.** The Contractor will pay all costs respecting the correction of a Defective part of the Project ("**Correction Costs**"), including:
  - (1) all incidental costs of the corrective services or rework, including, as may be required for disassembly, removal, re-installation, re-erection, re-assembly, transportation, insurance, brokerage fees and any applicable Taxes;
  - (2) all of OPG's fees and charges of engineers, architects, accountants, lawyers (on a substantial indemnity basis) and other professionals, all court, arbitration and other dispute mediation or resolution costs and charges, whether incurred through settlement or otherwise, together with interest calculated in accordance with the definition of Losses in the ES MSA; and
  - (3) all costs and charges respecting correction, rework or replacement of any Defective part of the Project, including any part of the Project that was rendered Defective because of the Defective part of the Project, including in respect of any damage or loss arising in respect of such correction or replacement or in respect of any inspections conducted to determine whether any such correction, rework or replacement was required, including, only to the extent covered by insurance, for loss of use.



## **6.8 Correction or Removal of Defective Part of Project – After Substantial Completion**

- (a) **Warranty Period.** In the Contract, “**Warranty Period**” means, in respect of each part of the Project, the greatest of:
- (1) two years following the date of Substantial Completion, subject to any extension made under section 6.8(d);
  - (2) the warranty period specified in any warranty from a Subcontractor for any specific part of the Project;
  - (3) any other warranty period specified in the Contract, including the Worksheet, for all or any specific part of the Project; and
  - (4) the warranty period for any specific part of the Project provided under any Applicable Laws, subject to any extension made under section 6.8(d).
- (b) **Obligation to Correct.** If, at any time and from time to time before the expiration of the Warranty Period, the Project, in whole or in part, including any part of the Project that was rendered Defective because of the Defective part of the Project, becomes or is determined to be Defective or fails because of any defect, the Contractor will promptly, without cost to OPG and in accordance with OPG’s instructions and at times and within the period of time reasonably specified by OPG:
- (1) satisfactorily correct such Defective part of the Project, or, to the extent reasonably requested by OPG, remove such Defective part of the Project from the Site and replace such Defective part with parts which are not Defective and which comply with the Contract; and
  - (2) satisfactorily correct or replace any other damage arising in respect of the actions taken in respect of section 6.8(b)(1) in respect of any inspections conducted to determine whether any actions were required in respect of section 6.8(b)(1).

The Contractor will pay all Correction Costs as described in section 6.7(b). In providing any corrective services under this section 6.8(b), the Contractor will comply with all applicable terms of the Contract and will endeavour to minimize interference with, and impact on, OPG’s operations.

- (c) **Failure to Comply.** If the Contractor fails to comply with its obligations under section 6.8(b) or any other term in the Contract as expeditiously as is commercially reasonable and within the time period reasonably specified by OPG, or if there is an emergency that poses a significant risk of loss or damage to the Project or any Person, OPG may take, directly or indirectly, any of the actions contemplated under section 6.8(b) or such other actions as are reasonable in the circumstances, without affecting any other rights or remedies OPG may have against the Contractor under the Contract. The Contractor will pay all Correction

Costs as described in section 6.7(b) respecting all such actions, plus a fee of 15%. In respect of any action taken by OPG, directly or indirectly, under this section 6.8(c), OPG may without terminating the Contract:

- (1) eject and exclude from the Site the Contractor, any Subcontractor and any of the Contractor's Personnel;
- (2) suspend the Contractor's provision of the Project under the Contract to the extent of such actions;
- (3) take possession of the Site, work in progress, Goods, Contractor's construction equipment, tools, fuel and temporary structures and facilities, including for offices, lunchrooms, canteens, sanitation, showers, change rooms, accommodations, shops, warehouses and garbage disposal, at the Site (and at no additional charge for the retention and use thereof);
- (4) assume any and all subcontracts with Subcontractors;
- (5) avail itself of any performance bond, guarantee or other security provided by the Contractor or a Subcontractor with respect to the applicable part of the Project;
- (6) incorporate or use in the Project all Goods stored at the Site or for which OPG has paid the Contractor but which are stored elsewhere; and/or
- (7) withhold, without interest, all payments to the Contractor under any agreement between OPG and the Contractor until the Contractor's liability to OPG is determined.

The Contractor will allow all members of OPG Group and OPG's other contractors access to the Site to enable OPG to exercise its rights under this section 6.8(c). The Project Schedule will not be changed for any reason relating to any actions taken by OPG, directly or indirectly, under this section 6.8(c).

- (d) **Extension of Correction Period.** Where any correction or replacement of any Defective part of the Project, including any part of the Project that ceases to be used in commercial operations because of the Defective part of the Project, including in respect of any damage or loss arising in respect of such correction or replacement, is carried out under this section 6.8, then the Warranty Period will:

- (1) recommence at the beginning of the Warranty Period under section 6.8(a) respecting the part of the Project that was corrected or replaced, commencing on the date that such corrected or replaced part re-enters commercial operation; and
- (2) respecting the part of the Project that ceases to be used in commercial operations because of the Defective part of the Project, be suspended as at

the date that such Project was taken out of commercial operation and will recommence on the date that such Project re-enters commercial operation.

In no event, however, will the Warranty Period with respect to: (A) Work relating to the Darlington Refurbishment Project be extended for more than 8 years from Substantial Completion; or (B) Work unrelated to the Darlington Refurbishment Project be extended for more than 6 years from Substantial Completion, in each case as specified in the applicable Purchase Order.

- (e) **Repetitive Failure.** In addition to the other provisions of this Section 6.8, in the event that a Defective part of the Project fails during the Warranty Period with a frequency, sameness, or pattern to indicate a logical regularity that exceeds predicted failure rates and in a manner that materially affects the performance of the Project in commercial operations, the Contractor will investigate the source of the defect prior to replacing the Defective part again and make whatever design and engineering changes are necessary, if any, in accordance with the OPG Specifications to correct the Defective part.

## **6.9 Acceptance of Defective Part of Project**

If any part of the Project becomes or is determined to be Defective or fails because of any defect before the expiration of the relevant Warranty Period (as that period may be extended under section 6.8(d)), OPG may deliver a Notice to the Contractor directing the Contractor not to correct or replace the Defective part of the Project in whole or in part. The Contractor will pay all of OPG's costs respecting its evaluation of, and determination respecting, such Defective part of the Project (including all of OPG's fees and charges of engineers, architects, accountants, lawyers (on a substantial indemnity basis) and other professionals and all court, arbitration and other dispute mediation or resolution costs and charges). To the extent OPG accepts any such Defective part of the Project before OPG makes the final payment, the Parties will reduce the Contract Price under a Purchase Order Revision to reflect an equitable reduction in the Contract Price for the Defective part of the Project. To the extent OPG accepts any such Defective part of the Project after OPG makes the final payment, the Contractor will pay OPG an agreed amount that reflects an equitable reduction in the Contract Price for the Defective part of the Project and OPG is unconditionally and irrevocably directed to apply the warranty holdback to this amount (although, if such warranty holdback is exhausted, this situation in no way limits the Contractor's obligations to OPG under the Contract).

## **6.10 Maintenance Services**

If applicable, the Contractor will provide in a timely manner all the maintenance Services and related Goods set out in the Worksheet. In providing such Services at the Site, the Contractor will comply with all applicable terms and conditions set out in the Worksheet respecting the performance of Services at the Site and will endeavour to minimize interference with, and impact on, OPG's operations.

## **6.11 Sole Remedy**

If at any time and from time to time during the Warranty Period any part of the Project becomes or is determined to be Defective, the sole liability of the Contractor and the exclusive remedy of OPG with respect solely to the repair or replacement of such Defective part, will be limited to the warranty remedies set out in this section 6, provided that nothing in this section 6 will serve to limit the Contractor's liabilities or OPG's remedies otherwise provided for under this Agreement. THE EXPRESS WARRANTIES AND CONDITIONS SET FORTH IN THIS CONTRACT ARE EXCLUSIVE AND NO OTHER WARRANTIES OR CONDITIONS OF ANY KIND, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESS OR IMPLIED (INCLUDING WARRANTIES OR MERCHANTABILITY AND IMPLIED WARRANTIES OF CUSTOM OR USAGE) SHALL APPLY.

**Attachment 2.4(b) - Environmental Notice and Consent Form**

**ENVIRONMENTAL NOTICE AND CONSENT**

<b>To: Ontario Power Generation Inc.</b>	Contract: • (the “Contract”)  Contract No.: •  Environmental Notice No. •  Date: •
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Defined terms used in this Environmental Notice have the same meanings given to those terms in the Contract. Under section 2.4(b) of Appendix 1 to the ES MSA included in the Contract, the Contractor hereby requests the written consent of OPG to:

- (a) discharge, release, emit or deposit; or
- (b) disturb vegetation or wildlife on the Site through discharging, releasing, emitting or depositing,

the substance, material, solid, liquid or gas described on Exhibit A to this Environmental Notice in the manner described on Exhibit A to this Environmental Notice.

**[CONTRACTOR]**

By: \_\_\_\_\_  
Name:  
Title:

Consented to by OPG on \_\_\_\_\_, 20\_\_ on the terms set out in Exhibit B to this Environmental Notice.

**ONTARIO POWER GENERATION INC.**

By: \_\_\_\_\_  
Name:  
Title:

**Attachment 4.4 – Notice of Delay Form**

**NOTICE OF DELAY**

<b>To:</b> Ontario Power Generation Inc. ■	<b>Contract:</b> ■ (the “Contract”)  <b>Contract No.:</b> ■  <b>Notice of Delay No.:</b> ■  <b>Date:</b> ■
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Defined terms used in this Notice have the same meanings given to those terms in the Contract. In accordance with section 4.4 of Appendix 1 to the ES MSA included in the Contract, the Contractor hereby gives OPG notice of the delay or defect in the services or goods not being provided under the Contract, details of which are described below:

■ *[Describe issue]*

**[CONTRACTOR]**

By: \_\_\_\_\_  
Name: ■  
Title: ■

## Attachment 5.1(a) - Notice of Substantial Completion Form

### NOTICE OF SUBSTANTIAL COMPLETION

<b>To: Ontario Power Generation Inc.</b> <b>■</b>	<b>Contract:</b> <b>■</b> (the “Contract”)
	<b>Contract No.:</b> <b>■</b>
	<b>Date:</b> <b>■</b>

Defined terms used in this Notice have the same meanings given to those terms in the Contract. In accordance with section 5.1(a) of Appendix 1 to the ES MSA included in the Contract, the Contractor hereby gives OPG notice that Substantial Completion has occurred as follows:

<b>Date of “substantial performance” under the Construction Lien Act (Ontario)</b>	<b>■</b>
<b>Grounds for Requesting Substantial Completion</b>	<b>■</b> <i>[Contractor to confirm that the requirements of the tests for Substantial Completion have been met]</i>
<b>Costs to Finish the Services</b>	<b>\$■</b>
<b>Delivery of Approvals</b>	<b>■</b> <i>[Contractor to set out the dates on which Approvals were delivered and/or attach remaining Approvals]</i>
<b>Delivery of Reports</b>	<b>■</b> <i>[Contractor to set out on dates on which reports were delivered and/or attach remaining reports]</i>
<b>Independent Professional Certificate</b>	Attached as Exhibit A to this Notice.

**[CONTRACTOR]**

By: \_\_\_\_\_  
Name: **■**  
Title: **■**

**Attachment 5.1(b) – Substantial Completion Confirmation Form**

**CONFIRMATION OF SUBSTANTIAL COMPLETION**

<b>To:</b> ■	<b>Contract:</b> ■ (the “ <b>Contract</b> ”)
	<b>Contract No.:</b> ■
	<b>Date:</b> ■

Defined terms used in this Notice have the same meanings given to those terms in the Contract.  
OPG has determined that:

(a) Substantial Completion has occurred effective ■, 20■; or	<input type="checkbox"/>
(b) Substantial Completion has not occurred for the reasons set out in Exhibit A to this Notice.	<input type="checkbox"/>

**ONTARIO POWER GENERATION INC.**

By: \_\_\_\_\_  
Name: ■  
Title: ■



**Attachment 5.2 – Final Completion Confirmation Form**

**CONFIRMATION OF FINAL COMPLETION**

<b>To:</b> ■	<b>Contract:</b> ■ (the “ <b>Contract</b> ”)
	<b>Contract No.:</b> ■
	<b>Date:</b> ■

Defined terms used in this Notice have the same meanings given to those terms in the Contract.  
OPG has determined that:

(a) Final Completion has occurred effective ■, 20■; or	<input type="checkbox"/>
(b) Final Completion has not occurred for the reasons set out on Exhibit A to this Notice.	<input type="checkbox"/>

**ONTARIO POWER GENERATION INC.**

By: \_\_\_\_\_  
Name: ■  
Title: ■

**APPENDIX 2**

**TERMS AND CONDITIONS FOR  
ENGINEERING, PROCUREMENT AND CONSTRUCTION  
(OPG AS OWNER ONLY)**

See attached.

**APPENDIX 2**  
**TERMS AND CONDITIONS FOR**  
**ENGINEERING, PROCUREMENT AND CONSTRUCTION**  
**(OPG AS OWNER ONLY)**

**RECITALS**

- A. These additional terms and conditions applicable to engineering, procurement and construction work (OPG as Owner Only) supplement the terms and conditions on which certain Work (the “**Project**”) will be performed by the Contractor for OPG pursuant to OPG Purchase Order #\_\_\_\_\_ (the “**Purchase Order**”).
- B. The contract between OPG and the Contractor in respect of the Project consists of the ES MSA, this Appendix 2 and the terms and conditions set out in the worksheet (the “**Worksheet**”) included in the Purchase Order (collectively, the “**Contract**”).

**SECTION 1 – DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

Capitalized terms used but not defined in this Appendix have the meanings given to those terms in the ES MSA, and in this Appendix (including the recitals to this Appendix), the following terms have the following meanings:

- (a) **Contract** has the meaning given in the recitals to this Appendix.
- (b) **Correction Costs** is defined in section 5.7(b).
- (c) **Defective** means:
  - (1) any part of the Project that is defective, is inoperative, fails because of any defect or does not comply with the Contract, including any failure to comply with any requirement of any Submittal, reference standard, inspection, test or Approval required for the Project or otherwise referred to in the Contract, including whether or not the non-compliance is the result of defective Services (including design, workmanship and installation) or Goods;
  - (2) any part of the Project that has been negligently performed or provided; or
  - (3) any part of the Project that was damaged on or before the Final Completion Date (but excluding damage that was caused by OPG unless such damage was caused by OPG as a result of the Contractor’s failure to comply with any of its obligations under the Contract).

For clarity, provided the Contractor has complied with its obligations under Schedule 13, defects in the Free Issue Materials do not constitute a Defective part of the Project.

- (d) **Designated Substances** is defined in section 2.3(i)(1).
- (e) **ES MSA** means the Extended Services Master Services Agreement made as of December 19, 2014 between OPG and the Contractor, excluding the Other Appendices, as amended from time to time (and, for greater certainty, excluding any OPG purchase orders issued pursuant to such agreement, other than the Purchase Order).
- (f) **Final Completion Date** means the day on which OPG accepts the Project as being entirely finished under section 4.2(a).
- (g) **Job Safety Analysis** is defined in section 2.3(h)(2).
- (h) **Other Appendices** means each Appendix to the ES MSA, other than this Appendix.
- (i) **Procurement Plan** has the meaning given in Appendix C to the Interface Requirements.
- (j) **Professional** means a licensed professional, including engineers and architects, duly licensed in Ontario, and designated by the Contractor, to provide, in whole or in part, any of the Professional Services.
- (k) **Professional Services** means all the services in respect of the Contract, including with respect to preparing and/or providing detailed documents, designs, drawings (including as built drawings), diagrams, illustrations, schedules, performance charts, brochures, specifications, plans, operating guides, progress photographs, reports, manuals (including operating and maintenance manuals), information, data or other deliverables, models or samples whether in a written, graphic, physical, electronic or other format provided, or required to be provided, by the Contractor to OPG under the Contract, that are:
  - (1) required under Applicable Laws or any Approvals to be provided by a Professional;
  - (2) required by the Contract to be provided by a Professional; or
  - (3) provided by a Professional retained by the Contractor, including by the Contractor's Personnel.
- (l) **Project** has the meaning given in the recitals to this Appendix.
- (m) **Project Specific Site Safety Plan** is defined in section 2.3(h)(1).

- (n) **Purchase Order** has the meaning given in the recitals to this Appendix.
- (o) **Services** means providing to OPG an entirely finished and fully functional Project, designed, procured and constructed in accordance with the Contract that is fit for the purposes set out in the Contract and including:
  - (1) providing the Professional Services;
  - (2) performing engineering analysis, preparing documentation in support of the process of obtaining Approvals, conducting technical feasibility investigations, preparing preliminary designs and cost estimates, evaluating contractor proposals, and providing technical support in connection with other Services including providing assessing services;
  - (3) providing, manufacturing, supplying, procuring, factory testing, transporting, delivering, erecting, constructing, assembling, installing, connecting, applying, using, field testing, calibrating, adjusting, conditioning, cleaning, training, commissioning, commissioning support (including support from Subcontractors), performance testing and cleaning up respecting the Project;
  - (4) providing various construction and maintenance services including structural, electrical and mechanical installations, modifications and removals;
  - (5) procuring Goods;
  - (6) providing quality assurance/quality control and/or field inspection services;
  - (7) providing any rework, repairs or replacements of anything that is Defective;
  - (8) providing mobilizing, labour, demobilizing, management, supervision and administration;
  - (9) providing construction equipment and tools, including scaffolding, mobile cranes, air compressors and welding sets;
  - (10) using any goods of any kind in respect of the Project;
  - (11) providing the design and delivery of any documents, designs, drawings (including as built drawings), diagrams, illustrations, schedules, performance charts, brochures, specifications, plans, progress photographs, reports, manuals (including operating and maintenance manuals), information, data or other deliverables, or models or samples, whether in a written, graphic, physical, electronic or other format, software, computer programs and source codes (including in each case

each of their components) necessary for the operation and maintenance of the Project or otherwise required to be delivered to OPG under the Contract (other than the Professional Services); and

- (12) providing any other services required by, and performing its obligations under, the Contract, including the services referred to in section 3.1(b) of the ES MSA and the obligations set out in section 2.3 of this Appendix,

all in accordance with the Contract, including the Worksheet.

- (p) **Substantial Completion** is defined in section 4.1(a).
- (q) **Warranty Period** is defined in section 5.8(a).
- (r) **Worksheet** has the meaning given in the recitals to this Appendix.

## 1.2 Attachments

The following attachments are attached to and form part of this Appendix:

Attachment	Description
Attachment 2.4(b)	Environmental Notice and Consent Form
Attachment 4.1(a)	Notice of Substantial Completion Form
Attachment 4.1(b)	Substantial Completion Confirmation Form
Attachment 4.2	Final Completion Confirmation Form

## SECTION 2 – CONTRACTOR’S OBLIGATIONS

### 2.1 Representations Regarding the Project

- (a) In addition to the representations and warranties contained elsewhere in the Contract, the Contractor represents and warrants to OPG that the Contractor:
  - (1) is sufficiently experienced and properly qualified, licensed, equipped, organized and financed to provide, or cause to be provided, the Project;
  - (2) has engaged and will engage only Subcontractors that are competent;
  - (3) has examined and has satisfied itself in respect of all matters respecting the Project, including:
    - (A) all necessary information respecting the risks, contingencies and other circumstances which may affect the Project Schedule, the Key Milestones, the Contract Price or the Project;

- (B) the current versions of all documents issued by a standards, regulatory or other organization referred to in the Contract and all collective agreements applicable to the Project;
  - (C) the nature, location and physical conditions of the Site, including, surface and, if required by the applicable Purchase Order, subsurface conditions, and the location of all above and below surface buildings, utilities, structures, pipes, conduits and works;
  - (D) working and storage space, transportation (including any load or speed restrictions), delivery, construction facilities, uncertainties of weather and other work being carried out on, or in the vicinity of, the Site;
  - (E) the general and local conditions, particularly those respecting labour, health and safety, site access and other administrative practices and normal working hours;
  - (F) all Applicable Laws, including any restrictions on hours of work, and any required Approvals; and
  - (G) the goods, equipment and facilities needed to provide the Project;
- (4) except as may be otherwise explicitly set out under the heading “Information Waiver (Section 3.1(j))” of a Purchase Order in respect of the Work pursuant to that Purchase Order, has relied solely on its findings, conclusions, interpretations and other opinions in evaluating the risks, contingencies and other circumstances that may be encountered in carrying out all the requirements of the Contract;
  - (5) has reviewed the Key Milestones and is satisfied that it can provide and entirely finish the Project in accordance with the Key Milestones;
  - (6) confirms that the OPG Specifications will ensure conformity of the Project with all Applicable Laws and, at a minimum, Prudent Practices;
  - (7) is not aware of any error, inconsistency or omission in the Worksheet;
  - (8) has disclosed in writing to OPG the names of each of the Contractor’s Personnel who will be providing Services at the Site continuously, who is a former OPG employee and who received a severance package from OPG, is receiving pension payments from OPG, or is receiving a non-working pension bridge from OPG;
  - (9) is not aware of any legal action instituted, threatened or pending against it that could have a material adverse effect on its ability to perform its obligations under the Contract; and

- (10) has made due allowance, including by way of pricing, for all the matters referred to in this section 2.1(a).

## 2.2 Kick off and Subsequent Meetings

Unless otherwise specified in the applicable Purchase Order, the following provisions shall apply:

- (a) **Preparation Phase.** Within 10 Business Days of the date of the Contract, the Contractor will:
- (1) meet with all appropriate Persons, including OPG's Project Representative to confirm, among the parties and such Persons, the manner and approach in fulfilling the requirements of the Contract;
  - (2) meet with individuals designated by OPG's Project Representative to confirm design requirements and approach;
  - (3) identify and analyze requirements of applicable Governmental Authorities with whom consultation is to be undertaken in respect of the Project; and
  - (4) obtain such additional information that it deems necessary for providing the Project.
- (b) **Kick-Off Meeting.** Within 10 Business Days of the date of the Contract, OPG's Project Representative will arrange a kick-off meeting. The Contractor will ensure attendance by its authorized representatives and any representatives of Subcontractors, including senior management, as required by OPG. At this meeting the parties will discuss safety and environmental protection programs (including those of Subcontractors) and requirements, the hazards associated with the Project, labour matters, design concepts, schedules, procedures for handling Submittals, communication protocols, procedures for processing each Application for Payment, delivery procedures for the Site, records maintenance, Site security, nuclear safety requirements, radiological safety requirements and "conduct of" requirements for work in a nuclear facility, if applicable, and any other matter raised by a party.
- (c) **Meetings.** In addition to the kick-off meeting, the Contractor will schedule, attend and conduct such other pre-construction, construction, pre-job mark up (including resolution of jurisdictional issues), hazard review, Site co-ordination, weekly (or daily as required by OPG) progress review meetings and commissioning meetings as are requested by OPG or are otherwise desirable, including any meetings required by the Worksheet. The Contractor will include in the agenda of any such meeting any issue requested by OPG. Progress review meetings will usually focus on safety, environmental matters, labour requirements, procedures, progress, clarifications of the requirements of the Contract and scheduling (including interfaces between Persons providing services at the generating station). The Contractor will ensure that all Subcontractors and



other Persons requested by OPG will attend these meetings. The Contractor will ensure that each representative of the Contractor and any Subcontractor attending meetings will be qualified and authorized to act on behalf of the party each represents. The Contractor will provide the space for the meeting. Unless OPG otherwise requests regarding a particular meeting, OPG will prepare and distribute minutes of each meeting within three Business Days.

## 2.3 Safety

- (a) **Primary Goal.** Safety of the Contractor's Personnel, individuals at or near the Site and the public is of paramount concern to OPG. In providing the Project the Contractor will not in any manner endanger the safety of, or unlawfully interfere with other Persons on or off the Site, including the public.
- (b) **Constructor.** The Contractor will be the "Constructor" in respect of the Services for the purposes of the *Occupational Health and Safety Act, 1997* (Ontario). The "Constructor" will submit the required notice of project and registration form to the applicable Governmental Authority. The Contractor will have complete and sole responsibility for all health and safety matters regarding the Project. The Contractor is not required to ask OPG for any input or recommendations (and OPG may not require the Contractor to take any specified actions) respecting any health or safety matter regarding the Project. OPG will not provide to the Contractor any personnel, equipment or services (other than specified utilities). Notwithstanding any term in this Section 2.3(b), OPG may at any time on delivery of a Notice to the Contractor, assume the role of the "Constructor".
- (c) **Compliance.** The Contractor will provide the Project in accordance with:
  - (1) all Applicable Laws, including the *Occupational Health and Safety Act, 1997* (Ontario), as amended from time to time;
  - (2) to the extent not inconsistent with sections 2.3(c)(1), the Contractor's safety program (a copy of which is attached to the Worksheet), as amended from time to time; and
  - (3) to the extent not inconsistent with sections 2.3(c)(1), 2.3(c)(2) and 2.3(c)(3), the very best of practices respecting health and safety and in a manner that recognizes and minimizes the risks to workers, other individuals and property.

The Contractor will forward to OPG, without delay, any changes to its safety program made during the course of providing the Project. OPG will monitor the compliance of the Contractor and Subcontractors with these requirements through periodic audits from time to time during the course of the provision of the Project. The Contractor will forward to OPG, without delay, any change to the Council Amendment to Draft #7 (CAD 7) rating of the Contractor or to any Subcontractor providing the Project at the Site.

- (d) **Effect of OPG Audit for Compliance.** If OPG audits or fails to audit compliance by the Contractor with the requirements of Section 2.3(c), or if the Contractor or a Subcontractor satisfies or fails to satisfy any comments or concerns of OPG concerning the requirements of Section 2.3(c), such action or failure to act will not in any way relieve the Contractor from any of its safety obligations under the Contract.
- (e) **Safety Representative.** The Contractor will provide a qualified and experienced full time health and safety supervisor. The Contractor will make this supervisor's sole obligation the training of the Contractor's Personnel in safety, prevention of accidents and the maintaining, reviewing, revising and supervising of safety precautions and programs. If required, the Contractor will form a joint health and safety committee that will include representatives of the Contractor and the trades.
- (f) **Safety Precautions and Remedies**
  - (1) **Protection.** The Contractor will be solely responsible for initiating, maintaining, reviewing, revising and supervising all safety precautions and programs in respect of the Project. The Contractor will take all necessary precautions (including ensuring that all of the Contractor's Personnel are equipped with, and properly use, all safeguards and personal protective equipment necessary for the provision of the Project) for the safety of, and will provide the necessary protection to prevent damage, injury or loss resulting from the provision of the Project to:
    - (A) each Person who is on the Site or who may otherwise be affected by the provision of the Project, including the Contractor's Personnel and members of the public;
    - (B) any of the Goods, whether in storage on or off Site;
    - (C) the Project; and
    - (D) any other property on, under, over or near the Site, whether belonging to OPG or to any other Person, including buildings and other structures, facilities, fences, gates, pavements, roadways, sidewalks, walks, vegetation and utilities that are not designated for removal and disposal in the course of providing the Project.
  - (2) **Lock Out Requirements.** The Contractor will ensure that all equipment being worked on is safely isolated and de-energized and will provide all Services in compliance with all lock out requirements set out in the *Occupational Health and Safety Act, 1997* (Ontario).
  - (3) **Notification of Owners.** The Contractor will promptly deliver a Notice to OPG's Project Representative as the Contractor becomes aware of, and indicating the identity of, each utility, owner of underground facilities and owner of property (excluding OPG and its subsidiaries) on, under, over or

near the Site that may be affected by the Project and how each such utility or owner may be affected. OPG will deliver a Notice to the Contractor indicating the identity of each such Person and the Contractor will, at OPG's direction, deal with or co-operate with OPG in dealing with settling all issues respecting the provision of the Project, including the protection, removal, relocation or replacement of the property of any such Person.

- (4) **Repair of Damage.** To the extent that any third party, such as a utility, owner of underground facilities or owner of property (excluding OPG and its subsidiaries) on, under, over or near the Site suffers or incurs any Losses to any property caused by the Contractor or a Subcontractor, the Contractor will remedy such Losses in a timely manner and at the Contractor's expense. The Contractor will indemnify and hold harmless each member of the OPG Group, from and against all Losses suffered or incurred by a member of the OPG Group and all claims, demands, actions, suits or proceedings for Losses made against any member of the OPG Group by any Person, to the extent arising in respect of the Services or the Goods.
- (g) **Safety Reports.** During the provision of the Project, the Contractor will provide OPG's Project Representative with:
  - (1) a verbal report immediately of all accidents, near misses or high MRP incidents which the Contractor is required to provide to OPG in accordance with OPG's safety incident management standard, a copy of which has been made available to and reviewed by the Contractor, including any serious incident requiring off site medical attention or near miss incidents which do or could have resulted in the death of, or serious injury to, a worker or other Person on or off the Site or an incident which has resulted in the death of or serious injury to a worker or other Person on or off the Site;
  - (2) within 24 hours of an accident, construction occurrence or incident report, a copy of all accident, construction occurrence and incident reports which the Contractor, any Subcontractor, or OPG is required to submit in respect of the Project under the *Occupational Health and Safety Act, 1997* (Ontario) or the *Workplace Safety and Insurance Act, 1997* (Ontario);
  - (3) within 24 hours, Notice of any visits by the Ministry of Labour and copies of any reports, orders to comply, charges, stop work orders, and notices of compliance under the *Occupational Health and Safety Act, 1997* (Ontario) or other Applicable Laws;
  - (4) a copy of the minutes of each meeting of the joint health and safety committee, if any; and

- (5) a monthly report within 10 days of each month's end with safety statistics for the Contractor and all Subcontractors providing the Project at the Site. The Contractor will include in this report, with a brief description of each incident and injury:
- (A) the number of injuries resulting in a worker requiring medical aid;
  - (B) the number of near miss incidents or high MRPH incidents which could have resulted in the death of, or serious injury to, a worker;
  - (C) the number of injuries resulting in a worker's absence from one or more complete shifts;
  - (D) the time off each worker takes off from work for each injury;
  - (E) the number of Ministry of Labour orders to comply; and
  - (F) the total number of person hours worked by the Contractor's Personnel at the Site broken down between the Contractor and each Subcontractor.

(h) **Project Specific Site Safety Plan.**

- (1) If required by the Worksheet, the Contractor will perform a safety hazard analysis to identify all significant safety hazards in respect of the Project. Based on this analysis, the Contractor will prepare a Project specific Site safety plan (as amended from time to time, the "**Project Specific Site Safety Plan**") which will document how the Contractor will address all significant safety hazards. The Contractor will provide a copy of this Project Specific Site Safety Plan to OPG's Project Representative promptly after completion and at least ninety (90) days prior to the OPG approved commencement date for the provision of work in respect of the Project at the Site. The Contractor will provide for the communication of the Project Specific Site Safety Plan to all Contractor's Personnel performing work in respect of the Project at the Site, and to all Subcontractors. The Contractor will provide to OPG's Project Representative, without delay, any changes to the Project Specific Site Safety Plan made during the course of the provision of the work in respect of the Project. OPG may audit the compliance of the Contractor and Subcontractors with these requirements, including through periodic field inspections during the course of the provisions of work in respect of the Project. The Contractor will perform all work in respect of the Project at the Site in accordance with the Project Specific Site Safety Plan.
- (2) If required by the Worksheet, the Contractor shall also prepare and provide OPG's Project Representative with a detailed job safety analysis (as amended from time to time, the "**Job Safety Analysis**") for the Project at least ninety (90) days before the provision of any of the work in respect

of the Project to which the Job Safety Analysis relates. The Contractor will revise and resubmit the Job Safety Analysis, where required, to account for any changes to the Services made in accordance with the Contract or the Contractor's planned work methods. The Contractor will identify in each Job Safety Analysis the potential hazards and "Maximum Reasonable Potential for Harm" as that term is defined in OPG's procedure OPG-SFTY-STD-005 associated with each job step in the performance of work in respect of the Project and indicate what controls and barriers will be implemented for each potential hazard and Maximum Reasonable Potential for Harm. The Contractor will clearly communicate to all applicable Contractor's Personnel the contents of each Job Safety Analysis, as revised, before such Persons commence their applicable part of the work in respect of the Project. The Contractor will forward to OPG, without delay, any changes to the Job Safety Analysis made during the performance of the work in respect of the Project.

(i) **Designated Substances and Other Hazardous Materials.**

- (1) The Contractor shall obtain OPG's prior approval before bringing any "designated substances" (as defined under the *Occupational Health and Safety Act, 1997* (Ontario), the "**Designated Substances**") on or into the Site. The Contractor shall be solely responsible for any such Designated Substances brought on or into the Site by it, and shall fully remove any remaining amounts prior to or upon completion of the Work in respect of the Project. The Contractor shall also ensure that in no event will Designated Substances be incorporated into the permanent facilities.
- (2) The Contractor shall not expose OPG's personnel to any potentially hazardous materials or substances except as permitted in OPG's hazardous materials ("**HAZMAT**") approved material list.
- (3) Prior to execution of the Contract, OPG will provide (either by providing access to an applicable database or otherwise) the Contractor with a list of Designated Substances, if any, present at the Site as required pursuant to the *Occupational Health and Safety Act, 1997* (Ontario).

- (j) **Indemnity Relating to Safety.** To the extent that any member of the Contractor Group is responsible for, caused or contributed to, in whole or in part, the circumstances giving rise to a violation, charge, fine, order, direction, stop work order or other consequence pursuant to legislation applicable to worker health and safety, including the *Occupational Health and Safety Act, 1997* (Ontario) or its Regulations, the Contractor shall indemnify and hold harmless each member of the OPG Group from and against all Losses suffered or incurred by a member of the OPG Group and from and against all claims, demands, actions, suits or any other proceedings for Losses made against any member of the OPG Group in connection with such violation, charge, fine, order, direction, stop work order or consequence.

## 2.4 Environment

- (a) **Compliance and Protection.** In addition to the Contractor's obligation to comply with all Applicable Laws, the Contractor will provide the Project in a manner that:

- (1) protects health and the environment;
- (2) complies with the Contractor's environmental management and protection program and plan, a copy of which is attached to the Worksheet;
- (3) adequately anticipates, protects and plans for impacts to the environment, including spills, erosion and sedimentation, waste disposal and the use, storage and disposal of hazardous materials; and
- (4) uses all commercially reasonable efforts to reduce, reuse or recycle non-hazardous and non-radioactive waste.

- (b) **Permission.** The Contractor will obtain the prior written consent of OPG's Project Representative, in the form attached as Attachment 2.4(b) before:

- (1) discharging, releasing, emitting or depositing; or
- (2) disturbing any vegetation or wildlife on the Site through discharging, releasing, emitting or depositing,

any substance, material, solid, liquid or gas, exposure to which is prohibited, limited or regulated by Applicable Laws, or the Contractor's environmental management and protection program and plan.

- (c) **Notices.** The Contractor will immediately provide OPG's Project Representative with Notice in the form attached as Attachment 2.4(b):

- (1) of any changes to its environmental management and protection program and plan made during the course of providing the Project for OPG's review and prior approval;
- (2) of any discharges, spills, releases, emissions, deposits or leaks of:
  - (A) fuels, oils, hydraulic fluid, herbicides; or
  - (B) any substance, material, solid, liquid or gas, exposure to which is prohibited, limited or regulated by any Applicable Law, or the Contractor's environmental management and protection program and plan,

that occur at or near the Site or that occur with materials owned or controlled by the Contractor or a Subcontractor; and

- (3) upon receipt of any order, directive, notice or other communication whatsoever received from any Governmental Authority respecting any substance, material, solid, liquid or gas, exposure to which is prohibited, limited or regulated by any Applicable Law, together with a copy of such order, directive, notice or other communication.
- (d) **Clean up.** Unless otherwise specified in the applicable Purchase Order, the Contractor is responsible for the transport, receipt, inspection, use, storage and disposal of all hazardous and non-hazardous substances, materials, solids, liquids and gases that are brought on to the Site or created at the Site by the Contractor or any other member of the Contractor Group during the provision of the Project. The Contractor will, to the satisfaction of all applicable Governmental Authorities and OPG, in a timely manner, at the Contractor's expense, prevent all further discharges, spills, releases, emissions, deposits or leaks contrary to and clean up, dispose of and otherwise comply with all requirements of:
  - (1) Applicable Laws;
  - (2) to the extent not inconsistent with section 2.4(d)(1), OPG's then current environmental management system manual; or
  - (3) to the extent not inconsistent with sections 2.4(d)(1) and 2.4(d)(2), the Contractor's environmental management and protection program and plan as at the date of the Contract, as amended in accordance with section 2.4(c)(1),

respecting all discharges, spills, releases, emissions, deposits or leaks of any substances, materials, solids, liquids or gases whatsoever that are caused by the Contractor and that occur at or near the Site or that occur with materials owned or controlled by the Contractor or any other member of the Contractor Group.

- (e) **Disposal of Hazardous Waste.** Unless otherwise specified in the applicable Purchase Order, the Contractor may not dispose of any waste, including any hazardous waste (as that term is defined in the regulations to the *Environmental Protection Act* (Ontario)), including asbestos, polychlorinated biphenyls, petroleum products or radioactive materials and any Designated Substances, or disturb any vegetation on, under, over or near any property owned, leased or licensed by OPG or any of its subsidiaries or in which OPG or any of its subsidiaries has an interest, in whole or in part, including the Site. The Contractor will not incorporate any Designated Substances in the Project.
- (f) **Remedy for Breach.** Subject to section 3, the Contractor will indemnify and hold harmless each member of the OPG Group from and against all Losses suffered or incurred by a member of the OPG Group and all claims, demands, actions, suits or proceedings for Losses made against any member of the OPG Group by any Person in respect of any breach by the Contractor of any of its obligations under sections 2.4(a) to 2.4(e) inclusive.

## 2.5 Professional Services

- (a) **Provision.** The Contractor will provide all the Professional Services necessary or desirable to provide the Project.

## 2.6 Commissioning and Completion

- (a) **Commissioning Phase.** Unless otherwise specified in the applicable Purchase Order, during the commissioning phase for the Project as set out in the Project Schedule, the Contractor will:
  - (1) be responsible for the start-up, testing, verification, calibrating, refining and adjusting of all mechanical or electrical elements, equipment or systems, in the presence of OPG's personnel, to ensure that installation and performance are as specified in the Contract and suitable for use by OPG;
  - (2) demonstrate operation of equipment and systems for the Project and train OPG's staff to operate and maintain the Project;
  - (3) develop systems and procedures for use by OPG in the control of the operation and maintenance of, and record keeping for, the Project; and
  - (4) provide manufacturers' authorized representatives, specialists and/or representatives of Subcontractors as may be required by OPG for the Project.
- (b) **Demonstrations.** Unless otherwise specified in the applicable Purchase Order, the Contractor will, before any demonstrations, inspect and put into operation all equipment and systems in accordance with the OPG Specifications; perform testing, adjusting and balancing; ensure equipment and systems are fully operational; and provide to OPG copies of completed operation and maintenance manuals for use in demonstrations. The Contractor will submit a schedule, for OPG's approval, with the time and date for the demonstration of each item of equipment and each system, with a list of all personnel to be present, not more than one month and not less than two weeks before designated dates.

## 2.7 Procurement

- (a) **Goods.** Unless otherwise specified in the applicable Purchase Order, the Contractor will be responsible, at the cost agreed to in the applicable Purchase Order, for manufacturing or supplying or procuring, factory testing, transporting, delivering, inspecting, receiving and installing all Goods, and providing all construction equipment, tools, transportation, fuel, construction and start-up power, air, light, heat, communications, water (including potable water), sewer connections and temporary structures and facilities, including for offices, lunchrooms, canteens, sanitation, showers, change rooms, accommodations, shops, warehouses and garbage disposal, and all other goods and services



reasonably required in respect of the Project. The Contractor will maintain all construction equipment, tools and such temporary structures and facilities in good working order. The Contractor will conduct all these activities in accordance with the Contract. Unless otherwise specified in the applicable Purchase Order, the Contractor will be responsible, at the cost agreed to in the applicable Purchase Order, for all first fills of all chemicals, lubricants and other liquids and gases respecting the Project.

- (b) **Warranty on Goods.** The Contractor will ensure that all Goods will be fit for the purposes set out in the Contract, new, unused, not Defective and free from all Liens, of good quality and comply with all requirements under the Contract. All warranties and guarantees set out in the Contract are for the benefit of OPG. If required by OPG, the Contractor will provide satisfactory evidence (including reports of required inspections, tests and approvals) as to the kind and quality of all Goods. The Contractor will ensure that all Goods will be constructed, applied, assembled, erected, installed, used, connected, adjusted, field tested, conditioned, cleaned, commissioned and cleaned up in accordance with instructions of the applicable Subcontractor, except to the extent as may otherwise be provided in the Contract.
- (c) **Procurement Plan.** If required by the Worksheet, the Contractor will develop a Procurement Plan for procurement of the Goods. The Procurement Plan will be provided to OPG for acceptance. Any deviation of mandatory criteria from the Procurement Plan will require approval by OPG.
- (d) **Delivery.** The Contractor will be responsible for arranging its design, manufacturing, and shipping schedules so that the Goods will arrive at the stipulated destination in accordance with the delivery schedule and will be aligned with the Project Schedule. The Contractor will deliver the Goods to the delivery point by the date specified in the Project Schedule. Contractor will not deliver the Goods prior to the date specified in the Project Schedule without the written consent of OPG's Project Representative, acting in its sole discretion. Unless otherwise specified, the Goods will be delivered duty paid (DDP), as that term is defined in the Incoterms 2010, to the Site, by the date specified in the Project Schedule and will be specifically documented by the Contractor in the applicable Procurement Plan, if any (unless otherwise specified in the applicable Purchase Order).
- (e) **Good Shipping and Storage Practices.** To the extent applicable, the Contractor will transport, deliver, receive, and store (whether on site or off site) all Goods in accordance with good shipping and storage practices (as recommended by the applicable manufacturer and/or Subcontractor or, if applicable, OPG) and in accordance with Applicable Laws, Prudent Practices and the terms and conditions for all applicable insurance policies.
- (f) **Electrical Safety.** The Contractor will ensure that all electrical Goods, before delivery, has the safety approval of the Canadian Standards Association (CSA),

United Laboratories (UL) or the electrical approval of the Electrical Safety Authority (ESA). The Contractor will arrange for such approval at its expense.

## 2.8 Shipping and Packaging Instructions

- (a) **Shipping.** Where applicable, the Contractor will ship Goods complete and ready for installation. If the size of the Goods prevents the Contractor from shipping it fully assembled, the Contractor will segregate the Goods into components to allow safe and convenient transportation. The Contractor will only release and ship Goods when the following conditions have been met:
  - (1) release form has been signed by OPG's Project Representative;
  - (2) certified test results required by the Contract have been accepted by OPG;
  - (3) certificate of conformance, where applicable, has been accepted by OPG;
  - (4) shipping bill of material has been submitted by the Contractor and accepted by OPG; and
  - (5) all relevant Documents have been accepted by OPG.
- (b) **Receipt.** The receipt or taking delivery of the Goods by OPG will not be deemed a waiver of any right, claim or remedy of OPG under the Contract or otherwise.
- (c) **Packaging.** When applicable, the Contractor will pack, brace and load all Goods in a manner as to prevent physical damage and damage from climatic conditions. The Contractor will clearly mark on the outside of the shipping container all specific instructions setting out any precautions required during shipping and storage in a durable envelope attached to the container and suitably labeled. The Contractor will ensure that all openings in Goods such as vessels, valves and pumps will be sealed. The Contractor will ensure that where necessary, skids, hauling eyes, jacking plates, and sling hooks, will be provided for unloading and field assembly. The Contractor will ensure that where pallets are required for shipping purposes, the Contractor must obtain approval from OPG's Project Representative to use wooden pallets prior to shipping. The Contractor will ensure that all cages, packages, boxes, crates, bundles, and unpackaged components will be clearly and indelibly marked to show necessary shipping information. Any damage to the Goods during shipping shall be the Contractor's sole liability and responsibility.
- (d) **Marking.** When applicable, the Contractor will apply markings suitable to the type of product and packaging involved and will provide the following information:
  - (1) destination address and OPG's Purchase Order number;

- (2) material identification number, as applicable, and other identifications specified in the Purchase Order;
  - (3) the Contractor's shipment identification number, numbering of packages, boxes, crates, components, or assemblies of the shipment; and
  - (4) the mass and sizes of each major component or assembly (if the lifting points are critical, they will be clearly marked by the Contractor and identified).
- (e) **Packing Slip.** When applicable, the Contractor will provide a detailed packing slip, listing each separate item, in a waterproof envelope and firmly attached to each shipping container. The Contractor will ensure each packing slip includes the following certification:

"The Goods listed herein have been inspected and tested by the Contractor and are in conformance with the contract requirements and approved for shipment".

The Contractor must endorse such certification with the signature and title of an authorized representative of the Contractor's quality authority. The Contractor will ensure that such certification includes references to the Purchase Order number, purchase order line number and material identification number.

The Contractor will mail a duplicate copy of the packing slip to OPG's Project Representative as soon as a shipment is ready for dispatch.

## **2.9 Hazardous Material**

The Contractor, when shipping to the Site or to any other location any product which is categorized as hazardous material (including compressed gas, flammable or combustible material, oxidizing material, poisonous and infectious material, corrosive material or dangerously reactive material), will comply with all relevant federal and provincial regulations and all applicable OPG procedures and policies pertaining to such materials. The Workplace Hazardous Material Information System (WHMIS) will apply and all such materials will be properly identified with WHMIS type warning labels. All shipments of such material will include a Material Safety Data Sheet (MSDS) with a copy to the OPG MSDS Centre, 1549 Victoria Street East, Whitby, Ontario L1W 3C7, Attention: Technical Information Services.

## **2.10 Reference Points**

The Contractor will establish the layout for the Project and will maintain and protect the reference points and property monuments, if any, established by OPG. The Contractor will ensure that such reference points are not changed or relocated without the prior written consent of OPG's Project Representative. The Contractor will promptly report to OPG's Project Representative whenever any reference points or property monument are lost or destroyed or require relocation because of necessary changes in grades or locations. If OPG's Project Representative provides consent to any change to, or relocation of, a reference point or property

monument, the Contractor will cause such change or relocation to be carried out accurately by professionally qualified individuals.

## **SECTION 3 – HAZARDOUS CONDITIONS**

### **3.1 Division of Responsibility**

OPG will be responsible for the costs of dealing with a Hazardous Condition encountered at the Site that (1) was not identified in the OPG Specifications to be part of the Project; or (2) the Contractor was not otherwise responsible for under the Contract, including pursuant to section 2.4 of this Appendix. Subject to the previous sentence, the Contractor will be responsible for any Hazardous Condition arising in respect of providing the Project.

### **3.2 Actions on Discovery**

Immediately on the discovery of a Hazardous Condition on the Site, the Contractor will:

- (a) in accordance with Prudent Practices, act to contain the Hazardous Condition in order to minimize the impact of the Hazardous Condition;
- (b) stop all work in respect of the Project in the area that could reasonably be affected by the Hazardous Condition, subject to section 3.4(d) of the ES MSA; and
- (c) verbally notify OPG of the discovery and confirm by Notice within 48 hours of the discovery.

### **3.3 Corrective Action Plan**

OPG will promptly determine whether it is necessary or desirable to retain a qualified expert to evaluate the Hazardous Condition. Unless the Parties otherwise agree, the Party that is responsible for the Hazardous Condition under section 3.1 will be responsible for establishing a corrective action plan and for obtaining any required Approvals from any applicable Governmental Authorities. Any corrective action plan developed by the Contractor will be in accordance with Prudent Practices and will minimize the impact on the Contract Price, Key Milestones and Project Schedule. The Contractor will advise OPG of any proposed change to the Contract Price, calculated in accordance with the ES MSA, and of any proposed changes to the Project Schedule and/or the Key Milestones that the Contractor estimates will occur as a result of its corrective action plan. The Contractor will not resume work in respect of the Project in the area that could reasonably be affected by the Hazardous Condition until the corrective action plan has been established and any such required Approvals have been obtained. For greater certainty, the Parties agree that any corrective action plan or report with respect to a Hazardous Condition will be implemented by the Contractor.

## **SECTION 4 – SUBSTANTIAL COMPLETION AND FINAL COMPLETION**

### **4.1 Substantial Completion**

- (a) **Notice of Ready for Use.** The Contractor will deliver a Notice in the form attached as Attachment 4.1(a) to OPG (including a punch list of all items that remain unfinished and which will not impair the intended use of the Project and a schedule for entirely finishing each such item) when:
- (1) “**substantial performance**” has occurred, as such term is defined in the *Construction Lien Act (Ontario)*;
  - (2) the Project has progressed to the point where the Project is ready for use and is sufficiently complete, in accordance with the Contract, so that the Project may be used as intended in accordance with the Contract;
  - (3) the cost to entirely finish the Project that remain unfinished and to correct any known Defective parts of the Project does not exceed the amount, if any, specified in the definition of “substantial completion” set out in the Worksheet;
  - (4) the Contractor has obtained and delivered to OPG the Approvals which the Contractor is required to obtain;
  - (5) the Project has been commissioned and meets all of the tests if any, required under the Contract (including those, if any, specified in the definition of “substantial completion” set out in the Worksheet);
  - (6) the Project is operating materially in accordance with the requirements of the Contract (including those, if any, specified in the definition of “substantial completion” set out in the Worksheet);
  - (7) the Contractor has delivered copies of all certified reports of the performance tests required under the Contract (including those, if any, specified in the definition of “substantial completion” set out in the Worksheet);
  - (8) the Contractor has satisfied all other requirements set out in the Worksheet which the Contractor is required to satisfy, and all other conditions to “substantial completion” included in the definition of “substantial completion” set out in the Worksheet have been fulfilled and satisfied; and
  - (9) the Contractor has delivered to OPG’s Project Representative a certificate of an independent Professional (who will be approved in advance by OPG which approval will not be unreasonably withheld). This certificate will be prepared at the Contractor’s expense. The Professional’s certificate will:
    - (A) confirm compliance with this section 4.1(a); and
    - (B) confirm the operability of the Project in accordance with the Contract.

When OPG determines, acting reasonably, that all of the terms of sections 4.1(a)(1) to 4.1(a)(8) inclusive have been complied with then “**Substantial Completion**” has occurred.

- (b) **Joint Inspection.** Within a reasonable time after receipt of the Notice under section 4.1(a), the parties will make a joint inspection of the Project to determine the status of the Project and each outstanding item, including each item set out in the Notice delivered under section 4.1(a). If OPG determines that Substantial Completion has not occurred in accordance with section 4.1(a), OPG will deliver a Notice in the form of document attached as Attachment 4.1(b) to this effect to the Contractor, giving reasons and the Contractor will correct such errors and deficiencies at its sole cost as soon as possible. If OPG determines that Substantial Completion has occurred in accordance with section 4.1(a), OPG will deliver a Notice in the form of document attached as Attachment 4.1(b) containing a certificate of Substantial Completion. This certificate will fix the date of Substantial Completion. The parties will then sign a certificate of substantial completion as contemplated by section 32(1)1 of the *Construction Lien Act* (Ontario). The Contractor will then promptly publish the notice in accordance with the *Construction Lien Act* (Ontario) and deliver proof of publication to OPG’s Project Representative.
- (c) **Punch List and Allocation of Responsibilities.** OPG will attach to the certificate of Substantial Completion a punch list of items that are to be entirely finished or are Defective and must be corrected or replaced by the Contractor before final payment will be made. At the time of delivery of the certificate of Substantial Completion, OPG will also deliver to the Contractor a written allocation of responsibilities between OPG and the Contractor pending final payment respecting safety, security, operation, maintenance, heat, utilities, insurance and warranties and guarantees respecting the remaining Project. The Contractor will deliver a Notice to OPG each week setting out an update as to the status of completion of each punch list item.
- (d) **Access to Perform Remaining Obligations.** OPG may exclude the Contractor from the Site, in whole or in part, after the date of Substantial Completion. OPG will, however, allow the Contractor reasonable access to such parts of the Site as are required to permit the Contractor to finish entirely or correct all items on the punch list.

## 4.2 Final Inspections

When the Contractor considers that it has entirely finished or corrected all items on the punch list, the Contractor may deliver a Notice to this effect to OPG. Promptly following receipt of this Notice, the parties will make a joint inspection of the Project. OPG will then deliver a Notice in the form attached as Attachment 4.2 to the Contractor stating either that:

- (a) OPG accepts the Project as being entirely finished, including because the Contractor has delivered to OPG all Approvals and other written or graphic

documents, designs, drawings, specifications, plans, reports, information and other deliverables or data required to be provided by the Contractor to OPG under the Contract and because the Contractor has satisfied all requirements of Applicable Laws; or

- (b) there are items remaining to be entirely finished or that are Defective and must be corrected or replaced by the Contractor. The Contractor will promptly take such actions as are necessary to finish entirely, correct or replace all such items. Once the Contractor has finished all such actions, the Contractor will deliver another Notice to OPG in accordance with this section 5.2.

## **SECTION 5 – ACCEPTANCE OF PROJECT AND CORRECTION OF DEFECTS**

### **5.1 Warranty**

- (a) **Basic Warranty.** The Contractor warrants and guarantees to OPG that, for the duration of the Warranty Period:
  - (1) the Project will in all respects be fit for the purposes set out in the Contract, including the OPG Specifications; and
  - (2) the Project will be provided in accordance with the Contract including any additional warranties contained in the Worksheet.
- (b) **Exclusions.** The Contractor's warranties and guarantees in section 5.1(a) do not apply to the extent that any breach of the warranty or guarantee is due to:
  - (1) maintenance or operation by OPG contrary to any maintenance or operating instructions delivered by the Contractor to OPG;
  - (2) conditions of operation materially more severe than those specified for the Project;
  - (3) the negligence of OPG or any Person providing services to OPG, other than the Contractor or a Subcontractor, or the willful destruction of the Project or any part thereof by OPG;
  - (4) the effects of reasonable wear and tear under normal usage by OPG (other than as a result of a failure of such warranty or guarantee); or
  - (5) any repair, replacement or correction of a Defective part of the Project by a third party (other than a third party authorized by the Contractor or a Subcontractor) except where such repair, replacement or correction by such third party was as a result of the Contractor's failure to comply with its obligations under this Agreement.
- (c) **Risk of Loss.** The Project will remain at the sole risk of the Contractor against loss or damage up to and including the Final Completion Date or, with respect to

any part of the Project, such earlier date as OPG accepts care, custody and control of such part of the Project (but excluding damage that was caused by OPG unless such damage was caused by OPG as a result of the Contractor's failure to comply with any of its obligations under the Contract).

## **5.2 Access to Project**

The Contractor will provide access to the Project, the Site and the premises of the Contractor and Subcontractors, at all reasonable times and from time to time, to OPG's Project Representative, and at the request of OPG's Project Representative, to his or her OPG Designated Delegate, for the purposes of viewing, performing surveillance on, inspecting, testing and/or accepting the Project, in whole or in part, including to monitor compliance with the Contract and any applicable quality assurance program. In particular, the Contractor will deliver a Notice to OPG's Project Representative providing OPG with Notice of at least four Business Days before OPG is required to inspect any Goods at any hold point in any inspection plan. At the request of OPG's Project Representative, the Contractor will promptly provide to OPG's Project Representative and/or his or her OPG Designated Delegate a copy of all the documents respecting any subcontract for the Project subject to viewing, performing surveillance, inspecting, testing and/or accepting. No such viewing, performing surveillance, inspecting, testing and/or accepting by OPG will relieve the Contractor of any of its obligations under the Contract. The Contractor will advise each applicable representative of OPG of the Contractor's or Subcontractor's applicable site safety procedures and policies. The Contractor will provide each such representative with proper and safe transportation and conditions for such access.

## **5.3 Inspections, Tests and Approvals**

The Contractor will with promptness and in an orderly sequence so as not to cause any delay to the Project arrange for and obtain all inspections, tests and approvals required for the acceptance of Goods that are to be incorporated or used in the Project. The Contractor will ensure that each inspection, test or approval that is required to be carried out, in whole or in part, by a Professional, is so carried out by a Professional. The Contractor will pay all costs respecting such inspections, tests and approvals. If the Contract, the applicable quality assurance program or any Applicable Laws or Approvals require any part of the Project to be inspected, tested or approved, in whole or in part, the Contractor will arrange for and obtain all such inspections, tests and approvals. The Contractor will pay all costs respecting such inspections, tests and approvals and will reimburse OPG for OPG's costs if at any hold-point date any test, inspection or approval is not successfully completed due to an act or omission of the Contractor or fails such test, inspection or approval. The Contractor will deliver to OPG all certificates, reports and other documents respecting any inspections, tests and approvals made in accordance with this section 5.3 or the Contract, including the Worksheet. The Contractor will give OPG reasonable Notice of the date, time and location for all inspections, tests or approvals carried out under this section 5.3 or the Contract, including the Worksheet so that OPG and OPG's Designated Delegates can attend. If Notice is not given, OPG may require the inspection, test or approval to be redone. If any such approval is to be issued in the name of OPG or that will affect the operation of the Project following the Final Completion Date, the Contractor will submit the draft approval to OPG's Project Representative or his or her OPG Designated Delegate for acceptance, before the Contractor obtains this approval. The Contractor will only obtain any



such approval following receipt of the written acceptance of OPG's Project Representative or his or her OPG Designated Delegate of the draft approval. In addition to any other inspection, test or approval set out in the Contract, OPG may require, at its cost (but, for certainty, without payment of any amount to the Contractor), any other inspection, test or approval of any part of the Project, in whole or in part, either on or off the Site, upon Notice to the Contractor.

#### **5.4 Uncovering Project**

- (a) **Covered Without OPG's Consent.** If, without the prior written consent of OPG, the Contractor covers any part of the Project (or the construction work of any Person) that is required under the Contract or Applicable Laws or Approval to be inspected, tested or approved, the Contractor will, at its cost, uncover and recover such part of the Project or construction work. If, however, the Contractor has given OPG timely Notice of the Contractor's intention to cover such part of the Project or the construction work and OPG has not acted with reasonable promptness in response to such Notice, OPG will only be responsible for the reasonable direct Reimbursable Labour Costs of uncovering and recovering such part of the Project or the construction work.
- (b) **Covered Contrary to OPG's Request.** If the Contractor covers any part of the Project (or the construction work of any Person) contrary to the request of OPG, the Contractor will, at its cost, if requested by OPG, uncover and recover such part of the Project or construction work.
- (c) **OPG's Request to Uncover.** If, for any reason not set out in sections 5.4(a) or 5.4(b), OPG wishes to have part of the Project uncovered to be inspected, tested or approved by any Person designated by OPG, the Contractor will, at OPG's request, uncover the requested part of the Project for inspection, testing, approval and providing all necessary Services. If it is determined that any part of the Project uncovered under this section 5.4(c) is Defective, the Contractor will:
  - (1) pay all costs for uncovering and recovering the part of the Project requested by OPG to be uncovered;
  - (2) pay all of OPG's reasonable costs of inspection, testing and approval; and
  - (3) correct or replace the Defective part of the Project in accordance with this section 5.4.

If, however, it is determined that none of the Project uncovered under this section 5.4(c) is not Defective, OPG will only pay all the Contractor's reasonable direct Reimbursable Labour Costs for uncovering and recovering the part of the Project requested by OPG to be uncovered.

#### **5.5 Notice of Defective Project**

OPG will, within a reasonable period of time after having actual knowledge of a Defective part of the Project and before the expiration of the Warranty Period, deliver Notice to the Contractor

of the Defective part, but OPG's failure to do so will not impose any liability on OPG and the Contractor will be estopped from making any claim against OPG for failure to do so. In addition, OPG's failure to do so will not:

- (a) have the effect of transferring any obligation under the Contract from the Contractor to OPG or otherwise have the effect of amending the Contract; or
- (b) will not affect or change in any way the Contractor's,
  - (1) obligation to entirely finish the Project in accordance with the Contract, or
  - (2) responsibility for repairing, replacing or re providing any Defective part of the Project.

## **5.6 OPG May Stop Construction**

OPG may at any time and from time to time, by delivering a Notice to the Contractor, direct the Contractor to stop the Project, in whole or in part, including, if:

- (a) the Project is Defective, in whole or in part;
- (b) the Contractor fails to supply suitable Goods, in whole or in part;
- (c) the Contractor fails to provide the Services, in whole or in part, in a manner that ensures that the entirely finished Project will conform to the Contract; or
- (d) the Contractor has breached any term of the Contract, including due to any act or omission of a Subcontractor that breaches a term of the Contract.

The Contractor may only resume the stopped aspect of the Project to which OPG's direction applies only once the Contractor has remedied the issue that was the cause for OPG to deliver such Notice. OPG is not obliged to deliver a Notice to the Contractor under this section 5.6 for any reason whatsoever. The Contractor will not be entitled to any cost adjustment for the Project being stopped.

## **5.7 Correction or Removal of Defective Part of Project – Before Substantial Completion**

- (a) **Services Required.** Before Substantial Completion, OPG may accept or reject any Defective parts of the Project, whether or not such part has been incorporated into the Project, on delivery of Notice to this effect to the Contractor. The Contractor will promptly correct all Defective parts of the Project either upon discovery or upon rejection by OPG under this section 5.7. If reasonably requested by OPG, the Contractor will remove any and all Defective parts of the Project from the Site, whether or not such parts have been incorporated into the Project, and replace such parts with parts that are not Defective and that comply with the Contract.

- (b) **Cost to Correct or Remove.** The Contractor will pay all costs respecting the correction of a Defective part of the Project (“**Correction Costs**”), including:
- (1) all incidental costs of the corrective services or rework, including, as may be required for disassembly, removal, re-installation, re-erection, re-assembly, transportation, insurance, brokerage fees and any applicable Taxes;
  - (2) all of OPG’s fees and charges of engineers, architects, accountants, lawyers (on a substantial indemnity basis) and other professionals, all court, arbitration and other dispute mediation or resolution costs and charges, whether incurred through settlement or otherwise, together with interest calculated in accordance with the definition of Losses in the ES MSA; and
  - (3) all costs and charges respecting correction, rework or replacement of any Defective part of the Project, including any part of the Project that was rendered Defective because of the Defective part of the Project, including in respect of any damage or loss arising in respect of such correction or replacement or in respect of any inspections conducted to determine whether any such correction, rework or replacement was required, including, only to the extent covered by insurance, for loss of use.

## **5.8 Correction or Removal of Defective Part of Project – After Substantial Completion**

- (a) **Warranty Period.** In the Contract, “**Warranty Period**” means, in respect of each part of the Project, the greatest of:
- (1) two years following the date of Substantial Completion, subject to any extension made under section 5.8(d);
  - (2) the warranty period specified in any warranty from a Subcontractor for any specific part of the Project;
  - (3) any other warranty period specified in the Contract, including the Worksheet, for all or any specific part of the Project; and
  - (4) the warranty period for any specific part of the Project provided under any Applicable Laws, subject to any extension made under section 5.8(d).
- (b) **Obligation to Correct.** If, at any time and from time to time before the expiration of the Warranty Period, the Project, in whole or in part, including any part of the Project that was rendered Defective because of the Defective part of the Project, becomes or is determined to be Defective or fails because of any defect, the Contractor will promptly, without cost to OPG and in accordance with OPG’s instructions and at times and within the period of time reasonably specified by OPG:

- (1) satisfactorily correct such Defective part of the Project, or, to the extent reasonably requested by OPG, remove such Defective part of the Project from the Site and replace such Defective part with parts which are not Defective and which comply with the Contract; and
- (2) satisfactorily correct or replace any other damage arising in respect of the actions taken in respect of section 5.8(b)(1) in respect of any inspections conducted to determine whether any actions were required in respect of section 5.8(b)(1).

The Contractor will pay all Correction Costs as described in section 5.7. In providing any corrective services under this section 5.8(b), the Contractor will comply with all applicable terms of the Contract and will endeavour to minimize interference with, and impact on, OPG's operations.

- (c) **Failure to Comply.** If the Contractor fails to comply with its obligations under section 5.8(b) or any other term in the Contract as expeditiously as is commercially reasonable and within the time period reasonably specified by OPG, or if there is an emergency that poses a significant risk of loss or damage to the Project or any Person, OPG may take, directly or indirectly, any of the actions contemplated under section 5.8(b) or such other actions as are reasonable in the circumstances, without affecting any other rights or remedies OPG may have against the Contractor under the Contract. The Contractor will pay all Correction Costs as described in section 5.7 respecting all such actions, plus a fee of 15%. In respect of any action taken by OPG, directly or indirectly, under this section 5.8(c), OPG may without terminating the Contract:

- (1) eject and exclude from the Site the Contractor, any Subcontractor and any of the Contractor's Personnel;
- (2) suspend the Contractor's provision of the Project under the Contract to the extent of such actions;
- (3) take possession of the Site, work in progress, Goods, Contractor's construction equipment, tools, fuel and temporary structures and facilities, including for offices, lunchrooms, canteens, sanitation, showers, change rooms, accommodations, shops, warehouses and garbage disposal, at the Site (and at no additional charge for the retention and use thereof);
- (4) assume any and all subcontracts with Subcontractors;
- (5) avail itself of any performance bond, guarantee or other security provided by the Contractor or a Subcontractor with respect to the applicable part of the Project;
- (6) incorporate or use in the Project all Goods stored at the Site or for which OPG has paid the Contractor but which are stored elsewhere; and/or

- (7) withhold, without interest, all payments to the Contractor under any agreement between OPG and the Contractor until the Contractor's liability to OPG is determined.

The Contractor will allow all members of OPG Group and OPG's other contractors access to the Site to enable OPG to exercise its rights under this section 5.8(c). The Project Schedule will not be changed for any reason relating to any actions taken by OPG, directly or indirectly, under this section 5.8(c).

- (d) **Extension of Correction Period.** Where any correction or replacement of any Defective part of the Project, including any part of the Project that ceases to be used in commercial operations because of the Defective part of the Project, including in respect of any damage or loss arising in respect of such correction or replacement, is carried out under this section 5.8, then the Warranty Period will:

- (1) recommence at the beginning of the Warranty Period under section 5.8(a) respecting the part of the Project that was corrected or replaced, commencing on the date that such corrected or replaced part re-enters commercial operation; and
- (2) respecting the part of the Project that ceases to be used in commercial operations because of the Defective part of the Project, be suspended as at the date that such Project was taken out of commercial operation and will recommence on the date that such Project re-enters commercial operation.

In no event, however, will the Warranty Period with respect to: (A) Work relating to the Darlington Refurbishment Project be extended for more than 8 years from Substantial Completion; or (B) Work unrelated to the Darlington Refurbishment Project be extended for more than 6 years from Substantial Completion, in each case as specified in the applicable Purchase Order.

- (e) **Repetitive Failure.** In addition to the other provisions of this Section 5.8, in the event that a Defective part of the Project fails during the Warranty Period with a frequency, sameness, or pattern to indicate a logical regularity that exceeds predicted failure rates and in a manner that materially affects the performance of the Project in commercial operations, the Contractor will investigate the source of the defect prior to replacing the Defective part again and make whatever design and engineering changes are necessary, if any, in accordance with the OPG Specifications to correct the Defective part.

## **5.9 Acceptance of Defective Part of Project**

If any part of the Project becomes or is determined to be Defective or fails because of any defect before the expiration of the relevant Warranty Period (as that period may be extended under section 5.8(d)), OPG may deliver a Notice to the Contractor directing the Contractor not to correct or replace the Defective part of the Project in whole or in part. The Contractor will pay all of OPG's costs respecting its evaluation of, and determination respecting, such Defective part of the Project (including all of OPG's fees and charges of engineers, architects, accountants,

lawyers (on a substantial indemnity basis) and other professionals and all court, arbitration and other dispute mediation or resolution costs and charges). To the extent OPG accepts any such Defective part of the Project before OPG makes the final payment, the Parties will reduce the Contract Price under a Purchase Order Revision to reflect an equitable reduction in the Contract Price for the Defective part of the Project. To the extent OPG accepts any such Defective part of the Project after OPG makes the final payment, the Contractor will pay OPG an agreed amount that reflects an equitable reduction in the Contract Price for the Defective part of the Project and OPG is unconditionally and irrevocably directed to apply the warranty holdback to this amount (although, if such warranty holdback is exhausted, this situation in no way limits the Contractor's obligations to OPG under the Contract).

#### **5.10 Maintenance Services**

If applicable, the Contractor will provide in a timely manner all the maintenance Services and related Goods set out in the Worksheet. In providing such Services at the Site, the Contractor will comply with all applicable terms and conditions set out in the Worksheet respecting the performance of Services at the Site and will endeavour to minimize interference with, and impact on, OPG's operations.

#### **5.11 Sole Remedy**

If at any time and from time to time during the Warranty Period any part of the Project becomes or is determined to be Defective, the sole liability of the Contractor and the exclusive remedy of OPG with respect solely to the repair or replacement of such Defective part, will be limited to the warranty remedies set out in this section 5, provided that nothing in this section 5 will serve to limit the Contractor's liabilities or OPG's remedies otherwise provided for under this Agreement. THE EXPRESS WARRANTIES AND CONDITIONS SET FORTH IN THIS CONTRACT ARE EXCLUSIVE AND NO OTHER WARRANTIES OR CONDITIONS OF ANY KIND, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESS OR IMPLIED (INCLUDING WARRANTIES OR MERCHANTABILITY AND IMPLIED WARRANTIES OF CUSTOM OR USAGE) SHALL APPLY.

**Attachment 2.4(b) – Environmental Notice and Consent Form**

**ENVIRONMENTAL NOTICE AND CONSENT**

<b>To: Ontario Power Generation Inc.</b>	Contract: • (the “ <b>Contract</b> ”)  Contract No.: •  Environmental Notice No. •  Date: •
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Defined terms used in this Environmental Notice have the same meanings given to those terms in the Contract. Under section 2.4(b) of Appendix 2 to the ES MSA included in the Contract, the Contractor hereby requests the written consent of OPG to:

- (a) discharge, release, emit or deposit; or
- (b) disturb vegetation or wildlife on the Site through discharging, releasing, emitting or depositing,

the substance, material, solid, liquid or gas described on Exhibit A to this Environmental Notice in the manner described on Exhibit A to this Environmental Notice.

**[CONTRACTOR]**

By: \_\_\_\_\_  
Name:  
Title:

Consented to by OPG on \_\_\_\_\_, 20\_\_ on the terms set out in Exhibit B to this Environmental Notice.

**ONTARIO POWER GENERATION INC.**

By: \_\_\_\_\_  
Name:  
Title:

**Attachment 4.1(a) – Notice of Substantial Completion Form**

**NOTICE OF SUBSTANTIAL COMPLETION**

<b>To: Ontario Power Generation Inc.</b> <b>■</b>	<b>Contract:</b> <b>■</b> (the “Contract”)
	<b>Contract No.:</b> <b>■</b>
	<b>Date:</b> <b>■</b>

Defined terms used in this Notice have the same meanings given to those terms in the Contract. In accordance with section 4.1(a) of Appendix 2 to the ES MSA included in the Contract, the Contractor hereby gives OPG notice that Substantial Completion has occurred as follows:

<b>Date of “substantial performance” under the Construction Lien Act (Ontario)</b>	<b>■</b>
<b>Grounds for Requesting Substantial Completion</b>	<b>■</b> <i>[Contractor to confirm that the requirements of the tests for Substantial Completion have been met]</i>
<b>Costs to Finish the Services</b>	<b>\$■</b>
<b>Delivery of Approvals</b>	<b>■</b> <i>[Contractor to set out the dates on which Approvals were delivered and/or attach remaining Approvals]</i>
<b>Delivery of Reports</b>	<b>■</b> <i>[Contractor to set out on dates on which reports were delivered and/or attach remaining reports]</i>
<b>Independent Professional Certificate</b>	Attached as Exhibit A to this Notice.

**[CONTRACTOR]**

By: \_\_\_\_\_  
Name: **■**  
Title: **■**



**Attachment 4.1(b) – Substantial Completion Confirmation Form**

**CONFIRMATION OF SUBSTANTIAL COMPLETION**

<b>To:</b> <b>Ontario Power Generation Inc.</b> ■	<b>Contract:</b> ■ (the “Contract”)  <b>Contract No.:</b> ■  <b>Date:</b> ■
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Defined terms used in this Notice have the same meanings given to those terms in the Contract. OPG has determined that:

- (a)    Substantial Completion has occurred effective ■, 20■; or                    ☐
- (b)    Substantial Completion has not occurred for the reasons set                    ☐  
        out in Exhibit A to this Notice.

**ONTARIO POWER GENERATION INC.**

By: \_\_\_\_\_  
      Name: ■  
      Title: ■

**Attachment 4.2 – Final Completion Confirmation Form**

**CONFIRMATION OF FINAL COMPLETION**

<b>To:</b> ■	<b>Contract:</b> ■ (the “ <b>Contract</b> ”)
	<b>Contract No.:</b> ■
	<b>Date:</b> ■

Defined terms used in this Notice have the same meanings given to those terms in the Contract. OPG has determined that:

- (a) Final Completion has occurred effective ■, 20■; or ☐
- (b) Final Completion has not occurred for the reasons set out on Exhibit A to this Notice. ☐

**ONTARIO POWER GENERATION INC.**

By: \_\_\_\_\_  
Name: ■  
Title: ■

**APPENDIX 3**

**TERMS AND CONDITIONS FOR  
ENGINEERING**

See attached.

## APPENDIX 3

### TERMS AND CONDITIONS FOR ENGINEERING

#### RECITALS

- A. These additional terms and conditions applicable to engineering supplement the terms and conditions on which certain Work (the “**Project**”) will be performed by the Contractor for OPG pursuant to OPG Purchase Order #\_\_\_\_\_ (the “**Purchase Order**”).
- B. The contract between OPG and the Contractor in respect of the Project consists of the ES MSA, this Appendix 3 and the terms and conditions set out in the worksheet (the “**Worksheet**”) included in the Purchase Order (collectively, the “**Contract**”).

#### SECTION 1 - DEFINITIONS AND INTERPRETATION

##### 1.1 Definitions

Capitalized terms used but not defined in this Appendix have the meanings given to those terms in the ES MSA, and in this Appendix (including the recitals to this Appendix), the following terms have the following meanings:

- (a) **Contract** has the meaning given in the recitals to this Appendix.
- (b) **Defective** means (i) any part of the Project that is defective, is inoperative, fails because of any defect or does not comply with the Contract, including any failure to comply with any requirement of any Submittal, reference standard, inspection, test or approval required for the Project or otherwise referred to in the Contract, including whether or not the non-compliance is the result of defective Project (including design, workmanship and installation); or (ii) any part of the Project that has been negligently performed or provided.
- (c) **ES MSA** means the Extended Services Master Services Agreement made as of December 19, 2014 between OPG and the Contractor, excluding the Other Appendices, as amended from time to time (and, for greater certainty, excluding any OPG purchase orders issued pursuant to such agreement, other than the Purchase Order).
- (d) **Other Appendices** means each Appendix to the ES MSA, other than this Appendix.
- (e) **Professional** means a licensed professional, including engineers and architects, duly licensed in Ontario, and designated by the Contractor, to provide, in whole or in part, any of the Professional Services.
- (f) **Professional Services** means all the services in respect of the Contract, including with respect to preparing and/or providing detailed documents, designs, drawings

(including as built drawings), diagrams, illustrations, schedules, performance charts, brochures, specifications, plans, operating guides, progress photographs, reports, manuals (including operating and maintenance manuals), information, data or other deliverables, models or samples whether in a written, graphic, physical, electronic or other format provided, or required to be provided, by the Contractor to OPG under the Contract, that are:

- (1) required under Applicable Laws or any Approvals to be provided by a Professional;
  - (2) required by the Contract to be provided by a Professional; or
  - (3) provided by a Professional retained by the Contractor, including by the Contractor's Personnel.
- (g) **Project** has the meaning given in the recitals to this Appendix.
- (h) **Purchase Order** has the meaning given in the recitals to this Appendix.
- (i) **Services** means providing to OPG the design and other services comprising the Project in accordance with the Contract, including as applicable:
- (1) performing the Professional Services;
  - (2) performing engineering analysis;
  - (3) preparing documentation in support of the process of obtaining Approvals;
  - (4) conducting technical feasibility investigations;
  - (5) preparing preliminary designs and cost estimates;
  - (6) evaluating contractor proposals;
  - (7) providing technical support in connection with any other work, including providing assessing services; and
  - (8) providing the design and delivery of any documents, designs, drawings (including as-built drawings), diagrams, illustrations, schedules, performance charts, brochures, specifications, plans, operating guides, progress photographs, reports, manuals, information, data or other deliverables, models or samples whether in a written, graphic, physical, electronic or other format, software, computer programs and source codes (including in each case each of their components) necessary for the operation and maintenance of the Project or otherwise required to be delivered to OPG under the Contract (other than the Professional Services),

provided that such services are fit, in each case, for the purposes of the Contract. Services includes all of the Contractor's obligations under the Contract and any services, work or activities, whether or not they are specifically listed in the Purchase Order or the Worksheet, reasonably required under the Contract.

