

January 25, 2018

**VIA COURIER**

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON  
M4P 1E4

Dear Ms. Walli:

**Re: Upper Canada Transmission, Inc. (“UTC” or “NextBridge”)  
Ontario Energy Board (“OEB” or “Board”) File: EB-2017-0182  
New East-West Tie Line Project - Leave To Construct Application  
NextBridge Interrogatory Responses**

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In accordance with Procedural Order No. 1, dated November 29, 2017, enclosed please find interrogatory responses of NextBridge in the above noted proceeding.

Further to the above noted submission, contained within the filing are redacted versions of the attachments to the following interrogatory responses:

- I.B.NextBridge.STAFF.7 (Attachment 2, and Attachment 3)
- I.B.NextBridge.CCC.8 (Attachment 1)

Confidential copies of the above noted attachments will be provided to the Board under separate cover in accordance with the Board's revised *Practice Direction on Confidential Filings*, effective October 28, 2016.

These interrogatory responses are being filed through the Board's Regulatory Electronic Submission System and will be available on the NextBridge website at:

[www.nextbridge.ca/project info](http://www.nextbridge.ca/project info)

Yours truly,

(Original Signed)

Krista Hughes  
Senior Legal Counsel  
Enbridge Employee Services Canada Inc.

## STAFF INTERROGATORY #1

### INTERROGATORY

Ref: EB-2011-0140 OPA letter of September 30, 2014 proposing delay, and NextBridge's responses on May 15 and June 24, 2015.

Questions:

- a) How frequently were construction cost estimates prepared between the date of designation of UCT and the date of filing of the leave to construct application?
- b) How often were construction cost estimates presented to and discussed by senior project managers at NextBridge?
- c) Please describe in detail how the delay of the in-service date affected the estimates of construction costs.
- d) Please provide the construction cost estimates that NextBridge was using for planning at each of the following dates:
  - January 31, 2014
  - June 30, 2014
  - September 15, 2014
  - June 15, 2015
  - December 31, 2015
  - July 31, 2016
  - December 31, 2016
  - April 30, 2017
  - June 30, 2017

### RESPONSE

- a) Detailed construction cost estimates were not prepared between the date of designation and April 2017, when the results of the competitive procurement for the general contractor were obtained.

- b) The NextBridge Project Director and Board of Directors were presented with and discussed relevant construction cost estimates in accordance with the information captured in NextBridge's response to part d) of this Interrogatory.
- c) The delay of the in-service date to 2020 increased the estimated construction cost by approximately \$57 million. This amount is based on a blended escalation rate of 2.86%, which includes an estimated escalation factor of 2% for materials and 3% for labour.
- d) The construction cost estimate used for planning at each of the identified dates was as follows:
  - \$397 million for January 31, 2014, June 30, 2014, September 15, 2014, June 15, 2015, December 31, 2015, July 31, 2016 and December 31, 2016
  - \$737 million for April 30, 2017 and June 30, 2017.

STAFF INTERROGATORY #2

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit B, Tab 9, Schedule 1 page 10, lines 13-27:  
“Development Phase Refinements”

Preamble:

The New EWT Line design, according to NextBridge, anticipates fewer Guyed-Y tangent towers (about 65% of the total structures) compared to pre-Designation design (90% of the total structures). NextBridge states that the extensive use of Guyed-Y tangent towers results in total project savings of approximately \$ 90 million.

Questions:

- a) Please provide the cost of developing (including designing and testing) the Guyed-Y tangent tower.
- b) Please provide details of how any costs of developing the Guyed-Y tangent tower is offset to arrive at total project savings of approximately \$90 million.
- c) Does this choice of tower design have any impact on the estimated O&M costs? If so, please quantify what that impact will be.
- d) Please provide examples of where Guyed-Y towers have been used in constructing 230 kV circuits of comparable length with similar climatic and geographical conditions. What has been the operating and maintenance experience of the Guyed-Y towers for these locations?



## RESPONSE

- a) There are three configurations of the Guyed-Y tangent towers in the family of 10 tower configurations developed (engineered, designed, and tested). The total estimated cost to develop the three configurations of Guyed-Y tangent towers was approximately \$900,000.
- b) To establish the cost benefit of using the Guyed-Y structure in lieu of conventional self-supporting structures, NextBridge calculated the difference in costs to supply and install the structures and associated foundations for both the guyed Y and self-supporting structures, based on the quantities in the current design, resulting in a benefit to the customer of approximately net estimated savings \$90MM.
- c) No, this choice of tower design does not have any impact on the estimated O&M costs.
- d) For examples of where Guyed-Y towers have been used in constructing 230 kV circuits of comparable length with similar climatic and geographical conditions, please find attached to this response UCT's Response to Board Staff Interrogatory #15, filed on March 3, 2013 in EB 2011 0140. NextBridge does not have operating and maintenance experience or data for the projects referenced in UCT Response to Board Staff Interrogatory #15; however, NextBridge expects operations and maintenance of Guyed-Y towers to be similar to that of other lattice structure towers.

**UPPER CANADA TRANSMISSION, INC.**

**Response to Board Interrogatory 15  
to all Applicants**

Has your proposed design has been utilized successfully in terrain and weather conditions similar to that of Northern Ontario? If not, please comment on the potential risks of your proposed design with respect to its use in Northern Ontario.

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**Response:**

NextBridge's Recommended Plan for the Ontario East-West Tie project proposes the use of guyed lattice structures specifically to address and respond to the challenging terrain and weather conditions of Northern Ontario. Guyed lattice structures have been successfully used for transmission lines by BC Hydro and Manitoba Hydro, and are currently being installed by Hydro Quebec, as the information attached to this response illustrates.

In addressing terrains like those in British Columbia, Quebec, Manitoba, and Northern Ontario, the use of guyed structures:

1. Eliminates the need for uneven legs customized for each location in rugged terrain.
2. Facilitates helicopter construction, and minimizes the size of construction equipment required, due to lighter weight.

Combined, these advantages allow the project team to field adjust structure locations and avoid construction delays.

## Example Transmission Projects Using Guyed Transmission Towers

### Summary

#### *Projects Currently In Service*

1. **Herblet Lake to The Pas (Ralls Island) Transmission Line**  
Manitoba Hydro  
230-kV AC, 160 km, Guyed-Y Format  
In Service September 2011
2. **Gilliam to Churchill Transmission Line**  
Manitoba Hydro and Provincial Govt.  
138-kV AC, 270 km, Guyed-Y Format  
In Service April 1987
3. **Skeena to Amax Transmission Line**  
BC Hydro  
138-kV AC, Approximately 100 km, Guyed-Y  
Estimated pre-1980

#### *Projects Currently in Construction or Development*

4. **Romaine-2-Arnaud Transmission Line (Currently under Construction)**  
Hydro Quebec  
735-kV AC, 265 km, Guyed-Y Format  
In Service Expected 2014
5. **Northwest Transmission Line (Currently under Construction)**  
BC Hydro  
287-kV AC, 340 km, Guyed-Y Format  
In Service Expected 2014
6. **Bipole III Transmission Line**  
Manitoba Hydro  
500-kV DC Bipole, 1300+ km, Guyed-Mast Format  
In Service Expected Oct 2017
7. **BlackRock Metals Mining Electrical Service**  
Hydro Quebec  
161-kV, 25 km, Guyed-V Format  
In Service Expected Spring 2014

### **Particulars**

1. **Herblet Lake to The Pas Ralls Island Transmission Line**  
230-kV, 160 km  
In service Sept 2011  
Manitoba Hydro

Youtube video of installation:

[http://www.youtube.com/watch?feature=player\\_detailpage&v=s2Gb4TtTCNQ](http://www.youtube.com/watch?feature=player_detailpage&v=s2Gb4TtTCNQ)

Reference:

[http://www.hydro.mb.ca/regulatory\\_affairs/electric/gra\\_2010\\_2012/Appendix\\_82.pdf](http://www.hydro.mb.ca/regulatory_affairs/electric/gra_2010_2012/Appendix_82.pdf)



2. **Gilliam to Churchill Transmission Line**  
138-kV, 270 km  
In service Apr 1987  
Manitoba Hydro and Provincial Govt.



This transmission line, from Gillam to Churchill permitted the retirement of large diesel generators in the town of Churchill. A reduction in the cost of power, coupled with an increase in supply was important to the continued development of the town and port. This is a 138 kV guyed tower line running through many areas of continuous permafrost.

The line was energized in April 1987. Constructed over three winters, the 270 km transmission line was jointly funded by Manitoba Hydro and the federal and provincial governments for \$35.6 million.

3. **Skeena to Amax Transmission Line**  
BC Hydro  
138-kV AC, Approximately 100 km  
Estimated pre-1980



4. **Romaine-2-Arnaud Transmission Line (Currently under Construction)**  
Hydro Quebec  
735-kV AC, 265 km, Guyed-V Format  
In Service Expected 2014

Please see attached.

5. **Northwest Transmission Line**

287-kV AC, 340 km

In service Expected 2014

BC Hydro

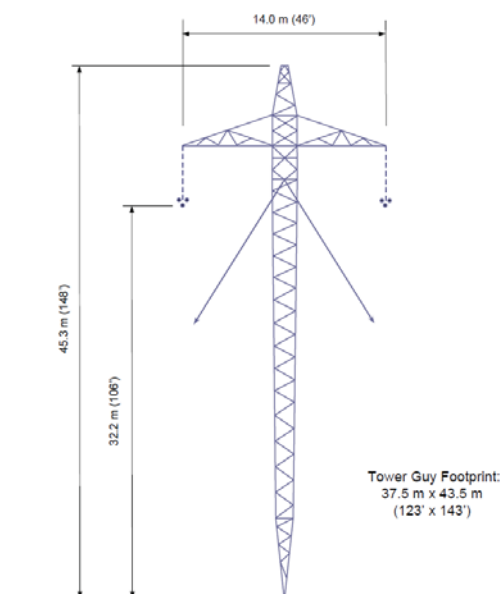
[http://www.bchydro.com/energy\\_in\\_bc/projects/ntl.html](http://www.bchydro.com/energy_in_bc/projects/ntl.html)

6. **Bipole III**

500-kV DC Bipole, 1300+ km

In service Expected Oct 2017

Manitoba Hydro



**Project Description**

The Bipole III transmission project involves the construction of:  
a 500-kilovolt [HVDC](#) transmission line linking the northern power generating complex on the Lower Nelson River with the conversion and delivery system in southern Manitoba;

- 2 new converter stations – one in northern Manitoba northeast of Gillam (Keewatinoow) and one east of Winnipeg at the Riel Station site;
- 2 ground electrodes – one at each converter station;
- additional 230 [kV](#) transmission line interconnections in the north to tie the new converter station into the existing northern [AC](#) system.

The Bipole III  $\pm$  500 [kV HVDC](#) transmission line will:

1. originate at a Keewatinoow converter station site near the proposed [Conawapa Generating Station](#) site;
2. travel west and south towards The Pas;
3. travel south, staying west of Lake Winnipegosis and Lake Manitoba;
4. pass south of Portage la Prairie and Winnipeg to terminate at the [Riel Converter Station](#) site, in the RM of Springfield.

The preliminary preferred route is approximately 1,364 km in length.

Bipole III transmission line will be strung on steel tower structures on a 66 m wide right-of-way, with an average tower spacing of approximately 480 m resulting in 3 to 4 towers per mile. In agricultural areas, self-supporting towers will be used to reduce effects on agricultural operations. Guyed towers will be used in forested areas and other areas that are compatible with the use of this tower type.

[http://www.hydro.mb.ca/projects/bipoleIII/guyed\\_suspension\\_tower.pdf](http://www.hydro.mb.ca/projects/bipoleIII/guyed_suspension_tower.pdf)

Screen clipping taken: 3/21/2013 11:27 AM

[View a self-supporting suspension tower. \(open new window\)](#)

[View a guyed suspension tower. \(open new window\)](#)

Pasted from <<http://www.hydro.mb.ca/projects/bipoleIII/description.shtml>>

Anticipated ISD for Bipole III is October 2017

Reference:

[http://www.hydro.mb.ca/regulatory\\_affairs/electric/gra\\_2010\\_2012/Appendix\\_82.pdf](http://www.hydro.mb.ca/regulatory_affairs/electric/gra_2010_2012/Appendix_82.pdf)

7. [intentionally left blank]





# 161-kV **BlackRock Metals** Mining Property Electricity Service

PUBLIC CONSULTATION • September 2012

## Mining project in the Nord-du-Québec region

BlackRock Metals Inc. wishes to carry out a mining project east of Lac Chibougamau, about 30 km southeast of the town of Chibougamau and 60 km east of the community of Oujé-Bougoumou.

The current project consists of building a 161-kV single-circuit power line, about 25 km long, tapping off circuit 1627 to connect the future BlackRock Metals substation to Hydro-Québec TransÉnergie's transmission system. The electrical load from all BlackRock Metals mining property facilities will be about 44 MW.

Commissioning of this power line is planned for spring 2014. After project completion, Hydro-Québec plans to dismantle part of the existing line (circuit 1627) between Obatogamau substation and the tap-off. Obatogamau substation will also be dismantled as part of another project.

Hydro-Québec TransÉnergie has asked Hydro-Québec Équipement et services partagés to conduct the draft-design studies for the planned supply of the BlackRock Metals mining property.



## Environmental studies

Hydro-Québec Équipement et services partagés is carrying out environmental inventories and technical surveys in the study area to acquire knowledge about the host environment. These are done based on a clearly established procedure that includes documentary research and site visits and also take into account stakeholder concerns. An environmental impact statement will be submitted in fall 2012 to the Ministère du Développement durable, de l'Environnement et des Parcs du Québec in order to obtain the required permits to carry out the project.

## Tower types and rights-of-way

The projected line will be supported by guyed steel towers. These towers are between 36 m and 55 m tall. The average span of 500 m, for 55-m high towers, will keep impact on the land to a minimum. The total width of the right-of-way to be cleared will be about 50 m for suspension towers and 80 m for dead-end towers.

## Proposed routes

Based on the inventory of the biophysical and human environments and the landscape, Hydro-Québec used a number of siting criteria to determine the possible line routes:

- Respect of technical constraints
- Avoidance of environmentally sensitive areas
- Concerns of land users
- Integration into the landscape

Hydro-Québec has selected two routes:

- **Route A** is 25.4 km long and is located in the northwestern part of the study area. It avoids many wetlands, it is far from areas frequented by land users and will integrate well into the landscape.
- **Route B** is 26.4 km long and is located in the middle of the study area. It follows a logging road, is more easily accessible and would allow infrastructure to be grouped together. However, it creates a greater impact on wetlands and is more visible. In terms of technical criteria, it is comparable to Route A.

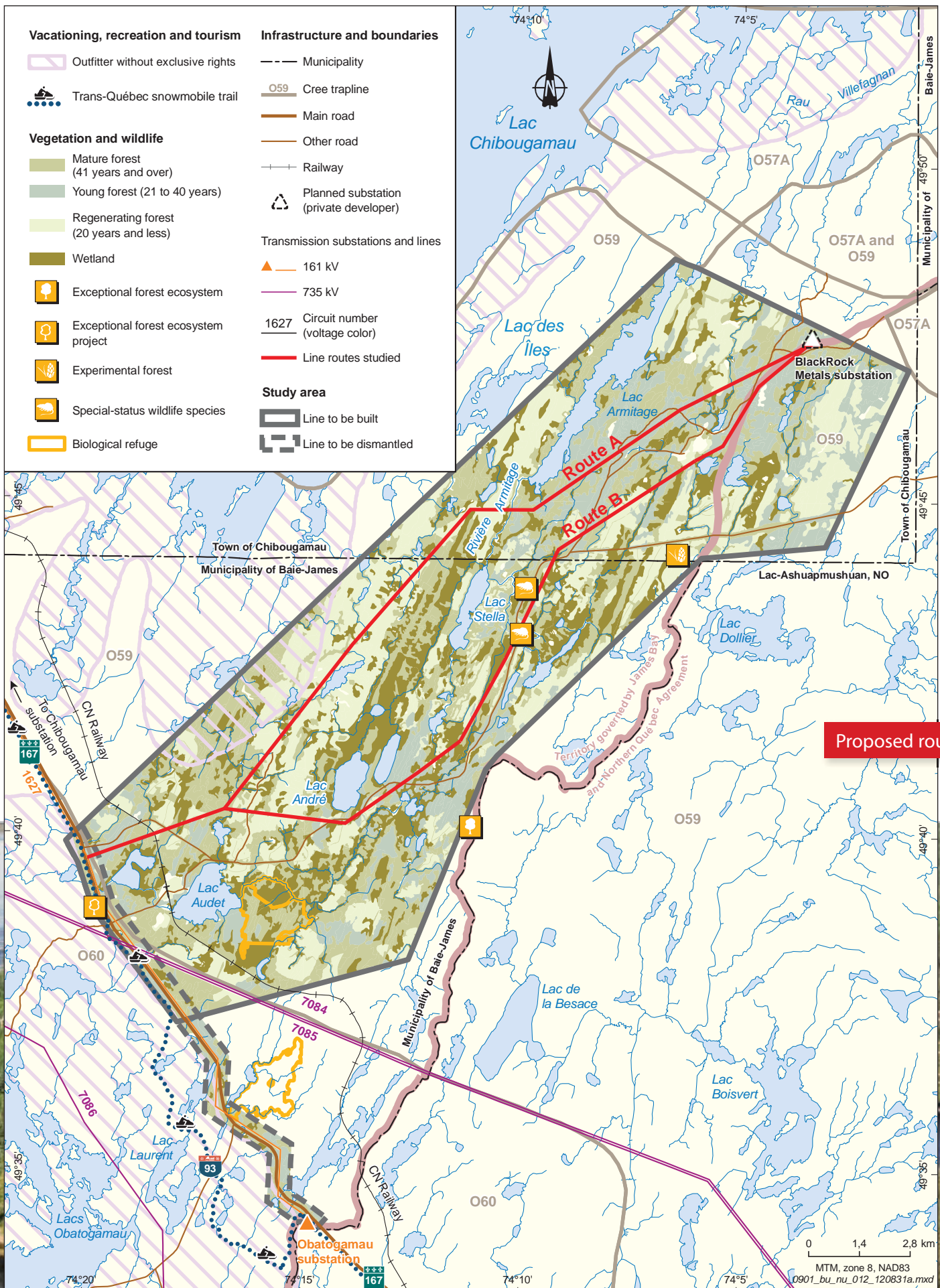
The routes will be compared based on the following main criteria:

- Economic: cost
- Technical: length, angles and access
- Environmental: sensitive areas crossed, land use, social acceptability and landscape

## Dismantling

The section of the existing line carrying circuit 1627 between the tap-off and Obatogamau substation (about 12 km) will be dismantled. Obatogamau substation will also be dismantled as part of another project.







## Project schedule

### DRAFT DESIGN

General information	Spring 2012
Information and consultation	Summer 2012
Information on route selected	Fall 2012

### PROJECT

Filing of environmental impact statement	Fall 2012
Permitting	Summer 2013
Construction	Winter 2013-2014
Commissioning	Spring 2014

[www.hydroquebec.com/projects](http://www.hydroquebec.com/projects)

## Public participation

Favorable reception from local communities is an essential condition for Hydro-Québec projects. To ensure that their concerns are taken into consideration, the company will hold information and consultation sessions with community representatives, including the tallymen affected by the project, while the studies are under way. This will help Hydro-Québec select the route with the least impact on the concerned area.

### Information

#### Richard Simard

Advisor – Community Relations  
and Special Projects  
Telephone: 418 748-8200, extension 8319  
Toll-free: 1 800 679-9919, option 5  
[simard.richard.3@hydro.qc.ca](mailto:simard.richard.3@hydro.qc.ca)

#### Jimmy Lavoie

Advisor – Aboriginal Affairs  
and Special Projects  
Telephone: 418 748-8200, extension 8339  
Toll-free: 1 800 679-9919, option 4  
[lavoie.jimmy@hydro.qc.ca](mailto:lavoie.jimmy@hydro.qc.ca)

Direction régionale – La Grande Rivière  
511, route 167 Sud  
C. P. 100  
Chibougamau (Québec)  
G8P 2K5

### STAFF INTERROGATORY #3

#### INTERROGATORY

Ref: Evidence EB-2017-0182, Exhibit C, Tab 2, Schedule 1, pages 8-9 and Exhibit C, Tab 2, Schedule 1, page 4

Preamble:

NextBridge states that it has developed preliminary foundation designs and anchor options based on the results of preliminary geotechnical investigation and that its findings will be finalized after NextBridge performs additional geotechnical investigation during construction.

NextBridge further indicates that it has developed 10 different types of steel towers that can be used in the project depending upon a number of factors including soil conditions.

Questions:

- a) Please advise as to whether any additional geotechnical investigation has been undertaken since the filing of this application in July 2017.
- b) How likely is it that further geotechnical investigation will impact construction cost estimates or the in service date for the project?
- c) Would any additional costs arising from the results of further geotechnical investigation be covered by the project contingency?

#### RESPONSE

- a) No additional physical geotechnical investigation has been undertaken since the filing of the Leave to Construction application in July 2017.
- b) NextBridge anticipates a low risk of negative impact to the construction cost estimate or the proposed in-service date for the East West Tie Line resulting from further geotechnical investigation as NextBridge has included the additional subsurface

investigation and final foundation designs in the Contractor's scope for a fixed price. The risk of a material project cost increase for this reason is low, because it would only occur to the extent the Contractor discovers a subsurface condition not reasonably expected in the project area that cannot be mitigated by re-positioning of the structure(s).

- c) Yes, any additional costs arising from the results of further geotechnical investigation would be covered by the project contingency.

## STAFF INTERROGATORY #4

### INTERROGATORY

Ref: EB-2011-0140, Letter from NextBridge to the OEB dated May 15, 2015

Preamble:

NextBridge described a “phase shift” that would move \$1 million in construction costs from the construction phase of the project to the development phase. In that letter, NextBridge indicated that “advancing project development activity earlier rather than later can also serve to increase cost certainty and potentially reduce overall project risks”.

Questions:

- a) Please indicate where in this leave to construct application that shift of costs is reflected.
- b) Please describe in detail how advancing project development activity for this project increased cost certainty and reduced overall project risk.

### RESPONSE

- a) The “phase shift” that moved construction costs from the construction phase of the project to the development phase is reflected in the Leave to Construct application at Exhibit B, Tab 9, Schedule 1, page 1. To elaborate, in order to maximize the extended development period for the East West Tie Line Project resulting from the move of the in-service date to 2020, NextBridge accelerated activities during the Development Phase that it had originally contemplated would have been completed in the Construction Phase of the Project. NextBridge continued engagement with directly affected property owners and crown disposition and interest holders in support of the land acquisition and permitting program, including additional consultation with respect to route refinements and preliminary access and construction that was required to determine the Project footprint. NextBridge progressed land optioning and related activity to negotiate with directly affected property owners and obtaining consent from Crown disposition and interest holders, and continued engagement with other impacted stakeholders including regulatory agencies, other infrastructure owners (“Hydro One”), and municipalities.

To date, NextBridge has secured option agreements from 74% of private landowners, and consent of 13% of Crown interest holders. Costs from the Land optioning budget reflects a shift in costs from the construction phase to the development phase.

- b) During the development phase, NextBridge completed a competitive process for a general construction contractor, which included actual construction market data specific to the climate and terrain characteristics of the East West Tie Line Project. This competitive procurement, therefore, used information that NextBridge had obtained over the extended development period that would not normally have been obtained at such a high level of detail. The collection of this information then allowed the general contractors bidding on the Project to bid with specific information on technical and constructability (including tower design and assembly details, foundation preliminary design, construction access plans, routing based on fieldwork, environmental constraints analysis, and safety requirements), as well as information related to NextBridge's expectation that the First Nation and Métis communities would be offered economic participation opportunities. The ability for this information to be available to the general contractors bidding on the Project made for a more informed bid and cost estimate, which, in turn, reduces cost uncertainty and overall project risk.

Advanced project development related to Land Optioning also provides greater cost certainty and reduces overall project risk. Generally speaking, additional time for Land Optioning negotiations resulted in a higher percentage of optioned landowners, accommodation of landowner interests in the placement of Project footprint, and an expected corresponding reduction in the number of expropriations required. The increased amount of development work in defining the route and allowing negotiations with landowners has reduced the risk of adversarial and costly expropriation processes.

In addition, during the extended development phase, NextBridge was able to continue to consult with the 18 Indigenous communities that were identified by the Crown in its Memorandum of Understanding delegating Duty to Consult to NextBridge. This extended timeframe allowed communities to have a more extensive understanding of the potential impacts of the Project on their traditional rights. To date, these discussions have indicated that there no significant concerns that would impact project costs and schedule. Having this information related to Indigenous communities concerns, similar to Land Optioning consents, increases cost certainty and reduces overall project risk.



## STAFF INTERROGATORY #5

### INTERROGATORY

Ref: EB-2011-0140, UCT's Application for Designation to Develop the East-West Tie Line, section 4.4, pages 61-62.