- (j) **Warranty Period** means, in respect of the Services, the greatest of:
- (1) two years after the date the last of the Services are performed, abandoned or terminated under the applicable Purchase Order, whichever shall occur first;
  - (2) the warranty period specified in any warranty from a Subcontractor for any specific part of the Services;
  - (3) the warranty period for any specific part of the Services provided under any Applicable Laws, subject to any extension made hereunder; and
  - (4) any other warranty period specified in the Contract, including the Worksheet for all or any specific part of the Services.
- (k) **Worksheet** has the meaning given in the recitals to this Appendix.

## **SECTION 2 - THE CONTRACTOR'S OBLIGATIONS**

### **2.1 The Contractor's Representations**

- (a) In addition to the representations and warranties contained elsewhere in the Contract, the Contractor represents and warrants to OPG that the Contractor:
- (1) is sufficiently experienced and properly qualified, licensed, equipped, organized and financed to provide, or cause to be provided, the Project;
  - (2) has engaged and will engage only Subcontractors that are competent and have an acceptable health and safety record based on OPG's safety program evaluation criteria;
  - (3) has examined and has satisfied itself in respect of all matters respecting the Project, including:
    - (A) all necessary information respecting the risks, contingencies and other circumstances which may affect the Project Schedule, the Key Milestones, the Contract Price or the Project;
    - (B) the current versions of all documents issued by a standards, regulatory or other organization referred to in the Contract and all collective agreements applicable to the Project;

- (C) the nature, location and physical conditions of the Site, including, surface and, if required by the applicable Purchase Order, subsurface conditions, and the location of all above and below surface buildings, utilities, structures, pipes, conduits and works;
  - (D) working and storage space, transportation (including any load or speed restrictions), delivery, construction facilities, uncertainties of weather and other work being carried out on, or in the vicinity of, the Site;
  - (E) all Applicable Laws, including any restrictions on hours of work, and any required Approvals; and
  - (F) the goods, equipment and facilities needed to provide the Project;
- (4) except as may be otherwise explicitly set out under the heading “Information Waiver (Section 3.1(j))” of a Purchase Order in respect of the Work pursuant to that Purchase Order, has relied solely on its findings, conclusions, interpretations and other opinions in evaluating the risks, contingencies and other circumstances that may be encountered in carrying out all the requirements of the Contract;
  - (5) has reviewed the Key Milestones and is satisfied that it can provide and entirely finish the Project in accordance with the Key Milestones;
  - (6) confirms that the OPG Specifications will ensure conformity of the Project with all Applicable Laws and, at a minimum, Prudent Practices;
  - (7) is not aware of any error, inconsistency or omission in the Worksheet;
  - (8) has disclosed in writing to OPG the names of each of the Contractor’s Personnel who will be providing Services continuously, who is a former OPG employee and who received a severance package from OPG, is receiving pension payments from OPG, or is receiving a non-working pension bridge from OPG;
  - (9) is not aware of any legal action instituted, threatened or pending against it that could have a material adverse effect on its ability to perform its obligations under the Contract; and
  - (10) has made due allowance, including by way of pricing, for all the matters referred to in this section 2.1(a).

## **2.2 Kick off and Subsequent Meetings**

Unless otherwise specified in the applicable Purchase Order, the following provisions shall apply:

- (a) **Preparation Phase.** Within 10 Business Days of the date of the Contract, the Contractor will:
- (1) meet with all appropriate Persons, including OPG's Project Representative to confirm, among the parties and such Persons, the manner and approach in fulfilling the requirements of the Contract;
  - (2) meet with individuals designated by OPG's Project Representative to confirm design requirements and approach;
  - (3) identify and analyze requirements of applicable Governmental Authorities with whom consultation is to be undertaken in respect of the Project; and
  - (4) obtain such additional information that it deems necessary for providing the Project.
- (b) **Kick-Off Meeting.** Within 10 Business Days of the date of the Contract, OPG's Project Representative will arrange a kick-off meeting. The Contractor will ensure attendance by its authorized representatives and any representatives of Subcontractors, including senior management, as required by OPG. At this meeting the parties will discuss safety and environmental protection programs (including those of Subcontractors) and requirements, the hazards associated with the Project, labour matters, design concepts, schedules, procedures for handling Submittals, communication protocols, procedures for processing each Application for Payment, delivery procedures for the Site, records maintenance, Site security, nuclear safety requirements, radiological safety requirements and "conduct of" requirements, if applicable, for work in a nuclear facility and any other matter raised by a party.
- (c) **Meetings.** In addition to the kick-off meeting, the Contractor will schedule, attend and conduct such other progress review meetings and commissioning meetings as are requested by OPG or are otherwise desirable, including any meetings required by the Worksheet. The Contractor will include in the agenda of any such meeting any issue requested by OPG. The Contractor will ensure that all Subcontractors and other Persons requested by OPG will attend these meetings. The Contractor will ensure that each representative of the Contractor and any Subcontractor attending meetings will be qualified and authorized to act on behalf of the party each represents. The Contractor will coordinate the space for the meeting after consultation with OPG. Unless OPG otherwise requests regarding a particular meeting, Contractor will prepare and distribute minutes of each meeting within three Business Days.

**2.3 Commissioning Phase.** Unless otherwise set forth in the Worksheet, during the commissioning phase for the applicable project to which the Services relate as set out in the Project Schedule, the Contractor will support the commissioning phase as provided in the Worksheet, and will provide manufacturers' authorized representatives, specialists and/or representatives of Subcontractors as may be required by OPG for the Project.



**2.4 Health and Safety.** The Contractor and each Subcontractor, while performing the Services at OPG's facilities, will comply with all Applicable Laws, as well as all applicable OPG policies and procedures referenced in Section 3.5(f) of the ES MSA. OPG is committed to a safety program with a target of no accidents or injuries. The Contractor will comply with all relevant safety rules and regulations, including without limiting the generality of the foregoing, those established by OPG from time to time. The Contractor will comply, at its expense, with the requirement to cooperate and participate in the reporting of significant events and the subsequent investigations for any events precipitated by the Contractor or its Subcontractors. To the extent that the investigation demonstrates that the safety incident was contributed to, or caused by, the negligence of the Contractor or other member of the Contractor Group, OPG will be entitled to recover the reasonable costs of the investigation. Reporting events, conducting cause investigations and taking corrective action is a significant cost to OPG; therefore the Contractor will comply, at its expense, with the requirement to cooperate and participate in the reporting of significant events and the subsequent investigations for any events contributed to by the negligence or other act or omission of any member of the Contractor Group.

### **SECTION 3 - ACCEPTANCE OF SERVICES AND CORRECTION OF ERRORS**

#### **3.1 Warranty**

- (a) **Basic Warranty.** The Contractor warrants and guarantees to OPG that, for the duration of the Warranty Period:
- (1) all the Services will be: (1) fit for the purposes set out in the Contract, including the OPG Specifications; and (2) in all respects, performed with the standard of care, skill and diligence expected, at the time and place of performance, of recognized professional engineering firms performing services of a similar type and nature; and
  - (2) provided in accordance with the Contract, including any additional warranties contained in the Worksheet.

#### **3.2 Access to Project**

The Contractor will provide access to the Project, and the premises of the Contractor and Subcontractors, at all reasonable times and from time to time, to OPG's Project Representative, and at the request of OPG's Project Representative, to his or her OPG Designated Delegate, for the purposes of viewing, performing surveillance on, inspecting, testing and/or accepting the Project, in whole or in part, including to monitor compliance with the Contract and any applicable quality assurance program. In particular, the Contractor will deliver a Notice to OPG's Project Representative providing OPG with Notice of at least two Business Days before OPG is required to inspect any Goods at any hold point in any inspection plan. At the request of OPG's Project Representative, the Contractor will promptly provide to OPG's Project Representative and/or his or her OPG Designated Delegate a copy of all the documents respecting any subcontract for the Project subject to viewing, performing surveillance, inspecting, testing and/or accepting. No such viewing, performing surveillance, inspecting, testing and/or accepting by OPG will relieve the Contractor of any of its obligations under the

Contract. The Contractor will advise each applicable representative of OPG of the Contractor's or Subcontractor's applicable site safety procedures and policies. The Contractor will provide each such representative with proper and safe transportation and conditions for such access.

### 3.3 Notice of Defect

- (a) OPG will, within a reasonable period of time after having actual knowledge of a Defective part of the Services and before the expiration of the Warranty Period, deliver Notice to the Contractor of the Defective part, but OPG's failure to do so will not impose any liability on OPG and the Contractor will be estopped from making any claim against OPG for failure to do so. In addition, OPG's failure to do so will not:
  - (1) have the effect of transferring any obligation under the Contract from the Contractor to OPG or otherwise have the effect of amending the Contract; or
  - (2) will not affect or change in any way the Contractor's,
    - (A) obligation to entirely finish the Services in accordance with the Contract, or
    - (B) responsibility for repairing, replacing or re-providing any Defective part of the Project.

### 3.4 Correction or Removal of Defective Part of Project

- (a) **Services Required.** OPG may accept or reject any Defective parts of the Project, whether or not such part has been incorporated into the Project, on delivery of Notice to this effect to the Contractor. The Contractor will promptly correct all Defective parts of the Project either upon discovery or upon rejection by OPG under this section 3.4 and shall satisfactorily correct or replace any other damage arising in respect of such Defective parts or in respect of any inspections conducted to determine whether any actions were required. If reasonably requested by OPG, the Contractor will remove any and all Defective parts of the Project from the Site, whether or not such parts have been incorporated into the Project, and replace such parts with parts that are not Defective and that comply with the Contract.
- (b) **Cost to Correct or Remove.** The Contractor will pay all costs respecting the correction of a Defective part of the Project ("**Correction Costs**"), including:
  - (1) all incidental costs of the corrective services or rework, including, as may be required for disassembly, removal, re-installation, re-erection, re-assembly, transportation, insurance, brokerage fees and any applicable Taxes;

- (2) all of OPG's fees and charges of engineers, architects, accountants, lawyers (on a substantial indemnity basis) and other professionals, all court, arbitration and other dispute mediation or resolution costs and charges, whether incurred through settlement or otherwise, together with interest calculated in accordance with the definition of Losses in the ES MSA; and
  - (3) all costs and charges respecting correction, rework or replacement of any Defective part of the Project, including any part of the Project that was rendered Defective because of the Defective part of the Project, including in respect of any damage or loss arising in respect of such correction or replacement or in respect of any inspections conducted to determine whether any such correction, rework or replacement was required, including, only to the extent covered by insurance, for loss of use.
- (c) **Obligation to Correct.** If, at any time and from time to time before the expiration of the Warranty Period, the Project, in whole or in part, including any part of the Project that was rendered Defective because of the Defective part of the Project, becomes or is determined to be Defective or fails because of any defect, the Contractor will promptly, without cost to OPG and in accordance with OPG's instructions and at times and within the period of time reasonably specified by OPG:
- (1) satisfactorily correct such Defective part of the Project, or, to the extent reasonably requested by OPG, remove such Defective part of the Project from the Site and replace such Defective part with parts which are not Defective and which comply with the Contract; and
  - (2) satisfactorily correct or replace any other damage arising in respect of the actions taken in respect of section 3.4(c) in respect of any inspections conducted to determine whether any actions were required in respect of section 3.4(c).

The Contractor will pay all Correction Costs as described in section 3.4(a). In providing any corrective services under this section 3.4(c), the Contractor will comply with all applicable terms of the Contract and will endeavour to minimize interference with, and impact on, OPG's operations.

- (d) **Failure to Comply.** If the Contractor fails to comply with its obligations under section 3.4(c) or any other term in the Contract as expeditiously as is commercially reasonable and within the time period reasonably specified by OPG, or if there is an emergency that poses a significant risk of loss or damage to the Project or any Person, OPG may take, directly or indirectly, any of the actions contemplated under section 3.4(c) or such other actions as are reasonable in the circumstances, without affecting any other rights or remedies OPG may have against the Contractor under the Contract. The Contractor will pay all Correction Costs as described in section 3.4(a) respecting all such actions, plus a fee of 15%.

In respect of any action taken by OPG, directly or indirectly, under this section 3.4(d), OPG may without terminating the Contract:

- (1) eject and exclude from the Site the Contractor, any Subcontractor and any of the Contractor's Personnel;
- (2) suspend the Contractor's provision of the Project under the Contract to the extent of such actions;
- (3) take possession of any work in progress at no additional charge for the retention and use thereof;
- (4) assume any and all subcontracts with Subcontractors;
- (5) avail itself of any performance bond, guarantee or other security provided by the Contractor or a Subcontractor with respect to the applicable part of the Project;
- (6) incorporate or use in the Project all results of the Services at the Site or for which OPG has paid the Contractor but which are located elsewhere; and/or
- (7) withhold, without interest, all payments to the Contractor under any agreement between OPG and the Contractor until the Contractor's liability to OPG is determined.

The Contractor will allow all members of OPG Group and OPG's other contractors such access as is necessary to enable OPG to exercise its rights under this section 3.4(d). The Project Schedule will not be changed for any reason relating to any actions taken by OPG, directly or indirectly, under this section 3.4(d).

- (e) **Extension of Correction Period.** Where any correction or replacement of any Defective part of the Project, including any part of the Project that ceases to be used in commercial operations because of the Defective part of the Project, including in respect of any damage or loss arising in respect of such correction or replacement, is carried out under this section 3.4(e), then the Warranty Period will:

- (1) recommence at the beginning of the Warranty Period respecting the part of the Project that was corrected or replaced, commencing on the date that such corrected or replaced part re-enters commercial operation; and
- (2) respecting the part of the Project that ceases to be used in commercial operations because of the Defective part of the Project, be suspended as at the date that such Project was taken out of commercial operation and will recommence on the date that such Project re-enters commercial operation.

In no event, however, will the Warranty Period with respect to: (A) Services relating to the Darlington Refurbishment Project be extended for more than 8 years from the date the last of the Services are performed, abandoned or terminated under the applicable Purchase Order, whichever shall occur first; or (B) Services unrelated to the Darlington Refurbishment Project be extended for more than 6 years from the date the last of the Services are performed, abandoned or terminated under the applicable Purchase Order, whichever shall occur first, in each case as specified in the applicable Purchase Order.

- (f) **Repetitive Failure.** In addition to the other provisions of this Section 3.4, in the event that a Defective part of the Project fails during the Warranty Period with a frequency, sameness, or pattern to indicate a logical regularity that exceeds predicted failure rates and in a manner that materially affects the performance of the Project in commercial operations, the Contractor will investigate the source of the defect prior to replacing the Defective part again and make whatever design and engineering changes are necessary, if any, in accordance with the OPG Specifications to correct the Defective part.\

### 3.5 Sole Remedy

If at any time and from time to time during the Warranty Period any part of the Project becomes or is determined to be Defective, the sole liability of the Contractor and the exclusive remedy of OPG with respect solely to the repair or replacement of such Defective part, will be limited to the warranty remedies set out in this section 3, provided that nothing in this section 3 will serve to limit the Contractor's liabilities or OPG's remedies otherwise provided for under this Agreement. THE EXPRESS WARRANTIES AND CONDITIONS SET FORTH IN THIS CONTRACT ARE EXCLUSIVE AND NO OTHER WARRANTIES OR CONDITIONS OF ANY KIND, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESS OR IMPLIED (INCLUDING WARRANTIES OR MERCHANTABILITY AND IMPLIED WARRANTIES OF CUSTOM OR USAGE) SHALL APPLY.

**APPENDIX 4**

**TERMS AND CONDITIONS FOR  
PROCUREMENT**

See attached.

## APPENDIX 4

### TERMS AND CONDITIONS FOR PROCUREMENT

#### RECITALS

- A. These additional terms and conditions applicable to procurement work supplement the terms and conditions on which certain Work (the “**Project**”) will be performed by the Contractor for OPG pursuant to OPG Purchase Order #\_\_\_\_\_ (the “**Purchase Order**”).
- B. The contract between OPG and the Contractor in respect of the Project consists of the ES MSA, this Appendix 4 and the terms and conditions set out in the worksheet (the “**Worksheet**”) included in the Purchase Order (collectively, the “**Contract**”).

#### SECTION 1 – DEFINITIONS AND INTERPRETATION

##### 1.1 Definitions

Capitalized terms used but not defined in this Appendix have the meanings given to those terms in the ES MSA, and in this Appendix (including the recitals to this Appendix), the following terms have the following meanings:

- (a) **Actual Delivery Date** means the date when the Goods are actually received by OPG, free of Defects.
- (b) **Contract** has the meaning given in the recitals to this Appendix.
- (c) **Correction Costs** is defined in section 3.5(b).
- (d) **Defective** means:
  - (1) any part of the Project that is defective, is inoperative, fails because of any defect or does not comply with the Contract, including any failure to comply with any requirement of any Submittal, reference standard, inspection, test or Approval required for the Project or otherwise referred to in the Contract, including whether or not the non-compliance is the result of defective Services (including design, workmanship and installation) or Goods; or
  - (2) any part of the Project that has been negligently performed or provided.

For clarity, provided the Contractor has complied with its obligations under Schedule 13, defects in the Free Issue Materials do not constitute a Defective part of the Project.

- (e) **Electrical Safety Authority** has the meaning prescribed in the *Electrical Safety Code* (Ontario) and which is charged with administering the regulations thereunder.
- (f) **ES MSA** means the Extended Services Master Services Agreement made as of December 19, 2014 between OPG and the Contractor, excluding the other Appendices, as amended from time to time (and, for greater certainty, excluding any OPG purchase orders issued pursuant to such agreement, other than the Purchase Order).
- (g) **Other Appendices** means each Appendix to the ES MSA, other than this Appendix.
- (h) **Procurement Plan** has the meaning given in Appendix C to the Interface Requirements.
- (i) **Project** has the meaning given in the recitals to this Appendix.
- (j) **Purchase Order** has the meaning given in the recitals to this Appendix.
- (k) **Services** means providing to OPG an entirely finished and fully functional Project, delivered in accordance with the Contract that is fit for the purposes set out in the Contract and including:
  - (1) procuring the Goods;
  - (2) providing any rework, repairs or replacements of anything that is Defective;
  - (3) providing mobilizing, labour, demobilizing, management, supervision and administration;
  - (4) using any goods of any kind in respect of the Project; and
  - (5) providing any other services required by, and performing its obligations under, the Contract, including the services referred to in section 3.1(b) of the ES MSA and the obligations set out in this Appendix,all in accordance with the Contract, including the Worksheet.
- (l) **Take Over Date** means the date on which the Goods have been completed, made ready for use, shipped, received and accepted by OPG's Project Representative in writing.
- (m) **Warranty Period** means:
  - (1) in respect of Goods, the greatest of:
    - (A) the second anniversary following the Take Over Date;



- (B) the warranty period specified in any warranty from a Subcontractor for any specific Goods or part of any Goods;
  - (C) the warranty period for any Goods or part of Goods provided under any Applicable Laws, all subject to any extension made hereunder; and
  - (D) the warranty period specified in the applicable Worksheet for any specific part of the Services; and
- (2) in respect of the Services, the greatest of:
- (A) the second anniversary after the date the last of the Services are performed, abandoned or terminated under the applicable Purchase Order, whichever shall occur first;
  - (B) the warranty period specified in any warranty from a Subcontractor for any specific part of the Services;
  - (C) the warranty period for any specific part of the Services provided under any Applicable Laws, subject to any extension made hereunder; and
  - (D) any other warranty period specified in the Contract, including the Worksheet, for all or any specific part of the Services.
- (n) **Worksheet** has the meaning given in the recitals to this Appendix.

## **SECTION 2 – CONTRACTOR’S OBLIGATIONS**

### **2.1 Representations Regarding the Project**

- (a) In addition to the representations and warranties contained elsewhere in the Contract, the Contractor represents and warrants to OPG that the Contractor:
- (1) is sufficiently experienced and properly qualified, licensed, equipped, organized and financed to provide, or cause to be provided, the Project;
  - (2) has engaged and will engage only Subcontractors that are competent and have an acceptable health and safety record based on OPG’s safety program evaluation criteria;
  - (3) has examined and has satisfied itself in respect of all matters respecting the Project, including:
    - (A) all necessary information respecting the risks, contingencies and other circumstances which may affect the Project Schedule, the Key Milestones, the Contract Price or the Project;

- (B) the current versions of all documents issued by a standards, regulatory or other organization referred to in the Contract and all collective agreements applicable to the Project;
  - (C) any applicable general and local conditions, including those respecting labour, health and safety, site access and other administrative practices;
  - (D) all Applicable Laws, including any restrictions on hours of work, and any required Approvals; and
  - (E) the goods and facilities needed to provide the Project;
- (4) except as may be otherwise explicitly set out under the heading “Information Waiver (Section 3.1(j))” of a Purchase Order in respect of the Work pursuant to that Purchase Order, has relied solely on the Contractor’s findings, conclusions, interpretations and other opinions in evaluating the risks, contingencies and other circumstances that may be encountered in carrying out all the requirements of the Contract;
  - (5) has reviewed the Key Milestones and is satisfied that it can provide and entirely finish the Project in accordance with the Key Milestones;
  - (6) confirms that the OPG Specifications will ensure conformity of the Project with all Applicable Laws and, at a minimum, Prudent Practices;
  - (7) is not aware of any error, inconsistency or omission in the Worksheet;
  - (8) has disclosed in writing to OPG the names of each of the Contractor’s Personnel who will be providing Services at the Site continuously, who is a former OPG employee and who received a severance package from OPG, is receiving pension payments from OPG, or is receiving a non-working pension bridge from OPG;
  - (9) is not aware of any legal action instituted, threatened or pending against it that could have a material adverse effect on its ability to perform its obligations under the Contract; and
  - (10) has made due allowance, including by way of pricing, for all the matters referred to in this section 2.1(a).

## **2.2 Kick off and Subsequent Meetings**

Unless otherwise specified in the applicable Purchase Order, the following provisions shall apply:

- (a) **Preparation Phase.** Within 10 Business Days of the date of the Contract, the Contractor will:

- (1) meet with all appropriate Persons, including OPG's Project Representative to confirm, among the parties and such Persons, the manner and approach in fulfilling the requirements of the Contract;
  - (2) meet with individuals designated by OPG's Project Representative to confirm design requirements and approach;
  - (3) identify and analyze requirements of applicable Governmental Authorities with whom consultation is to be undertaken in respect of the Project; and
  - (4) obtain such additional information that it deems necessary for providing the Project.
- (b) **Kick-Off Meeting.** Within 10 Business Days of the date of the Contract, OPG's Project Representative will arrange a kick-off meeting. The Contractor will ensure attendance by its authorized representatives and any representatives of Subcontractors, including senior management, as required by OPG. At this meeting the parties will discuss safety and environmental protection programs (including those of Subcontractors) and requirements, the hazards associated with the Project, labour matters, design concepts, schedules, procedures for handling Submittals, communication protocols, procedures for processing each Application for Payment, delivery procedures for the Site, records maintenance, Site security, nuclear safety requirements, radiological safety requirements and "conduct of" requirements for work in a nuclear facility, if applicable, and any other matter raised by a party.
- (c) **Meetings.** In addition to the kick-off meeting, the Contractor will schedule, attend and conduct such other progress review meetings and commissioning meetings as are requested by OPG or are otherwise desirable, including any meetings required by the Worksheet. The Contractor will include in the agenda of any such meeting any issue requested by OPG. The Contractor will ensure that all Subcontractors and other Persons requested by OPG will attend these meetings. The Contractor will ensure that each representative of the Contractor and any Subcontractor attending meetings will be qualified and authorized to act on behalf of the party each represents. The Contractor will coordinate the space for the meeting after consultation with OPG. Unless OPG otherwise requests regarding a particular meeting, Contractor will prepare and distribute minutes of each meeting within three Business Days.

## 2.3 Hazardous Material

The Contractor, when shipping to the Site or to any other location any product which is categorized as hazardous material (including compressed gas, flammable or combustible material, oxidizing material, poisonous and infectious material, corrosive material or dangerously reactive material), will comply with all relevant federal and provincial regulations and all applicable OPG procedures and policies pertaining to such materials. The Workplace Hazardous Material Information System (WHMIS) will apply and all such materials will be

properly identified with WHMIS type warning labels. All shipments of such material will include a Material Safety Data Sheet (MSDS) with a copy to the OPG MSDS Centre, 1549 Victoria Street East, Whitby, Ontario L1W 3C7, Attention: Technical Information Services.

## 2.4 Shipping and Packaging Instructions

- (a) **Shipping.** Where applicable, the Contractor will ship Goods complete and ready for installation. If the size of the Goods prevents the Contractor from shipping it fully assembled, the Contractor will segregate the Goods into components to allow safe and convenient transportation. The Contractor will only release and ship Goods when the following conditions have been met:
  - (1) release form has been signed by OPG's Project Representative;
  - (2) certified test results required by the Contract have been accepted by OPG;
  - (3) certificate of conformance, where applicable, has been accepted by OPG;
  - (4) shipping bill of material has been submitted by the Contractor and accepted by OPG; and
  - (5) all relevant Documents have been accepted by OPG.
- (b) **Receipt.** The receipt or taking delivery of the Goods by OPG will not be deemed a waiver of any right, claim or remedy of OPG under the Contract or otherwise.
- (c) **Packaging.** When applicable, the Contractor will pack, brace and load all Goods in a manner as to prevent physical damage and damage from climatic conditions. The Contractor will clearly mark on the outside of the shipping container all specific instructions setting out any precautions required during shipping and storage in a durable envelope attached to the container and suitably labeled. The Contractor will ensure that all openings in Goods such as vessels, valves and pumps will be sealed. The Contractor will ensure that where necessary, skids, hauling eyes, jacking plates, and sling hooks, will be provided for unloading and field assembly. The Contractor will ensure that where pallets are required for shipping purposes, the Contractor must obtain approval from OPG's Project Representative to use wooden pallets prior to shipping. The Contractor will ensure that all cages, packages, boxes, crates, bundles, and unpackaged components will be clearly and indelibly marked to show necessary shipping information. Any damage to the Goods during shipping shall be the Contractor's sole liability and responsibility.
- (d) **Marking.** When applicable, the Contractor will apply markings suitable to the type of product and packaging involved and will provide the following information:
  - (1) destination address and OPG's Purchase Order number;

- (2) material identification number, as applicable, and other identifications specified in the Purchase Order;
  - (3) the Contractor's shipment identification number, numbering of packages, boxes, crates, components, or assemblies of the shipment; and
  - (4) the mass and sizes of each major component or assembly (if the lifting points are critical, they will be clearly marked by the Contractor and identified).
- (e) **Packing Slip.** When applicable, the Contractor will provide a detailed packing slip, listing each separate item, in a waterproof envelope and firmly attached to each shipping container. The Contractor will ensure each packing slip includes the following certification:

"The Goods listed herein have been inspected and tested by the Contractor and are in conformance with the contract requirements and approved for shipment".

The Contractor must endorse such certification with the signature and title of an authorized representative of the Contractor's quality authority. The Contractor will ensure that such certification includes references to the Purchase Order number, purchase order line number and material identification number.

The Contractor will mail a duplicate copy of the packing slip to OPG's Project Representative as soon as a shipment is ready for dispatch.

## 2.5 Commissioning and Completion

- (a) **Commissioning Phase.** Unless otherwise specified in the applicable Purchase Order, during the commissioning phase for the applicable project to which the Goods or Services relate as set out in the Project Schedule, the Contractor will support the commissioning phase as provided in the Worksheet, and will provide manufacturers' authorized representatives, specialists and/or representatives of Subcontractors as may be required by OPG for the Project.

## 2.6 Procurement

- (a) **Goods.** Unless otherwise specified in the applicable Purchase Order, the Contractor will be responsible, at its cost, for manufacturing or supplying or procuring, factory testing, transporting, delivering, inspecting and receiving Goods, and providing all other goods and services reasonably required in respect of the Project. The Contractor will conduct all these activities in accordance with the Contract. The Contractor will maintain absolute control over, and exclusive responsibility for, the Contractor's own, and each Subcontractor's own, operations and the Contractor's Personnel.
- (b) **Procurement Plan.** If required by the Worksheet, the Contractor will develop a Procurement Plan for procurement of the Goods. The Procurement Plan will be

provided to OPG for acceptance. Any deviation of mandatory criteria from the Procurement Plan will require approval by OPG.

- (c) **Delivery.** The Contractor will be responsible for arranging its manufacturing, and shipping schedules so that the Goods will arrive at the stipulated destination in accordance with the delivery schedule and will be aligned with the Project Schedule. The Contractor will deliver the Goods to the delivery point by the date specified in the Project Schedule. The Contractor will not deliver the Goods prior to the date specified in the Project Schedule without the written consent of OPG's Project Representative, acting in its sole discretion. Unless otherwise specified, the Goods will be delivered duty paid (DDP), as that term is defined in the Incoterms 2010, to the Site, by the date specified in the Project Schedule and will be specifically documented by the Contractor in the applicable Procurement Plan, if any (unless otherwise specified in the applicable Purchase Order).
- (d) **Good Shipping and Storage Practices.** To the extent applicable, the Contractor will transport, deliver, receive, and store (whether on site or off site) all Goods in accordance with good shipping and storage practices ( as recommended by the applicable manufacturer and/or Subcontractor or, if applicable, OPG) and in accordance with Applicable Laws, Prudent Practices and the terms and conditions for all applicable insurance policies.
- (e) **Electrical Safety.** The Contractor will ensure that all electrical Goods, before delivery, has the safety approval of the Canadian Standards Association (CSA), United Laboratories (UL) or the electrical approval of the Electrical Safety Authority (ESA). The Contractor will arrange for such approval at its expense.

## SECTION 3 – ACCEPTANCE OF PROJECT AND CORRECTION OF DEFECTS

### 3.1 Warranty

- (a) **Basic Warranty on Goods.** Until the expiration of the Warranty Period, the Contractor will ensure that all Goods will be fit for the purposes set out in the Contract, new, unused, not Defective and free from all Liens, of good quality and comply with all requirements under the Contract (including any additional warranties specified in the Worksheet). All warranties and guarantees set out in the Contract are for the benefit of OPG. If required by OPG, the Contractor will provide satisfactory evidence (including reports of required inspections, tests and approvals) as to the kind and quality of all Goods.
- (b) **Basic Warranty on Services.** The Contractor warrants and guarantees to OPG that, for the duration of the Warranty Period:
  - (1) all the Services will be: (1) fit for the purposes set out in the Contract, including the OPG Specifications; (2) in all respects, performed with the standard of care, skill and diligence expected, at the time and place of performance, of recognized professional engineering firms performing services of a similar type and nature; and

- (2) provided in accordance with the Contract (including any additional warranties specified in the Worksheet).
- (c) **Risk of Loss.** The Goods and Services will remain at the sole risk of the Contractor against loss or damage up to and including the Take Over Date or, with respect to any particular Goods or Services, such earlier date as OPG accepts care, custody and control of such Goods or Services (but excluding damage that was caused by OPG unless such damage was caused by OPG as a result of the Contractor's failure to comply with any of its obligations under the Contract).

### 3.2 Access to Project

The Contractor will provide access to the Project and the premises of the Contractor and Subcontractors, at all reasonable times and from time to time, to OPG's Project Representative, and at the request of OPG's Project Representative, to his or her OPG Designated Delegate, for the purposes of viewing, performing surveillance on, inspecting, testing and/or accepting the Project, in whole or in part, including to monitor compliance with the Contract and any applicable quality assurance program. In particular, the Contractor will deliver a Notice to OPG's Project Representative providing OPG with Notice of at least four Business Days before OPG is required to inspect any Goods at any hold point in any inspection plan. At the request of OPG's Project Representative, the Contractor will promptly provide to OPG's Project Representative and/or his or her OPG Designated Delegate a copy of all the documents respecting any subcontract for the Project subject to viewing, performing surveillance, inspecting, testing and/or accepting. No such viewing, performing surveillance, inspecting, testing and/or accepting by OPG will relieve the Contractor of any of its obligations under the Contract. The Contractor will advise each applicable representative of OPG of the Contractor's or Subcontractor's applicable site safety procedures and policies. The Contractor will provide each such representative with proper and safe transportation and conditions for such access.

### 3.3 Inspections, Tests and Approvals

The Contractor will with promptness and in an orderly sequence so as not to cause any delay to the Project arrange for and obtain all inspections, tests and approvals required for the acceptance of Goods that are to be incorporated or used in the Project. The Contractor will ensure that each inspection, test or approval that is required to be carried out, in whole or in part, by a Professional, is so carried out by a Professional. The Contractor will pay all costs respecting such inspections, tests and approvals. If the Contract, the applicable quality assurance program or any Applicable Laws or Approvals require any part of the Project to be inspected, tested or approved, in whole or in part, the Contractor will arrange for and obtain all such inspections, tests and approvals. The Contractor will pay all costs respecting such inspections, tests and approvals and will reimburse OPG for OPG's costs if at any hold-point date any test, inspection or approval is not successfully completed due to an act or omission of the Contractor or fails such test, inspection or approval. The Contractor will deliver to OPG all certificates, reports and other documents respecting any inspections, tests and approvals made in accordance with this section 3.3 or the Contract, including the Worksheet. The Contractor will give OPG reasonable Notice of the date, time and location for all inspections, tests or approvals carried out under this section 3.3 or the Contract, including the Worksheet so that OPG and OPG's Designated

Delegates can attend. If Notice is not given, OPG may require the inspection, test or approval to be redone. In addition to any other inspection, test or approval set out in the Contract, OPG may require, at its cost (but, for certainty, without payment of any amount to the Contractor), any other inspection, test or approval of any part of the Project, in whole or in part, either on or off the Site, upon Notice to the Contractor.

### 3.4 Notice of Defective Project

OPG will, within a reasonable period of time after having actual knowledge of a Defective part of the Project and before the expiration of the Warranty Period, deliver Notice to the Contractor of the Defective part, but OPG's failure to do so will not impose any liability on OPG and the Contractor will be estopped from making any claim against OPG for failure to do so. In addition, OPG's failure to do so will not:

- (a) have the effect of transferring any obligation under the Contract from the Contractor to OPG or otherwise have the effect of amending the Contract; or
- (b) will not affect or change in any way the Contractor's,
  - (1) obligation to entirely finish the Project in accordance with the Contract, or
  - (2) responsibility for repairing, replacing or re-providing any Defective part of the Project.

### 3.5 Correction or Removal of Defective Part of Project

- (a) **Services Required.** OPG may accept or reject any Defective parts of the Project, whether or not such part has been incorporated into the Project, on delivery of Notice to this effect to the Contractor. The Contractor will promptly correct all Defective parts of the Project either upon discovery or upon rejection by OPG under this section 3.5 and shall satisfactorily correct or replace any other damage arising in respect of such Defective parts or in respect of any inspections conducted to determine whether any actions were required. If reasonably requested by OPG, the Contractor will remove any and all Defective parts of the Project from the Site, whether or not such parts have been incorporated into the Project, and replace such parts with parts that are not Defective and that comply with the Contract.
- (b) **Cost to Correct or Remove.** The Contractor will pay all costs respecting the correction of a Defective part of the Project ("**Correction Costs**"), including:
  - (1) all incidental costs of the corrective services or rework, including, as may be required for disassembly, removal, re-installation, re-erection, re-assembly, transportation, insurance, brokerage fees and any applicable Taxes;
  - (2) all of OPG's fees and charges of engineers, architects, accountants, lawyers (on a substantial indemnity basis) and other professionals, all



court, arbitration and other dispute mediation or resolution costs and charges, whether incurred through settlement or otherwise, together with interest calculated in accordance with the definition of Losses in the ES MSA; and

- (3) all costs and charges respecting correction, rework or replacement of any Defective part of the Project, including any part of the Project that was rendered Defective because of the Defective part of the Project, including in respect of any damage or loss arising in respect of such correction or replacement or in respect of any inspections conducted to determine whether any such correction, rework or replacement was required, including, only to the extent covered by insurance, for loss of use.
- (c) **Obligation to Correct.** If, at any time and from time to time before the expiration of the Warranty Period, the Project, in whole or in part, including any part of the Project that was rendered Defective because of the Defective part of the Project, becomes or is determined to be Defective or fails because of any defect, the Contractor will promptly, without cost to OPG and in accordance with OPG's instructions and at times and within the period of time reasonably specified by OPG:
- (1) satisfactorily correct such Defective part of the Project, or, to the extent reasonably requested by OPG, remove such Defective part of the Project from the Site and replace such Defective part with parts which are not Defective and which comply with the Contract; and
  - (2) satisfactorily correct or replace any other damage arising in respect of the actions taken in respect of section 3.5(c)(1) in respect of any inspections conducted to determine whether any actions were required in respect of section 3.5(c)(1).

The Contractor will pay all Correction Costs as described in section 3.5(b). In providing any corrective services under this section 3.5(c), the Contractor will comply with all applicable terms of the Contract and will endeavour to minimize interference with, and impact on, OPG's operations.

- (d) **Failure to Comply.** If the Contractor fails to comply with its obligations under section 3.5(c) or any other term in the Contract as expeditiously as is commercially reasonable and within the time period reasonably specified by OPG, or if there is an emergency that poses a significant risk of loss or damage to the Project or any Person, OPG may take, directly or indirectly, any of the actions contemplated under section 3.5(c) or such other actions as are reasonable in the circumstances, without affecting any other rights or remedies OPG may have against the Contractor under the Contract. The Contractor will pay all Correction Costs as described in section 3.5(b) respecting all such actions, plus a fee of 15%. In respect of any action taken by OPG, directly or indirectly, under this section 3.5(d), OPG may without terminating the Contract:

- (1) eject and exclude from the Site the Contractor, any Subcontractor and any of the Contractor's Personnel;
- (2) suspend the Contractor's provision of the Project under the Contract to the extent of such actions;
- (3) take possession of the Site, work in progress, Goods, Contractor's construction Goods, tools, fuel and temporary structures and facilities, including for offices, lunchrooms, canteens, sanitation, showers, change rooms, accommodations, shops, warehouses and garbage disposal, at the Site (and at no additional charge for the retention and use thereof);
- (4) assume any and all subcontracts with Subcontractors;
- (5) avail itself of any performance bond, guarantee or other security provided by the Contractor or a Subcontractor with respect to the applicable part of the Project;
- (6) incorporate or use in the Project all Goods stored at the Site or for which OPG has paid the Contractor but which are stored elsewhere; and/or
- (7) withhold, without interest, all payments to the Contractor under any agreement between OPG and the Contractor until the Contractor's liability to OPG is determined.

The Contractor will allow all members of OPG Group and OPG's other contractors access to the Site to enable OPG to exercise its rights under this section 3.5(d). The Project Schedule will not be changed for any reason relating to any actions taken by OPG, directly or indirectly, under this section 3.5(d).

- (e) **Extension of Correction Period.** Where any correction or replacement of any Defective part of the Project, including any part of the Project that ceases to be used in commercial operations because of the Defective part of the Project, including in respect of any damage or loss arising in respect of such correction or replacement, is carried out under this section 3.5, then the Warranty Period will:
- (1) recommence at the beginning of the Warranty Period under sections 3.1(a) or 3.1(b), as the case may be, respecting the part of the Project that was corrected or replaced, commencing on the date that such corrected or replaced part re-enters commercial operation; and
  - (2) respecting the part of the Project that ceases to be used in commercial operations because of the Defective part of the Project, be suspended as at the date that such Project was taken out of commercial operation and will recommence on the date that such Project re-enters commercial operation.

In no event, however, will the Warranty Period with respect to: (A) Goods relating to the Darlington Refurbishment Project be extended for more than 8

years from the Take Over Date; (B) Goods unrelated to the Darlington Refurbishment Project be extended for more than 6 years from the Take Over Date, (C) Services relating to the Darlington Refurbishment Project be extended for more than 8 years from the date the last of the Services are performed, abandoned or terminated under the applicable Purchase Order, whichever shall occur first; or (D) Services unrelated to the Darlington Refurbishment Project be extended for more than 6 years from the date the last of the Services are performed, abandoned or terminated under the applicable Purchase Order, whichever shall occur first, in each case as specified in the applicable Purchase Order.

- (f) **Repetitive Failure.** In addition to the other provisions of this Section 3.5, in the event that a Defective part of the Project fails during the Warranty Period with a frequency, sameness, or pattern to indicate a logical regularity that exceeds predicted failure rates and in a manner that materially affects the performance of the Project in commercial operations, the Contractor will investigate the source of the defect prior to replacing the Defective part again and make whatever design and engineering changes are necessary, if any, in accordance with the OPG Specifications to correct the Defective part.

### **3.6 Sole Remedy**

If at any time and from time to time during the Warranty Period any part of the Project becomes or is determined to be Defective, the sole liability of the Contractor and the exclusive remedy of OPG with respect solely to the repair or replacement of such Defective part, will be limited to the warranty remedies set out in this section 3, provided that nothing in this section 3 will serve to limit the Contractor's liabilities or OPG's remedies otherwise provided for under this Agreement. THE EXPRESS WARRANTIES AND CONDITIONS SET FORTH IN THIS CONTRACT ARE EXCLUSIVE AND NO OTHER WARRANTIES OR CONDITIONS OF ANY KIND, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESS OR IMPLIED (INCLUDING WARRANTIES OR MERCHANTABILITY AND IMPLIED WARRANTIES OF CUSTOM OR USAGE) SHALL APPLY.

**APPENDIX 5**

**TERMS AND CONDITIONS FOR  
CONSTRUCTION**

See attached.

## APPENDIX 5

### TERMS AND CONDITIONS FOR CONSTRUCTION

#### RECITALS

- A. These additional terms and conditions applicable to construction work supplement the terms and conditions on which certain Work (the “**Project**”) will be performed by the Contractor for OPG pursuant to OPG Purchase Order #\_\_\_\_\_ (the “**Purchase Order**”).
- B. The contract between OPG and the Contractor in respect of the Project consists of the ES MSA, this Appendix 5 and the terms and conditions set out in the worksheet (the “**Worksheet**”) included in the Purchase Order (collectively, the “**Contract**”).

#### SECTION 1 – DEFINITIONS AND INTERPRETATION

##### 1.1 Definitions

Capitalized terms used but not defined in this Appendix have the meanings given to those terms in the ES MSA, and in this Appendix (including the recitals to this Appendix), the following terms have the following meanings:

- (a) **Contract** has the meaning given in the recitals to this Appendix.
- (b) **Correction Costs** is defined in section 6.7(b).
- (c) **Defective** means:
  - (1) any part of the Project that is defective, is inoperative, fails because of any defect or does not comply with the Contract, including any failure to comply with any requirement of any Submittal, reference standard, inspection, test or Approval required for the Project or otherwise referred to in the Contract, including whether or not the non-compliance is the result of defective Services (including design, workmanship and installation) or Goods;
  - (2) any part of the Project that has been negligently performed or provided; or
  - (3) any part of the Project that was damaged on or before the Final Completion Date (but excluding damage that was caused by OPG unless such damage was caused by OPG as a result of the Contractor’s failure to comply with any of its obligations under the Contract).

For clarity, provided the Contractor has complied with its obligations under Schedule 13, defects in the Free Issue Materials do not constitute a Defective part of the Project.

- (d) **Designated Substances** is defined in section 2.3(j)(1).
- (e) **ES MSA** means the Extended Services Master Services Agreement made as of December 19, 2014 between OPG and the Contractor, excluding the Other Appendices, as amended from time to time (and, for greater certainty, excluding any OPG purchase orders issued pursuant to such agreement, other than the Purchase Order).
- (f) **Final Completion Date** means the day on which OPG accepts the Project as being entirely finished under section 5.2(a).
- (g) **Job Safety Analysis** is defined in section 2.3(h)(2).
- (h) **Other Appendices** means each Appendix to the ES MSA, other than this Appendix.
- (i) **Procurement Plan** has the meaning given in Appendix C to the Interface Requirements.
- (j) **Professional** means a licensed professional, including engineers and architects, duly licensed in Ontario, and designated by the Contractor, to provide, in whole or in part, any of the Professional Services.
- (k) **Professional Services** means all the services in respect of the Contract, including with respect to preparing and/or providing detailed documents, designs, drawings (including as built drawings), diagrams, illustrations, schedules, performance charts, brochures, specifications, plans, operating guides, progress photographs, reports, manuals (including operating and maintenance manuals), information, data or other deliverables, models or samples whether in a written, graphic, physical, electronic or other format provided, or required to be provided, by the Contractor to OPG under the Contract, that are:
  - (1) required under Applicable Laws or any Approvals to be provided by a Professional;
  - (2) required by the Contract to be provided by a Professional; or
  - (3) provided by a Professional retained by the Contractor, including by the Contractor's Personnel.
- (l) **Project** has the meaning given in the recitals to this Appendix.
- (m) **Project Specific Site Safety Plan** is defined in section 2.3(h)(1).
- (n) **Purchase Order** has the meaning given in the recitals to this Appendix.

- (o) **Services** means providing to OPG an entirely finished and fully functional Project, constructed in accordance with the Contract that is fit for the purposes set out in the Contract and including, as applicable:
- (1) providing the Professional Services;
  - (2) providing, manufacturing, supplying, procuring, factory testing, transporting, delivering, erecting, constructing, assembling, installing, connecting, applying, using, field testing, calibrating, adjusting, conditioning, cleaning, training, commissioning, commissioning support (including support from Subcontractors), performance testing and cleaning up respecting the Project;
  - (3) providing various construction and maintenance services including structural, electrical and mechanical installations, modifications and removals;
  - (4) procuring Goods;
  - (5) providing quality assurance/quality control and/or field inspection services and assessing services;
  - (6) providing any rework, repairs or replacements of anything that is Defective;
  - (7) providing mobilizing, labour, demobilizing, management, supervision and administration;
  - (8) providing construction equipment and tools, including scaffolding, mobile cranes, air compressors and welding sets;
  - (9) using any goods of any kind in respect of the Project;
  - (10) providing the design (to the extent required by the applicable OPG Specifications) and delivery of any documents, designs, drawings (including as built drawings), diagrams, illustrations, schedules, performance charts, brochures, specifications, plans, progress photographs, reports, manuals (including operating and maintenance manuals), information, data or other deliverables, or models or samples, whether in a written, graphic, physical, electronic or other format, software, computer programs and source codes (including in each case each of their components) necessary for the operation and maintenance of the Project or otherwise required to be delivered to OPG under the Contract (other than the Professional Services); and
  - (11) providing any other services required by, and performing its obligations under, the Contract, including the services referred to in section 3.1(b) of the ES MSA and the obligations set out in section 2.3 of this Appendix,

all in accordance with the Contract, including the Worksheet.

- (p) **Substantial Completion** is defined in section 5.1(a).
- (q) **Warranty Period** is defined in section 6.8(a).
- (r) **Worksheet** has the meaning given in the recitals to this Appendix.

## **1.2 Attachments**

The following attachments are attached to and form part of this Appendix:

<b>Attachment</b>	<b>Description</b>
Attachment 2.4(b)	Environmental Notice and Consent Form
Attachment 4.4	Notice of Delay Form
Attachment 5.1(a)	Notice of Substantial Completion Form
Attachment 5.1(b)	Substantial Completion Confirmation Form
Attachment 5.2	Final Completion Confirmation Form

## **SECTION 2 – CONTRACTOR’S OBLIGATIONS**

### **2.1 Representations Regarding the Project**

- (a) In addition to the representations and warranties contained elsewhere in the Contract, the Contractor represents and warrants to OPG that the Contractor:
  - (1) is sufficiently experienced and properly qualified, licensed, equipped, organized and financed to provide, or cause to be provided, the Project;
  - (2) has engaged and will engage only Subcontractors that are competent and have an acceptable health and safety record based on OPG’s safety program evaluation criteria;
  - (3) has examined and has satisfied itself in respect of all matters respecting the Project, including:
    - (A) all necessary information respecting the risks, contingencies and other circumstances which may affect the Project Schedule, the Key Milestones, the Contract Price or the Project;
    - (B) the current versions of all documents issued by a standards, regulatory or other organization referred to in the Contract and all collective agreements applicable to the Project;



- (C) the nature, location and physical conditions of the Site, including, surface and, if required by the applicable Purchase Order, subsurface conditions, and the location of all above and below surface buildings, utilities, structures, pipes, conduits and works;
  - (D) working and storage space, transportation (including any load or speed restrictions), delivery, construction facilities, uncertainties of weather and other work being carried out on, or in the vicinity of, the Site;
  - (E) the general and local conditions, particularly those respecting labour, health and safety, site access and other administrative practices and normal working hours;
  - (F) all Applicable Laws, including any restrictions on hours of work, and any required Approvals; and
  - (G) the goods, equipment and facilities needed to provide the Project;
- (4) except as may be otherwise explicitly set out under the heading “Information Waiver (Section 3.1(j))” of a Purchase Order in respect of the Work pursuant to that Purchase Order, has relied solely on its findings, conclusions, interpretations and other opinions in evaluating the risks, contingencies and other circumstances that may be encountered in carrying out all the requirements of the Contract;
  - (5) has reviewed the Key Milestones and is satisfied that it can provide and entirely finish the Project in accordance with the Key Milestones;
  - (6) confirms that the OPG Specifications will ensure conformity of the Project with all Applicable Laws and, at a minimum, Prudent Practices;
  - (7) is not aware of any error, inconsistency or omission in the Worksheet;
  - (8) has disclosed in writing to OPG the names of each of the Contractor’s Personnel who will be providing Services at the Site continuously, who is a former OPG employee and who received a severance package from OPG, is receiving pension payments from OPG, or is receiving a non-working pension bridge from OPG;
  - (9) is not aware of any legal action instituted, threatened or pending against it that could have a material adverse effect on its ability to perform its obligations under the Contract; and
  - (10) has made due allowance, including by way of pricing, for all the matters referred to in this section 2.1(a).

## **2.2 Kick off and Subsequent Meetings**

Unless otherwise specified in the applicable Purchase Order, the following provisions shall apply:

- (a) **Preparation Phase.** Within 10 Business Days of the date of the Contract, the Contractor will:
  - (1) meet with all appropriate Persons, including OPG's Project Representative to confirm, among the parties and such Persons, the manner and approach in fulfilling the requirements of the Contract;
  - (2) meet with individuals designated by OPG's Project Representative to confirm design requirements and approach;
  - (3) identify and analyze requirements of applicable Governmental Authorities with whom consultation is to be undertaken in respect of the Project; and
  - (4) obtain such additional information that it deems necessary for providing the Project.
- (b) **Kick-Off Meeting.** Within 10 Business Days of the date of the Contract, OPG's Project Representative will arrange a kick-off meeting. The Contractor will ensure attendance by its authorized representatives and any representatives of Subcontractors, including senior management, as required by OPG. At this meeting the parties will discuss safety and environmental protection programs (including those of Subcontractors) and requirements, the hazards associated with the Project, labour matters, design concepts, schedules, procedures for handling Submittals, communication protocols, procedures for processing each Application for Payment, delivery procedures for the Site, records maintenance, Site security, nuclear safety requirements, radiological safety requirements and "conduct of" requirements for work in a nuclear facility, if applicable, and any other matter raised by a party.
- (c) **Meetings.** In addition to the kick-off meeting, the Contractor will schedule, attend and conduct such other pre-construction, construction, pre-job mark up (including resolution of jurisdictional issues), hazard review, Site co-ordination, weekly (or daily as required by OPG) progress review meetings and commissioning meetings as are requested by OPG or are otherwise desirable, including any meetings required by the Worksheet. The Contractor will include in the agenda of any such meeting any issue requested by OPG. Progress review meetings will usually focus on safety, environmental matters, labour requirements, procedures, progress, clarifications of the requirements of the Contract and scheduling (including interfaces between Persons providing services at the generating station). The Contractor will ensure that all Subcontractors and other Persons requested by OPG will attend these meetings. The Contractor will ensure that each representative of the Contractor and any Subcontractor attending meetings will be qualified and authorized to act on behalf of the party each represents. The Contractor will provide the space for the meeting. Unless OPG

otherwise requests regarding a particular meeting, OPG will prepare and distribute minutes of each meeting within three Business Days.

## 2.3 Safety

- (a) **Primary Goal.** Safety of the Contractor's Personnel, individuals at or near the Site and the public is of paramount concern to OPG. In providing the Project the Contractor will not in any manner endanger the safety of, or unlawfully interfere with other Persons on or off the Site, including the public.
- (b) **Constructor.** OPG will be the "Constructor" in respect of the Services for the purposes of the *Occupational Health and Safety Act, 1997* (Ontario). The "Constructor" will submit the required notice of project and registration form to the applicable Governmental Authority.
- (c) **Compliance.** The Contractor will provide the Project in accordance with:
  - (1) all Applicable Laws, including the *Occupational Health and Safety Act, 1997* (Ontario), as amended from time to time;
  - (2) to the extent not inconsistent with section 2.3(c)(1), OPG's safety requirements, as amended from time to time;
  - (3) to the extent not inconsistent with sections 2.3(c)(1) and 2.3(c)(2), the Contractor's safety program (a copy of which is attached to the Worksheet), as amended from time to time with OPG's approval; and
  - (4) to the extent not inconsistent with sections 2.3(c)(1), 2.3(c)(2) and 2.3(c)(3), the very best of practices respecting health and safety and in a manner that recognizes and minimizes the risks to workers, other individuals and property.

The Contractor will forward to OPG for OPG's review and prior approval, without delay, any changes to its safety program made during the course of providing the Project. The Contractor will also provide OPG with a copy of the safety program of each Subcontractor for OPG's review and prior approval. OPG will monitor the compliance of the Contractor and Subcontractors with these requirements through field inspections from time to time during the course of the provision of the Project. The Contractor will rectify any deficiencies immediately upon written or verbal direction from OPG's Project Representative or his or her OPG Designated Delegate. OPG may also have any aspect of the Contractor's safety program reviewed by Persons designated by OPG. The Contractor will provide these inspectors and other Persons with prompt access to the Site and all premises and documents required for such review. The Contractor will forward to OPG, without delay, any change to the Council Amendment to Draft #7 (CAD-7) rating of the Contractor or to any Subcontractor providing the Project at the Site.

- (d) **Effect of Review.** If OPG reviews, comments on, accepts, rejects or fails to review, comment on, accept or reject any aspect of the Contractor's or a Subcontractor's safety program (including at a meeting or as part of OPG's inspections or reviews), or if the Contractor or a Subcontractor satisfies or fails to satisfy any comments or concerns of OPG, such action or failure to act will not in any way relieve the Contractor from any of its safety obligations under the Contract.
- (e) **Safety Representative.** The Contractor will provide a qualified and experienced full time health and safety supervisor. The Contractor will make this supervisor's sole obligation the training of the Contractor's Personnel in safety, prevention of accidents and the maintaining, reviewing, revising and supervising of safety precautions and programs.
- (f) **Safety Precautions and Remedies**
  - (1) **Protection.** Subject to a written or verbal direction from OPG's Project Representative or his or her OPG Designated Delegate to the Contractor, the Contractor will be solely responsible for initiating, maintaining, reviewing, revising and supervising all safety precautions and programs in respect of the Project. The Contractor will take all necessary precautions (including ensuring that all of the Contractor's Personnel are equipped with, and properly use, all safeguards and personal protective equipment necessary for the provision of the Project) for the safety of, and will provide the necessary protection to prevent damage, injury or loss resulting from the provision of the Project to:
    - (A) each Person who is on the Site or who may otherwise be affected by the provision of the Project, including the Contractor's Personnel and members of the public;
    - (B) any of the Goods, whether in storage on or off Site;
    - (C) the Project; and
    - (D) any other property on, under, over or near the Site, whether belonging to OPG or to any other Person, including buildings and other structures, facilities, fences, gates, pavements, roadways, sidewalks, walks, vegetation and utilities that are not designated for removal and disposal in the course of providing the Project.
  - (2) **Work Protection.** The Contractor will provide the Project under work protection ensuring that equipment being worked on is safely isolated and de-energized. Generally, OPG will provide isolation and de-energization, although the Contractor is responsible for co-ordinating all work protection with OPG's Project Representative or his or her OPG Designated Delegate. Under special circumstances, suitably trained and qualified members of the Contractor's Personnel may be permitted to

apply trades administered work protection in accordance with OPG's work protection code, a copy of which has been made available to and reviewed by the Contractor.

- (3) **Notification of Owners.** The Contractor will promptly deliver a Notice to OPG's Project Representative as the Contractor becomes aware of, and indicating the identity of, each utility, owner of underground facilities and owner of property (excluding OPG and its subsidiaries) on, under, over or near the Site that may be affected by the Project and how each such utility or owner may be affected. OPG will deliver a Notice to the Contractor indicating the identity of each such Person and the Contractor will, at OPG's direction, deal with or co-operate with OPG in dealing with settling all issues respecting the provision of the Project, including the protection, removal, relocation or replacement of the property of any such Person.
- (4) **Repair of Damage.** To the extent that any third party, such as a utility, owner of underground facilities or owner of property (excluding OPG and its subsidiaries) on, under, over or near the Site suffers or incurs any Losses to any property caused by the Contractor or a Subcontractor, the Contractor will remedy such Losses in a timely manner and at the Contractor's expense. The Contractor will indemnify and hold harmless each member of the OPG Group, from and against all Losses suffered or incurred by a member of the OPG Group and all claims, demands, actions, suits or proceedings for Losses made against any member of the OPG Group by any Person, to the extent arising in respect of the Services or the Goods.
- (g) **Safety Reports.** During the provision of the Project, the Contractor will provide OPG's Project Representative with:
  - (1) a verbal report immediately of all accidents, near misses or high MRPH incidents which the Contractor is required to provide to OPG in accordance with OPG's safety incident management standard, a copy of which has been made available to and reviewed by the Contractor, including any serious incident requiring off-site medical attention or near miss incidents which do or could have resulted in the death of, or serious injury to, a worker or other Person on or off the Site or an incident which has resulted in the death of or serious injury to a worker or other Person on or off the Site;
  - (2) an immediate verbal report of all high MRPH incidents and evidence that a senior executive of the Contractor has also made this report immediately to OPG's Project Representative;
  - (3) within 24 hours of an accident, construction occurrence or incident report, a copy of all accident, construction occurrence and incident reports which the Contractor, any Subcontractor, or OPG is required to submit in respect

of the Project under the *Occupational Health and Safety Act*, 1997 (Ontario) or the *Workplace Safety and Insurance Act*, 1997 (Ontario);

- (4) within 24 hours, Notice of any visits by the Ministry of Labour and copies of any reports, orders to comply, charges, stop work orders, and notices of compliance under the *Occupational Health and Safety Act*, 1997 (Ontario) or other Applicable Laws;
- (5) a copy of the minutes of each meeting of the joint health and safety committee; and
- (6) a monthly report within 10 days of each month's end with safety statistics for the Contractor and all Subcontractors providing the Project at the Site. The Contractor will include in this report, with a brief description of each incident and injury:
  - (A) the number of injuries resulting in a worker requiring medical aid;
  - (B) the number of near miss incidents or high MRPH incidents which could have resulted in the death of, or serious injury to, a worker;
  - (C) the number of injuries resulting in a worker's absence from one or more complete shifts;
  - (D) the time off each worker takes off from work for each injury;
  - (E) the number of Ministry of Labour orders to comply; and
  - (F) the total number of person hours worked by the Contractor's Personnel at the Site broken down between the Contractor and each Subcontractor.

(h) **Project Specific Site Safety Plan.**

- (1) If required by the Worksheet, the Contractor will perform a safety hazard analysis to identify all significant safety hazards in respect of the Project. Based on this analysis, the Contractor will prepare a Project specific Site safety plan (as amended from time to time, the "**Project Specific Site Safety Plan**") which will document how the Contractor will address all significant safety hazards. The Contractor will provide a copy of this Project Specific Site Safety Plan to OPG's Project Representative promptly after completion and at least ninety (90) days prior to the OPG approved commencement date for the provision of work in respect of the Project at the Site. The Contractor will provide for the communication of the Project Specific Site Safety Plan to all Contractor's Personnel performing work in respect of the Project at the Site, and to all Subcontractors. The Contractor will provide to OPG's Project Representative, without delay, any changes to the Project Specific Site

Safety Plan made during the course of the provision of the work in respect of the Project.

- (2) If required by the Worksheet, the Contractor shall also prepare and provide OPG's Project Representative with a detailed job safety analysis (as amended from time to time, the "**Job Safety Analysis**") for the Project at least ninety (90) days before the provision of any of the work in respect of the Project to which the Job Safety Analysis relates. The Contractor will revise and resubmit the Job Safety Analysis, where required, to account for any changes to the Services made in accordance with the Contract or the Contractor's planned work methods. The Contractor will identify in each Job Safety Analysis the potential hazards and "Maximum Reasonable Potential for Harm" as that term is defined in OPG's procedure OPG-SFTY-STD-005 associated with each job step in the performance of work in respect of the Project and indicate what controls and barriers will be implemented for each potential hazard and Maximum Reasonable Potential for Harm. The Contractor will clearly communicate to all applicable Contractor's Personnel the contents of each Job Safety Analysis, as revised, before such Persons commence their applicable part of the work in respect of the Project. The Contractor will forward to OPG, without delay, any changes to the Job Safety Analysis made during the performance of the work in respect of the Project.
- (i) **Hazard Communication Programs.** The Contractor will co-ordinate all exchanges of material safety data sheets and other hazard communication information related to the Project required to be made available to, or exchanged between or among, Persons at the Site.
- (j) **Designated Substances and Other Hazardous Materials.**
  - (1) The Contractor shall obtain OPG's prior approval before bringing any "designated substances" (as defined under the *Occupational Health and Safety Act, 1997* (Ontario), the "**Designated Substances**") on or into the Site. The Contractor shall be solely responsible for any such Designated Substances brought on or into the Site by it, and shall fully remove any remaining amounts prior to or upon completion of the Work in respect of the Project. The Contractor shall also ensure that in no event will Designated Substances be incorporated into the permanent facilities.
  - (2) The Contractor shall not expose OPG's personnel to any potentially hazardous materials or substances except as permitted in OPG's hazardous materials ("**HAZMAT**") approved material list.
  - (3) Prior to execution of the Contract, OPG will provide (either by providing access to an applicable database or otherwise) the Contractor with a list of Designated Substances, if any, present at the Site as required pursuant to the *Occupational Health and Safety Act, 1997* (Ontario).

- (k) **Indemnity Relating to Safety.** To the extent that any member of the Contractor Group is responsible for, caused or contributed to, in whole or in part, the circumstances giving rise to a violation, charge, fine, order, direction, stop work order or other consequence pursuant to legislation applicable to worker health and safety, including the *Occupational Health and Safety Act, 1997* (Ontario) or its Regulations, the Contractor shall indemnify and hold harmless each member of the OPG Group from and against all Losses suffered or incurred by a member of the OPG Group and from and against all claims, demands, actions, suits or any other proceedings for Losses made against any member of the OPG Group in connection with such violation, charge, fine, order, direction, stop work order or consequence.

## 2.4 Environment

- (a) **Compliance and Protection.** In addition to the Contractor's obligation to comply with all Applicable Laws, the Contractor will provide the Project in a manner that:
- (1) protects health and the environment;
  - (2) complies with the Contractor's environmental management and protection program and plan, a copy of which is attached to the Worksheet;
  - (3) complies with all requirements of OPG's environmental management system manual, a copy of which has been made available to and reviewed by the Contractor, except to the extent the provisions of the manual do not comply with Applicable Laws or the Contract;
  - (4) adequately anticipates, protects and plans for impacts to the environment, including spills, erosion and sedimentation, waste disposal and the use, storage and disposal of hazardous materials; and
  - (5) uses all commercially reasonable efforts to reduce, reuse or recycle non-hazardous and non-radioactive waste.
- (b) **Permission.** The Contractor will obtain the prior written consent of OPG's Project Representative, in the form attached as Attachment 2.4(b) before:
- (1) discharging, releasing, emitting or depositing; or
  - (2) disturbing any vegetation or wildlife on the Site through discharging, releasing, emitting or depositing,
- any substance, material, solid, liquid or gas, exposure to which is prohibited, limited or regulated by Applicable Laws, OPG's environmental management system manual or the Contractor's environmental management and protection program and plan.



- (c) **Notices.** The Contractor will immediately provide OPG's Project Representative with Notice in the form attached as Attachment 2.4(b):
- (1) of any changes to its environmental management and protection program and plan made during the course of providing the Project for OPG's review and prior approval;
  - (2) of any discharges, spills, releases, emissions, deposits or leaks of:
    - (A) fuels, oils, hydraulic fluid, herbicides; or
    - (B) any substance, material, solid, liquid or gas, exposure to which is prohibited, limited or regulated by any Applicable Law, OPG's environmental management system manual or the Contractor's environmental management and protection program and plan,that occur at or near the Site or that occur with materials owned or controlled by the Contractor or a Subcontractor; and
  - (3) upon receipt of any order, directive, notice or other communication whatsoever received from any Governmental Authority respecting any substance, material, solid, liquid or gas, exposure to which is prohibited, limited or regulated by any Applicable Law, together with a copy of such order, directive, notice or other communication.
- (d) **Clean up.** Unless otherwise specified in the applicable Purchase Order, the Contractor is responsible for the transport, receipt, inspection, use, storage and disposal of all hazardous and non-hazardous substances, materials, solids, liquids and gases that are brought on to the Site or created at the Site by the Contractor or any other member of the Contractor Group during the provision of the Project. The Contractor will, to the satisfaction of all applicable Governmental Authorities and OPG, in a timely manner, at the Contractor's expense, prevent all further discharges, spills, releases, emissions, deposits or leaks contrary to and clean up, dispose of and otherwise comply with all requirements of:
- (1) Applicable Laws;
  - (2) to the extent not inconsistent with section 2.4(d)(1), OPG's then current environmental management system manual; or
  - (3) to the extent not inconsistent with sections 2.4(d)(1) and 2.4(d)(2), the Contractor's environmental management and protection program and plan as at the date of the Contract, as amended in accordance with section 2.4(c)(1),
- respecting all discharges, spills, releases, emissions, deposits or leaks of any substances, materials, solids, liquids or gases whatsoever that are caused by the

Contractor and that occur at or near the Site or that occur with materials owned or controlled by the Contractor or any other member of the Contractor Group.

- (e) **Disposal of Hazardous Waste.** Unless otherwise specified in the applicable Purchase Order, the Contractor may not dispose of any waste, including any hazardous waste (as that term is defined in the regulations to the *Environmental Protection Act* (Ontario)), including asbestos, polychlorinated biphenyls, petroleum products or radioactive materials and any Designated Substances, or disturb any vegetation on, under, over or near any property owned, leased or licensed by OPG or any of its subsidiaries or in which OPG or any of its subsidiaries has an interest, in whole or in part, including the Site. The Contractor will not incorporate any Designated Substances in the Project.
- (f) **Remedy for Breach.** Subject to section 3, the Contractor will indemnify and hold harmless each member of the OPG Group from and against all Losses suffered or incurred by a member of the OPG Group and all claims, demands, actions, suits or proceedings for Losses made against any member of the OPG Group by any Person in respect of any breach by the Contractor of any of its obligations under sections 2.4(a) to 2.4(e) inclusive.

## 2.5 Professional Services

- (a) **Provision.** The Contractor will provide all the Professional Services necessary or desirable to provide the Project. If any aspect of the Project includes design work, it must be conducted in accordance with OPG's procedures.

## 2.6 Commissioning and Completion

- (a) **Commissioning Phase.** Unless otherwise specified in the applicable Purchase Order, during the commissioning phase for the Project as set out in the Project Schedule, the Contractor will:
  - (1) be responsible for the start-up, testing, verification, calibrating, refining and adjusting of all mechanical or electrical elements, equipment or systems, in the presence of OPG's personnel, to ensure that installation and performance are as specified in the Contract and suitable for use by OPG;
  - (2) demonstrate operation of equipment and systems for the Project and train OPG's staff to operate and maintain the Project;
  - (3) develop systems and procedures for use by OPG in the control of the operation and maintenance of, and record keeping for, the Project; and
  - (4) provide manufacturers' authorized representatives, specialists and/or representatives of Subcontractors as may be required by OPG for the Project; or

to support OPG with any of the foregoing items set out in sections 2.6(a)(1) to 2.6(a)(4).(1)

- (b) **Demonstrations.** Unless otherwise specified in the applicable Purchase Order, the Contractor will, before any demonstrations, inspect and put into operation all equipment and systems in accordance with the OPG Specifications; perform testing, adjusting and balancing; ensure equipment and systems are fully operational; and provide to OPG copies of completed operation and maintenance manuals for use in demonstrations. The Contractor will submit a schedule, for OPG's approval, with the time and date for the demonstration of each item of equipment and each system, with a list of all personnel to be present, not more than one month and not less than two weeks before designated dates.

## 2.7 Procurement

- (a) **Goods.** Unless otherwise specified in the applicable Purchase Order, the Contractor will be responsible, at the cost agreed to in the applicable Purchase Order, for manufacturing or supplying or procuring, factory testing, transporting, delivering, inspecting, receiving and installing all Goods, and providing all construction equipment, tools, transportation, fuel, construction and start-up power, air, light, heat, communications, water (including potable water), sewer connections and temporary structures and facilities, including for offices, lunchrooms, canteens, sanitation, showers, change rooms, accommodations, shops, warehouses and garbage disposal, and all other goods and services reasonably required in respect of the Project. The Contractor will maintain all construction equipment, tools and such temporary structures and facilities in good working order. The Contractor will conduct all these activities in accordance with the Contract. Unless otherwise specified in the applicable Purchase Order, the Contractor will be responsible, at the cost agreed to in the applicable Purchase Order, for all first fills of all chemicals, lubricants and other liquids and gases respecting the Project. The Contractor will maintain absolute control over, and exclusive responsibility for, the Contractor's own, and each Subcontractor's own, operations and the Contractor's Personnel.
- (b) **Warranty on Goods.** The Contractor will ensure that all Goods will be fit for the purposes set out in the Contract, new, unused, not Defective and free from all Liens, of good quality and comply with all requirements under the Contract (including any additional warranties specified in the Worksheet). All warranties and guarantees set out in the Contract are for the benefit of OPG. If required by OPG, the Contractor will provide satisfactory evidence (including reports of required inspections, tests and approvals) as to the kind and quality of all Goods. The Contractor will ensure that all Goods will be constructed, applied, assembled, erected, installed, used, connected, adjusted, field tested, conditioned, cleaned, commissioned and cleaned up in accordance with instructions of the applicable Subcontractor, except to the extent as may otherwise be provided in the Contract.

- (c) **Procurement Plan.** If required by the Worksheet, the Contractor will develop a Procurement Plan for procurement of the Goods. The Procurement Plan will be provided to OPG for acceptance. Any deviation of mandatory criteria from the Procurement Plan will require approval by OPG.
- (d) **Delivery.** The Contractor will be responsible for arranging its manufacturing and shipping schedules so that the Goods will arrive at the stipulated destination in accordance with the delivery schedule and will be aligned with the Project Schedule. The Contractor will deliver the Goods to the delivery point by the date specified in the Project Schedule. Contractor will not deliver the Goods prior to the date specified in the Project Schedule without the written consent of OPG's Project Representative, acting in its sole discretion. Unless otherwise specified, the Goods will be delivered duty paid (DDP), as that term is defined in the Incoterms 2010, to the Site, by the date specified in the Project Schedule and will be specifically documented by the Contractor in the applicable Procurement Plan, if any (unless otherwise specified in the applicable Purchase Order).
- (e) **Good Shipping and Storage Practices.** To the extent applicable, the Contractor will transport, deliver, receive, and store (whether on site or off site) all Goods in accordance with good shipping and storage practices (as recommended by the applicable manufacturer and/or Subcontractor or, if applicable, OPG) and in accordance with Applicable Laws, Prudent Practices and the terms and conditions for all applicable insurance policies.
- (f) **Electrical Safety.** The Contractor will ensure that all electrical Goods, before delivery, has the safety approval of the Canadian Standards Association (CSA), United Laboratories (UL) or the electrical approval of the Electrical Safety Authority (ESA). The Contractor will arrange for such approval at its expense.

## 2.8 Shipping and Packaging Instructions

- (a) **Shipping.** Where applicable, the Contractor will ship Goods complete and ready for installation. If the size of the Goods prevents the Contractor from shipping it fully assembled, the Contractor will segregate the Goods into components to allow safe and convenient transportation. The Contractor will only release and ship Goods when the following conditions have been met:
  - (1) release form has been signed by OPG's Project Representative;
  - (2) certified test results required by the Contract have been accepted by OPG;
  - (3) certificate of conformance, where applicable, has been accepted by OPG;
  - (4) shipping bill of material has been submitted by the Contractor and accepted by OPG; and
  - (5) all relevant Documents have been accepted by OPG.

- (b) **Receipt.** The receipt or taking delivery of the Goods by OPG will not be deemed a waiver of any right, claim or remedy of OPG under the Contract or otherwise.
- (c) **Packaging.** When applicable, the Contractor will pack, brace and load all Goods in a manner as to prevent physical damage and damage from climatic conditions. The Contractor will clearly mark on the outside of the shipping container all specific instructions setting out any precautions required during shipping and storage in a durable envelope attached to the container and suitably labeled. The Contractor will ensure that all openings in Goods such as vessels, valves and pumps will be sealed. The Contractor will ensure that where necessary, skids, hauling eyes, jacking plates, and sling hooks, will be provided for unloading and field assembly. The Contractor will ensure that where pallets are required for shipping purposes, the Contractor must obtain approval from OPG's Project Representative to use wooden pallets prior to shipping. The Contractor will ensure that all cages, packages, boxes, crates, bundles, and unpackaged components will be clearly and indelibly marked to show necessary shipping information. Any damage to the Goods during shipping shall be the Contractor's sole liability and responsibility.
- (d) **Marking.** When applicable, the Contractor will apply markings suitable to the type of product and packaging involved and will provide the following information:
- (1) destination address and OPG's Purchase Order number;
  - (2) material identification number, as applicable, and other identifications specified in the Purchase Order;
  - (3) the Contractor's shipment identification number, numbering of packages, boxes, crates, components, or assemblies of the shipment; and
  - (4) the mass and sizes of each major component or assembly (if the lifting points are critical, they will be clearly marked by the Contractor and identified).
- (e) **Packing Slip.** When applicable, the Contractor will provide a detailed packing slip, listing each separate item, in a waterproof envelope and firmly attached to each shipping container. The Contractor will ensure each packing slip includes the following certification:

"The Goods listed herein have been inspected and tested by the Contractor and are in conformance with the contract requirements and approved for shipment".

The Contractor must endorse such certification with the signature and title of an authorized representative of the Contractor's quality authority. The Contractor will ensure that such certification includes references to the Purchase Order number, purchase order line number and material identification number.

The Contractor will mail a duplicate copy of the packing slip to OPG's Project Representative as soon as a shipment is ready for dispatch.

## **2.9 Hazardous Material**

The Contractor, when shipping to the Site or to any other location any product which is categorized as hazardous material (including compressed gas, flammable or combustible material, oxidizing material, poisonous and infectious material, corrosive material or dangerously reactive material), will comply with all relevant federal and provincial regulations and all applicable OPG procedures and policies pertaining to such materials. The Workplace Hazardous Material Information System (WHMIS) will apply and all such materials will be properly identified with WHMIS type warning labels. All shipments of such material will include a Material Safety Data Sheet (MSDS) with a copy to the OPG MSDS Centre, 1549 Victoria Street East, Whitby, Ontario L1W 3C7, Attention: Technical Information Services.

## **2.10 Reference Points**

The Contractor will establish the layout for the Project and will maintain and protect the reference points and property monuments, if any, established by OPG. The Contractor will ensure that such reference points are not changed or relocated without the prior written consent of OPG's Project Representative. The Contractor will promptly report to OPG's Project Representative whenever any reference points or property monument are lost or destroyed or require relocation because of necessary changes in grades or locations. If OPG's Project Representative provides consent to any change to, or relocation of, a reference point or property monument, the Contractor will cause such change or relocation to be carried out accurately by professionally qualified individuals.

# **SECTION 3 – HAZARDOUS CONDITIONS**

## **3.1 Division of Responsibility**

OPG will be responsible for the costs of dealing with a Hazardous Condition encountered at the Site that (1) was not identified in the OPG Specifications to be part of the Project; or (2) the Contractor was not otherwise responsible for under the Contract, including pursuant to section 2.4 of this Appendix. Subject to the previous sentence, the Contractor will be responsible for any Hazardous Condition arising in respect of providing the Project.

## **3.2 Actions on Discovery**

Immediately on the discovery of a Hazardous Condition on the Site, the Contractor will:

- (a) in accordance with Prudent Practices, act to contain the Hazardous Condition in order to minimize the impact of the Hazardous Condition;
- (b) stop all work in respect of the Project in the area that could reasonably be affected by the Hazardous Condition, subject to section 3.4(d) of the ES MSA; and

- (c) verbally notify OPG of the discovery and confirm by Notice within 48 hours of the discovery.

### **3.3 Corrective Action Plan**

OPG will promptly determine whether it is necessary or desirable to retain a qualified expert to evaluate the Hazardous Condition. Unless the Parties otherwise agree, the Party that is responsible for the Hazardous Condition under section 3.1 will be responsible for establishing a corrective action plan and for obtaining any required Approvals from any applicable Governmental Authorities. Any corrective action plan developed by the Contractor will be in accordance with Prudent Practices and will minimize the impact on the Contract Price, Key Milestones and Project Schedule. The Contractor will advise OPG of any proposed change to the Contract Price, calculated in accordance with the ES MSA, and of any proposed changes to the Project Schedule and/or the Key Milestones that the Contractor estimates will occur as a result of its corrective action plan. The Contractor will not resume work in respect of the Project in the area that could reasonably be affected by the Hazardous Condition until the corrective action plan has been established and any such required Approvals have been obtained.

## **SECTION 4 - RELATED CONSTRUCTION AT SITE**

### **4.1 Providing Additional Services**

OPG may provide additional services and goods at the Site that are not contemplated by the Contract. These services and goods may be provided directly by OPG's employees or indirectly under contracts with utility owners or other third parties. The Contract Price, the Key Milestones and the Project Schedule incorporate all costs and delays respecting those services and goods listed in the Worksheet that are to be provided by OPG or a third party. If, after the date of the Contract, OPG determines that additional services or goods not listed in the Worksheet are to be provided by OPG or a third party, OPG will give Notice of such services and goods to the Contractor, together with any anticipated additional changes to the Project Schedule. The Contractor will accommodate these changes. The Contractor may, however, make a claim in accordance with section 7.1 of the ES MSA, if such additional services or goods will involve material additional expense for the Contractor or will materially affect the Project Schedule. Unless otherwise set out in the Contract or specified by OPG's Project Representative in writing, the Contractor will have sole authority and responsibility for co-ordination of all additional services and goods in connection with the Project.

### **4.2 Access to the Site**

If OPG desires to provide, directly or indirectly, any additional services or goods at the Site in accordance with section 4.1, the Contractor will provide OPG or the applicable third party with reasonable and safe access to the Site to provide the services and goods (and to store goods, construction equipment and tools). In addition, the Contractor will co-ordinate the Project with such additional services and goods. The Contractor will do all cutting, fitting, patching and take all other actions required in respect of the Project to the extent, if any, which is required to integrate the Project with the contribution provided by the additional services and goods.

### **4.3 No Interference with Additional Services**

The Contractor will not alter, interfere with or make it difficult to access the product of any additional services or goods provided under section 4.1. The Contractor will not take any such actions without the prior written consent of OPG and the applicable third party, if any.

#### **4.4 Report of Delays or Defects**

If the proper provision of any part of the Project depends upon additional services or goods provided under section 4.1, the Contractor will, following reasonable notice from OPG, promptly inspect such services and goods and promptly provide written Notice, in the form of document attached as Attachment 4.4 to OPG of any delays or defects in such services or goods that render such services or goods unavailable or unsuitable for the proper or prompt provision of the Project. If the Contractor does not provide Notice to OPG under this section 4.4 of any such delay or defect to OPG in a timely manner, the Contractor will be deemed to have accepted such services and goods as fit and proper for integration with the Project.

### **SECTION 5 – SUBSTANTIAL COMPLETION AND FINAL COMPLETION**

#### **5.1 Substantial Completion**

- (a) **Notice of Ready for Use.** The Contractor will deliver a Notice in the form attached as Attachment 5.1(a) to OPG (including a punch list of all items that remain unfinished and which will not impair the intended use of the Project and a schedule for entirely finishing each such item) when:
- (1) “**substantial performance**” has occurred, as such term is defined in the *Construction Lien Act* (Ontario);
  - (2) the Project has progressed to the point where the Project is ready for use and is sufficiently complete, in accordance with the Contract, so that the Project may be used as intended in accordance with the Contract;
  - (3) the cost to entirely finish the Project that remain unfinished and to correct any known Defective parts of the Project does not exceed the amount, if any, specified in the definition of “substantial completion” set out in the Worksheet;
  - (4) the Contractor has obtained and delivered to OPG the Approvals which the Contractor is required to obtain;
  - (5) the Project has been commissioned and meets all of the tests if any, required under the Contract (including those, if any, specified in the definition of “substantial completion” set out in the Worksheet);
  - (6) the Contractor has delivered copies of all certified reports of the performance tests required under the Contract (including those, if any, specified in the definition of “substantial completion” set out in the Worksheet);



- (7) the Contractor has satisfied all other requirements set out in the Worksheet which the Contractor is required to satisfy, and all other conditions to “substantial completion” included in the definition of “substantial completion” set out in the Worksheet have been fulfilled and satisfied; and
- (8) the Contractor has delivered to OPG’s Project Representative a certificate of an independent Professional (who will be approved in advance by OPG which approval will not be unreasonably withheld). This certificate will be prepared at the Contractor’s expense. The Professional’s certificate will:
  - (A) confirm compliance with this section 5.1(a); and
  - (B) confirm the operability of the Project in accordance with the Contract.

When OPG determines, acting reasonably, that all of the terms of sections 5.1(a)(1) to 5.1(a)(7), inclusive have been complied with then “**Substantial Completion**” has occurred.

- (b) **Joint Inspection.** Within a reasonable time after receipt of the Notice under section 5.1(a), the parties will make a joint inspection of the Project to determine the status of the Project and each outstanding item, including each item set out in the Notice delivered under section 5.1(a). If OPG determines that Substantial Completion has not occurred in accordance with section 5.1(a), OPG will deliver a Notice in the form of document attached as Attachment 5.1(b) to this effect to the Contractor, giving reasons and the Contractor will correct such errors and deficiencies at its sole cost as soon as possible. If OPG determines that Substantial Completion has occurred in accordance with section 5.1(a), OPG will deliver a Notice in the form of document attached as Attachment 5.1(b) containing a certificate of Substantial Completion. This certificate will fix the date of Substantial Completion. The parties will then sign a certificate of substantial completion as contemplated by section 32(1)1 of the *Construction Lien Act* (Ontario). The Contractor will then promptly publish the notice in accordance with the *Construction Lien Act* (Ontario) and deliver proof of publication to OPG’s Project Representative.
- (c) **Punch List and Allocation of Responsibilities.** OPG will attach to the certificate of Substantial Completion a punch list of items that are to be entirely finished or are Defective and must be corrected or replaced by the Contractor before final payment will be made. At the time of delivery of the certificate of Substantial Completion, OPG will also deliver to the Contractor a written allocation of responsibilities between OPG and the Contractor pending final payment respecting safety, security, operation, maintenance, heat, utilities, insurance and warranties and guarantees respecting the remaining Project. The Contractor will deliver a Notice to OPG each week setting out an update as to the status of completion of each punch list item.

- (d) **Access to Perform Remaining Obligations.** OPG may exclude the Contractor from the Site, in whole or in part, after the date of Substantial Completion. OPG will, however, allow the Contractor reasonable access to such parts of the Site as are required to permit the Contractor to finish entirely or correct all items on the punch list.

## 5.2 Final Inspections

When the Contractor considers that it has entirely finished or corrected all items on the punch list, the Contractor may deliver a Notice to this effect to OPG. Promptly following receipt of this Notice, the parties will make a joint inspection of the Project. OPG will then deliver a Notice in the form attached as Attachment 5.2 to the Contractor stating either that:

- (a) OPG accepts the Project as being entirely finished, including because the Contractor has delivered to OPG all Approvals and other written or graphic documents, designs, drawings, specifications, plans, reports, information and other deliverables or data required to be provided by the Contractor to OPG under the Contract and because the Contractor has satisfied all requirements of Applicable Laws; or
- (b) there are items remaining to be entirely finished or that are Defective and must be corrected or replaced by the Contractor. The Contractor will promptly take such actions as are necessary to finish entirely, correct or replace all such items. Once the Contractor has finished all such actions, the Contractor will deliver another Notice to OPG in accordance with this section 5.2.

## SECTION 6 – ACCEPTANCE OF PROJECT AND CORRECTION OF DEFECTS

### 6.1 Warranty

- (a) **Basic Warranty.** The Contractor warrants and guarantees to OPG that, for the duration of the Warranty Period:
  - (1) the Project will in all respects be fit for the purposes set out in the Contract, including the OPG Specifications; and
  - (2) the Project will be provided in accordance with the Contract including any additional warranties contained in the Worksheet.
- (b) **Exclusions.** The Contractor's warranties and guarantees in section 6.1(a) do not apply to the extent that any breach of the warranty or guarantee is due to:
  - (1) maintenance or operation by OPG contrary to any maintenance or operating instructions delivered by the Contractor to OPG;
  - (2) conditions of operation materially more severe than those specified for the Project;

- (3) the negligence of OPG or any Person providing services to OPG, other than the Contractor or a Subcontractor, or the willful destruction of the Project or any part thereof by OPG;
  - (4) the effects of reasonable wear and tear under normal usage by OPG (other than as a result of a failure of such warranty or guarantee); or
  - (5) any repair, replacement or correction of a Defective part of the Project by a third party (other than a third party authorized by the Contractor or a Subcontractor) except where such repair, replacement or correction by such third party was as a result of the Contractor's failure to comply with its obligations under this Agreement.
- (c) **Risk of Loss.** The Project will remain at the sole risk of the Contractor against loss or damage up to and including the Final Completion Date or, with respect to any part of the Project, such earlier date as OPG accepts care, custody and control of such part of the Project (but excluding damage that was caused by OPG unless such damage was caused by OPG as a result of the Contractor's failure to comply with any of its obligations under the Contract).

## 6.2 Access to Project

The Contractor will provide access to the Project, the Site and the premises of the Contractor and Subcontractors, at all reasonable times and from time to time, to OPG's Project Representative, and at the request of OPG's Project Representative, to his or her OPG Designated Delegate, for the purposes of viewing, performing surveillance on, inspecting, testing and/or accepting the Project, in whole or in part, including to monitor compliance with the Contract and any applicable quality assurance program. In particular, the Contractor will deliver a Notice to OPG's Project Representative providing OPG with Notice of at least four Business Days before OPG is required to inspect any Goods at any hold point in any inspection plan. At the request of OPG's Project Representative, the Contractor will promptly provide to OPG's Project Representative and/or his or her OPG Designated Delegate a copy of all the documents respecting any subcontract for the Project subject to viewing, performing surveillance, inspecting, testing and/or accepting. No such viewing, performing surveillance, inspecting, testing and/or accepting by OPG will relieve the Contractor of any of its obligations under the Contract. The Contractor will advise each applicable representative of OPG of the Contractor's or Subcontractor's applicable site safety procedures and policies. The Contractor will provide each such representative with proper and safe transportation and conditions for such access.

## 6.3 Inspections, Tests and Approvals

The Contractor will with promptness and in an orderly sequence so as not to cause any delay to the Project arrange for and obtain all inspections, tests and approvals required for the acceptance of Goods that are to be incorporated or used in the Project. The Contractor will ensure that each inspection, test or approval that is required to be carried out, in whole or in part, by a Professional, is so carried out by a Professional. The Contractor will pay all costs respecting such inspections, tests and approvals. If the Contract, the applicable quality assurance program

or any Applicable Laws or Approvals require any part of the Project to be inspected, tested or approved, in whole or in part, the Contractor will arrange for and obtain all such inspections, tests and approvals. The Contractor will pay all costs respecting such inspections, tests and approvals and will reimburse OPG for OPG's costs if at any hold-point date any test, inspection or approval is not successfully completed due to an act or omission of the Contractor or fails such test, inspection or approval. The Contractor will deliver to OPG all certificates, reports and other documents respecting any inspections, tests and approvals made in accordance with this section 6.3 or the Contract, including the Worksheet. The Contractor will give OPG reasonable Notice of the date, time and location for all inspections, tests or approvals carried out under this section 6.3 or the Contract, including the Worksheet so that OPG and OPG's Designated Delegates can attend. If Notice is not given, OPG may require the inspection, test or approval to be redone. If any such approval is to be issued in the name of OPG or that will affect the operation of the Project following the Final Completion Date, the Contractor will submit the draft approval to OPG's Project Representative or his or her OPG Designated Delegate for acceptance, before the Contractor obtains this approval. The Contractor will only obtain any such approval following receipt of the written acceptance of OPG's Project Representative or his or her OPG Designated Delegate of the draft approval. In addition to any other inspection, test or approval set out in the Contract, OPG may require, at its cost (but, for certainty, without payment of any amount to the Contractor), any other inspection, test or approval of any part of the Project, in whole or in part, either on or off the Site, upon Notice to the Contractor.

#### **6.4 Uncovering Project**

- (a) **Covered Without OPG's Consent.** If, without the prior written consent of OPG, the Contractor covers any part of the Project (or the construction work of any Person) that is required under the Contract or Applicable Laws or Approval to be inspected, tested or approved, the Contractor will, at its cost, uncover and recover such part of the Project or construction work. If, however, the Contractor has given OPG timely Notice of the Contractor's intention to cover such part of the Project or the construction work and OPG has not acted with reasonable promptness in response to such Notice, OPG will only be responsible for the reasonable direct Reimbursable Labour Costs of uncovering and recovering such part of the Project or the construction work.
- (b) **Covered Contrary to OPG's Request.** If the Contractor covers any part of the Project (or the construction work of any Person) contrary to the request of OPG, the Contractor will, at its cost, if requested by OPG, uncover and recover such part of the Project or construction work.
- (c) **OPG's Request to Uncover.** If, for any reason not set out in sections 6.4(a) or 6.4(b), OPG wishes to have part of the Project uncovered to be inspected, tested or approved by any Person designated by OPG, the Contractor will, at OPG's request, uncover the requested part of the Project for inspection, testing, approval and providing all necessary Services. If it is determined that any part of the Project uncovered under this section 6.4(c) is Defective, the Contractor will:

- (1) pay all costs for uncovering and recovering the part of the Project requested by OPG to be uncovered;
- (2) pay all of OPG's reasonable costs of inspection, testing and approval; and
- (3) correct or replace the Defective part of the Project in accordance with this section 6.4.

If, however, it is determined that none of the Project uncovered under this section 6.4(c) is not Defective, OPG will only pay all the Contractor's reasonable direct Reimbursable Labour Costs for uncovering and recovering the part of the Project requested by OPG to be uncovered.

### **6.5 Notice of Defective Project**

OPG will, within a reasonable period of time after having actual knowledge of a Defective part of the Project and before the expiration of the Warranty Period, deliver Notice to the Contractor of the Defective part, but OPG's failure to do so will not impose any liability on OPG and the Contractor will be estopped from making any claim against OPG for failure to do so. In addition, OPG's failure to do so will not:

- (a) have the effect of transferring any obligation under the Contract from the Contractor to OPG or otherwise have the effect of amending the Contract; or
- (b) will not affect or change in any way the Contractor's,
  - (1) obligation to entirely finish the Project in accordance with the Contract, or
  - (2) responsibility for repairing, replacing or re-providing any Defective part of the Project.

### **6.6 OPG May Stop Construction**

OPG may at any time and from time to time, by delivering a Notice to the Contractor, direct the Contractor to stop the Project, in whole or in part, including, if:

- (a) the Project is Defective, in whole or in part;
- (b) the Contractor fails to supply sufficient competent and skilled workers, in whole or in part;
- (c) the Contractor fails to supply suitable Goods, in whole or in part;
- (d) the Contractor fails to provide the Services, in whole or in part, in a manner that ensures that the entirely finished Project will conform to the Contract; or
- (e) the Contractor has breached any term of the Contract, including due to any act or omission of a Subcontractor that breaches a term of the Contract.

The Contractor may only resume the stopped aspect of the Project to which OPG's direction applies only once the Contractor has remedied the issue that was the cause for OPG to deliver such Notice. OPG is not obliged to deliver a Notice to the Contractor under this section 6.6 for any reason whatsoever. The Contractor will not be entitled to any cost adjustment for the Project being stopped.

#### **6.7 Correction or Removal of Defective Part of Project – Before Substantial Completion**

- (a) **Services Required.** Before Substantial Completion, OPG may accept or reject any Defective parts of the Project, whether or not such part has been incorporated into the Project, on delivery of Notice to this effect to the Contractor. The Contractor will promptly correct all Defective parts of the Project either upon discovery or upon rejection by OPG under this section 6.7. If reasonably requested by OPG, the Contractor will remove any and all Defective parts of the Project from the Site, whether or not such parts have been incorporated into the Project, and replace such parts with parts that are not Defective and that comply with the Contract.
- (b) **Cost to Correct or Remove.** The Contractor will pay all costs respecting the correction of a Defective part of the Project ("**Correction Costs**"), including:
  - (1) all incidental costs of the corrective services or rework, including, as may be required for disassembly, removal, re-installation, re-erection, re-assembly, transportation, insurance, brokerage fees and any applicable Taxes;
  - (2) all of OPG's fees and charges of engineers, architects, accountants, lawyers (on a substantial indemnity basis) and other professionals, all court, arbitration and other dispute mediation or resolution costs and charges, whether incurred through settlement or otherwise, together with interest calculated in accordance with the definition of Losses in the ES MSA; and
  - (3) all costs and charges respecting correction, rework or replacement of any Defective part of the Project, including any part of the Project that was rendered Defective because of the Defective part of the Project, including in respect of any damage or loss arising in respect of such correction or replacement or in respect of any inspections conducted to determine whether any such correction, rework or replacement was required, including, only to the extent covered by insurance, for loss of use.

#### **6.8 Correction or Removal of Defective Part of Project – After Substantial Completion**

- (a) **Warranty Period.** In the Contract, "**Warranty Period**" means, in respect of each part of the Project, the greatest of:
  - (1) two years following the date of Substantial Completion, subject to any extension made under section 6.8(d);

- (2) the warranty period specified in any warranty from a Subcontractor for any specific part of the Project;
  - (3) any other warranty period specified in the Contract, including the Worksheet, for all or any specific part of the Project; and
  - (4) the warranty period for any specific part of the Project provided under any Applicable Laws, subject to any extension made under section 6.8(d).
- (b) **Obligation to Correct.** If, at any time and from time to time before the expiration of the Warranty Period, the Project, in whole or in part, including any part of the Project that was rendered Defective because of the Defective part of the Project, becomes or is determined to be Defective or fails because of any defect, the Contractor will promptly, without cost to OPG and in accordance with OPG's instructions and at times and within the period of time reasonably specified by OPG:
- (1) satisfactorily correct such Defective part of the Project, or, to the extent reasonably requested by OPG, remove such Defective part of the Project from the Site and replace such Defective part with parts which are not Defective and which comply with the Contract; and
  - (2) satisfactorily correct or replace any other damage arising in respect of the actions taken in respect of section 6.8(b)(1) in respect of any inspections conducted to determine whether any actions were required in respect of section 6.8(b)(1).

The Contractor will pay all Correction Costs as described in section 6.7(b). In providing any corrective services under this section 6.8(b), the Contractor will comply with all applicable terms of the Contract and will endeavour to minimize interference with, and impact on, OPG's operations.

- (c) **Failure to Comply.** If the Contractor fails to comply with its obligations under section 6.8(b) or any other term in the Contract as expeditiously as is commercially reasonable and within the time period reasonably specified by OPG, or if there is an emergency that poses a significant risk of loss or damage to the Project or any Person, OPG may take, directly or indirectly, any of the actions contemplated under section 6.8(b) or such other actions as are reasonable in the circumstances, without affecting any other rights or remedies OPG may have against the Contractor under the Contract. The Contractor will pay all Correction Costs as described in section 6.7(b) respecting all such actions, plus a fee of 15%. In respect of any action taken by OPG, directly or indirectly, under this section 6.8(c), OPG may without terminating the Contract:
- (1) eject and exclude from the Site the Contractor, any Subcontractor and any of the Contractor's Personnel;

- (2) suspend the Contractor's provision of the Project under the Contract to the extent of such actions;
- (3) take possession of the Site, work in progress, Goods, Contractor's construction equipment, tools, fuel and temporary structures and facilities, including for offices, lunchrooms, canteens, sanitation, showers, change rooms, accommodations, shops, warehouses and garbage disposal, at the Site (and at no additional charge for the retention and use thereof);
- (4) assume any and all subcontracts with Subcontractors;
- (5) avail itself of any performance bond, guarantee or other security provided by the Contractor or a Subcontractor with respect to the applicable part of the Project;
- (6) incorporate or use in the Project all Goods stored at the Site or for which OPG has paid the Contractor but which are stored elsewhere; and/or
- (7) withhold, without interest, all payments to the Contractor under any agreement between OPG and the Contractor until the Contractor's liability to OPG is determined.

The Contractor will allow all members of OPG Group and OPG's other contractors access to the Site to enable OPG to exercise its rights under this section 6.8(c). The Project Schedule will not be changed for any reason relating to any actions taken by OPG, directly or indirectly, under this section 6.8(c).

- (d) **Extension of Correction Period.** Where any correction or replacement of any Defective part of the Project, including any part of the Project that ceases to be used in commercial operations because of the Defective part of the Project, including in respect of any damage or loss arising in respect of such correction or replacement, is carried out under this section 6.8, then the Warranty Period will:

- (1) recommence at the beginning of the Warranty Period under section 6.8(a) respecting the part of the Project that was corrected or replaced, commencing on the date that such corrected or replaced part re-enters commercial operation; and
- (2) respecting the part of the Project that ceases to be used in commercial operations because of the Defective part of the Project, be suspended as at the date that such Project was taken out of commercial operation and will recommence on the date that such Project re-enters commercial operation.

In no event, however, will the Warranty Period with respect to: (A) Work relating to the Darlington Refurbishment Project be extended for more than 8 years from Substantial Completion; or (B) Work unrelated to the Darlington Refurbishment Project be extended for more than 6 years from Substantial Completion, in each case as specified in the applicable Purchase Order.



- (e) **Repetitive Failure.** In addition to the other provisions of this Section 6.8, in the event that a Defective part of the Project fails during the Warranty Period with a frequency, sameness, or pattern to indicate a logical regularity that exceeds predicted failure rates and in a manner that materially affects the performance of the Project in commercial operations, the Contractor will investigate the source of the defect prior to replacing the Defective part again and make whatever design and engineering changes are necessary, if any, in accordance with the OPG Specifications to correct the Defective part.

## **6.9 Acceptance of Defective Part of Project**

If any part of the Project becomes or is determined to be Defective or fails because of any defect before the expiration of the relevant Warranty Period (as that period may be extended under section 6.8(d)), OPG may deliver a Notice to the Contractor directing the Contractor not to correct or replace the Defective part of the Project in whole or in part. The Contractor will pay all of OPG's costs respecting its evaluation of, and determination respecting, such Defective part of the Project (including all of OPG's fees and charges of engineers, architects, accountants, lawyers (on a substantial indemnity basis) and other professionals and all court, arbitration and other dispute mediation or resolution costs and charges). To the extent OPG accepts any such Defective part of the Project before OPG makes the final payment, the Parties will reduce the Contract Price under a Purchase Order Revision to reflect an equitable reduction in the Contract Price for the Defective part of the Project. To the extent OPG accepts any such Defective part of the Project after OPG makes the final payment, the Contractor will pay OPG an agreed amount that reflects an equitable reduction in the Contract Price for the Defective part of the Project and OPG is unconditionally and irrevocably directed to apply the warranty holdback to this amount (although, if such warranty holdback is exhausted, this situation in no way limits the Contractor's obligations to OPG under the Contract).

## **6.10 Maintenance Services**

If applicable, the Contractor will provide in a timely manner all the maintenance Services and related Goods set out in the Worksheet. In providing such Services at the Site, the Contractor will comply with all applicable terms and conditions set out in the Worksheet respecting the performance of Services at the Site and will endeavour to minimize interference with, and impact on, OPG's operations.

## **6.11 Sole Remedy**

If at any time and from time to time during the Warranty Period any part of the Project becomes or is determined to be Defective, the sole liability of the Contractor and the exclusive remedy of OPG with respect solely to the repair or replacement of such Defective part, will be limited to the warranty remedies set out in this section 6, provided that nothing in this section 6 will serve to limit the Contractor's liabilities or OPG's remedies otherwise provided for under this Agreement. THE EXPRESS WARRANTIES AND CONDITIONS SET FORTH IN THIS CONTRACT ARE EXCLUSIVE AND NO OTHER WARRANTIES OR CONDITIONS OF ANY KIND, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESS OR IMPLIED

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(INCLUDING WARRANTIES OR MERCHANTABILITY AND IMPLIED WARRANTIES  
OF CUSTOM OR USAGE) SHALL APPLY.

**Attachment 2.4(b) – Environmental Notice and Consent Form**

**ENVIRONMENTAL NOTICE AND CONSENT**

<b>To: Ontario Power Generation Inc.</b>	Contract: • (the “Contract”)  Contract No.: •  Environmental Notice No. •  Date: •
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Defined terms used in this Environmental Notice have the same meanings given to those terms in the Contract. Under section 2.4(b) of Appendix 5 to the ES MSA included in the Contract, the Contractor hereby requests the written consent of OPG to:

- (a) discharge, release, emit or deposit; or
- (b) disturb vegetation or wildlife on the Site through discharging, releasing, emitting or depositing,

the substance, material, solid, liquid or gas described on Exhibit A to this Environmental Notice in the manner described on Exhibit A to this Environmental Notice.

**[CONTRACTOR]**

By: \_\_\_\_\_  
Name:  
Title:

Consented to by OPG on \_\_\_\_\_, 20\_\_ on the terms set out in Exhibit B to this Environmental Notice.

**ONTARIO POWER GENERATION INC.**

By: \_\_\_\_\_  
Name:  
Title:

**Attachment 4.4 – Notice of Delay Form**

**NOTICE OF DELAY**

<b>To:</b> Ontario Power Generation Inc. ■	<b>Contract:</b> ■ (the “Contract”)  <b>Contract No.:</b> ■  <b>Notice of Delay No.:</b> ■  <b>Date:</b> ■
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Defined terms used in this Notice have the same meanings given to those terms in the Contract. In accordance with section 4.4 of Appendix 5 to the ES MSA included in the Contract, the Contractor hereby gives OPG notice of the delay or defect in the services or goods not being provided under the Contract, details of which are described below:

■ *[Describe issue]*

**[CONTRACTOR]**

By: \_\_\_\_\_  
Name: ■  
Title: ■

## Attachment 5.1(a) – Notice of Substantial Completion Form

### NOTICE OF SUBSTANTIAL COMPLETION

<b>To: Ontario Power Generation Inc.</b> <b>■</b>	<b>Contract:</b> <b>■</b> (the “Contract”)
	<b>Contract No.:</b> <b>■</b>
	<b>Date:</b> <b>■</b>

Defined terms used in this Notice have the same meanings given to those terms in the Contract. In accordance with section 5.1(a) of Appendix 5 to the ES MSA included in the Contract, the Contractor hereby gives OPG notice that Substantial Completion has occurred as follows:

<b>Date of “substantial performance” under the Construction Lien Act (Ontario)</b>	<b>■</b>
<b>Grounds for Requesting Substantial Completion</b>	<b>■</b> <i>[Contractor to confirm that the requirements of the tests for Substantial Completion have been met]</i>
<b>Costs to Finish the Services</b>	<b>\$■</b>
<b>Delivery of Approvals</b>	<b>■</b> <i>[Contractor to set out the dates on which Approvals were delivered and/or attach remaining Approvals]</i>
<b>Delivery of Reports</b>	<b>■</b> <i>[Contractor to set out on dates on which reports were delivered and/or attach remaining reports]</i>
<b>Independent Professional Certificate</b>	Attached as Exhibit A to this Notice.

**[CONTRACTOR]**

By: \_\_\_\_\_  
Name: **■**  
Title: **■**

**Attachment 5.1(b) – Substantial Completion Confirmation Form**

**CONFIRMATION OF SUBSTANTIAL COMPLETION**

<b>To:</b> ■	<b>Contract:</b> ■ (the “ <b>Contract</b> ”)
	<b>Contract No.:</b> ■
	<b>Date:</b> ■

Defined terms used in this Notice have the same meanings given to those terms in the Contract.  
OPG has determined that:

(a) Substantial Completion has occurred effective ■, 20■; or	<input type="checkbox"/>
(b) Substantial Completion has not occurred for the reasons set out in Exhibit A to this Notice.	<input type="checkbox"/>

**ONTARIO POWER GENERATION INC.**

By: \_\_\_\_\_  
Name: ■  
Title: ■

**Attachment 5.2 – Final Completion Confirmation Form**

**CONFIRMATION OF FINAL COMPLETION**

<b>To:</b> ■	<b>Contract:</b> ■ (the “Contract”)
	<b>Contract No.:</b> ■
	<b>Date:</b> ■

Defined terms used in this Notice have the same meanings given to those terms in the Contract.  
OPG has determined that:

(a) Final Completion has occurred effective ■, 20■; or	<input type="checkbox"/>
(b) Final Completion has not occurred for the reasons set out on Exhibit A to this Notice.	<input type="checkbox"/>

**ONTARIO POWER GENERATION INC.**

By: \_\_\_\_\_  
Name: ■  
Title: ■

**APPENDIX 6**

**TERMS AND CONDITIONS FOR  
ENGINEERING AND PROCUREMENT**

See attached.



## APPENDIX 6

### TERMS AND CONDITIONS FOR ENGINEERING AND PROCUREMENT

#### RECITALS

- A. These additional terms and conditions applicable to engineering and procurement work supplement the terms and conditions on which certain Work (the “**Project**”) will be performed by the Contractor for OPG pursuant to OPG Purchase Order # \_\_\_\_\_ (the “**Purchase Order**”).
- B. The contract between OPG and the Contractor in respect of the Project consists of the ES MSA, this Appendix 6 and the terms and conditions set out in the worksheet (the “**Worksheet**”) included in the Purchase Order (collectively, the “**Contract**”).

#### SECTION 1 – DEFINITIONS AND INTERPRETATION

##### 1.1 Definitions

Capitalized terms used but not defined in this Appendix have the meanings given to those terms in the ES MSA, and in this Appendix (including the recitals to this Appendix), the following terms have the following meanings:

- (a) **Actual Delivery Date** means the date when the Goods are actually received by OPG, free of Defects.
- (b) **Contract** has the meaning given in the recitals to this Appendix.
- (c) **Correction Costs** is defined in section 3.5(b).
- (d) **Defective** means:
  - (1) any part of the Project that is defective, is inoperative, fails because of any defect or does not comply with the Contract, including any failure to comply with any requirement of any Submittal, reference standard, inspection, test or Approval required for the Project or otherwise referred to in the Contract, including whether or not the non-compliance is the result of defective Services (including design, workmanship and installation) or Goods; or
  - (2) any part of the Project that has been negligently performed or provided.

For clarity, provided the Contractor has complied with its obligations under Schedule 13, defects in the Free Issue Materials do not constitute a Defective part of the Project.

- (e) **Electrical Safety Authority** has the meaning prescribed in the *Electrical Safety Code* (Ontario ) and which is charged with administering the regulations thereunder.
- (f) **ES MSA** means the Extended Services Master Services Agreement made as of December 19, 2014 between OPG and the Contractor, excluding the other Appendices, as amended from time to time (and, for greater certainty, excluding any OPG purchase orders issued pursuant to such agreement, other than the Purchase Order).
- (g) **Other Appendices** means each Appendix to the ES MSA, other than this Appendix.
- (h) **Procurement Plan** has the meaning given in Appendix C to the Interface Requirements.
- (i) **Professional** means a licensed professional, including engineers and architects, duly licensed in Ontario, and designated by the Contractor, to provide, in whole or in part, any of the Professional Services.
- (j) **Professional Services** means all the services in respect of the Contract, including with respect to preparing and/or providing detailed documents, designs, drawings (including as built drawings), diagrams, illustrations, schedules, performance charts, brochures, specifications, plans, operating guides, progress photographs, reports, manuals (including operating and maintenance manuals), information, data or other deliverables, models or samples whether in a written, graphic, physical, electronic or other format provided, or required to be provided, by the Contractor to OPG under the Contract, that are:
  - (1) required under Applicable Laws or any Approvals to be provided by a Professional;
  - (2) required by the Contract to be provided by a Professional; or
  - (3) provided by a Professional retained by the Contractor, including by the Contractor's Personnel.
- (k) **Project** has the meaning given in the recitals to this Appendix.
- (l) **Purchase Order** has the meaning given in the recitals to this Appendix.
- (m) **Services** means providing to OPG in respect of each Purchase Order including the applicable Worksheet an entirely finished and fully functional Project, designed and constructed in accordance with the Contract, including the OPG Specifications, that is fit for the purposes set out in the Contract, including the OPG Specifications, and including:
  - (1) providing the Professional Services;

- (2) performing engineering analysis, preparing documentation in support of the process of obtaining Approvals, conducting technical feasibility investigations, preparing preliminary designs and cost estimates, evaluating contractor proposals and providing technical support in connection with any other work, including providing assessing services;
- (3) providing, with respect to Goods procured hereunder, manufacturing, supplying, procuring, factory testing, transporting, delivering, erecting, constructing, assembling, installing, connecting, applying, using, field testing, calibrating, adjusting, conditioning, cleaning, training, commissioning, commissioning support (including support from Subcontractors), performance testing and cleaning up respecting the Project;
- (4) providing any rework, repairs or replacements of anything that is Defective;
- (5) providing mobilizing, labour, demobilizing, management, supervision and administration;
- (6) using any goods of any kind in respect of the Project;
- (7) providing the design and delivery of any documents, designs, drawings (including as built drawings), diagrams, illustrations, schedules, performance charts, brochures, specifications, plans, progress photographs, reports, manuals (including operating and maintenance manuals), information, data or other deliverables, or models or samples, whether in a written, graphic, physical, electronic or other format, software, computer programs and source codes (including in each case each of their components) necessary for the operation and maintenance of the Project or otherwise required to be delivered to OPG under the Contract (other than the Professions Services); and
- (8) providing any other services required by, and performing its obligations under, the Contract, including the services referred to in section 3.1(b) of the ES MSA and the obligations set out in section of the Contract,

that are fit for the purposes of the Contract. Services includes all of the Contractor's obligations under the Contract and any services, work or activities, whether or not they are specifically listed in the Purchase Order, reasonably required under the Contract.

- (n) **Take Over Date** means the date on which the Goods have been completed, made ready for use, shipped, received and accepted by OPG's Project Representative in writing.
- (o) **Warranty Period** means:

- (1) in respect of Goods, the greatest of:
  - (A) the second anniversary following the Take Over Date;
  - (B) the warranty period specified in any warranty from a Subcontractor for any specific Goods or part of any Goods;
  - (C) the warranty period for any Goods or part of Goods provided under any Applicable Laws, all subject to any extension made hereunder; and
  - (D) the warranty period specified in the applicable Worksheet for any specific part of the Services; and
- (2) in respect of the Services, the greatest of:
  - (A) the second anniversary after the date the last of the Services are performed, abandoned or terminated under the applicable Purchase Order, whichever shall occur first;
  - (B) the warranty period specified in any warranty from a Subcontractor for any specific part of the Services;
  - (C) the warranty period for any specific part of the Services provided under any Applicable Laws, subject to any extension made hereunder; and
  - (D) any other warranty period specified in the Contract, including the Worksheet, for all or any specific part of the Services.

(p) **Worksheet** has the meaning given in the recitals to this Appendix.

## **SECTION 2 – CONTRACTOR’S OBLIGATIONS**

### **2.1 Representations Regarding the Project**

- (a) In addition to the representations and warranties contained elsewhere in the Contract, the Contractor represents and warrants to OPG that the Contractor:
  - (1) is sufficiently experienced and properly qualified, licensed, equipped, organized and financed to provide, or cause to be provided, the Project;
  - (2) has engaged and will engage only Subcontractors that are competent and have an acceptable health and safety record based on OPG’s safety program evaluation criteria;
  - (3) has examined and has satisfied itself in respect of all matters respecting the Project, including:

- (A) all necessary information respecting the risks, contingencies and other circumstances which may affect the Project Schedule, the Key Milestones, the Contract Price or the Project;
  - (B) the current versions of all documents issued by a standards, regulatory or other organization referred to in the Contract and all collective agreements applicable to the Project;
  - (C) the nature, location and physical conditions of the Site, including, surface and, if required by the applicable Purchase Order, subsurface conditions, and the location of all above and below surface buildings, utilities, structures, pipes, conduits and works;
  - (D) working and storage space, transportation (including any load or speed restrictions), delivery, construction facilities, uncertainties of weather and other work being carried out on, or in the vicinity of, the Site;
  - (E) the general and local conditions, particularly those respecting labour, health and safety, site access and other administrative practices and normal working hours;
  - (F) all Applicable Laws, including any restrictions on hours of work, and any required Approvals; and
  - (G) the goods, equipment and facilities needed to provide the Project;
- (4) except as may be otherwise explicitly set out under the heading “Information Waiver (Section 3.1(j))” of a Purchase Order in respect of the Work pursuant to that Purchase Order, has relied solely on the Contractor’s findings, conclusions, interpretations and other opinions in evaluating the risks, contingencies and other circumstances that may be encountered in carrying out all the requirements of the Contract;
  - (5) has reviewed the Key Milestones and is satisfied that it can provide and entirely finish the Project in accordance with the Key Milestones;
  - (6) confirms that the OPG Specifications will ensure conformity of the Project with all Applicable Laws and, at a minimum, Prudent Practices;
  - (7) is not aware of any error, inconsistency or omission in the Worksheet;
  - (8) has disclosed in writing to OPG the names of each of the Contractor’s Personnel who will be providing Services at the Site continuously, who is a former OPG employee and who received a severance package from OPG, is receiving pension payments from OPG, or is receiving a non-working pension bridge from OPG;

- (9) is not aware of any legal action instituted, threatened or pending against it that could have a material adverse effect on its ability to perform its obligations under the Contract; and
- (10) has made due allowance, including by way of pricing, for all the matters referred to in this section 2.1(a).

## 2.2 Kick off and Subsequent Meetings

Unless otherwise specified in the applicable Purchase Order, the following provisions shall apply:

- (a) **Preparation Phase.** Within 10 Business Days of the date of the Contract, the Contractor will:
  - (1) meet with all appropriate Persons, including OPG's Project Representative to confirm, among the parties and such Persons, the manner and approach in fulfilling the requirements of the Contract;
  - (2) meet with individuals designated by OPG's Project Representative to confirm design requirements and approach;
  - (3) identify and analyze requirements of applicable Governmental Authorities with whom consultation is to be undertaken in respect of the Project; and
  - (4) obtain such additional information that it deems necessary for providing the Project.
- (b) **Kick-Off Meeting.** Within 10 Business Days of the date of the Contract, OPG's Project Representative will arrange a kick-off meeting. The Contractor will ensure attendance by its authorized representatives and any representatives of Subcontractors, including senior management, as required by OPG. At this meeting the parties will discuss safety and environmental protection programs (including those of Subcontractors) and requirements, the hazards associated with the Project, labour matters, design concepts, schedules, procedures for handling Submittals, communication protocols, procedures for processing each Application for Payment, delivery procedures for the Site, records maintenance, Site security, nuclear safety requirements, radiological safety requirements and "conduct of" requirements for work in a nuclear facility, if applicable, and any other matter raised by a party.
- (c) **Meetings.** In addition to the kick-off meeting, the Contractor will schedule, attend and conduct such other progress review meetings and commissioning meetings as are requested by OPG or are otherwise desirable, including any meetings required by the Worksheet. The Contractor will include in the agenda of any such meeting any issue requested by OPG. The Contractor will ensure that all Subcontractors and other Persons requested by OPG will attend these meetings. The Contractor will ensure that each representative of the Contractor

and any Subcontractor attending meetings will be qualified and authorized to act on behalf of the party each represents. The Contractor will coordinate the space for the meeting after consultation with OPG. Unless OPG otherwise requests regarding a particular meeting, Contractor will prepare and distribute minutes of each meeting within three Business Days.

### **2.3 Hazardous Material**

The Contractor, when shipping to the Site or to any other location any product which is categorized as hazardous material (including compressed gas, flammable or combustible material, oxidizing material, poisonous and infectious material, corrosive material or dangerously reactive material), will comply with all relevant federal and provincial regulations and all applicable OPG procedures and policies pertaining to such materials. The Workplace Hazardous Material Information System (WHMIS) will apply and all such materials will be properly identified with WHMIS type warning labels. All shipments of such material will include a Material Safety Data Sheet (MSDS) with a copy to the OPG MSDS Centre, 1549 Victoria Street East, Whitby, Ontario L1W 3C7, Attention: Technical Information Services.

### **2.4 Health and Safety**

The Contractor and each Subcontractor, while performing the Services at OPG's facilities, will comply with all Applicable Laws, as well as all applicable OPG policies and procedures referenced in Section 3.5(f) of the ES MSA. OPG is committed to a safety program with a target of no accidents or injuries. The Contractor will comply with all relevant safety rules and regulations, including without limiting the generality of the foregoing, those established by OPG from time to time. The Contractor will comply, at its expense, with the requirement to cooperate and participate in the reporting of significant events and the subsequent investigations for any events precipitated by the Contractor or its Subcontractors. To the extent that the investigation demonstrates that the safety incident was contributed to, or caused by, the negligence of the Contractor or any other member of the Contractor Group, OPG will be entitled to recover the reasonable costs of the investigation. Reporting events, conducting cause investigations and taking corrective action is a significant cost to OPG; therefore the Contractor will comply, at its expense, with the requirement to cooperate and participate in the reporting of significant events and the subsequent investigations for any events contributed to by the negligence or other act or omission of any member of the Contractor Group.

### **2.5 Shipping and Packaging Instructions**

- (a) **Shipping.** Where applicable, the Contractor will ship Goods complete and ready for installation. If the size of the Goods prevents the Contractor from shipping it fully assembled, the Contractor will segregate the Goods into components to allow safe and convenient transportation. The Contractor will only release and ship Goods when the following conditions have been met:
  - (1) release form has been signed by OPG's Project Representative;
  - (2) certified test results required by the Contract have been accepted by OPG;

- (3) certificate of conformance, where applicable, has been accepted by OPG;
  - (4) shipping bill of material has been submitted by the Contractor and accepted by OPG; and
  - (5) all relevant Documents have been accepted by OPG.
- (b) **Receipt.** The receipt or taking delivery of the Goods by OPG will not be deemed a waiver of any right, claim or remedy of OPG under the Contract or otherwise.
- (c) **Packaging.** When applicable, the Contractor will pack, brace and load all Goods in a manner as to prevent physical damage and damage from climatic conditions. The Contractor will clearly mark on the outside of the shipping container all specific instructions setting out any precautions required during shipping and storage in a durable envelope attached to the container and suitably labeled. The Contractor will ensure that all openings in Goods such as vessels, valves and pumps will be sealed. The Contractor will ensure that where necessary, skids, hauling eyes, jacking plates, and sling hooks, will be provided for unloading and field assembly. The Contractor will ensure that where pallets are required for shipping purposes, the Contractor must obtain approval from OPG's Project Representative to use wooden pallets prior to shipping. The Contractor will ensure that all cages, packages, boxes, crates, bundles, and unpackaged components will be clearly and indelibly marked to show necessary shipping information. Any damage to the Goods during shipping shall be the Contractor's sole liability and responsibility.
- (d) **Marking.** When applicable, the Contractor will apply markings suitable to the type of product and packaging involved and will provide the following information:
- (1) destination address and OPG's Purchase Order number;
  - (2) material identification number, as applicable, and other identifications specified in the Purchase Order;
  - (3) the Contractor's shipment identification number, numbering of packages, boxes, crates, components, or assemblies of the shipment; and
  - (4) the mass and sizes of each major component or assembly (if the lifting points are critical, they will be clearly marked by the Contractor and identified).
- (e) **Packing Slip.** When applicable, the Contractor will provide a detailed packing slip, listing each separate item, in a waterproof envelope and firmly attached to each shipping container. The Contractor will ensure each packing slip includes the following certification:



“The Goods listed herein have been inspected and tested by the Contractor and are in conformance with the contract requirements and approved for shipment”.

The Contractor must endorse such certification with the signature and title of an authorized representative of the Contractor’s quality authority. The Contractor will ensure that such certification includes references to the Purchase Order number, purchase order line number and material identification number.

The Contractor will mail a duplicate copy of the packing slip to OPG’s Project Representative as soon as a shipment is ready for dispatch.

## **2.6 Professional Services**

- (a) **Provision.** The Contractor will provide all the Professional Services necessary or desirable to provide the Project.

## **2.7 Commissioning and Completion**

- (a) **Commissioning Phase.** Unless otherwise specified in the applicable Purchase Order, during the commissioning phase for the applicable project to which the Goods or Services relate as set out in the Project Schedule, the Contractor will support the commissioning phase as provided in the Worksheet, and will provide manufacturers’ authorized representatives, specialists and/or representatives of Subcontractors as may be required by OPG for the Project.

## **2.8 Procurement**

- (a) **Goods.** Unless otherwise specified in the applicable Purchase Order, the Contractor will be responsible, at its cost, for manufacturing or supplying or procuring, factory testing, transporting, delivering, inspecting and receiving Goods, and providing all other goods and services reasonably required in respect of the Project. The Contractor will conduct all these activities in accordance with the Contract. The Contractor will maintain absolute control over, and exclusive responsibility for, the Contractor’s own, and each Subcontractor’s own, operations and the Contractor’s Personnel.
- (b) **Procurement Plan.** If required by the Worksheet, the Contractor will develop a Procurement Plan for procurement of the Goods. The Procurement Plan will be provided to OPG for acceptance. Any deviation of mandatory criteria from the Procurement Plan will require approval by OPG.
- (c) **Delivery.** The Contractor will be responsible for arranging its design, manufacturing, and shipping schedules so that the Goods will arrive at the stipulated destination in accordance with the delivery schedule and will be aligned with the Project Schedule. The Contractor will deliver the Goods to the delivery point by the date specified in the Project Schedule. The Contractor will not deliver the Goods prior to the date specified in the Project Schedule without the written consent of OPG’s Project Representative, acting in its sole discretion.

Unless otherwise specified, the Goods will be delivered duty paid (DDP), as that term is defined in the Incoterms 2010, to the Site, by the date specified in the Project Schedule and will be specifically documented by the Contractor in the applicable Procurement Plan, if any (unless otherwise specified in the applicable Purchase Order).

- (d) **Good Shipping and Storage Practices.** To the extent applicable, the Contractor will transport, deliver, receive, and store (whether on site or off site) all Goods in accordance with good shipping and storage practices (as recommended by the applicable manufacturer and/or Subcontractor or, if applicable, OPG) and in accordance with Applicable Laws, Prudent Practices and the terms and conditions for all applicable insurance policies.
- (e) **Electrical Safety.** The Contractor will ensure that all electrical Goods, before delivery, has the safety approval of the Canadian Standards Association (CSA), United Laboratories (UL) or the electrical approval of the Electrical Safety Authority (ESA). The Contractor will arrange for such approval at its expense.

### SECTION 3 – ACCEPTANCE OF PROJECT AND CORRECTION OF DEFECTS

#### 3.1 Warranty

- (a) **Basic Warranty on Goods.** Until the expiration of the Warranty Period, the Contractor will ensure that all Goods will be fit for the purposes set out in the Contract, new, unused, not Defective and free from all Liens, of good quality and comply with all requirements under the Contract (including any additional warranties specified in the Worksheet). All warranties and guarantees set out in the Contract are for the benefit of OPG. If required by OPG, the Contractor will provide satisfactory evidence (including reports of required inspections, tests and approvals) as to the kind and quality of all Goods.
- (b) **Basic Warranty on Services.** The Contractor warrants and guarantees to OPG that, for the duration of the Warranty Period:
  - (1) all the Services will be: (1) fit for the purposes set out in the Contract, including the OPG Specifications; (2) in all respects, performed with the standard of care, skill and diligence expected, at the time and place of performance, of recognized professional engineering firms performing services of a similar type and nature; and
  - (2) provided in accordance with the Contract (including any additional warranties specified in the Worksheet).
- (c) **Risk of Loss.** The Goods and Services will remain at the sole risk of the Contractor against loss or damage up to and including the Take Over Date or, with respect to any particular Goods or Services, such earlier date as OPG accepts care, custody and control of such Goods or Services (but excluding damage that

was caused by OPG unless such damage was caused by OPG as a result of the Contractor's failure to comply with any of its obligations under the Contract).

### **3.2 Access to Project**

The Contractor will provide access to the Project and the premises of the Contractor and Subcontractors, at all reasonable times and from time to time, to OPG's Project Representative, and at the request of OPG's Project Representative, to his or her OPG Designated Delegate, for the purposes of viewing, performing surveillance on, inspecting, testing and/or accepting the Project, in whole or in part, including to monitor compliance with the Contract and any applicable quality assurance program. In particular, the Contractor will deliver a Notice to OPG's Project Representative providing OPG with Notice of at least four Business Days before OPG is required to inspect any Goods at any hold point in any inspection plan. At the request of OPG's Project Representative, the Contractor will promptly provide to OPG's Project Representative and/or his or her OPG Designated Delegate a copy of all the documents respecting any subcontract for the Project subject to viewing, performing surveillance, inspecting, testing and/or accepting. No such viewing, performing surveillance, inspecting, testing and/or accepting by OPG will relieve the Contractor of any of its obligations under the Contract. The Contractor will advise each applicable representative of OPG of the Contractor's or Subcontractor's applicable site safety procedures and policies. The Contractor will provide each such representative with proper and safe transportation and conditions for such access.

### **3.3 Inspections, Tests and Approvals**

The Contractor will with promptness and in an orderly sequence so as not to cause any delay to the Project arrange for and obtain all inspections, tests and approvals required for the acceptance of Goods that are to be incorporated or used in the Project. The Contractor will ensure that each inspection, test or approval that is required to be carried out, in whole or in part, by a Professional, is so carried out by a Professional. The Contractor will pay all costs respecting such inspections, tests and approvals. If the Contract, the applicable quality assurance program or any Applicable Laws or Approvals require any part of the Project to be inspected, tested or approved, in whole or in part, the Contractor will arrange for and obtain all such inspections, tests and approvals. The Contractor will pay all costs respecting such inspections, tests and approvals and will reimburse OPG for OPG's costs if at any hold-point date any test, inspection or approval is not successfully completed due to an act or omission of the Contractor or fails such test, inspection or approval. The Contractor will deliver to OPG all certificates, reports and other documents respecting any inspections, tests and approvals made in accordance with this section 3.3 or the Contract, including the Worksheet. The Contractor will give OPG reasonable Notice of the date, time and location for all inspections, tests or approvals carried out under this section 3.3 or the Contract, including the Worksheet so that OPG and OPG's Designated Delegates can attend. If Notice is not given, OPG may require the inspection, test or approval to be redone. In addition to any other inspection, test or approval set out in the Contract, OPG may require, at its cost (but, for certainty, without payment of any amount to the Contractor), any other inspection, test or approval of any part of the Project, in whole or in part, either on or off the Site, upon Notice to the Contractor.

### **3.4 Notice of Defective Project**

OPG will, within a reasonable period of time after having actual knowledge of a Defective part of the Project and before the expiration of the Warranty Period, deliver Notice to the Contractor of the Defective part, but OPG's failure to do so will not impose any liability on OPG and the Contractor will be estopped from making any claim against OPG for failure to do so. In addition, OPG's failure to do so will not:

- (a) have the effect of transferring any obligation under the Contract from the Contractor to OPG or otherwise have the effect of amending the Contract; or
- (b) will not affect or change in any way the Contractor's,
  - (1) obligation to entirely finish the Project in accordance with the Contract, or
  - (2) responsibility for repairing, replacing or re-providing any Defective part of the Project.

### **3.5 Correction or Removal of Defective Part of Project**

- (a) **Services Required.** OPG may accept or reject any Defective parts of the Project, whether or not such part has been incorporated into the Project, on delivery of Notice to this effect to the Contractor. The Contractor will promptly correct all Defective parts of the Project either upon discovery or upon rejection by OPG under this section 3.5 and shall satisfactorily correct or replace any other damage arising in respect of such Defective parts or in respect of any inspections conducted to determine whether any actions were required. If reasonably requested by OPG, the Contractor will remove any and all Defective parts of the Project from the Site, whether or not such parts have been incorporated into the Project, and replace such parts with parts that are not Defective and that comply with the Contract.
- (b) **Cost to Correct or Remove.** The Contractor will pay all costs respecting the correction of a Defective part of the Project ("**Correction Costs**"), including:
  - (1) all incidental costs of the corrective services or rework, including, as may be required for disassembly, removal, re-installation, re-erection, re-assembly, transportation, insurance, brokerage fees and any applicable Taxes;
  - (2) all of OPG's fees and charges of engineers, architects, accountants, lawyers (on a substantial indemnity basis) and other professionals, all court, arbitration and other dispute mediation or resolution costs and charges, whether incurred through settlement or otherwise, together with interest calculated in accordance with the definition of Losses in the ES MSA; and
  - (3) all costs and charges respecting correction, rework or replacement of any Defective part of the Project, including any part of the Project that was rendered Defective because of the Defective part of the Project, including

in respect of any damage or loss arising in respect of such correction or replacement or in respect of any inspections conducted to determine whether any such correction, rework or replacement was required, including, only to the extent covered by insurance, for loss of use.

- (c) **Obligation to Correct.** If, at any time and from time to time before the expiration of the Warranty Period, the Project, in whole or in part, including any part of the Project that was rendered Defective because of the Defective part of the Project, becomes or is determined to be Defective or fails because of any defect, the Contractor will promptly, without cost to OPG and in accordance with OPG's instructions and at times and within the period of time reasonably specified by OPG:
- (1) satisfactorily correct such Defective part of the Project, or, to the extent reasonably requested by OPG, remove such Defective part of the Project from the Site and replace such Defective part with parts which are not Defective and which comply with the Contract; and
  - (2) satisfactorily correct or replace any other damage arising in respect of the actions taken in respect of section 3.5(c)(1) in respect of any inspections conducted to determine whether any actions were required in respect of section 3.5(c)(1).

The Contractor will pay all Correction Costs as described in section 3.5(b). In providing any corrective services under this section 3.5(c), the Contractor will comply with all applicable terms of the Contract and will endeavour to minimize interference with, and impact on, OPG's operations.

- (d) **Failure to Comply.** If the Contractor fails to comply with its obligations under section 3.5(c) or any other term in the Contract as expeditiously as is commercially reasonable and within the time period reasonably specified by OPG, or if there is an emergency that poses a significant risk of loss or damage to the Project or any Person, OPG may take, directly or indirectly, any of the actions contemplated under section 3.5(c) or such other actions as are reasonable in the circumstances, without affecting any other rights or remedies OPG may have against the Contractor under the Contract. The Contractor will pay all Correction Costs as described in section 3.5(b) respecting all such actions, plus a fee of 15%. In respect of any action taken by OPG, directly or indirectly, under this section 3.5(d), OPG may without terminating the Contract:
- (1) eject and exclude from the Site the Contractor, any Subcontractor and any of the Contractor's Personnel;
  - (2) suspend the Contractor's provision of the Project under the Contract to the extent of such actions;
  - (3) take possession of the any work in progress at no additional charge for the retention and use thereof;

- (4) assume any and all subcontracts with Subcontractors;
- (5) avail itself of any performance bond, guarantee or other security provided by the Contractor or a Subcontractor with respect to the applicable part of the Project;
- (6) incorporate or use in the Project all results of the Services at the Site or for which OPG has paid the Contractor but which are located elsewhere; and/or
- (7) withhold, without interest, all payments to the Contractor under any agreement between OPG and the Contractor until the Contractor's liability to OPG is determined.

The Contractor will allow all members of OPG Group and OPG's other contractors such access as is necessary to enable OPG to exercise its rights under this section 3.5(d). The Project Schedule will not be changed for any reason relating to any actions taken by OPG, directly or indirectly, under this section 3.5(d).

- (e) **Extension of Correction Period.** Where any correction or replacement of any Defective part of the Project, including any part of the Project that ceases to be used in commercial operations because of the Defective part of the Project, including in respect of any damage or loss arising in respect of such correction or replacement, is carried out under this section 3.5, then the Warranty Period will:
- (1) recommence at the beginning of the Warranty Period under sections 3.1(a) or 3.1(b), as the case may be, respecting the part of the Project that was corrected or replaced, commencing on the date that such corrected or replaced part re-enters commercial operation; and
  - (2) respecting the part of the Project that ceases to be used in commercial operations because of the Defective part of the Project, be suspended as at the date that such Project was taken out of commercial operation and will recommence on the date that such Project re-enters commercial operation.

In no event, however, will the Warranty Period with respect to: (A) Goods relating to the Darlington Refurbishment Project be extended for more than 8 years from the Take Over Date; (B) Goods unrelated to the Darlington Refurbishment Project be extended for more than 6 years from the Take Over Date, (C) Services relating to the Darlington Refurbishment Project be extended for more than 8 years from the date the last of the Services are performed, abandoned or terminated under the applicable Purchase Order, whichever shall occur first; or (D) Services unrelated to the Darlington Refurbishment Project be extended for more than 6 years from the date the last of the Services are performed, abandoned or terminated under the applicable Purchase Order, whichever shall occur first, in each case as specified in the applicable Purchase Order.

- (f) **Repetitive Failure.** In addition to the other provisions of this Section 3.5, in the event that a Defective part of the Project fails during the Warranty Period with a frequency, sameness, or pattern to indicate a logical regularity that exceeds predicted failure rates and in a manner that materially affects the performance of the Project in commercial operations, the Contractor will investigate the source of the defect prior to replacing the Defective part again and make whatever design and engineering changes are necessary, if any, in accordance with the OPG Specifications to correct the Defective part.

### **3.6 Sole Remedy**

If at any time and from time to time during the Warranty Period any part of the Project becomes or is determined to be Defective, the sole liability of the Contractor and the exclusive remedy of OPG with respect solely to the repair or replacement of such Defective part, will be limited to the warranty remedies set out in this section 3, provided that nothing in this section 3 will serve to limit the Contractor's liabilities or OPG's remedies otherwise provided for under this Agreement. THE EXPRESS WARRANTIES AND CONDITIONS SET FORTH IN THIS CONTRACT ARE EXCLUSIVE AND NO OTHER WARRANTIES OR CONDITIONS OF ANY KIND, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESS OR IMPLIED (INCLUDING WARRANTIES OR MERCHANTABILITY AND IMPLIED WARRANTIES OF CUSTOM OR USAGE) SHALL APPLY.

## **APPENDIX 7**

### **TERMS AND CONDITIONS FOR ENGINEERING AND CONSTRUCTION**

Refer to Appendix 2 and Schedule 13.



## **APPENDIX 8**

### **TERMS AND CONDITIONS FOR PROCUREMENT AND CONSTRUCTION**

See attached.

## APPENDIX 8

### TERMS AND CONDITIONS FOR PROCUREMENT AND CONSTRUCTION

#### RECITALS

- A. These additional terms and conditions applicable to procurement and construction work supplement the terms and conditions on which certain Work (the “**Project**”) will be performed by the Contractor for OPG pursuant to OPG Purchase Order # \_\_\_\_\_ (the “**Purchase Order**”).
- B. The contract between OPG and the Contractor in respect of the Project consists of the ES MSA, this Appendix 8 and the terms and conditions set out in the worksheet (the “**Worksheet**”) included in the Purchase Order (collectively, the “**Contract**”).

#### SECTION 1 – DEFINITIONS AND INTERPRETATION

##### 1.1 Definitions

Capitalized terms used but not defined in this Appendix have the meanings given to those terms in the ES MSA, and in this Appendix (including the recitals to this Appendix), the following terms have the following meanings:

- (a) **Contract** has the meaning given in the recitals to this Appendix.
- (b) **Correction Costs** is defined in section 6.7(b).
- (c) **Defective** means:
  - (1) any part of the Project that is defective, is inoperative, fails because of any defect or does not comply with the Contract, including any failure to comply with any requirement of any Submittal, reference standard, inspection, test or Approval required for the Project or otherwise referred to in the Contract, including whether or not the non-compliance is the result of defective Services (including design, workmanship and installation) or Goods;
  - (2) any part of the Project that has been negligently performed or provided; or
  - (3) any part of the Project that was damaged on or before the Final Completion Date (but excluding damage that was caused by OPG unless such damage was caused by OPG as a result of the Contractor’s failure to comply with any of its obligations under the Contract).

For clarity, provided the Contractor has complied with its obligations under Schedule 13, defects in the Free Issue Materials do not constitute a Defective part of the Project.

- (d) **Designated Substances** is defined in section 2.3(j)(1).
- (e) **ES MSA** means the Extended Services Master Services Agreement made as of December 19, 2014 between OPG and the Contractor, excluding the Other Appendices, as amended from time to time (and, for greater certainty, excluding any OPG purchase orders issued pursuant to such agreement, other than the Purchase Order).
- (f) **Final Completion Date** means the day on which OPG accepts the Project as being entirely finished under section 5.2(a).
- (g) **Job Safety Analysis** is defined in section 2.3(h)(2).
- (h) **Other Appendices** means each Appendix to the ES MSA, other than this Appendix.
- (i) **Procurement Plan** has the meaning given in Appendix C to the Interface Requirements.
- (j) **Professional** means a licensed professional, including engineers and architects, duly licensed in Ontario, and designated by the Contractor, to provide, in whole or in part, any of the Professional Services.
- (k) **Professional Services** means all the services in respect of the Contract, including with respect to preparing and/or providing detailed documents, designs, drawings (including as built drawings), diagrams, illustrations, schedules, performance charts, brochures, specifications, plans, operating guides, progress photographs, reports, manuals (including operating and maintenance manuals), information, data or other deliverables, models or samples whether in a written, graphic, physical, electronic or other format provided, or required to be provided, by the Contractor to OPG under the Contract, that are:
  - (1) required under Applicable Laws or any Approvals to be provided by a Professional;
  - (2) required by the Contract to be provided by a Professional; or
  - (3) provided by a Professional retained by the Contractor, including by the Contractor's Personnel.
- (l) **Project** has the meaning given in the recitals to this Appendix.
- (m) **Project Specific Site Safety Plan** is defined in section 2.3(h)(1).
- (n) **Purchase Order** has the meaning given in the recitals to this Appendix.

- (o) **Services** means providing to OPG an entirely finished and fully functional Project, constructed in accordance with the Contract that is fit for the purposes set out in the Contract and including, as applicable:
- (1) providing the Professional Services;
  - (2) providing, manufacturing, supplying, procuring, factory testing, transporting, delivering, erecting, constructing, assembling, installing, connecting, applying, using, field testing, calibrating, adjusting, conditioning, cleaning, training, commissioning, commissioning support (including support from Subcontractors), performance testing and cleaning up respecting the Project;
  - (3) providing various construction and maintenance services including structural, electrical and mechanical installations, modifications and removals;
  - (4) procuring Goods;
  - (5) providing quality assurance/quality control and/or field inspection services and assessing services;
  - (6) providing any rework, repairs or replacements of anything that is Defective;
  - (7) providing mobilizing, labour, demobilizing, management, supervision and administration;
  - (8) providing construction equipment and tools, including scaffolding, mobile cranes, air compressors and welding sets;
  - (9) using any goods of any kind in respect of the Project;
  - (10) providing the design (to the extent required by the applicable OPG Specifications) and delivery of any documents, designs, drawings (including as built drawings), diagrams, illustrations, schedules, performance charts, brochures, specifications, plans, progress photographs, reports, manuals (including operating and maintenance manuals), information, data or other deliverables, or models or samples, whether in a written, graphic, physical, electronic or other format, software, computer programs and source codes (including in each case each of their components) necessary for the operation and maintenance of the Project or otherwise required to be delivered to OPG under the Contract (other than the Professional Services); and
  - (11) providing any other services required by, and performing its obligations under, the Contract, including the services referred to in section 3.1(b) of the ES MSA and the obligations set out in section 2.3 of this Appendix,

all in accordance with the Contract, including the Worksheet.

- (p) **Substantial Completion** is defined in section 5.1(a).
- (q) **Warranty Period** is defined in section 6.8(a).
- (r) **Worksheet** has the meaning given in the recitals to this Appendix.

## **1.2 Attachments**

The following attachments are attached to and form part of this Appendix:

<b>Attachment</b>	<b>Description</b>
Attachment 2.4(b)	Environmental Notice and Consent Form
Attachment 4.4	Notice of Delay Form
Attachment 5.1(a)	Notice of Substantial Completion Form
Attachment 5.1(b)	Substantial Completion Confirmation Form
Attachment 5.2	Final Completion Confirmation Form

## **SECTION 2 – CONTRACTOR’S OBLIGATIONS**

### **2.1 Representations Regarding the Project**

- (a) In addition to the representations and warranties contained elsewhere in the Contract, the Contractor represents and warrants to OPG that the Contractor:
  - (1) is sufficiently experienced and properly qualified, licensed, equipped, organized and financed to provide, or cause to be provided, the Project;
  - (2) has engaged and will engage only Subcontractors that are competent and have an acceptable health and safety record based on OPG’s safety program evaluation criteria;
  - (3) has examined and has satisfied itself in respect of all matters respecting the Project, including:
    - (A) all necessary information respecting the risks, contingencies and other circumstances which may affect the Project Schedule, the Key Milestones, the Contract Price or the Project;
    - (B) the current versions of all documents issued by a standards, regulatory or other organization referred to in the Contract and all collective agreements applicable to the Project;

- (C) the nature, location and physical conditions of the Site, including, surface and, if required by the applicable Purchase Order, subsurface conditions, and the location of all above and below surface buildings, utilities, structures, pipes, conduits and works;
  - (D) working and storage space, transportation (including any load or speed restrictions), delivery, construction facilities, uncertainties of weather and other work being carried out on, or in the vicinity of, the Site;
  - (E) the general and local conditions, particularly those respecting labour, health and safety, site access and other administrative practices and normal working hours;
  - (F) all Applicable Laws, including any restrictions on hours of work, and any required Approvals; and
  - (G) the goods, equipment and facilities needed to provide the Project;
- (4) except as may be otherwise explicitly set out under the heading “Information Waiver (Section 3.1(j))” of a Purchase Order in respect of the Work pursuant to that Purchase Order, has relied solely on its findings, conclusions, interpretations and other opinions in evaluating the risks, contingencies and other circumstances that may be encountered in carrying out all the requirements of the Contract;
  - (5) has reviewed the Key Milestones and is satisfied that it can provide and entirely finish the Project in accordance with the Key Milestones;
  - (6) confirms that the OPG Specifications will ensure conformity of the Project with all Applicable Laws and, at a minimum, Prudent Practices;
  - (7) is not aware of any error, inconsistency or omission in the Worksheet;
  - (8) has disclosed in writing to OPG the names of each of the Contractor’s Personnel who will be providing Services at the Site continuously, who is a former OPG employee and who received a severance package from OPG, is receiving pension payments from OPG, or is receiving a non-working pension bridge from OPG;
  - (9) is not aware of any legal action instituted, threatened or pending against it that could have a material adverse effect on its ability to perform its obligations under the Contract; and
  - (10) has made due allowance, including by way of pricing, for all the matters referred to in this section 2.1(a).

## **2.2 Kick off and Subsequent Meetings**

Unless otherwise specified in the applicable Purchase Order, the following provisions shall apply:

- (a) **Preparation Phase.** Within 10 Business Days of the date of the Contract, the Contractor will:
  - (1) meet with all appropriate Persons, including OPG's Project Representative to confirm, among the parties and such Persons, the manner and approach in fulfilling the requirements of the Contract;
  - (2) meet with individuals designated by OPG's Project Representative to confirm design requirements and approach;
  - (3) identify and analyze requirements of applicable Governmental Authorities with whom consultation is to be undertaken in respect of the Project; and
  - (4) obtain such additional information that it deems necessary for providing the Project.
- (b) **Kick-Off Meeting.** Within 10 Business Days of the date of the Contract, OPG's Project Representative will arrange a kick-off meeting. The Contractor will ensure attendance by its authorized representatives and any representatives of Subcontractors, including senior management, as required by OPG. At this meeting the parties will discuss safety and environmental protection programs (including those of Subcontractors) and requirements, the hazards associated with the Project, labour matters, design concepts, schedules, procedures for handling Submittals, communication protocols, procedures for processing each Application for Payment, delivery procedures for the Site, records maintenance, Site security, nuclear safety requirements, radiological safety requirements and "conduct of" requirements for work in a nuclear facility, if applicable, and any other matter raised by a party.
- (c) **Meetings.** In addition to the kick-off meeting, the Contractor will schedule, attend and conduct such other pre-construction, construction, pre-job mark up (including resolution of jurisdictional issues), hazard review, Site co-ordination, weekly (or daily as required by OPG) progress review meetings and commissioning meetings as are requested by OPG or are otherwise desirable, including any meetings required by the Worksheet. The Contractor will include in the agenda of any such meeting any issue requested by OPG. Progress review meetings will usually focus on safety, environmental matters, labour requirements, procedures, progress, clarifications of the requirements of the Contract and scheduling (including interfaces between Persons providing services at the generating station). The Contractor will ensure that all Subcontractors and other Persons requested by OPG will attend these meetings. The Contractor will ensure that each representative of the Contractor and any Subcontractor attending meetings will be qualified and authorized to act on behalf of the party each represents. The Contractor will provide the space for the meeting. Unless OPG

otherwise requests regarding a particular meeting, OPG will prepare and distribute minutes of each meeting within three Business Days.

## 2.3 Safety

- (a) **Primary Goal.** Safety of the Contractor's Personnel, individuals at or near the Site and the public is of paramount concern to OPG. In providing the Project the Contractor will not in any manner endanger the safety of, or unlawfully interfere with other Persons on or off the Site, including the public.
- (b) **Constructor.** OPG will be the "Constructor" in respect of the Services for the purposes of the *Occupational Health and Safety Act, 1997* (Ontario). The "Constructor" will submit the required notice of project and registration form to the applicable Governmental Authority.
- (c) **Compliance.** The Contractor will provide the Project in accordance with:
  - (1) all Applicable Laws, including the *Occupational Health and Safety Act, 1997* (Ontario), as amended from time to time;
  - (2) to the extent not inconsistent with section 2.3(c)(1), OPG's safety requirements, as amended from time to time;
  - (3) to the extent not inconsistent with sections 2.3(c)(1) and 2.3(c)(2), the Contractor's safety program (a copy of which is attached to the Worksheet), as amended from time to time with OPG's approval; and
  - (4) to the extent not inconsistent with sections 2.3(c)(1), 2.3(c)(2) and 2.3(c)(3), the very best of practices respecting health and safety and in a manner that recognizes and minimizes the risks to workers, other individuals and property.

The Contractor will forward to OPG for OPG's review and prior approval, without delay, any changes to its safety program made during the course of providing the Project. The Contractor will also provide OPG with a copy of the safety program of each Subcontractor for OPG's review and prior approval. OPG will monitor the compliance of the Contractor and Subcontractors with these requirements through field inspections from time to time during the course of the provision of the Project. The Contractor will rectify any deficiencies immediately upon written or verbal direction from OPG's Project Representative or his or her OPG Designated Delegate. OPG may also have any aspect of the Contractor's safety program reviewed by Persons designated by OPG. The Contractor will provide these inspectors and other Persons with prompt access to the Site and all premises and documents required for such review. The Contractor will forward to OPG, without delay, any change to the Council Amendment to Draft #7 (CAD-7) rating of the Contractor or to any Subcontractor providing the Project at the Site.



- (d) **Effect of Review.** If OPG reviews, comments on, accepts, rejects or fails to review, comment on, accept or reject any aspect of the Contractor's or a Subcontractor's safety program (including at a meeting or as part of OPG's inspections or reviews), or if the Contractor or a Subcontractor satisfies or fails to satisfy any comments or concerns of OPG, such action or failure to act will not in any way relieve the Contractor from any of its safety obligations under the Contract.
- (e) **Safety Representative.** The Contractor will provide a qualified and experienced full time health and safety supervisor. The Contractor will make this supervisor's sole obligation the training of the Contractor's Personnel in safety, prevention of accidents and the maintaining, reviewing, revising and supervising of safety precautions and programs.
- (f) **Safety Precautions and Remedies**
  - (1) **Protection.** Subject to a written or verbal direction from OPG's Project Representative or his or her OPG Designated Delegate to the Contractor, the Contractor will be solely responsible for initiating, maintaining, reviewing, revising and supervising all safety precautions and programs in respect of the Project. The Contractor will take all necessary precautions (including ensuring that all of the Contractor's Personnel are equipped with, and properly use, all safeguards and personal protective equipment necessary for the provision of the Project) for the safety of, and will provide the necessary protection to prevent damage, injury or loss resulting from the provision of the Project to:
    - (A) each Person who is on the Site or who may otherwise be affected by the provision of the Project, including the Contractor's Personnel and members of the public;
    - (B) any of the Goods, whether in storage on or off Site;
    - (C) the Project; and
    - (D) any other property on, under, over or near the Site, whether belonging to OPG or to any other Person, including buildings and other structures, facilities, fences, gates, pavements, roadways, sidewalks, walks, vegetation and utilities that are not designated for removal and disposal in the course of providing the Project.
  - (2) **Work Protection.** The Contractor will provide the Project under work protection ensuring that equipment being worked on is safely isolated and de-energized. Generally, OPG will provide isolation and de-energization, although the Contractor is responsible for co-ordinating all work protection with OPG's Project Representative or his or her OPG Designated Delegate. Under special circumstances, suitably trained and qualified members of the Contractor's Personnel may be permitted to

apply trades administered work protection in accordance with OPG's work protection code, a copy of which has been made available to and reviewed by the Contractor.