Preamble:

NextBridge indicated that the established supplier networks and scale of purchasing conducted by NextEra and Enbridge would allow procurement of materials, equipment and services at preferred prices.

Question:

Please quantify the cost savings achieved, provide examples of savings and indicate where in this application those savings are reflected.

### RESPONSE

The quantification of cost savings achieved is not possible at this time as the procurement of major materials has yet to begin for the project. The construction cost estimate included pricing for materials that was based upon the most current pricing paid for the product at that time, escalated to the expected product need date. In effect, the construction cost estimate has the preferred pricing NextBridge partner entities receive from their vendors, which, in turn, results in an inherent level of savings.

The NextBridge partner entities have strong established supplier networks and procure large volumes of materials, equipment and services on an annual basis. To ensure the best price for all major transmission line components, they will be competitively bid, evaluated, and sourced for delivery using the partner entities' a well established procurement processes. The combined volume of materials procured each year and the competitive bid process ensures that the project is obtaining the best price available at that time. In addition, due to the magnitude of business with the suppliers, NextBridge is well positioned to address emerging issues during material production (e.g., specification changes, additional quantities required) with minimal impact to cost or schedule.

Besides material pricing, the procurement contracts negotiated with suppliers impose strict terms and conditions ("T&C's") that, although hard to quantify, are likely to result in

additional contract administration benefit. These T&C's generally include: favorable payment schedules and terms, often with no payments prior to delivery; avoidance of restocking or other fees if an order is reduced or changed, and warranties on products from defects and shipping damage.

For example, to provide a measure of buying power, NextEra Energy, Inc. affiliates have spent in excess of the following amounts over the last five years (2013 to 2017):

Conductor	\$450,000,000
Optical Ground Wire ("OPGW")	\$ 3,000,000
Structures	\$190,000,000

In addition, the total value of EPC services that NextEra Energy, Inc. affiliates have procured over the last five years (2013 to 2017) exceeded \$2,190,000,000.

All values shown are in U.S. dollars.

NextBridge believes that by sourcing materials from well-established suppliers, by following competitive bid processes and through detailed contract administration oversight, material and equipment savings will be achieved on the East West Tie Line.

## STAFF INTERROGATORY #6

### INTERROGATORY

Ref: EB-2011-0140, UCT's Application for Designation to Develop the East-West Tie Line, Section 5, pages 72-74 (filed January 4, 2013)

Preamble:

NextBridge indicated that it would assume some risk for the construction cost forecast through performance-based ratemaking. At the time of the designation application, NextBridge planned to present this proposal as part of the leave to construct process.

Questions:

- a) Why is NextBridge not ready to present this proposal now?
- b) What assurance can NextBridge provide that it will assume some risk with respect to construction costs?
- c) What percentage of the risk is NextBridge prepared to assume?

### RESPONSE

- a) In its East West Tie designation application, NextBridge indicated that it would develop a mechanism for performance-based ratemaking through consultations with affected stakeholders. On September 10, 2014, NextBridge held a stakeholder session for interested parties and presented on potential options for this mechanism. Representatives from each of the groups listed below attended the session and NextBridge also invited all intervenors involved in the project designation to provide input, which was received verbally during the presentation, but to which there were no written responses subsequently received.

- Brookfield Infrastructure Group
- Canadian Manufacturers & Exporters ("CME")
- City of Thunder Bay, Northwestern Ontario Associated Chambers of Commerce ("NOACC"), and Northwestern Ontario Municipal Association Energy Task Force ("NOMA")
- Energy Probe

- Hydro One Networks Inc.
- Independent Electricity System Operator
- London Property Management Association (“LPMA”)
- Métis Nation of Ontario
- Nishnawbe-Aski Nation
- Northwatch
- Ontario Power Generation (“OPG”)
- Ontario Power Authority (OGA”)
- School Energy Coalition (“SEC”)
- The Corporation of the Municipality of Wawa
- Vulnerable Energy Consumers Coalition (“VECC”)
- Ontario Energy Board (“OEB”)
- NextBridge and partners

NextBridge initiated and intended to pursue the development of this mechanism, however in the intervening period the OEB adopted performance ratemaking related to ongoing costs in Chapter 2 – Revenue Requirement Applications released on February 11, 2016 that prescribed a performance ratemaking framework. NextBridge envisions, that it would follow the OEB’s most current performance-based ratemaking framework at that time.

- b) During NextBridge’s request for revenue requirements, construction related expenditures will be reviewed. At that time, any construction related expenditures found to be imprudently incurred are subject to disallowance.

The OEB determines who bears the risk of cost overruns (NextBridge or the rate payer) depending on whether the costs were reasonably and prudently incurred; however, if costs come in under those outlined in the Leave to Construct, the rate payers will receive all the benefits of the reduced construction costs.

- c) NextBridge does not intend to assume an additional risk mechanism outside of the usual OEB review of construction costs, and, therefore, there is not a specific percentage of the risk that NextBridge is prepared to assume.

STAFF INTERROGATORY #7

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit B, Tab 9, Schedule 1, page 2, lines 17-26 and page 3, lines 1-8

Preamble:

NextBridge describes its competitive process to select a general contractor. NextBridge states that the final RFP process was initiated in 2016, and that it is currently evaluating the bids received through the RFP process with the objective of selecting the most cost and schedule effective bidder.

Questions:

- a) Please provide copies of the documents that NextBridge provided to parties as part of the Expression of Interest and Request for Proposal processes.
- b) Please provide an update on the status of NextBridge's evaluation of the bids received through the RFP process. Has a successful bidder been chosen for the general contractor role?
- c) Please advise as to responsibilities for any cost overruns as between NextBridge and the general contractor.
- d) Please advise as to whether the selection of the general contractor has, or is expected to change (i) any cost estimates that have been filed in this application or (ii) the proposed in service date. Please provide monetary values of anticipated impacts.
- e) Are there any aspects of the project costs (including construction and consulting services) that NextBridge did not competitively tender? If so, why?

## RESPONSE

- a) A copy of the Request for Expression of Interest is attached as Attachment 1 to this response.

The Request for Proposal ("RFP") that NextBridge used in its competitive process for a general contractor incorporated actual construction market data specific to the climate and terrain characteristics of the EWT Line Project. Potential bidders signed a non-disclosure agreement and the information was kept on a secure data server. This procurement used detailed information that NextBridge had developed or obtained over the extended development period that allowed the potential general contractors to provide a specific cost estimate that was based on technical and constructability information, including tower design and assembly details, foundation preliminary design, construction access plans, routing based on fieldwork and other development efforts since the Designation phase, environmental constraints analysis, safety requirements, and direction on NextBridge's expectation that First Nation and Métis communities would be offered economic participation opportunities. This information is competitive work product and commercially sensitive, and therefore is not appropriately disclosed, and will not be disclosed, publicly. In accordance with the Board's *Practice Direction On Confidential Filings* a redacted version of the RFP is attached as Attachment 2 to this response. An unredacted version of the RFP has been filed with the Board.

- b) On December 6, 2017, NextBridge entered into an agreement with Valard Construction LP to construct the Project in the role of general contractor. The contract contains confidential material that is competitive sensitive information which if disclosed to the public or a competitor would be detrimental to NextBridge and to the general contractor. Therefore, it is not appropriate to disclose the contract publicly. In accordance with the Board's *Practice Direction On Confidential Filings*, a redacted version of the contract is attached as Attachment 3 to this response. An unredacted version of the contract is being provided to the Board.
- c) The construction contract between Valard and NextBridge is a lump sum contract. This will minimize the risk of construction cost overruns due to factors in the Contractor's control. Risks for construction aspects such as geotechnical conditions, foundations, a portion of the permitting, and access roads will be borne by the Contractor and are the Contractor's responsibility to mitigate. In the context of the construction contract, cost overruns associated with these risks will not be passed on to NextBridge, unless caused by changes, failures, or delays in NextBridge meeting its obligations such as land acquisition, environmental permitting, and regulatory approvals.

- d) The selection of the general contractor has not changed (i) any cost estimates that have been filed in this application or (ii) the proposed in service date.
- e) Certain project costs were not competitively tendered. A list of services that were not competitively tendered, and the reasons why not (for example, contract amount under \$50,000) is provided below.

<b><u>Discipline</u></b>	<b><u>Contract Type</u></b>	<b><u>Explanation</u></b>
Land	Mining and Aggregate Analysis	Contract was under \$50,000
Environmental	Analysis Report	Vendor was procured prior to project designation
Regulatory	Rate Design	Short term contract under \$50,000. Concentric has extensive experience in Ontario and with the Ontario Energy Board.
	Benchmarking	Short term contract. Charles River Associates has extensive experience in Ontario and benchmarking.
Community Engagement	Printing and mailing services	Commitment to support local businesses narrowed the search for this service to the project area. This vendor was the only one that could provide the services required.
	Media advertising booking/buys and French translation services	Participation in the project was initiated as a sub-contractor to Dillon Consulting. Expertise with technical writing for electricity transmission projects was a key factor in their selection.
	Web hosting	Commitment to support First Nation's owned businesses. Contract was under \$50,000.
	Web hosting	Contract was under \$50,000.
Engineering & Construction	Consulting services	Professional experience as outlined in NextBridge's Reply Argument to EB-2011-0140 (page 24).

<u>Discipline</u>	<u>Contract Type</u>	<u>Explanation</u>
Project Management	Project Management	Project management services procured prior to designation and with knowledge and experience on NextBridge project no other vendor possesses.
	Project Planner/Coordinator	Short term contract employee on secondment to NextBridge to assist with project management duties and other related land activities.



## **REQUEST FOR EXPRESSION OF INTEREST**

### **1. PROJECT DESCRIPTION**

The Ontario East-West Tie Line project will consist of a double-circuit 230 kilovolt (kV) transmission line generally paralleling the existing double-circuit 230 kV transmission corridor connecting the Wawa Transformer Station (TS) to the Lakehead TS near Thunder Bay. The length of the line is currently anticipated to be approximately 430 km. The structure types proposed for the transmission line are guyed Y and self-supported lattice structures. The targeted in-service date is the first half of 2018.

### **2. GENERAL**

Respondents interested in providing the General Contractor services for the Project are invited to submit an Expression of Interest (EOI) to demonstrate the Respondent's capabilities, qualifications, experience and commitment to meet the schedule demands while maintaining a high quality project. To facilitate the review, each Respondent's EOI shall adhere to the following format requirements.

- Cover Letter
- Executive Summary
- Complete Response to Section 4
- References

The EOI must show that the Respondent possesses all of the expertise, experience, and resources required for the Project. Failure to provide any of the requested information that is available to the Respondent may be grounds for disqualification. If the requested information does not exist or cannot be provided, the Respondent shall state so with an explanation. Following completion of the evaluation and selection, qualified Respondents (as determined by the Owner in its sole and absolute discretion) will be invited to provide competitive proposals in response to a Request for Proposals (RFP).

Respondents are instructed to limit the information included in the EOI to the information necessary to demonstrate its technical and financial qualifications for the Project and any other information specifically requested in Section 4. "Boilerplate" non-pertinent materials are discouraged. The Respondent shall provide the appropriate information required for each section of the EOI in accordance with the following content and format requirements:

- The responses shall be clear, concise, factual, and complete with a minimum of extraneous material.
- Responses shall be submitted by close of business day on September 3<sup>rd</sup>, 2014 to Robert.Conklin@nexteraenergy.com
- **THE INFORMATION PROVIDED IN THE EOI SHALL REFERENCE, TO THE EXTENT PRACTICABLE, THE SPECIFIC SECTION OF THIS EOI BEING ADDRESSED.**

- The EOI shall be typed or printed on 8-1/2-inch by 11-inch paper, with a minimum font size of 12.

### **3. EXECUTIVE SUMMARY**

The Respondent shall submit a concise executive summary of the EOI, identifying the Respondent and the Project Team, and explaining why it is qualified to undertake the Project. The summary should include a brief history of the Respondent, its organizational structure, background and experience in performing *High Voltage Transmission Line* projects. It shall also contain a brief summary of the Respondent's technical and financial qualifications. The executive summary shall be limited to a maximum of two (2) pages.

### **4. GENERAL INFORMATION AND REQUIREMENTS FOR COMPLETE RESPONSE**

Respondents shall provide the following information in support of providing the General Contractor services for the Project described above:

- 1) An overview of the Respondent, including its principal business focus, the number of offices it maintains, the number of partners and professionals, if applicable, the number of employees, the number of years in business and its key clients (representing more than 10% of its annual revenue)
- 2) The Respondent's legal name (name of the contracting company), the addresses of its corporate headquarters and regional offices, a list of its subsidiaries and affiliates, the name of its ultimate parent company, if any, and its percentage ownership interest in Respondent. The names, titles and biographical summaries of Respondent's principal executive officers. If Respondent maintains more than one office, identify which office would support this project.
- 3) If the Respondent is a corporation, partnership or other business entity, evidence of such status and good standing and authority to conduct business in Canada.
- 4) Evidence that the Respondent has operated under its current legal name for the last three years, and if not, explain.
- 5) A description of any (i) fines, penalties or other sanctions or disciplinary actions assessed or taken against Respondent by any regulatory or other governmental authority during the last three years and (ii) lawsuits or other legal actions, claims or disputes that have been instituted, taken or, to the Respondent's knowledge, threatened against the Respondent during the last three years, including any such lawsuits, actions, claims or disputes that are still pending.
- 6) An affirmation that the Respondent has not filed for bankruptcy or been adjudicated bankrupt at any time over the last ten years.
- 7) An affirmation that the Respondent has not defaulted on a project or abandoned or otherwise failed to complete a project within the last ten years. If that is not the case, explain.
- 8) A description of any lawsuits or other legal actions or sanctions against the Respondent during the past ten years for violations or alleged violations of anti-corruption or unethical business practices laws such as the United States Foreign Corrupt Practices Act or similar

laws of other jurisdictions, including Canada, and evidence that the Respondent has in place the policies and procedures necessary to ensure compliance with such laws.

- 9) Financial highlights, including total assets (\$m), annual revenue (\$m), cash flow from operations (\$m), interest bearing debt maturation profile (\$m amount due each year), and available credit facilities (lender and amount and amount unutilized)
- 10) Respondent's bonding capacity, including the name and telephone number(s) of its surety company, its current maximum approved bonding program, its allowable single project limit and its current bonded work backlog.
- 11) The last three years of Respondent's audited financial statements (including auditors' report, balance sheet, income statement, cash flow statement and financial notes).
- 12) Evidence that the Respondent is a qualified contractor, engaged in the lawful practice of general construction in North America, with the appropriate licenses and certifications necessary to provide the construction and general contract administration for High Voltage Transmission Line projects.
- 13) Evidence of similar work for at least five different projects (each having a constructed value of at least \$50 million for general contractor scope) completed in the last ten years, including projects in Canada, preferably Ontario, with owner and major subcontractor references and contact information).
- 14) List of comparable transmission lattice structure experience, specifically pertaining to guyed lattice steel structures.
- 15) Evidence that the Respondent owns or has access to adequate equipment to construct the project.
- 16) Evidence that the Respondent has a history of completing projects consistently on time and within the bid amount.
- 17) The Respondent's OSHA recordable incident rates, Experienced Modification Rate (EMR), and Occupational Safety and Health lost time injury data for the past three years.
- 18) Evidence that Respondent's project personnel have the requisite experience and proficiency in schedule control and construction project management, including a description of the methodology and tools used.
- 19) A description of the Respondent's previous contracting and employment plans and strategies for inclusion of aboriginal communities, businesses and individuals in the sourcing of subcontractors and labor on similar projects over the past five years.
- 20) A description of any environmental compliance violations by the Respondent over the past five years and the Respondent's protocols for monitoring a project's compliance with environmental laws, rules, regulations and other requirements and associated inspections and the resource management and reporting tools employed by the Respondent on similar projects, over the past five years.

## 5. SPECIAL INSTRUCTIONS TO RESPONDERS

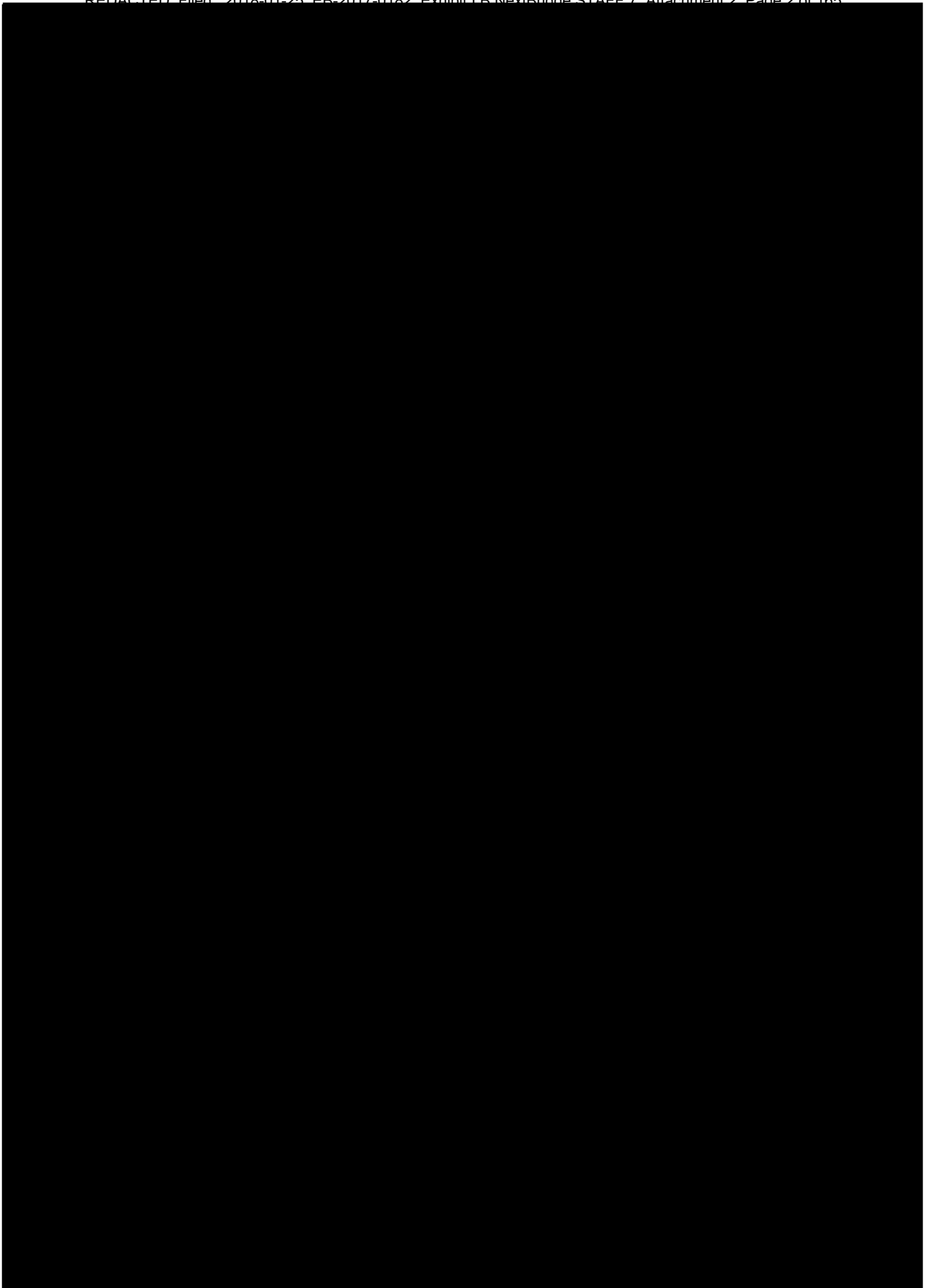
If a Respondent deems any portion of its responses to be confidential, the Respondent must clearly and specifically identify such portions.

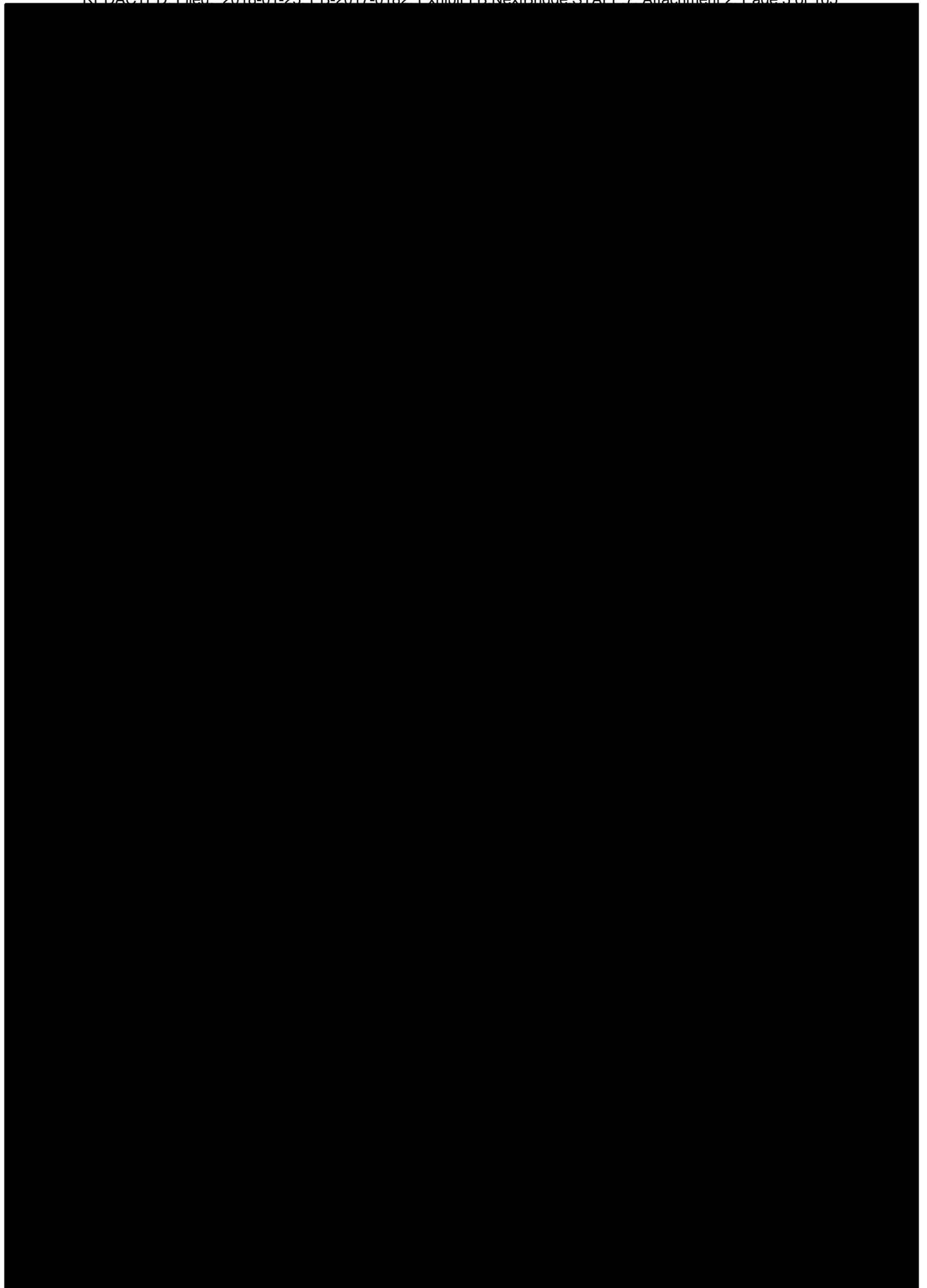
Respondents shall submit all information in accordance with this Request for EOI. The evaluation of the technical and financial qualifications will be based on the EOIs received and any analysis of other publicly available information.