- (3) **Notification of Owners.** The Contractor will promptly deliver a Notice to OPG's Project Representative as the Contractor becomes aware of, and indicating the identity of, each utility, owner of underground facilities and owner of property (excluding OPG and its subsidiaries) on, under, over or near the Site that may be affected by the Project and how each such utility or owner may be affected. OPG will deliver a Notice to the Contractor indicating the identity of each such Person and the Contractor will, at OPG's direction, deal with or co-operate with OPG in dealing with settling all issues respecting the provision of the Project, including the protection, removal, relocation or replacement of the property of any such Person.
- (4) **Repair of Damage.** To the extent that any third party, such as a utility, owner of underground facilities or owner of property (excluding OPG and its subsidiaries) on, under, over or near the Site suffers or incurs any Losses to any property caused by the Contractor or a Subcontractor, the Contractor will remedy such Losses in a timely manner and at the Contractor's expense. The Contractor will indemnify and hold harmless each member of the OPG Group, from and against all Losses suffered or incurred by a member of the OPG Group and all claims, demands, actions, suits or proceedings for Losses made against any member of the OPG Group by any Person, to the extent arising in respect of the Services or the Goods.
- (g) **Safety Reports.** During the provision of the Project, the Contractor will provide OPG's Project Representative with:
  - (1) a verbal report immediately of all accidents, near misses or high MRPH incidents which the Contractor is required to provide to OPG in accordance with OPG's safety incident management standard, a copy of which has been made available to and reviewed by the Contractor, including any serious incident requiring off-site medical attention or near miss incidents which do or could have resulted in the death of, or serious injury to, a worker or other Person on or off the Site or an incident which has resulted in the death of or serious injury to a worker or other Person on or off the Site;
  - (2) an immediate verbal report of all high MRPH incidents and evidence that a senior executive of the Contractor has also made this report immediately to OPG's Project Representative;
  - (3) within 24 hours of an accident, construction occurrence or incident report, a copy of all accident, construction occurrence and incident reports which the Contractor, any Subcontractor, or OPG is required to submit in respect

of the Project under the *Occupational Health and Safety Act*, 1997 (Ontario) or the *Workplace Safety and Insurance Act*, 1997 (Ontario);

- (4) within 24 hours, Notice of any visits by the Ministry of Labour and copies of any reports, orders to comply, charges, stop work orders, and notices of compliance under the *Occupational Health and Safety Act*, 1997 (Ontario) or other Applicable Laws;
- (5) a copy of the minutes of each meeting of the joint health and safety committee; and
- (6) a monthly report within 10 days of each month's end with safety statistics for the Contractor and all Subcontractors providing the Project at the Site. The Contractor will include in this report, with a brief description of each incident and injury:
  - (A) the number of injuries resulting in a worker requiring medical aid;
  - (B) the number of near miss incidents or high MRPH incidents which could have resulted in the death of, or serious injury to, a worker;
  - (C) the number of injuries resulting in a worker's absence from one or more complete shifts;
  - (D) the time off each worker takes off from work for each injury;
  - (E) the number of Ministry of Labour orders to comply; and
  - (F) the total number of person hours worked by the Contractor's Personnel at the Site broken down between the Contractor and each Subcontractor.

(h) **Project Specific Site Safety Plan.**

- (1) If required by the Worksheet, the Contractor will perform a safety hazard analysis to identify all significant safety hazards in respect of the Project. Based on this analysis, the Contractor will prepare a Project specific Site safety plan (as amended from time to time, the "**Project Specific Site Safety Plan**") which will document how the Contractor will address all significant safety hazards. The Contractor will provide a copy of this Project Specific Site Safety Plan to OPG's Project Representative promptly after completion and at least ninety (90) days prior to the OPG approved commencement date for the provision of work in respect of the Project at the Site. The Contractor will provide for the communication of the Project Specific Site Safety Plan to all Contractor's Personnel performing work in respect of the Project at the Site, and to all Subcontractors. The Contractor will provide to OPG's Project Representative, without delay, any changes to the Project Specific Site

Safety Plan made during the course of the provision of the work in respect of the Project.

- (2) If required by the Worksheet, the Contractor shall also prepare and provide OPG's Project Representative with a detailed job safety analysis (as amended from time to time, the "**Job Safety Analysis**") for the Project at least ninety (90) days before the provision of any of the work in respect of the Project to which the Job Safety Analysis relates. The Contractor will revise and resubmit the Job Safety Analysis, where required, to account for any changes to the Services made in accordance with the Contract or the Contractor's planned work methods. The Contractor will identify in each Job Safety Analysis the potential hazards and "Maximum Reasonable Potential for Harm" as that term is defined in OPG's procedure OPG-SFTY-STD-005 associated with each job step in the performance of work in respect of the Project and indicate what controls and barriers will be implemented for each potential hazard and Maximum Reasonable Potential for Harm. The Contractor will clearly communicate to all applicable Contractor's Personnel the contents of each Job Safety Analysis, as revised, before such Persons commence their applicable part of the work in respect of the Project. The Contractor will forward to OPG, without delay, any changes to the Job Safety Analysis made during the performance of the work in respect of the Project.
- (i) **Hazard Communication Programs.** The Contractor will co-ordinate all exchanges of material safety data sheets and other hazard communication information related to the Project required to be made available to, or exchanged between or among, Persons at the Site.
- (j) **Designated Substances and Other Hazardous Materials.**
  - (1) The Contractor shall obtain OPG's prior approval before bringing any "designated substances" (as defined under the *Occupational Health and Safety Act, 1997* (Ontario), the "**Designated Substances**") on or into the Site. The Contractor shall be solely responsible for any such Designated Substances brought on or into the Site by it, and shall fully remove any remaining amounts prior to or upon completion of the Work in respect of the Project. The Contractor shall also ensure that in no event will Designated Substances be incorporated into the permanent facilities.
  - (2) The Contractor shall not expose OPG's personnel to any potentially hazardous materials or substances except as permitted in OPG's hazardous materials ("**HAZMAT**") approved material list.
  - (3) Prior to execution of the Contract, OPG will provide (either by providing access to an applicable database or otherwise) the Contractor with a list of Designated Substances, if any, present at the Site as required pursuant to the *Occupational Health and Safety Act, 1997* (Ontario).

- (k) **Indemnity Relating to Safety.** To the extent that any member of the Contractor Group is responsible for, caused or contributed to, in whole or in part, the circumstances giving rise to a violation, charge, fine, order, direction, stop work order or other consequence pursuant to legislation applicable to worker health and safety, including the *Occupational Health and Safety Act, 1997* (Ontario) or its Regulations, the Contractor shall indemnify and hold harmless each member of the OPG Group from and against all Losses suffered or incurred by a member of the OPG Group and from and against all claims, demands, actions, suits or any other proceedings for Losses made against any member of the OPG Group in connection with such violation, charge, fine, order, direction, stop work order or consequence.

## 2.4 Environment

- (a) **Compliance and Protection.** In addition to the Contractor's obligation to comply with all Applicable Laws, the Contractor will provide the Project in a manner that:
- (1) protects health and the environment;
  - (2) complies with the Contractor's environmental management and protection program and plan, a copy of which is attached to the Worksheet;
  - (3) complies with all requirements of OPG's environmental management system manual, a copy of which has been made available to and reviewed by the Contractor, except to the extent the provisions of the manual do not comply with Applicable Laws or the Contract;
  - (4) adequately anticipates, protects and plans for impacts to the environment, including spills, erosion and sedimentation, waste disposal and the use, storage and disposal of hazardous materials; and
  - (5) uses all commercially reasonable efforts to reduce, reuse or recycle non-hazardous and non-radioactive waste.
- (b) **Permission.** The Contractor will obtain the prior written consent of OPG's Project Representative, in the form attached as Attachment 2.4(b) before:
- (1) discharging, releasing, emitting or depositing; or
  - (2) disturbing any vegetation or wildlife on the Site through discharging, releasing, emitting or depositing,
- any substance, material, solid, liquid or gas, exposure to which is prohibited, limited or regulated by Applicable Laws, OPG's environmental management system manual or the Contractor's environmental management and protection program and plan.

- (c) **Notices.** The Contractor will immediately provide OPG's Project Representative with Notice in the form attached as Attachment 2.4(b):
- (1) of any changes to its environmental management and protection program and plan made during the course of providing the Project for OPG's review and prior approval;
  - (2) of any discharges, spills, releases, emissions, deposits or leaks of:
    - (A) fuels, oils, hydraulic fluid, herbicides; or
    - (B) any substance, material, solid, liquid or gas, exposure to which is prohibited, limited or regulated by any Applicable Law, OPG's environmental management system manual or the Contractor's environmental management and protection program and plan,that occur at or near the Site or that occur with materials owned or controlled by the Contractor or a Subcontractor; and
  - (3) upon receipt of any order, directive, notice or other communication whatsoever received from any Governmental Authority respecting any substance, material, solid, liquid or gas, exposure to which is prohibited, limited or regulated by any Applicable Law, together with a copy of such order, directive, notice or other communication.
- (d) **Clean up.** Unless otherwise specified in the applicable Purchase Order, the Contractor is responsible for the transport, receipt, inspection, use, storage and disposal of all hazardous and non-hazardous substances, materials, solids, liquids and gases that are brought on to the Site or created at the Site by the Contractor or any other member of the Contractor Group during the provision of the Project. The Contractor will, to the satisfaction of all applicable Governmental Authorities and OPG, in a timely manner, at the Contractor's expense, prevent all further discharges, spills, releases, emissions, deposits or leaks contrary to and clean up, dispose of and otherwise comply with all requirements of:
- (1) Applicable Laws;
  - (2) to the extent not inconsistent with section 2.4(d)(1), OPG's then current environmental management system manual; or
  - (3) to the extent not inconsistent with sections 2.4(d)(1) and 2.4(d)(2), the Contractor's environmental management and protection program and plan as at the date of the Contract, as amended in accordance with section 2.4(c)(1),
- respecting all discharges, spills, releases, emissions, deposits or leaks of any substances, materials, solids, liquids or gases whatsoever that are caused by the

Contractor and that occur at or near the Site or that occur with materials owned or controlled by the Contractor or any other member of the Contractor Group.

- (e) **Disposal of Hazardous Waste.** Unless otherwise specified in the applicable Purchase Order, the Contractor may not dispose of any waste, including any hazardous waste (as that term is defined in the regulations to the *Environmental Protection Act* (Ontario)), including asbestos, polychlorinated biphenyls, petroleum products or radioactive materials and any Designated Substances, or disturb any vegetation on, under, over or near any property owned, leased or licensed by OPG or any of its subsidiaries or in which OPG or any of its subsidiaries has an interest, in whole or in part, including the Site. The Contractor will not incorporate any Designated Substances in the Project.
- (f) **Remedy for Breach.** Subject to section 3, the Contractor will indemnify and hold harmless each member of the OPG Group from and against all Losses suffered or incurred by a member of the OPG Group and all claims, demands, actions, suits or proceedings for Losses made against any member of the OPG Group by any Person in respect of any breach by the Contractor of any of its obligations under sections 2.4(a) to 2.4(e) inclusive.

## 2.5 Professional Services

- (a) **Provision.** The Contractor will provide all the Professional Services necessary or desirable to provide the Project. If any aspect of the Project includes design work, it must be conducted in accordance with OPG's procedures.

## 2.6 Commissioning and Completion

- (a) **Commissioning Phase.** Unless otherwise specified in the applicable Purchase Order, during the commissioning phase for the Project as set out in the Project Schedule, the Contractor will:
  - (1) be responsible for the start-up, testing, verification, calibrating, refining and adjusting of all mechanical or electrical elements, equipment or systems, in the presence of OPG's personnel, to ensure that installation and performance are as specified in the Contract and suitable for use by OPG;
  - (2) demonstrate operation of equipment and systems for the Project and train OPG's staff to operate and maintain the Project;
  - (3) develop systems and procedures for use by OPG in the control of the operation and maintenance of, and record keeping for, the Project; and
  - (4) provide manufacturers' authorized representatives, specialists and/or representatives of Subcontractors as may be required by OPG for the Project; or

to support OPG with any of the foregoing items set out in sections 2.6(a)(1) to 2.6(a)(4).

- (b) **Demonstrations.** Unless otherwise specified in the applicable Purchase Order, the Contractor will, before any demonstrations, inspect and put into operation all equipment and systems in accordance with the OPG Specifications; perform testing, adjusting and balancing; ensure equipment and systems are fully operational; and provide to OPG copies of completed operation and maintenance manuals for use in demonstrations. The Contractor will submit a schedule, for OPG's approval, with the time and date for the demonstration of each item of equipment and each system, with a list of all personnel to be present, not more than one month and not less than two weeks before designated dates.

## 2.7 Procurement

- (a) **Goods.** Unless otherwise specified in the applicable Purchase Order, the Contractor will be responsible, at the cost agreed to in the applicable Purchase Order, for manufacturing or supplying or procuring, factory testing, transporting, delivering, inspecting, receiving and installing all Goods, and providing all construction equipment, tools, transportation, fuel, construction and start-up power, air, light, heat, communications, water (including potable water), sewer connections and temporary structures and facilities, including for offices, lunchrooms, canteens, sanitation, showers, change rooms, accommodations, shops, warehouses and garbage disposal, and all other goods and services reasonably required in respect of the Project. The Contractor will maintain all construction equipment, tools and such temporary structures and facilities in good working order. The Contractor will conduct all these activities in accordance with the Contract. Unless otherwise specified in the applicable Purchase Order, the Contractor will be responsible, at the cost agreed to in the applicable Purchase Order, for all first fills of all chemicals, lubricants and other liquids and gases respecting the Project. The Contractor will maintain absolute control over, and exclusive responsibility for, the Contractor's own, and each Subcontractor's own, operations and the Contractor's Personnel.
- (b) **Warranty on Goods.** The Contractor will ensure that all Goods will be fit for the purposes set out in the Contract, new, unused, not Defective and free from all Liens, of good quality and comply with all requirements under the Contract (including any additional warranties specified in the Worksheet). All warranties and guarantees set out in the Contract are for the benefit of OPG. If required by OPG, the Contractor will provide satisfactory evidence (including reports of required inspections, tests and approvals) as to the kind and quality of all Goods. The Contractor will ensure that all Goods will be constructed, applied, assembled, erected, installed, used, connected, adjusted, field tested, conditioned, cleaned, commissioned and cleaned up in accordance with instructions of the applicable Subcontractor, except to the extent as may otherwise be provided in the Contract.



- (c) **Procurement Plan.** If required by the Worksheet, the Contractor will develop a Procurement Plan for procurement of the Goods. The Procurement Plan will be provided to OPG for acceptance. Any deviation of mandatory criteria from the Procurement Plan will require approval by OPG.
- (d) **Delivery.** The Contractor will be responsible for arranging its manufacturing and shipping schedules so that the Goods will arrive at the stipulated destination in accordance with the delivery schedule and will be aligned with the Project Schedule. The Contractor will deliver the Goods to the delivery point by the date specified in the Project Schedule. Contractor will not deliver the Goods prior to the date specified in the Project Schedule without the written consent of OPG's Project Representative, acting in its sole discretion. Unless otherwise specified, the Goods will be delivered duty paid (DDP), as that term is defined in the Incoterms 2010, to the Site, by the date specified in the Project Schedule and will be specifically documented by the Contractor in the applicable Procurement Plan, if any (unless otherwise specified in the applicable Purchase Order).
- (e) **Good Shipping and Storage Practices.** To the extent applicable, the Contractor will transport, deliver, receive, and store (whether on site or off site) all Goods in accordance with good shipping and storage practices (as recommended by the applicable manufacturer and/or Subcontractor or, if applicable, OPG) and in accordance with Applicable Laws, Prudent Practices and the terms and conditions for all applicable insurance policies.
- (f) **Electrical Safety.** The Contractor will ensure that all electrical Goods, before delivery, has the safety approval of the Canadian Standards Association (CSA), United Laboratories (UL) or the electrical approval of the Electrical Safety Authority (ESA). The Contractor will arrange for such approval at its expense.

## 2.8 Shipping and Packaging Instructions

- (a) **Shipping.** Where applicable, the Contractor will ship Goods complete and ready for installation. If the size of the Goods prevents the Contractor from shipping it fully assembled, the Contractor will segregate the Goods into components to allow safe and convenient transportation. The Contractor will only release and ship Goods when the following conditions have been met:
  - (1) release form has been signed by OPG's Project Representative;
  - (2) certified test results required by the Contract have been accepted by OPG;
  - (3) certificate of conformance, where applicable, has been accepted by OPG;
  - (4) shipping bill of material has been submitted by the Contractor and accepted by OPG; and
  - (5) all relevant Documents have been accepted by OPG.

- (b) **Receipt.** The receipt or taking delivery of the Goods by OPG will not be deemed a waiver of any right, claim or remedy of OPG under the Contract or otherwise.
- (c) **Packaging.** When applicable, the Contractor will pack, brace and load all Goods in a manner as to prevent physical damage and damage from climatic conditions. The Contractor will clearly mark on the outside of the shipping container all specific instructions setting out any precautions required during shipping and storage in a durable envelope attached to the container and suitably labeled. The Contractor will ensure that all openings in Goods such as vessels, valves and pumps will be sealed. The Contractor will ensure that where necessary, skids, hauling eyes, jacking plates, and sling hooks, will be provided for unloading and field assembly. The Contractor will ensure that where pallets are required for shipping purposes, the Contractor must obtain approval from OPG's Project Representative to use wooden pallets prior to shipping. The Contractor will ensure that all cages, packages, boxes, crates, bundles, and unpackaged components will be clearly and indelibly marked to show necessary shipping information. Any damage to the Goods during shipping shall be the Contractor's sole liability and responsibility.
- (d) **Marking.** When applicable, the Contractor will apply markings suitable to the type of product and packaging involved and will provide the following information:
  - (1) destination address and OPG's Purchase Order number;
  - (2) material identification number, as applicable, and other identifications specified in the Purchase Order;
  - (3) the Contractor's shipment identification number, numbering of packages, boxes, crates, components, or assemblies of the shipment; and
  - (4) the mass and sizes of each major component or assembly (if the lifting points are critical, they will be clearly marked by the Contractor and identified).
- (e) **Packing Slip.** When applicable, the Contractor will provide a detailed packing slip, listing each separate item, in a waterproof envelope and firmly attached to each shipping container. The Contractor will ensure each packing slip includes the following certification:

"The Goods listed herein have been inspected and tested by the Contractor and are in conformance with the contract requirements and approved for shipment".

The Contractor must endorse such certification with the signature and title of an authorized representative of the Contractor's quality authority. The Contractor will ensure that such certification includes references to the Purchase Order number, purchase order line number and material identification number.

The Contractor will mail a duplicate copy of the packing slip to OPG's Project Representative as soon as a shipment is ready for dispatch.

## **2.9 Hazardous Material**

The Contractor, when shipping to the Site or to any other location any product which is categorized as hazardous material (including compressed gas, flammable or combustible material, oxidizing material, poisonous and infectious material, corrosive material or dangerously reactive material), will comply with all relevant federal and provincial regulations and all applicable OPG procedures and policies pertaining to such materials. The Workplace Hazardous Material Information System (WHMIS) will apply and all such materials will be properly identified with WHMIS type warning labels. All shipments of such material will include a Material Safety Data Sheet (MSDS) with a copy to the OPG MSDS Centre, 1549 Victoria Street East, Whitby, Ontario L1W 3C7, Attention: Technical Information Services.

## **2.10 Reference Points**

The Contractor will establish the layout for the Project and will maintain and protect the reference points and property monuments, if any, established by OPG. The Contractor will ensure that such reference points are not changed or relocated without the prior written consent of OPG's Project Representative. The Contractor will promptly report to OPG's Project Representative whenever any reference points or property monument are lost or destroyed or require relocation because of necessary changes in grades or locations. If OPG's Project Representative provides consent to any change to, or relocation of, a reference point or property monument, the Contractor will cause such change or relocation to be carried out accurately by professionally qualified individuals.

# **SECTION 3 – HAZARDOUS CONDITIONS**

## **3.1 Division of Responsibility**

OPG will be responsible for the costs of dealing with a Hazardous Condition encountered at the Site that (1) was not identified in the OPG Specifications to be part of the Project; or (2) the Contractor was not otherwise responsible for under the Contract, including pursuant to section 2.4 of this Appendix. Subject to the previous sentence, the Contractor will be responsible for any Hazardous Condition arising in respect of providing the Project.

## **3.2 Actions on Discovery**

Immediately on the discovery of a Hazardous Condition on the Site, the Contractor will:

- (a) in accordance with Prudent Practices, act to contain the Hazardous Condition in order to minimize the impact of the Hazardous Condition;
- (b) stop all work in respect of the Project in the area that could reasonably be affected by the Hazardous Condition, subject to section 3.4(d) of the ES MSA; and

- (c) verbally notify OPG of the discovery and confirm by Notice within 48 hours of the discovery.

### **3.3 Corrective Action Plan**

OPG will promptly determine whether it is necessary or desirable to retain a qualified expert to evaluate the Hazardous Condition. Unless the Parties otherwise agree, the Party that is responsible for the Hazardous Condition under section 3.1 will be responsible for establishing a corrective action plan and for obtaining any required Approvals from any applicable Governmental Authorities. Any corrective action plan developed by the Contractor will be in accordance with Prudent Practices and will minimize the impact on the Contract Price, Key Milestones and Project Schedule. The Contractor will advise OPG of any proposed change to the Contract Price, calculated in accordance with the ES MSA, and of any proposed changes to the Project Schedule and/or the Key Milestones that the Contractor estimates will occur as a result of its corrective action plan. The Contractor will not resume work in respect of the Project in the area that could reasonably be affected by the Hazardous Condition until the corrective action plan has been established and any such required Approvals have been obtained.

## **SECTION 4 - RELATED CONSTRUCTION AT SITE**

### **4.1 Providing Additional Services**

OPG may provide additional services and goods at the Site that are not contemplated by the Contract. These services and goods may be provided directly by OPG's employees or indirectly under contracts with utility owners or other third parties. The Contract Price, the Key Milestones and the Project Schedule incorporate all costs and delays respecting those services and goods listed in the Worksheet that are to be provided by OPG or a third party. If, after the date of the Contract, OPG determines that additional services or goods not listed in the Worksheet are to be provided by OPG or a third party, OPG will give Notice of such services and goods to the Contractor, together with any anticipated additional changes to the Project Schedule. The Contractor will accommodate these changes. The Contractor may, however, make a claim in accordance with section 7.1 of the ES MSA, if such additional services or goods will involve material additional expense for the Contractor or will materially affect the Project Schedule. Unless otherwise set out in the Contract or specified by OPG's Project Representative in writing, the Contractor will have sole authority and responsibility for co-ordination of all additional services and goods in connection with the Project.

### **4.2 Access to the Site**

If OPG desires to provide, directly or indirectly, any additional services or goods at the Site in accordance with section 4.1, the Contractor will provide OPG or the applicable third party with reasonable and safe access to the Site to provide the services and goods (and to store goods, construction equipment and tools). In addition, the Contractor will co-ordinate the Project with such additional services and goods. The Contractor will do all cutting, fitting, patching and take all other actions required in respect of the Project to the extent, if any, which is required to integrate the Project with the contribution provided by the additional services and goods.

### **4.3 No Interference with Additional Services**

The Contractor will not alter, interfere with or make it difficult to access the product of any additional services or goods provided under section 4.1. The Contractor will not take any such actions without the prior written consent of OPG and the applicable third party, if any.

#### **4.4 Report of Delays or Defects**

If the proper provision of any part of the Project depends upon additional services or goods provided under section 4.1, the Contractor will, following reasonable notice from OPG, promptly inspect such services and goods and promptly provide written Notice, in the form of document attached as Attachment 4.4 to OPG of any delays or defects in such services or goods that render such services or goods unavailable or unsuitable for the proper or prompt provision of the Project. If the Contractor does not provide Notice to OPG under this section 4.4 of any such delay or defect to OPG in a timely manner, the Contractor will be deemed to have accepted such services and goods as fit and proper for integration with the Project.

### **SECTION 5 – SUBSTANTIAL COMPLETION AND FINAL COMPLETION**

#### **5.1 Substantial Completion**

- (a) **Notice of Ready for Use.** The Contractor will deliver a Notice in the form attached as Attachment 5.1(a) to OPG (including a punch list of all items that remain unfinished and which will not impair the intended use of the Project and a schedule for entirely finishing each such item) when:
- (1) “**substantial performance**” has occurred, as such term is defined in the *Construction Lien Act* (Ontario);
  - (2) the Project has progressed to the point where the Project is ready for use and is sufficiently complete, in accordance with the Contract, so that the Project may be used as intended in accordance with the Contract;
  - (3) the cost to entirely finish the Project that remain unfinished and to correct any known Defective parts of the Project does not exceed the amount, if any, specified in the definition of “substantial completion” set out in the Worksheet;
  - (4) the Contractor has obtained and delivered to OPG the Approvals which the Contractor is required to obtain;
  - (5) the Project has been commissioned and meets all of the tests if any, required under the Contract (including those, if any, specified in the definition of “substantial completion” set out in the Worksheet);
  - (6) the Contractor has delivered copies of all certified reports of the performance tests required under the Contract (including those, if any, specified in the definition of “substantial completion” set out in the Worksheet);

- (7) the Contractor has satisfied all other requirements set out in the Worksheet which the Contractor is required to satisfy, and all other conditions to “substantial completion” included in the definition of “substantial completion” set out in the Worksheet have been fulfilled and satisfied; and
- (8) the Contractor has delivered to OPG’s Project Representative a certificate of an independent Professional (who will be approved in advance by OPG which approval will not be unreasonably withheld). This certificate will be prepared at the Contractor’s expense. The Professional’s certificate will:
  - (A) confirm compliance with this section 5.1(a); and
  - (B) confirm the operability of the Project in accordance with the Contract.

When OPG determines, acting reasonably, that all of the terms of sections 5.1(a)(1) to 5.1(a)(7), inclusive have been complied with then “**Substantial Completion**” has occurred.

- (b) **Joint Inspection.** Within a reasonable time after receipt of the Notice under section 5.1(a), the parties will make a joint inspection of the Project to determine the status of the Project and each outstanding item, including each item set out in the Notice delivered under section 5.1(a). If OPG determines that Substantial Completion has not occurred in accordance with section 5.1(a), OPG will deliver a Notice in the form of document attached as Attachment 5.1(b) to this effect to the Contractor, giving reasons and the Contractor will correct such errors and deficiencies at its sole cost as soon as possible. If OPG determines that Substantial Completion has occurred in accordance with section 5.1(a), OPG will deliver a Notice in the form of document attached as Attachment 5.1(b) containing a certificate of Substantial Completion. This certificate will fix the date of Substantial Completion. The parties will then sign a certificate of substantial completion as contemplated by section 32(1)1 of the *Construction Lien Act* (Ontario). The Contractor will then promptly publish the notice in accordance with the *Construction Lien Act* (Ontario) and deliver proof of publication to OPG’s Project Representative.
- (c) **Punch List and Allocation of Responsibilities.** OPG will attach to the certificate of Substantial Completion a punch list of items that are to be entirely finished or are Defective and must be corrected or replaced by the Contractor before final payment will be made. At the time of delivery of the certificate of Substantial Completion, OPG will also deliver to the Contractor a written allocation of responsibilities between OPG and the Contractor pending final payment respecting safety, security, operation, maintenance, heat, utilities, insurance and warranties and guarantees respecting the remaining Project. The Contractor will deliver a Notice to OPG each week setting out an update as to the status of completion of each punch list item.

- (d) **Access to Perform Remaining Obligations.** OPG may exclude the Contractor from the Site, in whole or in part, after the date of Substantial Completion. OPG will, however, allow the Contractor reasonable access to such parts of the Site as are required to permit the Contractor to finish entirely or correct all items on the punch list.

## 5.2 Final Inspections

When the Contractor considers that it has entirely finished or corrected all items on the punch list, the Contractor may deliver a Notice to this effect to OPG. Promptly following receipt of this Notice, the parties will make a joint inspection of the Project. OPG will then deliver a Notice in the form attached as Attachment 5.2 to the Contractor stating either that:

- (a) OPG accepts the Project as being entirely finished, including because the Contractor has delivered to OPG all Approvals and other written or graphic documents, designs, drawings, specifications, plans, reports, information and other deliverables or data required to be provided by the Contractor to OPG under the Contract and because the Contractor has satisfied all requirements of Applicable Laws; or
- (b) there are items remaining to be entirely finished or that are Defective and must be corrected or replaced by the Contractor. The Contractor will promptly take such actions as are necessary to finish entirely, correct or replace all such items. Once the Contractor has finished all such actions, the Contractor will deliver another Notice to OPG in accordance with this section 5.2.

## SECTION 6 – ACCEPTANCE OF PROJECT AND CORRECTION OF DEFECTS

### 6.1 Warranty

- (a) **Basic Warranty.** The Contractor warrants and guarantees to OPG that, for the duration of the Warranty Period:
  - (1) the Project will in all respects be fit for the purposes set out in the Contract, including the OPG Specifications; and
  - (2) the Project will be provided in accordance with the Contract including any additional warranties contained in the Worksheet.
- (b) **Exclusions.** The Contractor's warranties and guarantees in section 6.1(a) do not apply to the extent that any breach of the warranty or guarantee is due to:
  - (1) maintenance or operation by OPG contrary to any maintenance or operating instructions delivered by the Contractor to OPG;
  - (2) conditions of operation materially more severe than those specified for the Project;

- (3) the negligence of OPG or any Person providing services to OPG, other than the Contractor or a Subcontractor, or the willful destruction of the Project or any part thereof by OPG;
  - (4) the effects of reasonable wear and tear under normal usage by OPG (other than as a result of a failure of such warranty or guarantee); or
  - (5) any repair, replacement or correction of a Defective part of the Project by a third party (other than a third party authorized by the Contractor or a Subcontractor) except where such repair, replacement or correction by such third party was as a result of the Contractor's failure to comply with its obligations under this Agreement.
- (c) **Risk of Loss.** The Project will remain at the sole risk of the Contractor against loss or damage up to and including the Final Completion Date or, with respect to any part of the Project, such earlier date as OPG accepts care, custody and control of such part of the Project (but excluding damage that was caused by OPG unless such damage was caused by OPG as a result of the Contractor's failure to comply with any of its obligations under the Contract).

## 6.2 Access to Project

The Contractor will provide access to the Project, the Site and the premises of the Contractor and Subcontractors, at all reasonable times and from time to time, to OPG's Project Representative, and at the request of OPG's Project Representative, to his or her OPG Designated Delegate, for the purposes of viewing, performing surveillance on, inspecting, testing and/or accepting the Project, in whole or in part, including to monitor compliance with the Contract and any applicable quality assurance program. In particular, the Contractor will deliver a Notice to OPG's Project Representative providing OPG with Notice of at least four Business Days before OPG is required to inspect any Goods at any hold point in any inspection plan. At the request of OPG's Project Representative, the Contractor will promptly provide to OPG's Project Representative and/or his or her OPG Designated Delegate a copy of all the documents respecting any subcontract for the Project subject to viewing, performing surveillance, inspecting, testing and/or accepting. No such viewing, performing surveillance, inspecting, testing and/or accepting by OPG will relieve the Contractor of any of its obligations under the Contract. The Contractor will advise each applicable representative of OPG of the Contractor's or Subcontractor's applicable site safety procedures and policies. The Contractor will provide each such representative with proper and safe transportation and conditions for such access.

## 6.3 Inspections, Tests and Approvals

The Contractor will with promptness and in an orderly sequence so as not to cause any delay to the Project arrange for and obtain all inspections, tests and approvals required for the acceptance of Goods that are to be incorporated or used in the Project. The Contractor will ensure that each inspection, test or approval that is required to be carried out, in whole or in part, by a Professional, is so carried out by a Professional. The Contractor will pay all costs respecting such inspections, tests and approvals. If the Contract, the applicable quality assurance program



or any Applicable Laws or Approvals require any part of the Project to be inspected, tested or approved, in whole or in part, the Contractor will arrange for and obtain all such inspections, tests and approvals. The Contractor will pay all costs respecting such inspections, tests and approvals and will reimburse OPG for OPG's costs if at any hold-point date any test, inspection or approval is not successfully completed due to an act or omission of the Contractor or fails such test, inspection or approval. The Contractor will deliver to OPG all certificates, reports and other documents respecting any inspections, tests and approvals made in accordance with this section 6.3 or the Contract, including the Worksheet. The Contractor will give OPG reasonable Notice of the date, time and location for all inspections, tests or approvals carried out under this section 6.3 or the Contract, including the Worksheet so that OPG and OPG's Designated Delegates can attend. If Notice is not given, OPG may require the inspection, test or approval to be redone. If any such approval is to be issued in the name of OPG or that will affect the operation of the Project following the Final Completion Date, the Contractor will submit the draft approval to OPG's Project Representative or his or her OPG Designated Delegate for acceptance, before the Contractor obtains this approval. The Contractor will only obtain any such approval following receipt of the written acceptance of OPG's Project Representative or his or her OPG Designated Delegate of the draft approval. In addition to any other inspection, test or approval set out in the Contract, OPG may require, at its cost (but, for certainty, without payment of any amount to the Contractor), any other inspection, test or approval of any part of the Project, in whole or in part, either on or off the Site, upon Notice to the Contractor.

#### **6.4 Uncovering Project**

- (a) **Covered Without OPG's Consent.** If, without the prior written consent of OPG, the Contractor covers any part of the Project (or the construction work of any Person) that is required under the Contract or Applicable Laws or Approval to be inspected, tested or approved, the Contractor will, at its cost, uncover and recover such part of the Project or construction work. If, however, the Contractor has given OPG timely Notice of the Contractor's intention to cover such part of the Project or the construction work and OPG has not acted with reasonable promptness in response to such Notice, OPG will only be responsible for the reasonable direct Reimbursable Labour Costs of uncovering and recovering such part of the Project or the construction work.
- (b) **Covered Contrary to OPG's Request.** If the Contractor covers any part of the Project (or the construction work of any Person) contrary to the request of OPG, the Contractor will, at its cost, if requested by OPG, uncover and recover such part of the Project or construction work.
- (c) **OPG's Request to Uncover.** If, for any reason not set out in sections 6.4(a) or 6.4(b), OPG wishes to have part of the Project uncovered to be inspected, tested or approved by any Person designated by OPG, the Contractor will, at OPG's request, uncover the requested part of the Project for inspection, testing, approval and providing all necessary Services. If it is determined that any part of the Project uncovered under this section 6.4(c) is Defective, the Contractor will:

- (1) pay all costs for uncovering and recovering the part of the Project requested by OPG to be uncovered;
- (2) pay all of OPG's reasonable costs of inspection, testing and approval; and
- (3) correct or replace the Defective part of the Project in accordance with this section 6.4.

If, however, it is determined that none of the Project uncovered under this section 6.4(c) is not Defective, OPG will only pay all the Contractor's reasonable direct Reimbursable Labour Costs for uncovering and recovering the part of the Project requested by OPG to be uncovered.

## **6.5 Notice of Defective Project**

OPG will, within a reasonable period of time after having actual knowledge of a Defective part of the Project and before the expiration of the Warranty Period, deliver Notice to the Contractor of the Defective part, but OPG's failure to do so will not impose any liability on OPG and the Contractor will be estopped from making any claim against OPG for failure to do so. In addition, OPG's failure to do so will not:

- (a) have the effect of transferring any obligation under the Contract from the Contractor to OPG or otherwise have the effect of amending the Contract; or
- (b) will not affect or change in any way the Contractor's,
  - (1) obligation to entirely finish the Project in accordance with the Contract, or
  - (2) responsibility for repairing, replacing or re-providing any Defective part of the Project.

## **6.6 OPG May Stop Construction**

OPG may at any time and from time to time, by delivering a Notice to the Contractor, direct the Contractor to stop the Project, in whole or in part, including, if:

- (a) the Project is Defective, in whole or in part;
- (b) the Contractor fails to supply sufficient competent and skilled workers, in whole or in part;
- (c) the Contractor fails to supply suitable Goods, in whole or in part;
- (d) the Contractor fails to provide the Services, in whole or in part, in a manner that ensures that the entirely finished Project will conform to the Contract; or
- (e) the Contractor has breached any term of the Contract, including due to any act or omission of a Subcontractor that breaches a term of the Contract.

The Contractor may only resume the stopped aspect of the Project to which OPG's direction applies only once the Contractor has remedied the issue that was the cause for OPG to deliver such Notice. OPG is not obliged to deliver a Notice to the Contractor under this section 6.6 for any reason whatsoever. The Contractor will not be entitled to any cost adjustment for the Project being stopped.

#### **6.7 Correction or Removal of Defective Part of Project – Before Substantial Completion**

- (a) **Services Required.** Before Substantial Completion, OPG may accept or reject any Defective parts of the Project, whether or not such part has been incorporated into the Project, on delivery of Notice to this effect to the Contractor. The Contractor will promptly correct all Defective parts of the Project either upon discovery or upon rejection by OPG under this section 6.7. If reasonably requested by OPG, the Contractor will remove any and all Defective parts of the Project from the Site, whether or not such parts have been incorporated into the Project, and replace such parts with parts that are not Defective and that comply with the Contract.
- (b) **Cost to Correct or Remove.** The Contractor will pay all costs respecting the correction of a Defective part of the Project ("**Correction Costs**"), including:
  - (1) all incidental costs of the corrective services or rework, including, as may be required for disassembly, removal, re-installation, re-erection, re-assembly, transportation, insurance, brokerage fees and any applicable Taxes;
  - (2) all of OPG's fees and charges of engineers, architects, accountants, lawyers (on a substantial indemnity basis) and other professionals, all court, arbitration and other dispute mediation or resolution costs and charges, whether incurred through settlement or otherwise, together with interest calculated in accordance with the definition of Losses in the ES MSA; and
  - (3) all costs and charges respecting correction, rework or replacement of any Defective part of the Project, including any part of the Project that was rendered Defective because of the Defective part of the Project, including in respect of any damage or loss arising in respect of such correction or replacement or in respect of any inspections conducted to determine whether any such correction, rework or replacement was required, including, only to the extent covered by insurance, for loss of use.

#### **6.8 Correction or Removal of Defective Part of Project – After Substantial Completion**

- (a) **Warranty Period.** In the Contract, "**Warranty Period**" means, in respect of each part of the Project, the greatest of:
  - (1) two years following the date of Substantial Completion, subject to any extension made under section 6.8(d);

- (2) the warranty period specified in any warranty from a Subcontractor for any specific part of the Project;
  - (3) any other warranty period specified in the Contract, including the Worksheet, for all or any specific part of the Project; and
  - (4) the warranty period for any specific part of the Project provided under any Applicable Laws, subject to any extension made under section 6.8(d).
- (b) **Obligation to Correct.** If, at any time and from time to time before the expiration of the Warranty Period, the Project, in whole or in part, including any part of the Project that was rendered Defective because of the Defective part of the Project, becomes or is determined to be Defective or fails because of any defect, the Contractor will promptly, without cost to OPG and in accordance with OPG's instructions and at times and within the period of time reasonably specified by OPG:
- (1) satisfactorily correct such Defective part of the Project, or, to the extent reasonably requested by OPG, remove such Defective part of the Project from the Site and replace such Defective part with parts which are not Defective and which comply with the Contract; and
  - (2) satisfactorily correct or replace any other damage arising in respect of the actions taken in respect of section 6.8(b)(1) in respect of any inspections conducted to determine whether any actions were required in respect of section 6.8(b)(1).

The Contractor will pay all Correction Costs as described in section 6.7(b). In providing any corrective services under this section 6.8(b), the Contractor will comply with all applicable terms of the Contract and will endeavour to minimize interference with, and impact on, OPG's operations.

- (c) **Failure to Comply.** If the Contractor fails to comply with its obligations under section 6.8(b) or any other term in the Contract as expeditiously as is commercially reasonable and within the time period reasonably specified by OPG, or if there is an emergency that poses a significant risk of loss or damage to the Project or any Person, OPG may take, directly or indirectly, any of the actions contemplated under section 6.8(b) or such other actions as are reasonable in the circumstances, without affecting any other rights or remedies OPG may have against the Contractor under the Contract. The Contractor will pay all Correction Costs as described in section 6.7(b) respecting all such actions, plus a fee of 15%. In respect of any action taken by OPG, directly or indirectly, under this section 6.8(c), OPG may without terminating the Contract:
- (1) eject and exclude from the Site the Contractor, any Subcontractor and any of the Contractor's Personnel;

- (2) suspend the Contractor's provision of the Project under the Contract to the extent of such actions;
- (3) take possession of the Site, work in progress, Goods, Contractor's construction equipment, tools, fuel and temporary structures and facilities, including for offices, lunchrooms, canteens, sanitation, showers, change rooms, accommodations, shops, warehouses and garbage disposal, at the Site (and at no additional charge for the retention and use thereof);
- (4) assume any and all subcontracts with Subcontractors;
- (5) avail itself of any performance bond, guarantee or other security provided by the Contractor or a Subcontractor with respect to the applicable part of the Project;
- (6) incorporate or use in the Project all Goods stored at the Site or for which OPG has paid the Contractor but which are stored elsewhere; and/or
- (7) withhold, without interest, all payments to the Contractor under any agreement between OPG and the Contractor until the Contractor's liability to OPG is determined.

The Contractor will allow all members of OPG Group and OPG's other contractors access to the Site to enable OPG to exercise its rights under this section 6.8(c). The Project Schedule will not be changed for any reason relating to any actions taken by OPG, directly or indirectly, under this section 6.8(c).

- (d) **Extension of Correction Period.** Where any correction or replacement of any Defective part of the Project, including any part of the Project that ceases to be used in commercial operations because of the Defective part of the Project, including in respect of any damage or loss arising in respect of such correction or replacement, is carried out under this section 6.8, then the Warranty Period will:

- (1) recommence at the beginning of the Warranty Period under section 6.8(a) respecting the part of the Project that was corrected or replaced, commencing on the date that such corrected or replaced part re-enters commercial operation; and
- (2) respecting the part of the Project that ceases to be used in commercial operations because of the Defective part of the Project, be suspended as at the date that such Project was taken out of commercial operation and will recommence on the date that such Project re-enters commercial operation.

In no event, however, will the Warranty Period with respect to: (A) Work relating to the Darlington Refurbishment Project be extended for more than 8 years from Substantial Completion; or (B) Work unrelated to the Darlington Refurbishment Project be extended for more than 6 years from Substantial Completion, in each case as specified in the applicable Purchase Order.

- (e) **Repetitive Failure.** In addition to the other provisions of this Section 6.8, in the event that a Defective part of the Project fails during the Warranty Period with a frequency, sameness, or pattern to indicate a logical regularity that exceeds predicted failure rates and in a manner that materially affects the performance of the Project in commercial operations, the Contractor will investigate the source of the defect prior to replacing the Defective part again and make whatever design and engineering changes are necessary, if any, in accordance with the OPG Specifications to correct the Defective part.

## **6.9 Acceptance of Defective Part of Project**

If any part of the Project becomes or is determined to be Defective or fails because of any defect before the expiration of the relevant Warranty Period (as that period may be extended under section 6.8(d)), OPG may deliver a Notice to the Contractor directing the Contractor not to correct or replace the Defective part of the Project in whole or in part. The Contractor will pay all of OPG's costs respecting its evaluation of, and determination respecting, such Defective part of the Project (including all of OPG's fees and charges of engineers, architects, accountants, lawyers (on a substantial indemnity basis) and other professionals and all court, arbitration and other dispute mediation or resolution costs and charges). To the extent OPG accepts any such Defective part of the Project before OPG makes the final payment, the Parties will reduce the Contract Price under a Purchase Order Revision to reflect an equitable reduction in the Contract Price for the Defective part of the Project. To the extent OPG accepts any such Defective part of the Project after OPG makes the final payment, the Contractor will pay OPG an agreed amount that reflects an equitable reduction in the Contract Price for the Defective part of the Project and OPG is unconditionally and irrevocably directed to apply the warranty holdback to this amount (although, if such warranty holdback is exhausted, this situation in no way limits the Contractor's obligations to OPG under the Contract).

## **6.10 Maintenance Services**

If applicable, the Contractor will provide in a timely manner all the maintenance Services and related Goods set out in the Worksheet. In providing such Services at the Site, the Contractor will comply with all applicable terms and conditions set out in the Worksheet respecting the performance of Services at the Site and will endeavour to minimize interference with, and impact on, OPG's operations.

## **6.11 Sole Remedy**

If at any time and from time to time during the Warranty Period any part of the Project becomes or is determined to be Defective, the sole liability of the Contractor and the exclusive remedy of OPG with respect solely to the repair or replacement of such Defective part, will be limited to the warranty remedies set out in this section 6, provided that nothing in this section 6 will serve to limit the Contractor's liabilities or OPG's remedies otherwise provided for under this Agreement. THE EXPRESS WARRANTIES AND CONDITIONS SET FORTH IN THIS CONTRACT ARE EXCLUSIVE AND NO OTHER WARRANTIES OR CONDITIONS OF ANY KIND, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESS OR IMPLIED

(INCLUDING WARRANTIES OR MERCHANTABILITY AND IMPLIED WARRANTIES  
OF CUSTOM OR USAGE) SHALL APPLY.

**Attachment 2.4(b) – Environmental Notice and Consent Form**

**ENVIRONMENTAL NOTICE AND CONSENT**

<b>To: Ontario Power Generation Inc.</b>	Contract: • (the “Contract”)  Contract No.: •  Environmental Notice No. •  Date: •
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Defined terms used in this Environmental Notice have the same meanings given to those terms in the Contract. Under section 2.4(b) of Appendix 8 to the ES MSA included in the Contract, the Contractor hereby requests the written consent of OPG to:

- (a) discharge, release, emit or deposit; or
- (b) disturb vegetation or wildlife on the Site through discharging, releasing, emitting or depositing,

the substance, material, solid, liquid or gas described on Exhibit A to this Environmental Notice in the manner described on Exhibit A to this Environmental Notice.

**[CONTRACTOR]**

By: \_\_\_\_\_  
Name:  
Title:

Consented to by OPG on \_\_\_\_\_, 20\_\_ on the terms set out in Exhibit B to this Environmental Notice.

**ONTARIO POWER GENERATION INC.**

By: \_\_\_\_\_  
Name:  
Title:



**Attachment 4.4 – Notice of Delay Form**

**NOTICE OF DELAY**

<b>To:</b> Ontario Power Generation Inc. ■	<b>Contract:</b> ■ (the “Contract”) <b>Contract No.:</b> ■ <b>Notice of Delay No.:</b> ■ <b>Date:</b> ■
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Defined terms used in this Notice have the same meanings given to those terms in the Contract. In accordance with section 4.4 of Appendix 8 to the ES MSA included in the Contract, the Contractor hereby gives OPG notice of the delay or defect in the services or goods not being provided under the Contract, details of which are described below:

■ *[Describe issue]*

**[CONTRACTOR]**

By: \_\_\_\_\_  
Name: ■  
Title: ■

**Attachment 5.1(a) – Notice of Substantial Completion Form**

**NOTICE OF SUBSTANTIAL COMPLETION**

<b>To: Ontario Power Generation Inc.</b> <b>■</b>	<b>Contract:</b> <b>■</b> (the “Contract”)
	<b>Contract No.:</b> <b>■</b>
	<b>Date:</b> <b>■</b>

Defined terms used in this Notice have the same meanings given to those terms in the Contract. In accordance with section 5.1(a) of Appendix 8 to the ES MSA included in the Contract, the Contractor hereby gives OPG notice that Substantial Completion has occurred as follows:

<b>Date of “substantial performance” under the Construction Lien Act (Ontario)</b>	<b>■</b>
<b>Grounds for Requesting Substantial Completion</b>	<b>■</b> <i>[Contractor to confirm that the requirements of the tests for Substantial Completion have been met]</i>
<b>Costs to Finish the Services</b>	<b>\$■</b>
<b>Delivery of Approvals</b>	<b>■</b> <i>[Contractor to set out the dates on which Approvals were delivered and/or attach remaining Approvals]</i>
<b>Delivery of Reports</b>	<b>■</b> <i>[Contractor to set out on dates on which reports were delivered and/or attach remaining reports]</i>
<b>Independent Professional Certificate</b>	Attached as Exhibit A to this Notice.

**[CONTRACTOR]**

By: \_\_\_\_\_  
Name: **■**  
Title: **■**

**Attachment 5.1(b) – Substantial Completion Confirmation Form**

**CONFIRMATION OF SUBSTANTIAL COMPLETION**

<b>To:</b> ■	<b>Contract:</b> ■ (the “ <b>Contract</b> ”)
	<b>Contract No.:</b> ■
	<b>Date:</b> ■

Defined terms used in this Notice have the same meanings given to those terms in the Contract.  
OPG has determined that:

(a)	Substantial Completion has occurred effective ■, 20■; or	<input type="checkbox"/>
(b)	Substantial Completion has not occurred for the reasons set out in Exhibit A to this Notice.	<input type="checkbox"/>

**ONTARIO POWER GENERATION INC.**

By: \_\_\_\_\_  
Name: ■  
Title: ■

**Attachment 5.2 – Final Completion Confirmation Form**

**CONFIRMATION OF FINAL COMPLETION**

<b>To:</b> ■	<b>Contract:</b> ■ (the “ <b>Contract</b> ”)
	<b>Contract No.:</b> ■
	<b>Date:</b> ■

Defined terms used in this Notice have the same meanings given to those terms in the Contract.  
OPG has determined that:

(a) Final Completion has occurred effective ■, 20■; or	<input type="checkbox"/>
(b) Final Completion has not occurred for the reasons set out on Exhibit A to this Notice.	<input type="checkbox"/>

**ONTARIO POWER GENERATION INC.**

By: \_\_\_\_\_  
Name: ■  
Title: ■

**APPENDIX 9**

**TERMS AND CONDITIONS FOR  
AUGMENTED STAFF**

See attached.

## APPENDIX 9

### TERMS AND CONDITIONS FOR AUGMENTED STAFF

#### RECITALS

- A. These additional terms and conditions applicable to the provision of Augmented Staff supplement the terms and conditions on which the services of certain personnel will be provided on an augmented staff basis by the Contractor to OPG pursuant to OPG Purchase Order #\_\_\_\_\_ (the “**Purchase Order**”). The provision by the Contractor of the services of such personnel to OPG pursuant to the Purchase Order are referred to in this Appendix as the “**Services**”.
- B. The contract between OPG and the Contractor for the Services consists of the ES MSA, this Appendix and the terms and conditions set out in the worksheet (the “**Worksheet**”) included in the Purchase Order (collectively, the “**Contract**”).

#### SECTION 1 – DEFINITIONS AND INTERPRETATION

##### 1.1 Definitions

Capitalized terms used but not defined in this Appendix have the meanings given to those terms in the ES MSA, and in this Appendix (including the recitals to this Appendix), the following terms have the following meanings:

- (a) **Augmented Staff Work** means the work performed and to be performed as specified by OPG at any given time as evidenced by written record, including a Purchase Order.
- (b) **CBT** means the computer based training provided by OPG in a classroom environment or otherwise on Site, remotely via the internet or, in OPG’s sole discretion, by an alternate method.
- (c) **CNSC** means the Canadian Nuclear Safety Commission.
- (d) **Contract** has the meaning given in the recitals to this Appendix.
- (e) **Dose, Dosage and Dose Requirement** means the radiation exposure limits imposed by the CNSC for Nuclear Energy Workers and to the extent not inconsistent with such requirements, the limits imposed by OPG’s policies and procedures.
- (f) **ES MSA** means the Extended Services Master Services Agreement made as of December 19, 2014 between OPG and the Contractor, excluding the other Appendices, as amended from time to time (and, for greater certainty, excluding any OPG purchase orders issued pursuant to such agreement, other than the Purchase Order).

- (g) **Other Appendices** means each Appendix to the ES MSA, other than this Appendix.
- (h) **Personnel Information Package** is defined in section 4.1(b).
- (i) **Purchase Order** has the meaning given in the recitals to this Appendix.
- (j) **Role** means the Augmented Staff Work to be executed by a Worker with the qualifications and experience specified in the Worksheet.
- (k) **Services** has the meaning given in the recitals to this Appendix.
- (l) **Statutory Withholdings** is defined in section 2.4(b).
- (m) **Training Time** is defined in section 5.3.
- (n) **Urgent Request** is defined in section 4.2.
- (o) **Workers** means temporary workers, whether employees of the Contractor, or Subcontractors, who are provided to OPG by the Contractor and who are qualified to perform certain identified services from amongst a broad range of technical and other skills identified by OPG to the Contractor from time to time, pursuant to the ES MSA.

## 1.2 Attachments

The following Attachment is attached to and forms part of this Appendix:

Attachment	Description
Attachment 4.1(b)	Personal Information Package Form

## SECTION 2 – THE CONTRACTOR’S OBLIGATIONS

### 2.1 The Contractor’s Representations.

- (a) In addition to the representations and warranties contained elsewhere in the Contract, the Contractor represents and warrants to OPG that the Contractor:
  - (1) is sufficiently experienced and properly qualified, licensed, equipped, organized and financed to provide, or cause the Services to be provided;
  - (2) has verified that every Worker identified by the Contractor performing the Augmented Staff Work has the qualifications required by the Contract;
  - (3) has examined and has satisfied itself in respect of all matters respecting the Services, including:

- (A) all necessary information respecting the risks, contingencies and other circumstances which may affect the Contract Price or the Augmented Staff Work; and
  - (B) all Applicable Laws, including any restrictions on hours of work, and any required Approvals; and
- (4) is not aware of any legal action instituted, threatened or pending against it that could have a material adverse effect on its ability to perform its obligations under the Contract.
- (b) **Indemnity.** The Contractor will indemnify and save harmless all members of the OPG Group from and against all Losses suffered or incurred by any member of the OPG Group on account of claims made or grievances filed by any third party, Worker or by a union, where the claim or grievance is based on the allegation that the Workers provided by the Contractor did not have the qualifications as specified by OPG, or, where applicable, the correct available Dosages required for the Augmented Staff Work as specified by OPG, at the time of first arriving on Site.
- (c) **Information Waiver.** The Contractor expressly waives all claims for Losses attributable to errors and/or omissions in information, representations or estimates provided by OPG or any Person acting on behalf of OPG whenever or however made, including any information about the amount of Augmented Staff Work to be performed by the Workers, or Augmented Staff Work scheduling and the labour conditions affecting the Augmented Staff Work. For greater clarity, the foregoing is not intended to preclude the Contractor's rights to recover for hours worked or time spent in accordance with section 8 of the ES MSA.
- (d) **No Exclusivity.** The Contractor acknowledges that nothing in the Contract or in the ES MSA precludes OPG from acquiring services of any personnel as augmented staff as OPG determines from any other contractor.

## 2.2 Procedures

- (a) **Policies and Procedures.** Workers will follow instructions of OPG in the performance of the Augmented Staff Work. The Contractor acknowledges that Workers must comply with OPG's policies and procedures including OPG's code of business conduct, which may be communicated to the Worker from time to time. Failure of any Workers to comply with the foregoing will result in the application of section 2.3(c)(2).
- (b) **Safety.** The Contractor acknowledges that Workers must comply with all relevant safety rules and regulations, including, the *Occupational Health and Safety Act, 1997* (Ontario), OPG's safety rules, policies and procedures, and site safety requirements. The failure of any Worker to comply with the foregoing will result in the application of section 2.3(c)(2).



- (c) **Personal Information.** The Contractor acknowledges that the Contractor is required to provide OPG with personal information respecting Workers for the purposes of the Contract, including for the purposes of recording Dose exposure under Applicable Laws and OPG's security policies pursuant to section 2.2(a); and for the purpose of OPG determining the suitability of Workers to meet OPG's staffing demands, under sections 2.4(b), 2.4(d), 3 and 4.1(c). The personal information collected would include the qualifications of the Workers and in the case of Nuclear Energy Workers, the SIN Number and Dose information. Prior to disclosing the personal information respecting Workers to OPG, the Contractor will:

- (1) inform Workers of the purpose for which such information will be used; and
- (2) obtain written consent from each Worker to disclose their personal information to OPG required under each of the foregoing sections 2.4(a), 2.4(b), section 3 and 4.1(c) for the purposes of the Contract, including when information collected for one purpose is to be used to meet a different purpose, in the form set out as Exhibit G to the ES MSA.

The Contractor will indemnify and save harmless all members of the OPG Group from and against all Losses suffered or incurred by any member of the OPG Group on account of claims made or grievances filed by any Worker or by a union, where the claim or grievance is based on the allegation that the Worker's personal information was used for the purposes of the Contract without the Worker's consent.

## 2.3 Qualified Workers

- (a) **Competent Workers.** The Contractor will ensure that all Workers supplied to OPG pursuant to the terms of the Contract:
- (1) are qualified to perform the Augmented Staff Work assigned to them because of certification, knowledge, training and experience, all as specified by OPG;
  - (2) are familiar with and capable of complying with the *Occupational Health and Safety Act, 1997* (Ontario) provisions that apply to the Augmented Staff Work; and
  - (3) understand, and have the necessary skills to perform the Augmented Staff Work, are familiar with and capable of complying with OPG's policies and procedures communicated to the Workers from time to time, including those relating to health and safety, and such other policies and procedure as may be communicated by OPG.
- (b) **Nuclear Energy Workers.** When responding to OPG's request for Nuclear Energy Workers pursuant to subsection 4.1(a)(5), the Contractor will ensure that

the Workers provided have sufficient available radiation Dose to perform the Augmented Staff Work. Once Workers are on Site performing the Augmented Staff Work, OPG is responsible for radiation Dose monitoring. Notwithstanding the foregoing the Contractor will ensure that:

- (1) each Worker manages his or her own radiation Dose in accordance with the requirements communicated to Workers in their training and in accordance with OPG's policies and procedure; and
  - (2) Workers co-operate with OPG in monitoring Workers' Dosage and the Contractor agrees that Workers who fail to co-operate may be removed from the Site pursuant to section 2.3(c).
- (c) **Reasonable Objections by OPG.** The Contractor will not provide to OPG as Workers, any individuals to whom OPG may from time to time object. The Contractor agrees to:
- (1) promptly remove from the Site any Worker whom OPG does not consider competent or otherwise considers unsuitable for performing the applicable Augmented Staff Work, including for failure to comply with any applicable health and safety rules and regulations or OPG's policies procedures or any other obligations under the Contract; and
  - (2) in the event that a Worker or Workers fail to carry out the Augmented Staff Work, fail to comply with OPG's policies and procedures or Applicable Laws, the Contractor will:
    - (A) immediately replace such Workers with Workers acceptable to OPG at no further cost and expense to OPG; and
    - (B) be solely responsible for the costs in connection with the Training Time for the replacement Workers.

## 2.4 Labour Obligations

- (a) **Compliance.** The Contractor will comply with all labour obligations respecting the Workers. The Contractor will indemnify and save harmless all members of the OPG Group from and against any and all Losses suffered or incurred by any member of the OPG Group on account of claims made or grievances filed by any unions on account of any breach by the Contractor of the labour obligations in the course of providing the Augmented Staff Work or on account of non-unionized labourers providing portions of the Augmented Staff Work.
- (b) **Remittance of Statutory Withholdings.** The Contractor will either withhold and remit, or ensure that the Workers will withhold and remit, all taxes (e.g. income tax, Employer Health Tax), and related remittances (e.g. CPP, EI, WSIB) ("Statutory Withholdings") owing with respect to any payments received by the Workers pursuant to the Work performed on behalf of OPG, and Contractor will

fulfill any and all obligations under the *Employment Standards Act* (Ontario) with respect to the Workers. OPG will have no responsibility for any such Statutory Withholdings and obligations with respect to Workers. The Contractor will indemnify and save harmless all members of the OPG Group from and against all Losses suffered or incurred by any member of the OPG Group on account of any claims made or grievances filed by any third party, Worker or by any union on account of any failure by the Contractor to fulfill its obligation to withhold and remit Statutory Withholdings and fulfill any obligations under the *Employment Standards Act* (Ontario) with respect to any Worker. This includes, without limitation, any liability imposed by a court of law, an administrative body or tribunal, or by the Canada Revenue Agency under the *Income Tax Act* (Canada), or any other statute, to make contributions, withhold or remit any monies and/or make deductions from payments in respect of any Worker or Workers.

- (c) **Workers Not Employees.** Workers are employees of the Contractor or its Subcontractors, not OPG, for all purposes under the Contract and Applicable Laws. Accordingly, no Worker is entitled to any benefits respecting any pension or other benefit plan, program or policy of OPG. The Contractor will indemnify and save harmless all members of the OPG Group from and against all Losses suffered or incurred by any member of the OPG Group on account of claims made or grievances filed by any third party, Worker or by a union, where the claim or grievance is based on an allegation that the Worker was an employee of OPG.
- (d) **Non-Residents.** The Contractor will obtain and maintain at its cost all Approvals from all applicable Governmental Authorities respecting all non-resident Workers and ensure that such non-resident Workers at all times have the required Approvals to perform the specified Augmented Staff Work under a Purchase Order for OPG in Canada. The Contractor will indemnify and save harmless all members of the OPG Group from and against all Losses suffered or incurred by any member of the OPG Group on account of claims made or grievances filed by any third party, Worker or by a union, where the claim or grievance is based on an allegation that a Worker did not have the required Approval.

## 2.5 Intellectual Property

The Contractor acknowledges and agrees that all provisions with respect to the rights (including ownership of the property), liabilities and obligations in respect of the Intellectual Property set out in section 3.10 of the ES MSA shall equally apply to the results of any Augmented Staff Work provided by or required to be provided by the Workers.

## 2.6 Confidential Information

The Contractor acknowledges and agrees that for the purposes of the Contract, “Confidential Information” (as referred to in section 3.12 of the ES MSA) includes any and all information that is confidential, a trade secret or otherwise proprietary to OPG which has been or is disclosed to the Workers by OPG in connection with the Augmented Staff Work.

### SECTION 3 – OPG’S CONTROL OVER WORK

OPG will supervise, direct, have control and authority over, or otherwise be responsible for:

- (a) the means, methods, techniques, sequences or procedures respecting the performance of the Augmented Staff Work by Workers; and
- (b) the safety programs and precautions used in respect of the Augmented Staff Work, subject to OPG’s rights and obligations under the *Occupational Health and Safety Act, 1997* (Ontario).

### SECTION 4 – SERVICES MANAGEMENT

#### 4.1 Process for Acquiring Services

From time to time, prior to the scheduled commencement of the Augmented Staff Work, OPG may request Workers from the Contractor. In addition to the request and approval process described in section 2.5(b) to (j) of the ES MSA in connection with the services the following terms and conditions will apply:

- (a) **Notification of Request.** In the Work Request to the Contractor, OPG shall include the additional information:
  - (1) the required Roles and an estimate of the number of Workers for each Role;
  - (2) a description of the Augmented Staff Work for each Role;
  - (3) for each Worker, the anticipated duration of the Augmented Staff Work;
  - (4) listing of the training requirements for each Role, if any; and
  - (5) qualification and certification requirements for each Role, including qualifications for each Nuclear Energy Worker;

all of which are subject to change by way of written or verbal notice by OPG, with any verbal notice to be confirmed in writing in order to be binding on both parties.

- (b) **Worker Information Package.** As part of the Work Request Response, the Contractor agrees to address the requirements of the notification provided pursuant to section 4.1(a), together with, in the case of each Worker, an information package substantially in the form of Attachment 4.1(b) with the following information:
  - (1) Worker’s resume;
  - (2) the disclosure required by section 2.4(d);

- (3) the Augmented Staff Base Rate and its components.
- (4) the identity of any Subcontractors that the Contractor is proposing to use, (including whether any Worker is also a Subcontractor);
- (5) a representation that the Contractor has reviewed the Workers' resume and has verified that the Worker has the qualifications required by OPG; and
- (6) a representation that the Contractor has identified the Approvals required to enable the Worker to perform Augmented Staff Work on behalf of OPG and that the Contractor will obtain such required Approvals should OPG decide that the Worker is suitable to perform the Augmented Staff Work pursuant to the provision of Services by the Contractor.

OPG will review the Contractor's proposal and each such information package (the "**Personnel Information Package**") and OPG will notify the Contractor in writing of any deficiencies in the proposal or any one or more Personnel Information Packages. As soon as reasonably possible, the Contractor will correct any deficiencies in the proposal or Personnel Information Packages, including, if required, by substituting the Worker in question. The Contractor agrees that where a Personnel Information Package is incomplete or incorrect, OPG, in its sole discretion, may deny the Worker in question access to the Site. In response to OPG's request for the Augmented Staff Work, the Contractor shall use its best efforts to propose more than one Person to fulfill a requirement for a single Worker so that OPG may have a choice in meeting the demand for Workers.

- (c) OPG shall subject all Persons proposed by the Contractor in response to section 4.1(a), to suitability checks, including respecting that Person's suitability to meet OPG's staffing demands and security requirements as a Worker and the Contractor agrees to provide OPG with sufficient and appropriate information to enable OPG to complete such suitability checks. The information requested may include a five (5) year residence history and a ten (10) year work history. Any Person found unsuitable by OPG will be replaced by the Contractor at no cost to OPG.
- (d) The Contractor acknowledges that Workers already performing Augmented Staff Work at OPG sites will not be included in a proposal provided pursuant to section 4.1(a).

#### **4.2 Request for Workers on an Urgent Basis**

In the event of critical circumstances, in OPG's sole discretion, OPG may request that the Contractor provide Workers prior to the issuance of a Purchase Order (an "**Urgent Request**"). OPG may initiate an Urgent Request by a verbal instruction, but in such cases the notification must identify OPG's MSA Representative authorizing the same. OPG will deliver prompt confirmation by e-mail and will deliver formal confirmation of the Purchase Order within 48 hours following the oral instruction. If OPG fails to deliver the e-mail confirmation within 24 hours following the oral instruction, the Contractor will send an e-mail to OPG's MSA

Representative specifying the details of the Urgent Request, including the Role, location, the description of the Augmented Staff Work, and the applicable Augmented Staff Base Rate and any other relevant information. In all cases, the Contractor will take all reasonable steps to validate the Urgent Request; however in no case will the Urgent Request be unduly delayed as a result of any validation process undertaken by the Contractor. Upon receiving an Urgent Request, the Contractor will immediately use its best efforts to provide OPG with a proposal that complies with all of the requirements of section 4.1(b) prior to the commencement of the Augmented Staff Work or in any event within 4 Business Days of receiving request. Such a proposal may be provided verbally; however the Contractor will deliver a written confirmation of such estimate within two (2 ) Business Days of providing the verbal proposal. Should subsequent events demonstrate that the Urgent Request was not valid and the Contractor took reasonable steps to validate such a request, then, to the extent the Contractor incurred reasonable extra direct costs, the Contractor will be reimbursed in accordance with section 8 of the ES MSA.

#### **4.3 Trained Workers**

Where applicable, the Contractor will use its best efforts to provide Workers who have already completed the appropriate OPG training required to perform the Augmented Staff Work.

#### **4.4 Failure to Meet Demand Requirements**

The parties acknowledge that despite the Contractor's best efforts, there may be instances when the Contractor is unable to meet the requirements for Workers under a particular Purchase Order. In such an event, the Contractor will Notify OPG of this inability to meet demand as soon as possible together with further details such as the Purchase Order and Role(s) that would be affected, so that OPG may proceed to minimize the impact of the Contractor's failure to meet OPG's requirements for Workers and to meet such demand through a different supplier.

### **SECTION 5 – WORKERS AT SITE**

**5.1 Reporting to Site.** The Contractor will ensure that Workers arrive at the designated Augmented Staff Work location within the Site and report to the assigned OPG supervisor at the time specified by OPG, ready and fit to perform the Augmented Staff Work.

**5.2 Right to Cancel or Change Augmented Staff Work.** Notwithstanding the allocation of Augmented Staff Work to Workers under the Purchase Orders, OPG may at any time after the commencement of the Augmented Staff Work cancel or change the scheduled Augmented Staff Work of any Worker by notifying that Worker and the Contractor.

**5.3 Training Time.** OPG will provide training as OPG may identify as required from time to time, in such manner as OPG determines in its sole discretion. Time spent by Workers in the classroom, in a mock-up facility or completing CBT constitutes Training Time ("Training Time").

**5.4 Continuing the Services**

Notwithstanding any term in the Contract, the Contractor will not stop, delay or suspend the performance of the Augmented Staff Work by Workers, in whole or in part, on account of any Dispute between the Contractor and OPG or between the Contractor and any other Person, except to the extent, if any, expressly directed to do so by OPG by written Notice. In the event of any Dispute, the Contractor will ensure that the performance of the Augmented Staff Work by Workers is not stopped or delayed pending resolution of any such Dispute.

**Attachment 4.1(b) - Personnel Information Package Form**

**PERSONNEL INFORMATION PACKAGE**

Name of Contractor:	Date:
Name of Worker:	
Is the Worker a former OPG employee?	
Social Insurance Number (Complete for Nuclear Energy Workers Only):	
Identify name of Subcontractor that employs the Worker or indicate not applicable:	
The Contractor represents that the Contractor has reviewed the Worker's qualifications and verified that the worker possesses the qualifications required in OPG's purchase order. (Attach Worker's resume to this form.)	
The Contractor represents that the Contractor has obtained, and will maintain for the duration of the work, the required Approvals for the Augmented Staff Work. List Approvals below or indicate not applicable:	
<p style="text-align: center;"><b>[CONTRACTOR]</b></p> <p>By:</p>	
<p style="text-align: right;">Name:</p> <p style="text-align: right;">Title:</p>	



## SCHEDULE 1

### SAMPLE WORKSHEET

**[Note to Reader: This sample worksheet is provided in draft form for illustrative purposes only. This draft does not yet contain a comprehensive list of items to be included in the final form of worksheet. In particular, the final form of worksheet will need to be customized by adding additional line items applicable to each type of Work.]**

Date of Worksheet: \_\_\_\_\_

Purchase Order Number: \_\_\_\_\_

Applicable ES MSA Section		Required Information
1.	Type of Work	<b>[Insert reference to Appendix applicable to the Work]</b>
2.	Free Issue Materials	<b>[Indicate whether there will be any Free Issue Materials]</b>
3.	Interface Requirements	<b>[Indicate which sections, if any, of the Interface Requirements apply]</b>
4.	Contract Price Section 1.1(p)	<b>[Insert agreed Contract Price]</b>
5.	Contractor's Project Representative Section 1.1(t)	<b>[Insert name, title and contact information for the Contractor's Project Representative]</b>
6.	Final Completion Section 1.1(dd)	<b>[Insert definition of Final Completion, if applicable]</b>
7.	Key Personnel Section 1.1(pp)	<b>[Insert names, titles and contact information for the Key Personnel]</b>
8.	OPG Specifications Section 1.1(aaa)	OPG Specifications are attached as Attachment 1 to this Worksheet.
9.	OPG's Project Representative Section 1.1(ddd)	<b>[Insert name, title and contact information for OPG's Project Representative]</b>
10.	Site Section 1.1(llll)	<b>[Identify the area where or in respect of which the Work will be performed]</b>

Applicable ES MSA Section	Required Information
11. Substantial Completion Section 1.1(tttt)	<b>[Insert definition of Substantial Completion, if applicable]</b>
12. Information Waiver Section 3.1(j)	<b>[Indicate whether there are any exceptions to the Contractor's obligation to satisfy itself with respect to the accuracy and/or completeness of any information (including estimates), assumptions or representations provided or made available by any member of the OPG Group]</b>
13. Other Project Meetings Section 3.3(g)	<b>[Specify any required meetings between the Parties in respect of the Project]</b>
14. Designated Areas Section 3.4(a)	<b>[Insert description of areas of the Site to which the Contractor will be restricted]</b>
15. Access by Other OPG Contractors Section 3.4(h)	<b>[Indicate whether these provisions are applicable to the Work]</b>
16. Approvals Section 3.5(b)	<b>[Indicate whether there are any exceptions to the Contractor's obligations to obtain and pay for all Approvals required in respect of the Work]</b>
17. Development of Project Schedule Key Milestone Dates Section 3.6(b)	<b>[Indicate the date by which the Contractor must submit its draft Project Schedule (if other than five days from the date of issue of the Purchase Order) and insert Key Milestones specified by OPG to be incorporated into the Contractor's Project Schedule]</b>
18. Requirements for Project Schedule Section 3.6(c)	<b>[Indicate whether there are any additional requirements applicable to the Project Schedule and whether OPG has agreed to provide any support relating to access, equipment and manpower]</b>
19. Progress Updates Section 3.6(e)	<b>[Indicate frequency of progress updates (if other than weekly)]</b>
20. Submittal Schedule Section 3.7(b)	<b>[Indicate whether there are any exceptions to the Contractor's obligations with respect to submission of Submittals]</b>

Applicable ES MSA Section		Required Information
21.	OPG Review Period Section 3.7(c)	<b>[Indicate OPG review period for each Submittal (if other than 10 Business Days)]</b>
22.	Review of Submittals by Contractor Section 3.7(d)	<b>[Indicate whether there are any exceptions to the Contractor's obligations with respect to review of Submittals]</b>
23.	Return of Submittals Section 3.7(e)	<b>[Indicate whether there are any exceptions to OPG's obligations with respect to return of Submittals]</b>
24.	OPG's Quality Assurance Program Section 3.8(f)	<b>[Indicate whether OPG's quality assurance program is applicable to the Work]</b>
25.	List of Subcontractors Section 3.9(a)	List of Subcontractors is attached as Attachment 2 to this Worksheet.
26.	Management of Subcontractors Section 3.9(e)	Subcontractor Management Plan is attached as Attachment 3 to this Worksheet (if applicable).
27.	OPG Approvals Section 4.1(c)	<b>[Specify any Approvals to be obtained by OPG, if applicable]</b>
28.	Project-specific Score Card Section 5.1(h)	<b>[Indicate whether there is a Project-specific score card]</b>
29.	Insurance Requirements Section 6.3	<b>[Indicate whether Part A or Part B of Schedule 12 applies and whether any modifications are required to the applicable insurance provisions]</b>
30.	Notice of Delay Section 7.2(b)	<b>[Indicate the period for notification of delay (if less than seven Business Days)]</b>
31.	Pricing Model Sections 8.1(b), (c), (d), <b>Error! Reference source not found.</b> , (f)	<b>[Indicate applicable pricing model (Rapid Response Work, Performance Fee Work, Fixed Price Work, Augmented Staff, Goods)]</b>  Pricing information (i.e. final agreed version of price estimate or fixed price, as applicable) is attached as Attachment 4 to this Worksheet.
32.	Goods Section 8.1(f)	<b>[Insert agreed administration fee applicable to Goods]</b>

<b>Applicable ES MSA Section</b>		<b>Required Information</b>
33.	Business Expenses Section 8.1(j)	<b>[Indicate whether the Contractor will be reimbursed for business expenses]</b>
34.	Applications for Payment Section 8.3(a)	<b>[Indicate frequency of invoicing (if other than monthly) or include milestone payment schedule]</b>
35.	Labour Requirements Schedule 7, Section 2	<b>[Specify applicable labour requirements]</b>
36.	Warranty Provisions and Warranty Period	<b>[Specify warranty provisions and warranty period (if other than as set out in the applicable Appendix)]</b>
37.	Warranty Period Sunset	<b>[Specify warranty period sunset (If Darlington Refurbishment Program, 8 years, otherwise 6 years)]</b>
38.	Other Terms and Conditions	<b>[Describe any other terms and conditions required by OPG applicable to the Work]</b>

**ATTACHMENT 1 TO WORKSHEET  
OPG SPECIFICATIONS**

See attached.

**ATTACHMENT 2 TO WORKSHEET  
LIST OF SUBCONTRACTORS**

See attached.

**ATTACHMENT 3 TO WORKSHEET  
SUBCONTRACTOR MANAGEMENT PLAN**

See attached.