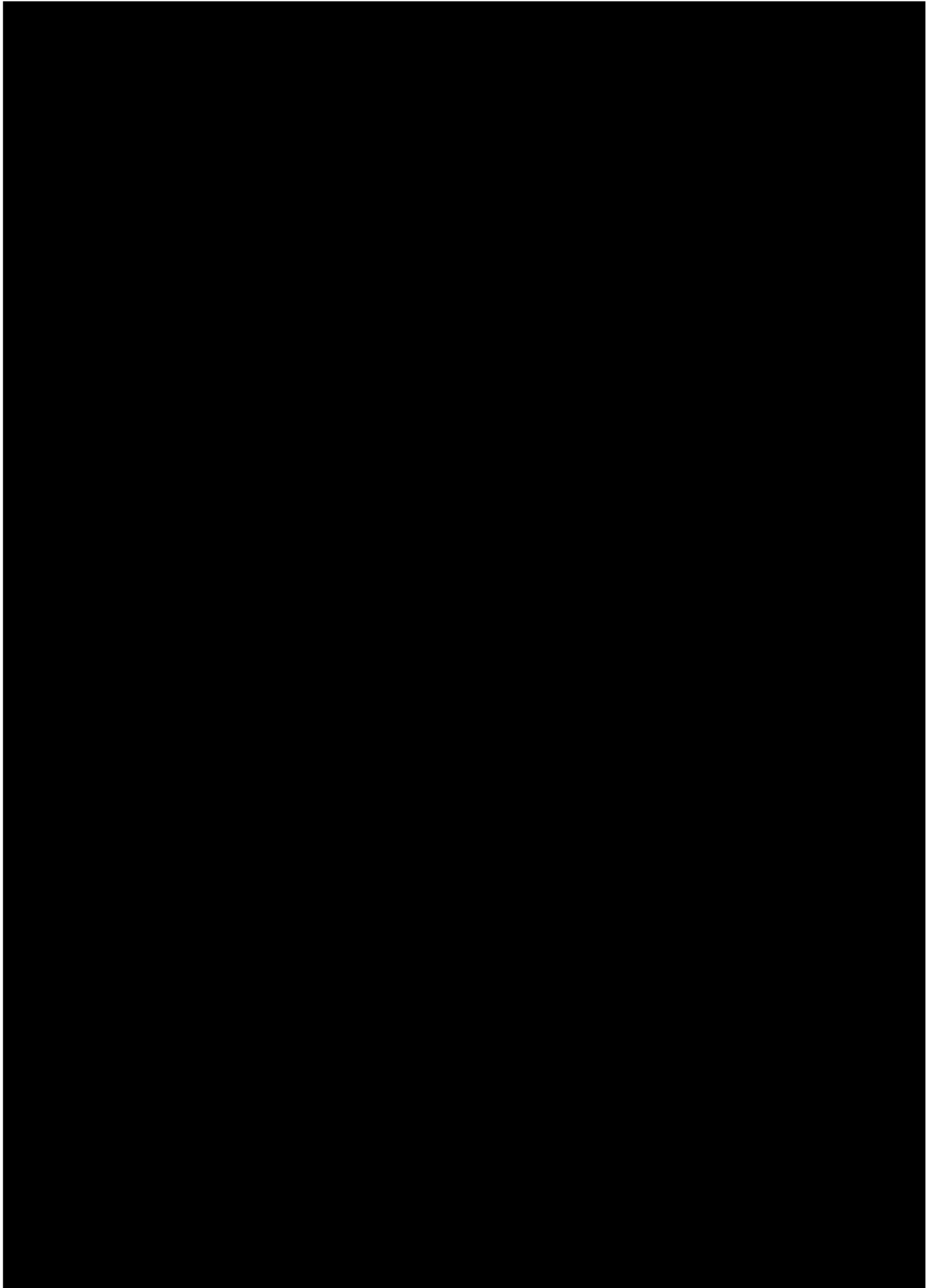
Clarifications may be sought from any of the Respondents in order to fully understand the nature of the submissions and evaluate the Respondents.

***The Owner will determine in its sole and absolute discretion whether to invite any of the Respondents to this Request for EOI to provide competitive proposals in response to a RFP and is under no obligation of any kind whatsoever, expressed or implied, to invite any of the Respondents to provide competitive proposals in a response to a RFP.***

Documents
RFP Letter
Attachment 2 - Supplier Financial Risk Assessment Form
Attachment 3 - Addenda Acknowledgement Form
Attachment 1 - Form of EPC Agreement
Exhibit A - Scope of Work
Exhibit A Appendix A-1 - Master Index Sheet
Exhibit A Appendix A-2 - Framing Drawings
Exhibit A Appendix A-3 - Segment A
Exhibit A Appendix A-4 - Segment B
Exhibit A Appendix A-5 - Segment C
Exhibit A Appendix A-6 - Segment D
Exhibit A Appendix A-7 - Segment E
Exhibit A Appendix A-8 - Segment F
Exhibit A Appendix A-9 - Tower Erection Drawings
Exhibit A Appendix A-10 - Preliminary Geotech Report
Exhibit A Appendix A-11 - Foundation Mater Index
Exhibit A Appendix A-12 - Foundation Drawings
Exhibit A Appendix A-13 - Segment A - Foundation Schedule
Exhibit A Appendix A-14 - Segment A - Foundation Schedule
Exhibit A Appendix A-15 - Segment A - Foundation Schedule
Exhibit A Appendix A-16 - Segment A - Foundation Schedule
Exhibit A Appendix A-17 - Segment A - Foundation Schedule
Exhibit A Appendix A-18 - Segment A - Foundation Schedule
Exhibit A Appendix A-19 - Preliminary Transmission Line Access & Construction Plan
Exhibit A Appendix A-20 - Preliminary Access Plan (.kmz file)
Exhibit A Appendix A-21 - Temporary Construction Easement
Exhibit A Appendix A-22 - Repeater Site Drawings
Exhibit A Appendix A-23 - Reel Handling Specification
Exhibit A Appendix A-24 - Not Used
Exhibit A Appendix A-25 - EWT Permanent Access Road List
Exhibit B-1 - Contract Price Breakdown
Exhibit B-2 - Unit Rate Schedule
Exhibit B-3 - Cash Flow Table
Exhibit C-1 - Project Schedule (OEWTL)
Exhibit C-2 - Project Control Requirements
Exhibit D - Intentionally Left Blank
Exhibit E - Job Books Documentation Requirements
Exhibit F - Intentionally Left Blank
Exhibit G -Description of Project Site & Real Property Rights
Exhibit H - List Of Permits
Exhibit I - List of Approved Major Subcontractors
Exhibit J - Form of Letter of Credit
Exhibit K - Contractor Provided Training
Exhibit L - Intentionally Left Blank
Exhibit M - Intentionally Left Blank
Exhibit N - Owner Furnished Equipment
Exhibit O - Project Management Team
Exhibit P - Intentionally Left Blank
Exhibit Q-1 - NextBridge Contractor Safety Requirements
Exhibit R - Intentionally Left Blank
Exhibit S - Intentionally Left Blank
Exhibit T-1 - Intentionally Left Blank
Exhibit T-2 - Intentionally Left Blank
Exhibit T-3 - Intentionally Left Blank
Exhibit T-4 - Intentionally Left Blank
Exhibit T-5 - Form of Provisional Acceptance Certificate
Exhibit T-6 - Form of Final Acceptance Certificate
Exhibit T-7 - Intentionally Left Blank
Exhibit T-8 - Intentionally Left Blank
Exhibit T-9 - Intentionally Left Blank
Exhibit T-10 - Form of Milestone Achievement Certificate
Exhibit U - Intentionally Left Blank
Exhibit V-1 - Form of Scope Change Order
Exhibit V-2 - Scope Change Process Rev 1
Exhibit V-3 - Deviation Notice
Exhibit W-1 - Intentionally Left Blank
Exhibit W-2 - Intentionally Left Blank
Exhibit X - Ancillary Requirements
Exhibit X Attachment 1 - Aboriginal Requirements
Exhibit X Attachment 2 - Environmental Requirements
Exhibit Y - Form of Request for Payment
Exhibit Z - Form of Quality Control Program
Exhibit AA-1 - Intentionally Left Blank
Exhibit AA-2 - Intentionally Left Blank
Exhibit BB-1 - Contractor's Statutory Declaration in the form of CCDC 9A
Exhibit BB-2 - Major Subcontractor's Statutory Declaration in the form of CCDC 9B
Exhibit CC-1 - List of Designated Substances under the OSHA.
<b>Addenda</b>
01 E-Mail Invitation - Request for Proposal (RFP) RJC-041516.pdf
01 RFP Document Matrix 4-15-16 (To Bidders).xls
01 RFP Document Matrix 4-20-16 (To Bidders).xls
Addendum 1 - RFP RJC-041516.pdf
Addendum 10 - RFP RJC-041516.pdf
Addendum 11 - RFP RJC-041516, Rev 9-1-16.pdf
Addendum 12 - RFP RJC-041516_v2.pdf
Addendum 13 - RFP RJC-041516, Rev 11-21-16.pdf
Addendum 14 - RFP RJC-041516, Rev 12-05-16.pdf
Addendum 15 - RFP RJC-120616.pdf
Addendum 16 - RFP RJC-122016.pdf
Addendum 17 - RFP RJC-010617.pdf
Addendum 18 - RFP RJC-041516, Rev 1-10-17.pdf
Addendum 2 - RFP RJC-041516.pdf
Addendum 3 - RFP RJC-041516.pdf
Addendum 4 - RFP RJC-041516.pdf
Addendum 5 - RFP RJC-041516.pdf
Addendum 6 - RFP RJC-041516.pdf
Addendum 7 - RFP RJC-041516 (Rev 6-27).pdf
Addendum 8 - RFP RJC-041516 Rev7-25-16.pdf
Addendum 9 - RFP RJC-041516.pdf
Attachment 4 - EWT_WB_crossing lists_MASTER_20160826.xlsx
Blasting Near Transmission Lines.pdf
FW_KMZ for bidders.pdf
OEWTL - RFP _ Addendum 4.pdf
OEWTL ACAD Damper Schedules.xlsx
OEWTL Segment A STAKING TABLE_FOR_ACAD.XLSX
OEWTL Segment B STAKING TABLE_FOR_ACAD.XLSX
OEWTL Segment C STAKING TABLE_FOR_ACAD.XLSX
OEWTL Segment D STAKING TABLE_FOR_ACAD.XLSX
OEWTL Segment E STAKING TABLE_FOR_ACAD.XLSX
OEWTL Segment F STAKING TABLE_FOR_ACAD.XLSX
Ontario in water work.pdf

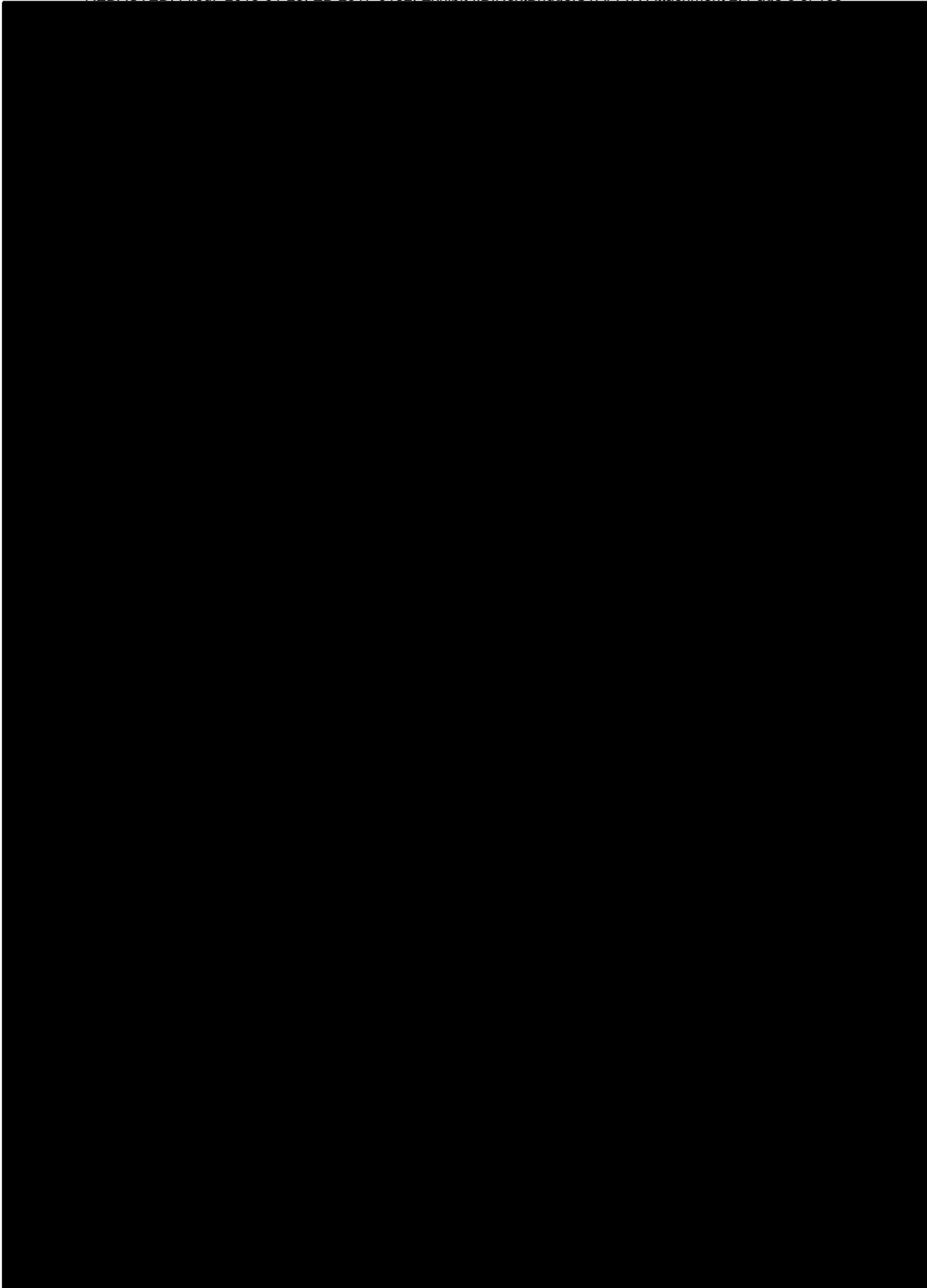


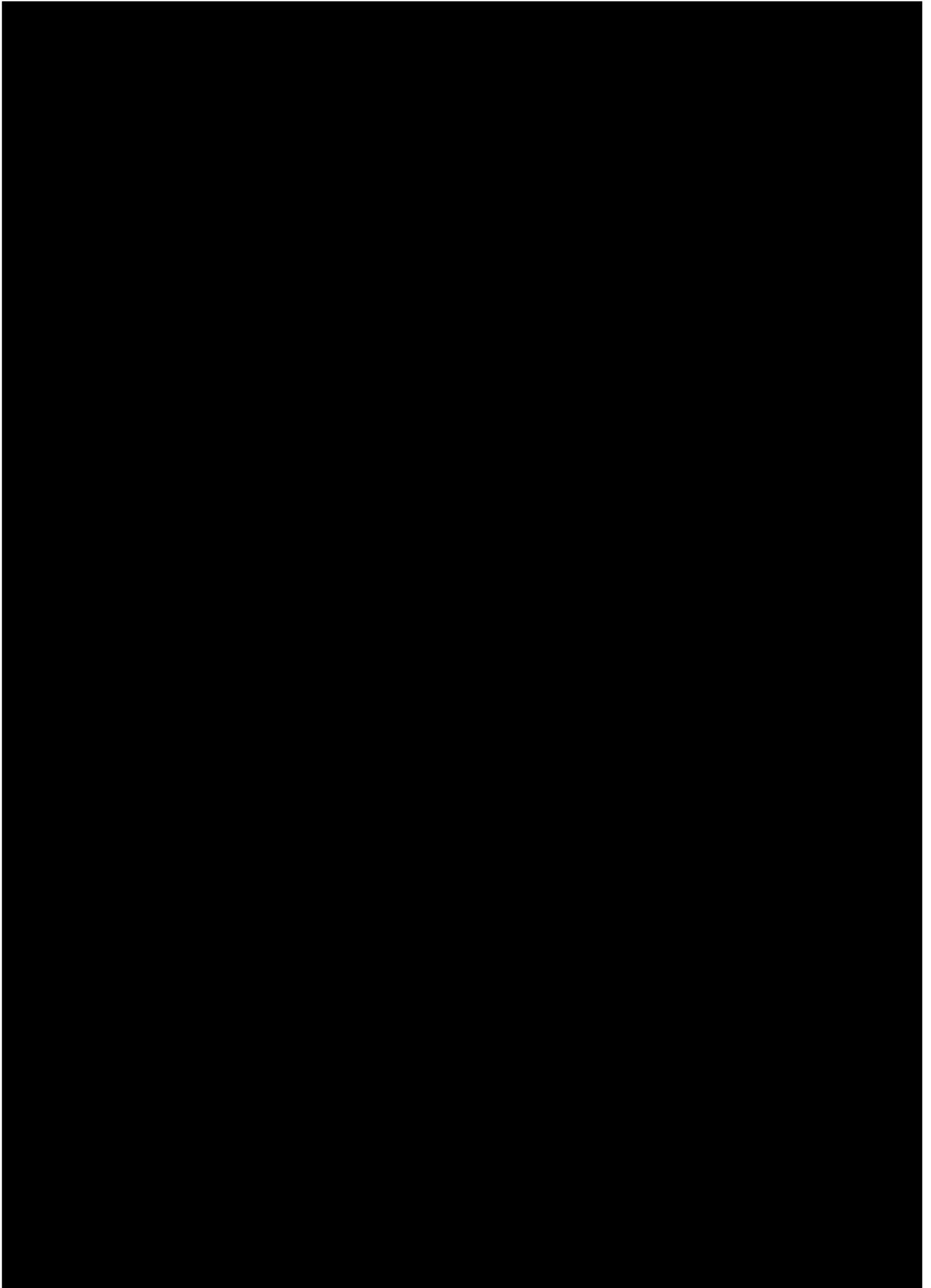


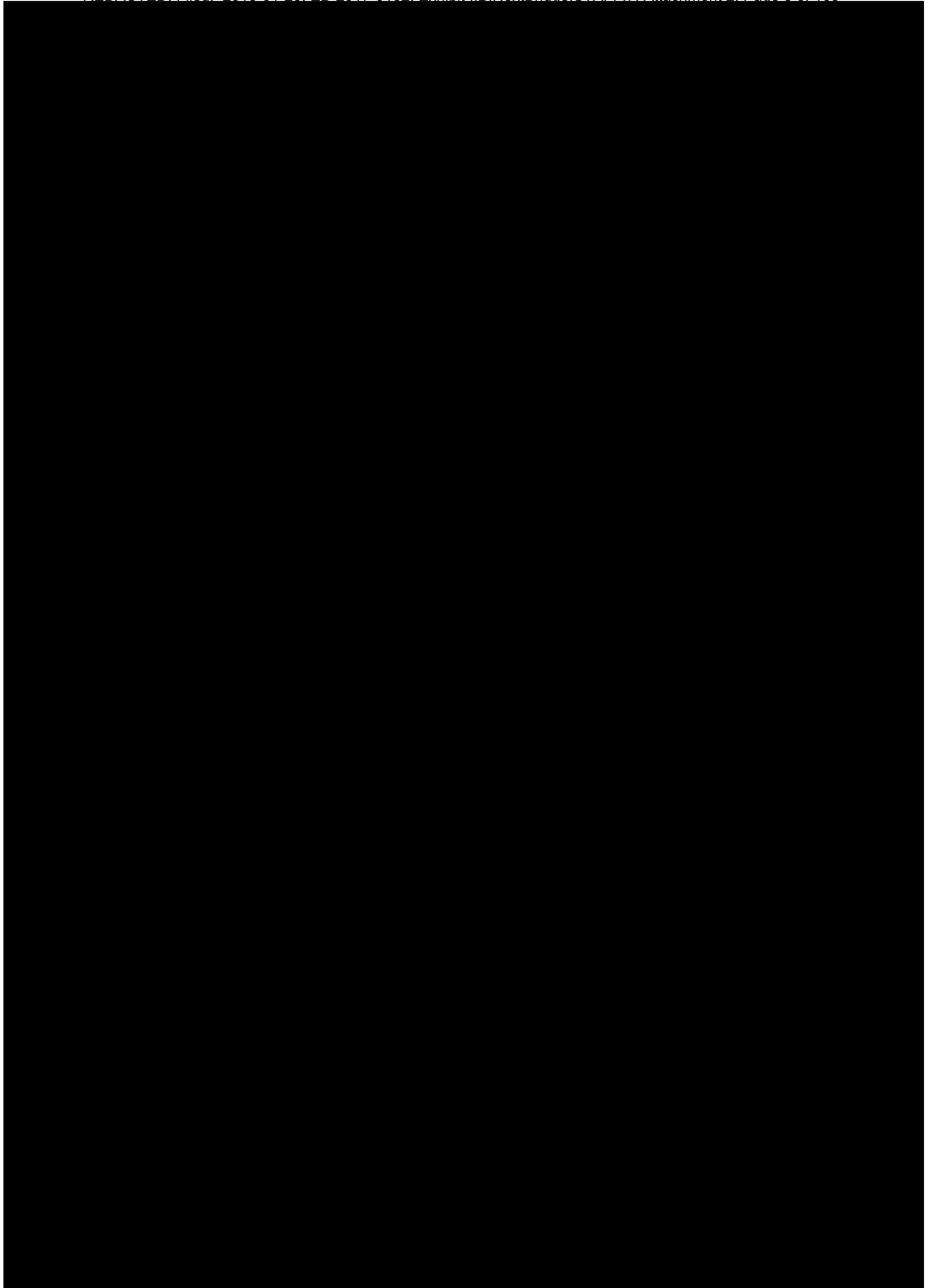


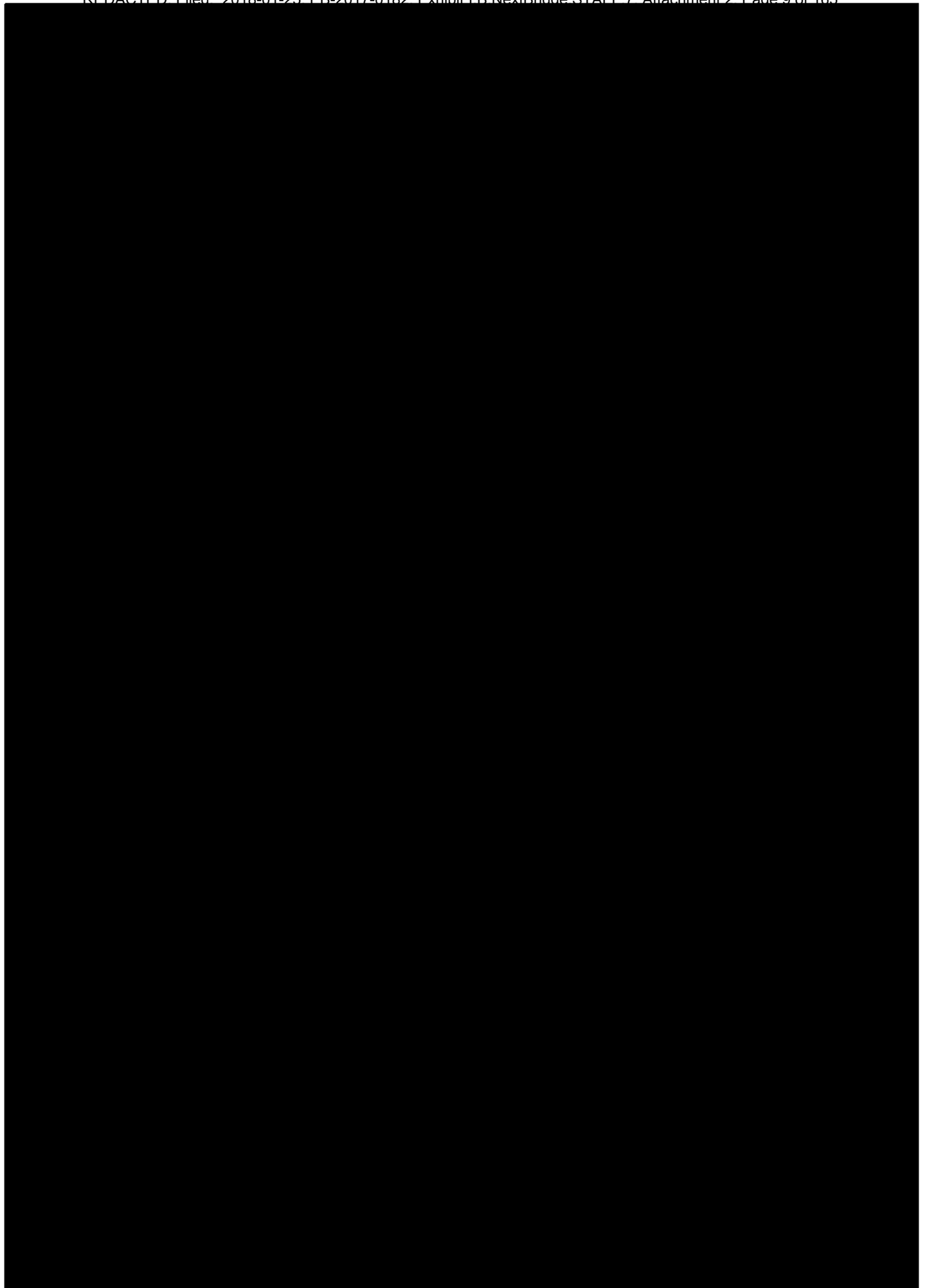


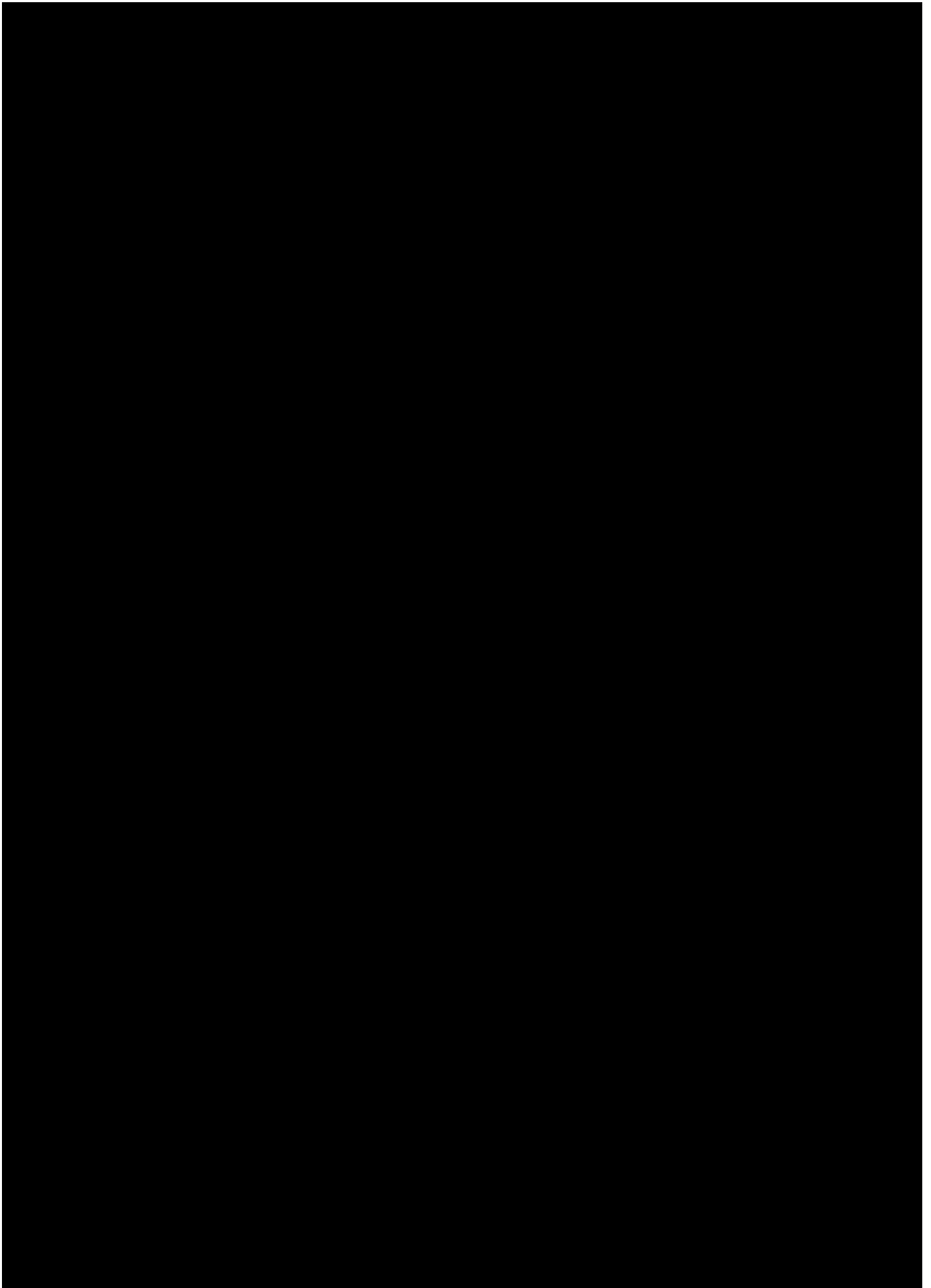


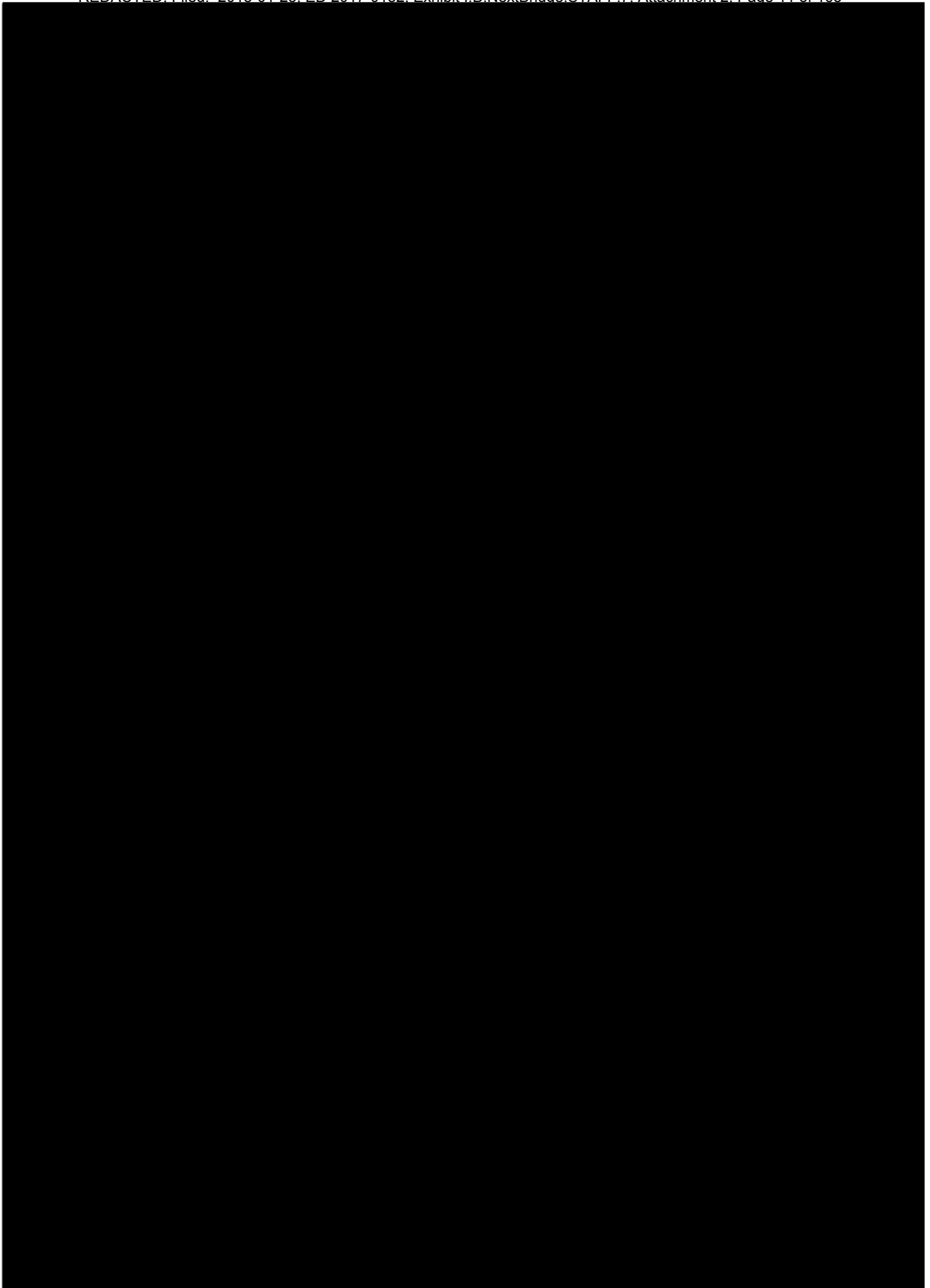


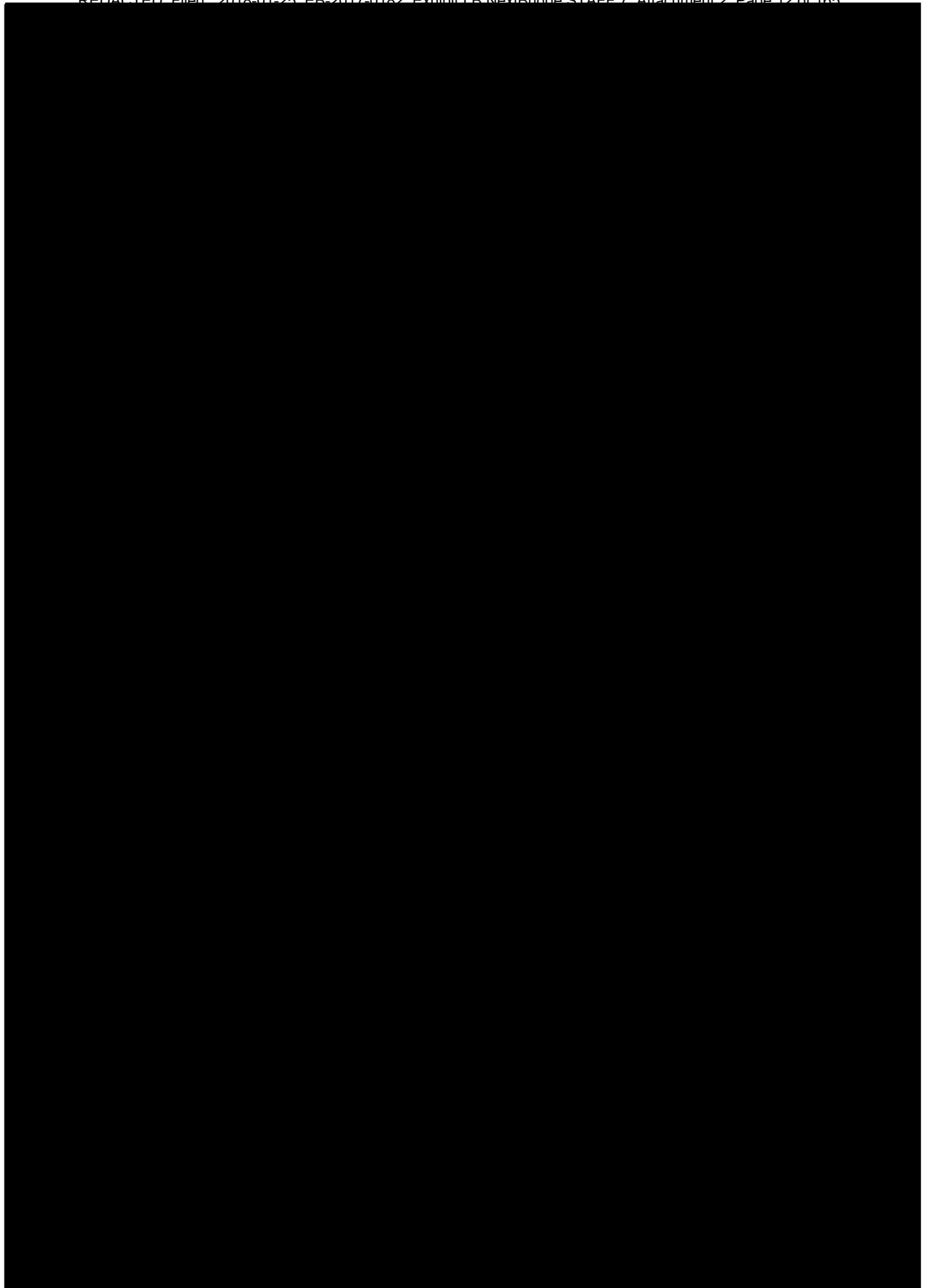




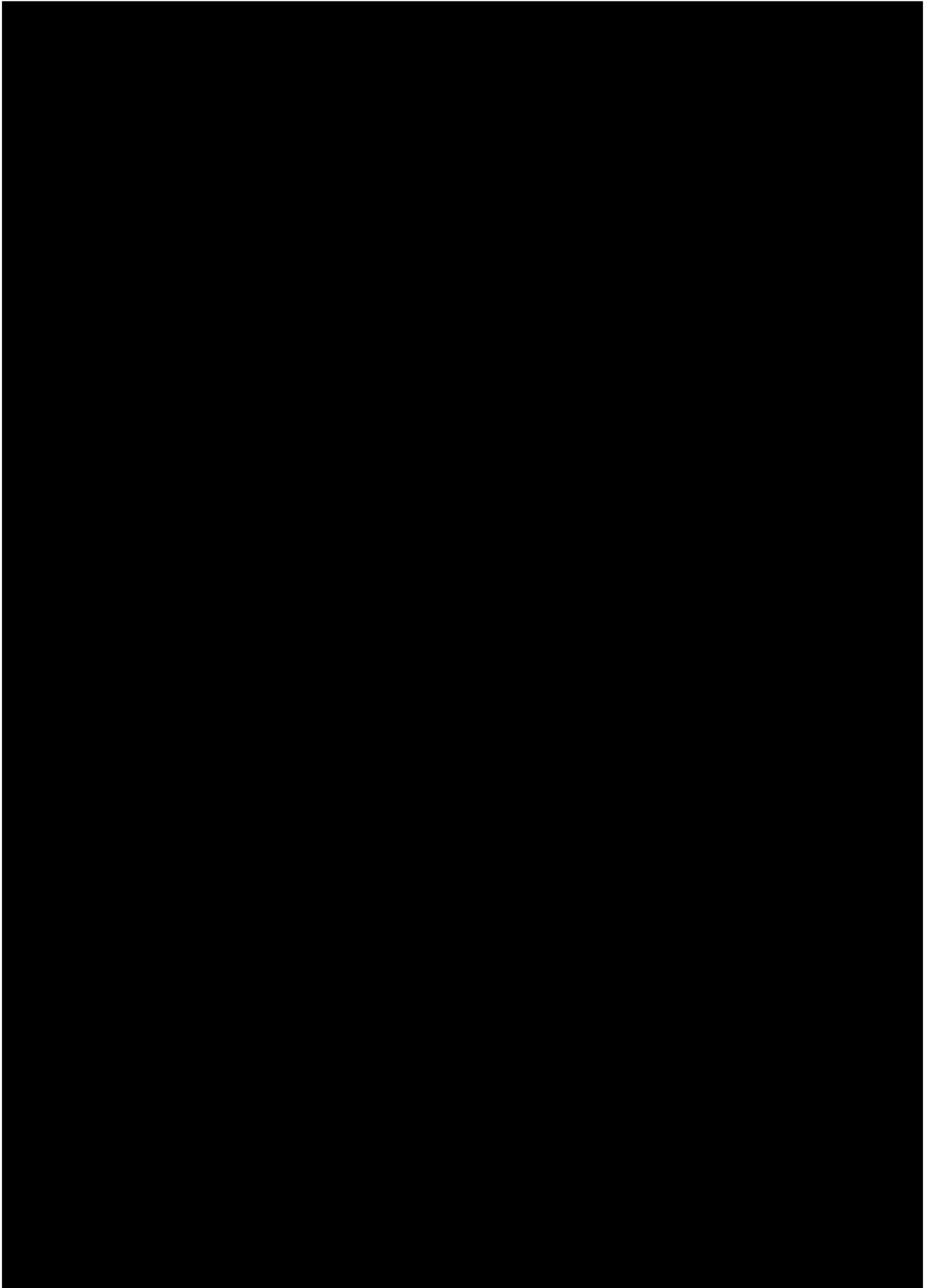


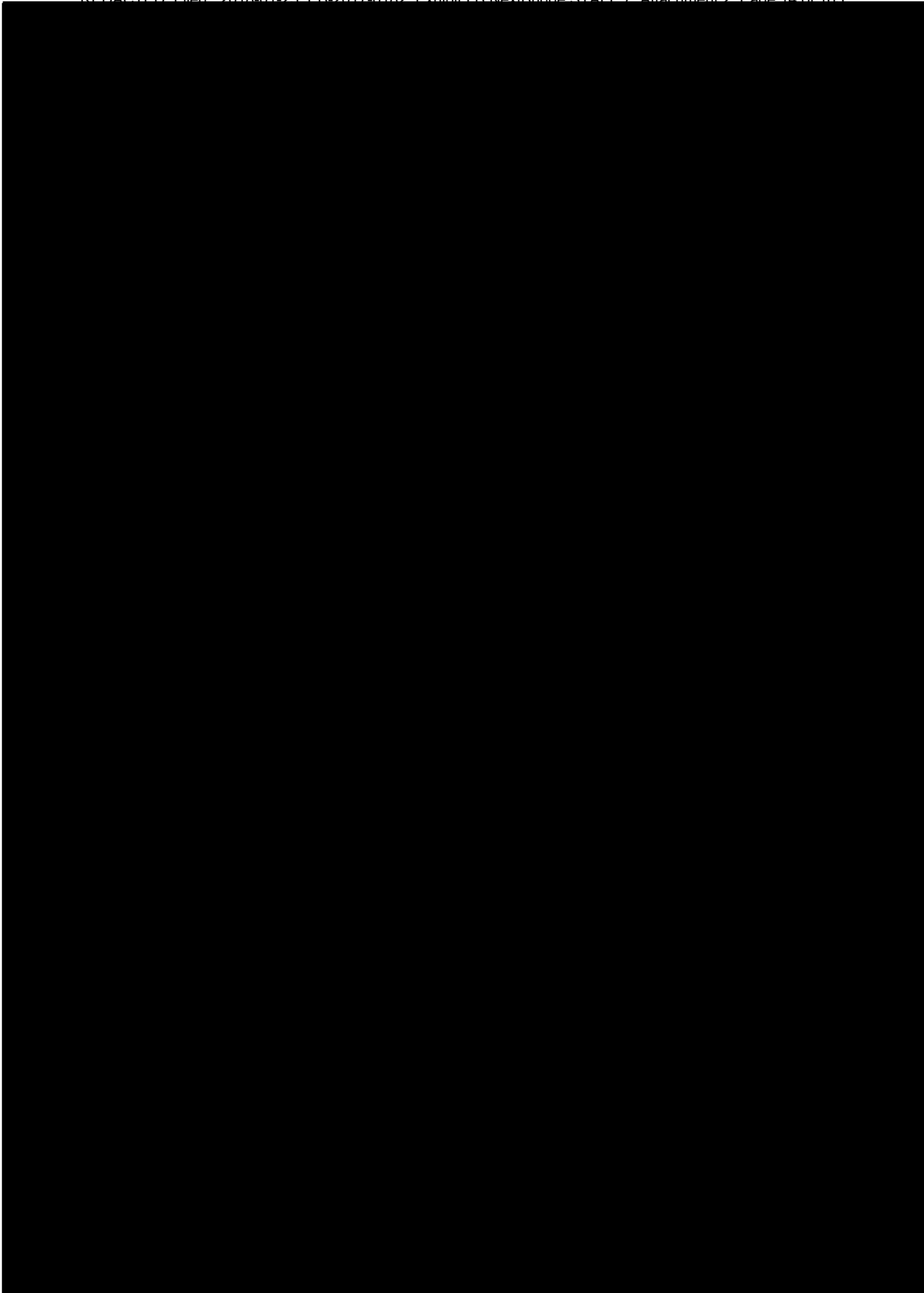












## ATTACHMENT 2

### SUPPLIER FINANCIAL RISK ASSESSMENT

*Kindly complete this form and return as directed*

<b>Name of Proponent/Invited Entity</b> (all information below relates to this entity)
<b>Principal business focus</b>
<b>Headquarters</b> (city, state/province, country)
<b>If company is a subsidiary, provide name of ultimate parent company and ownership stake</b>
<b>Years in business</b>
<b>Number of employees</b>
<b>Key clients</b> (representing more than 10% of revenues)
<b>Financial highlights:</b>
<b>Total assets (\$m)</b>
<b>Annual revenue (\$m)</b>
<b>Cash flow from operations (\$m)</b>
<b>Interest bearing debt maturity profile (\$m amount due each year)</b>
<b>Available credit facilities (lender &amp; amount, amount unutilized)</b>

### **Financial Information**

Kindly attach the most recent financial information ***relating to the Proponent:***

**In the case of a public company:**

- (a) audited financial statements relating to last financial year end (including auditors report, balance sheet, income statement, cash flow statement and financial notes), **AND**
- (b) unaudited quarterly financial statements relating to the last financial quarter end (including balance sheet, income statement and cash flow).

**In the case of a privately held company:**

- (a) if audited, then
  - audited financial statements relating to last financial year end (including auditors report, balance sheet, income statement, cash flow statement and financial notes), **AND**
  - unaudited quarterly financial statements relating to the last financial quarter end (including balance sheet, income statement and cash flow) if available.
- (b) if unaudited, then financial statements relating to the last financial year end (including balance sheet, income statement and cash flow statement, showing comparative figures for previous period).

### ATTACHMENT 3

#### **PROPOSAL AND ADDENDA ACKNOWLEDGEMENT FORM**

TO: NextBridge Infrastructure LP

RE: RFP No. RJC-041516, Procurement and Construction Agreement for Transmission Line,  
dated 04/15/16 ("RFP")

---

All capitalized terms used herein and not otherwise defined shall have the meaning set forth in the RFP.

1. We, \_\_\_\_\_, the undersigned, ("Proponent") submit this Form and the attached documents in accordance with and subject to the RFP.
2. We confirm that we have read and understand the terms and conditions of the RFP.
3. We confirm that our Proposal is based on the terms and conditions set out in the RFP.
4. We hereby acknowledge the receipt of the following addenda, by number and date, and that their requirements have been included in our Proposal.

Addendum No. _____	Dated _____
Addendum No. _____	Dated _____
Addendum No. _____	Dated _____
Addendum No. _____	Dated _____
Addendum No. _____	Dated _____

5. We confirm that no work shall be started unless and until an agreement has been signed by the parties.

**COMPANY:** \_\_\_\_\_

**AUTHORIZED REPRESENTATIVE:** \_\_\_\_\_

**TITLE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

***Ontario East/West Transmission Project RFP Draft Rev. 04/15/16***

**PROCUREMENT AND CONSTRUCTION AGREEMENT**

**FOR**

**TRANSMISSION FACILITIES**

**by and between**

**NEXTBRIDGE INFRASTRUCTURE LP,**

as Owner,

and

[\_\_\_\_\_],

as Contractor,

**dated as of**

[\_\_\_\_\_] , 20[\_\_\_]

[\_\_\_\_\_] **Project**

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## **PROCUREMENT AND CONSTRUCTION AGREEMENT FOR TRANSMISSION FACILITIES**

THIS PROCUREMENT AND CONSTRUCTION AGREEMENT FOR TRANSMISSION FACILITIES (this “Agreement”), is made this [ ] day of [ ], 20[ ] (the “Effective Date”), by and between [ ], a [ ] (“Contractor”), and NextBridge Infrastructure LP, an Ontario limited partnership acting through its general partner Upper Canada Transmission, Inc. (“Owner”) (each individually referred to hereinafter as a “Party” and collectively as the “Parties”).

### **WITNESSETH:**

WHEREAS, Owner is developing a [ ] kV transmission line, and all services and utilities related thereto, to form part of the interconnected electricity transmission system located in Ontario, Canada;

WHEREAS, Contractor has represented that it is experienced and qualified in providing technical assistance, construction management, construction, procurement and installation services, and that it possesses the requisite expertise and resources to complete the Work (as hereinafter defined);

WHEREAS, Owner desires to obtain, and Contractor has agreed to provide, through itself or through Subcontractors (as hereinafter defined), such Work, all for the Contract Price (as hereinafter defined); and

WHEREAS, Contractor has agreed to guarantee the timely and proper completion of the Work in strict accordance with the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the foregoing premises, the mutual promises and covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

### **ARTICLE I. DEFINITIONS**

**1.1 Definitions.** As used in this Agreement, the following terms have the meanings indicated:

“Activity” means, in relation to the Schedule of Values, a task or group of tasks to be performed by Contractor pursuant to the terms of the Agreement.

“Additional Contractor Responsibilities” means those additional Contractor requirements set forth in Exhibit X.

“After-Tax Basis” means, with respect to any indemnity payment to be received by any Person, the amount of such payment (the base payment) supplemented by a further payment (the additional payment) to that Person so that the sum of the base payment plus the additional payment shall, after deduction of the amount of all federal, provincial and local income Taxes, if any, required to be paid by such Person in respect of the receipt or accrual of the base payment and the additional payment (taking into account any reduction in such income Taxes resulting from Tax benefits realized or to be realized by the recipient as a result of the payment or the event giving rise to the payment), be equal to the amount required to be received. Such calculations shall be made on the basis of the highest applicable federal, provincial and local income Tax rates applicable to the corporation or entity for whom the calculation is being made for all relevant periods in effect for the year of the payment, and shall take into account the deductibility of provincial and local income Taxes for federal income Tax purposes and for these purposes any indemnity payment shall be exclusive of HST, if any.

“Affiliate” means, in relation to any Person, any other Person: (i) which directly or indirectly controls,

or is controlled by, or is under common control with, such Person; or (ii) which directly or indirectly beneficially owns or holds fifty percent (50%) or more of any class of voting stock or other equity interests of such Person; or (iii) which has fifty percent (50%) or more of any class of voting stock or other equity interests that is directly or indirectly beneficially owned or held by such Person, or (iv) who either holds a general partnership interest in such Person or such Person holds a general partnership interest in the other Person. For purposes of this definition, the word "controls" means possession, directly or indirectly of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities or otherwise.