**ATTACHMENT 4 TO WORKSHEET  
PRICING INFORMATION**

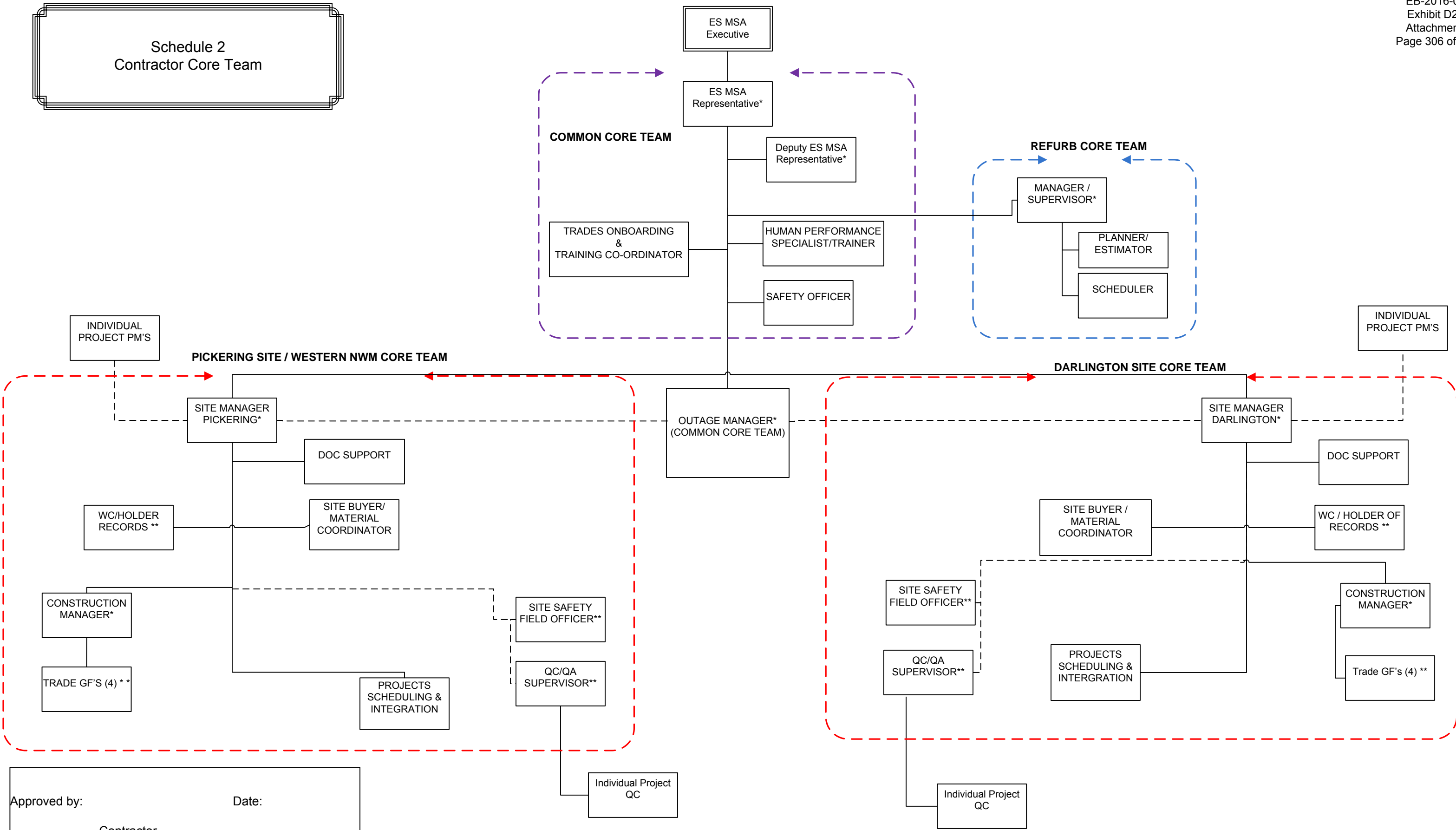
See attached.



## **SCHEDULE 2**

### **CORE TEAM**

See attached.



Approved by:	Date:
Contractor	
Approved by:	Date:
OPG	

\*\* Time charged directly to Work/Project; These individuals may be paid overtime if approved by the OPG's ES MSA Representative in advance of the Work and the cost is included in the estimate of the Work.  
\* Refer to Section 8.1(m) of the Agreement

## **Core Team Descriptions and Requirements Attachment to Schedule 2 of the ES MSA**

Following are high level role descriptions and requirements of the critical positions within the ES MSA Core Team. They are not all encompassing but represent generally what is expected of each role. Not all roles may be required initially. OPG, working with the Contractor will determine which roles need to be filled and when. The roles may become more defined by OPG in the future and additional roles, if required and agreed to by OPG, may be added:

### **ES MSA Representative**

- Understands and is committed to Nuclear Safety
- Is the Leader of the Core Team(s) and is part of the Common Core Team (CCT)
- Is the designated Contractor's MSA Representative and as such owns all the associated accountabilities and responsibilities as defined within the Agreement.
- Is the "go-to" person for all needed decisions, given directives and conduct of business as per the Agreement between the Parties
- Is the SPOC for the OPG's MSA Representative
- Interface for OPG Senior Management

### **Deputy ES MSA Representative**

- Understands and is committed to Nuclear Safety
- Supports the Contractor's MSA Representative
- Interface for OPG Management

### **Site Manager:**

- Understands and is committed to Nuclear Safety
- Understands plant equipment, processes and organization
- Accountable for the safe execution of Work on OPG Sites, adhering to all Site requirements
- Reports directly to the Contractor's MSA Representative.
- Is the leader of the SCT (Site Core Team) and therefore, is located on the designated OPG Site.
- Is responsible and accountable for all ES MSA Work and activities on the designated OPG Site.
- Accountable for all of the Contractor's employees, Subcontractors and visitors on the OPG Site.
- Accountable for the overall quality and workmanship of all Work completed by the Contractor or their representatives on OPG Sites.
- Develops and maintains a positive customer/contractor relationship with the OPG Site VP, Site Project Director (or his delegate) and Site Leadership Team.

- Ensures integration of the SCT with Site organization, processes and systems

### **Construction Manager:**

- Understands and is committed to Nuclear Safety
- Located on the designated OPG Site and as such is a key player in the SCT.
- Reports to the Site Manager
- Manages and supervises the day-to-day activities for all of the Contractor's direct hire BTU and CUSW trades persons.
- Plans the Work and ensures all necessary resources and materials are in-place to achieve the schedule requirements. Is constantly looking ahead to ensure the Work is planned and integrated with the many competing activities of a large operating Nuclear GS. Gives direction to his General Foremen. Works closely with the other SCT members to achieve objectives and results.
- Is responsible to ensure tradespersons have the training and qualifications to complete the Work Safely, according to procedures, meet quality requirements and workmanship standards.
- Is responsible for good working practices including procedural adherence, completion of field required documentation, trade professionalism, enforcing disciplinary action per the ES MSA policies, job site housekeeping and enforcing communications through the chain of command.

### **Project Scheduler & Work Integration:**

- Understands and is committed to Nuclear Safety
- Located on the designated OPG Site and reports to the Contractor's Site Manager
- Schedules and integrates project and minor modification activities/tasks within Passport where plant interface and coordination is required.
- Manages weekly execution schedule.
- Interfaces with the OPG's Work Control/Work Management Organizations and Project Controls Organizations

### **Safety Field Officer (Site)**

- Understands and is committed to Nuclear Safety
- Located on the designated OPG Site and as such is a key member of the SCT.
- Reports functionally to the Contractor's Safety Officer.
- Responsible to monitor all aspects of the Work to ensure Line Management is meeting the HSE requirements including legislative, HSE policy and procedures and OPG safety policies and procedures when applicable.

- Major portion of time spent performing field observations and assessments of the Work being performed. Documents and reports observation findings and field reports to Trades Superintendent, Construction Manager and Site Manager for action.

### **Safety Officer**

- Understands and is committed to Nuclear Safety
- Accountable for the programmatic aspects of the Contractor's Safety Program as well as continuous improvement through OPEX and other avenues to the team's safety performance.
- Reports functionally to the Contractor's ES MSA Representative.
- Responsible to monitor all aspects of the Work to ensure Line Management is meeting the HSE requirements including legislative, HSE policy and procedures and OPG safety policies and procedures when applicable.
- Major portion of time spent performing field observations and assessments of the Work being performed. Documents and reports observation findings and field reports to Trades Superintendent, Construction Manager and Site Manager for action.

### **QA/QC Supervisor:**

- Understands and is committed to Nuclear Safety
- Located on the designated OPG Site and as such is a key member of the SCT.
- Reports functionally to the Manager of Quality.
- Responsible to monitor all aspects of the Work to ensure line management is meeting the quality requirements as required by the applicable standards, codes, work packages, quality program and the OPG quality program when applicable.
- Ensures compliance with FME program and/or OPG requirements when applicable.
- Is the quality conscience for the SCT.
- Builds and maintains relationship with AIA.
- Inventories, ensures safe storage and preservation of all materials on Site within the Contractor's custody.

### **Site Buyer/ Material Coordinator:**

- Understands and is committed to Nuclear Safety
- Located on the designated OPG Site and as such is a key member of the SCT.
- Reports to the Site Manager.
- Buys and procures all day-to-day job supplies, non-code and non-permanent plant materials and tooling to support the Work on Site.
- Works closely with the Construction Superintendent ensuring materials are available to support the scheduled progression of the Work.

- Interfaces with OPG for Free Issue Materials ensuring quantities are available and delivered when required.

**Outage Manager:**

- Understands and is committed to Nuclear Safety
- Reports to the Contractor's MSA Representative.
- Is located on Site during unit outages and is accountable and responsible to coordinate and liaise with the OPG Outage Management and Outage Control Centre (OCC) to ensure integration of the Contractor's outage related Work and that it is completed efficiently thereby meeting the objectives of the outage plan and budgets.

**Trades On-Boarding & Training Coordinator:**

- Understands and is committed to Nuclear Safety
- This individual is a key member of the CCT supporting the Site Construction Manager by ensuring all requirements for BTU and CUSW trades persons are met to support the scheduled completion of the Work.
- Reports to the Contractor's MSA Representative, who is accountable to ensure that all personnel are trained and qualified.
- Is responsible to ensure training is completed for all contractor staff and documented in the data base to meet the legislated, Contractor and OPG requirements.
- Ensures all OPG Station security and administrative requirements are met for new hires and rehires.

**Human Performance Specialist & Trainer:**

- Understands and is committed to Nuclear Safety
- This individual is a key member of the CCT supporting the Sites.
- Reports to the Contractor's MSA Representative.
- Is accountable to ensure adequate training of all Contractor employees, Subcontractors and workers in the aspects of human performance as may be required to help ensure worker and nuclear safety.
- This person is constantly striving to "raise the bar" on organizational awareness, job planning and execution of the Work to include the use of human performance tools, job aids and incorporation of related OPEX; is accountable for the Contractor's HU Program.
- Focuses on reinforcement of Nuclear Safety Culture.

**Holder of Records (HOR):**

- Understands and is committed to Nuclear Safety
- This individual is a key member of the SCT

- Reports to the Site Manager
- As HOR, is accountable that work protection is applied to protect workers and Subcontractors' workers as per station procedures and legislative requirements.

**Document Support:**

- Understands and is committed to Nuclear Safety
- This individual provides document management support which includes managing documents in Asset Suite and SharePoint.
- Reports to the Site Manager

**Manager/Supervisor (Refurbishment Core Team):**

- Understands and is committed to Nuclear Safety
- Understands plant equipment, processes and organization
- Accountable for the safe execution of Work on OPG Sites, adhering to all Site requirements
- Reports directly to the Contractor's MSA Representative.
- Is the leader of the Refurbishment Core Team and therefore, is located on the designated OPG Site.
- Participates in the planning and execution of Refurbishment Work as directed by OPG; supports OPG's Refurbishment and Project and Modifications organizations to plan, coordinate and execute Refurbishment Work,
- Develops and maintains a positive customer/contractor relationship with the Refurbishment Organization
- Ensures integration of the Refurbishment Core Team with the Refurbishment organization, processes and systems

**SCHEDULE 3**

**FIRST TIER SUBCONTRACTORS**

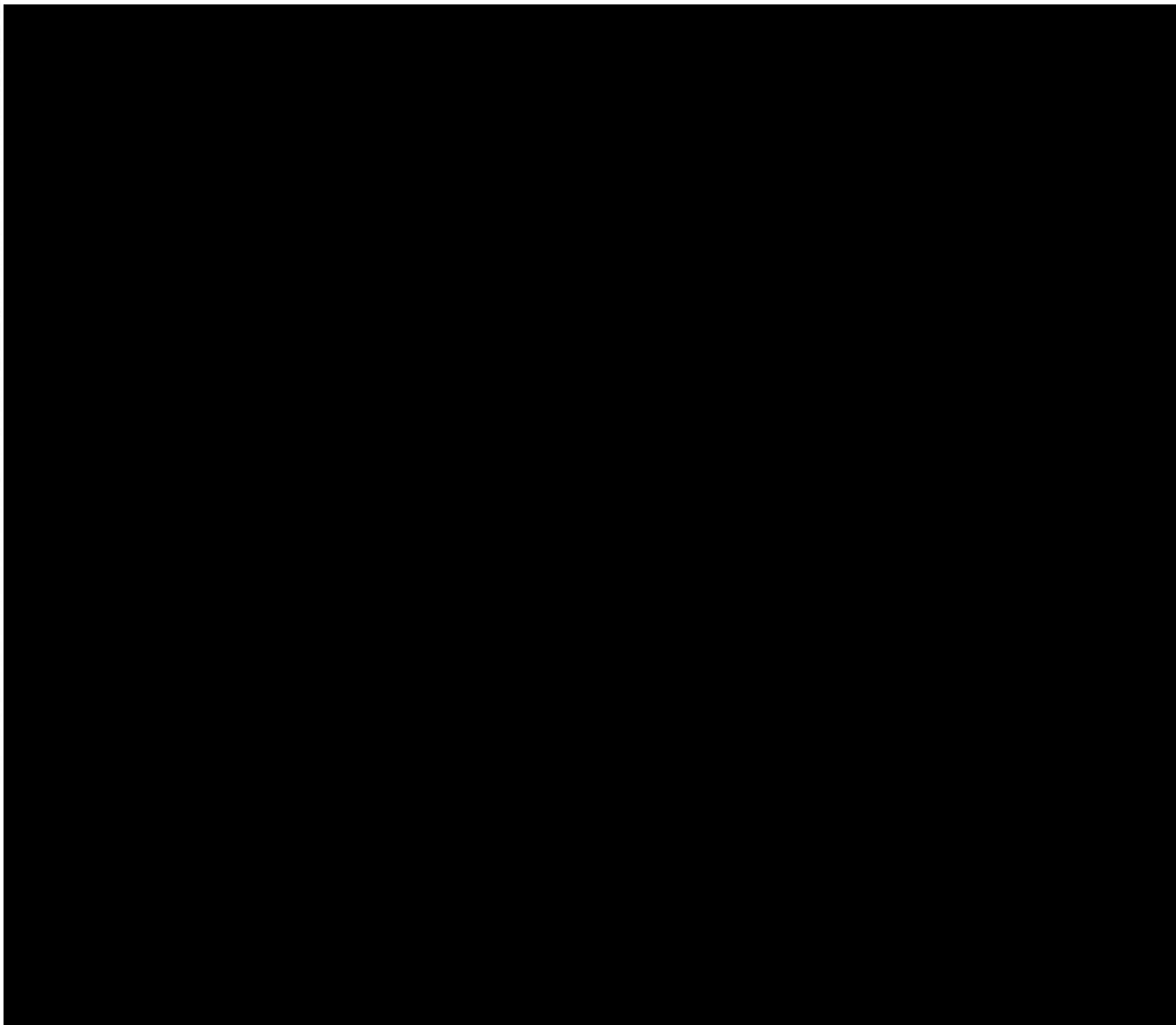
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## **SCHEDULE 4**

### **REIMBURSABLE LABOUR COSTS TABLES**

See attached.



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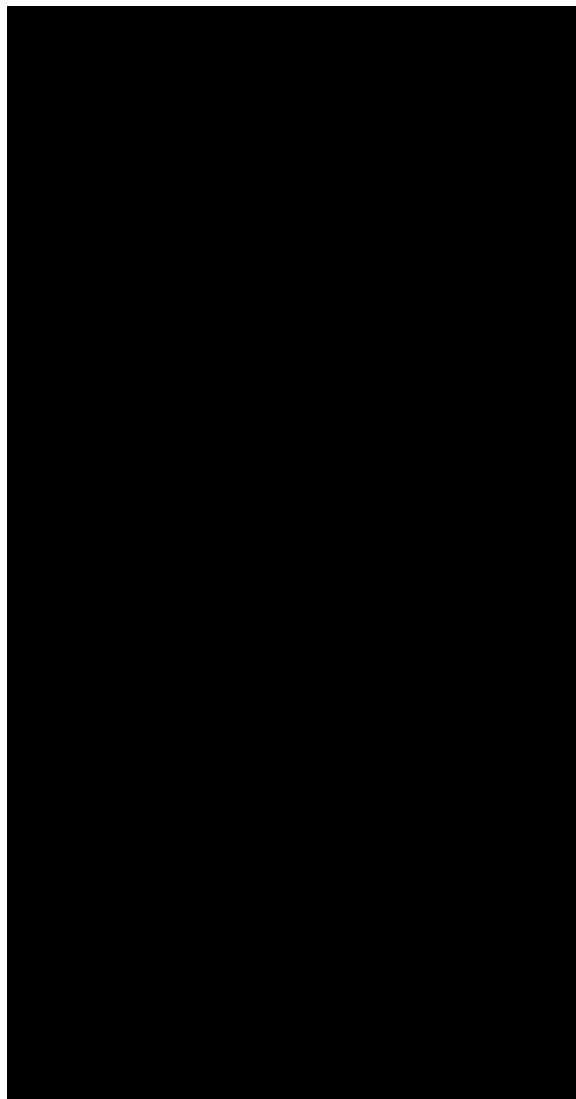
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## **SCHEDULE 5**

### **REIMBURSABLE NON-LABOUR COSTS TABLES**

Attached is a cost allocation table that defines those cost items that can be included within Reimbursable Non-Labour Costs (i.e. allowed costs) and those that are to be covered by the Overhead Amount (i.e. disallowed costs).

The list of items and item descriptions contained in the table are intended to be comprehensive, however, as a practical matter, it is recognized that certain types of costs may not have been included. If, during the course of any Project, an element of cost is encountered which is not specifically identified in the table, the table shall be used as a reference to determine whether such cost shall be an allowed or disallowed cost.

Such determination shall be conducted in collaboration between the Parties having regard to the following factors (in order of precedence):

1. closest analogous category of cost;
2. application of the principle that costs that would not have been incurred by the Contractor but for the Project, represent added value to OPG and have no residual value to the Contractor are Reimbursable Non-Labour Costs; and
3. the purpose of allocating the costs in this manner is to incent the Contractor to be as efficient as possible in carrying out the Work throughout the course of the Project.

Any costs relating to the following categories of staff will be deemed to be disallowed costs unless such staff are, with OPG's consent, specifically allocated to the Project:

- (a) directors above the level of project director;
- (b) secretaries and clerks;
- (c) personnel staff;
- (d) general management and departmental management;
- (e) legal staff and/or legal advisors;
- (f) general accountancy staff;
- (g) administration staff; and
- (h) procurement and purchasing staff.

For the purpose of the table, the following definitions shall apply:

“Site Project Office” means the Contractor's offices and workshops located on or near the Sites which the Contractor may be required to or decides to use or establish solely for the purpose of

performing the Work under this Agreement, including any space occupied by the Contractor's Personnel within OPG provided facilities.

“Home Office” means any of the Contractor's offices and workshops, or space within the same, that the Contractor may be required to or decides to use or establish for performing the Work, but which is not used solely for the Work to be performed under this Agreement.

For certainty, the Contractor will not be responsible for costs of any Site house-keeping or Site cleaning activities, such as snow removal, landscaping, etc., which are not included as part of the scope of work.

## Cost Allocation Table

Ref.	Cost Element	Allowed Cost (i.e. allowed Reimbursable Costs)	Disallowed Cost (i.e. included within fixed Core Team Cost or Overhead)	Comments
<b>1</b>	<b>Business Services</b>			
1.1	Corporate and business unit accounting		✓	
1.2	Project level auditing requested by OPG or on a schedule mutually agreed between the Parties	✓		Section 8.13
1.3	Non project level human resources and payroll management and administration		✓	
1.4	IT management, support services and helpdesks related to Contractor's IT and systems		✓	
1.5	Tendering sub-contracts for Work under this Contract		✓	
1.6	Pre-contract bidding costs associated with this Contract unless specifically allowed by conditions elsewhere in the Agreement		✓	
1.7	Marketing, sales, exhibitions		✓	
1.8	Legal costs for general legal advice and services		✓	
1.9	Legal costs incurred by the Contractor for any claims, actions or proceedings against, or negotiations with, OPG		✓	
<b>2</b>	<b>Offices and Facilities</b>			
<b>2.1</b>	<b>Site Project Office (Core Team Fixed Cost)</b>			
2.1.1	All, offices, stores, workshops, welfare facilities and the like including all partitioning, racking and fit-out, temporary foundations and drainage, and temporary utilities		✓	Core Team Fixed Cost
2.1.2	Furniture, fixtures and fittings including office and technical equipment		✓	Core Team Fixed Cost
2.1.3	Mobilise, maintain and demobilise Site Project Office		✓	Core Team Fixed Cost
2.1.4	Office cleaning services		✓	Core Team Fixed Cost
<b>2.2</b>	<b>Home Office Establishment</b>			
2.2.1	All, offices, stores, workshops, welfare facilities and the like including all fit-out, partitioning, racking, temporary foundations and drainage, and temporary utilities, excluding all facilities provided by OPG.		✓	
2.2.2	Furniture, fixtures and fittings including office and technical equipment		✓	
2.2.3	Mobilise, maintain and demobilise Home Office		✓	
2.2.4	Office cleaning services		✓	
<b>2.3</b>	<b>Consumables</b>			

### Cost Allocation Table

Ref.	Cost Element	Allowed Cost (i.e. allowed Reimbursable Costs)	Disallowed Cost (i.e. included within fixed Core Team Cost or Overhead)	Comments
2.3.1	Site Project Office stationery and office equipment		✓	Core Team Fixed Cost
2.3.2	Home Office stationery and office equipment		✓	
2.3.3	Consumables for electronic equipment including but not limited to printer cartridges, toner, removable storage media, backup devices and media, flash drives		✓	
<b>2.4</b>	<b>Electronic Equipment</b>			
2.4.1	Computer hardware, firmware and software, including but not limited to workstations, desktop computers, CAD workstations, laptop or handheld or portable computers and the like, network infrastructure, printers, plotters, photocopiers, scanners, projectors, communication devices, video conferencing, telephones, cell phones smartphones Blackberrys and the like, radios, cameras, answer machines, switchboards, routers, including all associated licenses, carriage bags, cables and cabling etc.		✓	
2.4.2	All enterprise and project management systems, document management systems, accounting systems, staff and payroll systems, business administration systems and the like		✓	
2.4.3	All costs associated with telephone, telex, telefax, facsimile, cell phone, radios and internet connections, including set-up costs, rentals, call/usage costs etc.		✓	
2.4.4	Photocopying, photography, scanning, drawing reproduction, micro filming etc. including all consumables		✓	
2.4.5	All miscellaneous cleaning, maintenance and other running costs of electronic devices and infrastructure		✓	
<b>3</b>	<b>Construction Tools and Equipment</b>			
3.1	Construction equipment, as part of Scope of Work	✓		Included in estimate
3.2	Construction equipment operators, as part of Scope of Work	✓		Included in estimate
3.3	Site transport for the Contractor including but not limited to pick-ups, cars, buses and coaches		✓	
3.4	Maintenance of Contractor owned construction equipment		✓	
3.5	Maintenance of hired/rented construction equipment		✓	

### Cost Allocation Table

Ref.	Cost Element	Allowed Cost (i.e. allowed Reimbursable Costs)	Disallowed Cost (i.e. included within fixed Core Team Cost or Overhead)	Comments
3.6	Repairs and losses excluding wear and tear		✓	
3.7	Small tools and consumables	✓		Section 8.1(h) of ES MSA
3.8	Scaffolding		✓	Free Issue by OPG. If additional scaffolding is required, OPG will work with the contractor and a specific PO will be issued.
3.9	Personal protective equipment and safety clothing and equipment, e.g. safety glasses, gloves, hard hats, safety boots		✓	Radiological PPEs will be Free Issued by OPG.
3.10	Cumulative rental amounts for Equipment owned or rented by the Contractor with a book value greater than \$2,000	✓		Section 8.1(i) of ES MSA
3.11	Mobilisation and demobilisation of construction equipment (except where payment is specifically authorised by the Project Manager in advance)		✓	
3.12	Non-productive or standing time of construction equipment		✓	
<b>4</b>	<b>Providing the Works</b>		□	
4.1	Costs not justified by the Contractor's accounts and records		✓	
4.2	Costs which should not have been paid to a Sub-Contractor in accordance with his sub-contract		✓	
4.3	Costs incurred only because the Contractor did not follow an acceptance or procurement procedure stated in the Contract or agreed by OPG		✓	
4.4	Costs resulting from paying a Sub-Contractor more for a change order than the value agreed with OPG for that element of the change order		✓	
4.5	Correcting Defects covered by a warranty		✓	
4.6	Correcting Defects caused by the Contractor		✓	
4.7	Resources not used to provide the Works (after allowing for reasonable availability and utilisation) or not taken away from the Site when the Project Manager requested.		✓	
4.8	Costs not arising from carrying out the works under this Contract		✓	
4.9	All costs associated with carrying out Fixed Price or Firm Price works		✓	
4.10	Re-work not caused by the Contractor	✓		
4.11	Correction Costs		✓	
4.12	Costs to change Sub-Contractors unless agreed in advance by		✓	



### Cost Allocation Table

Ref.	Cost Element	Allowed Cost (i.e. allowed Reimbursable Costs)	Disallowed Cost (i.e. included within fixed Core Team Cost or Overhead)	Comments
	OPG			
4.13	Acceleration costs incurred without the prior approval of OPG		✓	
4.14	Any costs associated with services provided before the date of the Agreement, unless specifically allowed by conditions elsewhere in the Agreement		✓	
4.15	Any costs associated with accessing areas outside the Designated Work Areas, without the prior approval of OPG		✓	
<b>5</b>	<b>Materials</b>		□	
5.1	All Materials for incorporation into the Works including transportation and insurance in storage and transit	✓		Included in Estimate of Work
5.2	Discounts, rebates and salvages	✓		All discounts, rebates and salvages shall be deducted from the actual costs paid to the Contractor. i.e. OPG shall receive the full benefit of all discounts, rebates and salvages
<b>6</b>	<b>Staff</b>		□	
6.1	Project resources (all grades up to and including Project Director) excluding the core team members	✓		Included in Estimate of Work
6.2	Project resources (all grades above Project Director)		✓	
6.3	Non-project staff		✓	
6.4	Recruitment costs		✓	
6.5	Redundancy costs / payments		✓	
6.6	Company cars including all costs and expenses		✓	
6.7	Independent consultants and inspectors without the prior written approval of the Project Manager		✓	
6.8	Project specific staff training required by the Scope of Work or to satisfy the requirements of OPG safety standards and policies	✓		Included in Estimate of Work
6.9	Payroll burdens (included within the Labour Rate Table)	✓		Note: All payroll burdens are to be included within the rate build-up for each resource in the Labour Rate Table. Payment for labour burdens will not be made separately
6.10	Payroll burdens (not included within the labour Rate Table)		✓	
6.11	Travel, accommodation and subsistence costs for unionised resources, in accordance with the labour agreements	✓		Included in Estimate of Work and Collective Agreements
6.12	Travel, accommodation and subsistence costs for non-unionised Project staff (all grades up to and including Project Director), in accordance with the OPG expenses policy that is valid at the time the expense is incurred	✓		Schedule 8

### Cost Allocation Table

Ref.	Cost Element	Allowed Cost (i.e. allowed Reimbursable Costs)	Disallowed Cost (i.e. included within fixed Core Team Cost or Overhead)	Comments
6.13	Travel, accommodation and subsistence costs for non-unionised Project staff (all grades above Project Director)		✓	
6.14	Travel, accommodation and subsistence costs for non-project staff		✓	
6.15	Travel, accommodation and subsistence costs in excess of those allowed in the relevant labour agreements or OPG expenses policy		✓	
6.16	Relocation costs		✓	(Allowed for unionized labour only, if required under applicable collective agreements and approved by OPG.
6.17	Salary or burden adjustments for unionised resources	✓		All salary and burden adjustments made by a recognised union with respect to work carried out for OPG at the Darlington site for applicable trades, shall be made to the Labour Rate Table at the applicable date. Adjustment to dependent burdens shall be made in the same proportions as was included in the original Labour Rate Table.
6.18	Salary adjustments for non-unionised resources, as approved by OPG	✓		As agreed to in the ES MSA
<b>7</b>	<b>Welfare</b>			
7.1	Any costs for food, beverages, lunches, entertainment, refreshments and the like		✓	
7.2	Costs of social events		✓	
7.3	Safety and first aid provision required to satisfy applicable OPG policies and Government regulations	✓		
7.4	Safety events, rewards and recognitions		✓	
<b>8</b>	<b>Financial</b>			
8.1	Franchises, royalties and licenses		✓	
8.2	General fees paid on a regular basis		✓	
8.3	Interest, financing charges, banking charges, unless otherwise stated in the Contract Agreement or agreed by OPG		✓	
8.4	Taxes		✓	
8.5	Profit for this Project	✓		As agreed to in the ES MSA and in fixed price contract
8.6	Parent body guarantee		✓	
8.7	Fees for regulatory approvals which the Contractor is responsible for obtaining		✓	
8.8	Local and statutory authority charges		✓	

## Cost Allocation Table

Ref.	Cost Element	Allowed Cost (i.e. allowed Reimbursable Costs)	Disallowed Cost (i.e. included within fixed Core Team Cost or Overhead)	Comments
8.9	Delay Damages or disincentives charged to the Contractors account or deducted from Contractors applications for payment in accordance with the Agreement		✓	As agreed to in the ES MSA
8.10	Costs arising from any breach of Contract by the Contractor		✓	As agreed to in the ES MSA
8.11	Interest payments as a result of the Contractor or Sub-Contractor making late payment		✓	
8.12	Additional or reduced taxes, excluding income and capital taxes and Canadian good and services tax or the harmonized sales tax levied under the Excise Tax Act (Canada)		✓	
8.13	Costs to vacate liens attributed to the Contractor or it's Sub-Contractors		✓	As agreed to in the ES MSA
8.14	Any costs incurred by OPG through vacating liens		✓	As agreed to in the ES MSA
8.15	Corporate income and withholding taxes		✓	
8.16	Tax equalisation costs unless agreed in advance by OPG		✓	
8.17	Costs arising from any breach of applicable law by the Contractor or its Sub-Contractors, or by any person for whom the Contractor or its Sub-Contractors are responsible at law, including any fines or charges arising from a breach of applicable law.		✓	As agreed to in the ES MSA
8.18	Any costs in respect of any indemnity in favour of any member of OPG Group payable by the Contractor under this Agreement		✓	As agreed to in the ES MSA
8.19	Any items, costs or expenses referred to in this Agreement as 'at the Contractor's expenses/cost' or as being the Contractor's responsibility to pay for, or to the Contractor's account, or similar language indicating payment for portions of the services as the responsibility of the Contractor, and any related costs.		✓	As agreed to in the ES MSA
<b>9</b>	<b>Insurance</b>			
9.1	Employer's liability insurance		✓	
9.2	Public liability insurance		✓	
9.3	Insurance of the Works	✓		Only where applicable per the Agreement
9.4	Insurance deductibles on insurance provided by OPG, where the cause of the insurance claim is an act or omission of the Contractor		✓	As agreed to in the ES MSA
9.5	All Contractor's premiums and deductible excluding excesses on insurance provided by the Employer		✓	

### Cost Allocation Table

Ref.	Cost Element	Allowed Cost (i.e. allowed Reimbursable Costs)	Disallowed Cost (i.e. included within fixed Core Team Cost or Overhead)	Comments
9.6	Any costs covered by insurance, any deductibles related to insurance policies required to be held by the Contractor under this Agreement and any deductibles, or portions thereof, which the Contractor is required to pay pursuant to the Agreement in respect of the insurance held by OPG.		✓	As agreed to in the ES MSA
<b>10</b>	<b>Miscellaneous</b>		□	
10.1	Business risks not covered by variations under this Contract		✓	
10.2	Non radiological laboratory work, analysis and testing required to meet the requirements of the Scope of Work or relevant OPG and industry standards	✓		Included in Estimate of Work
10.3	Radiological laboratory work, analysis and testing		✓	Charges paid directly by OPG
10.4	Hazardous and non-hazardous waste disposal charges where not provided for by an OPG waste disposal programme	✓		Included in Estimate of Work
10.5	Any other items specified in this Agreement to be a Disallowed Cost		✓	

## **SCHEDULE 6**

### **CONTRACTOR/OWNER INTERFACE REQUIREMENTS FOR NUCLEAR**

Attached is a draft of OPG's Contractor/Owner Interface Requirements for Nuclear (as amended, restated or replaced from time to time).



Contractor/Owner Interface  
Agreement

Internal Use Only
Document Number: <b>N-COI-00120-00001</b>
Revision: <b>R000</b>

Title:

**CONTRACTOR/OWNER INTERFACE REQUIREMENTS FOR NUCLEAR**

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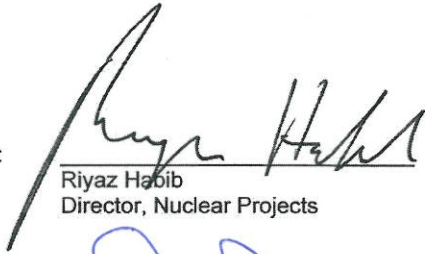
**N-COI-00120-00001**

**CONTRACTOR/OWNER  
INTERFACE REQUIREMENTS  
FOR NUCLEAR**

2013-07-19

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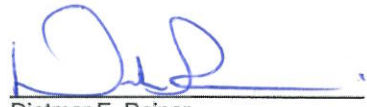
Submitted by:

  
Riyaz Habib  
Director, Nuclear Projects

Date:

Aug 20/2013

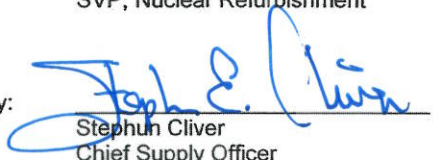
Approved by:

  
Dietmar E. Reiner  
SVP, Nuclear Refurbishment

Date

Aug 23, 2013

Approved by:

  
Stephen Cliver  
Chief Supply Officer

Date

Sept. 5, 2013

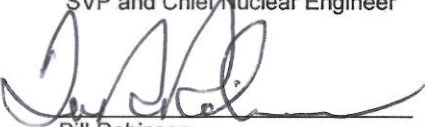
Approved by:

  
Mark Elliott  
SVP and Chief Nuclear Engineer

Date:

Aug 27, 2013

Approved by:

  
Bill Robinson  
SVP, Nuclear Projects

Date:

Sept 13, 2013

## Contractor/Owner Interface Agreement

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Revision: <b>R000</b>	Page: <b>2 of 61</b>

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**CONTRACTOR/OWNER INTERFACE REQUIREMENTS FOR NUCLEAR**

### Revision Summary

Revision Number	Date	Comments
R000	August 2013	Initial Issue

## Contractor/Owner Interface Agreement

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**CONTRACTOR/OWNER INTERFACE REQUIREMENTS FOR NUCLEAR**

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### CONTRACTOR/OWNER INTERFACE REQUIREMENTS FOR NUCLEAR

## 1.0 INTRODUCTION

### 1.1 Scope

This Interface Requirements (COIR) outlines the responsibilities and accountabilities, activities, deliverables and interfaces between OPG and the Contractor while performing activities in support of work at OPG Nuclear.

### 1.2 Purpose

The purpose of the COIR is to facilitate the successful implementation of work at OPG Nuclear by ensuring that Engineering, Procurement, and Construction activities are in conformance with OPG and regulatory requirements.

### 1.3 Safety

Safety is our core value when conducting any business activity in OPG Nuclear. Safety includes Nuclear, Conventional, Environmental, and Radiological safety aspects.

The safety of OPG's personnel, the Contractor's personnel, individuals at or near the Sites, and the public is of paramount concern to OPG. OPG will require that Contractors and their Subcontractors maintain a level of safety equivalent to that of OPG employees while at OPG workplaces.

Our business needs to comply with OPG Requirements and applicable Federal and Provincial regulatory requirements.

#### 1.3.1 Nuclear Safety Culture

OPG and the Contractor's management shall use their respective management systems to understand and promote a nuclear safety culture by

- a) Issuing a statement committing workers to adhere to the management system;
- b) Defining and implementing practices that contribute to excellence in worker performance;
- c) Providing the means by which the business supports workers in carrying out their tasks safely and successfully, by taking into account the interactions between individuals, technology, and the organization;
- d) Monitoring to understand and improve the nuclear safety culture; and
- e) Promoting the practice of the Nuclear Safety Traits in the development and execution of work.

## Contractor/Owner Interface Agreement

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## 2.0 DESCRIPTION

### 2.1 Process

Work of a commercial or non-complex nature may utilize a simplified or different process. Additionally, specific projects may be executed using only sub-portions of this document (e.g. engineering only projects), or with modified accountabilities particular to a project or Contractor. A list of deviations to this document or a separate stand alone process for such work will be included in a project specific Worksheet.

Contractor steps may not apply to all work and are illustrative to support the OPG/Contractor Interface Requirements.

Sections 3 to 6 of this document details typical deliverables or items related to work where there is an OPG/Contractor interface in the delivery of work. Any section of the Contractor/Owner Interface Requirements (COIR) which is applicable will be identified in the worksheet or scope of work.

### 2.2 Contractor Responsibilities

The Contractor shall have and maintain full working knowledge of OPG's Design and Configuration Management standards and procedures to ensure that design basis and plant configuration management standards are maintained throughout the project life cycle.

The Contractor has responsibility for maintaining accuracy of technical content and compliance with the Contractor's Quality Assurance Program.

#### 2.2.1 Governing Procedures

All modifications shall be carried out in accordance with the OPG Nuclear Engineering Change (EC) N-PROC-MP-0090.

Maintenance activities will have defined interfaces which will be reviewed and approved by OPG.

OPG procedures shall be followed and OPG requirements met for all work unless otherwise approved by OPG.

#### 2.2.2 Professional Engineers of Ontario (PEO)

The Contractor shall comply with the Professional Engineers of Ontario (PEO) guidelines on sealing engineering drawings and documents.

### 2.3 OPG Roles and Accountabilities

OPG shall appoint an overall project single point of contact (OPG Representative) for each specific Purchase Order utilizing this document. The OPG Representative shall prepare a contact list detailing specifically who within OPG will interface and / or accept related deliverables or items as defined in sections 3 to 6 of this document.

OPG roles / accountabilities as defined in sections 3 to 6 of this document are defined as follows:

- (1) Review

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Review means that when stated in the Design Plan or in the approved COIR document or in the agreement between OPG and Contractors, a signed copy of the specific Engineering Document will be transmitted to OPG for comments, and an acknowledgment of receipt is to be recorded by the Contractor.

Contractor Project Representative will maintain a Comment / Disposition file for all deliverables in the project file until final acceptance by the Contractor and OPG at which point the Contractor will file a PDF version of the accepted Comment / Disposition Forms in the working files.

An OPG review is to ensure that the deliverable satisfies the project scope & design requirements, procedural compliance and OPG's quality expectations. OPG reserves the right to conduct a further detailed review of the deliverable if OPG feels necessary.

Asking questions and clarifications and providing suggestions and alternative approaches with respect to design issues when required. This is not to be misinterpreted as direction or advice from OPG to the Contractor.

OPG is not accountable for the accuracy of technical content of any document produced by the Contractor, including validation of any assumptions regarding existing condition of the equipment/system interfacing with the new modification. For greater certainty, the Contractor bears the entire risk for design & implementation of the work in accordance with the OPG Specification.

#### (2) Accept

Accept means that the document or deliverable is suitable for its intended use, and meets process, format and content requirements as required for its input into OPG's approved information management system.

OPG will indicate acceptance of a document by a suitable stamp on the document signatory page, or by an OPG Coversheet, identifying OPG accepting signatories, which is then attached to the document being accepted, or by an electronic signature in the OPG Asset Suite program. OPG's acceptance of the product does not relieve the Contractor from responsibility for errors or omissions or from any obligations or liability under the contracted OPG Specification.

Asking questions and clarifications and providing suggestions and alternative approaches with respect to design issues when required. This is not to be misinterpreted as direction or advice from OPG to the Contractor.

OPG is not accountable for the accuracy of technical content of any document produced by the Contractor, including validation of any assumptions regarding existing condition of the equipment/system interfacing with the new modification. For greater certainty, the Contractor bears the entire risk for design & implementation of the work in accordance with the OPG Specification.

#### (3) Authorize

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For the Contractor deliverables like Design Manuals, and Design Plans , OPG site Design Authority will sign-off for 'Authorized for Use'.

Asking questions and clarifications and providing suggestions and alternative approaches with respect to design issues when required. This is not to be misinterpreted as direction or advice from OPG to the Contractor.

OPG is not accountable for the accuracy of technical content of any document produced by the Contractor, including validation of all assumptions regarding existing condition of the equipment/system interfacing with the new modification. For greater certainty, the Contractor bears the entire risk for design & implementation of the work in accordance with the OPG Specification.

#### (4) Support

As applicable, Support means to lend the Contractor verbal and process guidance by:

- Attending and contributing at meetings.
- Participating in discussions and providing informal undocumented comments.

Asking questions and clarifications and providing suggestions and alternative approaches with respect to design issues when required. This is not to be misinterpreted as direction or advice from OPG to the Contractor.

OPG is not accountable for the accuracy of technical content of any document produced by the Contractor, including validation of any assumptions regarding existing condition of the equipment/system interfacing with the new modification. For greater certainty, the Contractor bears the entire risk for design & implementation of the work in accordance with the OPG Specification.

#### (5) Approve

1. Engineering Approval is conducted by the Contractor under the Contractor's QA program. Approval of engineering design documentation may require a Professional Engineer's (P. Eng) signature and seal. Such approval means taking professional design responsibility for the engineering document.
2. OPG or Design Authority (DA) approval shall be performed by OPG to signify OPG's acceptance that the product(s) is prepared, reviewed, and verified by competent persons and that appropriate processes/procedures including codes and standards were applied. In addition, the approval shall ensure that the document or deliverable is suitable for its intended use, and meets process, format and content requirements as required for its input into OPG's approved information management system.
3. Director of Operations & Maintenance (DOM) approval signifies the deliverable has no significant impact on Plant Operations and License obligations (e.g., Safety, Environmental, Production etc.)

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Asking questions and clarifications and providing suggestions and alternative approaches with respect to design issues when required. This is not to be misinterpreted as direction or advice from OPG to the Contractor.

OPG is not accountable for the accuracy of technical content of any document produced by the Contractor, including validation of any assumptions regarding existing condition of the equipment/system interfacing with the new modification. For greater certainty, the Contractor bears the entire risk for design & implementation of the work in accordance with the OPG Specification.

## 2.4 Deviations from the COIR

Deviations are changes to the roles and responsibilities for the applicable elements of the COIR. Deviations from this COIR will be documented in the approved Deviation List (N-Form-11583). Some of the accountabilities performed by the Contractor require Purchase Service Agreement (PSA) with unions representing OPG staff. Based on PSAs obtained, deviations from the COIR may be required.

## 2.5 Asset Suite Updates

All Asset Suite activities should be completed as the Engineering Change is progressed through the EC process.

Submit documents to OPG's Information Management Services (IMS) with proof of OPG representative acceptance. As appropriate, submissions can be completed via the Supplier Document Hub (SDH) or through one of the following emails

- a) Internal: DNGD:REFURB DM –NUCLEAR or
- b) External: [nrdocmgmt@opg.com](mailto:nrdocmgmt@opg.com)

### Notes:

- Do not include any other IMS mailboxes/contacts in email submissions.
- OPG is replacing the SDH with a new Nuclear Projects custom Electronic Document Management System (EDMS).

## 2.6 Abbreviations and Acronyms

ADL	- Affected Document List
AEL	- Affected Equipment List
AFS	- Available for Service
AIA	- Authorized Inspection Agency
ANI	- Authorized Nuclear Inspector
BOM	- Bill of Materials (Spare Parts for Equipment)
CCD	- Computer & Control Design Specialist
CD	- Control Document
CNSC	- Canadian Nuclear Safety Commission
COAT	- Check Out And Test

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COMS	- Constructability, Operability, Maintainability and Safety
DA	- Design Authority, Pickering / Darlington Nuclear
DBOM	- Drawing Bill of Materials
DE	- Design Engineer
DLA	- Designated Licensing Authority
DO	- Drawing Office
DOM	- Director of Operations and Maintenance
DP	- Design Plan
DR	- Design Requirements
D_SCL	- Design Scoping Checklist
EBOM	- Equipment Bill of Materials (Spare Parts)
EC	- Engineering Change
EDMS	- Electronic Document Management System
EQ	- Environmental Qualification
FIC	- Field Initiated Change
FTL (C)	- Field Team Leader, Commissioning
FTL (I)	- Field Team Leader, Installation
HFE	- Human Factor Engineering Specialist
IMS	- Information Management Services
INTEC	- Fuel Handling Online Wiring for Darlington
JHSC	- Joint Health and Safety Committee
MDR	- Modification Design Requirements
MEL	- Master Equipment List
MO	- Modification Outline
MR	- Material Request
NGET	- Nuclear General Employee Training
O_HSA	- Occupational Health and Safety Act
OLW	- On-Line Wiring
P. Eng	- Professional Engineer designation licensed by Professional Engineers Ontario
PDR_I	- Project Definition Rating Index
PMID	- Preventative Maintenance ID
PSR	- Pre-Start Health and Safety Review
QA	- Quality Assurance
RDL	- Reference Document List
RFP / Q	- Request for Proposal / Quote
SCL	- System Classification List
SDH	- Supplier Document Hub
SM	- Section Manager
SME	- Subject Matter Expert
SPMP	- System Performance Monitoring Plan
SPOC	- Single Point of Contact

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SRE	- System Responsible Engineer
SSC	- System, Structure or Component
TSSA	- Technical Standards and Safety Authority

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**CONTRACTOR/OWNER INTERFACE REQUIREMENTS FOR NUCLEAR****3.0 PROJECT MANAGEMENT MATRIX**

#	Items	Reference Documents	OPG Accountability	Contractor Accountability	Deliverables
3.1	Reservation, Superseding & Obsolescence of Controlled Document	N-PROC-AS-0003 N-FORM-10027	<b>SUPPORT</b> OPG Representative to provide support if required	<b>ACCOUNTABLE</b> Prepare Controlled Document Request Form as per procedure and template and forward electronically to OPG Controlled Documents inbox (See 2.5 for details).  For Superseding and Obsoleting, obtain concurrence from OPG Document Owner prior to submission.  Copy OPG Representative for information.	N-FORM-10027
3.2	Submission of Controlled Documents / Records to OPG Information Management Services (where not otherwise specified in this document).	N-PROC-AS-0003 N-FORM-10027 N-FORM-10653 N-MAN-00120-10001-RDM-03 N-PROC-AS-0042 OPG-PROC-0019	<b>REVIEW / ACCEPT</b> OPG Representative to accept and return to Contractor	<b>ACCOUNTABLE</b> Prepare Control Document Form / Document Transmittal Form and submit document to OPG IMS with proof of OPG acceptance (See 2.5 for details).  Upon acceptance by OPG, submit documents to OPG Records (See 2.5 for details).	N-FORM-10027 N-FORM-10653
3.3	Comment & Disposition	N-PROC-MP-0090 N-STD-MP-0009 OPG Comment & Disposition Form N-FORM-11109 or Approved template per Contractor Quality Assurance Plan	<b>REVIEW / ACCEPT</b> OPG Representative to provide comments as required to Contractor.  OPG to accept final disposition.	<b>ACCOUNTABLE</b> Submit signed documents to OPG Representative for Review and Comments.  One (1) Review Cycle will be the target (complete when Dispositions have been dispositioned by OPG Representative)  Correction of errors or OPG rejection is not counted as a review cycle.	N-FORM-11109 or approved equivalent template per Contractor QA plan



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#	Items	Reference Documents	OPG Accountability	Contractor Accountability	Deliverables
				Contractor Representative to file the finalized/signed Comment / Dispositions electronically as part of the working file.	
3.4	Station Condition Records (SCR)	SCR Database N-PROC-RA-0022	<b>SUPPORT</b> OPG Representative to provide other support if required..  Set up Contractor specific alert group in SCR Program and Asset Suite.	<b>ACCOUNTABLE</b> Issues related to OPG (eg. Safety, Configuration Management, Delays) are to be documented by the Contractor via the SCR Process.  Contractor Representative or appropriate representative will input into OPG SCR program.  Contractor is responsible for development and completion of Corrective Action Plan identified through the OPG SCR Process.  Non-conformances related to the Contractors own QA program are to be resolved by the Contractor outside the SCR Process.  Provide and execute SCR coordinator duties for Contractor related SCRs.	
3.5	Value Engineering (If required)	N-GUID-00120-10005	<b>SUPPORT / REVIEW / ACCEPT</b> Participate in Value Engineering Session.  Review and accept report.	<b>ACCOUNTABLE</b> Organize and Chair Value Engineering Session.  Incorporate Value Engineering output into project design.  Forward summary report to OPG.	Value Engineering Summary Report

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#	Items	Reference Documents	OPG Accountability	Contractor Accountability	Deliverables
				Submit report to OPG (See 2.5 for details).	
3.6	Project Definition Rating Index (PDRI) (If required)	Construction Industry Institute Implementation Resources: 113-2 (Industrial Projects) 155-2 (Building Projects) 268-2 (Infrastructure Projects)	<b>SUPPORT</b> Participate in PDRI Session.	<b>ACCOUNTABLE</b> Organize PDRI Session / provide facilitator.  Maintain status in project working files.	
3.7	COIR List of Deviations	N-FORM-11583 N-GUID-00120-10009	<b>ACCOUNTABLE</b> OPG to provide an approved List of Deviations to this COIR as part of RFP/Work Request (where this COIR is to be referenced).	<b>SUPPORT / ACCEPT</b> Contractor to Review & Accept COIR List of Deviations as part of Contract Award process.	N-FORM-11583
3.8	Chemistry Control		<b>SUPPORT</b> Provide support as required.	<b>ACCOUNTABLE</b> Interface with designated OPG SPOC to ensure 1) chemicals and chemical products are received, labelled and stored properly per OPG requirements and 2) only approved chemicals and chemical products are used.	Records of oversight and any non compliances.
3.9	Environment Program / Plan		<b>SUPPORT / REVIEW / ACCEPT</b> Provide input as requested.  Review and accept Environmental Plan.	<b>ACCOUNTABLE</b> Develop and approve project specific Environmental Plan for OPG acceptance.	Project Specific Environmental Plan
3.10	Access Protocol	N-FORM-11584	<b>SUPPORT</b> OPG Representative to provide direction on access to work.	<b>ACCOUNTABLE</b> Contractor to identify to OPG issues with access to work due to other Contractor at the same place.	Access Protocol for Work

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#	Items	Reference Documents	OPG Accountability	Contractor Accountability	Deliverables
	<b>REPORTS</b>				
4.1	Technical / Design Review Report,		<b>SUPPORT / REVIEW / ACCEPT</b> OPG Representative to accept.	<b>ACCOUNTABLE</b> When directed to in the OPG Specification, Setup and conduct Technical / Design Review  Coordinate review and comment process.  Prepare, Verify / Review, and Approve the report and submit to OPG Representative for acceptance.  Provide report to OPG Representative with Controlled Documents form required for Asset Suite Issuance (See 2.5 for details).	Technical/Design Review Report
4.2	Assessment Report / Assumption Validation Report		<b>SUPPORT / REVIEW / ACCEPT</b> OPG Representative to provide stakeholder input and accept via signature on coversheet or stamp.	<b>ACCOUNTABLE</b> Coordinate participation in the review and providing comments.  Prepare, Verify / Review, Approve the report and submit to OPG Representative for acceptance.  Submit to OPG Information Management Services for issue with proof of OPG Acceptance (See 2.5 for details).	Assessment Report/Assumption Validation Report
4.3	Pre-Start Health & Safety Report	Section 7 of O. Reg. 851/90 under OH&S Act. N-FORM-10853 or equivalent	<b>SUPPORT / REVIEW / ACCEPT</b> OPG Representative to provide stakeholder input and accept.	<b>ACCOUNTABLE</b> Where a review is required, Contractor Representative to coordinate review and disposition review comments.	PSR Report

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#	Items	Reference Documents	OPG Accountability	Contractor Accountability	Deliverables
		N-INS-08121.3-10000		<p>Prepare PSR report if required based on the assessment.</p> <p>Perform any required pre-start inspections as required by the review before the apparatus, structure, or protective element is operated or used, and confirm the report has been provided to OPG JH&amp;SC.</p> <p>Submit report to OPG with Controlled Documents form required for Asset Suite Issuance and proof of OPG acceptance (See 2.5 for details).</p>	
4.4	Miscellaneous Reports e.g. Seismic, Feasibility etc.		<b>SUPPORT / REVIEW / ACCEPT</b> OPG Representative to provide stakeholder input and accept via signature on coversheet or stamp.	<p><b>ACCOUNTABLE</b> Where a review is required, Contractor Representative to coordinate review and disposition review comments.</p> <p>Prepare, Verify, and Approve.</p> <p>Submit accepted report to OPG with Controlled Documents form required for Asset Suite Issuance and proof of OPG acceptance (See 2.5 for details).</p>	
4.5	Conceptual Design Report	N-STD-MP-0009	<b>ACCOUNTABLE</b> Prepare & Approve.	<b>ACCEPT</b> Utilize the Conceptual Design Report as Reference Document	Conceptual Design Report
4.6	Design Review Meetings (DRM)		<b>SUPPORT</b> Support and participate as required to provide stakeholder input in each meeting.	<b>ACCOUNTABLE</b> As required facilitate review meetings throughout the Design Phases.	Design Review Meetings

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#	Items	Reference Documents	OPG Accountability	Contractor Accountability	Deliverables
	<b>REGULATORY APPROVALS</b>				
4.7	Preparation / Revision of System Classification List	N-FORM-10250 N-PROC-MP-0040	<b>SUPPORT / REVIEW / ACCEPT</b> OPG Representative to provide stakeholder input and accept.  OPG Representative to support resolution of legacy issues related to SCL.	<b>ACCOUNTABLE</b> Prepare, Verify, & Approve, applicable Flow Diagram (Change Paper Format).  Request input as required from OPG Representative.  Consult with OPG Representative re resolution of legacy issues if necessary.  Prepare, Verify, & Approve System Classification List (Change Paper Format)  Submit to OPG Information Management Services upon completion.	System Classification List
4.8	Code Classification Approval and Exemptions  Code Class Exemption Assessment (if applicable)  Portable Assembly Exclusions	N-FORM-11003 N-FORM-11045 N-FORM-10250  N-FORM-11524 N-PROC-MP-0040 N-PROC-MP-0082	<b>SUPPORT / REVIEW / ACCEPT / APPROVE (if required)</b> OPG Representative to provide stakeholder input and accept.  OPG DA to approve Portable Assembly Exclusion N-FORM-11524, if required.	<b>ACCOUNTABLE</b> Prepare, Review, & Approve N-FORM-11003, N-FORM-11524  Prepare, Review / Verify, & Approve N-FORM-11045 (if applicable).  File as per requirements of N-PROC-MP-0040.	N-FORM-11003  N-FORM-11045 Code Class Exemption Assessment (if applicable).  N-FORM-11524
4.9	CNSC Code Class Approval Submission	N-PROC-MP-0040 N-PROC-RA-0047	<b>SUPPORT / REVIEW / APPROVE</b> OPG Representative will review the CNSC submission package as per N-PROC-MP-0040.	<b>ACCOUNTABLE</b> Prepare CNSC submission package as per N-PROC-MP-0040 and submit to OPG Representative for review.	Standard Submission Package

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#	Items	Reference Documents	OPG Accountability	Contractor Accountability	Deliverables
			<p>OPG Designated Licensing Authority to approve and submit to CNSC.</p> <p>OPG to notify Contractor upon classification approval by the CNSC.</p> <p>OPG to submit records to Information Management Services.</p>	<p>Incorporate Reviewer Comments.</p> <p>Route final CNSC submission packages to OPG Designated Licensing Authority (Regulatory Affairs) for submission to CNSC.</p> <p>Provide support and prepare responses as required to resolve any issues raised by CNSC during the Classification Approval Process.</p> <p>Confirm with OPG Representative that CNSC approval has been received.</p>	
4.10	AIA (TSSA) Registration Submission and Associated Documentation	N-PROC-MP-0082	<p><b>SUPPORT</b> OPG Representative to issue Letter of Authorization to Contractor to process AIA (TSSA) submission on OPG's behalf.</p> <p><b>SUPPORT</b> OPG Representative will coordinate resolution of legacy issues related to registered systems.</p>	<p><b>ACCOUNTABLE</b> Prepare/assemble design registration packages and submit to AIA (TSSA) for registration on OPG's behalf.</p> <p>Consult with OPG Representative re resolution of legacy issues if necessary.</p> <p>Resolve any issues raised by AIA (TSSA) during the Registration Process.</p>	Registration Package
4.11	AIA (TSSA) Registration Requirements & Exemptions	N-PROC-MP-0082 N-PROC-MP-0040 N-FORM-11003 N-FORM-11524	<p><b>SUPPORT / REVIEW / ACCEPT / APPROVE (if required)</b> OPG to provide input and accept.</p> <p>OPG DA to approve Portable Assembly Exclusion N-FORM-11524, if required.</p>	<p><b>ACCOUNTABLE</b> Prepare, review and approve N-FORM-11003, N-FORM-11524.</p> <p>File as per requirements of N-PROC-MP-0040.</p>	N-FORM-11003 N-FORM-11524

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#	Items	Reference Documents	OPG Accountability	Contractor Accountability	Deliverables
4.12	Reconciliation Statement - no re-registration required	N-PROC-MP-0082 N-FORM-10971 (Class 6) N-FORM-10972 (Nuclear)	<b>SUPPORT / REVIEW / ACCEPT</b> OPG to provide input and accept.	<b>ACCOUNTABLE</b> If required, prepare Reconciliation Statement for modification and as-builts (N-FORM-10971 for Class 6) / (N-FORM-10972 Nuclear).  Include signed Documentation as required.  Submit to OPG Information Management Services upon completion  Coordinate submission of Reconciliation Statements to ANI / AIA (TSSA), if required.	Reconciliation Statement - no re-registration required –nuclear class  Reconciliation Statement - no re-registration required class 6
4.13	CNSC Notification or Approval of Modification, and other Correspondence	N-FORM-10369	<b>SUPPORT/APPROVAL</b> Review CNSC letter.  Designated OPG Licensing Authority to approve and submit to CNSC.  OPG to notify Contractor upon approval or concurrence by the CNSC.  OPG to submit records to Information Management Services.	<b>ACCOUNTABLE</b> Prepare CNSC correspondence letter and submit to OPG for review.  Route final CNSC submission packages to Designated OPG Licensing Authority (Regulatory Affairs) for submission to CNSC.  Provide support and prepare responses as required to resolve any issues raised by the CNSC.  Confirm with OPG Representative that CNSC approval has been received.	Submission Package

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4.14	Other Regulatory Approval correspondence (e.g. Ministry of Labour, Ministry of Environment, Coast Guard, Bldg Permits Electrical Safety Authority, etc.).		<b>SUPPORT / REVIEW</b> Review Regulatory letter.	<b>ACCOUNTABLE</b> Prepare Regulatory correspondence letter and submit to OPG.  Once letter has been reviewed by OPG proceed to obtain approval.  Provide support and prepare responses as required to resolve any issues raised during the Approval Process.  Submit to OPG Records with proof of OPG acceptance (See 2.5 for details).	Submission Package
<b>Master EC RELATED ACTIVITIES</b>					
4.15	Master EC: General	N-PROC-MP-0090 N-GUID-00700-10000 N-GUID-01920-10000	<b>APPROVE</b> OPG signs off Master EC milestone in Asset Suite and approves Master EC based on the signed Modification Outline.	<b>ACCOUNTABLE</b> Contractor to utilize Master EC package and populate Asset Suite.	Master EC Package
4.16	Modification Outline	N-FORM-10958 N-PROC-MP-0090 N-GUID-00700-10000	<b>ACCOUNTABLE</b> Provide approved Modification Outline.	<b>ACCEPT</b> Utilize approved Modification Outline as reference.	N-FORM-10958
4.17	Design Scoping Checklist	N-PROC-MP-0090 N-FORM-10959	<b>ACCOUNTABLE</b> Prepare Design Scoping Checklist and provide to Contractor.	<b>ACCEPT</b> Utilize Design Scoping Checklist as reference.	N-FORM-10959
4.18	Modification Design Requirements (MDR)	N-PROC-MP-0065 N-INS-00700-10007 N-TMP-10187	<b>SUPPORT / VERIFY / APPROVE</b> OPG to prepare, verify and approve document Coordinate reviews and comments from OPG stakeholders and execute challenge meeting.	<b>ACCEPT</b> Accept, utilize and identify any required changes.	Modification Design Requirements document / System Design Requirements



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#	Items	Reference Documents	OPG Accountability	Contractor Accountability	Deliverables
			OPG Design Authority to Authorize for use.		document
4.19	Design Plan	N-PROC-MP-0074	<b>SUPPORT / AUTHORIZE</b> OPG Representative to support.  Design Authority to Authorize.	<b>ACCOUNTABLE</b> Coordinate reviews and comments from OPG stakeholders.  Prepare, Review, Approve Design Plan document for the OPG Specification.  Submit to Project Representative for acceptance.  Submit final fully signed Design Plan with Control Document form and proof of OPG acceptance for issuing to OPG Information Management Services (See 2.5 for details)  Maintain Status & Accuracy of Design Plan.  As a minimum, revise Design Plan upon issue of Design Packages as per EC Release Plan.  Close out Design Plan upon completion of applicable EC(s).	Design Plan, as per OPG applicable template or approved equivalent template per Contractor QA plan
4.20	Constructability Operability, Maintainability, and Safety (COMS) Stakeholder Declaration	N-PROC-MP-0083 N-FORM-10007 N-FORM-10480 N-PROC-MP-0090 N-GUID-00700-10000	<b>SUPPORT</b> Stakeholders to participate in COMS.	<b>ACCOUNTABLE</b> Contractor to lead COMS process.  Contractor will send out COMS meeting and walkdown notices.  Take minutes, record actions and distribute to stakeholders.	N-FORM-10007 N-FORM-10480

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				Disposition any issues identified during COMS with the Stakeholder.  Sign-off COMS stakeholder declaration as required.  Coordinate and participate in COMS walkdowns.	
4.21	Field Verification of existing plant configuration prior to start of design	N-PROC-MP-0047 N-PROC-MP-0090 N-GUID-00700-10000	<b>SUPPORT</b> OPG Representative to provide Field Assistance if requested (e.g. Radiation Sponsorship etc)  OPG Representative to review the discrepancies and resolutions.  OPG Representative to process/handle scope changes for resolutions outside of Project Scope	<b>ACCOUNTABLE</b> Field verify all conditions related to modifications.  Communicate risks to OPG re any cases where this is not possible/impractical and document in Master EC,  File SCR and Inform OPG Representative re any field conditions not in alignment with plant documentation for OPG. Intent is that Contractor will normally incorporate addressing of configuration management issues as part of their design.  Record actions required in Issues Tracking File.  Where applicable process Walkdown Report as per 4.4.	Walkdown Report or equivalent.
4.22	Review of Pending Changes Impacting Project Scope	N-PROC-MP-0090 N-GUID-00700-10000	<b>SUPPORT</b> OPG Representative to support as required.	<b>ACCOUNTABLE</b> Contractor to review Asset Suite databases (impacted drawings, AEL etc.) for other modifications that might impact on this modification, and	List of pending changes impacting project scope and their disposition.

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				coordinate activities with other organization (e.g. Terminal Points).	
4.23	Design EC Release Plan	N-PROC-MP-0090 N-GUID-00700-10000	<b>SUPPORT/ REVIEW / ACCEPT</b> OPG DA to accept Release Plan as part of Master EC release approval.	<b>ACCOUNTABLE</b> Contractor to document details of Release Plan in Asset Suite "Topic Notes".	Asset Suite Action
4.24	Issue Tracking File	N-GUID-00700-10000	<b>SUPPORT</b> OPG to initiate Issue Tracking File.  OPG to support as required.	<b>ACCOUNTABLE</b> Contractor to identify and maintain up to date Issue Tracking File in Asset Suite.  Incorporate OPG's identified issues in the Issue Tracking File.	Issue Tracking File
	<b>Design EC Related Activities</b>				
4.25	Design EC: General	N-PROC-MP-0090 N-GUID-00700-10000	<b>REVIEW / ACCEPT</b> OPG Representative to Accept/Approve via Asset Suite milestones.  Set EC Status to "Approved" upon receipt of required OPG approvals as per Modification Outline.	<b>ACCOUNTABLE</b> Prepare, Verify, Approve (in Asset Suite).  Ensure Contractor Name clearly identified in EC attributes.  Set EC Status to "Hold for Approval" in Asset Suite upon submission of EC approval binder to OPG.	Asset Suite Topic Notes for Release Plan
4.26	Design EC Milestones	N-PROC-MP-0090 N-GUID-00700-10000	<b>REVIEW</b> OPG Representative to review milestones to ensure consistent with approved Modification Outline	<b>ACCOUNTABLE</b> Set Up Design EC Milestones in Asset Suite as per approved Mod Outline and Design Plan.  Release # milestones (as applicable, one minimum per each design EC) on each design EC per release plan.  Any other milestones as required by Modification Outline.	Asset Suite Action

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4.27	EC Release	N-PROC-MP-0090 N-GUID-00700-10000	<b>SUPPORT / REVIEW / ACCEPT / APPROVE</b> OPG Representative to provide comments as required, and to communicate issues to Contractor.  Approval by DA/DOM or delegate, as required.	<b>ACCOUNTABLE</b> Contractor to coordinate review on Design EC and disposition of comments.  Contractor to coordinate review on Drawing / Change Papers for compliance with OPG Drafting standards, and disposition of comments.  Provide support as requested for resolution of issues communicated by OPG Representative and update Design EC accordingly.  Upon resolution of issues communicated by OPG Representative, Contractor Representative to obtain approval for each Release as required by the Modification Outline and/or per Design Plan.	Approved EC Release
4.28	Prepare ADL and Issue Change Papers	N-PROC-MP-0090 N-GUID-00700-10000 N-FORM-10653 N-MAN-08100-10000 N-PROC-MP-0077	<b>REVIEW / ACCEPT</b> OPG Representative to Accept Change Papers.  OPG Information Management Services to scan Change Papers into Asset Suite.	<b>ACCOUNTABLE</b> Populate ADL in Asset Suite.  Review ADL for completeness.  Review any Pending Changes on Affected Documents for potential conflicts.  Verify latest Revisions of Affected Documents are used for Change Paper.  Prepare, Verify, and Approve as part of Design EC.	Asset Suite Action ADL Items and Change Papers

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				<p>Submit Change Papers to OPG Information Management Services with proof of OPG acceptance for scanning into Asset Suite (See 2.5 for details).</p> <p>Confirm all Change Papers have been scanned into Asset Suite.</p>	
4.29	Design Critical Characteristics	N-GUID-00700-10000	<b>REVIEW / ACCEPT</b> Accept as part of Design EC acceptance.	<p><b>ACCOUNTABLE</b> For aspects of modifications that cannot be fully commissioned (e.g. EQ, fire, seismic and others) document Critical Design Characteristics and associated individuals accountable in the Asset Suite NON-COMM attributes sub-category.</p> <p>Ensure that these are verified.</p>	Asset Suite Action
4.30	Drawing Change Papers	N-PROC-MP-0078 N-PROC-MP-0090 Drafting procedure: N-ST-01161-10000	<b>REVIEW / ACCEPT</b> OPG to Accept Change Papers per 4.28	<p><b>ACCOUNTABLE</b> Prepare list of drawings. Send drawing release request to OPG per site procedures.</p> <p>Prepare Drawing Change Papers.</p> <p>Prepare AutoCAD (version as identified in P.O) drawings as change papers.</p> <p>Prepare, Verify, and Approve Change Papers.</p> <p>Sign and print all names on the Change Paper stamp.</p>	Change Papers

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4.31	Non-drawing change papers of existing OPG documents (Safety Report, Operational Safety Requirements, Instrument Uncertainty Calculations, Reliability Report, Fire Safe Shutdown Analysis, Lists, SCL etc.)	N-PROC-MP-0090 N-GUID-00700-10000 N-PROC-MP-0086 N-ST-08131.02-10000 N-STI-03602-10000 N-STD-RA-0033 N-STD-RA-0038	<b>SUPPORT / REVIEW / ACCEPT</b> OPG to Accept Change Papers per 4.28.	<b>ACCOUNTABLE</b> Review Document Scoping Checklist and other related EC Screens to identify OPG documents which are impacted by Design Change.  Prepare, Verify, & Approve Change Papers.  Print and Sign all names on the Change Paper stamp.	Change Papers
4.32	Drawing Bill of Materials (DBOM)	N-PROC-MP-0076 N-TMP-10191	<b>SUPPORT/ REVIEW / ACCEPT</b> OPG Representative to Accept Change Papers per 4.28.	<b>ACCOUNTABLE</b> Prepare, Verify, and Approve DBOM for each drawing / group of drawings for associated Design EC.  Refer to 4.38 for selection and creation of Cat ID's as required.	DBOM change paper on N-TMP-10191 or equivalent
4.33	Design Manuals – New / Change Paper of Existing Design Manual	N-PROC-MP-0065 N-INS-00700-10002	<b>SUPPORT/ REVIEW / ACCEPT</b> <b>New Design Manual &amp; Existing Design Manual Change Papers:</b> OPG Representative to support review process and provide comments on Change Papers as required.  OPG Representative to Accept Change Papers per 4.28.	<b>ACCOUNTABLE</b> <b>New Design Manual Change Paper:</b> Prepare Design Manuals as per procedure.  Submit document with signatures as part of Design EC.  <b>Existing Design Manual Change Paper:</b> Mark-up the latest revision of existing Design Manual from Asset Suite, for the changes.  Submit document with signatures as part of Design EC.	Design Manual Change Paper as per applicable OPG templates.
4.34	Reference Document List / RDL Items	N-PROC-MP-0090 N-GUID-00700-10000	<b>SUPPORT</b> OPG Representative to support as	<b>ACCOUNTABLE</b> Populate RDL in Asset Suite	Asset Suite Action

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			required.	Prepare, Review, and Approve as part of Design EC  Ensure all RDL items are in OPG Records system (forward with required Controlled Documents paperwork to facilitate) prior to EC submission to OPG.	
4.35	Engineering Specifications for new equipment (including Tech Spec Data sheets)  Engineering Standards  Design Specifications	N-PROC-MP-0059 N-PROC-MP-0084 N-PROC-MP-0089 N-PROC-MP-0078	<b>SUPPORT / REVIEW / ACCEPT</b> OPG Representative to review and accept.	<b>ACCOUNTABLE</b> Contractor to coordinate review and disposition review comments as required.  Prepare, Review, and Approve.  Issue OPG accepted document to OPG Information Management Services with proof of OPG acceptance (See 2.5 for details).  Create a Procurement Specification.	Engineering Specification, Engineering Standards, Design Specifications, on OPG applicable template or equivalent
4.36	Engineering Calculations  Any Scientific, or Safety Analysis, Engineering or Software used shall meet the applicable requirements of CSA N286.7.	As per Contractor approved Quality Assurance Plan (Reference N-PROC-MP-0044)	<b>REVIEW / ACCEPT</b> OPG Representative to support the review process and provide comments as required.  OPG to Accept.	<b>ACCOUNTABLE</b> Contractor to coordinate review and disposition review comments as required.  Prepare, Verify, and Approve.  Issue OPG accepted documents to OPG Information Management Services with proof of OPG acceptance (See 2.5 for details).	Engineering Calculation as per OPG applicable template or equivalent
4.37	Contractor/Vendor Technical Documents  For example: -Drawings	N-PROC-MP-0078	<b>SUPPORT / REVIEW / ACCEPT</b> Where OPG stakeholder input is required, OPG Representative will coordinate input and provide comments as required.	<b>ACCOUNTABLE</b> Review Subcontractor/equipment Contractor technical documents for accuracy of technical content and meeting design requirements.	Contractor Technical Documents

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#	Items	Reference Documents	OPG Accountability	Contractor Accountability	Deliverables
	<p>-Operating &amp; Maintenance Manuals -Inspection Test Plans -Factory Acceptance Procedures -Recommended spare parts lists -etc.</p> <p>This includes documents submitted by Equipment Contractors or their representative and excludes documents produced by the Contractor.</p>		<p>OPG to accept final Contractor Technical documentation following Contractor acceptance of such documents and Contractor final recommendation for OPG acceptance.</p>	<p>Review and recommend for acceptance of results of any Factory Acceptance Testing (normally prior to equipment shipment).</p> <p>Resolve comments with Sub-contractor/equipment Contractor and accept documentation on behalf of Contractor, and recommend for OPG acceptance.</p> <p>Correspondence with Subcontractors of a technical nature to be copied to OPG Representative.</p> <p>Submit to OPG final contract and technical documentation.</p> <p>Issue OPG accepted documents to OPG Information Management Services with proof of OPG acceptance (See 2.5 for details).</p>	
4.38	Creation of New Cat IDs	<p>N-PROC-MP-0090 N-PROC-MP-0098 N-GUID-00700-10000 N-PROC-MM-0008 Appendix A</p>	<p><b>SUPPORT / APPROVE</b> OPG will approve action request for new CatID</p> <p>OPG will provide Asset Suite approval and set CatID to "Ready".</p>	<p><b>ACCOUNTABLE</b> Select and / or Initiate creation of Cat IDs for new items as required for Design EC / DBOM.</p> <p>Submit Action Request to initiate new Cat IDs (May require Appendix A for more clarity if requested by OPG).</p> <p>Consult with OPG prior to requesting new Cat ID to assist in finding an existing Cat ID where possible (utilize OPG standard stores items or already approved ASL Contractors if possible).</p>	CatID at "Ready" Status



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				<p>If CAT-Id's exist for a similar item but at a higher Quality Level, check if business case exists for having similar items at a lower quality in the warehouse stock.</p> <p>Prepare, verify and provide Asset Suite panel mandatory information using Appendix A of the COIR and submit to OPG Representative for setting Cat Ids to Ready.</p> <p>Complete ACB (Affected Catalogue BOM List) Panel for any new Cat ID's created. See also section 5.2.</p>	
4.39	Inventory CatID Reconciliation	N-PROC-MP-0090 N-GUID-00700-10000 N-PROC-MM-0008	<b>SUPPORT / REVIEW / ACCEPT</b> OPG to accept recommendations.	<b>ACCOUNTABLE</b> Contractor to identify CatIDs to be retired and current materials to be surplus as required.  Provide recommendations via AAA following AFS.	Inventory CatID Reconciliation Report.
4.40	Affected Equipment List (AEL) Updates  And  Reserve New Equipment Codes	N-PROC-MP-0090 N-GUID-00700-10000 N-MAN-08135-10000 N-PROC-MA-0077 N-PROC-MP-0077 D-ED-01520-10001 N-INS-08135-10116 N-INS-03651-10025 P-ST-09020-00001 P-INS-09020-00001 N-GUID-00700-10005	<p><b>SUPPORT / REVIEW / APPROVE</b> OPG Representative to support review process and provide comments as required.</p> <p>OPG Plant Status Control approve new equipment AEL tagging.</p> <p>OPG Equipment Reliability Group &amp; Reactor Safety to review / approve new equipment criticality codes.</p> <p>OPG to provide serial code number for equipment.</p>	<p><b>ACCOUNTABLE</b> Contractor to coordinate and disposition of review comments on AEL updates as required.</p> <p>Obtain Plant Status Control input on new AEL tags.</p> <p>Identify Q List requirements and obtain OPG Reactor Safety support/input as required (refer to N-INS-08135-10116).</p> <p>Identify EQ requirements (refer to N-INS-03651-10025 &amp; 10007)</p>	<p>Asset Suite AEL EQ, Q-List, Seismic and Criticality Code Requirements Defined</p> <p>Configuration Report</p>