"Agreement" has the meaning set forth in the first paragraph hereof (including the Exhibits hereto), as the same may be amended, supplemented or modified from time to time in accordance with the terms hereof.

"Applicable Laws" means: (i) federal, provincial, or municipal laws, orders-in-council, by-laws, codes (including, without limitation, the Transmission System Code), rules (including the IESO Market Rules as well as any manuals or interpretation bulletins issued by the IESO from time to time), policies, guidelines, regulations and statutes; (ii) orders, decisions, codes, judgments, rules, injunctions, decrees, awards, and writs of any Governmental Authority; and (iii) any requirements under or prescribed by any Applicable Permits, licenses and/or common law; applicable to a Party (as to that Party), the Project, the Job Site or the performance of the Work.

"Applicable Permits" means any and all permits, clearances, licenses, authorizations, consents, filings, registrations, exemptions or approvals from or required by any Governmental Authority or requested by Owner that are necessary for the performance of the Work or ownership or operation of the Transmission Facilities or the Project.

"Applicable Standards" means those sound and prudent practices, methods, specifications, codes or standards of assembly, erection, installation, construction, performance, safety and workmanship prudently and generally engaged in or observed by the majority of the construction contractors for high voltage electric transmission facilities in the United States and Canada that, in the exercise of reasonable judgment, would have been expected to accomplish the desired result in a manner consistent with Applicable Laws, Additional Contractor Responsibilities, Applicable Permits, Prudent Electrical Industry Practices, reliability, safety, environmental protection, local conditions, economy and efficiency. Notwithstanding the foregoing, the Work or any portion thereof shall meet specifications that are at least as stringent as those set forth in the Technical Specifications or any other specifications set forth in the Agreement.

"As-Built Drawings" means final Drawings and final Technical Specifications for the Work, as revised to reflect the changes in the Work during construction, and shall include as-built drawings, piping and instrumentation diagrams, underground structure drawings (including buried piping, all utilities, and critical hidden items), electric one lines, electric schematics and connection diagrams.

"Basic Holdback" means that portion of the Holdback with respect to Work performed up to publication of the certificate of "substantial performance" of the Agreement as that term is defined in the Construction Lien Act.

"Business Day" means every day other than a Saturday, Sunday or a day which is a legal holiday in Toronto, Canada.

“Change in Applicable Law” means any newly enacted or change in, or final change in the judicial or administrative interpretation of, or adoption or repeal of, any Applicable Law promulgated by any Governmental Authority of (A) the Province of Ontario (or any city, county or municipality therein) or (B) the Federal government of Canada to the extent such federal law directly affects the Work performed at the Job Site and is at variance with or in addition to any Applicable Law (if any) in effect on the Effective Date, and provided further that (i) such change materially and adversely affect Contractor’s costs or schedule for performing the Work, (ii) such change could not on the Effective Date reasonably have been foreseen and (iii) such change affects a substantial or essential portion of the Work; provided, however, and notwithstanding the foregoing, it is understood and agreed by the Parties that (a) changes to Applicable Law relating to income taxes imposed on Contractor or its Subcontractors, (b) changes to Applicable Law relating to the organization, existence, good standing, qualification, or licensing of Contractor or its Subcontractors in any jurisdiction, (c) the issuance of an Applicable Permit pursuant to Applicable Law, (d) changes to any federal, provincial, or local Tax law or any other law imposing a Tax, duty, levy, impost, fee, royalty, or charge for which Contractor is responsible hereunder, (e) changes to any federal, provincial or local law affecting the cost of Contractor’s or any Subcontractor’s Labour, and (f) changes to the Construction Lien Act, in each case of clauses (a) through (f) of this definition, shall not be a Change in Applicable Law pursuant to this Agreement.

“Commodity Taxes” means all Taxes levied on or measured by, or referred to as transfer, land transfer, registration charges, gross receipt, sales, provincial sales, use, consumption, HST, Quebec sales, value-added, turnover, excise or stamp, all customs duties, countervail, anti-dumping and special import measures and all import and export taxes.

“Confidential Information” has the meaning set forth in Section 17.1.

“Consumable Parts” has the meaning set forth in Section 2.10.

“Construction Lien Act” means the Construction Lien Act (Ontario), and all regulations issued thereunder, all as amended from time to time or any successor statutes thereto.

“Contract Price” means the total sum payable by Owner for all labour, all materials, and all equipment, which sum shall be due in accordance with the terms of the Agreement as consideration for the timely performance of the Scope of Work to be performed by or through Contractor in order to complete the Work, all in strict accordance with the terms of the Agreement, which total sum is guaranteed by Contractor not to exceed the amount set forth in Section 4.1, and which sum shall only be subject to adjustment in accordance with the Agreement.

“Contractor” has the meaning set forth in the first paragraph hereof, and includes its legal successors and permitted assigns, pursuant to the terms of this Agreement.

“Contractor Agent” has the meaning set forth in Section 2.23.1.

“Contractor Deliverables” means all Drawings, Final Plans, operation and maintenance manuals and other documents and similar information prepared or modified by Contractor or any of its Subcontractors and delivered or required to be delivered hereunder.

“Contractor Equipment” means all of the equipment, materials, apparatus, structures, tools, supplies and other goods provided and used by Contractor and its Subcontractors for performance of the Work but which is not intended to be installed or incorporated into the Work.

“Contractor Event of Default” has the meaning set forth in Section 13.1.

“Contractor Permits” means those permits required to be obtained by Contractor, as listed in Part B of Exhibit H.

“Contractor Provided Training” means the training provided by Contractor as set forth in Exhibit K.

“Contractor Safety Requirements” means those safety requirements that Contractor and its Subcontractors shall comply with as more particularly set forth in set forth in Exhibit Q-1.

“Contractor Termination for Cause” has the meaning set forth in Section 13.2.

“Critical Path” means a determination of the Project Schedule specifically illustrating those unique activities and durations that must be completed in sequence to complete the Work in the shortest possible duration, which logic and sequence shall be determined using the critical path method precedence networking techniques applied by Contractor, using Primavera or equivalent electronic scheduling software.

“Defect” means, any design, software, drawing, component, tool, Equipment, installation, construction, workmanship or Work or portion thereof that, in Owner’s reasonable judgment, (i) does not conform to the requirements of the Agreement, (ii) is not of uniform good quality, free from defects in design, application, manufacture or workmanship, or that contain improper or inferior workmanship or (iii) would adversely affect (A) the performance of the Transmission Facilities under anticipated operating conditions contemplated by the Agreement, and, (B) the continuous safe operation of the Transmission Facilities during the Transmission Facilities’ design life, (C) the structural integrity of the Transmission Facilities or (D) the economic value of Owner’s investment in the Work. Anything to the contrary notwithstanding, the Parties agree that Work shall be considered to be defective if it does not conform to the Applicable Standards.

“Delay Liquidated Damages” has the meaning set forth in Section 6.9.1.

“Description of Project Site and Real Property Rights” means the description set forth in Exhibit G.

“Deviation Notice” means a written notice pursuant to Article IX and set forth in Exhibit V-3, signed by Owner and Contractor Project Manager acknowledging a Scope Change Order request.

“Disputes” has the meaning set forth in Section 15.1.

“Dollars” and “\$” shall mean the legal currency of Canada, unless otherwise specified.

“Drawings” means (i) all specifications, calculations, designs, plans, drawings, analyses, and other documents which determine, establish, define or otherwise describe the scope, quantity, and relationship of the components of the Work, including the structure and foundation thereof, and (ii) all technical drawings, operating drawings, specifications, shop drawings, diagrams, illustrations, schedules and performance charts, calculations, samples, patterns, models, operation and maintenance manuals, underground structure drawings, conduit and grounding drawings, lighting drawings, conduit and cable drawings, electric one-lines, electric schematics, connection diagrams and technical information of a like nature, prepared or modified by Contractor or any of its Subcontractors any of which are required to be submitted by Contractor, or any Subcontractor, from time to time under the Agreement or at Owner’s request which illustrates any of the Equipment or any other portion of the Work, either in components or as completed.

“Effective Date” means the date of this Agreement.

“Environmental Compliance Plan” has the meaning set forth in Section 2.13.1.

“Equipment” means all of the equipment (including, without limitation, Owner-Furnished Equipment), materials, apparatus, structures, tools, supplies, goods and other items provided by Contractor and its Subcontractors that are installed or incorporated into the Work (other than Contractor Equipment).

“ESA” means the Electrical Safety Authority of Ontario, or its successor.

“Final Acceptance” means the achievement of each of the following: (a) Provisional Acceptance has been achieved and Contractor has performed all of the Work, including restoration and remediation of the Job Site (including the clean-up and restoration of that portion of the Job Site, the removal from the Job Site of all waste materials introduced or created by Contractor in the performance of the Work, the recycling and/or disposal of such waste material in accordance with Additional Contractor Responsibilities, Applicable Laws and Applicable Permits and the re-grading and/or re-seeding of disturbed areas where appropriate); (b) the Transmission Facilities are capable of being operated safely, reliably, normally and continuously in accordance with the requirements of all Additional Contractor Responsibilities, Applicable Laws, Applicable Permits and the Agreement at all operating conditions and modes specified in the Agreement; (c) Owner has received a final list and summary of the work performed by all Subcontractors and verification of the payment thereof; (d) any and all Liens in respect to the Project, the Work, the Agreement, the Job Site or any fixtures, personal property or Equipment included in the Work created by, through or under, or as a result of any act or omission of, Contractor or any Subcontractor other Person providing labour or materials in connection with the Work have been released or bonded in form satisfactory to Owner; (e) Contractor has delivered to Owner the statutory declarations in the applicable forms of CCDC 9A/9B and waivers of claim contemplated in Section 2.18.4 from the Contractor and all Major Subcontractors; (f) all Operational Tests have been completed and the results thereof have been to the satisfaction of Owner; (g) all Contractor Equipment and all of Contractor’s supplies, personnel and waste have been removed from the Job Site; (h) any Defects found have been corrected; (i) the Final Plans accurately reflect the Work as constructed; (j) Contractor has paid all Delay Liquidated Damages due under the Agreement, if any; (k) all Contractor Deliverables have been delivered to, and accepted by, Owner; (l) either (1) all Punch List Items have been completed or (2) the Parties have reached an agreement pursuant to Section 6.6.2 and Contractor has paid all amounts due to Owner pursuant thereto; (m) “completion” of the Agreement has been attained by the Contractor for purposes of the Construction Lien Act; and (n) Owner has accepted a Final Acceptance Certificate pursuant to Section 6.7.2.

“Final Acceptance Certificate” means the certificate, in the form of Exhibit T-6, issued by Contractor indicating that Final Acceptance has been achieved.

“Final Acceptance Date” means the date on which Final Acceptance occurs as indicated in the Final Acceptance Certificate.

“Final Plans” means final Drawings for the Work, as revised to reflect the changes during construction, and shall include As-Built Drawings, piping and instrumentation diagrams, underground structure drawings (including buried piping, all utilities, and critical hidden items), electric one-lines, electric schematics and connection diagrams.

“Financing Documents” means all of those documents, instruments and agreements by and between Owner and any of the Financing Parties or otherwise related to the financing provided by the Financing Parties.

“Financing Parties” means the lenders, security holders, investors, export credit agencies, multilateral institutions, equity providers and others providing financing or refinancing to or on behalf of Owner or any Affiliate thereof, and any trustee, agent or engineer, acting on behalf of any of the foregoing.

“Finishing Holdback” means that portion of the Holdback with respect to Work performed after the date of publication of the certificate of “substantial performance” of the Agreement as defined in the Construction Lien Act.

“Force Majeure Event” means any event or circumstance, or combination of events or circumstances, that arises after the date hereof, is beyond the reasonable control of the Party claiming the Force Majeure Event, is unavoidable or could not be prevented or overcome by the reasonable efforts and due diligence of the Party claiming the Force Majeure Event and has an impact which will actually, demonstrably, adversely and

materially affect Owner's ability to perform its obligations (other than payment obligations) in accordance with the terms of the Agreement or has an impact which will actually, demonstrably, adversely and materially affect the Critical Path of the Work and performance of Contractor's obligations in accordance with the terms of the Agreement; subject to the satisfaction of the foregoing criteria, Force Majeure Events may include, without limitation, the following: acts of God, natural disasters, fires, earthquakes, lightning, floods, storms, civil disturbances, riots, war and military invasion. Notwithstanding the foregoing, the definition of "Force Majeure Event" shall not include: strikes, work stoppages (or deteriorations), slowdowns or other labour actions; any labour or manpower shortages; unavailability, late delivery, failure, breakage or malfunction of equipment or materials or events that affect the cost of equipment or materials; economic hardship (including lack of money); perils of sea; delays in transportation (including delays in clearing customs) other than delays in transportation resulting from accidents or closure of roads or other transportation route by Governmental Authorities; changes in Applicable Laws or Applicable Permits; reasonably foreseeable weather conditions in the Job Site's geographic area (Contractor acknowledges that it has factored into the schedule a sufficient number of lost days to account for such weather conditions) or elsewhere; actions of a Government Authority with respect to Contractor's compliance with Applicable Laws or Applicable Permits, which may include, without limitation, a Change in Applicable Law; any failure by the Contractor to obtain and/or maintain any Applicable Permit it is required to obtain and/or maintain hereunder; or any other act, omission, delay, default or failure (financial or otherwise) of a Subcontractor.

"Full Day Data Sensitivity Training" means a full day classroom or WebEx training course provided by the NHIC or the MNRF, related to the access, use and confidentiality of Sensitive Data, which may be obtained by contacting the NHIC or the MNRF.

"Full Notice to Proceed" means the written notice given from Owner to Contractor, directing Contractor to commence performance of the entire Work.

"Full Notice to Proceed Date" means the date the Full Notice to Proceed is issued as set forth in Section 2.4.2.

"Governmental Authority" means any and all foreign, national, federal, provincial, county, city, municipal, local or regional authorities, departments, bodies, commissions, corporations, branches, directorates, agencies, ministries, courts, tribunals, judicial authorities, legislative bodies, administrative bodies, regulatory bodies, autonomous or quasi-autonomous entities or taxing authorities or any department, municipality or other political subdivision thereof, including the IESO, the IESO, the OEB, the ESA, the TSSA, any municipality or township, any transmitter (including HONI) or local distribution company, and any Person acting under the authority of any Governmental Authority.

"Guaranteed Final Acceptance Date" means the date as identified in Exhibit C-1.

"Guaranteed Provisional Acceptance Date" means the date as identified in Exhibit C-1.

"Hazardous Materials" means and include each substance designated as a hazardous waste, hazardous substance, hazardous material, special waste, radioactive material, dangerous substance or dangerous good, pollutant, contaminant, toxic substance, or other compound, element or substance in any form as designated with words of similar meaning and regulatory effect under any Applicable Law, as well as petroleum and petroleum products, derivatives, wastes or additives, polychlorinated biphenyls, asbestos, and any other substance present in, on, or under the Job Site in excess of that permitted by Applicable Laws, including without limiting the generality of the foregoing, any contaminant, waste, substance or material of any kind that is: (i) defined by Applicable Law as hazardous, toxic or dangerous or any other substance or material prohibited or regulated pursuant to any Applicable Law; (ii) a "designated substance" pursuant to OHSA; (iii) a "hazardous industrial waste", "hazardous waste", or "hazardous waste chemical" pursuant to Ontario Regulation 347 (General – Waste Management), R.R.O. 1990, made under the Ontario *Environmental Protection Act*, R.S.O. 1990, c. E.19; (iv) a "contaminant" as defined under the Ontario *Environmental*



*Protection Act*, R.S.O. 1990, c. E.19; (v) a material that “may impair the quality of the water of any waters” within the meaning of s. 30 of the *Ontario Water Resources Act*, R.S.O. 1990, c. O.40, including without limitation soil erosion or sedimentation from construction activities; or, (vi) a “substance” or “toxic substance” or “pollution” under the *Canadian Environmental Protection Act, 1999*, S.C. 1999, c. 33, or the regulations made thereunder.

“Health Plan” has the meaning set forth in Section 2.13.1.

“Health and Safety Plan” has the meaning set forth in Section 2.13.1.

“Holdback” means the holdback contemplated in the Construction Lien Act and includes the Basic Holdback and the Finishing Holdback.

“HONI” means Hydro One Networks, Inc., or its successor.

“HST” means any harmonized sales tax or goods and services tax levied or imposed under Part IX of the Excise Tax Act (Canada).

“IESO” means the Independent Electricity System Operator established under Part II of the Electricity Act, 1998 (Ontario), or its successor.

“IESO Market Rules” means the rules made under section 32 of the Electricity Act, 1998 (Ontario), together with all market manuals, policies, and guidelines issued by the IESO, all as amended or replaced from time to time.

“Indemnified Person” has the meaning set forth in Section 10.2.

“Indemnifying Party” has the meaning set forth in Section 10.2.

“IESO” means the Independent Electric System Operator, or its successor.

“Intellectual Property Rights” has the meaning set forth in Section 2.20.

“Job Book” means all of the minimal requirements as identified in Exhibit E, which may be amended from time to time in accordance with the terms hereof.

“Job Site” means all those parcels of land in the Province of Ontario on which the Transmission Facilities will be located or Work performed under this Agreement, including any access roads, laydown or storage areas.

“Labour” means the workforce of the relevant Person, including its staff and employee and non-employee and skilled and unskilled workers.

“Late Delivery Liquidated Damages” has the meaning set forth in Section 6.9.1.

“Latest Full Notice to Proceed Date” has the meaning set forth in Section 2.4.2.

“LD Cap” has the meaning set forth in Section 6.9.1.

[REDACTED]

“Lien” means any lien, security interest, retention, claim, charge, mortgage, hypothecation, encumbrance or other restriction on title or property interest, and includes written notice of any of the

foregoing.

“Limited Notice to Proceed” means any written notice, purchase order or other agreement given by Owner or an Affiliate thereof to Contractor directing or authorizing Contractor to commence performance of any portion of the Work (including the procurement of materials or equipment), which Limited Notice to Proceed may be issued prior to or after the date of this Agreement.

“Limited Notice to Proceed Date” has the meaning set forth in Section 2.4.1.

“Major Subcontract” means any agreement with a Subcontractor having an aggregate value in excess of [REDACTED] for performance of any part of the Work.

“Major Subcontractor” means, any Subcontractor with whom Contractor will enter (or has entered) into a Major Subcontract.

“Milestone” means each activity listed in the Project Schedule.

“Milestone Achievement Certificate” means the certificate, in the form of Exhibit T-10, issued by Contractor in connection with a Request for Payment.

“Milestone Date” means the date identified in the Project Schedule as being the date by which the corresponding Milestone is required to be achieved, as such date may be extended pursuant to the terms of this Agreement.

“MNRF” means Her Majesty the Queen in right of Ontario as represented by the Ministry of Natural Resources and Forestry.

“MNRF Sensitive Data” means confidential digital data, meta-data, information or documentation related to Provincially Tracked Species, or other data identified as “medium sensitivity” by the MNRF in accordance with the Government of Ontario’s Information Security & Privacy Classification Operating Procedures.

“Monthly Progress Report” means a monthly written report that includes a description of the progress and status of the Work compared to the Project Schedule, the Subcontractors’ activities, cost information regarding backcharges, a summary of any Scope Change Orders executed by the Parties as of the date of such report and a summary of any events which may affect the Project Schedule (including, without limitation, any Force Majeure Events, Liens on the Job Site or the Project, or any asserted violations of Applicable Laws).

“MW” means one (1) megawatt or one million (1,000,000) watts.

“NHIC” means the National Heritage Information Center.

“OEB” means the Ontario Energy Board, or its successor.

“OHSA” means the Occupational Health and Safety Act (Ontario), and all regulations issued thereunder, all as amended from time to time.

“Operational Tests” means the operational tests to be conducted by Utility, which are necessary and required for Contractor to demonstrate to the satisfaction of Owner that the Transmission Facilities (i) have been interconnected and synchronized with the high voltage facilities of Utility in accordance with the Utility’s interconnection requirements and (ii) are being operated safely, reliably, normally and continuously in accordance with the requirements of all Additional Contractor Responsibilities, Applicable Laws, Applicable Permits and the Agreement at all operating conditions and modes specified in the Agreement.

“Owner” has the meaning set forth in the first paragraph hereof, and includes its legal successors and permitted assigns, pursuant to the terms of this Agreement.

“Owner Caused Delay” means a material delay in Contractor’s performance of the Work that is actually and demonstrably caused directly and solely by Owner’s failure to perform any covenant of Owner hereunder (other than by exercise of rights under this Agreement, including the exercise by Owner of the right to have defective or nonconforming Work corrected or re-executed) which actually, demonstrably, adversely and materially affects the Critical Path of the Work. Contractor expressly acknowledges and agrees that any delay that is due in part to Contractor’s or any of its Subcontractors’ action or inaction is not an Owner Caused Delay.

“Owner Event of Default” has the meaning set forth in Section 13.2.

“Owner-Furnished Equipment” means the equipment and materials incorporated into the Work, which are furnished by Owner and identified in Exhibit N.

“Owner Indemnified Party” has the meaning set forth in Section 10.1.1.

“Owner Permits” means the Permits required to be obtained by Owner, as listed in Part A of Exhibit H.

“Owner Taxes” has the meaning set forth in Section 4.2.

“Owner Termination for Cause” has the meaning set forth in Section 13.1.1.

“Party” means, individually, Owner or Contractor.

“Parties” means, collectively, Owner and Contractor.

“Permit” means any valid waiver, exemption, variance, certificate, franchise, permit, authorization, license or similar order of or from, or filing with, or notice to, any Governmental Authority.

“Person” means any individual, corporation, partnership, limited liability company, association, joint stock company, trust, unincorporated organization, joint venture, Governmental Authority or other entity of whatever nature.

“Pre-Existing Hazardous Material” means Hazardous Material that existed on or in the Job Site prior to the date when Contractor or any of its Subcontractors or other representatives is first present on the Job Site on or following the earlier of Limited Notice to Proceed Date or the date of this Agreement.

“Progress Payments” has the meaning set forth in Section 4.6.

“Project” means the 230 kV transmission facilities to be located in the Province of Ontario, and consisting of all poles, structures, facilities, transformers, substation facilities, appliances, lines (including transmission lines), conductors, instruments, equipment, apparatus, components, roads and other property comprising and integrating the entire facility, including the Transmission Facilities and other Work, as more particularly described in the Agreement.

“Project Schedule” means the schedule for key dates and milestones for the completion of the Work as set forth in Exhibit C-1, as amended in accordance with the terms of this Agreement.

“Provincially Tracked Species” means (i) species listed on the Species at Risk in Ontario List in O. Reg. 230/08 made under the Endangered Species Act, 2007, S.O. 2007, c. 6, as amended, or (ii) other species

identified by the NHIC for which there are very few known observations or a potential conservation concern at a global, national or provincial level, included in the Provincially Tracked Species List, as amended from time to time, and available on the NHIC's website.

"Provisional Acceptance" means the achievement of each of the following: (a) the Work has been completed (other than Punch List Items) and the Transmission Facilities are capable of being energized; (b) the Transmission Facilities are capable of being interconnected and synchronized with the high voltage facilities of Utility in accordance with the Utility's interconnection requirements; (b) Contractor has prepared and submitted to Owner the final and complete list of Punch List Items and Owner has reviewed and approved such list; (c) the Transmission Facilities are capable of being operated safely, reliably, normally and continuously in accordance with the requirements of all Additional Contractor Responsibilities, Applicable Laws, Applicable Permits and the Agreement at all operating conditions and modes specified in the Agreement; (d) all training, if any, required under the Agreement has been completed; (e) all spare parts required under the Agreement have been delivered by Contractor to the Job Site; (f) a certificate of substantial performance (in the form prescribed by the Construction Lien Act) shall have been issued by Contractor with the agreement of the Owner and publication of notice of substantial performance shall have been effected as required by the Construction Lien Act; and (g) Owner and Contractor have each executed a Provisional Acceptance Certificate with respect to the Work pursuant to Section 6.4.2.

"Provisional Acceptance Certificate" means a certificate, in the form of Exhibit T-5, issued by Contractor indicating that Provisional Acceptance has been achieved.

"Provisional Acceptance Date" means the date on which Provisional Acceptance occurs as indicated in the Provisional Acceptance Certificate.

"Provisional Acceptance Delay Liquidated Damages" has the meaning set forth in Section 6.9.1.

"Prudent Electrical Industry Practices" means those practices, methods, standards and acts (including those engaged in or approved by a significant portion of the electric utility industry for facilities in the United States and Canada similar to the Transmission Facilities) that at a particular time in the exercise of good judgment would have been expected to accomplish the desired result in a manner consistent with Applicable Laws, Applicable Permits, Applicable Standards, reliability, safety, environmental protection, local conditions, economy and efficiency.

"Punch List Items" means minor items that remain to be performed hereunder at the time of Provisional Acceptance that do not affect the safety, reliability or operability of the Work, the Project or any part of them and do not require a shut-down or reduced operation of the Work, the Project or any part of them to be completed and which items the Contractor must complete before Final Acceptance.

"Quality Control Program" means Contractor's written quality control program for the Work, which is substantially in the form of Exhibit Z and reviewed and approved by Owner, that includes at a minimum measures to insure that: (i) materials are accurately specified and ordered; (ii) correct materials are received, properly stored and controlled, (iii) accurate instructions are provided and followed to perform the Work, (iv) critical parameters and data are identified and checked using proper inspection and testing techniques; (v) special processes such as welding and coatings are correctly performed, inspected and documented; (vi) installation and testing is properly performed using proper test equipment and techniques; (vii) nonconforming conditions and/or deficiencies are identified and correctly resolved; and (viii) proper records and documentation are maintained, reviewed and certified for correctness.

"Real Property Rights" means all rights in or to real property, including leases, agreements, Permits, easements, licenses and private rights-of-way, obtained by Owner or its Affiliates in connection with the right to use or access the Job Site.

“Request for Payment” has the meaning set forth in Section 4.3.

“Safety Plan” has the meaning set forth in Section 2.13.1.

“Schedule of Values” means the table of unit rates set forth in Exhibit B.

“Scope Change” has the meaning set forth in Section 9.1.

“Scope Change Order” means a written order, in the form set forth in Exhibit V-1, to Contractor pursuant to Article IX, signed by Owner and countersigned by Contractor, authorizing a Scope Change.

“Scope of Work” means the services and work to be provided, or caused to be provided, by or through Contractor under the Agreement, as more particularly described in Exhibit A, and the other obligations of Contractor under the Agreement, including the Technical Specifications, as the same may be amended from time to time in accordance with the terms hereof, and which Scope of Work includes, without limitation, all licenses, technical assistance, assembly, construction management, construction, services, labour, materials, equipment, operations and management that are indicated on, inferable from, or incidental to, the Agreement or the Drawings, all in order to produce Transmission Facilities that complies with the requirements of the Agreement.

“Sensitive Data Location Standards” refers to the standards created by the NHIC for representing Sensitive Data on a map or in an application, as amended from time to time, and available from the NHIC’s website.

“Subcontractor” means any subcontractor or supplier of equipment, services or other work to Contractor or any subcontractor or any Person engaged or employed by Contractor or any subcontractor in connection with the performance of the Work.

“Tax” or “Taxes” shall mean all fees, taxes (including HST, consumption taxes, sales taxes, use taxes, stamp taxes, value-added taxes, ad valorem taxes and property taxes (personal and real, tangible and intangible), levies, assessments, withholdings and other charges and impositions of any nature, plus all related interest, penalties, fines and additions to tax, now or hereafter imposed by any federal, provincial, local or foreign government or other taxing authority.

“Technical Specifications” means the detailed technical specifications for the Project set forth as in Exhibit A.

“Termination Payment” has the meaning set forth in Section 4.9.1.

“Termination Without Cause” has the meaning set forth in Section 13.3.

“Transmission Facilities” means the 230 kV transmission line, as more particularly described in the Technical Specifications, including all necessary grid transformers (new), protection equipment, metering and associated control buildings.

“Transmission System Code” means the “Transmission System Code” approved by the OEB, as may be amended, supplemented or replaced from time to time.

“TSSA” means the Technical Standards and Safety Authority of Ontario, or its successor.

“Understanding Sensitive Information Training” means the e-learning module related to the access, use and confidentiality of Sensitive Data, which may be obtained by contacting the MNRF.

“Utility” means HONI.

“Warranty Period” has the meaning set forth in Section 7.1.1.

“Work” has the meaning set forth in Section 2.1 and includes the Contactor Deliverables, the Equipment, the Transmission Facilities and any other product or result of the Work.

**1.2 Rules of Interpretation.** Unless otherwise required by the context in which any term appears: (a) capitalized terms used in this Agreement have the meanings specified in this Article I; (b) the gender of all words used herein shall include the masculine, feminine and neuter and the singular shall include the plural; (c) unless otherwise specified, references to “Articles,” “Sections,” “Schedules,” “Annexes,” “Appendices” or “Exhibits” (if any) shall be to Articles, Sections, schedules, annexes, appendices or Exhibits (if any) of this Agreement, as the same may be amended, modified, supplemented or replaced from time to time hereunder; (d) all references to a Person shall include a reference to such Person’s successors and permitted assigns; (e) the words “herein,” “hereof” and “hereunder” shall refer to this Agreement as a whole and not to any particular Section or subsection of this Agreement; (f) all accounting terms not specifically defined herein shall be construed in accordance with generally accepted accounting principles in Canada, consistently applied; (g) references to this Agreement shall include a reference to all appendices, annexes, schedules and Exhibits hereto, as the same may be amended, modified, supplemented or replaced from time to time; (h) references to any agreement, document or instrument shall mean a reference to such agreement, document or instrument as the same may be amended, modified, supplemented or replaced from time to time; (i) the use of the word “including” in this Agreement to refer to specific examples shall be construed to mean “including, without limitation” or “including but not limited to” and shall not be construed to mean that the examples given are an exclusive list of the topics covered; (j) references to an Applicable Law shall mean a reference to such Applicable Law as the same may be amended, modified, supplemented or restated and be in effect from time to time; and (k) the headings contained herein are used solely for convenience and do not constitute a part of this Agreement nor should they be used to aid in any manner to construe or interpret this Agreement. The Parties collectively have prepared this Agreement, and none of the provisions hereof shall be construed against one Party on the ground that such Party is the author of this Agreement or any part hereof. The Parties hereto have requested that this Agreement and all related documents (unless otherwise specified herein) be drafted in the English language. Les parties aux présentes ont requis que cette entente ainsi que tous les autres documents reliés (à moins de mention à l’effet contraire) soient rédigés en langue anglaise.

**1.3 Exhibits.** The following exhibits are attached to and incorporated into and made a part of this Agreement:

Exhibit A	[REDACTED]
Exhibit B-1	[REDACTED]
Exhibit B-2	[REDACTED]
Exhibit B-3	[REDACTED]
Exhibit C-1	[REDACTED]
Exhibit C-2	Project Controls Requirements, Rev. 08/20/14;
Exhibit D	Intentionally Left Blank;
Exhibit E	Job Books Documentation Requirements, Rev. 03/01/16;
Exhibit F	Intentionally Left Blank;
Exhibit G	[REDACTED]
Exhibit H	List of Permits, Rev. 04/14/16;
Exhibit I	[REDACTED]
Exhibit J	[REDACTED]
Exhibit K	Contractor Provided Training, Rev. 04/14/16;
Exhibit L	Intentionally Left Blank;
Exhibit M	Intentionally Left Blank;
Exhibit N	Owner Furnished Equipment, Rev. 02/01/16;

Exhibit O	Project Management Team, Rev. 03/22/16;
Exhibit P	Intentionally Left Blank;
Exhibit Q-1	Contractor Safety Requirements, Rev. 02/11/16;
Exhibit R	Intentionally Left Blank;
Exhibit S	Intentionally Left Blank;
Exhibit T-1	Intentionally Left Blank;
Exhibit T-2	Intentionally Left Blank;
Exhibit T-3	Intentionally Left Blank;
Exhibit T-4	Intentionally Left Blank;
Exhibit T-5	Form of Provisional Acceptance Certificate, Rev. 01/14/16;
Exhibit T-6	Form of Final Acceptance Certificate, Rev. 01/14/16;
Exhibit T-7	Intentionally Left Blank;
Exhibit T-8	Intentionally Left Blank;
Exhibit T-9	Intentionally Left Blank;
Exhibit T-10	Form of Milestone Achievement Certificate, Rev. 01/15/16;
Exhibit U	Intentionally Left Blank;
Exhibit V-1	Form of Scope Change Order, Rev. 04/11/16;
Exhibit V-2	Scope Change Process, Rev. 02/05/15;
Exhibit V-3	Form of Deviation Notice, Rev. 02/15/16;
Exhibit W-1	Intentionally Left Blank;
Exhibit W-2	Intentionally Left Blank;
Exhibit X	[REDACTED]
Exhibit Y	Form of Request for Payment, Rev. 01/14/16;
Exhibit Z	Form of Quality Control Program, Rev. 01/15/16;
Exhibit AA-1	Intentionally Left Blank;
Exhibit AA-2	Intentionally Left Blank;
Exhibit BB-1	Contractor's Statutory Declaration in the form of CCDC 9A;
Exhibit BB-2	Major Subcontractor's Statutory Declaration in the form of CCDC 9B; and
Exhibit CC-1	[REDACTED]

#### **1.4 Order of Precedence.**

**1.4.1** In the event of any inconsistencies between the terms of this Agreement, the following order of precedence in the interpretation hereof or resolution of such conflict hereunder shall prevail:

(a) Amendments, addenda or other modifications to the Agreement (including Scope Change Orders) duly signed and issued after the signing of this Agreement, with those of a later date having precedence over those of an earlier date;

(b) The terms of the Agreement (other than Exhibits);

(c) Exhibits hereto; and

(d) Drawings produced and delivered pursuant hereto (in respect of which, precedence shall be given to Drawings of a larger scale over those of smaller, figured dimensions on the drawings shall control over scaled dimensions, and noted materials shall control over undimensioned graphic indications).

**1.4.2** In the event of a conflict among, or within, any provision within any one of the levels set forth in the foregoing order of precedence, the more stringent or higher quality requirements of such provisions which are applicable to the obligations of Contractor shall take precedence over the less stringent or lesser quality requirements applicable thereto. All obligations imposed on Contractor and each Subcontractor under the Agreement (other than this Agreement) or under Applicable Laws, Applicable Permits, Prudent

Electrical Industry Practices or Applicable Standards and not expressly imposed or addressed in this Agreement shall be in addition to and supplement the obligations imposed on Contractor under this Agreement, and shall not be construed to create an “irreconcilable conflict.” Where a conflict exists among codes and standards applicable to Contractor’s performance of the Work, the most stringent provision of such codes and standards shall govern.

## **ARTICLE II. RETENTION OF CONTRACTOR; CONTRACTOR RESPONSIBILITIES**

### **2.1 Work to be Performed.**

**2.1.1** Owner hereby retains Contractor, and Contractor hereby agrees to be retained by Owner, to perform or cause to be performed all Work in accordance with the terms and conditions of the Agreement. Contractor shall, at its own cost and expense, (a) procure and construct the Transmission Facilities, and (b) manage, supervise, inspect and furnish all labour, equipment, materials, temporary structures, temporary utilities, machinery, tools, transportation, products and services, all on a turnkey basis, for the performance of Contractor’s obligations hereunder, including completion of the Scope of Work, all in accordance with the Agreement, including, without limitation, the Project Schedule, as each may be modified from time to time in accordance with the terms hereof by a Scope Change Order or other amendment hereto (all of the foregoing being collectively referred to in this Agreement as the “Work”).

**2.1.2** In light of the foregoing, Contractor has included within the Contract Price the cost to complete the entire Scope of Work. Items need not be specifically listed in the Agreement or in the Technical Specifications in order to be deemed to be items within the Scope of Work. It is understood that Contractor is better qualified to list exclusions than Owner is to list inclusions. Therefore, any item indicated in the Agreement, inferable therefrom, incidental thereto or required in accordance with any Applicable Law, Ancillary Requirement, Applicable Permit, Prudent Electrical Industry Practices or Applicable Standard is to be considered as part of the Scope of Work. In addition, the Scope of Work includes all that should be properly included and all that would be customarily included within the general scope and magnitude of the Work. As a result, Contractor hereby waives any and all claims for an increase in the Contract Price or an extension of time hereunder, including, without limitation, the applicable Guaranteed Provisional Acceptance Date or the Guaranteed Final Acceptance Date based, in whole or in part, upon an assertion that any certain license, technical assistance, assembly, construction, service, Labour, material, equipment, operation or management is beyond the Scope of Work when such license, technical assistance, assembly, construction, service, Labour, material, Equipment, operation or management is indicated in the Agreement, the Drawings or other instruments of service prepared in connection with the Agreement, inferable therefrom, incidental thereto, required in accordance with any Applicable Law, Ancillary Requirement, Applicable Permits, Prudent Electrical Industry Practices, Applicable Standards or otherwise necessary in order to complete the Work in accordance with and subject to the requirements of the Agreement.

**2.2 Status of Contractor; No Partnership.** Contractor shall be an independent contractor with respect to any and all Work performed or to be performed under the Agreement. The Agreement shall not be interpreted or construed to create an association, joint venture or partnership relationship among or between the Parties or any similar relationship, obligations or liabilities. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, act on behalf of, or to act as or be an agent or representative of, or to otherwise bind or obligate the other Party.

**2.3 Compliance.** The Work shall meet professional standards utilized by construction professionals regularly involved in projects in the United States and Canada of technology, complexity and size similar to the Transmission Facilities. Without limiting the generality of the foregoing, Contractor shall: (i) comply with, and shall cause the Work and all components thereof to comply with, Additional Contractor Responsibilities, Prudent Electrical Industry Practices, Applicable Laws, Applicable Permits, Applicable Standards, the Agreement, including the Technical Specifications and Owner’s reasonable requests; and the

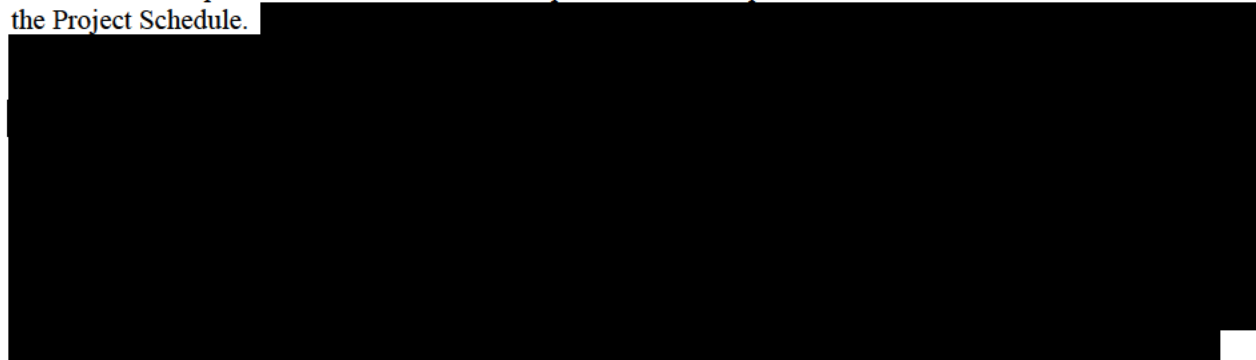


generally accepted standard of care, skill and diligence as would be provided by, a prudent construction firm experienced in supplying construction services in the United States and Canada to electric utilities for projects of technology, complexity and size similar to the Transmission Facilities; and (ii) cause the Work to be performed with Contractor's best skill and judgment, in a safe, expeditious, good and workmanlike manner in accordance with the preceding clause (i). Contractor shall inspect or cause to be inspected all materials and equipment to be incorporated into or used in the performance of the Work and shall reject those items determined not to be in compliance with the requirements of this Agreement. Except as otherwise expressly provided in this Agreement, the standard of performance set forth in this Section 2.3 shall apply to all aspects of the Work, and this Section 2.3 shall be deemed to be incorporated by reference into each provision of the Agreement describing the Work, Contractor's obligations hereunder, or referring to the "requirements of this Agreement" or words of similar effect. In no event will references in any provision of this Agreement to one or more of the standards, guidelines, practices, regulations, laws, or permits contained in this Section 2.3 be interpreted to limit in the applicability of all such standards, guidelines, practices, regulations, laws, and permits to such provision. Additionally, as a condition to meeting any Milestone, including Provisional Acceptance or Final Acceptance, the Work for such Milestone must be completed in accordance with all of the standards, guidelines, practices, regulations, laws, and permits contained in this Section 2.3. Without limiting Contractor's obligations under this Agreement, Contractor acknowledges and agrees that its compliance with the Ministry of Labor Occupational Health and Safety Act includes, without limitation, the preparation and filing of the "Notice of Project" prior to the start of any onsite Work and should identify Owner as "Owner" and Contractor as "Constructor" as defined by the Ministry of Labor Occupational Health and Safety Act.

## **2.4 Commencement of Work; Scheduling.**

**2.4.1 Limited Notice to Proceed.** Prior to or after the Effective Date hereof, Owner may issue one or more Limited Notices to Proceed. The date on which Owner provides Contractor with a Limited Notice to Proceed, if at all, shall be the respective "Limited Notice to Proceed Date." Any work described in a Limited Notice to Proceed shall be deemed to be Work hereunder and be subject to the terms of this Agreement. Any payment by Owner under any Limited Notice to Proceed shall be credited against the earliest payments of the Contract Price to be made in accordance with Article IV hereof.

**2.4.2 Full Notice to Proceed.** The Full Notice to Proceed shall be issued by Owner no later than the date identified in Exhibit C-1 (the "Latest Full Notice to Proceed Date"). On the Full Notice to Proceed Date, Contractor shall commence and shall thereafter diligently pursue all of the Work assigning to it a priority that should reasonably permit the attainment of Provisional Acceptance on or before the Guaranteed Provisional Acceptance Date. Contractor shall proceed with the performance of the Work in accordance with the Project Schedule.



**2.4.3 Project Schedule.** Contractor shall perform the Work in accordance with the Project Schedule, including completing the Work required on or before the applicable Guaranteed Provisional Acceptance Date and the Guaranteed Final Acceptance Date. Contractor hereby covenants and warrants to Owner that, in undertaking to complete the Work in accordance with the terms hereof, Contractor has taken into consideration and made reasonable allowances for hindrances and delays incident to such Work. Contractor shall meet or achieve each Milestone noted as such on the Project Schedule no later than the

Milestone Date therefor. Contractor shall coordinate and incorporate the schedules of all Subcontractors and other contractors of Owner performing Work at or near the Job Site into all applicable schedules, work plans and progress reports. Contractor shall promptly notify Owner in writing at any time that Contractor has reason to believe that there will be a material deviation from the Project Schedule and shall specify in such notice the corrective action planned by Contractor. During the performance of the Scope of Work, Contractor and Owner shall, at a minimum, conduct meetings each month (or more frequently or less frequently as may be requested by Owner) at a mutually convenient time and date for the purpose of reviewing the progress of the Scope of Work, the latest progress reports, the Health and Environmental Compliance Plan, Safety Plan, Quality Control Program, Contractor's and Subcontractors' adherence to the Scope of Work and the Project Schedule as well as the status of any claims submitted pursuant to the terms of the Agreement. Contractor shall prepare detailed minutes of each such meeting, in form and content acceptable to Owner, and shall distribute same to Owner within five (5) Business Days after such meeting.

**2.4.4 Acceleration of Work.** If, at any time or from time to time, Owner determines, in its sole discretion, that: (i) Contractor has failed to show adequate progress of the Work toward completion of a Milestone by the date required by the applicable Milestone Date, or (ii) Contractor has failed to achieve a Milestone by the applicable Milestone Date, then, on each such date, Contractor shall promptly, but in any event within two (2) Business Days of such date, submit for approval by Owner a written recovery plan to complete all necessary Work to achieve completion of the remaining Milestones by the applicable Milestone Dates. Owner shall approve or submit reasonable revisions to such written recovery plan. Contractor shall incorporate such revisions into such recovery plan and resubmit such recovery plan to Owner for approval within two (2) Business Days of receipt of Owner's revisions. Upon approval by Owner, Contractor shall diligently prosecute the Work in accordance with such recovery plan at its sole cost and expense. Notwithstanding anything to the contrary in this Agreement, in law, or in equity, neither approval by Owner of such recovery plan nor Contractor's prosecution of the Work in compliance with such recovery plan shall (i) be deemed in any way to have relieved Contractor of its obligations under the Agreement relating to the failure to timely achieve any Milestone by the applicable Milestone Date, or (ii) be a basis for a Scope Change Order, any claim for Owner-directed acceleration (or similar claim however phrased), or any other compensation or an increase whatsoever in the Contract Price or extension whatsoever in the Project Schedule. In the event that Contractor fails to deliver a recovery plan in accordance with this Section 2.4.4 or fails to comply with such recovery plan or thereafter fails to achieve a Milestone by the applicable Milestone Date, Owner shall have the right to require Contractor to accelerate the Work by means of overtime, additional personnel, additional shifts, additional equipment and/or re-sequencing of the Work. Notwithstanding anything to the contrary in this Agreement, in law, or in equity, Contractor agrees that it shall not be entitled to a Scope Change Order, any claim for Owner-directed acceleration (or similar claim however phrased), or any other compensation or increase in the Contract Price or extension whatsoever in the Project Schedule in connection with the implementation of any recovery plan or any such requirement to accelerate. This Section 2.4.4 shall not be construed to limit any of the rights and remedies hereunder.

**2.4.5 Critical Path.** No later than fifteen (15) days following the date hereof, Contractor shall prepare and submit to Owner for review and comment a preliminary draft of the Critical Path, in form and content acceptable to Owner, and being in such electronic native format that includes full disclosure the logic and sequencing assumptions within the Critical Path. Upon receipt of comment from Owner, Contractor shall either promptly make changes to the Critical Path as suggested by Owner or negotiate and resolve in good faith with Owner such changes. Upon approval of the Critical Path by the Parties, Contractor shall comply with the provisions thereof. Contractor shall provide five (5) copies, as well as an electronic copy, of the Critical Path to Owner. Contractor shall not revise or modify the Critical Path without the written consent of Owner, and if such consent is received, the Critical Path shall be maintained so that so that it reflects and clearly indicates the impact of Scope Change Orders and other occurrences that impact the Project Schedule, on an ongoing basis.

## **2.5 Materials, Equipment and Related Services.**

**2.5.1** Contractor shall procure and supply, at its own expense, whether by producing itself or by procuring from others, all materials, tools, equipment, supplies, consumables, transportation, labour, supervision and other goods and services required for performance of its obligations under this Agreement (whether on or off the Job Site). Contractor shall be responsible, at its sole expense, for furnishing and installation of all temporary utilities, telephone, data lines, cabling and wiring necessary for all activities associated with the completion of the Work. All Equipment and materials produced or procured by Contractor for use in performance of the Work shall be new (except as otherwise agreed to in writing by Owner and Contractor) and of suitable grade for their respective purpose. Contractor shall provide appropriate storage for materials, supplies, tools and Equipment for use in performance of the Work. Contractor shall have exclusive responsibility for construction and installation methods, means, techniques and procedures and for the establishment of and compliance with safety procedures at the Job Site, including, without limitation, the Contractor Safety Requirements. All materials, supplies, tools and Equipment which may be used in the performance of the Work and which are stored at a location other than on the Job Site shall be segregated from other goods.

**2.5.2** Contractor shall (or if necessary, Contractor shall designate a licensed customs broker to act as the importer of record and make entry on the Contractor's behalf) be responsible for customs clearance and performing administrative formalities in connection therewith, including being the "importer of record" and obtaining all approvals, documents and licenses which may be pertinent and/or necessary for the exportation or importation of Equipment, Contractor Equipment, spare parts and other items required for performance of the Work hereunder and for providing all completed documentation required by all applicable government authorities to import equipment, machinery, materials and spare parts required for the Work. Contractor also agrees to prepare and execute any necessary or appropriate documents to acknowledge or demonstrate that Contractor or the licensed customs broker designated by Contractor is the importer of record for, and consignee of all portions of the Work shipping from international locations into Canada. All custom duties for the importation of Equipment, Contractor Equipment, spare parts and other items required for performance of the Work hereunder shall be paid by Contractor and be deemed to be included in the Contract Price. Without limiting Contractor's obligations hereunder, Contractor shall be responsible for all broker and other customs and import fees, duties and Taxes with respect to the importation of the Work into Canada (including any antidumping or countervailing duties). Notwithstanding anything in this Section 2.5.2 to the contrary, Owner shall retain title to the Work in accordance with Section 14.1.

## **2.6 Contractor Deliverables.**

**2.6.1** The Contractor shall maintain at the Job Site, as required during the performance of the Work, qualified technical representatives of the manufacturers of Equipment and other qualified personnel to aid the Contractor until Provisional Acceptance all at the Contractor's cost and expense. Notwithstanding the foregoing, the Contractor shall, at its sole cost and expense, fully perform its obligation to address Defects and breaches of warranty set forth in Article VII by providing any technical assistance necessary in connection with any such Defect or breach of warranty.

**2.6.2** Contractor shall deliver the Contractor Deliverables to Owner in accordance with the Project Schedule and the Technical Specifications. All Contractor Deliverables shall be in English. All Contractor Deliverables, reports and other information furnished by Contractor, or prepared by it, its Subcontractors or others in connection with the performance of the Work, whenever provided, shall be kept by Contractor at the Job Site in an orderly and catalogued fashion for reference by Owner during the performance by Contractor of the Work.