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			OPG Drawing Office to reserve Equipment Codes.	<p>Identify Criticality code requirements per N-PROC-MA-0077.</p> <p>Identify Seismic requirements.</p> <p>Populate AEL panel in Asset Suite with required information and formatting (including Q-Ist. Criticality Codes, and EQ requirements).</p> <p>Prepare, Verify, and Approve as part of Design EC.</p> <p>Request reserved equipment codes from OPG Drawing Office. Obtain OPG Plant status Control acceptance of new AEL tags prior to submission of EC for acceptance.</p> <p><b>Submit configuration report prior to Installation.</b></p>	
4.41	Spare Parts List/ Equipment Bill of Material / Maintenance Strategies	N-PROC-MP-0090 N-GUID-00700-10000 N-PROC-MP-0058 N-PROC-MM-0008 N-INS-00680-10000	<p><b>SUPPORT / REVIEW / ACCEPT</b> OPG Equipment Reliability, SRE, Maintenance Assessing, Supply Chain, stakeholder review of Spare Parts list &amp; Maintenance Strategies.</p> <p>OPG to accept the Spare Parts List, Maintenance and Stocking Strategy</p>	<p><b>ACCOUNTABLE</b> Prepare Spare Parts List for new parent</p> <p>Identify all Spare Parts to new parent</p> <p>Prepare spare parts list, maintenance and stocking strategy for OPG Acceptance.</p> <p>Solicit stakeholder input.</p> <p>Incorporate stakeholder feedback into Maintenance Strategy.</p>	<p>Spare Parts List Maintenance Strategy Stocking Strategy</p> <p>Equipment Bill of Materials</p> <p>Asset Suite spare parts CatIDs update with ROP/TMAX and Auto-reorder and/or Critical Spare flags.</p>
4.42	Lube List	N-PROC-MP-0090 N-GUID-00700-10000 N-PROC-MP-0058	<p><b>SUPPORT</b> OPG Components and Equipment Group to update station lube list.</p>	<p><b>ACCOUNTABLE</b> Provide information for Lube List Update to OPG Components and</p>	Lube List Update

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		N-PROC-MM-0008		Equipment Group and confirm lube list updated.	
<b>Miscellaneous Items – Electrical Design EC</b>					
4.43	Online Wiring updates (OLW) / INTEC Note: Accountability items includes numbering for sequence clarity.	N-PROC-MP-0076 N-INS-60110-10000 NA44-INS-57000-00001 P-FORM-20200  D-STE-60110-10001 P-STI-60000-00001  N-GUID-00700-10000	<b>SUPPORT / REVIEW / ACCEPT</b> OPG Drafting Office/INTEC to update OLW based on change papers and provide the printouts to Contractor Project Representative.  OPG Representative to accept as part of Design EC	<b>ACCOUNTABLE</b> (a) For each Design EC that affects On-Line Wiring (OLW)/INTEC information, Contractor to initiate a request to OPG DO to prepare an OLW Package and Independent Verification (IV) Report (if applicable) in accordance with the Design EC's change paper.  Ensure walkdowns / field inspections are completed re proposed OLW changes prior to Design EC approval.  Complete OLW Channelization reviews for PA wiring (refer to NA44-INS-57000-00001).  Obtain OPG DA Approval for separation/channelization standard deviations.  Verify, Approve, and issue OLW updates as part of Design EC.	OLW Package/ INTEC Package  Independent Verification Report for Safety Related Modifications.  OLW Channelization Review for PNGS A.
4.44	Electrical Distribution System analysis		<b>SUPPORT / REVIEW / ACCEPT</b> OPG Representative to provide most current Station electrical distribution system model to Contractor Representative.  OPG to accept as part of Design EC acceptance.	<b>ACCOUNTABLE</b> Prepare, Verify and Approve electrical distribution system analysis (ETAP preferred).  Provide any updated models to OPG Representative along with Design EC.	Electrical Distribution Analysis (Calculation Report and Updated Model)

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4.45	Protective Relay Setting Lists (PRLs) and Relay coordination study.	N-PROC-MA-0068 N-PROC-MA-0070 Templates as per OPG Field Equipment Calibration Program	<b>REVIEW / ACCEPT</b> OPG Representative to Accept relay coordination study and pre-install ICS or legacy PRL change paper as part of Design EC acceptance.  (Refer to 4.36 and 4.46)	<b>ACCOUNTABLE</b> Relay coordination study to be submitted as a design calculation (see 4.36).  Where legacy PRLs are to be superseded by ICSs enter new ICS data into ICS program (pre-install ICS) per Section 4.46, and prepare Controlled Docs form to supersede legacy PRL with new ICS document number, submitting both to OPG Representative as part of Design EC.  When installation commences and legacy PRL is no longer valid submit Controlled Document form for superseding legacy PRL to OPG Information Management Services with proof of OPG acceptance (See 2.5 for details).  Where legacy PRLs are to be retained, Prepare, Verify and Approve PRL change paper as part of Design EC.	Legacy PRL Change Paper or Pre-Install ICS
<b>Instrumentation and Control Design EC (other)</b>					
4.46	Instrument Calibration Sheets (ICS)	N-PROC-MA-0068 N-PROC-MA-0070 Templates as per OPG Field Equipment Calibration Program	<b>SUPPORT / REVIEW / ACCEPT</b> OPG Representative to Accept pre-install ICS as part of Design EC acceptance.	<b>ACCOUNTABLE</b> Prepare & Verify pre-install ICS in OPG ICS program.  Print out hard copy of preinstall ICS and submit as part of Design EC.	Pre-install ICS

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4.47	Human Factors Engineering	N-PROC-MP-0090 N-FORM-10580 N-FORM-10221 N-INS-06700-10000 N-MAN-06700-10002	<b>SUPPORT / REVIEW / ACCEPT</b> OPG to accept HFE report / Forms	<b>ACCOUNTABLE</b> Provide HFE Plan and HFE preliminary report(s) during engineering phase. Interface with OPG HFE Specialist as required.  Provide HFE final report during commissioning stage.  Incorporate OPG HFE Specialist comments relating to HFE.	HFE Plan HFE Report(s)  N-FORM-10221 (as required)
4.48	Software Review	N-PROC-MP-0049 N-PROC-MP-0090 N-FORM-10445 N-FORM-10446 N-FORM-10408 N-FORM-10409	<b>SUPPORT / REVIEW / ACCEPT</b> OPG to accept SQA report /Forms	<b>ACCOUNTABLE</b> Interface with OPG CCD Specialist as required.  Ensure Software Quality Assurance (SQA) requirements are met.  Incorporate OPG CCD Specialist comments relating to Software.	Software Report
4.49	Software Maintenance Plan	N-STI-69000-10001 Software Maintenance	<b>SUPPORT / REVIEW / ACCEPT</b> OPG CCD Specialists to provide oversight reviews. OPG to accept.	<b>ACCOUNTABLE</b> Prepare/revise/issue Software Mtce Plan and Software Release for any new or revised software that requires it.	Software Maintenance Plan
	<b>Mechanical Design EC (other)</b>				
4.50	Over Pressure Protection Report	N-PROC-MP-0089	<b>SUPPORT / REVIEW / ACCEPT</b> OPG Representative to provide comments as required.  OPG to Accept.	<b>ACCOUNTABLE</b> Contractor to coordinate review and disposition of comments.  Prepare, Verify, and Approve.  Contractor Representative to issue report to OPG Information Management Services with proof of OPG acceptance	Over Pressure Protection Report

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				(See 2.5 for details).	
4.51	Mechanical Piping Analysis	As specified by OPG  3D Models to be compatible with OPG requirements.	<b>SUPPORT</b> OPG Representative to provide latest piping Model / report where available. [Note: this will in most cases be a legacy non-QA'd model].  Provide guidance regarding acceptable software/versions for piping model to be used (to ensure future usability by OPG).  OPG to accept analysis Calculation / report and model.	<b>ACCOUNTABLE</b> Perform, verify and approve piping analysis in support of design ECs. Submit QA'd model(s) and associated analysis calculations/reports for acceptance along with associated design EC(s)	QA'd piping model in usable format (Software/Version).  Associated Calculations/Reports
4.52	Nuclear Design Report	N-PROC-MP-0089	<b>REVIEW / REVIEW / ACCEPT</b> OPG to Review and Accept.	<b>PREPARE/VERIFY/APPROVE</b> Prepare, Verify, and Approve Nuclear Design Report.  Submit Nuclear Design Report to OPG for acceptance.	Nuclear Design Report.
4.53	Third Party Fire Review Report	N-INS-09076-10004 Template as per Contractor approved Quality Assurance Plan	<b>SUPPORT / REVIEW / ACCEPT</b> OPG Representative to provide comments as required.  OPG to Accept Third Party Fire Review Report.  OPG to submit to CNSC for acceptance.	<b>ACCOUNTABLE</b> Contractor to coordinate review and disposition of comments.  Third Party will Prepare the report.  Contractor will review and accept and resolve comments with Third Party, then submit to OPG for acceptance.  Arrange Third Party contract (with company acceptable to OPG).  Prepare CNSC submission of Third Party Report (refer to Section 4.13) and	Third Party Fire Review Report

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				<p>submit to OPG.</p> <p>Provide support and prepare responses as required to resolve any issues raised by CNSC.</p> <p>Contractor Representative to issue report to OPG Information Management Services with proof of OPG acceptance (See 2.5 for details).</p>	
<b>Project EC Related Items</b>					
4.54	Create Project EC	N-PROC-MP-0090 N-GUID-00700-10000	<b>SUPPORT</b> As required	<b>ACCOUNTABLE</b> Create Project EC.	Asset Suite Project EC
4.55	Safety System Tests Operating Procedures Operator Field Instructions/Rounds Maintenance Procedures Chem. Lab Procedures	N-PROC-AS-0028	<b>SUPPORT / APPROVE</b> OPG to process procedure revisions and approval.	<b>ACCOUNTABLE</b> Initiate TPARs with procedure mark-ups for new or revised procedures.  Support, review and approval process.	TPARs and mark-ups
4.56	Operational Flowsheets, ESM II, Tagging, & Position Assured Components & Registered locks	N-PROC-MP-0076 (FS) N-PROC-OP-0023 (PAC) N-INS-09063-10000 N-ST-09063-10000	<p><b>SUPPORT / APPROVE</b> Support master mark-up process and approval.</p> <p>OPG Drawing Office to complete Flowsheet updates.</p> <p>Complete formal update prior to AFS.</p>	<p><b>ACCOUNTABLE</b> Initiate operational flowsheet ,ESM II, equipment tagging, and PAC list updates as part of installation and commissioning activities. Ensure completion of all items above.</p> <p>Ensure new registered locks in OPG Operations' possession and control prior to AFS.</p> <p>Support, review and approval process.</p>	Updated Flowsheets, PAC List and Registered Locks

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#	Items	Reference Documents	OPG Accountability	Contractor Accountability	Deliverables
4.57	System Performance Monitoring Plans	N-PROC-MA-0024	<b>SUPPORT</b> Finalize / implement SPMP revisions related to applicable systems.	<b>ACCOUNTABLE</b> Notify SRE of required changes needed to issued SPMP(s) in support of AFS process.  Develop new SPMPs for new systems.  Confirm that SPMPs are revised.	SPMP markups .
4.58	Components Programs / PIP (e.g. pressure vessel, periodic inspection, thermography, vibration monitoring, , valve / RV programs, Hangers, Buried Piping, etc.)	N-PROC-MA-0034 (Predictive Mtce) N-PROC-MA-0089 (Rotating Equip) N-PROC-MA-0090 (HX) N-PROC-MA-0092(POV) N-PROC-MA-0093(Check Valves) N-PROC-MA-0095 (Lubrication)	<b>SUPPORT</b> OPG Representative to identify Components Program Representatives to liaise with Contractor.  Components Program Representatives to provide guidance re: Information required from Contractor in order to allow OPG to update respective Components Program.	<b>ACCOUNTABLE</b> Provide information to update OPG Components Programs.  Status Components Program Updates at AFS meeting and track updates to completion.	Updated Components Program
4.59	Temporary Change Requests (TCRs)	N-PROC-OP-0027 (Temporary Change Requests) N-PROC-OP-0008 (Plant Status Tags) N-INS-08100-10014 (NEF)	<b>SUPPORT / APPROVE</b> Operations to support and approve TCR initiation and removal.	<b>ACCOUNTABLE</b> Ensure initiation and removal of TCRs associated with TMODs and temporary alterations.	Temporary Change Requests (TCR)
4.60	Predefined Mtce Program (Eg. Winterization and Summarization etc.)	N-PROC-MA-0020 N-INS-09100-10012	<b>SUPPORT / REVIEW / ACCEPT</b> OPG to review Change Requests (CRs).  OPG to accept CR.  Implement CRs in Asset Suite.	<b>ACCOUNTABLE</b> Initiate PMID Change Requests in OPG Predefined System (PMLP). Provide technical basis for requests and facilitate SRE review and confirm acceptance.  Ensure implementation of critical change requests prior to AFS.	PMLP Request Accepted Asset Suite PMIDs setup complete.



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4.61	Power and Air Supply Lists / IEDS	D-PROC-MP-0025 D-PROC-MP-0011 P-INS-09260-00006	<b>SUPPORT</b> Support update process	<b>ACCOUNTABLE</b> Complete air and power supply list updates as part of installation and commissioning activities.	Updated Air and Power Supply Lists
4.62	Simulator Updates	N-PROC-TR-0023 (Simulator QA)	<b>SUPPORT</b> Schedule and complete simulator updates as required.	<b>ACCOUNTABLE</b> Initiate and support required simulator upgrades through OPG.	Request Update to Simulator
4.63	Corrective Mtce / Preventative Mtce Backlogs		<b>SUPPORT</b> OPG to support as required.  Provide concurrence or cancellation / credits.	<b>ACCOUNTABLE</b> Review Corrective Mtce and Preventative Mtce backlog on components impacted by applicable modifications and prior to AFS: 1) Recommendations for cancellation of any no longer required WO's 2) Recommendations to credit any predefined WOs via completed commissioning activities where possible  Provide summary into AFS Report.	Work Order Cancellation/Credit Recommendations to Work Control.
4.64	Training (for OPG Ops, Mtce, Chemistry and Engineering)	N-GUID-00700-10000	<b>SUPPORT</b> Initiate Action request for training needs assessments.  Perform Training needs assessments as required.  Participate in / attend training.	<b>ACCOUNTABLE</b> Develop SAT compliant training as required.  Deliver crew familiarization training when identified as required.  Prepare a training plan that defines the skills required for each trainee, identifies the type of training (i.e. classroom, on-the-job, vendor's premises, demonstration, etc.) and the training materials to be provided.	SAT Compliant Training as required by Needs Assessment.  Crew Familiarization Training (if required)

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				Deliver all engineering, operations and maintenance initial training required to operate and maintain the facility, as recommended by the Contractor and accepted/identified by OPG Training needs assessment.	
<b>INSTALLATION RELATED ACTIVITIES</b>					
4.65	Installation Field Technical Support	N-PROC-MA-0002 N-PROC-MP-0090 N-GUID-00700-10000	<b>SUPPORT / REVIEW</b> .	<b>ACCOUNTABLE</b> Provide Field Support during Installation of Design EC.  Review Field Installation issues and provide resolution.  Drafting and P.Eng support for scaffolding, Engineering Scaffolding, Pressure Boundary Item Releases, Valve Block approval, etc.  Address work planning holds.	Engineering Support for Field Installation
4.66	Design Intent Revision	N-PROC-MP-0090 N-GUID-00700-10000 N-FORM-11128	<b>REVIEW / ACCEPT</b> OPG to Accept/Approve via Asset Suite milestones.  Set EC Status to "Approved" upon receipt of required OPG approvals as per Modification Outline.	<b>ACCOUNTABLE</b> Review impact of Design Intent.  Prepare, Verify, Approve (in Asset Suite).  Ensure Contractor Name clearly identified in EC attributes.  Set EC Status to "Hold for Approval" in Asset Suite upon submission of EC approval binder to OPG.	Design intent Revision  Master EC Revision.

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4.67	Non Design Intent Design EC Revisions	N-PROC-MP-0090 N-GUID-00700-10000 N-FORM-11128	<b>SUPPORT / REVIEW / ACCEPT</b> Support as required.  Accept design EC revisions (approval in Asset Suite).	<b>ACCOUNTABLE</b> Provide Design EC revision (Non Intent) when requested within time frame required (refer to N-PROC-MP-0090).  Create Design EC Revision in Asset Suite. Document rationale for non-intent revisions.	Approved Design EC Revisions
4.68	Field Initiated Changes (FIC) Minor Field Initiated Changes (MINORFIC)	N-PROC-MP-0090, N-GUID-00700-10000	<b>SUPPORT / REVIEW / ACCEPT</b> Support / Review / Accept as required.	<b>ACCOUNTABLE</b> Contractor to initiate, review and approve FIC / MINORFIC.  Contractor Project Representative to document assessment that change is non-intent or MINORFIC in accordance with N-PROC-MP-0090 (NOTE: or as per approved procedure).  Contractor Design to Review and Approve FIC / MINORFIC and update Asset Suite within approved timeline.  Update Asset Suite MEL & BOM entries to reflect FICs. Resubmit revised configuration report.	Approved FIC/MINORFIC followed by EC Revision.  Updated Asset Suite MEL & BOM entries  Revised configuration report
4.69	Workplans / Installation Instructions (Prerequisites, Pre-testing/Calibration)	N-INS-08120-10011 N-PROC-MA-0013 N-PROC-MA-0022	<b>SUPPORT / AUTHORIZE</b> Provide SME reviews for particular subject areas.  Provide DOM or DA approval or authorization where required.	<b>ACCOUNTABLE</b> Prepare, verify and approve installation workplans (including Prerequisites, Pre-testing/Calibration) where required to coordinate field activities.  Contractor to coordinate, review and disposition comment resolutions  Prepare T-PARs and support preparation of CMPs, MMPs, CTPs.	Workplan, CMP, MMP, CTP and/or Installation Instructions

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<b>COMMISSIONING RELATED ACTIVITIES</b>					
4.70	Commissioning Specifications and Pre-Commissioning (SAT / COAT) Spec	N-INS-00960-10000 N-PROC-MP-0090 N-GUID-00700-10000	<b>SUPPORT / REVIEW / ACCEPT</b> OPG to provide support as required.  OPG to review / accept Commissioning Specifications  OPG Reactor Safety to provide concurrence if required.	<b>ACCOUNTABLE</b> Identify Critical Attributes as per N-PROC-MP-0090.  Prepare, verify, review, and approve Commissioning Specifications.  Contractor Project Representative to issue Commissioning Specifications in Asset Suite (See 2.5 for details).	Approved Commissioning Specification
4.71	Commissioning Support and Acceptance of installation/Commissioning Results.	N-PROC-MP-0090	<b>SUPPORT / REVIEW / ACCEPT</b>  OPG to arrange, schedule staff to support commissioning activities, as required.  OPG to execute Commissioning Activities.  OPG to accept commissioning results.	<b>ACCOUNTABLE</b> Contractor to provide Commissioning Support. Provide Commissioning Support, fix outstanding issues when identified.  Provide qualified staff knowledgeable of the installation status to support Commissioning program and rectify outstanding issues when identified.  Prepare, verify and approve Commissioning Reports.  Contractor to provide documented evidence of design acceptance of commissioning results  Contractor to issue Commissioning Report in Asset Suite after OPG Acceptance (See 2.5 for details) .  Contractor Project Representative to complete the DSGN I/C ACCEPT milestone for each Design EC, adding notes as required	Commissioning Support.  Approved Commissioning Report.  Acceptance in Asset Suite

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4.72	Work plans / Commissioning Instructions and Pre-Commissioning Site Acceptance Test (SAT)	N-INS-08120-10011 N-PROC-MA-0013 N-PROC-MA-0022	<b>ACCOUNTABLE / APPROVE / AUTHORIZE</b> Prepare, verify and approve commissioning work plans /Instructions where required to coordinate field activities.  Prepare and obtain approval for Commissioning Work Plan / Instructions as required.  DOM or delegate to authorize Workplan / Commissioning Instructions.	<b>SUPPORT</b> Contractor to provide support as required.	Commissioning Work Plan/Instructions
4.73	EQ Completion Assurance	N-FORM-10649	<b>SUPPORT / REVIEW / ACCEPT</b> Provide support as required.  OPG to accept N-Form-10649	<b>ACCOUNTABLE</b> Complete EQ Completion assurance as part of AFS process and submit to OPG.  Submit to Records to file under EC in Asset Suite with proof of OPG acceptance (See 2.5 for details).	N-FORM-10649
4.74	Available For Service (AFS) Strategy	N-PROC-MP-0090 N-GUID-00700-10000	<b>SUPPORT / APPROVE</b> DA /DOM to approve the AFS Strategy Memo.	<b>ACCOUNTABLE</b> Prepare and obtain approval for AFS strategy memo/plan as required.	AFS Strategy Memo
<b>AVAILABLE FOR SERVICE AND RELATED ACTIVITIES</b>					
4.75	Available For Service (AFS), Walkdown, Declaration / OPS Acceptance	N-PROC-MP-0090 N-FORM-10091 N-PROC-MP-0098 N-GUID-00700-10000	<b>SUPPORT / REVIEW / ACCEPT / APPROVE</b> OPG Representative to participate in the AFS walkdown and meeting as required per Mod Outlines / Design Plan.	<b>ACCOUNTABLE</b> Where required based on the approved Modification Outline, Contractor Representative to prepare, review & submit for OPG acceptance the:	AFS Report prepared as per applicable OPG form or template.  Asset Suite EC

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#	Items	Reference Documents	OPG Accountability	Contractor Accountability	Deliverables
			<p>OPG to accept AFS report.</p> <p>OPG to approve AFS declaration or OPS acceptance FORM.</p>	<p>- AFS Declaration/ Ops Acceptance and - Report (as required)</p> <p>Contractor Representative to sign AFS Declaration.</p> <p>Contractor Representative to coordinate and chair the AFS walkdown and meeting as required.</p> <p>Contractor to manage and track open item list and closeout process using Asset Suite action tracking.</p> <p>Contractor to update Asset Suite milestones to reflect completed AFSs (final or partial) and / or Ops Acceptances.</p> <p>Submit documents to Information Management Services for issuance in Asset Suite with proof of OPG acceptance (See 2.5 for details).</p>	Milestone Update
4.76	Update Status of Master Equipment List	N-PROC-MP-0090 N-GUID-00700-10000	<p><b>SUPPORT / REVIEW / ACCEPT</b></p> <p>OPG to provide support as required.</p> <p>OPG to review and accept configuration report.</p>	<p><b>ACCOUNTABLE</b></p> <p>Review AEL for accuracy prior to AFS and make any changes required.</p> <p>Submit configuration report prior to Installation</p> <p>Initiate launch of Asset Suite AEL / MEL to "Operating" status and confirm successful.</p> <p>Contractor DE to complete "MEL Update" milestone and resolve any MEL conflicts encountered during the launch</p>	MEL revised Configuration Report

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#	Items	Reference Documents	OPG Accountability	Contractor Accountability	Deliverables
				process	
	<b>CLOSEOUT RELATED ACTIVITIES</b>				
4.77	Design EC / Project EC/ Master EC/ Close Out	N-PROC-MP-0090 N-GUID-00700-10000 N-FORM-10653	<b>SUPPORT / REVIEW / ACCEPT</b> OPG to review / accept Contractor produced drawings and document revisions  OPG to issue documents in Asset Suite.	<b>ACCOUNTABLE</b> Review ADL / Change Papers of Final Design EC revisions for accuracy / completeness of final as-built configuration.  Project Representative / DE to coordinate any other Signatures for other  Issue original drawings/documents (electronic and paper format) to OPG with QA transmittal form (N-FORM-10653) filled in. Electronic 2D files to be AutoCAD .DWG format.  Electronic documents will be in editable format in compact discs with labelling and identifying the contents.  Pending Changes that may have been Incorporated into the same document revision.	Final Documents and electronic records.
4.78	Drawings: Incorporation of Change Papers to existing OPG Drawings	N-PROC-MP-0076 N-PROC-MP-0090	<b>SUPPORT / REVIEW / ACCEPT</b> OPG Drafting Office to revise OPG Drawings and route to Contractor Representative for Review & Signature.  OPG to Accept Drawings.  If other EC Closeouts are included in this revision, coordinate signatures.	<b>ACCOUNTABLE</b> Review latest Design EC Change Papers in Asset Suite for completeness and accuracy and provide As-Built Design EC revision as required.  For each ADL item, review "Pending Changes" in Asset Suite, and identify any other Engineering Changes which require incorporation and coordinate	Final Documents and electronic records.

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				<p>with the other EC owners, and update other documents and drawings. (i.e. Asset Suite status of "Installed or Modified") to OPG Drafting Office. Notify Project Representative that Change Papers are ready for Close Out and provide any AutoCAD files as required.</p> <p>Prepare, Verify, and Approve OPG Drawings upon revision by OPG Drawing Office.</p> <p>Prepare Control Document Form N-FORM-10027 to issue documents.</p> <p>Submit to Project Representative for Review &amp; Acceptance.</p> <p>If other EC Closeouts included in this revision, are not related to the Contractor, submit to Project Representative for coordination of other signatures. P. Eng sealing of final record drawings/documents is not required if the changes are related to the original Design EC's prepared by the Contractor.</p> <p>Contractor Representative to submit documents to OPG Information Management Services with proof of OPG acceptance for issuing (See 2.5 for details).</p>	
4.79	Drawings: Incorporation of Change Papers of – Contractor Drawings	N-PROC-MP-0076 N-PROC-MP-0090	<b>SUPPORT / REVIEW / ACCEPT</b> OPG Representative to Review & Accept Drawings.	<b>ACCOUNTABLE</b> Incorporate Change Papers as required. Preparer, Verifier, and Approve.	Final Documents and electronic records.



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				<p>Prepare Control Document Form N-FORM-10027 to issue documents.</p> <p>Submit to OPG Representative for Review &amp; Acceptance.</p> <p>Contractor Representative to submit documents to OPG Information Management Services for Issuing.</p>	
4.80	Drawing Bill of Material	N-PROC-MP-0076	<b>SUPPORT / REVIEW / ACCEPT</b> OPG to Accept Bill of Material.	<p><b>ACCOUNTABLE</b></p> <p>Incorporate Change Papers and revise Drawing Bill of Material as required. Prepare, Verify, &amp; Approve.</p> <p>Prepare Control Document Form N-FORM-10027 to issue document.</p> <p>Contractor Project Representative submit documents to OPG Information Management Services with proof of OPG acceptance for issuing (See 2.5 for details).</p>	Final Documents and electronic records.
4.81	Design Manuals – New / Revision of Existing Design Manuals	N-PROC-MP-0065	<p><b>SUPPORT / REVIEW / ACCEPT / AUTHORIZE</b></p> <p>OPG Representative to Accept.</p> <p>OPG Design Authority to Authorize.</p>	<p><b>ACCOUNTABLE</b></p> <p>Review Change Paper version of Design Manual and revise if required based on As-Built information.</p> <p><b>Existing Design Manual Change Paper:</b></p> <p>Request electronic copy of existing Design Manual from OPG Word Processing via Control Document Form N-FORM-10027.</p> <p>If Word-editable version not existing, convert paper copy to Word editable</p>	Updated/New Design Manual as per applicable OPG template.

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				<p>version, use OPG template. Review outstanding DCRs against DMs. Revise electronic version, incorporating outstanding DCRs, and submit to OPG Representative for review</p> <p><b>New Design Manual:</b> Use OPG Template for new Design Manual</p> <p>Review formatted document and submit to OPG Representative for review. Return reviewed document back to OPG Representative for revision if required and sign Prepared, Verified, and Approved Design Manual. Route to OPG Representative, other OPG reviewers, and OPG Design Authorities for remaining signatures. .</p> <p>Issue approved final document to OPG Information Management Services/Asset Suite with proof of OPG acceptance (See 2.5 for details) and confirm issued.</p>	
4.82	System Classification List (SCL)	N-FORM-10250	<p><b>SUPPORT / REVIEW / ACCEPT</b> OPG provides support as required.</p> <p>OPG review/accept SCL.</p>	<p><b>ACCOUNTABLE</b> Prepare, Verify, &amp; Approve System Classification List</p>	System Classification List
4.83	Documents with Defined Revision Cycles of N-GUID-00700-10000 e.g. Safety Report, Fire Safety Shutdown Analysis etc.	N-GUID-00700-10000 N-LIST-01300-10000	<p><b>ACCOUNTABLE</b> To be discussed by OPG Representative on a Case by Case Basis. In cases where there is an assigned OPG Document Owner (e.g. Safety Report), Contractor to liaise with OPG Document Owner.</p>	<p><b>SUPPORT</b> To be discussed on a Case by Case Basis. In cases where there is an assigned OPG Document Owner (e.g. Safety Report), Contractor to Support OPG Representative as required when document is to be revised.</p>	Updated Documents with Defined Revision Cycles.

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#	Items	Reference Documents	OPG Accountability	Contractor Accountability	Deliverables
4.84	Instrumentation Calibration Sheets (ICS)	N-PROC-MA-0068	<b>SUPPORT / APPROVE</b> Approve ICS.	<b>ACCOUNTABLE</b> Convert pre-install ICS to permanent ICS as part of AFS. Submit to OPG for approval.	Approved ICS  Updated ICS Program
4.85	Design Plan (Final revision for design completion assurance)	N-PROC-MP-0074 N-TMP-10090 or Approved template per – Contractor approved Quality Assurance Plan	<b>SUPPORT / REVIEW / ACCEPT / AUTHORIZE</b> OPG Representative will coordinate review and providing comments.  OPG to Accept.  OPG Design Authority to Authorize.	<b>ACCOUNTABLE</b> Prepare, review, approve Close out. Design Plan upon completion of Project.  Contractor to submit authorized documents to OPG Information Management Services with proof of OPG acceptance for issuing (See 2.5 for details).	Final Design Plan Issued in Asset Suite.
4.86	Asset Suite Update	N-GUID-00700-10000	<b>SUPPORT</b> As required.	<b>ACCOUNTABLE</b> Status Design ECs in Asset Suite to CLOSED status following issuance of all ADL items and completion of related AFS open items.	Asset Suite Actions

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#	Items	Reference Documents	OPG Accountability	Contractor Accountability	Deliverable
<b>PROCUREMENT PLANNING</b>					
5.1	Project Specific Procurement Plan	Refer to Appendix B for Elements to be Considered within a Procurement Plan	<b>SUPPORT / REVIEW / ACCEPT</b> OPG will provide feedback on the Procurement Plan and accept the plan when comments are incorporated. OPG to identify mandatory criterion for which acceptance of deviations will be required. OPG to accept deviations.	<b>ACCOUNTABLE</b> Develop a Procurement Plan for procurement of the Owner or Contractor Specified materials and Services required for implementation of the specified OPG Specification. Provide to OPG for Acceptance Any deviations of mandatory criteria from the Procurement Plan will need to be accepted by OPG	Procurement Plan
<b>ENGINEERING DELIVERABLES</b>					
5.2	Update Master Catalogue / Create CATID	N-PROC-MM-0008 N-GUID-00700-10000 N-GUID-08176.2-10000 Appendix A	Refer to Item 4.38	Refer to Item 4.38	Refer to Item 4.38
5.3	Changes or updates to Master Equipment List (MEL) Records	N-PROC-MP-0077 N-GUID-00700-10000 N-FORM-10492	Refer to Item 4.76	Refer to Item 4.76	Refer to Item 4.76
5.4	Technical Specifications or Tech Spec Data Sheets  Engineering Standards  Design Specifications	N-PROC-MP-0059 N-PROC-MP-0084 N-PROC-MP-0089 N-TMP-10019	Refer to Item 4.35	Refer to Item 4.35	Refer to Item 4.35
5.5	Approved Equipment Bill of Materials	N-PROC-MP-0058 N-FORM-10492 Site Specific Instructions	Refer to Item 4.41	Refer to Item 4.41	Refer to Item 4.41

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5.6	Spare Parts List	N-PROC-MP-0058 N-FORM-10492 Site Specific Instructions	Refer to Item 4.41	Refer to Item 4.41	Refer to Item 4.41
5.7	Procurement Evaluation	Contractor Specific N-PROC-MP-0098 N-GUID-08173-10000	<b>REVIEW / ACCEPT</b> OPG will accept procurement evaluations. Provide Asset Suite approval for Spare Parts.	<b>ACCOUNTABLE</b> Prepare, verify and approve Procurement Evaluations. Provide necessary Asset Suite panels' information and request Asset Suite approval from OPG for Spare Parts.	Procurement Evaluation
5.8	Drawing Bill of Materials	N-PROC-MP-0076	Refer to Item 4.32	Refer to Item 4.32	Refer to Item 4.32
<b>IDENTIFICATION REQUIREMENTS</b>					
5.9	Additional Requirements to Support OPG Business Processes and Requirements		<b>SUPPORT / REVIEW / ACCEPT</b> For elements that are in addition to the standard CSA N286 QA Standard, OPG to specify the specific content and format requirements for information and documentation required to support operation of the plant. OPG to accept requirements to populate into Asset Suite  OPG to input into Asset Suite as required.	<b>ACCOUNTABLE</b> Contractor to include the OPG specific requirements as part of the overall project requirements in addition to the requirements called out in the CSA N286 procurement QA Standard.	Material Information to Support OPG Databases Asset Suite Action
<b>PURCHASING ACTIVITIES</b>					
5.10	OPG Approved Suppliers List (ASL)	N-PROC-MM-0010, N-FORM-10170 Appendix D	<b>SUPPORT / REVIEW / ACCEPT</b> OPG to provide a list of Suppliers qualified on OPG's ASL.  OPG to accept requests for	<b>ACCOUNTABLE</b> Where applicable, the Contractor shall select Suppliers on the OPG ASL only if the Contractor determines that the information provided is sufficient and meets the requirements of applicable	Completed N-FORM-10170

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#	Items	Reference Documents	OPG Accountability	Contractor Accountability	Deliverable
			potential new suppliers.	<p>standards and the Contractor's own quality program.</p> <p>The Contractor shall ensure that Suppliers are used for the specific purpose(s) for which they have been approved on OPG's ASL for specific approved manufacturing plant locations and services.</p> <p>Where a supplier is not in OPG ASL or the scope of qualification for a Supplier needs to be changed, the Contractor shall inform OPG of potential new Suppliers and obtain approval to use the new supplier</p> <p>The Contractor shall evaluate, audit (as appropriate) and approve the new Supplier per the Contractors QA Program.</p> <p>Initiate addition to OPG ASL by providing OPG with audit report and checklist and N-FORM-10170, ASL Action Request.</p>	
5.11	Use Commercial Grade Dedication (if required)	N-FORM-10966, Commercial Grade Dedication Plan	<b>REVIEW / ACCEPT</b> OPG to accept the use of CGD strategy.	<b>ACCOUNTABLE</b> Inform OPG of the use of CGD strategy.	CGD Strategy
5.12	Concessions and Exceptions Process (only for owner specified material)	N-FORM-10393 N-PROC-MM-0021	<b>REVIEW / ACCEPT</b> Accept Concession Application	<b>ACCOUNTABLE</b> Submit to OPG Concession Application for Acceptancel, by OPG if disposition is for use as is or repair..	Concession Application Disposition
5.13	Non Conformances (only for owner specified material)	N-PROC-MM-0021 N-INS-01913.11-10003	<b>REVIEW / ACCEPT</b> Accept Non conformance disposition.	<b>ACCOUNTABLE</b> Identifying, Segregation, quarantine and disposition of non conforming items/	Non Conformance Disposition.

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#	Items	Reference Documents	OPG Accountability	Contractor Accountability	Deliverable
				services for which the disposition is for 'use as is' or 'repair'.  Prepare review and approve disposition of non conformance and submit to OPG for acceptance.	
5.14	Reporting of Non-Conformance Post Execution	Appendix C	<b>REVIEW / ACCEPT</b> Accept reporting of non conformance.	<b>ACCOUNTABLE</b> Notify OPG in writing when a known or suspected defect or non-conformance is discovered that affects, or may affect, a product that has already been delivered to OPG as per Appendix C.	Notification of Non Conformance on Company Letterhead
5.15	Source Surveillance and Factory Testing	Contractor Specific CSA N285 CSA N286	<b>SUPPORT</b> OPG to review and add witness points as required.  Refer to item 4.37 Contractor /Vendor Technical Documents	<b>ACCOUNTABLE</b> Perform supplier source surveillance and monitor factory testing as per quality requirements.  Refer to item 4.37 for OPG to accept Contractor/Vendor Technical Documents	Refer to item 4.37
<b>RECEIVING AND INSPECTION</b>					
5.16	Materials Management (Storage, Logistics, Security Screening, Warehousing etc.)	N-PROC-MM-0032	<b>SUPPORT / REVIEW / ACCEPT</b>  OPG Representative to accept Contractor's Materials Management Plan.	<b>ACCOUNTABLE</b>  The Contractor is responsible for developing an approved Materials Management Plan for OPG acceptance.	Materials Management Plan
5.17	Transfer of Maintenance Spares to OPG	N-PROC-MM-0021, Receiving QC Inspection N-PROC-MM-0006 Receive Items N-GUID-08173-10002	<b>SUPPORT / REVIEW / ACCEPT</b>  OPG to accept parts into inventory.  Refer to item 4.41.	<b>ACCOUNTABLE</b>  Submit the reference OPG Purchase Order Number and associated documentation for CatId to OPG with the maintenance spares.	Parts accepted into OPG Inventory.

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#	Items	Reference Documents	OPG Accountability	Contractor Accountability	Deliverable
				Refer to item 4.41.	
<b>DOCUMENTATION CONTROL AND RECORDS MANAGEMENT</b>					
5.18	History Docket	N-PROC-MM-0021, Receiving QC Inspection N-FORM-10396, History Docket/Nuclear Material Documentation Release N-STM-03651.03- 10000, Shelf-Life Requirements N-TS-08173-10001, History Docket/Nuclear Material Documentation Release N-GUID-08173-10002	<b>RECEIVE</b> OPG to receive History Docket as a permanent record.	<b>ACCOUNTABLE</b> Contractor is accountable to prepare and verify the History docket for Owner or Contractor Specified Materials and Goods purchased and received.	History Docket
<b>CONTRACT COMPLETION (CONTRACTS BETWEEN CONTRACTOR AND SUB-SUPPLIERS)</b>					
5.19	Performance OPEX Evaluation / Continuous Improvement	Contractor Specific	<b>REVIEW / ACCEPT</b> OPG to accept Non Conformance OPEX.	<b>ACCOUNTABLE</b> The Contractor will provide OPG with Non Conformance OPEX of suppliers.	Non Conformance OPEX Report of Suppliers



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**CONTRACTOR/OWNER INTERFACE REQUIREMENTS FOR NUCLEAR****6.0 CONSTRUCTION INTERFACE MATRIX**

#	Items	Reference Documents	OPG Accountability	Contractor Accountability	Deliverables
6.1	Construction Quality Assurance Plan		<b>SUPPORT / REVIEW / ACCEPT</b> OPG provide feedback to Contractor and accept QA Plan.	<b>ACCOUNTABLE</b> The Contractors to prepare and approve QA Plans for Construction activities and execute per its QA program.  Submit approved QA plan to OPG for acceptance and incorporate any feedback.	Quality Assurance Plan
6.2	Safety Program / Project Specific Safety Plan	OHSA OPG Safety Rules, Corporate Safety Rules, Radiation Safety Rules, Environmental Safety Policy and Rules Contractor's Safety Rules	<b>SUPPORT / REVIEW / ACCEPT</b> Provide input.  Where OPG is Owner/Constructor, OPG to review / accept Contractor's Safety Program, Project Specific Safety Plan, Safe Work Practices and Processes.  Where OPG is Owner Only, OPG to review / accept approved Contractor's (Constructor) Safety Program.	<b>ACCOUNTABLE</b> For Owner/Constructor Projects develop and approve Safety Program, project specific safety plans and safe work practices / processes to meet OPG and regulatory requirements.  For Owner Only, develop and approve safety program for the work.	Safety Program & Plans to address Environmental, Radiation, and Safety
6.3	Preparation of Installation Work Packages (ie. ITPs, FME etc.)	N-PROC-MA-0022 N-PROC-MA-0013	<b>SUPPORT</b> As required	<b>ACCOUNTABLE</b> Prepare and approve installation work packages.  Include verification of critical design characteristics.	Comprehensive Work Package

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#	Items	Reference Documents	OPG Accountability	Contractor Accountability	Deliverables
				Obtain authorization as required.	
6.4	Construction Labour Management	Labour Agreements	<b>SUPPORT</b> As required	<b>ACCOUNTABLE</b> The Contractors to Manage the construction staff in accordance with the applicable project labour agreements	Mark-up Meeting
6.5	Control of Field Changes	"Engineering" Section 4.68	Refer to items 4.68	Refer to items 4.68	Refer to items 4.68
6.6	Project Construction Schedule	N-PROC-MA-0013 N-PROC-MA-0022 N-PROC-MA-0069	<b>SUPPORT / APPROVE</b> OPG to provide support to integrate station/project and Contractor schedules.  OPG to approve integrated schedule.	<b>ACCOUNTABLE</b> The Contractors to prepare and submit to OPG field execution schedule.  Contractor to execute per approved integrated schedule.	Integrated Schedule
6.7	Work Order Assessing / Planning and Installation Instructions	N-PROC-MA-0022 N-PROC-AS-0069 N-PROC-MA-0013	<b>SUPPORT</b> OPG to review WO for additional requirements and leads insertion of WO into appropriate work week.	<b>ACCOUNTABLE</b> The Contractors to prepare and assess WO's, and provides WO's to OPG for logically tied Scheduling (through OPG work management process)	Assessed Work Order
6.8	Readiness/Challenge Meeting and Work Release	N-PROC-MA-0022 N-PROC-MA-0013	<b>SUPPORT / AUTHORIZE</b> OPG to attend and challenge Contractor readiness.  OPG to authorize contract work release form.	<b>ACCOUNTABLE</b> Contractor to conduct readiness/challenge review meeting with appropriate stakeholders.  Contractor to respond to challenge comments and disposition or incorporate into Work Release.	Readiness/Challenge Meeting, Contract Work Release FORM
6.9	Permitry Planning	N-PROC-MA-0012	<b>ACCOUNTABLE</b> OPG to prepare and integrate permitry into OPG plan.	<b>ACCOUNTABLE</b> The Contractors to initiate the request of permitry	Request for Permit

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#	Items	Reference Documents	OPG Accountability	Contractor Accountability	Deliverables
6.10	Permitry Execution	N-PROC-MA-0012 N-PROC-MA-0011	<b>ACCOUNTABLE</b> OPG to apply the permits and provide Maintenance Authority (as required).	<b>ACCOUNTABLE</b> The Contractors to provide Holder of Record to support the permitry application.	Maintenance Authority (as required)  Holder of Record  Applied Permit
6.11	Radiation Protection	N-PROC-RA-0027	<b>ACCOUNTABLE</b> Apply radiation protection and REP.  Provide Radiation Protection Clothing.	<b>ACCOUNTABLE</b> Contractor to comply with appropriate Radiation Exposure Permit (REP) assigned to the execution of work.	Complicity
6.12	Calibration	N-PROC-MA-0070 (Field Cal'n) N-INS-01516-10009 (UTC) N-INS-01516-10003 (Software) N-INS-01983.1-10012 (FE Cal'n)	<b>SUPPORT</b> As required	<b>ACCOUNTABLE</b> Maintain calibration records of all instruments calibrated and specific calibration equipment used to required standards (UTC & Field Calibration Process or accepted equivalents).  Forward calibration records to OPG prior to AFS.	Calibration Records
6.13	Construction Turnover	N-GUID-00120-10008	<b>SUPPORT / APPROVE</b> OPG Representative to ensure records received and accept Contract Final Inspection and Notice of Construction Contract Completion  OPG to approve Contract Final Inspection and Notice of Construction Contract Completion.	<b>ACCOUNTABLE</b> Contractors to submit to OPG records ITPs, as build construction QA records  Contractors to prepare and submit to OPG for approval a Contract Final Inspection and Notice of Construction Contract Completion	Contract Final Inspection  Notice of Construction Contract Completion
6.14	Pre-Commissioning Activities		<b>SUPPORT / REVIEW / ACCEPT</b> Support and Accept pre-	<b>ACCOUNTABLE</b> Provide pre-commission testing &	Completed ITP

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#	Items	Reference Documents	OPG Accountability	Contractor Accountability	Deliverables
			commissioning / Calibration testing results (if required, pre-start safe guard inspection)	complete ITP results	
6.15	Commissioning Activities		Refer to item 4.71	Refer to item 4.71	Refer to item 4.71
6.16	FIC confirmation and incorporation	N-PROC-MP-0090 N-GUID-00700-10000	<b>SUPPORT / REVIEW / ACCEPT</b> Review & Accept Design EC Revisions as required.	<b>ACCOUNTABLE</b> Prior to AFS Meeting, review latest Design EC & Change Papers to to confirm all FICs/Minor FICs are incorporated in EC revision.	Approved EC Revision
6.17	Status On-Line Wiring/INTEC as "Currently Built"	N-PROC-MP-0090 N-GUID-00700-10000	<b>SUPPORT</b> OPG Drawing Office to status OLW/INTEC to currently built status following Contractor Project Representative request.	<b>ACCOUNTABLE</b> Review OLW/INTEC for accuracy and completeness, request OPG Drafting Office to status OLW to currently built status. Confirm OLW/INTEC status update is successful.  Contractor to complete "OLW/INTEC Stated" milestone in Asset Suite.	Asset Suite EC Milestone  OLW Status to Currently Built Status.
6.18	Installation Completion Assurance (For Nuclear Refurbishment Only)	N-GUID-01920-10000	<b>REVIEW / REVIEW / ACCEPT</b> OPG to review and accept installation completion assurance documents	<b>ACCOUNTABLE</b> Prepare and issue installation completion declaration	Installation Completion Assurance documents

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APPENDIX A: Procurement Asset Suite Template

In addition to the following table, Contractor to also prepare/approve and submit to OPG details of evaluation of Cat Ids. These details may include but not limited to “PE Request Log Disposition” (Asset Suite Panel Q102), “PE Safety Basis Summary” (Asset Suite Panel Q120), “PE Item Equivalency Evaluation and Configuration” (Asset Suite Panel Q150). Copies of templates for these panel will be provided by OPG. Submit Action Request to initiate new Cat Ids (May require Appendix A for more clarity if requested by OPG).

No.	EC Number	Cat ID	QL	Description	PB (Y/N)	EQ (Y/N)	SQ (Y/N)	Nuclear (Y/N)	Conventional ( Y/N)	QA Program	Applicable Code	TSSA REGISTRATION (CRN) Y/N	Vendor Documentation Requirements	End Use (Equipment Code)	SR/NSR	Applicable Specification Number	Drawing Number	Item # in Drawing	Flow Diagram	Vendor Manual	Purchase Receipt History Documentation	Manufacturer	Model	Part Number	Suggested ROP/TMAX	Material Safety Data Sheet MSDS	Shelf Life in Months or N/A	In Storage Maint Required (ISM) Y/N	ISM Details (if ISM = Y)	REMARKS
Example	120299	670736	1	VALVE, GATE, 6", 900LB, BUTTWELD, A182, NC1	Y	N	A	Y	N	Z299.3	ASME SEC. III	Y	CMTR, HDOC, SEISMIC REPORT, ITP	6-71340-V853/V854/V855	SR	NK30-SPEC-04940-10854 REV 2	M014-783710-E01		NA44-1G-71340-00041, REV 08	NOT AVAILABLE	P-HDOC-0324302	VELAN	B14-1064C-02PS	NOT AVAILABLE	1/3	NOT AVAILABLE	N/A	Y	Oil Change - 3 Months	
1																														
2																														
3																														
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PB Pressure Boundary  
EQ Environmental Qualification  
SQ Seismic Qualification  
Code B51, B31.1, ASME - NB, NC, ND, etc.  
ASL OPG Approved Supplier List  
End Use E-Tag or Location in plant  
ROP/TMAX Reorder Point/Target Maximum  
Trace Type H=Heat Number, S=Serial Number, L=Lot or Batch number  
N/A Not Applicable

Vendor Documentation

C OF C Certificate of Compliance  
CMTR Certified Material Test Report  
HDOC History Documentation  
C OF A Certificate of Analysis

Legend

Required Information

Provide information if available

Exceptions:

1. Only certain fields are required initially to create Cat Ids  
2. All fields are required at the time of setting Cat Id to ready

Applicable Code

ASME SECTION III (EXAMPLE) NC1  
ASME SECTION VIII  
B51

QA Program

CSA Z299.1  
CSA Z299.2  
CSA Z299.3  
CSA Z299.4  
ISO 9001

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**CONTRACTOR/OWNER INTERFACE REQUIREMENTS FOR NUCLEAR****APPENDIX B: Procurement Plan Template**

The Procurement Plan shall be prepared and include the Owner or Contractor Specified Materials and Services procurement activities. The Procurement Plan shall be based upon the Contractor's qualified procurement program.

The plan may include, but not limited to, the following elements:

- |  |  |
|--|--|
| 1. Executive Summary                                     | 16. Sourcing Strategy                      |
| 2. Background Information                                | 17. Success Criteria                       |
| 3. General Description of Product/Services               | 18. Risks and Mitigations                  |
| 4. Technical and Regulatory Requirements                 | 19. Commercial/Contractual Requirements    |
| 5. Historical and Future OPG Usage                       | 20. Contract Administration Considerations |
| 6. Vendor/Marketplace Capabilities & Supply Restrictions | 21. Quality Assurance                      |
| 7. Existing OPG/Vendor Relationships                     | 22. Quality Control                        |
| 8. Bidder Prequalification                               | 23. Expediting                             |
| 9. Competitive Tendering                                 | 24. Transportation/logistics,              |
| 10. Evaluation/Negotiation & Contract Award              | 25. Site Receipt of Goods, Warehousing     |
| 11. Subcontract Management                               | 26. Claims Resolution                      |
| 12. Scheduling   | 27. Invoice Approval                       |
| 13. Staffing and Succession Plans                        | 28. Contract Closeout                      |
| 14. Source Surveillance                                  | 29. Post Contract Considerations           |
| 15. Concessions and Exceptions                           | 30. References                             |

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**CONTRACTOR/OWNER INTERFACE REQUIREMENTS FOR NUCLEAR****APPENDIX C: Non-Conformance Post-Installation Reporting**

The Contractor shall submit a notification on company letterhead endorsed by Senior Quality Management addressing the following as a minimum:

- (a) A clear description of the defect or non-conformance.
- (b) An assessment on the impact of the defect or non-conformance to the product form, fit or function. Also address the potential impact on safety if known.
- (c) Identify OPG CatID numbers(s) that are affected including OPG PO and line item numbers, ship date, quantity, manufacturer product identification / traceability (i.e. serial number, lot number, batch number, manufacturing date, etc.).
- (d) Immediate short term actions to be taken to remedy the situation at OPG (address the availability of replacement item(s) and delivery time lines).
- (e) Long term corrective action plan to address the root cause for the defect or non-conformance, including completion / implementation commitments.

Contractor to submit notification by email to: [scqs.suppliers@opg.com](mailto:scqs.suppliers@opg.com)

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**APPENDIX D: OPG Approved Supplier List****(a) Use of OPG's ASL.**

Subject to the other requirements of the Agreement, the Contractor will be able to utilize vendors on OPG's Approved Supplier List (ASL). All vendors which are active on OPG's ASL are maintained up to date and their qualification is current. OPG's ASL is maintained using OPG's QA Program.

OPG will provide to the Contractor a list of vendors qualified on OPG's ASL. The list will contain the following information: the Asset Suite Vendor Code, Vendor name, supplier web page – when available, Quality level (QL1 or QL3), qualification result (SAT or UNSAT), detailed scope of qualification, including scope restrictions, if the vendor has Corrective Actions issued or restrictions and warnings (only Yes or No – no additional details), qualification effective date and expiry date, scope of supply – manufacturer, services, distributor, etc, Pressure Boundary (PB), non PB flag, and quality standard used. The Contractor may use the list for the sole purpose of work to be performed for OPG.

Vendors on OPG's ASL may be used by the Contractor only if the Contractor determines that the information provided is sufficient and meets the requirements of the applicable standards and the Contractor's own quality program. The Contractor is responsible to use the vendors on OPG's ASL only for the specific purpose(s) for which they have been approved on OPG's ASL. The Contractor is solely responsible for taking all necessary actions to ensure that its sub-suppliers have the technical and quality assurance capability for the scope of work they are utilized for, and the ability to provide the required product or service. This includes obtaining assurance that the sub-suppliers have an appropriate and effective quality program implemented in accordance with the Contractor's own quality program and applicable standards requirements.

The use of vendors on OPG's ASL does not preclude or limit in any way the Contractor's responsibility for and obligation to provide OPG with quality parts and services meeting all requirements under the Agreement.

**(b) Use of suppliers not on OPG ASL**

If the Contractor's requirement is not satisfied by vendors on the OPG's ASL, or the scope of qualification for a vendor on OPG's ASL needs to be changed, the Contractor shall inform OPG and obtain OPG's acceptance to use a new supplier when required as identified below:

**(i) OPG acceptance is required for the use of sub-suppliers only when:**

The Contractor acts a procurement organization as per CSA N286-05 for the purchase of items and services:

- For QL1 and QL3 items only when a quality program is specified
- For QL1 and QL3 items, when the specified quality program is for CSA Z299.3 or higher (e.g. CSA Z299.1/2/3, NCA 3800 Material Organizations)
- When a primary CSA N286-05 engineering, procurement or construction is subcontracted in its entirety



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**(ii) OPG acceptance is not required for sub-suppliers:**

- When the Contractor purchase materials/ components following a CSA Z299 program as part of their manufacturing process (i.e. the Contractor is the manufacturer or the manufacturer of record)
- When there is no quality program specified
- When the specified quality program is CSA Z299.4 or ISO 9001
- Service suppliers (other than those primary N286-05 engineering, procurement, or construction service suppliers identified above in (i))
- Software suppliers

The Contractor shall evaluate, audit as appropriate, and approve the new supplier, according to the Contractor's own quality program. When OPG acceptance to use a supplier is required and obtained, the Contractor shall provide the audit report, checklist, corrective action requests and certificates to OPG. When OPG acceptance is not required, the Contractor shall maintain the audit report and checklists according to their own quality program requirements and provide it to OPG upon request.

**(c) Administrative Instructions for requesting OPGN acceptance to use suppliers not on OPGN ASL**

When EPC suppliers performing Nuclear Power Plan Procurement want to use a supplier not on OPG's ASL, the N286-05 qualified EPC Contractor/Subcontractor shall send requests for acceptance to [scqs.suppliers@opg.com](mailto:scqs.suppliers@opg.com).

The emailed request shall include:

- 1) Purpose of the request: e.g. "This is to request OPG acceptance of our use of a supplier not on OPG's ASL per N-DAI-0010-10000 requirements."
- 2) Attach N-FORM-10170 – ASL action request, (the form shall be appropriately filled out). The form shall include a brief business justification as to why OPG should accept. Note: justification section on the N-FORM-10170 shall address OPG business considerations such as the following:
  - a. Cost considerations, specifically:
    - i. Minimize the addition of new suppliers required to be maintained on OPG's ASL for replacement/maintenance activities going forward.
    - ii. Maintain and continue existin OPGN business leverage with strategic partners on OPG's ASL.
    - iii. Other business benefits/reasons why OPG should accept when it conflicts with OPG's business considerations.
  - b. Quality considerations:

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- i. Preference is to suppliers with a history of acceptable CSA Z299 Quality Assurance program implementation and experience/knowledge of CSA Z299 requirements.
  - c. Sustainable Businesses considerations – Per N286-05 Clause B.2 – Supplier has to have a reliable and maintainable business (provide replacement parts or support warranty issues).
- 3) Copies of Audit Report & Checklists (if already performed), or identification that an audit will be performed and the report and checklist will be submitted for OPG acceptance at a later date, prior to purchase orders being issued.

## SCHEDULE 7

### LABOUR AND OTHER PERSONNEL RELATED ISSUES

#### 1. **Construction Collective Agreements and Labour Requirements Clause**

The Contractor will ensure that all Work involving construction trades performed at any Site will be carried out in accordance with the appropriate construction collective agreements (collectively, the “**Collective Agreements**”). The Contractor will comply with the Collective Agreements in effect at the time, including fabrication clauses, and will not take any action that would cause OPG to fail to comply with any of its obligations under the Collective Agreements. The Contractor will also comply with the provisions of the Labour Requirements Clause - Form 1 attached as Attachment 1 to this Schedule 7.

#### 2. **Acknowledgement of Labour Requirements**

The Contractor will execute, and will cause each of its Subcontractors to execute, an Acknowledgement of Labour Requirements in the form attached as Attachment 2 to this Schedule 7.

#### 3. **Nuclear Energy Workers**

(a) **Qualifications.** The Contractor will ensure that each of the Contractor’s Personnel providing any Work at the applicable licensed nuclear facility:

- (1) is qualified as a “Nuclear Energy Worker” (as that term is defined in the *Nuclear Safety and Control Act* (Canada) to provide radiological services; and
- (2) completes, before commencing any Work at any Site for the first time, a training course, satisfactory to OPG, which includes Orange Badge Radiation Safety Training and security and work protection. OPG will provide such training at no cost to the Contractor following a request by the Contractor setting out the names and titles of the Contractor’s Personnel to be trained. The Contractor will make the applicable Contractor’s Personnel available for such training.

(b) **Designated Areas.** Orange Badges are not required for Site tours, however, Nuclear Energy Worker status is required for any entries into the reactor buildings, rubber areas and other areas with greater than one MPCa of airborne contamination and entry into an area with a radiation field of 2.5 mrem/h or greater. OPG will provide form of Nuclear Energy Worker designation letter to be signed by the Contractor and the designee and a description of the requirements for bringing visitors into the zoned nuclear areas. Before any such entry, the Nuclear Energy Worker will deliver the completed letter to OPG’s Project Representative.

- (c) **Designation.** To designate a member of the Contractor's Personnel as a Nuclear Energy Worker, the Contractor is required to formally designate the member of the Contractor's Personnel as a Nuclear Energy Worker, inform the designated Nuclear Energy Worker of the risks associated with ionizing radiation and keep radiation dose records for each Nuclear Energy Worker.
- (d) **Radiation Protection Procedures.** Specific requirements for any Work to be provided in radiological areas on any Site are outlined in OPG's radiation protection procedures referred to in Section 5.
- (e) **Equipment.** OPG will provide personal radiation protection clothing and equipment.

#### 4. **Non-Canadian Workers (Dosimetry)**

In addition, the Contractor's Personnel reporting to any Site who are non-Canadians must provide the following information: proof of citizenship (passports), work permit, social security number and reference letter from the employee quoting atomic radiation status and employment status. Any Contractor's Personnel arriving at any Site without the required documentation will be released.

#### 5. **Radiation Protection Procedures**

When working within the licensed nuclear facility, the Contractor will ensure that all Work is carried out in accordance with OPG's Radiation Protection Procedures. A general overview of these Radiation Protection Procedures is set out in OPG's Radiation Protection Procedures Manual – General Information [N-PROC-RA-0041]. The Contractor will be familiar with and understand, and will ensure that all Contractor's Personnel performing any Work at any Site will be familiar with, understand and have the necessary skills to perform their roles and obligations under these procedures and the procedures covered the Orange Badge Training course. OPG will provide all "Radiation Protection Co-ordinators" required under OPG's Radiation Protection Procedures. When working in the nuclear island, the Contractor will ensure that all Work is performed under the direction of OPG's "Holder of Record". OPG will have its "Holder of Record" identify the "Safe Work Area" to the Contractor's Personnel performing the Work, before starting performance. The Contractor will ensure that all such individuals will comply with all directions provided by OPG's "Holder of Record" from time to time.

#### 6. **Management of Exposure**

- (a) **Doses.** Maximum permissible radiation dose exposure permitted by the OPG in its nuclear generating stations must be strictly adhered to. The Contractor will manage the radiation exposure of all individuals performing any Work at any Site within the requirements of the Contractor's radiation exposure permit and any directions from any Radiation Protection Co-Ordinators. The Contractor's Personnel arriving at any Site must have low enough radiological doses to complete the assignment within the forecasted dose estimates and without exceeding specified dose limits, otherwise they will be released.

- (b) **Maximums.** The Contractor will not permit the individuals performing any Work at any Site to exceed allowable action levels set out in OPG N-REP-03420-10001 (nuclear operating licence), OPG N-REP-03420-10002 (radiography licence), OPG N-REP-03420-10003 (consolidated nuclear substances and radiation devices licence) and OPG N-REP-03420-10004 (class II facilities licence) as a group or as set out in the radiation exposure permit. The Contractor will ensure that the individuals performing any Work at any Site receive a total dose commitment less than the planned dose as set out in the applicable radiation exposure permit. The Contractor will at all times take all reasonable steps to provide radiation doses to the individuals performing any Work at any Site that are as low as reasonable achievable. The Contractor will be solely responsible for ensuring that contamination inside each applicable rubber area remains within the limits set out in section 5.1.5.1 of OPG N-RPP-03415.1-1000 (radiation protection requirements) and take all required clean up actions before any such limits are exceeded.

## 7. Reporting of Events

- (a) **Duty to Notify.** The Contractor will promptly report to OPG's Project Representative any unplanned exposure, release to the environment or generating station not authorized by the applicable licence and any theft or loss of a nuclear substance, prescribed equipment or prescribed information, used to carry on any activity under the *Nuclear Safety and Control Act* (Canada) or violations of any of the procedures referred to in Section 5 involving any individual performing any Work at any Site.
- (b) **Investigation.** OPG may investigate any such event or violation or review any investigation undertaken by the Contractor. The Contractor will, at its expense, participate and co-operate with OPG, and will at OPG's request, cooperate with any regulatory or governmental body, and each of their requirements, in reporting and investigating safety violations precipitated by the Contractor or any Subcontractor. The Contractor will deliver to OPG's Project Representative, promptly on request, all documents and other information in the Contractor's possession or control respecting any such event, violation or investigation and will provide access to any individual involved in any such event, violation or investigation for the purpose of assisting OPG in any investigation.

## 8. Dose Information

- (a) **SIN.** It is a requirement of the Canadian Nuclear Safety Commission's radiation protection regulations that all workers must have a Canadian Social Insurance number (SIN) before commencing work at a nuclear generating station. This is to enable OPG to report the worker's radiation dose to the national dose registry.
- (b) **Information Required.** Before commencing any Work at any Site, the Contractor will deliver to OPG's Project Representative the dose information system number (if available), date and results of last medical examination, record

of current year to date dose, last four years dose and extremity dose, name of last nuclear facility worked at, certification certificates for the Work required and the Canadian social insurance number for each individual performing any Work at any Site solely for the purposes of tracking the radiation dose records of the individual performing such Work. The Contractor, further to section 9 of the Radiation Protection Regulations, as amended, will, on OPG's behalf, inform those individuals performing any Work at any Site of the purpose for which the information is collected. The Canadian Nuclear Safety Commission, under its radiation protection regulations, requires OPG to collect these numbers.

- (c) **Dose Information.** OPG will provide the Contractor with each such individual's radiation dose received in performing any Work at any Site. OPG will also report each such individual's radiation dose to the Canadian dose registry. The Contractor will also maintain a record of each such individual's radiation dose, received both under this Agreement and in respect of any other services provided for third parties where radiation doses can be received.

## 9. **Medical Treatment**

If OPG, at its sole and absolute discretion, establishes or allows use of established emergency medical treatment facilities at any Site, and in consideration of any such establishment or right of use and the rendition of any such treatment to the Contractor or any other Persons performing any Work, the Contractor will indemnify and hold harmless each member of the OPG Group from and against all Losses suffered or incurred by a member of the OPG Group and all claims, demands, actions, suits or proceedings for Losses made against any member of the OPG Group by any Person, arising out of the rendition of or in any way connected with the furnishing of such treatment.

**ATTACHMENT 1 TO SCHEDULE 7  
LABOUR REQUIREMENTS CLAUSE - FORM 1**

See attached.

Revised November 28, 2011

(Supersedes Clause dated August 28, 2007)



## LABOUR REQUIREMENTS CLAUSE — Form 1

**A** For the purpose of this Labour Requirements Clause, the following definitions shall apply:

1. **"Company"** shall mean any company, partnership, sole proprietorship, joint venture, contractor, subcontractor or person contracting to do the whole or any part of the work contemplated by this request for proposal (RFP) document or contract, as the case may be, at the site described in this RFP document or contract, as the case may be.
2. **"EPSCA Agreement"** shall mean any collective agreement in existence now or in the future between The Electrical Power Systems Construction Association and any Trade Union or Council of Trade Unions.
3. **"CUSW Agreement"** shall mean the collective agreement in existence now or in the future between the Canadian Union of Skilled Workers and the Ontario Power Generation Inc. or any other relevant CUSW agreement.
4. **"BACU Agreement"** shall mean the collective agreement in existence now and in the future between the Brick and Allied Craft Union of Canada and Ontario Power Generation Inc.
5. **"Work on Site"** shall mean work performed by any Company for Ontario Power Generation Inc. in the Province of Ontario on property acquired by Ontario Power Generation Inc. for:
  - (a) the construction of generation facilities or microwave and repeater stations;
  - (b) the supply of aggregate and concrete used in the construction of said facilities; and
  - (c) ancillary material yards.

**B** Any Company performing any non-electrical or non-bricklaying Work on Site which would come within the jurisdiction of any of the Unions that are signatory to an EPSCA Agreement shall be required to conform to and adhere to the provisions of that EPSCA Agreement. If the EPSCA Agreement does not contain a wage rate for a trade classification required by any such Company, it shall request the OPG Manager – Construction Labour Relations for a wage rate and the wage rate so specified shall apply.



## LABOUR REQUIREMENTS CLAUSE

## FORM 1

**C** (a) Any Company performing any electrical Work on Site which would come within the jurisdiction of the Canadian Union of Skilled Workers (CUSW) shall be required to conform and adhere to the following:

- (i) if the Company is signatory to an IBEW Collective Agreement\*, the EPSCA/IBEW Generation Projects collective agreement will apply;
- (ii) if the Company is **NOT** signatory to an IBEW Collective Agreement\*, the relevant CUSW collective agreement will apply and the Company must sign Appendix E of said Collective Agreement.

*\* membership in EPSCA on its own does not constitute "signatory to an IBEW Collective Agreement" for purposes of this document*

(b) Any Company performing bricklaying or masonry work on site, which would come within the jurisdiction of BACU, shall be required to conform and adhere to the following:

- (i) any contractor shall only contract or sub-contract work to employers who agree in writing to abide by the terms and conditions of the OPG/BACU Collective Agreement and the Company must sign Appendix E of said Agreement.

(c) **Nuclear Sites**

### **Defined Nuclear BTU (Building Trades Unions) electrical trades work\***

- (i) For work on Site which would come within the jurisdiction of CUSW, a minimum of 55% of the BTU performed electrical trades hours will be performed by members of CUSW.
- (ii) The CUSW Employer that is assigned/awarded the electrical work will administer the CUSW collective agreement, including the distribution of the BTU assigned electrical trades hours in accordance with the agreed upon percentage.
- (iii) This 55% of BTU assigned electrical trades work\* hours will be applied on an ongoing, rolling average basis (i.e., the % could be below 55% at any point or period of time, but on an overall 6 month to 6 month basis it will be at least the agreed upon percentage of 55%).

Revised Nov 28, 2011

(Supersedes Clause dated August 28, 2007)

**LABOUR REQUIREMENTS CLAUSE****FORM 1**

- (iv) Notwithstanding the foregoing, at no point will CUSW's presence at Pickering or Darlington fall to zero while there is BTU assigned electrical trades work\* being performed at Pickering or Darlington respectively. This provision will be administered by the CUSW contractor/sub-contractor.
- (v) the 55% reflected above is a minimum.

\* BTU electrical trades work against which the 55% will be applied consists of: (1) the Project Portfolio (including Pickering A and B Life Extension and Safe Storage), of which MSA Work is a sub-set; and (2) PSA Overflow Work assigned to the BTU at Pickering and Darlington; and (3) Darlington Refurb work performed by MSA contractors under the terms and conditions of the MSA.

- D** For the purpose of adjustment by Ontario Power Generation Inc. of the labour costs of a directly contracted Company, the costs of any Company falling within the provisions of paragraphs B or C of this Labour Requirements Clause which has proposed to Ontario Power Generation Inc. with respect to this contract and which has entered into a direct contract with Ontario Power Generation Inc. as a result of its proposal being accepted by Ontario Power Generation Inc., shall be based upon rates of wages and working conditions specified or incorporated by reference in the EPSCA Agreements, CUSW Agreement or BACU Agreement. If Agreements are added to Schedule I attached hereto or if changes are negotiated for any of the Articles of the said Agreements now or subsequently listed in Schedule I, either before or after work on this construction contract commences but before the stipulated time for completion of the work or any extension thereof authorized by Ontario Power Generation Inc., such Company shall, unless the contract is based upon a firm price for the work, either be reimbursed by Ontario Power Generation Inc. for any increases or shall pay to Ontario Power Generation Inc. any decreases or savings arising from any such addition or negotiated change. The amounts of any such increases or decreases in such Company's costs resulting directly from such an addition or negotiated change shall be in accordance with Clause \_\_\_\_\_ of these request for proposal documents. Any such Company shall give Ontario Power Generation Inc.'s auditors full access to all Company records considered by the auditors to be necessary for the purpose of determining the accuracy of any amounts contemplated by this Paragraph. Failing such access and such verification, Ontario Power Generation Inc. shall have no liability to pay any amounts under this Paragraph. \*Such Company will not include in its bid any allowance for daily travel, subsistence or travel and transportation as provided for in the relevant Articles of the applicable Collective Agreement as it will receive from Ontario Power Generation Inc. a reimbursement for the direct cost it incurs for these items.

Revised Nov 28, 2011

(Supersedes Clause dated August 28, 2007)

**LABOUR REQUIREMENTS CLAUSE****FORM 1**

**\* EXCEPTION** — *When an Employer is required to maintain the payment of subsistence allowance to employees on stand-off, these payments will not be reimbursed by Ontario Power Generation Inc.*

**E** Any Company performing any Work on Site which would come within the jurisdiction of any trade union that is signatory to a collective agreement with Ontario Power Generation Inc. (other than an EPSCA, CUSW or BACU Agreement) shall, as a minimum, be required to conform to and adhere to those provisions set out in Schedule II attached hereto. If Schedule II does not contain a wage rate, overtime rate, shift differential rate or other information for a trade classification required by any such Company, it will request the Manager of Ontario Power Generation Inc.'s Labour Relations Department, or his designate, for such rates and the rates so specified in writing shall apply. If changes are required by Ontario Power Generation Inc. in any of the provisions contained in Schedule II, either before or after work on this construction contract commences but before the stipulated time for completion of the work or any extension thereof authorized by Ontario Power Generation Inc., Ontario Power Generation Inc. shall reimburse such Company in accordance with Clause \_\_\_\_\_ of these RFP documents, unless the contract is based upon a firm price for the work.

**F** Any Company performing any Work on Site which is not covered by either paragraph B, C or E hereof, shall be required to pay all employees who perform such Work on Site as follows:

- (i) wage rates as are established by representative collective agreements existing with contractors working in the municipality or district concerned which are appropriate for the classifications and kind of labour employed, and such revisions to the wage rates of the aforesaid collective agreements as may result from collective bargaining during the term of this contract;
- (ii) if no such collective agreements are in force, the rates currently paid to competent workmen in appropriate classifications in the municipality or district;
- (iii) if no such collective agreements are in force, and no current rate is established, a fair and reasonable rate.

**G** Any Company performing any Work on Site shall conform to such working conditions and administrative practices as are required by Ontario Power Generation Inc. from time to time at the work site.

## **LABOUR REQUIREMENTS CLAUSE**

## **FORM 1**

- H** Ontario Power Generation Inc. may revise rates, schedules, working conditions and/or administrative practices during the term of this contract and any Company performing any Work on Site shall be required to conform to and adhere to any such revision or revisions.
- I** Unless otherwise specified herein, no Company shall be entitled to payment or reimbursement for any increases resulting from any changes, revisions and/or additions or deletions in any rates, schedules, working conditions and/or administrative practices nor for payment or reimbursement for any resultant increases in Workmen's Compensation assessments, Unemployment Insurance payments and/or vacation pay nor for payment or reimbursement for any other increase of any sort or type in any other matter.
- J** If any Company subcontracts to any other Company any part of the Work on Site contemplated by this contract, it shall require any such Company to conform to and adhere to all terms and conditions contained in this Labour Requirements Clause and all such subcontracts shall incorporate all terms and conditions contained in this Labour Requirements Clause.
- K** The Company shall specify to Ontario Power Generation Inc. that portion of the Work on Site that will be subcontracted and shall submit prior to the subcontractor's commencement of work the name of any Company that will be engaged to perform such Work on Site together with the amount and kind of work each will perform. No work shall be subcontracted by the Company until Ontario Power Generation Inc. is informed of and approves the portion of the work to be subcontracted and the Company receiving the subcontract. Upon written request Ontario Power Generation Inc. may, in exceptional circumstances, grant written approval to the Company to change any of the subcontractor companies named or the amount and kind of work to be performed by each or to let additional subcontracts.
- L** Any Company submitting a proposal with respect to this contract or any Company performing any Work on Site contemplated by this contract may consult with Ontario Power Generation Inc.'s Manager of Labour Relations, or his designate, with respect to rates, schedules, working conditions and/or administrative practices which may be applicable to this contract. Any information given by Ontario Power Generation Inc. shall in no way obligate Ontario Power Generation Inc. with respect to any matter nor shall it in any way relieve any Company of its responsibility for determining any matter upon which to base its proposal.

*Revised Nov 28, 2011*

(Supersedes Clause dated August 28, 2007)

**LABOUR REQUIREMENTS CLAUSE****FORM 1**

- M** Ontario Power Generation Inc.'s Manager of Labour Relations, or his designate, may call meetings with respect to rates, schedules, working conditions and/or administrative practices or for discussion and clarification of any problem involving labour relations. Any Company submitting a proposal with respect to this contract and any Company performing any Work on Site contemplated by this contract shall attend such meetings when requested by Ontario Power Generation Inc.
- N** Ontario Power Generation Inc. may require from time to time any Company submitting a proposal with respect to this contract to supply Ontario Power Generation Inc. forthwith with any and all collective agreements that it or any of its subcontractor Companies may have covering the area where the work is to be performed.
- Any Company contracting or contracted to perform any Work on Site contemplated by this contract shall give to Ontario Power Generation Inc. immediately upon request evidence satisfactory to Ontario Power Generation Inc. of such Company's compliance with any or all of the terms and conditions contained in this Labour Requirements Clause. Failure to do so, or failure to comply with any of the terms and conditions contained in this Labour Requirements Clause shall, at the option of Ontario Power Generation Inc., render this contract or such part of it as is determined by Ontario Power Generation Inc., null and void upon notification in writing to the defaulting Company by Ontario Power Generation Inc.