**2.6.3** Contractor shall submit all Contractor Deliverables in electronic format to Owner in accordance with Exhibit A for review and comment as provided in the Scope of Work. Based upon Owner's comments, if any, Contractor shall resolve Owner's comments and resubmit such Contractor Deliverable to Owner for review and comment within five (5) Business Days after receipt of Owner's comments. Such process shall continue until Owner approves such Contractor Deliverable. Notwithstanding anything

contained herein to the contrary, Owner's review and/or acceptance of any Contractor Deliverable, or any portion thereof, shall not in any way relieve Contractor of any of its obligations or warranties set forth herein, including, but not limited to, its full responsibility for the accuracy of the dimensions, details, integrity and quality of Contractor Deliverables.

**2.7 Quality Control Program.** Not later than thirty (30) days after the Effective Date, Contractor shall submit for Owner's approval a draft Quality Control Program, which shall be substantially in the form of Exhibit Z, to be used by Contractor in the performance of the Work. Within fifteen (15) days of such submission, Owner shall notify Contractor of Owner's approval of the draft Quality Control Program, or its revisions to or rejection of all or any portion thereof. In the event Owner revises or rejects all or any portion of the draft Quality Control Program, within fifteen (15) days after receipt of notice of such revision or rejection Contractor shall make appropriate changes to the draft Quality Control Program to respond to Owner's revisions or rejection and shall resubmit such draft Quality Control Program to Owner. Such process shall be repeated until Owner accepts such Quality Control Program. Upon acceptance by Owner, Contractor shall, and shall cause its Subcontractors, comply with the Quality Control Program.

**2.8 Obtaining, Maintaining and Identifying Permits.** Contractor shall timely obtain and maintain all Contractor Permits and any other Applicable Permit necessary for performance of the Work. In addition, Contractor shall provide all assistance reasonably requested by Owner in connection with Owner's efforts to obtain and maintain the Owner Permits, including, without limitation, witnesses testimony, depositions, preparation of exhibits, technical calculations and attending meetings. In the event that any Applicable Permit is required to perform the Work that is not identified in the Agreement, Contractor or Owner, as applicable, shall promptly, after it becomes aware of the need for such Applicable Permit, notify the other Party that such Applicable Permit is required. If such permit is of a nature typically obtained by contractors in similar projects, Contractor shall, at its sole cost and expense, be obligated to obtain and maintain such Applicable Permit on behalf of Owner. Contractor shall deliver to Owner true and complete copies of all Applicable Permits obtained by Contractor upon its receipt thereof.

**2.9 Real Property Rights.** Contractor shall comply with the terms of the Real Property Rights. As of the Effective Date, Contractor represents and warrants that it has inspected and is fully familiar with the Job Site and the Real Property Rights, and that (i) other than with respect to the status of Owner's title thereto (as to which Contractor makes no representation or warranty), the Job Site and such Real Property Rights are sufficient for Contractor to undertake and complete the Work in accordance with the Agreement, Applicable Laws, Applicable Permits, Applicable Standards and Prudent Electrical Industry Practices, and (ii) Contractor has not discovered any conditions that in Contractor's reasonable judgment would be a basis for claiming a Scope Change. Contractor shall have the sole responsibility to obtain all construction permits, transportation permits, railroad or waterway crossing rights, blasting and other seismic rights, other licenses, rights-of-way and other real property rights and easements necessary for Contractor to complete the Work that are not Owner Permits or part of the Real Property Rights.

**2.10 Consumable Parts.** Included within the Work is the provision of consumable parts for such Work and for achievement of Provisional Acceptance of such Work, including consumable supplies normally consumed in the construction and installation of Transmission Facilities (the "Consumable Parts"). Contractor shall ensure that an initial stock of Consumable Parts is in storage at the Job Site upon commencement of the Work hereunder. All Consumable Parts not used by Contractor as of the Provisional Acceptance Date shall become the property of Owner.

**2.11 Final Plans.** Thirty (30) days prior to the date on which Contractor is scheduled to achieve Provisional Acceptance, Contractor shall deliver to Owner two (2) copies of the semi-final draft of the Final Plans. A semi-final draft shall mean a draft that is as reasonably complete as available information will allow. Contractor shall provide five (5) copies of the final and complete Final Plans to Owner within ten (10) days prior to the Guaranteed Final Acceptance Date. Final Plans must be presented in a format acceptable to Owner for Final Acceptance to occur. The Final Plans shall be prepared in English only. Where any of the

information in the Final Plans was produced by computer-aided design and is available to Contractor or any Subcontractor, Contractor shall provide or cause to be provided to Owner an electronic copy of such information.

## **2.12 Labour and Personnel.**

**2.12.1 Engagement of Labour.** Contractor shall provide, manage, oversee, hire, remove, promote and transfer all Labour and personnel required in connection with the performance of the Work and of its obligations hereunder, all of whom shall have had extensive experience (in the case of supervisors, managers and other key personnel) and appropriate levels of experience (in the case of other personnel) performing work similar in technology and magnitude to those portions of the Work each will perform, including: (i) a project manager; (ii) construction personnel and supervisors; and (iii) quality assurance personnel and supervisors, all of whom are competent to perform their assigned duties in a safe and secure manner. Contractor agrees, where required by Applicable Law or at Owner's request, to employ only licensed personnel in good standing with their respective trades and licensing authorities to perform the Work. All such professional services shall be performed with the degree of care, safety, skill and responsibility customary among such licensed personnel.

**2.12.2 Owner Review of Labour.** Upon Owner's request, Contractor shall provide Owner with the resumes of, and arrange for the interview by Owner of, any or all management and supervisory personnel employed in connection with the Work. Owner may require the replacement of any of Contractor's or its Subcontractors' Labour, at Contractor's sole expense if, in Owner's opinion, such person is impeding the orderly progress of the Work, creating any unsafe condition or other situation that may cause damage or harm to any person or property or otherwise causing interference or delays with respect to the Work. Rejection of Contractor's Labour by Owner shall not relieve Contractor of any of its obligations hereunder or be construed as a waiver by Owner of any of its rights under the Agreement.

**2.12.3 Alcohol and Drugs.** Contractor shall not possess, consume, import, sell, give, barter or otherwise make available or dispose of any alcoholic beverages or drugs (excluding drugs for proper medical purposes and then only in accordance with Applicable Law) at the Job Site, or permit or suffer any such possession, consumption, importation, sale, gift, barter or disposal by its Subcontractors, agents or Labour and shall at all times assure that the Job Site is kept free of all such substances and that its Subcontractors, agents and Labour perform the Work free from the influence of all such substances. To the extent permitted by Applicable Law, Contractor shall perform random alcohol testing on Subcontractors, agents and Labour and shall be required to perform a drug and alcohol test on any Subcontractor, agent or Labour that Contractor or Owner reasonably suspects is in possession of or under the influence of any dangerous or controlled drug, alcohol or other such substance at any time during such Person's performance of any portion of the Work at the Job Site. Contractor shall immediately identify and remove from its or its Subcontractors' employment at the Job Site any Person (whether in the charge of Contractor or any Subcontractor) who (i) is in possession of or under the influence of any dangerous or controlled drug, alcohol or other such substance at any time during such Person's performance of any portion of the Work, excluding any Person using a prescription drug under supervision and approval from a medical doctor, or (ii) who is required to submit to a drug or alcohol test in accordance with this Section 2.12.3, pending the results of such test.

**2.12.4 Disorderly Conduct.** Contractor shall be responsible for the conduct and deeds of its Labour and its Subcontractors' Labour relating to the Agreement and the consequences thereof. Contractor shall at all times take all reasonable precautions to prevent any unlawful, riotous or disorderly conduct by or among such Labour and for the preservation of peace, protection and safety of Persons and property in the area of the Job Site against the same. Contractor shall not interfere with any members of any authorized police, military or security force in the execution of their duties.

**2.12.5 Labour Disputes.** Contractor shall minimize the risk of labour-related delays or disruption of the progress of the Work. Contractor shall promptly take any and all reasonable steps that may

be available in connection with the resolution of violations of collective bargaining agreements or labour jurisdictional disputes, including the filing of appropriate processes with any court or administrative agency having jurisdiction to settle, enjoin or award damages resulting from violations of collective bargaining agreements or labour jurisdictional disputes. Contractor shall advise Owner promptly, in writing, of any actual or threatened labour dispute of which Contractor has knowledge that might materially affect the performance of the Work by Contractor or by any of its Subcontractors.

**2.12.6 Personnel Documents.** Contractor shall ensure that all its personnel and personnel of any Subcontractors performing the Work are, and at all times shall be, in possession of all such documents (including, without limitation, visas, driver's licenses and work permits) as may be required by any and all Applicable Laws.

**2.12.7 Non-English Speaking Employees.** Contractor's use of non-English speaking employees will not impede or adversely affect the efficient and safe prosecution of the Work.

**2.12.8 Project Management.** Contractor has designated the management team positions, as set forth on Exhibit O. Any future members of the management team must be approved by Owner in writing prior to his/her designation becoming effective, which approval shall not be unreasonably withheld. During the performance of the Work from the initial Job Site mobilization and thereafter, Contractor shall maintain continuously at the Job Site adequate management, supervisory, administrative, security and technical personnel to ensure expeditious and competent handling of all matters related to the Work, according to its determination of the staffing required for this purpose. Contractor will not re-assign, remove or replace those Persons set forth on Exhibit O without Owner's prior written consent, except to the extent Contractor no longer employs or has a contract with such Person. To the extent any change to a Person identified on Exhibit O is approved by Owner, the Parties shall enter into a Scope Change Order to update Exhibit O.

**2.13 Environmental Compliance Plan, Health Plan and Safety Plan; Emergencies; and Security.**

**2.13.1 Environmental Compliance Plan, Health Plan and Safety Plan.** No later than thirty (30) days prior to the first instance when any of Contractor or its Subcontractors' Labour or other representatives will be present on the Job Site or as otherwise required pursuant to a Limited Notice to Proceed, Contractor shall prepare and submit to Owner (i) a project specific health plan that includes health, first aid facility/area with qualified attendant and emergency procedures to be used at the Job Site (the "Health Plan"); (ii) a project specific environmental compliance plan that satisfies and complies with all of the requirements set forth in Exhibit X and which also includes, without limitation, (a) a Hazardous Materials, waste and industrial hazards management and disposal program which details the controlled usage and treatment of all Hazardous Materials, toxic wastes, industrial hazards, sanitary waste, solid waste and other waste brought onto, used or produced at the Job Site or in relation to the Work and outlines a management structure for carrying out the specific provisions of such program, (b) an environmental protection and management program, including, without limitation, a sediment and erosion control program, (c) a re-vegetation program and (d) the description, location and drawings of construction facilities and temporary works (the "Environmental Compliance Plan"); and (iii) a project specific safety plan that, at a minimum satisfies and complies with the requirements set forth in the Contractor Safety Requirements, and which plan shall also include an acknowledgement by Contractor that Contractor shall at all times remain in compliance with all federal, provincial and local safety codes and other Applicable Laws (the "Safety Plan," together with the Health Plan, the "Health and Safety Plan"). Each of the Health and Safety Plan and the Environmental Compliance Plan shall be consistent with all Applicable Laws, and Applicable Permits and shall be submitted to Owner for review and comment. Contractor shall either promptly make changes to such Health and Safety Plan and/or Environmental Compliance Plan incorporating the comments of Owner or negotiate and resolve in good faith with Owner any such changes. Contractor shall comply and shall cause its Subcontractors comply with the Health and Safety Plan and the Environmental Compliance Plan and the Contractor Safety Requirements, and to follow all other safety measures and procedures implemented by Owner or the Utility at

the Job Site. Without limiting the generality of the foregoing, Contractor shall furnish and maintain all necessary safety equipment such as barriers, signs, warning lights and guards as required to provide adequate protection to Persons and property during the term of this Agreement. Contractor shall be responsible for (x) all damage it and its Subcontractors cause to public roads and highways, (y) all damage caused by it and its Subcontractors to private roads or property of third parties, in each case in connection with performance of the Work, and (z) all injury resulting from a failure of its agents, employees or Subcontractors to abide by the requirements of the Health and Safety Plan and the Environmental Compliance Plan, in each case in connection with performance of the Work. Without limiting Contractor's obligations under this Agreement, Contractor acknowledges and agrees that its compliance with OHSA includes, without limitation, the preparation, filing and posting of the "Notice of Project" prior to the start of any onsite Work and should identify Owner as "Owner" and Contractor as "Constructor" as defined by OHSA.

**2.13.2 Constructor Responsibilities.** Without limiting the generality of Contractor's obligations under Section 2.13.1, and notwithstanding anything in this Agreement to the contrary, until the Final Acceptance Date, the Contractor shall: (i) be, and fulfill all of the duties and obligations of, the "constructor" (as that term is defined under OHSA) with respect to the Work and work and other activities performed by Owner and other contractors and other service providers employed by Owner at the Job Site (e.g., telephone and metering installation) for the purposes of OHSA; (ii) have complete and sole responsibility for all health and safety matters regarding the Work and work and other activities performed by Owner and other contractors and subcontractors at the Job Site, including, without limitation, compliance with all requirements pursuant to Applicable Laws, familiarizing all relevant Persons with the provisions of OHSA that apply to the Work and work performed by Owner and other contractors and subcontractors at the Job Site and all potential or actual dangers to health and safety in the workplace and as otherwise set out in this Agreement; (iii) initiate, maintain and take complete responsibility for supervising health and safety precautions and programs necessary to comply with Applicable Laws and to prevent injury to Persons or damage to property on, about or adjacent to the Job Site; (iv) be responsible for submission of the required "Notice of Project" and registration form under OHSA; and (v) comply with the pre-start safety review in accordance with OHSA. On and after the Final Acceptance Date, Contractor shall comply with the safety, health and project regulations, policies or directives of Owner and promptly remove from the Job Site anyone under the control of Contractor who violates any of the aforesaid safety, health, or plant regulations, policies or directives or upon reasonable request of Owner.

**2.13.3 Emergencies.** In the event of any emergency endangering Persons or property during the performance of the Work, Contractor shall take such action as may be reasonable and necessary to prevent, avoid or mitigate injury, damage or loss and shall, as soon as possible, report any such incidents, including Contractor's response thereto, to Owner. Whenever Contractor has not taken reasonable precautions for the safety of the public or the protection of the Work or of structures or property on or adjacent to the Job Site, Owner may, but shall be under no obligation to, take such action as is reasonably necessary under the circumstances. The taking of such action by Owner or Owner's failure to do so shall not limit Contractor's obligations or liability hereunder. Contractor shall reimburse Owner for any costs incurred by Owner in taking such actions in the event of an emergency.

**2.13.4 Security.** Contractor shall be responsible for the security and protection of the Equipment, machinery and components comprising the Work and other property owned or leased by Contractor or any Subcontractor located at the Job Site or stored or warehoused off the Job Site through the Final Acceptance Date. Contractor shall use the same care to protect any of Owner's property at any time in its possession or under its control while performing the Work as it does with its own property and shall be responsible for any damage to such property resulting from its failure to use such care.

## **2.14 Hazardous Materials.**

**2.14.1 Contractor Duty to Monitor Compliance.** Contractor shall, and shall cause its Subcontractors to, comply with all Applicable Laws relating to Hazardous Materials and all Applicable

Permits. Without limiting the generality of the foregoing: (i) Contractor shall, and shall cause its Subcontractors to, apply for, obtain, comply with, maintain and renew all Applicable Permits required of Contractor by Applicable Laws regarding Hazardous Materials that are necessary, customary or advisable for the performance of the Work. Contractor shall, and shall cause its Subcontractors to, comply with all waste generation facility, generator registration, manifesting, and reporting requirements for the generation, storage, handling, transportation and disposal of Hazardous Material under the Agreement if and as required under Applicable Laws or Applicable Permits; (ii) Contractor shall conduct its activities under the Agreement, and shall cause each of its Subcontractors to conduct its activities, in a manner designed to prevent pollution of the environment or any other release of any Hazardous Material by Contractor and its Subcontractors in a manner or at a level requiring remediation pursuant to any Applicable Law and/or Applicable Permit; (iii) Contractor shall not cause or allow the release or disposal of Hazardous Material at the Job Site, bring Hazardous Material to the Job Site, or transport Hazardous Material from the Job Site, except in accordance with Applicable Law and Applicable Permits. Contractor shall be responsible for the management of and proper disposal of all Hazardous Material brought onto or generated at the Job Site by it or its Subcontractors, if any. Contractor shall cause all such Hazardous Material brought onto or generated at the Job Site by it or its Subcontractors, if any, (A) to be transported only by carriers maintaining valid permits and operating in compliance with such permits and laws regarding Hazardous Material pursuant to manifest and shipping documents identifying only Contractor as the generator of waste or person who arranged for waste disposal, and (B) to be treated and disposed of only at treatment, storage and disposal facilities maintaining valid permits operating in compliance with such permits and laws regarding Hazardous Material, from which, to the best of Contractor's knowledge, there has been and will be no release of Hazardous Material. Contractor shall submit to Owner a list of all Hazardous Material to be brought onto or generated at the Job Site prior to bringing or generating such Hazardous Material onto or at the Job Site. Contractor shall keep Owner informed as to the status of all Hazardous Material on the Job Site and disposal of all Hazardous Material from the Job Site.

**2.14.2 Environmental Releases.** Contractor shall perform the Work and turn the Work over to Owner in a manner that is environmentally sustainable, prevents the discharge or release of Hazardous Materials to the environment, and fully protects all waterways, watersheds, habitats and lands in proximity to the Job Site, from any and all environmental impacts. If Contractor or any of its Subcontractors releases any Hazardous Material on, at, or from the Job Site, or becomes aware of any Person who has stored, released or disposed of Hazardous Material on, at, or from the Job Site during the Work, Contractor shall immediately notify Owner in writing. If Contractor's Work involved the area where such release occurred, Contractor shall immediately stop any Work affecting the area. Contractor shall, at its sole cost and expense, diligently proceed to take all necessary or desirable remedial action to clean-up fully the contamination caused by (A) any negligent release or exacerbation by Contractor or any of its Subcontractors of any Pre-Existing Hazardous Material, and (B) any Hazardous Material that was brought onto the Job Site by, or used in performance of the Work by, Contractor or any of its Subcontractors, whether on or off the Job Site. If Contractor discovers any Pre-Existing Hazardous Material that has been stored, released or disposed of at the Job Site, Contractor shall immediately notify Owner in writing. If Contractor's Work involves the area where such a discovery was made, Contractor shall immediately stop any Work affecting the area and Owner shall determine a reasonable course of action. Contractor shall not, and shall cause its Subcontractors to not, take any action that may exacerbate any such Pre-Existing Hazardous Material or cause or permit its discharge, further discharge or migration from the Job Site.

**2.14.3 Designated Substance.** Contractor acknowledges that: (i) prior to the negotiation and execution of this Agreement, Owner conducted an environmental assessment of the Job Site and provided the results to the Contractor as set out in [REDACTED] and (ii) in light of the nature of the Project and the large geographic expanse of the Job Site, such assessment represents a genuine and reasonable determination as to Pre-Existing Hazardous Materials which are a "designated substance" as defined under the OHSA and its regulations, and which are potentially present at the Job Site. Contractor agrees to proceed with the Work in light of the results of due diligence assessment in [REDACTED], and shall take all appropriate precautions in preparing for and conducting the Work as it relates to such potentially present designated substances, and shall comply with all obligations imposed upon in by the OHSA in respect of "designated substances" that may be



encountered by Contractor and its Subcontractors at the Job Site.

**2.14.4 Recordkeeping.** Contractor shall maintain an updated file of all material safety data sheets for all Hazardous Materials used in connection with performance of the Work or at or near the Job Site and shall deliver an update of such file to Owner no later than ten (10) Business Days after the end of each month. Contractor shall maintain an accurate record and current inventory of all Hazardous Materials used in performance of the Work or at or near the Job Site, which record shall identify quantities, location of storage, use and final disposition of such Hazardous Materials.

**2.15 Clean-up; Non-Interference.** Contractor shall at all times keep the Job Site reasonably free from waste materials or rubbish related to the Work. Contractor shall maintain the Job Site in a neat and orderly condition throughout the performance of the Work. Prior to the Final Acceptance Date or as soon as practicable after termination of this Agreement by Owner in accordance with the provisions of Article XIII, Contractor shall remove all of Contractor Equipment and materials not constituting part of the Work (other than equipment, supplies and materials necessary or useful to the operation or maintenance of the Work and equipment, supplies and materials directed by Owner to remain at the Job Site until completion of the Work) and complete removal of all waste material and rubbish from and around the Job Site. All waste material and rubbish resulting from the Work shall be handled and disposed of by Contractor at its own expense in accordance with all Applicable Laws and Applicable Permits. Contractor shall provide to Owner all waste disposal manifests, if any. Contractor shall re-grade and/or re-seed areas disturbed as a result of the performance of the Work.

## **2.16 Books and Records; Job Books.**

**2.16.1 Books and Records.** During the term of the Agreement and continuing for seven (7) years after the Final Acceptance Date, Owner or its representatives or agents may audit, examine and/or copy, at any time during the office hours of the Contractor, the Contractor's books, records, accounts, relevant correspondence, specifications, time cards, drawings, designs and other documents, to the extent that these are related to the Work and insofar as Owner believes necessary (i) to verify items paid by the Owner pursuant to the Agreement, (ii) to verify Contractor's compliance with this Agreement or (iii) for Owner's Tax or regulatory filings or exemptions or positions advocated by Owner.

**2.16.2 Job Books.** Not later than thirty (30) days prior to the Guaranteed Provisional Acceptance Date, Contractor shall deliver to Owner two (2) copies of the semi-final draft of the Job Books, either in job book format or in form and format available as a result of the design and construction process, as appropriate. A semi-final draft shall mean a draft that does not contain final As-Built Drawings and documentation, but is as reasonably complete as available information will allow, containing at a minimum sufficient information to permit the conduct of operator training and operation, repair and modification of the Transmission Facilities by Persons generally familiar with machinery and equipment similar to that comprising the Transmission Facilities. Contractor shall provide two (2) paper copies and two (2) compact disk (data type, not audio) sets of the final and complete Job Books to Owner within thirty (30) days after the Final Acceptance Date. The Job Books shall be prepared in English only. Where any of the information in the Job Books was produced by computer-aided design and is available to Contractor or any Subcontractor, Contractor shall provide or cause to be provided to Owner a disk copy of such information. Owner shall have a license to use such information.

## **2.17 Owner's Right to Inspect; Correction of Defects.**

### **2.17.1 Right to Inspect.**

(a) Owner, its authorized representatives and, with Owner's prior approval, any of Owner's other contractors, the Financing Parties and any of their authorized representatives, shall have the right to inspect the Work and to maintain personnel at the Job Site for such purpose, subject in all cases to

Contractor's reasonable safety precautions. Contractor shall include rights in all Subcontracts to permit Owner, the Financing Parties and any of their authorized representatives to audit, inspect, test and observe the Equipment at the facilities of any Subcontractor and the manufacturer of Equipment, and Contractor shall ensure reasonable, adequate and safe access to such facilities for such purposes.

(b) If any portion of the Work should be covered contrary to the request of Owner or contrary to requirements specifically expressed in the Agreement, such portion of the Work shall, if requested by Owner, be uncovered for observation and shall be replaced at Contractor's expense. If any portion of the Work has been covered which Owner has not specifically requested to observe prior to being covered, Owner may request to see such Work and Contractor shall uncover it. If such portion of the Work is found not to be in accordance with the requirements of this Agreement, the cost of uncovering, replacement and re-covering shall be charged to Contractor. If such portion of the Work is found to be in accordance with the requirements of this Agreement, Owner shall pay such costs pursuant to an appropriate Scope Change Order in accordance with Article IX. Such inspection of any part of the Work shall in no way relieve Contractor of its obligation to perform the Work in accordance with this Agreement.

(c) Contractor shall perform such detailed inspection of Work in progress at intervals appropriate to the stage of construction of the Work and the fabrication of Equipment at the facilities of Subcontractors and the manufacturer of Equipment as is necessary to ensure that such Work is proceeding in accordance with the Agreement and to protect Owner against Defects and deficiencies in such Work. With respect to any inspection or test of the Work performed by Contractor, Contractor (i) shall advise Owner of any Defects and deficiencies revealed through such inspections or tests and of the measures proposed by Contractor to remedy such deficiencies in order to avoid any delay in the completion of the Work and Contractor's performance of the Work; provided that, any such notice provided pursuant to this Section shall not constitute a request for adjustment, extension or modification of the Project Schedule or Owner's consent to any of the same; and (ii) shall, upon Owner's request, provide Owner with a reasonable opportunity to review Contractor's records with respect to such inspections or tests.