**ATTACHMENT 2 TO SCHEDULE 7**  
**ACKNOWLEDGEMENT OF LABOUR REQUIREMENTS**

See attached.

Revised December 6, 2010  
(Supersedes Documentation dated August 28, 2007)



## **LABOUR REQUIREMENTS DOCUMENTATION**

### **ATTENTION- IMPORTANT**

#### **Executing Acknowledgement of Labour Requirements**

As an integral part of the execution of the contract, the successful tenderer will be required to execute the following form, a copy of which is included in the tendering document:

#### **Acknowledgement of Labour Requirements**

If it has not been previously submitted the executed Acknowledgement of Labour Requirements form must be returned to Ontario Power Generation Inc. with the Acknowledgement Copy of the Purchase Order.

#### **Vacation and Statutory Holiday Pay**

Vacation and Statutory Holiday Pay will be included on the employees' pay-cheques for all trades, with one exception - the Millwrights (see below).

#### **MILLWRIGHTS**

The successful tenderer is required to remit Vacation and Statutory Holiday Pay for employees working under the terms and conditions of the **EPSCA/Millwright Collective Agreement** to the Union's respective Plan, as follows:

#### **The Millwright Benefit Plan Trust Funds**



## ACKNOWLEDGEMENT OF LABOUR REQUIREMENTS

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(Name of Company)

(hereinafter called the "Company")

acknowledges and agrees that should its tender with respect to:

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(identification of tender and work)

be accepted by Ontario Power Generation Inc.:

- (a) the contract with Ontario Power Generation Inc. resulting from that acceptance shall include all the terms and conditions of the Labour Requirements Clause set out in the tendering documents including those related to "Off-Site Haulage of Excavated Materials",
- (b) all the terms and conditions of the Labour Requirements Clause shall form part of any subcontract which the Company enters into for the performance of any work covered by such contract with Ontario Power Generation Inc.;
- (c) failure by the Company or any of its subcontractors to comply with any of the terms and conditions contained in the Labour Requirements Clause shall, at the option of Ontario Power Generation Inc., render such contract or any such subcontract, or any part of such contract or any such subcontract as determined by Ontario Power Generation Inc., null and void.

The Company shall give to Ontario Power Generation Inc. upon request evidence satisfactory to Ontario Power Generation Inc. that it and any of its subcontractors are complying with the terms and conditions of the Labour Requirements Clause. It is understood that this Acknowledgement of Labour Requirements shall form part of the Company's contract with Ontario Power Generation Inc. if its tender is accepted.

SIGNED, SEALED and DATED at                      this              day of              ,              .

( seal )

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Employer Signature



## **SCHEDULE 8**

### **BUSINESS EXPENSES**

Attached is OPG's Standard Form Business Expense Schedule (as amended, restated or replaced from time to time).

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# **STANDARD FORM BUSINESS EXPENSE SCHEDULE FOR CONTRACTORS**

**Effective June 17, 2009**

**ONTARIO POWER GENERATION INC.**

Updated December 10, 2014

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## **BUSINESS EXPENSE SCHEDULE**

### **RECITALS**

- A. Ontario Power Generation Inc., (“**OPG**”) entered into an Agreement (the “**Agreement**”) with the other party to the Agreement (the “**Contractor**”). This schedule (this “**Schedule**”) forms part of the Agreement. Under the Agreement, OPG agreed to reimburse the Contractor for certain business expenses incurred by employees of the Contractor (“**Eligible Employees**”) in performing work for OPG under the Agreement.
- B. This Schedule sets out the terms on which OPG will reimburse the Contractor for business expenses incurred by Eligible Employees in performing work for OPG.

### **SECTION 1 – INTERPRETATION**

#### **1.1 Three Types of Reimbursement**

OPG will reimburse the Contractor for expenses that are eligible for reimbursement in accordance with the Schedule. OPG will make the reimbursements in 1 of 3 ways respecting each Eligible Employee in respect of whom reimbursements are payable. The 3 ways of reimbursements are:

- (a) reimbursement of individually incurred Allowable Expenses as set out in section 2 through section 5;
- (b) payment on a flat rate daily basis as set out in section 6; or
- (c) payment on a flat rate monthly basis as set out in section 7.

Except as expressly set out in section 6 or section 7, if OPG pays the Contractor the daily or monthly rate in respect of an Eligible Employee, OPG will reimburse the Contractor no Allowable Expenses in respect of that Eligible Employee.

#### **1.2 Definitions**

In this Schedule, the following terms have the respective meanings set out below.

- (a) **Agreement** is defined in Recital A.
- (b) **Allowable Expenses** is defined in Section 2.1.

- (c) **Business Day** means any day other than a Saturday, Sunday, New Year's Day, Family Day, Good Friday, Easter Monday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Remembrance Day, Thanksgiving Day, Christmas Day and Boxing Day.
- (d) **Contractor** is defined in Recital A.
- (e) **Eligible Employees** is defined in Recital A.
- (f) **Home Base** means the permanent place of residence (home) of Eligible Employee.
- (g) **Reporting Location** means the normal work location or base office for Eligible Employee. For all work at Darlington Nuclear (DN) and Pickering Nuclear (PN) sites, this is further defined as an area consisting of a 100km radius around the midpoint between DN and PN site. Bruce Nuclear (BN) is also considered a reporting location.
- (h) **OPG Representative** is defined in Section 2.1 (d).
- (i) **Schedule** is defined in Recital A.
- (j) **Work Site** means a location at which the Eligible Employee may be required to provide service that is different from the Eligible Employee's normal reporting location.

### 1.3 Headings

The division of the Schedule into sections, the insertion of headings and the provision of a table of contents are for convenience of reference only and are not to affect the construction or interpretation of this Schedule.

### 1.4 Expanded Definitions

Unless otherwise specified, words importing the singular include the plural and vice versa and words importing gender include all genders. The term **"including"** means "including without limitations", and the terms **"include"**, **"includes"** and **"included"** have similar meanings. The term **"will"** means "shall".

### 1.5 Business Day

If under this Schedule any payment or calculation is to be made on or as of a day which is not a Business Day that payment or calculation is to be made on or as of the next day that is a Business Day

### 1.6 Payment Currency

Except as expressly set out in the Agreement, amounts to be paid or calculated under this Schedule will be paid or calculated in Canadian dollars. Any amounts to be paid or calculated which are denominated in a foreign currency will be converted into Canadian dollars, within three Business Days of the invoice date, using the Bank of Canada nominal noon exchange rate, as posted on the Bank of Canada website (currently located at [www.bankofcanada.ca](http://www.bankofcanada.ca)).

## 1.7 Conflict

If there is conflict between any term of this Schedule and any term in another part of the Agreement, the relevant term in the other part of the Agreement will prevail.

## 1.8 Notice

Any notices to be given under this Schedule will be given in accordance with the notice terms set out elsewhere in the Agreement.

# SECTION 2 – REIMBURSEMENT OF ALLOWABLE EXPENSES

## 2.1 Allowable Expenses

OPG will only reimburse the Contractor for the following eligible expenses (“**Allowable Expenses**”) to the extent they otherwise meet the requirements of this Schedule and the rest of the Agreement:

- (a) air, rail and bus travel expenses permitted under section 3;
- (b) vehicle expenses permitted under section 4;
- (c) lodging expenses permitted under section 5; and
- (d) any other expenses which have been approved in writing by the OPG individual managing the Agreement (the “**OPG Representative**”).

## 2.2 Expenses Minimised

Notwithstanding any term in this Schedule, the Contractor will use all reasonable efforts to ensure that Eligible Employees minimise Allowable Expenses and the Contractor will ensure that all Allowable Expenses are reasonable and properly incurred in a manner consistent with effective and efficient business practice. OPG is not obliged to reimburse any expenses which are not so incurred. Eligible Employees who normally live together are expected to share accommodations and vehicle expenses, where reasonable.

## 2.3 Excluded Items

Notwithstanding any term in this Schedule, OPG will not reimburse any amounts to the Contractor or any Eligible Employee for any hospitality, food or incidental expenses, including, but not limited to, in respect of the following:

- (a) meals, snacks, alcoholic and non-alcoholic beverages;

- (b) any expense whatsoever if the one way distance between the Eligible Employee's Home Base or Reporting Location and the Work Site is less than 100 kilometers;
- (c) gratuities;
- (d) airline or railway club dues, fees or other charges;
- (e) personal service expenses, including hair care, shoe shine, toiletry and spa treatment expenses;
- (f) laundry, dry cleaning or valet expenses;
- (g) hotel telephone charges or internet access;
- (h) personal telephone calls;
- (i) cellular telephones, data devices (for example, Blackberries) or other communication devices;
- (j) entertainment or recreation expenses, including pay-per-view, video, compact disk or DVD rental, in-room entertainment, games, gaming, reading, sports or exercise expenses;
- (k) headsets or other in-flight expenses;
- (l) dependent care expenses;
- (m) pet care expenses;
- (n) mini bar charges or sundry items (including gum and snacks);
- (o) credit card interest or other credit card expenses;
- (p) automobile washes;
- (q) fines or other expenses assessed or otherwise incurred in respect of traffic or parking violations; or
- (r) fees or other expenses for toll highways or vehicle rental agency administration charges for use of toll highways.

## 2.4 Method of Reimbursement

OPG will reimburse the Contractor for Allowable Expenses which otherwise meet the requirements of this Schedule and the rest of the Agreement in accordance with the following terms.

- (a) **Monthly Invoice.** The Contractor will deliver to OPG, to the address indicated in the purchase order or Agreement, on a monthly basis, an invoice for Allowable Expenses in a form and manner acceptable to the OPG Representative, acting reasonably. The Contractor will deliver to the OPG Representative, a copy of the invoice and will ensure that the invoice legibly itemises and, if necessary, briefly describes all allowable expenses. The Contractor will not invoice or otherwise charge OPG for any expenses other than allowable expenses. The Contractor will ensure that all expenses claimed on each such invoice meet the requirements of this Schedule and the rest of the Agreement and are first approved by the Contractor. If the Contractor fails to deliver an invoice



to OPG for an expense within six months of the expenses being incurred, OPG will not be obliged to reimburse the Contractor for such expense.

- (b) **Receipts.** The Contractor will deliver to the OPG Representative, together with a copy of the invoice, original official itemised receipts for each allowable expense claimed (including airline, railway or bus ticket passenger coupons or electronic ticket, boarding passes, vehicle rental contracts, itemised hotel bills and travel itineraries). The Contractor will separate expenses for each Eligible Employee. Debit card and credit card receipts are not acceptable without the itemised receipt. OPG will accept electronic, photocopied or fax copies of receipts.
- (c) **GST/HST Deducted.** The Contractor will deduct all Canadian goods and services tax/harmonized sales tax levied under the *Excise Tax Act* (Canada) recovered or recoverable by the Contractor on the payment of expenses before submitting any invoice to OPG covering any allowable expenses. The Goods and Services Tax/Harmonized Sales Tax levied under the *Excise Tax Act* (Canada) and reimbursable by OPG under this Schedule.
- (d) **Reimbursement.** OPG will reimburse the Contractor for Allowable Expenses which meet all of the requirements of this Schedule, received and approved by OPG before the 25<sup>th</sup> of each month on the 25<sup>th</sup> of the following month. The Contractor will ensure that all Eligible Employees initially pay for expenses using their own payment methods. OPG will not provide any advances respecting allowable expenses. The Contractor is exclusively responsible for the reimbursement of expenses to all Eligible Employees. Failure by the Contractor to comply with the requirements of this Schedule and the rest of the Agreement may result in delay of reimbursement of expenses or rejection of any invoice in whole or in part.

## 2.5 Travel Agency

OPG has and may in the future negotiate rates with a travel service to reduce travel and lodging expenses. Unless OPG provides the Contractor with written notice stating otherwise, or the Contractor can demonstrate it can obtain lower rates from providers other than American Express Business Travel, the Contractor will ensure that all Eligible Employees process travel requirements through American Express Business Travel. OPG also encourages the Contractor to have all vehicle rental and hotel arrangements made through American Express Business Travel. American Express Business Travel may be reached in Canada and the United States at 1-866-868-4441. The Contractor will ensure that all Eligible Employees travelling for the purpose of providing services under the Agreement identify themselves to American Express Business Travel as such.

## 2.6 Confirming Rates

The Contractor will ensure that the rates booked by it or an Eligible Employee are the same or lower than that listed on the travel itinerary.

## **2.7 Home Base and Work Site**

Where applicable, the Contractor will specify in each invoice the Home Base, Reporting Location and the Work Site for each Eligible Employee. At OPG's request, the Contractor will provide written confirmation from each Eligible Employees as to the employee's permanent residence and street address. A post office box is not acceptable street address.

## **2.8 Non EPSCA Eligible Employees and Extended Staff**

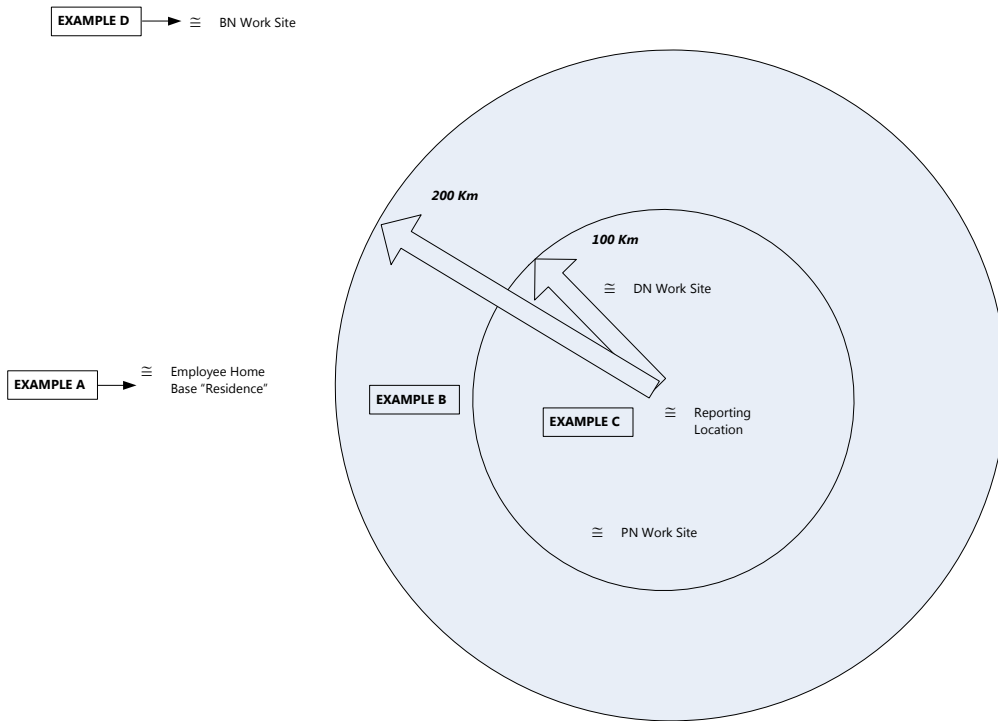
OPG will only reimburse the Contractor's Eligible Employees and extended staff, not subscribed to an EPSCA Agreement, expenses incurred from their Home Base to the designated reporting location as per the illustration below and detailed examples provided:

**Example A:** Home Base is outside the 200 kilometers ring from the reporting location. Prior approval from an OPG Representative is required and depending on the duration of the assignment, either section 6 or section 7 applies. If the duration is greater than one month, section 7 applies and the Eligible Employee will be paid an "all inclusive" monthly rate (or prorated portion of the month). If the assignment is less than one month, section 6 applies and the Eligible Employee will be paid an "all inclusive" daily rate.

**Example B:** Home Base is outside the 100 km ring but inside the 200 kilometers ring from the reporting location. Prior approval from an OPG Representative is required and OPG will pay the less of a daily "all inclusive" rate per section 6 or rates in accordance with sections 2 through 5. If sections 2 through 5 apply, the Eligible Employee will only be entitled to one round trip per week, from Home Base to the reporting location.

**Example C:** Home Base is within a 100 kilometers radius of the reporting location. In this scenario, the Eligible Employee is not entitled to any expenses whatsoever. This would include any and all trips to the Work Site within the 100 kilometers radius.

**Example D:** In this example, the reporting location and Work Site is one and the same. Prior approval from an OPG Representative is required and the preceding examples A, B and C apply.



## **SECTION 3 – AIR, RAIL OR BUS TRAVEL**

### **3.1 Air, Rail or Bus Travel**

The expense of air, rail and bus travel is an allowable expense to the extent the actual amount of airfare or, rail or bus fare was incurred by an Eligible Employee in providing services to OPG under the Agreement and to the extent of compliance with the other requirements of this Schedule and the rest of the Agreement. Pre approval by an OPG Representative is required for all air, rail or bus travel. The Contractor will cause Eligible Employees, to the extent possible, to take advantage of hotel and airport shuttles where available. OPG will reimburse the Contractor for the expenses actually incurred by an Eligible Employee for travel between the Eligible Employee's Home Base, reporting location or Work Site and the airport, rail way station or bus terminal where the Eligible Employee arrives or departs. In addition, the amount of any such reimbursement may not exceed the lesser of:

- (a) the expense of the taxi fare or other similar out of pocket charge to travel to or from the airport, railway station or bus terminal; and
- (b) if applicable, parking charges at the airport, railway station or bus terminal.

### **3.2 Economy Class**

Air expenses are not Allowable Expenses unless the Eligible Employee travels on economy class or equivalent. Rail expenses will be permitted for travel by VIA 1 or equivalent.

### **3.3 Vehicle Instead of Air, Rail or Bus Travel**

OPG will only reimburse the Contractor for use of a personal vehicle or rental car (the lesser of) for trips which would customarily be travelled by air, rail or bus, for the amount which is equal to the lesser of:

- (a) the expense of the airfare, rail fare or bus fare that would have been reimbursed by OPG to the Contractor under section 3; and
- (b) the amount that would otherwise be reimbursable by OPG to the Contractor for vehicle travel pursuant to section 4. OPG will not reimburse the Contractor for any lodging that would not have been incurred had the trip been made by air, rail or bus.

### **3.4 Visits Home**

OPG will reimburse air, rail or bus travel expenses for a maximum of one round trip home per month for each Eligible Employee on assignment at a Work Site where the duration is more than 45 days and the Home Base of that employee is greater than 400 kilometers from the Work Site.

### **3.5 Minimising Expenses**

The Contractor will, to the extent possible, cause all air travel, to be by “lowest logical airfare”, to take advantage of weekend specials and other discount fares and to reduce overall expenses and plan ahead (booking at least 2 weeks before the departure date is expected).

## **SECTION 4 – VEHICLES**

### **4.1 Reimbursable Vehicle Expenses**

The expense of rental vehicles or personal vehicles (the lesser of) used by Eligible Employees will be and allowable expense to the extent that:

- (a) the use of the vehicle was for official OPG business;
- (b) the one way distance between the Eligible Employee’s reporting location and the Work Site is greater than 100 kilometers;
- (c) the use of the rental vehicle was pre-approved in writing by the OPG Representative; and
- (d) the expense otherwise meets the requirements of this Schedule and the rest of the Agreement.

### **4.2 Personal Vehicle**

If the Eligible Employee is required to provide services at a location other than the Eligible Employee’s reporting location, OPG will reimburse the Contractor as an allowable expense for all personal vehicle travel by an Eligible Employee in excess of 200 kilometers (round trip), at the published rates per kilometre on the date of invoice, for vehicle expenses for Ontario set on the Canada Revenue Agency website ([www.cra-arc.gc.ca/tx/llrts/menu-eng.html](http://www.cra-arc.gc.ca/tx/llrts/menu-eng.html)). This Canada Revenue Agency amount covers all vehicle related expenses, except parking.

### **4.3 Reducing Expenses**

The Contractor will use all reasonable attempts to reduce the expenses of vehicle travel by:

- (a) arranging for employees to share vehicles to minimise travel expense;
- (b) requiring Eligible Employees to use rental vehicle and refuel it before returning it;
- (c) considering a long-term lease for lengthy work assignments (that is, more than 30 consecutive days) when the Eligible Employee requires a rental vehicle; and
- (d) requiring Eligible Employees to use public transit when travelling to locations within or around urban centres.

#### **4.4 Multiple Users**

OPG will only reimburse the Eligible Employee whose vehicle is used when two or more Eligible Employees travel in one vehicle. If two or more Eligible Employees share a rental vehicle, OPG will only reimburse the Eligible Employee who incurred the expense.

### **SECTION 5 – LODGING**

#### **5.1 Overnight Accommodation**

The expense of overnight accommodation for Eligible Employees will be an allowable expense to the extent that the overnight stay was pre-approved in writing by OPG Representative and to the extent that the expense otherwise meets the requirements of this Schedule and the rest of the Agreement. The OPG Representative will not approve any overnight accommodation unless:

- (a) the presence of the Eligible Employee is required at a Work Site which is more than 200 km (one way) from that Eligible Employee's reporting locations or;
- (b) poor weather creates hazardous driving conditions and the Eligible Employee cannot safely return to the Eligible Employee's Home Base;
- (c) the Contractor will include a written explanation for all overnight accommodation with the invoice.

### **SECTION 6 – DAILY RATES**

#### **6.1 Daily Rates Instead of Allowable Expenses**

To the extent this section 6 applies to any Eligible Employee, none of the terms of section 2 to section 5 apply, except for any Allowable Expenses for air, rail or bus travel between an Eligible Employee's reporting location and a Work Site that is reimbursable in accordance with section 3. Notwithstanding the previous sentence, the temporary residence (where the Eligible Employee resides while working on the OPG project), or in some instances the Home Base will be

considered the reporting location for the purpose of calculating Allowable Expenses in the event the Eligible Employee is required to travel to a location other than the reporting location.

## **6.2 Daily Rates**

Before the commencement of, or at any time during, a work assignment for any Eligible Employee, OPG may elect based on the remaining duration of the work assignment, the distance between the Eligible Employee's reporting location and the work site or for other reasons to pay the Contractor a daily rate in respect of that Eligible Employee rather than to reimburse the Contractor for allowable expenses.

## **6.3 All Inclusive**

Except as expressly set out in this section 6, the daily rate set out in section 6.4 is inclusive of all expenses whatsoever that will be reimbursed by OPG, including expenses respecting accommodation, local transportation, work permits and fees, utilities, communication charges, furnishings, insurance and any Allowable Expenses that would otherwise be reimbursable to the Contractor under section 2 to section 5.

## **6.4 Rates**

Subject to adjustment under section 6.5, the following are the daily rates that OPG will pay the Contractor in respect of Work Sites:

- (a) City of Toronto, \$150 and;
- (b) all other locations, \$120 (including Mississauga, Pickering, Whitby and Darlington).

## **6.5 Application of Rate**

Where OPG has elected to pay the daily rate for an Eligible Employee, OPG will pay the daily rate to the Contractor on a monthly basis for that Eligible Employee for each full day that the Eligible Employee provided services under the Agreement and for each weekend day unless the Eligible Employee surrendered his or her accommodations. The daily rate will not be paid for any period of an unexcused absence or when the Eligible Employee has surrendered the Eligible Employee's accommodations during a home visit or absence (includes unavailability to work on weekends if trip home was taken on the weekend). The daily rate will be reduced by \$35 for each day of approved trips home and on the last day of providing services under the Agreement. Where OPG has elected to pay the daily rate for Eligible Employees who normally live together, the Eligible Employees are expected to share accommodations. Adjustments may be made to the daily rate set out in section 6.4 if Eligible Employees share accommodations and other expenses.

## 6.6 Method of Reimbursement

OPG will pay the Contractor the applicable daily rate in accordance with the following terms:

- (a) **Monthly Invoice.** The Contractor will provide OPG, on a monthly basis, with an invoice listing the number of Eligible Employees from whom the Contractor is claiming the daily rate and the number of days being claimed for each Eligible Employee. The Contractor will ensure that the invoice includes a description of the work package or project name and project number (and work breakdown structure element if applicable).
- (b) **Evidence of Expenses.** The Contractor will provide OPG with original or electronic photocopies itemised receipts and time sheets evidencing that the Eligible Employee attended the Work Site and made use of temporary accommodation on each day for which the daily rate is being requested. Debit card and credit card receipts are not acceptable without the itemised receipt. Failure by the Contractor to comply with the requirements of this Schedule and the rest of the Agreement may result in delay of reimbursement of expenses or rejection of any invoice whole or in part.

## 6.7 Absences

Unless authorised in writing by the OPG Representative, OPG will not be required to pay daily rates for an Eligible Employee where that Eligible Employee was absent from the Work Site without having been excused by the OPG Representative or where that Eligible Employee did not make use of the Eligible Employee's accommodations during an absence for the Work Site (other than an absence required to perform services to OPG under the Agreement). The OPG Representative may consider authorising payment of the daily rate for absences such as an infrequent sick day or medical appointments requiring exams or tests.

## Section 7 – MONTHLY RATES

To the extent this section 7 applies to any Eligible Employee, none of the terms of section 2 to section 6 apply, except for any Allowable Expenses for air, rail or bus travel between and Eligible Employee's reporting location and a Work Site that is reimbursable in accordance with section 3. Where OPG elects to pay on a monthly basis in respect of any Eligible Employee, OPG will pay the Contractor \$1800 per month (on pro-rated portion of a month). All the terms of section 6 apply to the calculation of this monthly rate, with such modifications as the circumstances require.



## **SCHEDULE 9**

### **OPG DOCUMENT MANAGEMENT SYSTEM**

OPG has developed an enterprise search facility called “PowerSearch”. This allows anyone with access to OPG’s Intranet capability to search for any document in OPG’s document management system. Searches may be by document number or part of it, document title or part of it or specific line of business (e.g. Health and Safety, Nuclear, Supply Chain, etc.). A wide variety of search combinations may be used to narrow your search and return only relevant search results.

The following are the steps to access the “PowerSearch” facility once the user has logged into OPG’s Intranet:

1. Go to the OPG Intranet Home page.
2. Select the “Workspace” tab close to the top of the page.
3. Go to the bottom left hand corner of the “Workspace” page to the panel titled “Applications”.
4. Select in the “Applications” panel the line titled “PowerSearch Nuclear”.
5. The PowerSearch Nuclear screen will pop-up.
6. For Nuclear documents that start with the prefix “N”, “D” or “P”, select the tab titled “Nuclear”, and then “Nuc Controlled Docs/Recs”. Ensure the correct check boxes titled “DNGS”, “PNGS”, “NOSS”, “NWMD” have been selected.
7. For OPG corporate documents that start with the prefix “OPG” or “FIN”, select the tab titled “OPG Governing Docs”.
8. Use the PowerSearch tool filling in the desired fields to search.
9. When the search delivers the results, double click on the desired document and it will appear.

As an alternative to searching for a document then launching the interactive framework, users may navigate through the interactive on-line Governing Document Framework located on the Governing Documents webpage. Navigating through the interactive framework is as easy as using the Microsoft explore feature, opening and closing folders that typically start with OPG policies for each high-level line of business. The framework lists the various key functional areas such as Security, Supply Chain, Human Resources and Finance. Nuclear, Fossil and Hydro have some LOB specific governance, such as operations, maintenance or engineering. All OPG governance framework areas may be progressively opened to show related documents including forms and templates.

## **SCHEDULE 10**

### **OPG TRAINING REQUIREMENTS**

Attached are OPG's training requirements (as amended, restated or replaced from time to time).

TITLE	QUAL	PEL	SITE APPLICATION	SOURCE
<b>NUCLEAR GENERAL EMPLOYEE TRAINING - CBT's REQUIRED FOR ISSUANCE OF SITE ACCESS CARD</b>				
Nuclear General Employee Training	2834		PNGS DNGS	N-TQD-501-00001
Nuclear General Employee Training	11792		WWMF	N-TQD-501-00001
<b>ADDITIONAL CBT's/CAL's/ARQ's - REQUIRED FOR ALL BTU DIRECT HIRE, CONTRACTOR SUPERVISORS OF BTU, AND CONTRACTOR PERSONNEL</b>				
<b>Certificate of Qualification</b>				
BTU Electrician Certificate of Qualification	27524	68764	All Sites	N-TQD-510-00001
Contractor BTU Proof of Trade ☑ Contractor BTU Trade Certification	24623	67783	All Sites	N-TQD-510-00001
<b>Controlling Consumable Materials</b>				
Controlling Consumable Materials - BTU Trades ☑ Controlling Consumable Materials to Protect Station Systems - CAL	26263	65640	PND DND	N-TQD-510-00001
<b>General CBT Training</b>				
Contractor/BTU General CBT Training ☑ Falling Object Prevention - CBT	24763	66094	All Sites	N-TQD-510-00001
<b>NGET</b>				
NGET Phase 2 Note: Applicable to BTU direct hires only. Must be completed within	22353		All Sites	N-TQD-501-00001
<b>Safety</b>				
Perform Safety Person Function for Electrical Maintenance work (Electricians only)	5968		All Sites	N-TQD-301-00001
<b>REQUIRED TRAINING REQUIREMENTS FOR CONTRACTOR SUPERVISORS OF BTU - GENERAL FOREMEN, FOREMEN</b>				
<b>Contractor Safety Awareness</b>				
Contractor Safety Awareness Workshop - BTU/Contractors Supervisors ☑ Contractor Safety Awareness	26224	67410	All Sites	N-TQD-510-00001
<b>Correct Component Verification</b>				
Correct Component Verification Note: Required for Supervisors of BTU Craft persons performing electrical or mechanical maintenance activities inside the protected area	15472		PND DND Safe Storage Facilities	N-TQD-301-00001
<b>EQ</b>				
Environmental Qualification for Maintainers & Operators Note: Required for Supervisors of BTU craft persons assigned to EQ work ☑ Environmental Qualification for Maintainers & Operators - CBT ☑ Environmental Awareness - CAL	8712  69374	3874  30804	PND DND  Required for BTU Supervisors who do not oversee EQ work but need an appreciation of EQ	N-TQD-510-00001
<b>SOER Requirements</b>				
David Besse SOER 2003-2	29684	68947	PND DND	N-TQD-510-00001
<b>FME</b>				
Foreign Material Exclusion For Supervisors of BTU Personnel ☑ Foreign Material Exclusion for FLMs, FLMA's and Planners ☑ Foreign Material Exclusion Advanced CBT	26483	65973  5461	PND DND	N-TQD-510-00001
<b>General Training</b>				

Contractor/BTU Supervisor General Training ☑ Health & Safety Law ☑ Pre-Job Brief - CAL	24883	6716 65345	All Sites	N-TQD-510-00001
<b>Oral Review Board</b>				
BTU Supervisor - Oral Review Board - Foremen ☑ BTU Supervisory Oral Review	27544	68652	PND DND NWMD	N-TQD-510-00001
<b>Pressure Boundary</b>				
Pressure Boundary - FLM Installation Modifications (Boilermakers, Millwrights, Fitters only and only if working under OPG C of A)	13052		PND DND	N-TQD-424-00001
Pressure Boundary - FLM Installation (Supplemental Trades) - Repair and Replacement (Boilermakers, Millwrights, Fitters only and only if working under OPG C of A)	15793		PND DND	N-TQD-424-00001
<b>TRAINING QUALIFICATIONS REQUIRED TO PERFORM TASK SPECIFIC WORK</b>				
<b>Anchors &amp; Tools</b>				
Tools	406		All Sites	N-TQD-301-00001
Mechanical Expansion Anchor - HDI	8992		All Sites	N-TQD-301-00001
Mechanical Expansion Anchor - HSL	9012		All Sites	N-TQD-301-00001
BTU - Hilti Undercut Anchor ☑ Hilti HAD Undercut Anchor - Vendor	26763	68175	All Sites	N-TQD-510-00001
<b>Asbestos</b>				
Asbestos Abatement	7251		All Sites	N-TQD-301-00001
Asbestos Awareness BTU ☑ Asbestos Awareness	26488	7023	All Sites	N-TQD-510-00001
<b>Calibration &amp; Torque</b>				
MODS Dept. BTU Calibration Shop Tech Dimensional Measurement Devices ☑ Dimensional Measurement Device Calibration ☑ Intro to Metrology & OPGN Calibration Program ☑ Mettrack Manual Data Entry	17097	65576 65600 65601	PND DND	N-TQD-510-00001
Perform Quality Control on Torque M&TE	22384		PND DND	N-TQD-301-00001
Metrology	16473		PND DND	N-TQD-301-00002
Fundamentals of Dimensional Metrology	22380		PND DND	N-TQD-301-00003
M&TE Calibration Lab Supervisor	4462		PND DND	N-TQD-301-00004
<b>Chemical Protection</b>				
Chemical Protection Carbon Dioxide	120		PND	N-TQD-505-00001
<b>Confined Space</b>				
Confined Space - Entry Worker	224		All Sites	N-TQD-505-00001
Confined Space - Entry Only	2475		NWMD	N-TQD-505-00001
Confined Space - Attendant	225		All Sites	N-TQD-505-00001
Confined Space - Entry Coordinator	223		PND DND	N-TQD-505-00001
Confined Space - Entry Coordinator	2477		NWMD	N-TQD-505-00001
Confined Space Gas Tester Entry	226		PND	N-TQD-505-00002
Confined Space Gas Tester - Remote Only	222		PND	N-TQD-505-00003
Confined Space Gas Tester - Remote Only	19053		NWMD	N-TQD-505-00004
Confined Space Gas Tester - Remote Only	1089		DND	N-TQD-505-00001
<b>Correct Component Verification</b>				
Correct Component Verification	15472		All Sites	N-TQD-301-00001
<b>Crane</b>				
Operate Overhead Cab Crane	22874		All Sites	N-TQD-301-00001
Operate 0-8 Ton Mobile Crane	22473		All Sites	N-TQD-301-00001
<b>Electrical Safety</b>				

Electrical Safety Awareness BTU (supplemental training - not a requirement for non-electrical craft persons) ☑ Electrical Safety Awareness	26487	25363		N-TQD-510-00001
<b>Elevated Work Platform</b>				
Elevated Work Platform - Rolling	4651		All Sites	N-TQD-505-00001
Elevated Work Platform - Self-Propelled Pavement	4650		All Sites	N-TQD-505-00001
Elevated Work Platform - Self-Propelled Off/Slab	4649		All Sites	N-TQD-505-00001
Elevated Work Platform - Boom	4648		All Sites	N-TQD-505-00001
<b>Environmental Qualification</b>				
Install EQ Splices - BTU ☑ Electrician Trade C of Q ☑ Environmental Qualification for Maintainers & Operators ☑ Install EQ Splice (BTU) – OJE Environmental Qualification	28404  30804	68764 3874  68960 69374	All Sites	N-TQD-510-00001
EQ Awareness for BTU staff for non-electrical EQ work Environmental Qualification for Maintainers & Operators	8712		All Sites	N-TQD-301-00001
<b>Fall Protection</b>				
Fall Protection	1137		All Sites	N-TQD-505-00001
RAB Fall Arrest Life Line	10955		DND	N-TQD-505-00001
<b>Fire Prevention</b>				
Fire Watch	17213		All Sites	N-TQD-508-00001
<b>Frist Aid</b>				
First Aid - Emergency	388		All Sites	N-TQD-505-00001
<b>Foreign Material Exclusion</b>				
Foreign Material Exclusion Advanced Foreign Material Monitor	4868 23684		All Sites	N-TQD-301-00001
<b>Heat Stress</b>				
Heat Stress Surveyor	4851		All Sites	N-TQD-505-00001
<b>HWMB Access</b>				
HWMB Access Certification BTU (TRF - Tour) - DND only ☑ HWMB Access Certification	26486	6902	DND	N-TQD-510-00001
<b>Hydrogen Hazard</b>				
Hydrogen Hazard Awareness	1141		DND	N-TQD-505-00001
<b>Job Safety Analysis</b>				
Job Safety Analysis	419		All Sites	N-TQD-505-00001
<b>Lift Truck</b>				
Class III Industrial Lift Truck (Electric Hand Truck)	210		All Sites	N-TQD-505-00001
Class III Industrial Lift Truck (Electric Hand Truck) Evaluator	18674		All Sites	N-TQD-505-00002
Class IV, V, VII Industrial Lift Truck (Internal Combustion Rider)	211		All Sites	N-TQD-505-00003
Class IV, V, VII Industrial Lift Truck (Internal Combustion Rider) Evaluator	18675		All Sites	N-TQD-505-00004
Class VIII Industrial Lift Truck - Personnel Burden Carrier	16393		All Sites	N-TQD-505-00005
<b>Oral Review Board</b>				
Oral Review Board - MA-HOR Holders ☑ BTU Work Protection, MA-HOR Oral Review	27584	68704	PND DND	N-TQD-510-00001
<b>Pressure Boundary</b>				
Pressure Boundary - FLM Installation (Maintenance) - Repair & Replacement (Boilermakers, Millwrights, Fitters only)	12894		All Sites	N-TQD-424-00001
BTU Pressure Boundary Worker ☑ Pressure Boundary Program Overview - CAL	26484	28624	All Sites	N-TQD-510-00001
Supply Chain Pressure Boundary Program Overview	13292		All Sites	
<b>Radiation Protection</b>				
Orange 1 (Elementary) Radiation Protection Qualification	12642		PNGS	N-TQD-502-00001
Orange 1 (Elementary) Radiation Protection Qualification	12632		DNGS	N-TQD-502-00001
Orange 1 (Elementary) Radiation Protection Qualification	12637		NWMD	N-TQD-502-00001
<b>Respiratory Protection</b>				
Respiratory Fit Tester	19613		All Sites	N-TQD-505-00001

Conventional Respiratory Protection - Selector, Supervisor, User (for supervisors overseeing staff performing conventional work and wearing a respirator)	23323		All Sites	N-TQD-505-00001
Half Mask Air Purifying Respirator (MSA)	5268		All Sites	N-TQD-505-00001
Full Face Air Purifying Respirator (MSA)	5270		All Sites	N-TQD-505-00001
Respirator Use for Radiological Protection	17293		All Sites	N-TQD-502-00001
Air Supplied Suit or Hood Use	17294		All Sites	N-TQD-502-00001
<b>Rigging</b>				
Perform Hoisting and Rigging Operations	5608		All Sites	N-TQD-301-00001
Perform Advanced Hoisting and Rigging Operations	28685		All Sites	N-TQD-301-00001
<b>Scaffold</b>				
Scaffold - 5'x7'x10' High Tube & Clamp	21093		All Sites	N-TQD-301-00001
Scaffold - Rest Platform Tube & Clamp	21094		All Sites	N-TQD-301-00001
Scaffold - Safety Cage Tube & Clamp	21095		All Sites	N-TQD-301-00001
Scaffold Advanced	4769		All Sites	N-TQD-301-00001
<b>Steam Generator</b>				
Replace Steam Generator Primary Manway Covers at DND	10892		DND	N-TQD-301-00001
Replace Steam Generator Primary Manway Covers at PND	7397		PND	N-TQD-301-00001
<b>Trainer Qualifications</b>				
Contract Trainers Health and Safety Law is a pre-requisite	11113		All Sites	N-TQD-602-00001
NPT Trainer	4141		All Sites	N-TQD-602-00002
OJT Trainer	4548		All Sites	N-TQD-602-00003
OJE Evaluator	4549		All Sites	N-TQD-602-00004
<b>Transportation</b>				
Transportation of Dangerous Goods Shippers	1051		All Sites	N-TQD-505-00001
<b>Welding</b>				
Welding Supervisor	15132		All Sites	N-STW-04800-10002
Weld - Supervising Welding - Basic	15313		All Sites	N-STW-04800-10002
Weld - CWB - Welding Supervisor	4221		All Sites	N-STW-04800-10002
Weld - Heat Treatment, Pre and Post Weld	23143		All Sites	N-STW-04800-10002
Weld - RT/UT	15252		All Sites	N-STW-04800-10002
Control & Handling of Welding Consumables - (applicable to BTU Welders and Welder Supervisors)	26485		DND	N-TQD-510-00001
☐ Control and Handling of Welding Consumables - Refresher		67611		
<b>Work Protection</b>				
Work Protection Worker - level 2	587		All Sites	N-TQD-507-00001
Work Protection Personnel Protection Tag Out - 3.1	15612		All Sites	N-TQD-507-00001
Work Protection Personnel Protection Tag Out Holder - 3.2	585		DND	N-TQD-507-00001
Work Protection Personnel Protection Tag Out Holder - 3.2	584		PND	N-TQD-507-00001
Work Protection Personnel Protection Tag Out Holder - 3.2	2518		NWESD	N-TQD-507-00001
Work Protection Personnel Protection Tag Out Holder - 3.2 Nuclear East Facilities	18893		DND	N-TQD-507-00001
Work Protection Personnel Protection Tag Out Holder - 3.2 Nuclear East Facilities	22373		PND	N-TQD-507-00001
Work Protection Applicant - level 4	586		DND	N-TQD-507-00001
Work Protection Applicant - level 4	589		PND	N-TQD-507-00001
Work Protection Applicant - level 4	2522		NWMD	N-TQD-507-00001
Work Protection Applicant - level 4 - Nuclear East Facilities	22374		PND	N-TQD-507-00001
Work Protection Applicant - level 4 - Nuclear East Facilities	18894		DND	N-TQD-507-00001
Work Protection Holder of Record - level 5	18895		DND	N-TQD-507-00001
Work Protection Holder of Record - level 5	578		PND	N-TQD-507-00001
Work Protection Holder of Record - level 5	579		DND	N-TQD-507-00001
Work Protection Holder of Record - level 5	2508		NWMD	N-TQD-507-00001
Work Protection Holder of Record - level 5 - Nuclear East Facilities	18895		DND	N-TQD-507-00001
Work Protection Holder of Record - level 5 - Nuclear East Facilities	22375		PND	N-TQD-507-00001
Work Protection Maintenance Authority - level 6	583		DND	N-TQD-507-00001
Work Protection Maintenance Authority - level 6	571		PND	N-TQD-507-00001
Work Protection Maintenance Authority - level 6	1889		NWMD	N-TQD-507-00001

Work Protection Maintenance Authority - level 6 - Nuclear East Facilities	18896		DND	N-TQD-507-00001
Work Protection Maintenance Authority - level 6 - Nuclear East Facilities	22376		PND	N-TQD-507-00001

TITLE	QUAL	PEL	SITE APPLICATION	SOURCE
<b>Core Training for Engineering Support Personnel</b>				
ENGINEERING SUPPORT PERSONNEL - CORE TRAINING	6168		PNGS DNCS	N-TQD-403-00001
ENGINEERING SUPPORT PERSONNEL - EXTENDED CORE (DND)	307		DNCS	N-TQD-403-00001
ENGINEERING SUPPORT PERSONNEL - EXTENDED CORE (PND)	309		PNGS	N-TQD-403-00001
EXTENDED CORE FOR E&MD ENGINEERING STAFF	16493		Offsite	N-TQD-403-00001
<b>Qualifications for External Engineering Service Providers</b>				
PROFESSIONAL ENGINEER'S LICENSE/REGISTRATION	5248		PNGS DNCS	N-QG-403-00008
DE - ASME SECTION III CODE CERTIFICATION ACTIVITIES	12552		PNGS DNCS	N-QG-403-00008
PROJECT MANAGEMENT - PROJECT LEADER	11812		PNGS DNCS	N-QG-403-00023
MODIFICATION TEAM LEADER QUALIFICATION	18693		PNGS DNCS	N-TQD-403-00001 N-QG-403-00008
DE - DESIGN TEAM LEADER	4569		PNGS DNCS	N-QG-403-00008
<b>Plant Design Common Training and Qualifications</b>				
DE - CALCULATIONS AND SPECIFICATIONS	27224			N-TQD-403-00001 N-QG-403-00008
DE - DESIGN BASIS AND REQUIREMENTS	27226			N-QG-403-00008
DE - ENGINEERING CHANGE CONTROL PROCESS	4788			
<b>Plant Design Duty Area Qualifications: Civil Design</b>				
DE - CIVIL - CIVIL DESIGN	4588			N-TQD-403-00001 N-QG-403-00008
DE - CIVIL - EQUIPMENT SPECIFICATION	6314			N-TQD-403-00001 N-QG-403-00008
DE - CIVIL - DESIGN AND INSPECTION OF ALUMINUM STRUCTURES	27046			N-QG-403-00008
<b>Plant Design Duty Area Qualifications: Electrical Design</b>				
DE - ELECTRICAL - DC ANALYSIS & BATTERY SIZING	4589			N-TQD-403-00001 N-QG-403-00008
DE - ELECTRICAL - AC SYSTEMS ANALYSIS	4591			N-QG-403-00009 N-QG-403-00008
DE - ELECTRICAL - PROTECTIVE RELAY SETTINGS	4593			N-TQD-403-00001 N-QG-403-00008
DE - ELECTRICAL	6316			
DE - ELECTRICAL - ELECTRICAL SAFETY CODE	16933			N-TQD-403-00001 N-QG-403-00008
DE - ELECTRICAL - ELECTRICAL LOAD CALCULATIONS	27048			N-TQD-403-00001 N-QG-403-00008
<b>Plant Design Duty Area Qualifications: Instrumentation &amp; Control Design</b>				
DE - I&C - FIRE PROTECTION & DETECTION SYSTEM	4547			N-TQD-403-00001 N-QG-403-00008
DE - I&C - OH180 PROGRAMMABLE LOGIC CONTROLLER (DND)	6309			N-TQD-403-00001 N-QG-403-00008
DE - I&C - INSTRUMENTATION & CONTROL	6323			N-TQD-403-00001 N-QG-403-00008
DE - I&C Human Factors	7768			N-QG-403-00023
<b>Plant Design Duty Area Qualifications: Mechanical Design</b>				
DE - ASME SECTION III CODE CERTIFICATION ACTIVITIES - APPENDIX XXIII	12552			N-TQD-403-00001 N-QG-403-00008
DE - MECHANICAL - EQUIPMENT SPECIFICATION	4594			N-TQD-403-00001 N-QG-403-00008
DE - MECHANICAL - PROCESS SYSTEM DESIGN	4595			N-TQD-403-00001 N-QG-403-00008
DE - MECHANICAL - PIPING ANALYSIS	4597			N-TQD-403-00001 N-QG-403-00008
DE - MECHANICAL - PIPING REGISTRATION SUPPORT	4598			N-TQD-403-00001 N-QG-403-00008
DE - MECHANICAL - PIPING TECHNICAL SUPPORT	4599			N-TQD-403-00001 N-QG-403-00008
DE - MECHANICAL - PIPING SPECIFICATION	4600			N-TQD-403-00001 N-QG-403-00008
DE - MECHANICAL - SUPPORT REGISTRATION OF SYSTEMS	6319			N-TQD-403-00001 N-QG-403-00008
DE - MECHANICAL - NON-NUCLEAR SYSTEMS DESIGN	27043			N-TQD-403-00001 N-QG-403-00008
DE - MECHANICAL - WELDING REQUIREMENTS FOR DESIGN ENGINEERS	27044			N-TQD-403-00001 N-QG-403-00008
DE - MECHANICAL - NUCLEAR SYSTEMS DESIGN	27045			N-TQD-403-00001 N-QG-403-00008
<b>Plant Design Duty Area Qualifications: Special Duty Areas</b>				
DE - CONVENTIONAL SAFETY REVIEW	6313			
DE - NUCLEAR SAFETY REVIEW	6312			
PROFESSIONAL ENGINEER'S LICENSE/REGISTRATION	5248			



DE - HUMAN FACTORS ENGINEERING SPECIALIST	6308			
DE - PURCHASE/PROCUREMENT OF EQUIPMENT	6311			
DE - ENVIRONMENTAL QUALIFICATION - ENGINEER	8479			
DE - ENVIRONMENTAL QUALIFICATION - SENIOR TECHNICAL SPECIALIST	8480			
DE - SCR AND OPEX SPOC	27050			
DE - FIRE SAFETY ASSESSMENT (FSA) SME	22433			
DE - SEISMIC MARGIN ASSESSMENT	27051			
DE - SEISMIC QUALIFICATION FOR ENGINEERS	27052			
DE - QUALITY ASSURANCE FOR ENGINEERS	19993			
DE - DESIGN TEAM LEADER	4569			
MODIFICATION TEAM LEADER	18693			
ENGINEERING BASIC FLUID SYSTEMS	8569			
APPARENT CAUSE EVALUATOR	4441			
ROOT CAUSE EVALUATOR	4442			
<b>ASSESSING/QA/QS</b>				
FIELD ASSESSING CORE	15734			N-TQD-422-00001
PB PREPARER PASSPORT CONTROLLED WORK	15212			N-TQD-422-00001
PRESSURE BOUNDARY PREPARER FOR REPAIR OR REPLACEMENT	12793			N-TQD-422-00001
PB LEVEL 2 VERIFIER	12792			N-TQD-422-00001
PRESSURE BOUNDARY PREPARER FOR MODIFICATIONS	12794			N-TQD-422-00001
WELDING ASSESSOR FOR PRESSURE BOUNDARY	15133			N-TQD-422-00001
P6 & WORK LIST TOOL (WLT) OVERVIEW	27746			N-TQD-422-00001
PROJECT TECHNICIAN I & II CORE TRAINING	13752			N-TQD-422-00001
Advanced Assessing	28445			N-TQD-422-00001
On-Line-Wiring	28464			N-TQD-422-00001
<b>PROJECT MANAGEMENT</b>				
Modification Team Leader	18693			N-TQD-403-00001
COMMISSIONING PRINCIPLES, INTERFACES AND LESSONS LEARNED	28184	65868		

TITLE	QUAL	PEL	SITE APPLICATION	SOURCE
<b>SUPPLY CHAIN STAFF INITIAL TRAINING REQUIREMENTS</b>				
Nuclear Supply Chain Staff Core Qualification	29604			N-TQD-423-00001
<b>SPECIFIC TRAINING</b>				
Mandatory MEL Processing Qualification	20534			
Mandatory BOM Processing Qualification	17155			
Mandatory Screening Qualification	15433			
Mandatory Basic Procurement Evaluating	26104			
Engineering Support Personnel - Mandatory Core Training	6168			
Mandatory Procurement Evaluating	4709			
Mandatory Technical Specification Mechanical	26103			
Mandatory Technical Specification Electrical	26143			
Mandatory Technical Specification I&C	28066			
EQPR Activities	30064			
Review and Acceptance of Vendor Technical Documents	30904			

## **SCHEDULE 11**

### **PERFORMANCE INDICATORS**

Attached is the Performance Indicators scoring matrix (as amended, restated or replaced from time to time).

Nuclear Operations 2014/2015 Annual Performance Indicators and Scoring														
⚠️THRESHOLD CRITERIA: "Zero Events" *1. Fatality directly attributable to the contractor; **2. Loss of all generation on a unit greater than 3 days directly and solely attributable to the Contractor's performance. To facilitate an expedited recovery of the Unit from such event, the Contractor will take all reasonable efforts to support the return of the Unit to service.														
Note: Safety Events will be counted only in one category, and not in both Safety and Human Performance categories. Exception: greater than two HMRPH or LTAs events will cascade to the Human Performance PI.								*If an event of this type occurs, the scorecard multiplier for the calendar year in which the event took place will be zero (0).  **If an event of this type occurs, the scorecard multiplier for the Purchase Order associated with such event will be zero (0).						
				Multiplier				Data Date:		Amount in Fee Pool (Estimate)				
			Score	0	0.5	1	1.5	Jan 1 - Dec. 31, 2015		\$00.00 (period Jan 1 - Dec 31, 2015)				
Category Weighting	Individual Item Weighting	Item #	Metrics											
18%	Safety								Individual Item Scores	Comments	Source	Definition		
								YTD Events						
	7%	1	High Maximum Reasonable Potential for Harm (# HMRPH) (Annually)	Greater than 1 Event	1 Event	NA	0 Events			n/a			SCR databases	A High MRPH incident is one where death or PERMANENT TOTAL DISABILITY occurs or has reasonable potential to occur. Refer to <b>OPG-SFTY-STD-005 - Safety Incident Management Standard</b> for details on HMRPH.
	7%	2	Lost Time Accident (LTA) (Annually)	Greater than 1 Event	1 Event	NA	0 Events			n/a			SCR databases	LTA: An injury/illness resulting in LOST DAYS (minimum of one) beyond the date of injury as a direct result of an Occupational Injury/Illness incident. Refer to <b>OPG-SFTY-STD-005 - Safety Incident Management Standard</b> for details on LTA.
	2%	3	Medical Treatment (Annually)	Greater than 1.5/200,000 hours	Greater than 1/200,000 hours but less than or equal to 1.5/200,000 hours	Greater than 0.5/200,000 hours but less than or equal to 1/200,000 hours	Less than or equal to 0.5/200,000 hours			n/a			SCR databases	Medical Treatment Injury - A WORK/ILLNESS requiring medical treatment beyond FIRST AID* but does not result in days lost from work. Refer to <b>OPG-SFTY-STD-005 - Safety Incident Management Standard</b> for details. *See Definition of First Aid attachment. Note: The following are not considered Medical Treatment or FIRST AID: • Visit(s) to a health care provider limited to observation or counseling; • Diagnostic procedures (e.g., X-rays, blood tests, EKG, EEG), including the use of prescription medications solely for diagnostic purposes (e.g., eye drops to dilate pupils)
	2%	4	Reporting of Low Level Incidents, Hazards and Minor Injuries (Annually)	In adequate Reporting	Some Self-Reporting	All required incident, hazard and injury reporting criteria met	Healthy Reporting (i.e. reporting and proactive action taken on hazards)			n/a			SCR databases	To be based on Assessment by the Steering Committee.
Safety PI Category Score									Sum of All Individual Item Scores	00.00%= A				
20%	Human Performance								Individual Item Scores	Comments	Source	Definition		
	20%	5	Significant Events	Equal to or greater than 5 Events	Greater than or equal to 2 events but less than 5 Events	1 Event	0 Events						n/a	SCR databases
Human Performance PI Category Score									Sum of All Individual Item Scores	00.00%= B				
25%	Cost Performance								Individual Item Scores	Comments	Source	Definition		
	25%	6	Variance to Agreed to Estimate vs. Actual Cost (%)	Work completed at a cost equal to or greater than 15% over the estimate	Work completed at a cost greater than 5% over the estimate but under 15% over	Work Completed within +5% or - 10% of estimate	Work completed under Estimate by Greater than 10%						n/a	Oncore and Purchase Orders
Cost PI Category Score									Sum of All Individual Item Scores	00.00%= C				
37%	Schedule Compliance								Individual Item Scores	Comments	Source	Definition		
	5%	7	T + 1 Completion (%)	70% or less	85% or less but greater than 70%	95% or less but greater than 85%	>95%						n/a	IOP 13 weeks schedule
	17%	8	Variance to Agreed to Contractor's Schedule	< 80% of commitments met per agreed to schedule	>80% but <90% of commitments met per agreed to schedule	>90 % but < 100% of commitments met per agreed to schedule	100% of commitments met per agreed to schedule			n/a	Oncore and Purchase Orders	This is percentage of the schedule commitments met, per the agreed to Contractor's schedule, by the contractor for each PO.		
	5%	9	Outage Performance	Outage Extension caused by Contractor	Outages Extended but not caused by Contractor	Outage Completed as Scheduled	Outage Completed ahead of Schedule			n/a	Outage Performance - based on report by Site VPs.	Based on input from the Site VPs		
	10%	10	Overall project schedule adherence (based on P&M Score)	85% or less milestones completed as scheduled	90% or less but greater than 85% of milestones completed as scheduled	95% or less, but greater than 90% of milestones completed as scheduled	>95% milestones completed as scheduled	CNO+Prj. Start+BCS		n/a	OPG Project Management Office	Based on Project and Minor Mod milestones committed to by the organization per the Nuclear metrics, including CNO Milestones and Project BCS Milestones. Milestones scheduled is defined as milestones completed on the "date" scheduled for completion.		
Schedule PI Category Score									Sum of All Individual Item Scores	00.00%= B				
Total Performance Score										n/a% = A + B + C +D				
						Date:			Amount Awarded:	\$0.00 (Payment will be determined at year-end)				
						Approved by:			_____					
									Bill Robinson - SVP, Nuclear Projects					

## List of Items for Human Performance PI – Significant Events

Nuclear Safety	1	Unplanned Safety System Level 3 impairment
Nuclear Safety	2	Reactivity management event (that does not meet site level criteria) or near miss
Nuclear Safety	3	OP&P non-compliance (that does not meet site criteria)
Nuclear Safety	4	Impact to the availability of Safety or Safety Related system equipment
Nuclear Safety	5	Loss of environmental or seismic qualification
Nuclear Safety	6	Pressure boundary failure or degradation or non-compliance with code
Radiation Safety and Environment	7	Exposure above REP limits or exposure >30 mrem above back out limits
Facility Operation	8	Error resulting in a breakthrough event (ie. Engineering Change Control)
Facility Operation	9	Design basis violation
Facility Operation	10	Unplanned load reduction or transient > 1%
Facility Operation	11	Rejection of an engineering product by an approving design authority or DOM
Facility Operation	12	Working without required qualifications or working with expired qualifications
Facility Operation	13	Loss of configuration management or plant status control which has an adverse affect on safety margins or production
Facility Operation	14	Procedure adherence issue resulting in a significant error or near miss
Nuclear Safety	15	Impact to the availability of Safety or Safety Related equipment due to miss-operation, wrong unit, channel component error, improper maintenance or design error
Nuclear Safety	16	Fire or HAZMAT emergency or declaration of a radiation incident
Facility Operation	17	Rework as a result of poor quality project work cost>\$50K
Facility Operation	18	Unsafe work protection error
Facility Operation	19	Delay in Unit Outage critical path>6 hours
Facility Operation	20	Damage to plant equipment >\$10K
Facility Operation	21	AFS rejected by owner
General	22	Any significant error or number of repeat issues resulting in consequences on reactor safety, equipment, the environment or structures, as determined by the Steering Committee
Human Performance	23	Reportable Events
Human Performance	24	Site Event Free Day Resets (S-EFDR)

## **\*Definition of First Aid**

\* First Aid: A work-related injury/illness that requires first aid treatment only and does not result in loss of time from work.

First aid includes:

- Use of non-prescription medications at a non-prescription strength, including antiseptics;
- Administration of tetanus or diphtheria shot(s) or booster(s). Other immunizations such as Hepatitis B vaccine or rabies vaccine related to an injury are considered MEDICAL TREATMENT;
- Cleaning, flushing or soaking wounds on skin surface;
- Use of wound coverings such as bandages, gauze pads, steristrips or butterfly bandages, etc. Other wound closing devices such as staples, sutures and skin glue are considered MEDICAL TREATMENT;
- Use of any hot/cold therapy (e.g., compresses, soaking, whirlpools, non-prescription skin creams / lotions for local relief, etc.);
- Use of any totally non-rigid, non-immobilization means of support (e.g., elastic bandages, wraps);
- Use of temporary immobilization devices while transporting an accident victim;
- Drilling of a nail to relieve pressure or to drain fluid from a blister;
- Use of eye patches;
- Removal of foreign bodies not embedded in the eye if only irrigation or removal with a cotton swab is required;
- Removal of splinters or foreign material from areas other than eyes by irrigation, tweezers, cotton swabs or other simple means;
- Use of finger guards;
- Use of massages; and,
- Drinking of fluids for relief of heat stress.

Note: The following are not on their own considered MEDICAL TREATMENT or FIRST AID:

- Visit(s) to a health care provider limited to observation or counseling;
- Diagnostic procedures (e.g., X-rays, blood tests, EKG, EEG), including the use of prescription medications
- solely for diagnostic purposes (e.g., eye drops to dilate pupils)

## SCHEDULE 12

### INSURANCE REQUIREMENTS

#### PART A

This Part A will apply to all Work performed by the Contractor, excluding any Work performed at the Darlington Site during the period of the Darlington Refurbishment Project.

#### 1. Contractor Required Insurance

- (a) **Coverages to be Maintained.** The Contractor and/or its Subcontractors will procure and maintain in full force and effect with financially responsible insurance carriers with A.M. Best ratings of at least A- or otherwise acceptable to OPG, or with the appropriate Governmental Authorities, all coverages referred to in this Section 1. The Contractor represents to OPG that each of these coverages is currently in full force. As applicable, the Contractor will ensure that coverage under the insurance provided pursuant to Section 1(c) is available for all Subcontractors and that such coverage will be maintained in force continuously from the date of this Agreement until 60 days after all obligations of the Contractor under this Agreement, and any outstanding Purchase Order issued pursuant to this Agreement, have been satisfied in full, including, for greater certainty, all warranty obligations. The Contractor will also ensure that all insurance coverages applicable in Ontario will be obtained from insurance carriers that are duly licensed in Ontario to issue insurance policies for the limits and coverages required under this Section 1.
- (b) **Additional US Requirements.** In respect of all of the Contractor's Personnel who perform any of the Work in the United States, the Contractor will maintain or cause to be maintained workers' compensation coverage in each applicable state. The Contractor will also ensure that any such coverage includes employer's liability with a minimum limit of US \$1,000,000 and, to the extent applicable, a foreign coverage endorsement, *Longshore and Harbor Workers' Compensation Act* (United States) and *Federal Employers' Liability Act* (United States) coverage.
- (c) **Commercial General and Excess Umbrella Liability Insurance.** The Contractor will maintain or cause to be maintained commercial general liability and excess umbrella liability insurance, on an occurrence basis, in the amount of \$10,000,000 inclusive for bodily injury, including death, personal injury and damage to property, including loss of use thereof, for each occurrence. The Contractor will ensure that the excess umbrella liability insurance is in excess of the coverages under Section 1(b) (to the extent the coverages under those sections include employer's liability) and Section 1(f). The Contractor will also ensure that the commercial general liability and excess umbrella liability coverage specifically includes the following:

- (1) blanket contractual liability;
  - (2) damage to property of OPG or any of its subsidiaries, including loss of use thereof;
  - (3) pollution liability coverage on a time element basis subject to 120 hours detecting and 120 hours reporting;
  - (4) blasting, pile driving, caisson services, underground services;
  - (5) products and completed operations, including a term that such coverage will be maintained throughout any applicable warranty period;
  - (6) cross liability;
  - (7) severability of interests;
  - (8) employer's liability;
  - (9) non-owned automobile liability;
  - (10) broad form property damage; and
  - (11) hook liability, if applicable.
- (d) **Builder's All Risks Insurance (as required).** The Contractor will maintain all risks builder's risk insurance and/or installation floater, as applicable, to a limit of the value of the full replacement cost of the Project and the Work covering physical loss or damage to the Project, Work, fuel, temporary structures and facilities, including offices, lunchrooms, canteens, sanitation, showers, change rooms, accommodations, shops, warehouses and garbage disposal, while at the Site, before and during erection and until entirely finished and while awaiting inspections and tests and during inspecting, testing and commissioning. The Contractor will also ensure that this coverage will be subject to London Design/Error 3 coverage or as available in the insurance market at the time of placement and be subject to a 24-month maintenance period.
- (e) **Construction Equipment Insurance (as required).** The Contractor will maintain or cause to be maintained contractor's equipment insurance covering all construction equipment and tools owned, rented or leased by the Contractor or a Subcontractor and used in respect of the Work. The Contractor will ensure that this coverage will cover the full replacement cost of such construction equipment and tools on an "all risks" basis, including marine-based risk, subject to normal exclusions.
- (f) **Motor Vehicle Liability Insurance.** The Contractor will maintain or cause to be maintained motor vehicle liability insurance, covering all motor vehicles owned, leased or licensed by the Contractor and used in respect of the Work. The



Contractor will ensure that this coverage will cover bodily injury and property damage liability to a combined inclusive limit of \$2,000,000 per occurrence and mandatory accident benefits.

- (g) **Errors and Omissions Insurance.** The Contractor will maintain or cause to be maintained professional liability insurance for all engineering, architectural, design or other professionals or consultants in an amount not less than \$1,000,000 aggregate limit, covering the period from start of conceptual design through to the date that all obligations of the Contractor under this Agreement, and any outstanding Purchase Order issued pursuant to this Agreement, have been satisfied in full, including, for greater certainty, all warranty obligations, and for a further discovery period of five years from such date.
- (h) **Pollution Liability Insurance (as required at OPG's request).** Except for any Hazardous Condition, the Contractor will maintain a pollution liability policy with a limit of not less than \$5,000,000 per occurrence covering on-site and off-site bodily injury and property damage, including clean-up cost as a result of pollution conditions arising from the Contractor's operations, including completed operations. The Contractor will maintain completed operations coverage in effect for no less than 36 months after all obligations of the Contractor under this Agreement, and any outstanding Purchase Order issued pursuant to this Agreement, have been satisfied in full, including, for greater certainty, all warranty obligations. The policy will have a retroactive date that is before the commencement of the Work.
- (i) **Other.** The Contractor will maintain, at OPG's expense, any other form of insurance for such risks and in such amounts as OPG may require from time to time.

## 2. **General Insurance Terms**

- (a) **Certificates of Insurance.** Both on the date of this Agreement and no more than 60 days and no fewer than 30 days before starting any Work at a Site, the Contractor will deliver to OPG certificates of insurance completed by the Contractor's insurers certifying that at least the minimum coverages required under Section 1 and applicable to the Work are in effect. The Contractor will ensure that the coverages will not be cancelled without 30 days advance Notice by courier given to OPG's MSA Representative, with a copy delivered by fax as follows:

Ontario Power Generation Inc.  
Risk Management and Insurance  
700 University Avenue H18-J18  
Toronto, Ontario, Canada M5G 1X6

Attention: Director – Risk Management & Insurance  
Fax: 416-592-4775

To the extent that the Contractor is required to maintain any coverages under Section 1 in force after final payment of the Contract Price in respect of any Work, the Contractor will deliver to OPG, at the time that the Contractor submits its Application for Final Payment, a certificate of insurance completed by a duly authorized representative of the Contractor certifying that such insurance will remain in force for the period of time required under Section 1.

- (b) **Copies of Policies and Deductibles.** In the event of a claim where OPG may be afforded coverage, the Contractor will, promptly upon request by OPG, provide OPG with a certified copy of any insurance policy referred to in Section 1. At the time of the execution of this Agreement, the Contractor will provide OPG with documentation related to the applicable deductibles for each insurance policy to be obtained by the Contractor hereunder.
- (c) **No Waiver by OPG.** If OPG fails to demand any certificate referred to in Section 2(a) or otherwise fails to demand other evidence of full compliance with Sections 1 or 2 or fails to identify a defect from evidence provided, OPG has not waived, and OPG will not be deemed to have waived, any of the Contractor's obligations. The Contractor's obligation to purchase and maintain insurance under this Agreement will in no way limit or otherwise qualify the liabilities or obligations of the Contractor under this Agreement.
- (d) **No Approval by OPG.** If OPG receives and accepts any certificate or other evidence under this Section 2, OPG has not approved or agreed, and OPG will not be deemed to have approved or agreed, that the Contractor has satisfied any of its obligations under Sections 1 or 2.
- (e) **OPG May Purchase Insurance.** If the Contractor fails to obtain or maintain any insurance required under Section 1 (including by failing to obtain or maintain insurance of sufficient scope so as to comply with Section 1), OPG may purchase any such insurance, at the Contractor's sole expense, or OPG may terminate this Agreement by Notice having immediate effect.
- (f) **Deductibles.** The Contractor will pay the amount of all deductibles for insurance it is required to maintain under this Agreement and may not charge back any such amount to OPG, provided that OPG will, to the extent of its responsibility for any insurance claim, be responsible for the payment of any deductibles payable as a result of such insurance claim.
- (g) **Insurance Not Contributory.** With the exception of the insurance referred to in Section 1(f), the Contractor will ensure that all other insurance referred to in Section 1 will specify that such insurance is primary coverage and not contributory with, or in excess of, any insurance that may be maintained by OPG.
- (h) **Subrogation.** The Contractor will ensure that each insurer that provides insurance under Sections 1(b) and 1(e) will provide a waiver of subrogation to each member of the OPG Group, the Contractor and all Subcontractors.

- (i) **OPG as Additional Insured.** The Contractor will ensure that each insurer that provides insurance under Sections 1(c) and 1(d), as OPG's interests may appear, will include OPG, any applicable subsidiary of OPG, OPG's MSA Representative and each of OPG's Project Representatives as an additional insured and, where applicable, as a loss payee, under such insurance.
- (j) **No Invalidation by Contractor.** The Contractor will ensure that no insurance referred to in Section 1 will be invalidated or vitiated by any action or failure to act by the Contractor, any applicable subsidiary of the Contractor, any Contractor's Personnel, the Contractor's MSA Representative or any Contractor's Project Representative, or by any breach by the Contractor or any other Person of any declarations, warranties or other terms in such policies.
- (k) **Notice of Claim.** The Contractor will deliver a Notice to OPG's MSA Representative within three Business Days of asserting any claim under any insurance referred to in Section 1. The Contractor will include in the Notice the date of the events giving rise to the claim, a summary of the circumstances respecting the claim and the amount of the claim. The Contractor will provide OPG any additional information respecting the claim that OPG's MSA Representative may request.

## **PART B**

This Part B will apply to all Work performed by the Contractor at the Darlington Site during the period of the Darlington Refurbishment Project.

### **3. Contractor Required Insurance**

- (a) **Coverages to be Maintained by Contractor.** The Contractor and/or its Subcontractors will procure and maintain in full force and effect with financially responsible insurance carriers with A.M. Best ratings of at least A- or otherwise acceptable to OPG, or with the appropriate Governmental Authorities, all coverages referred to in this Section 3. As applicable, the Contractor will ensure that coverage under the insurance provided pursuant to Section 3(c) is available for all Subcontractors and that such coverage will be maintained in force continuously from the date of this Agreement until 60 days after all obligations of the Contractor under this Agreement, and any outstanding Purchase Order issued pursuant to this Agreement, have been satisfied in full, including, for greater certainty, all warranty obligations. The Contractor will also ensure that all insurance coverages applicable in Ontario will be obtained from insurance carriers that are duly licensed in Ontario to issue insurance policies for the limits and coverages required under this Section 3.
- (b) **Additional US Requirements.** In respect of all of the Contractor's Personnel who perform any of the Work in the United States, the Contractor will maintain or cause to be maintained workers' compensation coverage in each applicable state. The Contractor will also ensure that any such coverage includes employer's

liability with a minimum limit of US \$1,000,000 and, to the extent applicable, a foreign coverage endorsement, *Longshore and Harbor Workers' Compensation Act* (United States) and *Federal Employers' Liability Act* (United States) coverage.

- (c) **Commercial General and Excess Umbrella Liability Insurance (as required for services rendered off OPG sites).** The Contractor will maintain or cause to be maintained commercial general liability and excess umbrella liability insurance, on an occurrence basis, in an amount not less than \$10,000,000 inclusive for bodily injury, including death, personal injury and damage to property, including loss of use thereof, for each occurrence. The Contractor will ensure that the excess umbrella liability insurance is in excess of the coverages under Section 3(b) (to the extent the coverages under those sections include employer's liability). The Contractor will also ensure that the commercial general liability and excess umbrella liability coverage specifically includes the following:
- (1) blanket contractual liability;
  - (2) damage to property of OPG or any of its subsidiaries, including loss of use thereof;
  - (3) pollution liability coverage on a time element basis subject to 120 hours detecting and 120 hours reporting;
  - (4) blasting, pile driving, caisson services, underground services;
  - (5) products and completed operations, including a term that such coverage will be maintained throughout any applicable warranty period;
  - (6) cross liability;
  - (7) severability of interests;
  - (8) employer's liability;
  - (9) non-owned automobile liability; and
  - (10) broad form property damage.
- (d) **Motor Vehicle Liability Insurance.** The Contractor will maintain or cause to be maintained motor vehicle liability insurance, covering all motor vehicles owned, leased or licensed by the Contractor and used in respect of the Work. The Contractor will ensure that this coverage will cover bodily injury and property damage liability to a combined inclusive limit of \$2,000,000 per occurrence and mandatory accident benefits.

- (e) **Construction Equipment Insurance.** The Contractor will maintain or cause to be maintained the Contractor's equipment insurance covering all construction equipment and tools owned, rented or leased by the Contractor or a Subcontractor and used in respect of providing the Work. The Contractor will ensure that this coverage will cover the full replacement cost of such construction equipment and tools on an "all risks" basis, including marine-based risk, subject to normal exclusions.
- (f) **Errors and Omissions Insurance.** The Contractor will maintain or cause to be maintained professional liability insurance for all engineering, architectural, design or other professionals or consultants in an amount not less than \$1,000,000 aggregate limit, covering the period from start of conceptual design through to the date that all obligations of the Contractor under this Agreement, and any outstanding Purchase Order issued pursuant to this Agreement, have been satisfied in full, including, for greater certainty, all warranty obligations, and for a further discovery period of five years from such date.
- (g) **Marine Watercraft Hull and Liability Insurance (as required).** The Contractor will maintain or cause to be maintained hull and machinery insurance covering the full replacement cost of all barges, scows and other watercraft owned, rented or leased by the Contractor or any Subcontractor, and used in respect of performing the Work. The Contractor will also maintain or cause to be maintained marine liability or protection indemnity insurance covering any barges, scows or other watercraft owned, rented or leased by the Contractor or any Subcontractor, and used in respect of performing the Work. The Contractor will ensure that this coverage covers special operations, pollution liability and voluntary removal of wreck for limits that are the greater of those afforded under a protection and indemnity club and not less than \$10,000,000 per occurrence.
- (h) **Aircraft Liability.** If there is any exposure in connection with the Project, the Contractor shall, at its own expense, obtain and maintain or cause to be obtained and maintained, aircraft liability insurance covering aircraft owned, rented or leased by the Contractor and used in the Project. The Contractor shall ensure that this coverage includes limits of not less than \$25,000,000 per occurrence for bodily injury, death (including passenger hazard) and damage to property, including loss of use.
- (i) **Other.** The Contractor will maintain, at OPG's expense, any other form of insurance for such risks and in such amounts as OPG may require from time to time.

#### 4. **OPG Provided Insurance**

- (a) **Coverages to be Maintained by OPG.** OPG will procure and maintain in full force and effect with financially responsible insurance carriers (with A.M. Best ratings of at least A- or a Standard & Poor's rating of at least BBB) of recognized standing, all coverages referred to in this Section 4. OPG will ensure that the

coverage referred to in this Section 4 will be maintained in force continuously from such date as OPG may designate. OPG will ensure that all such coverages cover all Subcontractors and that all insurance coverages applicable in Ontario will be obtained from insurance carriers that are duly licensed in Ontario to issue insurance policies for the limits and coverages required.

- (b) **Builders' All Risks Insurance.** OPG will maintain builders' all risks insurance on a repair or replacement cost basis up to a minimum limit of \$1,000,000,000, including OPG, any applicable subsidiary of OPG, OPG's Designated Delegate, the Contractor and the Subcontractors as named insureds, covering physical loss or damage to the Work, the materials, operating equipment, and supplies for incorporation therein, expendable construction tools, and all temporary structures used in the performance of the Work or for which OPG is responsible, including property while in transit or elsewhere (except property insured under Section 4(c)). This insurance shall be subject to a minimum of LEG 2/96 (The London Engineering Group Model "Consequences" Defect Wording) defects exclusion or equivalent and will include such minimum maintenance period as OPG specifies unless similar coverage for the maintenance period is included under the wrap-up liability insurance described in Section 4(b) in which case OPG may elect to maintain coverage during the maintenance period under either the Builder's All Risks Insurance policy or the Wrap-Up Liability Insurance policy.
- (c) **Wrap-Up Liability Insurance.** OPG will maintain wrap-up liability insurance on an occurrence basis in the joint names of OPG, any applicable subsidiary of OPG, OPG's Designated Delegate, the Contractor and the Subcontractors. This coverage will include limits of no less than \$25,000,000 inclusive per occurrence for bodily injury, death and damage to property. OPG will also ensure that this coverage specifically includes:
  - (1) blanket contractual liability;
  - (2) pollution liability coverage on at least a sudden and accidental basis;
  - (3) damage to property of OPG or any of its subsidiaries, excluding damage to the Project;
  - (4) blasting, pile driving, caisson services, underground services;
  - (5) products and completed operations, including a term that such coverage will be maintained throughout the applicable warranty period;
  - (6) cross liability;
  - (7) severability of interests;
  - (8) employer's liability;
  - (9) non-owned automobile liability;

- (10) broad form property damage; and
- (11) hook liability.

If the Wrap-Up Liability Insurance provides coverage for a minimum 24-month maintenance period and such coverage is similar to the coverage provided for such maintenance period under the Builder's All Risk Insurance described in this Section 4(c), OPG may elect to maintain coverage during the maintenance period under either the Builder's All Risk Insurance policy or the Wrap-Up Liability policy.

- (d) **Marine Cargo Insurance (as required).** OPG will maintain marine cargo insurance for all Goods while in the course of marine transit. Marine Cargo insurance may also include, at OPG's option, inland transit. The Contractor and each of its Subcontractors, as applicable, will be an additional insured under the marine cargo insurance. OPG will ensure that this coverage will be in force from the time that such insured property leaves the last factory or warehouse of the Contractor or a Subcontractor, for shipment, and terminates after discharge at any Site.
- (e) **Nuclear Energy Physical Damage (as required).** OPG, as named insured, at its own expense, will obtain and maintain, or cause to be obtained and maintained, nuclear energy physical damage insurance, insuring as Insureds, OPG, any applicable subsidiary of OPG, OPG's Designated Delegate, the Contractor and the Subcontractors, and all of their successor and assigns against all risk of direct physical loss to any facility and other property at any Site and any nuclear material in transit to any Site. Any other person that OPG approves may be added from time to time as insured parties, and all their successors and assigns shall be included as insureds. This insurance shall provide primary coverage with respect to the Project without right of contribution of any insurance carried by OPG, any applicable subsidiary of OPG, OPG's Designated Delegate. The policy limit shall not be less than \$1,000,000,000 per occurrence and in the aggregate. This insurance will include a maximum deductible of \$50,000,000 per occurrence. Coverage under this insurance shall be in force continuously throughout the term of this Agreement.
- (f) **Nuclear Energy Liability.** OPG, as Named Insured, shall, at its own expense, obtain and maintain, or cause to be obtained and maintained, nuclear energy liability insurance, in compliance with the *Nuclear Liability Act* or such other applicable law, insuring OPG and any other person or organization with respect to their legal liability for damages because of bodily injury (including death) or property damage caused by a nuclear incident arising from the Project or use of the Site. This insurance shall provide primary coverage with respect to the Project without right of contribution of any insurance carried by OPG, any applicable subsidiary of OPG, OPG's Designated Delegate. The policy limit shall not be less than \$75,000,000 per occurrence or such other amount as may be required by Applicable Law. Coverage under this insurance shall in force prior to

this agreement and continuously throughout the term of this Agreement and thereafter as may be required by Applicable Law

- (g) **Other.** OPG will maintain, at OPG's expense, any other form of insurance for such risks and in such amounts as OPG may require from time to time.

## 5. General Insurance Terms

- (a) **Certificates of Insurance.** Within 30 days after the date the Contractor is required to obtain insurance described in Section 3, the Contractor will deliver to OPG certificates of insurance completed by the Contractor's insurers certifying that at least the minimum coverages required under Section 3 are in effect. OPG will review the certificates of insurance within 10 Business Days. The Contractor will ensure that the coverages will not be cancelled without 30 days advance Notice by courier given to OPG's MSA Representative, with a copy delivered by fax as follows:

Ontario Power Generation Inc.  
Risk Management and Insurance  
700 University Avenue H18-J18  
Toronto, Ontario, Canada M5G 1X6

Attention: Director – Risk Management & Insurance  
Fax: 416-592-4775

To the extent that the Contractor is required to maintain any coverages under Section 3 in force after final payment of the Contract Price in respect of any Work, the Contractor will deliver to OPG, at the time that the Contractor submits its Application for Final Payment, a certificate of insurance completed by a duly authorized representative of the Contractor certifying that such insurance will remain in force for the period of time required under Section 3.

- (b) **Copies of Policies and Deductibles.** In the event of a claim where OPG may be afforded coverage, the Contractor will, promptly upon request by OPG, provide OPG with a certified copy of any insurance policy referred to in Section 3. In the event of a claim where the Contractor may be afforded coverage, OPG will, promptly upon request by the Contractor, provide the Contractor with a certified copy of any insurance policy referred to in Section 4. At the time of the execution of this Agreement, the Contractor will provide OPG with a certificate of insurance for each applicable insurance policy to be obtained by the Contractor hereunder.
- (c) **No Waiver by OPG.** If OPG fails to demand any certificate referred to in Section 5(a) or otherwise fails to demand other evidence of full compliance with Sections 3 or 5 or fails to identify a defect from evidence provided, OPG has not waived, and OPG will not be deemed to have waived, any of the Contractor's obligations. The Contractor's obligation to purchase and maintain insurance under this Agreement will in no way limit or otherwise qualify the liabilities or obligations of the Contractor under this Agreement.



- (d) **No Approval by OPG.** If OPG receives, reviews and accepts any certificate or other evidence under this Section 5, OPG has not approved or agreed, and OPG will not be deemed to have approved or agreed, that the Contractor has satisfied any of its obligations under Section 3.
- (e) **OPG May Purchase Insurance.** If the Contractor fails to obtain or maintain any insurance required under Section 3 (including by failing to obtain or maintain insurance of sufficient scope so as to comply with Section 3), OPG may purchase any such insurance, at the Contractor's sole expense, or OPG may terminate this Agreement by Notice having immediate effect.
- (f) **Deductibles.** The Parties agree to pay the deductibles payable as a result of an insurable event under Sections 4(b) to 4(e), to the extent of their responsibility, up to the following limits: Wrap-up liability insurance \$100,000, builders' all risk insurance \$2,500,000 and nuclear energy physical damage \$10,000,000. To the extent OPG elects to have deductibles in excess of these limits then OPG shall be solely responsible for any deductible amounts over and above these limits.
- (g) **Insurance Not Contributory.** The Contractor will ensure that all insurance referred to in Section 3 will specify that such insurance is primary coverage and not contributory with, or in excess of, any insurance that may be maintained by OPG.
- (h) **Subrogation.** The Contractor will ensure that each insurer that provides insurance under Section 3 will provide a waiver of subrogation to each member of the OPG Group, the Contractor and all the Subcontractors. OPG will ensure that each insurer which provides insurance under Sections 4(b) and 4(c) will provide a waiver of subrogation to each member of the Contractor Group.
- (i) **OPG as Additional Insured.** The Contractor will ensure that each insurer that provides insurance under Section 3, as OPG's interests may appear, will include OPG, any applicable subsidiary of OPG, OPG's MSA Representative and each of OPG's Project Representatives as an additional insured and, where applicable, as a loss payee, under such insurance.
- (j) **No Invalidation by Contractor.** The Contractor will ensure that no insurance referred to in Section 3 will be invalidated or vitiated by any action or failure to act by the Contractor, any applicable subsidiary of the Contractor, any Contractor's Personnel, the Contractor's MSA Representative or any Contractor's Project Representative, or by any breach by the Contractor or any other Person of any declarations, warranties or other terms in such policies.
- (k) **Notice and Processing of Claims.** The Contractor will process all proper claims under policies of insurance hereunder in accordance with this Section 5 and both Parties will use best efforts to recover under such policies. Insurance claims will be asserted and processed on the following basis:

- (1) In connection with the insurance described in Section 3, the Contractor will be solely responsible to process and settle all such claims directly with the insurer. In the case of a claim under the insurance described in Section 4, the Contractor will deliver a Notice to OPG's Project Representative detailing the claim at least five Business Days prior to asserting such a claim. The Contractor will include in any Notice provided under this Section 5 the date of the events giving rise to the claim, a summary of the circumstances respecting the claim and the amount of the claim. The Contractor will provide OPG any additional information respecting the claim that OPG's Project Representative may request.
- (2) In connection with the insurance described in Section 4, OPG will be solely responsible to process and settle all such claims directly with the insurer.
- (3) In connection with the insurance described in Section 4(c), the Contractor will assert all of its claims through OPG who will notify the insurer which provides such insurance within five Business Days after the Contractor has delivered Notice to OPG's Project Representative detailing the claim. The Contractor will not be permitted to assert any claim under any insurance referred to in Section 4(c) until OPG has completed its review and verification of such claim, which shall be completed within the time period required under the applicable policy to assert the claim, after which the Contractor will be responsible to further process and settle all claims directly with the insurer.
- (1) **Cooperation on Insurance Claims.** The Parties will fully cooperate with each other to investigate, pursue, and settle all claims against insurers. For greater clarity, the Party processing the claim against the insurer shall have sole and absolute discretion in the settlement of the claim.

## **SCHEDULE 13**

### **FREE ISSUE MATERIALS**

#### **SECTION 1– DEFINITIONS**

##### **1.1 Definitions**

The following terms shall have the following meanings:

- (a) **Free Issue Material** means any goods, materials, instruments, devices, articles, supplies, equipment, machinery, tools, structures and assemblies, or components of any of them, or any other tangible thing, supplied by OPG under this Agreement to the Contractor or to such place or Person as the Contractor may direct, whether or not used in providing the Work.

#### **SECTION 2– FREE ISSUE MATERIALS**

##### **2.1 Free Issue Materials**

- (a) **Supply.** OPG always reserves the right in its sole discretion to issue Free Issue Materials in accordance with this Schedule and the Contractor may request Free Issue Materials from OPG with sufficient prior notice to permit OPG to procure same, and if OPG agrees to procure same, OPG will provide the Contractor with Free Issue Material in accordance with this Schedule and in accordance with the Project Schedule. Any delays in meeting the Project Schedule that result from the Contractor failing to provide sufficient prior notice shall be made up by the Contractor at no additional cost to OPG. If, however, OPG agrees to issue Free Issue Material and OPG does not make the Free Issue Material available by the dates OPG has agreed to as contemplated in the Project Schedule, then OPG will be liable for the additional direct costs and expenses of the Contractor. The Contractor shall use all reasonable efforts to mitigate any such costs and expenses.
- (b) **Use.** The Contractor will use all Free Issue Material exclusively in providing the Project and will return any unused Free Issue Material to OPG at OPG's request. The Contractor will minimize all waste in its use of the Free Issue Material. The Contractor will be liable to OPG for any excessive use or waste of Free Issue Material caused by the Contractor's failure to use or store any Free Issue Material in accordance with commercially reasonable practices. The Contractor will be liable to OPG for all loss of, or damage to, any Free Issue Material from and after acknowledgement of receipt in accordance with Section 2.1(d)(3) below. The Contractor shall have no liability for defects in, incompleteness of or unsuitability of any Free Issue Material, except to the extent that such defects, incompleteness or unsuitability are caused directly by the Contractor's failure to comply with the specific requirements of this Agreement, including the applicable Purchase Order.

- (c) **Title.** Title to all Free Issue Material remains with OPG at all times. Unless otherwise specified in the applicable Purchase Order, OPG will make all Free Issue Material available to the Contractor at the location designated in writing from time to time by OPG's Project Representative.
- (d) **Contractor's Obligations.** The Contractor will:
- (1) inspect all Free Issue Material on receipt for completeness, type and damage;
  - (2) perform walkdowns to verify that all Free Issue Material required to provide the Work is available in sufficient quantities and with sufficient lead times to support the Project Schedule;
  - (3) acknowledge receipt of all Free Issue Material by delivering a Notice to OPG's Project Representative within three Business Days of receipt, including indicating whether any of the Free Issue Material is incomplete, of the wrong type or damaged (and any failure to so identify any problems will deem all such Free Issue Material to be complete, of the correct type and free of damage);
  - (4) maintain and install any Free Issue Materials in accordance with any specified manufacturer instructions and warranties in respect thereof and the Contractor acknowledges that such maintenance and installation may be subject, at OPG's discretion or, if OPG agrees, at Contractor's request, to technical supervision and oversight provided by OPG or an applicable manufacturer in order to ensure compliance with applicable manufacturer instructions and warranties;
  - (5) maintain a system of inventory control and records for Free Issue Material acceptable to OPG's Project Representative, including amounts received, used in providing the Services, of surplus and of waste;
  - (6) promptly deliver to OPG's Project Representative on request an inventory of all Free Issue Material on hand as at the date specified by OPG's Project Representative;
  - (7) promptly deliver a Notice to OPG's Project Representative on request setting out an inventory of all surplus Free Issue Material, including waste, and the Contractor will dispose of all such surplus in accordance with the directions of OPG's Project Representative;
  - (8) obtain prior written approval from the OPG Project Representative to remove Free Issue Material from the OPG Site or other worksite; and
  - (9) use, store and secure Free Issue Material in accordance with Applicable Law, Prudent Practices and specified manufacturer instructions and warranties.

- (e) **Access by OPG.** OPG may, at all reasonable times, have free access to the locations of all Free Issue Materials for the purpose of reviewing inventories and for the purpose of verifying storage conditions and maintenance programs which the Contractor is responsible for (if required by OPG).

## **SCHEDULE 14**

### **STEERING COMMITTEE TERMS OF REFERENCE**

A Steering Committee of consisting of OPG and the Contractors under the Extended Services Master Services Agreement (“**ES MSA**”) will be established and operationalized in accordance with Section 3.3 of the ES MSA.

The Steering Committee shall be established within 30 days of signing the ES MSA.

#### **Principles**

The following principles are to be used as guidance by the Steering Committee in its deliberations:

1. Promote an environment of trust, integrity, honesty and openness;
2. Foster creativity and innovation;
3. Promote cooperative and effective communication with respect to all matters related to the Agreement and any Work;
4. Enhance the ethos of partnering and co-operation; and
5. Resolve or direct resolution of issues in a prompt manner.

#### **Composition of the Steering Committee**

The Steering Committee will consist of such members as may be appointed in accordance with Section 3.3(a) of the Agreement.

It is expected that Steering Committee members will attend all Steering Committee meetings. There may be occasions where a member may not be able to attend. In this case, a delegate with the member’s decision-making authority should be sent to attend on the member’s behalf.

At scorecard evaluation meetings of the Steering Committee, the meetings will be conducted separately with each Contractor.

The Steering Committee will respect the confidentiality requirements of each party.

#### **MSA Representatives**

MSA Representatives from OPG, Black & McDonald and E.S. Fox will be non-voting members of the Steering Committee and will provide support to the Steering Committee, contribute to agenda items and submit reports and other deliverables to the Steering Committee through OPG’s MSA Representative.

OPG’s MSA Representative will act as Secretary to the Steering Committee and will maintain the agenda, materials and minutes of the Steering Committee meetings.

Agenda and material will be sent to Steering Committee members a week in advance of any Steering Committee meeting.

Minutes of all meetings of the Steering Committee shall be recorded and circulated within five Business Days of the holding of any Steering Committee meeting.

Note: Changes to the Steering Committee membership will require Steering Committee approval prior to changes taking effect.

### **Steering Committee Decision Making Process**

Where possible, decisions of Steering Committee will be made on a consensus basis with final decision by the Chair of the Steering Committee (OPG). If consensus cannot be reached, then the Chair of the Steering Committee (OPG) will make the final decision.

### **Participation in Steering Committee Meetings**

In addition to Steering Committee members and ES MSA Representatives, others may be required to participate in Steering Committee meetings. These will be on an as required basis.

### **Timing of Meetings**

The Steering Committee shall meet frequently as required but not less than quarterly during the term of the Agreement, unless otherwise agreed by the members of the Steering Committee.

There will be an annual meeting of the Steering Committee which shall be attended by senior officers of each party.

### **Statement of Principle and Operating Relationship**

The members of the Steering Committee will work together in a spirit of mutual trust and respect with the recognition of the needs and concerns of each of the parties.

The common goals for the Steering Committee are:

1. Ensure services are delivered safely (nuclear, conventional, radiological)
2. Maximize value for money for OPG
3. Ensure both OPG and Contractor resources are used effectively
4. Improve contractor quality and performance in the areas of Safety, Human Performance, Cost Performance and Schedule Performance

In accordance with, but not limited by Section 3.1 of the ES MSA, the Steering Committee shall:

1. Monitor compliance with the general principles of the Agreement;

2. Evaluate and decide on Performance Score and Performance Fee Payable to each Contractor on the Performance Fee Release Dates;
3. Review and comment on reports and Performance Indicators;
4. Set expectations based on emerging conditions and a “big picture” view of events;
5. Adopt such procedures and practices for the conduct of activities of the Steering Committee as they consider appropriate from time to time;
6. Review the utilization of the Core Team;
7. On the first anniversary of the Agreement, or earlier if required, review the composition of the Core Team and make decisions on Core Team changes (staff, cost, structure, etc.);
8. Agree to the appointment or removal of Key Personnel;
9. Receive and review reports from any person or organization agreed to by the members of the Steering Committee;
10. Attempt to resolve any Disputes referred to the Steering Committee in accordance with Section 11 of the ES MSA;
11. Invite to any meeting of the Steering Committee such other persons as the members of the Steering Committee may agree;
12. Exclude from any meeting of the Steering Committee such persons as the members of the Steering Committee may agree;
13. Request audits and or assessments to be conducted, if required;
14. Receive and review audit and or assessment reports and direct changes to processes, practices, etc., as well as true-ups to invoices and payments as required; and
15. Review, on a continuous basis, the ongoing business relationship between the Contractor and OPG with a view to having a meaningful discussion on, and provide solutions to, any issues with respect to the business relationship.



**SCHEDULE 15**  
**SECONDMENT OF OPG EMPLOYEES**

[To be developed by the Parties in accordance with section 3.2(f)]

**SCHEDULE 16**  
**FORM OF GUARANTEES**

See attached.

## PARENTAL INDEMNITY AGREEMENT

This Agreement is made as of December 19, 2014 between

**ONTARIO POWER GENERATION INC.**, a corporation existing  
under the laws of Ontario ("**OPG**"),

and

**SNC-LAVALIN NUCLEAR INC.**, a corporation existing under  
the laws of Canada ("**Subsidiary**"),

and

**SNC-LAVALIN GROUP INC.**, a corporation existing under the  
laws of Canada ("**Parent**").

### Recitals

- A. Subsidiary and OPG entered into an extended services master services agreement dated the date of this Agreement (as amended, supplemented, restated or replaced from time to time, the "**Underlying Agreement**") in connection with OPG's nuclear generating stations and other related facilities.
- B. OPG would not enter into the Underlying Agreement unless Parent and Subsidiary executed this Agreement.
- C. Parent wishes to assist Subsidiary, its wholly owned subsidiary, to obtain the Underlying Agreement. Parent will benefit, directly or indirectly, from Subsidiary entering into the Underlying Agreement with OPG. Accordingly, Parent has agreed to provide OPG with the indemnifications and other rights contained in this Agreement.

For value received, the parties agree as follows.

- 1. Obligation to Perform.** If Subsidiary fails to perform in a timely manner any obligation under the Underlying Agreement or any other document delivered in respect of the Underlying Agreement (collectively, the "**Subsidiary Obligations**"), Parent will itself perform such Subsidiary Obligations, or cause those obligations to be performed, in each case as if Parent were itself Subsidiary with respect to those Subsidiary Obligations. Parent will perform, or cause to be performed, those Subsidiary Obligations promptly following receipt of a notice from OPG indicating the Subsidiary Obligations that Subsidiary has failed to satisfy in a timely manner, regardless of whether or not OPG, or any other party to which the Subsidiary Obligations apply, has attempted to enforce any of those Subsidiary Obligations against Subsidiary. Any failure

by Parent to perform, or cause to be performed, in a timely manner any Subsidiary Obligations that Parent is obliged to perform, or cause to be performed, will immediately entitle OPG to pursue all rights and remedies available to it in law, in equity or otherwise against each of Parent and Subsidiary.

**2. Other Obligations.** Parent irrevocably and unconditionally agrees to indemnify and save harmless OPG from and against all costs, damages, expenses, losses, liabilities, demands, claims, suits, actions, proceedings, judgments and obligations (including, without limitation, reasonable legal fees and expenses on a dollar for dollar full indemnification basis and all other expenses incurred in the enforcement of this Agreement) arising in respect of any breach by Subsidiary of any Subsidiary Obligations. This obligation of Parent applies in all circumstances, including the situation where the Underlying Agreement is or becomes, in whole or in part, void, voidable, ultra vires, illegal, invalid or unenforceable in accordance with its terms. Parent will pay OPG interest on all monetary obligations that are part of the Subsidiary Obligations, calculated from the date that OPG first made demand for such monetary obligations against Subsidiary or, if earlier, Parent, to the date of payment. Interest will be calculated throughout this period at the annual rate of interest established by Canadian Imperial Bank of Commerce from time to time as its prime reference rate then in effect for determining interest rates on Canadian dollar commercial loans made by it in Canada. Except for the fees, expenses and interest referred to in this section 2, this Agreement does not extend, however, to impose any obligation on Parent that would not have been an obligation of Subsidiary under the Underlying Agreement, except that Parent will not be relieved of any of its obligations under this Agreement due to any relief of Subsidiary from any of the Subsidiary Obligations arising in respect of any bankruptcy, insolvency, reorganisation, moratorium, arrangement, readjustment of debt, liquidation, winding-up or dissolution proceedings or legislation.

**3. Obligations Absolute.** The obligations of Parent under this Agreement are absolute and unconditional and continue regardless of any change or other modification to the Subsidiary Obligations from time to time and regardless of any other circumstance which might otherwise constitute, in whole or in part, a defence available to, or a discharge of Parent, Subsidiary or any other entity in respect of the Subsidiary Obligations or any of the obligations of Parent. Specifically, and without limitation, OPG may, in its sole and absolute discretion and without giving notice to, or obtaining the consent of, Parent: (a) grant extensions of time and other indulgences; (b) take and give up security (including any bonds and letters of credit); (c) accept compositions; (d) grant releases and discharges, whether full, partial, conditional or otherwise; (e) perfect or fail to perfect any security; (f) release any undertaking, property or assets charged by any security to third parties; (g) otherwise deal or fail to deal in any manner whatsoever with Subsidiary or other parties or securities; or (h) hold any monies received from

Subsidiary or other parties or from any security unappropriated, apply such monies against such part of the Subsidiary Obligations and change any such application in whole or in part from time to time. Any such action or failure to act of OPG will be without prejudice to, or in any way discharge or diminish, the liability of Parent. The obligations of Parent under this Agreement are in no way conditioned or contingent upon any requirement on the part of Parent, OPG or any other party to which the Subsidiary Obligations apply, to attempt first to demand the performance, or enforce, any of the Subsidiary Obligations from or against Subsidiary before OPG becomes entitled to payment or other performance from Parent under this Agreement.

**4. No Obligation for OPG.** OPG will have no obligation to Parent whatsoever for any act, omission, matter, thing or circumstance whatsoever arising from or in connection with the Underlying Agreement or this Agreement and OPG's obligations to Subsidiary are governed solely by the Underlying Agreement and any other document delivered pursuant to the Underlying Agreement.

**5. Fundamental Events.** In the event: (a) of any liquidation, winding up, insolvency or bankruptcy of Subsidiary (whether voluntary or involuntary); (b) that Subsidiary makes a bulk sale of its assets within the bulk transfer provisions of any applicable legislation; (c) that Subsidiary enters into any proposal or composition with its creditors, extension of time or is subject to a scheme of arrangement; or (d) other similar proceeding or transaction, OPG will rank in priority to Parent for claims made in respect of the Subsidiary Obligations and Parent will deliver to OPG all payments made by or on behalf of Subsidiary to Parent until those all unperformed Subsidiary Obligations have been satisfactorily performed in full. These payments are all without prejudice to any claims of OPG, or any other party to which the Subsidiary Obligations apply, for unperformed Subsidiary Obligations. The Parent shall not claim any right of subrogation or similar right against the Subsidiary until such time as the Parent has paid or performed all of the Subsidiary Obligations in full.

**6. Additional Security.** This Agreement is in addition and without prejudice to any security of any kind (including any collateral or other indemnities or guarantees, whether or not in the same form as this Agreement) held by OPG.

**7. Parent's Representation.** Parent represents and warrants to OPG that Parent has taken all necessary corporate action to authorise the execution and delivery of this Agreement and the performance of its obligations under this Agreement and that this Agreement constitutes a valid and binding agreement of Parent enforceable against it in accordance with its terms.

**8. Financial Information of Parent.** Parent authorises OPG to make credit enquiries about Parent or any of its affiliates from time to time with, and to receive and exchange

credit information from, credit reporting agencies, financial institutions and, if and to the extent reasonably required by OPG for its credit assessment processes, other persons with which Parent or any of its affiliates has or may expect to have financial dealings. Parent has provided OPG with Parent's audited financial statements for the last three financial years. Such financial statements have been prepared in accordance with Canadian generally accepted accounting practices, consistently applied. Such financial statements fairly reflect the financial position and results of operations of Parent as at the dates and for the periods set out in such statements. If Parent is not, or ceases to be, a reporting issuer under the *Securities Act* (Ontario), Parent will provide OPG with its audited financial statements within 90 days of each of Parent's year ends and unaudited quarterly financial statements, certified by Parent's chief financial officer, within 60 days of each of Parent's quarter ends. For so long as Parent is a reporting issuer under the *Securities Act* (Ontario), the public posting on the SEDAR website of the financial statements of Parent with the timeframes specified in the Securities Act (Ontario) will be deemed to satisfy Parent's obligation to deliver financial statements to OPG. Parent will also provide OPG with any other financial information respecting Parent that OPG may reasonably request to assist OPG in its ongoing evaluation of the value of the indemnifications and other rights provided to OPG by Parent under this Agreement.

9. **Notice.** Except as set out in section 10, every notice or other communication required or permitted under this Agreement must be in writing and may be delivered in person, by courier or by fax to the applicable party, as follows:

if to OPG,	if to Subsidiary,	if to Parent,
<p>Ontario Power Generation Inc.  1908 Colonel Sam Drive, 011-226,  Oshawa, ON L1H 8P7</p> <p>Attn: Project Director, Projects  and Modifications</p> <p>With a copy to:</p> <p>Ontario Power Generation Inc.  Darlington Energy Centre  1855 Energy Drive  Courtice, ON L1E 0E7</p> <p>Attn: VP Supply Services, OPG  Projects Business and</p>	<p>SNC-Lavalin Nuclear Inc.  2275 Upper Middle Road  East, Oakville, Ontario  L6H 0C3</p> <p>Attn: President  Fax: (905) 829-8809</p>	<p>SNC-Lavalin Group Inc.  455, boul. René-Lévesque  West, 15th Floor  Montréal, Québec  H2Z 1Z3</p> <p>Attn : Executive Vice-  President and  General Counsel  Fax: 514-861-5340</p>

Administrative Services		
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or to any other address, fax number or individual that a party designates. Any notice or other communication under this Agreement, if delivered personally or by courier will be deemed to have been given when actually received, if delivered by fax before 3:00 p.m. (Toronto time) on a business day in Toronto will be deemed to have been delivered on that business day and if delivered by fax after 3:00 p.m. (Toronto time) on a business day in Toronto or on a day which is not a business day in Toronto will be deemed to be delivered on the next business day in Toronto.

**10. Service.** For the purpose of all legal proceedings, this Agreement will be deemed to have been performed in Ontario and the courts of Ontario will have jurisdiction to entertain any action arising under this Agreement. Each of the parties irrevocably submits to the non-exclusive jurisdiction of the courts of Ontario. No party will oppose the enforcement against it in any other jurisdiction of any judgment or order obtained from an Ontario court regarding this Agreement. Any party may effect service of summons or any other legal process that may be served in any action, suit or other proceeding by delivering any such process to such other party in accordance with section 9. Parent hereby nominates, constitutes and appoints Subsidiary its true and lawful agent to accept service of process and to receive all legal process in respect of any action arising in respect of this Agreement. Until lawful notice of the appointment of another and subsequent agent in Ontario has been given by Parent and accepted by OPG, service of any legal process upon Subsidiary will be accepted by Parent. Nothing in this section 10 will affect the rights of OPG to serve legal process in any other manner permitted by law.

**11. General.** The division of this Agreement into sections and the insertion of headings are for convenience of reference only and are not to affect the construction or interpretation of this Agreement. Unless otherwise specified, words importing the singular include the plural and vice versa and words importing gender include all genders. The term “**including**” means “**including without limitation**”, and the terms “**include**”, “**includes**” and “**included**” have similar meanings. The term “**will**” means “**shall**”. Any reference in this Agreement to any other agreement is deemed to include a reference to that other agreement, as amended or restated from time to time. This Agreement is governed by, and is to be construed and interpreted in accordance with, the laws of Ontario and the laws of Canada applicable in Ontario. If there is a conflict between any term of this Agreement and any term of the Underlying Agreement, the relevant term of this Agreement is to prevail. If any term of this Agreement is or becomes illegal, invalid or unenforceable, the illegality, invalidity or unenforceability of that term will not affect the legality, validity or enforceability of the remaining terms of this Agreement. For every term of this Agreement, time is of the essence. This

Agreement and the Underlying Agreement constitute the entire agreement between the parties with respect to the subject matter hereof and supersede all prior agreements, negotiations, discussions, undertakings, representations, warranties and understandings, whether written or verbal. Neither Parent nor Subsidiary may assign this Agreement in whole or in part without the prior written consent of OPG. This Agreement enures to the benefit of and binds the parties and their respective successors and permitted assigns. No waiver of any term of this Agreement is binding unless it is in writing and signed by the party entitled to grant the waiver. No failure to exercise, and no delay in exercising, any right or remedy, under this Agreement will be deemed to be a waiver of that right or remedy. No waiver of any breach of any term of this Agreement will be deemed to be a waiver of any subsequent breach of that term. Subsidiary and Parent will from time to time promptly execute and deliver all further documents and take all further action reasonably necessary or appropriate to give effect to the terms and intent of this Agreement and to satisfy all of the Subsidiary Obligations. The rights and remedies under this Agreement are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise. No single or partial exercise by a party of any right or remedy precludes or otherwise affects the exercise of any other right or remedy to which that party may be entitled. This Agreement and any amendment, restatement or termination of this Agreement in whole or in part may be signed and delivered in any number of counterparts, each of which when signed and delivered is an original but all of which taken together constitute one and the same instrument. This Agreement and any amendment, restatement or termination of this Agreement in whole or in part may be delivered by fax. Except as expressly provided in this Agreement, no amendment, restatement or termination of this Agreement in whole or in part is binding unless it is in writing and signed by each party.

***[Remainder of Page Intentionally Blank; Signature Page Follows]***



Parent and Subsidiary have duly sealed and the parties have duly executed this Agreement.

**ONTARIO POWER GENERATION INC.**

**SNC-LAVALIN NUCLEAR INC.**

(SEAL)

By: \_\_\_\_\_  
Name: Stephun Cliver  
Title: Chief Supply Officer

By: \_\_\_\_\_  
Name: Robert Stewart  
Title: Senior Vice-President and  
General Manager

**SNC-LAVALIN GROUP INC.**

(SEAL)

\_\_\_\_\_  
By:  
Title:

\_\_\_\_\_  
By:  
Title:

## PARENTAL INDEMNITY AGREEMENT

This Agreement is made as of December 19, 2014 between

**ONTARIO POWER GENERATION INC.**, a corporation existing  
under the laws of Ontario ("**OPG**"),

and

**AECON CONSTRUCTION GROUP INC.**, a corporation existing  
under the laws of Canada ("**Subsidiary**"),

and

**AECON GROUP INC.**, a corporation existing under the laws of Canada  
("**Parent**")

### Recitals

- A. Subsidiary and OPG entered into an extended services master services agreement dated the date of this Agreement (as amended, supplemented, restated or replaced from time to time, the "**Underlying Agreement**") in connection with OPG's nuclear generating stations and other related facilities.
- B. OPG would not enter into the Underlying Agreement unless Parent and Subsidiary executed this Agreement.
- C. Parent wishes to assist Subsidiary, its wholly owned subsidiary, to obtain the Underlying Agreement. Parent will benefit, directly or indirectly, from Subsidiary entering into the Underlying Agreement with OPG. Accordingly, Parent has agreed to provide OPG with the indemnifications and other rights contained in this Agreement.

For value received, the parties agree as follows.

- 1. Obligation to Perform.** If Subsidiary fails to perform in a timely manner any obligation under the Underlying Agreement or any other document delivered in respect of the Underlying Agreement (collectively, the "**Subsidiary Obligations**"), Parent will itself perform such Subsidiary Obligations, or cause those obligations to be performed, in each case as if Parent were itself Subsidiary with respect to those Subsidiary Obligations. Parent will perform, or cause to be performed, those Subsidiary Obligations promptly following receipt of a notice from OPG indicating the Subsidiary Obligations that Subsidiary has failed to satisfy in a timely manner, regardless of whether or not OPG, or any other party to which the Subsidiary Obligations apply, has attempted to enforce any of those Subsidiary Obligations against Subsidiary. Any failure

by Parent to perform, or cause to be performed, in a timely manner any Subsidiary Obligations that Parent is obliged to perform, or cause to be performed, will immediately entitle OPG to pursue all rights and remedies available to it in law, in equity or otherwise against each of Parent and Subsidiary.

**2. Other Obligations.** Parent irrevocably and unconditionally agrees to indemnify and save harmless OPG from and against all costs, damages, expenses, losses, liabilities, demands, claims, suits, actions, proceedings, judgments and obligations (including, without limitation, reasonable legal fees and expenses on a dollar for dollar full indemnification basis and all other expenses incurred in the enforcement of this Agreement) arising in respect of any breach by Subsidiary of any Subsidiary Obligations. This obligation of Parent applies in all circumstances, including the situation where the Underlying Agreement is or becomes, in whole or in part, void, voidable, ultra vires, illegal, invalid or unenforceable in accordance with its terms. Parent will pay OPG interest on all monetary obligations that are part of the Subsidiary Obligations, calculated from the date that OPG first made demand for such monetary obligations against Subsidiary or, if earlier, Parent, to the date of payment. Interest will be calculated throughout this period at the annual rate of interest established by Canadian Imperial Bank of Commerce from time to time as its prime reference rate then in effect for determining interest rates on Canadian dollar commercial loans made by it in Canada. Except for the fees, expenses and interest referred to in this section 2, this Agreement does not extend, however, to impose any obligation on Parent that would not have been an obligation of Subsidiary under the Underlying Agreement, except that Parent will not be relieved of any of its obligations under this Agreement due to any relief of Subsidiary from any of the Subsidiary Obligations arising in respect of any bankruptcy, insolvency, reorganisation, moratorium, arrangement, readjustment of debt, liquidation, winding-up or dissolution proceedings or legislation.

**3. Obligations Absolute.** The obligations of Parent under this Agreement are absolute and unconditional and continue regardless of any change or other modification to the Subsidiary Obligations from time to time and regardless of any other circumstance which might otherwise constitute, in whole or in part, a defence available to, or a discharge of Parent, Subsidiary or any other entity in respect of the Subsidiary Obligations or any of the obligations of Parent. Specifically, and without limitation, OPG may, in its sole and absolute discretion and without giving notice to, or obtaining the consent of, Parent: (a) grant extensions of time and other indulgences; (b) take and give up security (including any bonds and letters of credit); (c) accept compositions; (d) grant releases and discharges, whether full, partial, conditional or otherwise; (e) perfect or fail to perfect any security; (f) release any undertaking, property or assets charged by any security to third parties; (g) otherwise deal or fail to deal in any manner whatsoever with Subsidiary or other parties or securities; or (h) hold any monies received from

Subsidiary or other parties or from any security unappropriated, apply such monies against such part of the Subsidiary Obligations and change any such application in whole or in part from time to time. Any such action or failure to act of OPG will be without prejudice to, or in any way discharge or diminish, the liability of Parent. The obligations of Parent under this Agreement are in no way conditioned or contingent upon any requirement on the part of Parent, OPG or any other party to which the Subsidiary Obligations apply, to attempt first to demand the performance, or enforce, any of the Subsidiary Obligations from or against Subsidiary before OPG becomes entitled to payment or other performance from Parent under this Agreement.

**4. No Obligation for OPG.** OPG will have no obligation to Parent whatsoever for any act, omission, matter, thing or circumstance whatsoever arising from or in connection with the Underlying Agreement or this Agreement and OPG's obligations to Subsidiary are governed solely by the Underlying Agreement and any other document delivered pursuant to the Underlying Agreement.

**5. Fundamental Events.** In the event: (a) of any liquidation, winding up, insolvency or bankruptcy of Subsidiary (whether voluntary or involuntary); (b) that Subsidiary makes a bulk sale of its assets within the bulk transfer provisions of any applicable legislation; (c) that Subsidiary enters into any proposal or composition with its creditors, extension of time or is subject to a scheme of arrangement; or (d) other similar proceeding or transaction, OPG will rank in priority to Parent for claims made in respect of the Subsidiary Obligations and Parent will deliver to OPG all payments made by or on behalf of Subsidiary to Parent until those all unperformed Subsidiary Obligations have been satisfactorily performed in full. These payments are all without prejudice to any claims of OPG, or any other party to which the Subsidiary Obligations apply, for unperformed Subsidiary Obligations. The Parent shall not claim any right of subrogation or similar right against the Subsidiary until such time as the Parent has paid or performed all of the Subsidiary Obligations in full.

**6. Additional Security.** This Agreement is in addition and without prejudice to any security of any kind (including any collateral or other indemnities or guarantees, whether or not in the same form as this Agreement) held by OPG.

**7. Parent's Representation.** Parent represents and warrants to OPG that Parent has taken all necessary corporate action to authorise the execution and delivery of this Agreement and the performance of its obligations under this Agreement and that this Agreement constitutes a valid and binding agreement of Parent enforceable against it in accordance with its terms.

**8. Financial Information of Parent.** Parent authorises OPG to make credit enquiries about Parent or any of its affiliates from time to time with, and to receive and exchange

credit information from, credit reporting agencies, financial institutions and, if and to the extent reasonably required by OPG for its credit assessment processes, other persons with which Parent or any of its affiliates has or may expect to have financial dealings. Parent has provided OPG with Parent's audited financial statements for the last three financial years. Such financial statements have been prepared in accordance with Canadian generally accepted accounting practices, consistently applied. Such financial statements fairly reflect the financial position and results of operations of Parent as at the dates and for the periods set out in such statements. If Parent is not, or ceases to be, a reporting issuer under the *Securities Act* (Ontario), Parent will provide OPG with its audited financial statements within 90 days of each of Parent's year ends and unaudited quarterly financial statements, certified by Parent's chief financial officer, within 60 days of each of Parent's quarter ends. For so long as Parent is a reporting issuer under the *Securities Act* (Ontario), the public posting on the SEDAR website of the financial statements of Parent with the timeframes specified in the *Securities Act* (Ontario) will be deemed to satisfy Parent's obligation to deliver financial statements to OPG. Parent will also provide OPG with any other financial information respecting Parent that OPG may reasonably request to assist OPG in its ongoing evaluation of the value of the indemnifications and other rights provided to OPG by Parent under this Agreement.

9. **Notice.** Except as set out in section 10, every notice or other communication required or permitted under this Agreement must be in writing and may be delivered in person, by courier or by fax to the applicable party, as follows:

if to OPG,	if to Subsidiary,	if to Parent,
<p>Ontario Power Generation Inc.  1908 Colonel Sam Drive, 011-226,  Oshawa, ON L1H 8P7</p> <p>Attn: Project Director, Projects  and Modifications</p> <p>With a copy to:</p> <p>Ontario Power Generation Inc.  Darlington Energy Centre  1855 Energy Drive  Courtice, ON L1E 0E7</p> <p>Attn: VP Supply Services, OPG  Projects Business and</p>	<p>AECON Construction Group  Inc.  150 Sheldon Drive  Cambridge, ON  N1R 7K9</p> <p>Attn: President  Fax: (519) 624-0363</p> <p>With a copy to:</p> <p>AECON Group Inc.  20 Carlson Court  Suite 800</p>	<p>AECON Group Inc.  20 Carlson Court  Suite 800  Toronto, ON  M9W 7K6</p> <p>Attn: Senior Vice President,  Legal and Commercial  Services  Fax: (416) 754-8736</p>

Administrative Services	Toronto, ON M9W 7K6  Attn: Senior Vice President, Legal and Commercial Services Fax: (416) 754-8736	
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or to any other address, fax number or individual that a party designates. Any notice or other communication under this Agreement, if delivered personally or by courier will be deemed to have been given when actually received, if delivered by fax before 3:00 p.m. (Toronto time) on a business day in Toronto will be deemed to have been delivered on that business day and if delivered by fax after 3:00 p.m. (Toronto time) on a business day in Toronto or on a day which is not a business day in Toronto will be deemed to be delivered on the next business day in Toronto.

**10. Service.** For the purpose of all legal proceedings, this Agreement will be deemed to have been performed in Ontario and the courts of Ontario will have jurisdiction to entertain any action arising under this Agreement. Each of the parties irrevocably submits to the non-exclusive jurisdiction of the courts of Ontario. No party will oppose the enforcement against it in any other jurisdiction of any judgment or order obtained from an Ontario court regarding this Agreement. Any party may effect service of summons or any other legal process that may be served in any action, suit or other proceeding by delivering any such process to such other party in accordance with section 9. Parent hereby nominates, constitutes and appoints Subsidiary its true and lawful agent to accept service of process and to receive all legal process in respect of any action arising in respect of this Agreement. Until lawful notice of the appointment of another and subsequent agent in Ontario has been given by Parent and accepted by OPG, service of any legal process upon Subsidiary will be accepted by Parent. Nothing in this section 10 will affect the rights of OPG to serve legal process in any other manner permitted by law.

**11. General.** The division of this Agreement into sections and the insertion of headings are for convenience of reference only and are not to affect the construction or interpretation of this Agreement. Unless otherwise specified, words importing the singular include the plural and vice versa and words importing gender include all genders. The term “including” means “including without limitation”, and the terms “include”, “includes” and “included” have similar meanings. The term “will” means “shall”. Any reference in this Agreement to any other agreement is deemed to include a reference to that other agreement, as amended or restated from time to time. This Agreement is governed by, and is to be construed and interpreted in accordance with,

the laws of Ontario and the laws of Canada applicable in Ontario. If there is a conflict between any term of this Agreement and any term of the Underlying Agreement, the relevant term of this Agreement is to prevail. If any term of this Agreement is or becomes illegal, invalid or unenforceable, the illegality, invalidity or unenforceability of that term will not affect the legality, validity or enforceability of the remaining terms of this Agreement. For every term of this Agreement, time is of the essence. This Agreement and the Underlying Agreement constitute the entire agreement between the parties with respect to the subject matter hereof and supersede all prior agreements, negotiations, discussions, undertakings, representations, warranties and understandings, whether written or verbal. Neither Parent nor Subsidiary may assign this Agreement in whole or in part without the prior written consent of OPG. This Agreement enures to the benefit of and binds the parties and their respective successors and permitted assigns. No waiver of any term of this Agreement is binding unless it is in writing and signed by the party entitled to grant the waiver. No failure to exercise, and no delay in exercising, any right or remedy, under this Agreement will be deemed to be a waiver of that right or remedy. No waiver of any breach of any term of this Agreement will be deemed to be a waiver of any subsequent breach of that term. Subsidiary and Parent will from time to time promptly execute and deliver all further documents and take all further action reasonably necessary or appropriate to give effect to the terms and intent of this Agreement and to satisfy all of the Subsidiary Obligations. The rights and remedies under this Agreement are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise. No single or partial exercise by a party of any right or remedy precludes or otherwise affects the exercise of any other right or remedy to which that party may be entitled. This Agreement and any amendment, restatement or termination of this Agreement in whole or in part may be signed and delivered in any number of counterparts, each of which when signed and delivered is an original but all of which taken together constitute one and the same instrument. This Agreement and any amendment, restatement or termination of this Agreement in whole or in part may be delivered by fax. Except as expressly provided in this Agreement, no amendment, restatement or termination of this Agreement in whole or in part is binding unless it is in writing and signed by each party.

***[Remainder of Page Intentionally Blank; Signature Page Follows]***

Parent and Subsidiary have duly sealed and the parties have duly executed this Agreement.

**ONTARIO POWER GENERATION INC.**

By: \_\_\_\_\_  
Name: Stephun Cliver  
Title: Chief Supply Officer

**AECON CONSTRUCTION GROUP INC.**

(SEAL)

By: \_\_\_\_\_  
Name: Paul Murray  
Title: Executive Vice President,  
Aecon Energy

By: \_\_\_\_\_  
Name: Ian Turnbull  
Title: President, Aecon Industrial, a  
division of Aecon Construction  
Group Inc.

**AECON GROUP INC.**

(SEAL)

\_\_\_\_\_  
By:  
Title:



## **SCHEDULE 17**

### **WIRE INSTRUCTIONS**

[To be provided by the Contractor once the Joint Venture Account is opened.]

## **EXHIBIT A**

### **FORM OF AMENDMENT**

#### **Amendment Agreement Number [1]**

**THIS AGREEMENT** is made as of ■.

**BETWEEN:**

**ONTARIO POWER GENERATION INC.**, a corporation existing under the laws of Ontario  
("OPG")

and

[**CONTRACTOR**], a corporation existing under the laws of \_\_\_\_\_ (the  
"Contractor")

#### **RECITALS**

- A. OPG and the Contractor entered into an extended services master services agreement dated as of [DATE] (the "**Original Agreement**").
- B. OPG and the Contractor have agreed to amend the Original Agreement to ■.

For value received, the Parties agree as follows:

#### **1. Interpretation**

Any defined term used in this Agreement that is not defined in this Agreement has the meaning given to that term in the Original Agreement. In this Agreement, the following terms have the respective meanings set out below.

- (a) [Insert any definitions required in this Agreement.]

#### **2. Change to Section ■ (Title of Section)**

Section ■ of the Original Agreement is deleted in its entirety and replaced with the following:

OR

Section ■ of the Original Agreement is deleted in its entirety.

OR

The following section is added as a new Section ■ to the Original Agreement.

#### **3. Original Agreement Remains in Full Force**

Except for changes to the Original Agreement set out in this Agreement and any previous Amendment, the Original Agreement remains in full force, unamended.

The Parties have duly executed this Agreement as of the date first above written.

**ONTARIO POWER GENERATION  
INC.**

**[CONTRACTOR]**

By:

By:

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title:

Title:

## EXHIBIT B

### FORM OF APPLICATION FOR PAYMENT

#### Certificate - Application for Payment

**TO:** Ontario Power Generation (“OPG”)

**RE:** Extended Services Master Services Agreement (the “Agreement”) between OPG and [Contractor] (the “Contractor”) dated as of [Date] for [insert short description of project]

I, [name], am the [title] of the Contractor and am authorized to deliver this Certificate on behalf of the Contractor. I hereby certify, for and on behalf of the Contractor, that:

1. the coverages that the Contractor is obliged to maintain under Section 6.3 of the Agreement remain in full force;
2. the Contractor has paid in a timely manner all amounts payable under the *Workplace Safety and Insurance Act*, 1997 (Ontario);
3. the Contractor remains in compliance with all its other obligations under the *Workplace Safety and Insurance Act*, 1997 (Ontario);
4. the Contractor has provided OPG with the Workplace Safety and Insurance Board registration number for each of the Contractor’s Personnel performing any Work at the Site for the period covered by the certificate; and
5. there are:
  - (a) no known outstanding claims under the Agreement, except for those claims which have already been communicated to OPG in a timely manner in the form of Notice agreed by the Parties and which are listed in an attachment to this Certificate, including an estimate of the value of each such claim; or
  - (b) outstanding claims which have not been communicated to OPG and each of these claims is described in the form of Notice agreed by the Parties, and there are no other known outstanding claims under the Agreement, except for those claims which have already been communicated to OPG in a timely manner in the form of Notice agreed by the Parties and which are listed in an attachment to this Certificate, including an estimate of the value of each such claim.

Defined terms used in this Certificate that are not defined in this Certificate have the meanings given to those terms in the Agreement.

**DATED:** [insert date]

**[CONTRACTOR]**

By: \_\_\_\_\_

Name:

Title:

### Statutory Declaration - Application for Payment

C A N A D A	)	IN THE MATTER OF THE ■ AGREEMENT
	)	BETWEEN ONTARIO POWER
	)	GENERATION INC. AND
	)	[CONTRACTOR]
PROVINCE OF ONTARIO	)	DATED AS OF [DATE] FOR
	)	<b>[INSERT SHORT DESCRIPTION OF</b>
	)	<b>PROJECT]</b> (the “Agreement”)

I, ■, of the [City] of ■, Ontario, do solemnly declare that:

1. I am the [title] of [Contractor] and as such have personal knowledge of the facts set out in this solemn Declaration.
2. Defined terms used in this solemn Declaration but not defined in this solemn Declaration have the meanings given to those terms in the Agreement.
3. All:
  - (a) payments due to Subcontractors (other than any amounts withheld from a Subcontractor by reason of a legitimate dispute in good faith);
  - (b) wages and benefit payments due to any of the Contractor's Personnel; and
  - (c) contributions, premiums, allowances and remittances due to any Governmental Authority, pension fund, benefit plan or union fund in accordance with a collective agreement or Applicable Laws,have been paid in a timely manner on or before the date of the Application for Payment to which this solemn Declaration relates, subject to any withholdings or holdbacks required by Applicable Laws.
4. Title to the applicable part of the Project will pass to OPG in accordance with Section 8.9 of the Agreement no later than the date of OPG's payment to which this solemn Declaration relates.
5. There are:
  - (a) no known outstanding claims under the Agreement, except for those claims which have already been communicated to OPG in a timely manner in the form of Notice agreed by the Parties and which are listed in an attachment to this Declaration, including an estimate of the value of each such claim; or
  - (b) outstanding claims which have not been communicated to OPG and each of these claims is described in the form of Notice agreed by the Parties, and there are no

other known outstanding claims under the Agreement, except for those claims which have already been communicated to OPG in a timely manner in the form of Notice agreed by the Parties and which are listed in an attachment to this Declaration, including an estimate of the value of each such claim.

I make this solemn Declaration conscientiously believing it to be true and knowing it is of the same force as if made under oath.

DECLARED before me at the [City] of ■, )  
Ontario on ■, 20■ )

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Name:  
A Commissioner, etc.

## EXHIBIT C

### FORM OF PROJECT CHANGE AUTHORIZATION

#### Project Change Authorization

To: ■ Contract: ■ (the “Agreement”)  
Contract No.: ■  
Authorization No.: ■  
Date: ■

Defined terms used in this Notice have the same meanings given to those terms in the Agreement.

#### Change to Work

In accordance with Section 7.1 of the Agreement, OPG hereby directs the Contractor to make the following changes in the Work:

**[Insert description of changes.]**

#### Expected Change to Contract Price

OPG expects that the changes to the Work set out in this Notice will have the following effect on the Contract Price:

**[Insert expected change to Contract Price.]**

#### Expected Change to Project Schedule

OPG expects that the changes to the Work set out in this Notice will have the following effect on the Project Schedule:

**[Insert expected change to Project Schedule.]**

**ONTARIO POWER GENERATION INC.**

By: \_\_\_\_\_  
Name:  
Title:

## EXHIBIT D

### FORM OF LETTER OF CREDIT

#### [Letterhead of Canadian Chartered Bank]

[Issuing bank must reference Toronto, Canada branch to allow for cashing of letter of credit at that Toronto branch]

Date of Issue: ■

Irrevocable standby letter of credit

No: ■

Amount: Not exceeding CAD \$■,000,000

Date of Expiry: ■

To:

Ontario Power Generation Inc.  
700 University Avenue  
Toronto, Ontario M5G 1X6

Applicant:

■

Attention: Director, Credit

Dear Sirs/Mesdames:

At the request of ■ (the “**Customer**”), we hereby issue in your favour our irrevocable standby letter of credit for a maximum total amount not to exceed CAD \$■,000,000.

This letter of credit is available against presentation of the following documents delivered to us at ■:

- (a) your written demand for payment under this letter of credit;
- (b) the original of this letter of credit for notation hereon of the drawing or, if no further drawings are available under this letter of credit, for cancellation; and
- (c) a certificate, signed by your Chief Financial Officer, Treasurer or Secretary stating that OPG is entitled to draw on this letter of credit under the agreement relating to ■.

This letter of credit will be automatically renewed for a period of one year upon the expiration date set out above and thereafter each year upon each anniversary of such date, unless, at least 45 days before such expiration date or before any anniversary of such date, we notify both you and the Customer in writing by registered mail that we elect not to so renew this letter of credit for any additional period. Upon your receipt of such notice of election not to renew this letter of credit, you may, at any time before the expiration date or anniversary of such date, draw under



this letter of credit by your sight draft(s) drawn on us and bearing the statement “drawn under letter of credit no. ■.

You are permitted any number of drawings under this letter of credit.

We will honour each demand made by you under this letter of credit which is accompanied by the documentation specified above, without inquiring whether you have the right, as between you and the Customer, to make such demand.

This letter of credit is irrevocable and will expire at 4:30 p.m. (Toronto time) on ■.

To the extent not inconsistent with this letter of credit, this letter of credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision), International Chamber of Commerce publication no. 600.

[Name of Canadian Chartered Bank]

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

## **EXHIBIT E**

### **FORM OF APPLICATION FOR FINAL PAYMENT**

#### **Certificate - Application for Final Payment**

**TO: Ontario Power Generation (“OPG”)**

**RE: Extended Services Master Services Agreement (the “Agreement”) between OPG and [Contractor] (the “Contractor”) dated as of [Date] for [insert short description of project]**

I, **[name]**, am the **[title]** of the Contractor and am authorized to deliver this Certificate on behalf of the Contractor. I hereby certify, for and on behalf of the Contractor, as follows.

1. Set out in Appendix A to this Certificate are complete:
  - (a) as built drawings;
  - (b) maintenance and operating instructions;
  - (c) security documents;
  - (d) certificates of insurance;
  - (e) certificates of inspection;
  - (f) all documents required to be maintained at the Site in accordance with Section ■ of the Agreement; and
  - (g) all other documents required by the Agreement to be delivered to OPG on the entire finishing of the Project.
2. Set out in Appendix B to this Certificate is a certificate of compliance from the Workplace Safety and Insurance Board as to the Contractor’s status and that of all Subcontractors that have been performing any Work at the Site.
3. Set out in Appendix C to this Certificate are releases from the Contractor, and each Subcontractor that performed any Work in respect of the Project, respecting all Liens and other claims filed or otherwise arising in respect of the Work.
4. Set out in Appendix D to this Certificate are statutory declarations signed by a director or officer of the Contractor, and each Subcontractor that performed any Work in respect of the Project, declaring that all payments due to Subcontractors (other than any amounts withheld from a Subcontractor by reason of a legitimate dispute in good faith), all wages and benefit payments due to any of the Contractor’s Personnel, and all contributions, premiums, allowances and remittances due to any Governmental Authority, pension fund,

benefit plan, or union fund in accordance with a collective agreement, have been paid in a timely manner.

5. There are:

- (a) no known outstanding claims under the Agreement, except for those claims which have already been communicated to OPG in a timely manner in the form of Notice agreed by the Parties and which are listed in an attachment to this Certificate, including an estimate of the value of each such claim; or
- (b) outstanding claims which have not been communicated to OPG and each of these claims is described in the form of Notice agreed by the Parties, and there are no other known outstanding claims under the Agreement, except for those claims which have already been communicated to OPG in a timely manner in the form of Notice agreed by the Parties and which are listed in an attachment to this Certificate, including an estimate of the value of each such claim.

Defined terms used in this Certificate that are not defined in this Certificate have the meanings given to those terms in the Agreement.

DATED: [date], 20■.

**[CONTRACTOR]**

By: \_\_\_\_\_

Name:

Title:

## Release - Application for Final Payment

**TO: Ontario Power Generation Inc. (“OPG”)**

**RE: Extended Services Master Services Agreement (the “Agreement”) between OPG and [Contractor] (the “Contractor”) dated as of [Date] for [insert short description of project]**

For value received, including the final payment to the Contractor by OPG, the Contractor agrees as follows.

1. **Release.** Effective when OPG makes the payment under Section 8.7 of the Agreement, the Contractor irrevocably waives all entitlement to, and releases and forever discharges OPG and each member of the OPG Group from, any and all manner of claims, demands, suits, proceedings, actions and causes of action respecting any and all costs, damages, expenses, losses, liabilities, debts, sums of money, obligations, dues, accounts, interest and statutory rights or remedies, whether express, implied or otherwise, known or unknown, which the Contractor had, now has, can, will or may hereafter have respecting:
  - (a) any member of the OPG Group; or
  - (b) any act, cause, matter or thing whatsoever respecting the Project or the Purchase Order in respect of the Project.
2. **No Claims Against Certain Third Parties.** The Contractor will not initiate any claim, demand, suit, proceeding or action against any Person respecting the Project or the Purchase Order in respect of the Project if:
  - (a) that Person has claimed or demanded, in future claims or demands, or may reasonably be expected in future to claim or demand contribution or indemnity under the *Negligence Act* (Ontario) or otherwise from any member of the OPG Group; or
  - (b) that claim, demand, suit, proceeding or action may result (whether directly or indirectly against intermediate parties by way of a third or subsequent party claim or an independent legal proceeding) in a claim, demand, suit, proceeding or action against any member of the OPG Group.
3. **No Assignment.** The Contractor represents and warrants to each member of the OPG Group that the Contractor has not assigned, either in whole or in part, to any Person, any right to initiate any claim, demand, suit, proceeding or action respecting the Project or the Agreement.
4. **General.** The division of this Release into sections and the insertion of headings are for convenience of reference only and are not to affect the construction or interpretation of this Release. Unless otherwise specified in this Release, words importing the singular include the plural and vice versa and words importing gender include all genders. The term “including” means “including without limitation”, and the terms “include”,

“includes” and “included” have similar meanings. Any reference in this Release to any agreement, is deemed to include a reference to that agreement, as amended, supplemented or restated from time to time. Defined terms used in this Release but not defined in this Release have the meanings given to those terms in the Agreement. This Release is solely for the benefit of the Parties and, to the extent expressly and specifically made, beneficiaries of this Release. In particular, OPG holds the rights of each other member of the OPG Group under this Release in trust for the benefit of each such member.

The Contractor has duly executed this Release as of ■, 20■.

**[CONTRACTOR]**

By: \_\_\_\_\_

Name:

Title:

**[Modify as required for signature by a Subcontractor]**

### Statutory Declaration - Application for Final Payment

C A N A D A	)	IN THE MATTER OF THE ■ AGREEMENT
	)	BETWEEN ONTARIO POWER
	)	GENERATION INC. AND
	)	[CONTRACTOR]
PROVINCE OF ONTARIO	)	DATED AS OF [DATE] FOR
	)	<b>[INSERT SHORT DESCRIPTION OF</b>
	)	<b>PROJECT]</b> (the “Agreement”)

I, ■, of the [City] of ■, Ontario, do solemnly declare that:

1. I am the [title] of [Contractor] and as such have personal knowledge of the facts set out in this solemn Declaration.
2. Defined terms used in this solemn Declaration but not defined in this solemn Declaration have the meanings given to those terms in the Agreement.
3. All:
  - (a) payments due to Subcontractors (other than any amounts withheld from a Subcontractor by reason of a legitimate dispute in good faith);
  - (b) wages and benefit payments due to any of the Contractor's Personnel; and
  - (c) contributions, premiums, allowances and remittances due to any Governmental Authority, pension fund, benefit plan or union fund in accordance with a collective agreement or Applicable Laws,have been paid in a timely manner on or before the date of the Application for Payment to which this solemn Declaration relates, subject to any withholdings or holdbacks required by Applicable Laws.
4. Title to the applicable part of the Project will pass to OPG in accordance with Section 8.9 of the Agreement no later than the date of OPG's payment to which this solemn Declaration relates.
5. There are:
  - (a) no known outstanding claims under the Agreement, except for those claims which have already been communicated to OPG in a timely manner in the form of Notice agreed by the Parties and which are listed in an attachment to this Declaration, including an estimate of the value of each such claim; or

- (b) outstanding claims which have not been communicated to OPG and each of these claims is described in the form of Notice agreed by the Parties, and there are no other known outstanding claims under the Agreement, except for those claims which have already been communicated to OPG in a timely manner in the form of Notice agreed by the Parties and which are listed in an attachment to this Declaration, including an estimate of the value of each such claim.

I make this solemn Declaration conscientiously believing it to be true and knowing it is of the same force as if made under oath.

DECLARED before me at the [City] of ■, )  
Ontario on ■, 20■ )  
)  
)  
)

\_\_\_\_\_  
Name:  
A Commissioner, etc.

**[Modify as required for signature by a Subcontractor]**

**EXHIBIT F**  
**FORM OF INFORMATION AND CONSENT**

I have read the following conditions and acknowledge and confirm that:

1. As a member of the [**Contractor's Personnel/Augmented Staff**], I will provide services in accordance with the terms of the Agreement. I will render such services in accordance with the highest professional standard. I have read OPG's Code of Business Conduct and agree to abide by its principles.
2. OPG has my consent to perform such security and/or employment reference checks as it may, in its sole discretion, deem necessary.
3. I am not an employee of OPG and I acknowledge that OPG is not responsible to pay and/or remit any required Taxes, workers' compensation premiums, employment insurance and pension levies. I acknowledge that I am not eligible to participate in any pension, benefit or other programs established by OPG for its employees.
4. I will keep confidential and will not further disclose (except as expressly authorized by OPG or as required by Applicable Laws) any information, whether tangible or intangible, which has or may come into my possession, control or knowledge during the period that I am providing services under the terms of the Agreement. I further agree that I will maintain this confidentiality even after I cease to provide services under the terms of the Agreement.
5. I acknowledge that I have no authority to bind OPG or to assume or create any obligation or responsibility express or implied on OPG's part, or in its name, nor shall I represent to anyone that I have such power or authority, except with prior written consent of OPG.
6. I will use any OPG resources, computer time and software that become available to me or which are within my control, solely for the purposes of providing services under the terms of the Agreement.
7. I agree that the following shall be the exclusive property of OPG, its successors and assigns:
  - (a) any interest in any and all Innovations which relates or is applicable, directly or indirectly, to any phase of OPG's business that I have made or conceived or developed by myself or jointly with others during the period of my providing services under the terms of the Agreement (including any subsequent retention by OPG of my services after the expiry of the Agreement for whatever reason);
  - (b) written records of all such Innovations, which I agree to maintain adequate and current versions of while providing services under the terms of the Agreement;
  - (c) patents, copyrights or other legal protection for the intellectual property rights in such Innovations in any country, which I agree to assist OPG, during and



subsequent to my providing services under the terms of the Agreement, with obtaining for itself or any successors and assigns; and

(d) any interest in the Proprietary Information.

“Innovations” means all writings, works, discoveries, concepts, ideas, proposals and inventions, whether patentable or not, including but not limited to trade secrets, mask works, ideas, processes, formulas, software and programs (source and object codes), data, other works in which copyright arises, know-how, improvements, discoveries, developments, designs, techniques, products, processes, methods, mathematical models and formulae.

8. I also agree to promptly and fully disclose to OPG the existence of any Innovations and any written records maintained in accordance with paragraph (b) above and hereby waive any and all moral rights (within the meaning of the *Copyright Act* (Canada)), and any similar rights in any other countries, in all of the foregoing.
9. I also agree not to disclose or assist in disclosing, nor use or exploit directly or indirectly (except as my services may require) whether during or subsequent to the period of my providing services under the terms of the Agreement, any Proprietary Information or Third Party Secrets, except as required by Applicable Laws. Subject to any right the Contractor may have to retain information or documentation, upon the cessation of my providing services under the terms of the Agreement, I agree to promptly deliver to OPG or destroy when requested, all Proprietary Information and Third Party Secrets which I possess in any form whatsoever, and I agree not to use within my work any confidential information of others which I am aware, or reasonably should be aware, is not rightfully in the possession of OPG or myself.

“Proprietary Information” means any and all of OPG’s and its affiliates confidential information and/or proprietary knowledge, data or information (whether oral, in any medium and whether or not reduced to a tangible form), including, but not limited to, applications of the foregoing; what the Contractor produced, used or had access to while performing any Work under the terms of the Agreement that was identified as confidential when disclosed to the Contractor or that, due to its nature or the treatment afforded to it, should reasonably have been considered as confidential; Innovations and information in respect thereof; technical, corporate, marketing, financial or other information relating to inventories, research, development, manufacturing, purchasing, engineering, selling or bidding or offering or pricing strategies, demand and supply forecasts, customer lists, licenses, processes, business and market development plans, the skills and compensation of employees, and pertaining to the generation assets owned or formerly owned by OPG or its predecessor. Notwithstanding the foregoing, Proprietary Information does not include information that (a) has through no fault of the Contractor become generally known to the public, or (b) was provided to, or accessed by, the Contractor on a non-confidential basis from a source other than OPG or one of its representatives or suppliers, and so long as such source was not subject to any confidentiality obligations.

“Third Party Secrets” means any information, knowledge or data of any nature whatsoever acquired by OPG or its affiliates from others, which OPG or its affiliates have agreed not to disclose, made, modify, use, sell, copy and create derivative works from such Prior Innovations and Information.

10. I will obey all rules and regulations established by OPG regarding the premises to which I have access and the projects on which I perform any work.
11. I hereby authorize the Contractor to disclose to OPG any of my personal information required pursuant to the Agreement and authorize OPG to collect, use and disclose such personal information for any purpose in connection with the Agreement, including, without limitation, a purpose other than the one for which it was originally collected.

Sign: \_\_\_\_\_

Print Name: \_\_\_\_\_

This \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**EXHIBIT G**  
**FORM OF NOTICE OF BREACH**

**Notice of Breach**

To: ■	Contract:	■ (the “Agreement”)
	Contract No.:	■
	Authorization No.:	■
	Date:	■

Defined terms used in this Notice have the same meanings given to those terms in the Agreement.

In accordance with Section ■ of the Agreement, the Contractor hereby gives OPG notice as follows.

Date of breach of the Agreement by OPG: \_\_\_\_\_, 20■.

Obligation that OPG breached and section in which OPG’s obligation is set out in the Agreement:

**[Insert obligation and section reference.]**

Describe action or failure to act of OPG that constitutes the breach of OPG’s obligation:

**[Describe action or failure to act.]**

Describe precisely the anticipated remedy, if any, sought by the Contractor for OPG’s breach of its obligation (including any changes to the Contract Price or the Project Schedule):

**[Describe anticipated remedy, if any.]**

**[CONTRACTOR]**

By: \_\_\_\_\_  
Name:  
Title:

## **EXHIBIT H**

### **ILLUSTRATIVE EXAMPLES**

#### **Limitation of liability**

##### **Illustrative Example 1:**

- The Purchase Order value is \$200,000, therefore the total aggregate liability of the Contractor will be set by section 6.5(c)(1)(i) of the Agreement at \$1,000,000 and will not be increased unless insurance proceeds are received in accordance with section 6.5(c)(2) of the Agreement.
- The amount of the claim by OPG against the Contractor is \$3,000,000.
- For purposes of this example, the claim is not covered by either OPG's or the Contractor's insurance. Therefore, section 6.5(c)(2) of the Agreement does not apply.
- In this example, the maximum amount OPG will recover from the Contractor on a claim of \$3,000,000 is \$1,000,000, at which point the Contractor's total aggregate liability cap will be met.

##### **Illustrative Example 2:**

- The Purchase Order value is \$20,000,000, therefore the total aggregate liability of the Contractor will be set by section 6.5(c)(1)(ii) of the Agreement at \$20,000,000 and will not be increased unless insurance proceeds are received in accordance with section 6.5(c)(2) of the Agreement.
- The amount of the claim by OPG against the Contractor is \$35,000,000.
- For purposes of this example, the claim is fully covered by insurance proceeds received from the Contractor's commercial general liability insurance policy. The minimum coverage amount for this insurance specified in Schedule 12 is \$10,000,000. Therefore, section 6.5(c)(2) of the Agreement applies to add the first \$10,000,000 of insurance proceeds received to the Contractor's total aggregate liability cap of \$20,000,000.
- In this example, the maximum amount OPG will recover from the Contractor on a claim of \$35,000,000 is \$30,000,000, at which point the Contractor's total aggregate liability cap will be met.

##### **Illustrative Example 3:**

- The purchase order value is \$80,000,000, therefore the total aggregate liability of the Contractor will be set by section 6.5(c)(1)(iii) of the Agreement at \$41,500,000 and will not be increased unless insurance proceeds are received in accordance with section 6.5(c)(2) of the Agreement.

- The amount of the claim by OPG against the Contractor is \$60,000,000.
- For purposes of this example, the claim is fully covered by insurance proceeds received from the Contractor's commercial general liability insurance policy. The minimum coverage amount for this insurance specified in Schedule 12 is \$10,000,000. Therefore, section 6.5(c)(2) of the Agreement applies to add the first \$10,000,000 of insurance proceeds received to the Contractor's total aggregate liability cap of \$41,500,000.
- In this example, the maximum amount OPG will recover from the Contractor on a claim of \$60,000,000 is \$51,500,000, at which point the Contractor's total aggregate liability cap will be met.

#### **Illustrative Example 4:**

- The Purchase Order is related to the Darlington Refurbishment Programme and the Purchase Order value is \$120,000,000, therefore the total aggregate liability of the Contractor will be set by section 6.5(c)(1)(iii) of the Agreement at \$53,500,000 and will not be increased unless insurance proceeds are received in accordance with section 6.5(c)(2) of the Agreement.
- The amount of claim by OPG against the Contractor is \$100,000,000.
- For purposes of this example, the claim is fully covered by insurance proceeds received from OPG's builder's all risks insurance policy (section 6.5(c)(2) of the Agreement applies). The minimum coverage amount for this insurance specified in Schedule 12 is \$1 billion. The amount of the deductible is \$2,500,000. Section 6.5(c)(2) of the Agreement applies to add the insurance proceeds received for the claim (\$100,000,000 less the \$2,500,000 deductible) to the Contractor's total aggregate liability cap of \$53,500,000.
- In this example, OPG will recover its damages from its own insurance proceeds and the Contractor will only be responsible for the amount of the deductible as per Schedule 12. The maximum amount OPG will recover from the Contractor on a claim of \$100,000,000 is the \$2,500,000 deductible and the Contractor's total aggregate liability for the Purchase Order will be reduced from \$53,500,000 to \$51,000,000.

Note: All amounts in the above illustrative examples are indexed for inflation.

**Amendment Agreement Number 1**

**THIS AGREEMENT** is made as of July 7, 2015.

**BETWEEN:**

**ONTARIO POWER GENERATION INC.**, a corporation existing under the laws of Ontario ("**OPG**")

and

**AECON CONSTRUCTION GROUP INC.**, a corporation existing under the laws of Canada, and **SNC-LAVALIN NUCLEAR INC.**, a corporation existing under the laws of Canada, acting jointly and severally (collectively, the "**Contractor**") doing business as a contractual joint venture known as the "SLN-AECON, a Joint Venture".

**RECITALS**

- A. OPG and the Contractor entered into an extended services master services agreement dated as of December 19, 2014 (the "**Original Agreement**").
- B. OPG and the Contractor have agreed to amend the Original Agreement as set forth herein.

For value received, the Parties agree as follows:

**1. Interpretation**

Any defined term used in this Agreement that is not defined in this Agreement has the meaning given to that term in the Original Agreement.

**2. Change to Section 6.1(a)(1)(A) (Letter of Credit)**

Section 6.1(a)(1)(A) of the Original Agreement is hereby amended by changing the amount of the basic letter of credit from \$2 million to \$5 million.

**3. Change to Section 8.3(b)(1) (Invoice Requirements)**

Section 8.3(b)(1) of the Original Agreement is hereby amended by adding "(if invoicing in a currency other than Canadian dollars is expressly permitted under this Agreement)" right after "and expressly stating any amounts invoiced in a currency other than Canadian dollars" at the end of the provision.

**4. Change to Section 8.8 (Construction Lien Act Holdbacks)**

Section 8.8 of the Original Agreement is hereby deleted in its entirety and replaced with the following:

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“The Contractor has requested that OPG not hold back those amounts contemplated by the *Construction Lien Act* (Ontario) from the payments to be made under this Agreement and hereby agrees that all Losses arising from or in connection with any claims, demands, actions, suits or proceedings for Losses which may be asserted against OPG as a result of OPG not holding back amounts contemplated by the *Construction Lien Act* (Ontario) will be subject to the indemnity provided by the Contractor to each member of the OPG Group under section 3.9(p). In conducting the Work, the Contractor will comply with the provisions of the *Construction Lien Act* (Ontario) and all other laws relating to the construction of any improvements, including maintaining any required statutory holdbacks. If OPG, acting reasonably, determines that the Contractor is not complying with its obligations under sections 3.9(m) and 3.9(p) of this Agreement or otherwise not meeting the requirements of the *Construction Lien Act* (Ontario), notwithstanding any term in this Agreement, OPG may draw on the letter of credit provided by the Contractor to OPG pursuant to section 6.1(a), to satisfy OPG’s obligation under the *Construction Lien Act* (Ontario). For greater certainty, OPG will not retain 10% of the amount of any Application for Payment in respect of any Work to which the *Construction Lien Act* (Ontario) applies.”

**5. Change to Section 12.8 (Currency)**

Section 12.8 of the Original Agreement is hereby deleted by its entirety and replaced with the following:

“Unless otherwise specified in this Agreement, all amounts to be paid or calculated under this Agreement are to be paid or calculated in Canadian dollars, provided that:

- (a) for Goods, other than Goods provided on a Fixed Price basis, any amounts to be paid or calculated which are denominated in a foreign currency will, except as may be otherwise expressly set out in the Purchase Order for such Goods, be converted into Canadian dollars using the Bank of Canada nominal noon exchange rate for the date of the invoice respecting such Goods from a Subcontractor to the Contractor for such foreign currency, as posted on the Bank of Canada website (currently located at [www.bankofcanada.ca](http://www.bankofcanada.ca)); and
- (b) for Reimbursable Labour Costs, any amounts to be paid or calculated which are denominated in a foreign currency will be converted into Canadian dollars:
  - (1) at the end of each calendar quarter for the next following calendar quarter, if the ONCORE system is used (or such other invoicing system as may be required by OPG under section 8.3(e)). For example, any foreign currency denominated labour rates to be used in the second calendar quarter of a year will be converted to Canadian dollars based on the adjustment made at the end of the first calendar quarter; and
  - (2) otherwise on the date of the Application for Payment for the applicable period,



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in each case using the quarterly average Bank of Canada nominal noon exchange rate for the immediately preceding calendar quarter for such foreign currency, as posted on the Bank of Canada website (currently located at [www.bankofcanada.ca](http://www.bankofcanada.ca)). For clarity: (i) there will be no adjustments to the Reimbursable Labour Costs Table itself for changes in foreign currency exchange rates; and (ii) if the ONCORE system (or such other invoicing system as may be required by OPG under section 8.3(e)) is used, any foreign currency denominated labour rates will be adjusted in the ONCORE system (or such other invoicing system) in accordance with the adjustment mechanism set out in this section 12.8(b)."

#### 6. Original Agreement Remains in Full Force

Except for changes to the Original Agreement set out in this Agreement, the Original Agreement remains in full force, unamended.


The Parties have duly executed this Agreement as of the date first above written.

**ONTARIO POWER GENERATION INC.**

By:

Name:

Title:


  
Stephen E. Clwer  
Chief Supply Officer

**AECON CONSTRUCTION GROUP INC.**

By:

Name:

Title:

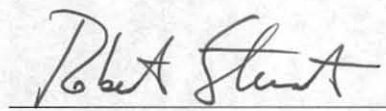
  
Ian Turnbull  
President

**SNC-LAVALIN NUCLEAR INC.**

By:

Name:

Title:

  
Robert Stewart  
Senior Vice President, Operations