**2.17.2 Correction of Defects.** Contractor shall, at its own cost and expense, correct or replace any Work that contains a Defect, or is not otherwise in compliance with the terms and requirements of the Agreement. Equipment that has been replaced, if situated on the Job Site, shall be removed by Contractor from the Job Site at Contractor's own cost and expense. If Contractor fails within a reasonable period of time (as reasonably determined by Owner) after it knows or should have known of such Defect or noncompliance or neglects to commence and continue correction of such Defect or noncompliance with diligence and promptness, Owner may, without prejudice to other remedies Owner may have under the Agreement, correct such Defect or noncompliance. In such event, an appropriate Scope Change Order shall be issued deducting from payments then or thereafter due to Contractor the cost of correcting such Defect or noncompliance, including compensation for the costs to enforce this provision (including legal fees) and any consultant's additional services and expenses made necessary by such neglect or failure. If payments then or thereafter due to Contractor are not sufficient to cover such amounts, Contractor shall pay the difference to Owner within three (3) days from Owner's request therefor. Contractor shall correct any and all Defects and noncompliance as required by the Agreement notwithstanding any actual or possible legal obligation or duty of a Subcontractor concerning same and nothing contained in this Section shall modify Contractor's obligations under the Agreement.

## **2.18 Liens**

**2.18.1** Contractor shall not suffer to be created any Lien in respect to the Project, the Work, the Agreement, the Equipment, the Job Site, the property of an adjacent operator or other neighbouring property, or any fixtures or personal property included in the Work (whether or not any such Lien is valid or enforceable) created by, through or under, or as a result of any act or omission (or alleged act or omission) of, Contractor or any Subcontractor, or other Person providing Labour or materials within the Scope of Work. Contractor shall immediately notify Owner in writing of the assertion of any Lien, whether by registration on

title of a Lien or delivery of a notice of Lien that is not registered on title.

**2.18.2** Contractor shall, at Contractor's sole expense, within ten (10) days of the earlier of (i) receipt of a written demand from Owner and (ii) the Contractor having knowledge of or should have had knowledge of the assertion of any Lien, vacate or discharge the Lien from title to the premises, cancel the notice of Lien, or make alternative arrangements consented to by Owner in writing to bond or otherwise secure the amount of the Lien claim and costs associated therewith, as the case may be, in accordance with Applicable Law.

**2.18.3** In the event that Contractor fails or refuses to vacate or discharge a Lien, cancel a notice of Lien, or make alternative arrangements to bond the amount of Lien claim and costs associated therewith, as the case may be, within ten (10) days, Owner shall, at its option, be entitled to take all steps necessary to vacate and/or discharge Lien, or cancel the notice of Lien by paying monies into court or posting security in accordance with the Construction Lien Act, and all costs and expenses incurred by Owner in so doing (including all losses and the cost and amount of the security posted to vacate Lien) shall be for the account of Contractor, and Owner may draw down and use funds from the Letter of Credit for such purpose and/or deduct such amounts from amounts otherwise due or owing to Contractor. If Owner vacates a Lien, it shall be entitled to retain all amounts it would be required to retain pursuant to the Construction Lien Act if Lien had not been vacated.

**2.18.4** Except as otherwise expressly prohibited under the Construction Lien Act, in consideration of each payment to Contractor hereunder and on the date of any Request for Payment hereunder, Contractor does hereby unconditionally and irrevocably waive, release, remise, relinquish and quit claim all actions, claims and demands, of any kind whatsoever, which Contractor ever had or then has (or, upon final payment hereunder, may have in the future), known or unknown, against the Work, the Project, the property on which the Work or the Project is located, or against Owner, its Affiliates, at all tiers, and its and their insurers, sureties, employees, officers, directors, representatives, partners, members, shareholders, agents, and all Persons acting for any of them, including, without limitation, all claims related to, in connection with, or arising out of, all facts, acts, events, circumstances, changes or extra work, constructive or actual delays or accelerations, interferences and the like which have occurred or may be claimed to have occurred. Contractor acknowledges and agrees that the releases and waivers given by Contractor pursuant to this Section 2.18.4 shall be provided to Owner from time to time at the same times as the CCDC 9A statutory declarations are required under this Agreement, and are freely and voluntarily given by Contractor, and Contractor has had the advice of counsel in connection herewith and is fully informed as to the legal effects of such releases and waivers.

**2.19 Cooperation and Non-Interference with Other Owner Contractors.** Contractor shall cooperate with Owner in connection with Owner's efforts to obtain the approvals, certificates, financing, Applicable Permits and Owner's commissioning and testing of the Project. Contractor acknowledges that work may be performed by others at or near the Job Site during the execution of Work under this Agreement. Contractor further acknowledges that Owner, through itself or through its employees, subcontractors or agents, will continue to work and perform activities in connection therewith at the Job Site during the execution of the Work under this Agreement. In addition to Contractor's obligations under Section 2.13 regarding safety for any such persons at the Job Site, Contractor shall cooperate and cause its Subcontractors to cooperate with Owner and other unrelated contractors and the Utility who may be working at or near the Job Site in order to assure that neither Contractor, nor any of its Subcontractors unreasonably hinders or increases, or makes more difficult than necessary the work being done by Owner, other unrelated contractors and the Utility. Contractor agrees to perform the Work in full cooperation with such others and to permit, without charge, reasonable access to, and use of, the Job Site and the Work, by said others or by Owner, whether such Work is partially or entirely complete, when, in the judgment of Owner, such access or use is necessary for the performance and completion of the work of others. All material and Labour shall be furnished, and the Work performed, at such time or times as shall be for the best interest of all contractors concerned, to the end that all Work, and the work of any separate contractor, will be properly coordinated and completed in accordance with the applicable

schedules and the times of completion required by the Agreement. Notwithstanding any other provision in this Agreement to the contrary, Contractor shall not communicate with the Financing Parties and their independent engineer and technical advisors, if any, except with the prior written consent of Owner.

**2.20 Intellectual Property Rights.** Contractor agrees to obtain and maintain, until the later of completion of the Work (including warranty obligations) or the expiration of the Warranty Period, all trade secrets, patents, copyrights, trademarks, proprietary rights or information, licenses or other intellectual property rights (collectively, the "Intellectual Property Rights") necessary for performance of the Work. Contractor hereby grants to Owner and its Affiliates an irrevocable, non-exclusive, perpetual, royalty-free license under all Intellectual Property Rights whether now existing or developed for the Work, now or hereafter owned, licensed to or controlled by Contractor or any of its Affiliates, to the extent necessary for the completion, operation, maintenance, repair, rebuilding, alteration and expansion of the Work and all subsystems and components thereof including the rights to disclose and sub-license to third parties as required for such purposes. Owner shall have the right to assign the benefit of such license to any Financing Party in connection with granting a security interest in the Transmission Facilities, to a purchaser in connection with a transfer of the Transmission Facilities, or to any subsequent purchaser or assignee of same. Any such purchaser or assignee shall acquire such license subject to the same terms and restrictions as stated in this Section 2.20.

**2.21 Additional Contractor Responsibilities.** Contractor shall (and shall cause its Subcontractors) to comply with all Additional Contractor Responsibilities in connection with Agreement, including, without limitation, the performance of the Work and any other activities at the Job Site.

**2.22**





## **2.23 Anti-Bribery.**

**2.23.1** Contractor represents and warrants that neither Contractor nor any past or present shareholder, member, partner, director, officer, parent, subsidiary or Affiliate, employee, representative or agent of Contractor or any other Person acting on Contractor's behalf (any of the foregoing being a "Contractor Agent") (at any time during which such Person was a shareholder, member, partner, director, officer, parent, subsidiary or Affiliate, employee, representative or agent of Contractor) has directly or indirectly, paid, promised or offered to pay, or authorized the payment of any money or anything of value to: (i) an officer, employee, agent or representative of any government (including, without limitation, Aboriginal governments), including any department, agency or instrumentality of any government or any government-owned or government controlled entity or any Person acting in an official capacity on behalf thereof; or (ii) a candidate for political office, any political party or any official of a political party; or (iii) any other Person while knowing or having reason to believe that some portion or all of the payment or thing of value will be offered, given or promised, directly or indirectly, to any Person described in this Section 2.23; in each case under clause (i), (ii) or (iii) above, for the purpose of influencing any act or decision of such government official, political party, party official, or candidate in his or its official capacity, including a decision to do or omit to do any act in violation of the lawful duty of such Person, or inducing such Person to use his or its influence with the government or instrumentality thereof to affect or influence any act or decision.

**2.23.2** Contractor agrees that neither it nor any Contractor Agent or Subcontractors will violate any applicable anti-bribery laws. Without limiting the foregoing, Contractor agrees that it will not (and shall cause each Contractor Agent and Subcontractor not to), directly or indirectly, pay, promise or offer to pay, or authorize the payment of any money or anything of value to (including a "grease," "expediting" or facilitation payment): (i) an officer, employee, agent or representative of any government (including, without limitation, Aboriginal governments), including any department, agency or instrumentality of any government or any government-owned or government controlled entity or any Person acting in an official capacity on behalf thereof; or (ii) a candidate for political office, any political party or any official of a political party; or (iii) any other Person while knowing or having reason to believe that some portion or all of the payment or thing of value will be offered, given or promised, directly or indirectly, to any Person described above; in each case under clause (i), (ii) or (iii), for the purpose of influencing any act or decision of such government official, political party, party official, or candidate in his or its official capacity, including a decision to do or omit to do any act in violation of the lawful duty of such Person, or inducing such Person to use his or its influence with the government or instrumentality thereof to affect or influence any act or decision, for the benefit of Owner, Contractor or any Contractor Agent or Subcontractor in connection with the Agreement.

**2.23.3** In addition, no payment shall be made to anyone for any reason on behalf of or for the benefit of Owner which is not properly and accurately recorded in Contractor's, any Contractor Agent's and Subcontractors' books and records, including the amount, purpose and recipient, all of which shall be maintained with supporting documentation. For seven (7) years after Contractor's receipt of the last payment made under this Agreement, Owner shall have the right to audit the Contractor's books and records with respect to payments made to anyone for any reason on behalf of or for the benefit of Owner.

**2.23.4** Contractor agrees to provide prompt written notice to Owner in the event that the performance of Work will require any Contractor Agent to, directly or indirectly, interact with, on behalf of Owner or any Owner Affiliate, (i) any officer, employee, agent or representative of any government, including any department, agency or instrumentality of any government or any government-owned or government controlled entity or any Person acting in an official capacity on behalf thereof, or (ii) a candidate for political

office, any political party or any official of a political party. Contractor agrees that no Contractor Agent shall engage in any such activity without the prior written consent of Owner.

**2.24 Waiver of Responsibility.** No inspection made, acceptance of Work, payment of money or approval given by Owner shall be deemed a waiver of any provision by Owner or relieve Contractor of its obligations for the proper performance of the Work in accordance with the terms hereof. Owner may reject any Work with Defects or which is not in accordance with the requirements of the Agreement, regardless of the stage of completion, the time or place of discovery of error, and whether Owner previously accepted any or all of such Work through oversight or otherwise. No approval given by Owner shall be considered as an assumption of risk or liability by Owner. Any such approval shall mean that Owner has no objection to the adoption or use by Contractor of the matter approved at Contractor's own risk and responsibility. Contractor shall have no claim relating to any such matter approved, including any claims relating to the failure or inefficiency of any method approved.

**2.25 Project Controls Requirements.** Contractor shall comply with the requirements of Exhibit C-2 hereto.

**2.26 Archaeological Resources.** In the event any archaeological sites, places, monuments or areas are discovered or identified by Contractor during the performance of Work under the Agreement, Contractor shall leave such sites untouched and protected by fencing and shall immediately stop any Work affecting the area. Contractor promptly shall notify Owner of any such discovery as soon as practicable, and Contractor shall carry out Owner's instructions for dealing with the same. All fossils, coins, articles of value or antiquity and structures and other remains or things of geological, archaeological, historical, religious, cultural or similar interest discovered on the Job Site shall, as between Owner and Contractor, be deemed to be the absolute property of Owner. Contractor shall prevent its and its Subcontractors' Labour and any other Persons from removing or damaging any such article or thing. If Contractor discovers such sites, articles or things and their existence actually, demonstrably, adversely and materially affects (i) the Critical Path of the Work and (ii) performance of Contractor's obligations in accordance with the terms of the Agreement, then Contractor shall promptly, but in any event within five (5) days after any such discovery, notify Owner thereof and Owner shall either (x) issue a Scope Change Order to address the effect (if any) on the Contract Price and/or the Project Schedule as a result of the discovery of any archaeological sites or articles or (y) terminate this Agreement pursuant to Section 13.3.

**2.27 MNRF Sensitive Data.** Contractor shall cause each of Contractor's Recipients who have a need to view the MNRF Sensitive Data have successfully completed either (i) the Full Day Data Sensitivity Training, or (ii) the Understanding Sensitive Information Training under the supervision of another employee or person who has successfully completed the Full Day Data Sensitivity Training. It is understood and agreed by Contractor that Contractor shall cause each of Contractor's Recipients who have a need to view the MNRF Sensitive Data to: (a) use the MNRF Sensitive Data solely for purposes of completing the Work for the Project and for no other use or purpose; (b) reproduce all applicable notices that appear on the MNRF Sensitive Data when received on all copies made by each of Contractor's Recipients who have a need to view the MNRF Sensitive Data; and (c) not display the MNRF Sensitive Data related to the location of Provincially Tracked Species in a document to be made available to any Person other than Owner, except in accordance with the Sensitive Data Location Standards and agreed to by Owner in writing.

### **ARTICLE III. SUBCONTRACTORS**

#### **3.1 Subcontractors and Assignment of Subcontracts.**

**3.1.1 Subcontractors.** Owner acknowledges that Contractor intends to have portions of the Work accomplished by Subcontractors qualified to perform such Work pursuant to written subcontracts



between Contractor and such Subcontractors; provided, that Contractor may not enter into any contract with a Major Subcontractor unless the Major Subcontractor [REDACTED] has been approved by Owner in accordance with Section 3.2 and that Contractor shall provide Owner with the right to inspect all aspects of the Work at facilities of each Major Subcontractor to the extent practical. Contractor shall be solely responsible for engaging, managing, supervising and paying all such Subcontractors. Contractor shall require that all Work performed, and all Equipment provided by Subcontractors are received, inspected and otherwise furnished in accordance with the Agreement, and Contractor shall be solely liable for all acts, omissions, liabilities and Work (including Defects therein) of such Subcontractors and of Persons directly or indirectly employed by them. All contracts with Subcontractors shall be consistent with the terms and provisions of the Agreement. At a minimum, all subcontracts shall require the Subcontractors to comply with Applicable Laws and Applicable Permits, shall provide that Owner has the right of inspection as provided hereunder and require such Subcontractors to (a) be subject to the Labour obligations hereunder as well as the safety and security provisions of the Agreement, (b) provide guarantees and warranties with respect to its portion of the Work and the Equipment, (c) provide certificates of insurance as set forth herein, and (d) be subject to the dispute resolution procedures as required herein. All subcontracts shall preserve and protect the rights of Owner, shall not prejudice such rights and shall require each Subcontractor to enter into similar agreements with other Subcontractors. Except as hereinafter provided, no contractual relationship shall exist between Owner and any Subcontractor with respect to the Work to be performed hereunder. Contractor shall require and shall cause all Subcontractors to perform their portions of the Work in accordance with the requirements of the Agreement. Nothing contained herein shall obligate Owner to pay any Subcontractor and Contractor shall be solely responsible for paying each Subcontractor and any other Person to whom any amount is due from Contractor in connection with the Work.

**3.1.2 Subcontract Third-Party Beneficiary.** In addition to the requirements set forth in Section 3.1.1, Contractor shall include in each subcontract entered into with Subcontractors the following language to make Owner an express third-party beneficiary of such subcontract:

“The parties hereto agree and acknowledge that the services/work/equipment to be provided hereunder by [subcontractor] will be incorporated into the transmission facilities being developed by [Owner]. As such, the parties expressly agree that Owner is a third-party beneficiary of this [Agreement] entitled, in its own name or in the name of [Contractor], to enforce this [Agreement] against [subcontractor].”

**3.1.3 Assignment.** No subcontract or purchase order shall bind or purport to bind Owner, but each subcontract entered into between Contractor and a Subcontractor with respect to the Work shall contain a provision permitting its assignment to Owner upon Owner’s written request, following default by Contractor or termination or expiration of this Agreement.

**3.1.4 Subcontractor Warranties.** Without in any way derogating Contractor’s representations and warranties and other testing requirements and guarantees set forth herein with respect to all of the Work, Contractor shall use reasonable efforts to obtain from all Subcontractors any representations, warranties, guarantees, and obligations offered by such Subcontractors and to negotiate the longest reasonably practicable warranty periods at no additional cost with respect to design, materials, workmanship, Equipment, tools, supplies, and other items furnished by such Subcontractors. Contractor shall assign all representations, warranties, guarantees, and obligations of all Subcontractors at the request and direction of Owner, and without recourse to Contractor, to Owner upon default by Contractor or termination or expiration of this Contract; provided, however, that, notwithstanding such assignment, Contractor shall be entitled to enforce each such representation, warranty, guaranty, and obligation so long as Contractor has any liability under this Agreement. Contractor hereby assigns to Owner, effective as of the end of the Warranty Period, all representations, warranties, guaranties and obligations of all Subcontractors.

## **3.2 Major Subcontracts.** [REDACTED]

Contractor shall (i) notify Owner of the proposed Major Subcontractor at the earliest practical point in its selection process and furnish to Owner all information reasonably requested by Owner with respect to Contractor's selection criteria (including copies of bid packages furnished to prospective Major Subcontractors and the qualifications of proposed Major Subcontractors) and (ii) notify Owner no less than fifteen (15) Business Days prior to the proposed date of execution of a Major Subcontract. Owner shall have the right to reject any proposed Major Subcontractor or Major Subcontract, and Contractor shall not enter into any Major Subcontract with a proposed Major Subcontractor rejected by Owner. Owner shall undertake in good faith to review the information provided by Contractor expeditiously and shall notify Contractor of any such rejection as soon as practicable after such decision is made. If at the end of the fifteen (15) Business Days after receipt of such information by Owner Contractor has not received notice of Owner's rejection of the proposed Major Subcontractor or Major Subcontract, Contractor shall have the right to execute such agreement with the proposed Major Subcontractor

Approval (or deemed approval) of any Major Subcontractor under this paragraph shall only be for the portion of the Work so approved. Contractor hereby acknowledges and agrees that the review and/or acceptance of any subcontract by Owner and the acceptance of the approved Major Subcontractors shall not (i) modify, in any way, the obligations of Contractor pursuant to the Agreement; or (ii) be raised as a claim or as a defense or counterclaim to any claim in connection with the Agreement.

#### **ARTICLE IV. CONTRACT PRICE**

##### **4.1 Contract Price.**

**4.1.1** As full consideration and payment to Contractor for completing and furnishing the Work, Owner agrees to pay Contractor an amount, equal to [ ] Dollars (\$[ ]), subject to any price adjustments as may arise from time to time pursuant to this Section 4.1.

##### **4.1.2**



**4.1.3** The following amounts and only the following amounts that may be payable to Contractor pursuant to the terms hereof are in addition to the Contract Price: (i) interest payable on overdue payments by Owner hereunder that are not being disputed by Owner; and (ii) indemnification payments pursuant to Article X. The Contract Price is stated in Canadian dollars and is not subject to adjustment for exchange rate fluctuations.

## **4.2 Taxes.**

**4.2.1 Contract Price.** The Contract Price is inclusive of any Tax, benefits and burdens of Persons with respect to the Work performed thereby. For greater certainty, the Contract Price includes Tax on all equipment and materials that are not conveyed to Owner as part of this Agreement.

**4.2.2 Contractor Taxes.** Except as otherwise provided herein, Contractor shall pay all Taxes payable by Contractor under Applicable Law, plus any Commodity Taxes (other than HST and real property Taxes as noted in Section 4.2.3) payable by Owner under Applicable Law as levied on the Work or in connection with Contractor's performance hereunder, including without limitation, applicable HST on all materials, supplies and equipment supplied to Contractor in respect of the Work or this Agreement, Taxes based on or related to the income, receipt, capital or net worth of Contractor, Contractor's or its Subcontractors' Labour or income, HST on Contractor owned, leased or rented equipment, all personal property taxes assessed, if any, by any Governmental Authority with respect to or against any Contractor equipment located at the Job Site, and any amounts related to licenses and permits required for Contractor to carry on business or perform any Work or deliver any goods (collectively, "Contractor Taxes"). Contractor will be responsible for any sales and use Tax related to the items purchased for their own consumption. Owner Taxes, shall be governed by the Section below, and shall not be included within the term "Contractor Taxes." Contractor and Owner agree that sales and use Taxes (or other similar transfer or transaction Taxes) will be governed by Section 4.2.4 below. Contractor shall cooperate with Owner to minimize Taxes. Contractor shall act as importer of record for all goods to be imported into Canada for consumption, use or supply in the performance of the Work and pay all Commodity Taxes in respect of such import.

**4.2.3 Owner Taxes.** Owner shall pay all real property Taxes assessed by the Province of Ontario against real property owned by Owner, plus all income and capital Taxes of the Owner. Except as set forth in the preceding sentence, all other Commodity Taxes payable by the Owner under Applicable Law are included in the Contract Price and shall deemed Contractor Taxes and the responsibility of Contractor to remit to the applicable Governmental Authority.

**4.2.4 Sales Tax and HST.** Owner and Contractor agree that this Agreement is a real property improvement contract. As such, Owner and Contractor acknowledge that the Contractor will be deemed the ultimate consumer of the materials and supplies used to perform the Work and will be responsible for paying the HST to Contractor's suppliers on all purchases. Contractor shall not bill the Owner any HST as a separate line item. Contractor agrees to take such action as may be reasonably required by Owner to allow any of the property included within the Project to qualify for any applicable Tax exemptions. Contractor shall, as required by Applicable Law, pay HST on materials and equipment, and Contractor shall pay HST on all materials and equipment physically incorporated in the Project, purchased by Contractor that are not subject to exemption. In the event that an assessment for HST is levied against Contractor on materials and equipment subject to exemption, Contractor shall promptly notify Owner and furnish to Owner a copy of such assessment. If Owner determines that the assessment should be contested and so notifies Contractor in writing, Owner may file such documents as are necessary to contest such assessment. Owner shall exclusively control any contest, assessment or other action regarding any such Taxes or assessments, or any penalties or interest in respect

thereof. Contractor shall cooperate with and assist Owner in any contest or proceeding relating to HST assessed or paid on materials and equipment included in this Agreement. In the event that Owner is required to pay additional Taxes, penalties or interest because Contractor failed to follow written instructions of Owner appropriately or to comply with its obligations under this Section 4.2, Contractor shall be responsible for the cost of such additional Taxes, penalties and interest within thirty (30) days of Owner's written request therefor. Contractor shall (and shall cause its Subcontractors to) provide to Owner all information and documentation necessary for Owner to recover any HST paid to Contractor.

**4.2.5 Tax Indemnity.** Owner shall not be obligated to pay, and shall be promptly reimbursed by Contractor if Owner does pay, any amounts of Taxes, penalties or interest charges levied or assessed by reason of any failure of Contractor to comply with Applicable Laws or Applicable Permits or governmental regulations, and Contractor shall indemnify and hold Owner Indemnified Parties (as defined in Section 10.1.1) harmless, on an After-Tax Basis, from the payment of any or all such Taxes, penalty, and interest and all costs, expenses, and charges (including legal fees) associated therewith or arising therefrom. Any limitations of Contractor liability present in other sections of this Agreement are not applicable to payments made by Contractor under this section. Contractor further agrees to provide to Owner, upon request, all forms and/or other documentation as may be required by Applicable Laws for purposes of Federal, provincial, county or municipal Tax reporting, including, but not limited to, certification(s) regarding residency.

**4.3 Payment of the Contract Price.** Owner shall pay the Contract Price to Contractor based on progress of completion of Activities in the Schedule of Values and made in accordance with the Cash Flow Table, subject to the terms and conditions hereof. Commencing after the Effective Date, Contractor shall, on the first (1st) day of a calendar month (or the following Business Day) following any month in which Contractor achieves completion of a Activity, Contractor may submit to Owner a request for payment (the "Request for Payment") (separating materials and labour) for each Activity completed during the previous month.

**4.4 Disputed Invoices.** If there is any Dispute about any amount invoiced by Contractor, the amount not in dispute shall be promptly paid, and any amount that is disputed in good faith by proper proceedings shall be paid if required following resolution of the Dispute.

**4.5 Holdback.** There shall be withheld as Holdback from each payment due and payable to Contractor hereunder ten percent (10%) of the amount of such payment in compliance with the Construction Lien Act. The Holdback shall be held by Owner as required by, and in accordance with, the Construction Lien Act. When Contractor believes that this Agreement has attained "substantial performance" pursuant to the Construction Lien Act, Contractor shall submit an application to Owner with respect to the issuance and publication of a "Certificate of Substantial Performance" of this Agreement as that term and process are defined in, and in accordance with the requirements of, the Construction Lien Act. No later than ten (10) days after the receipt of Contractor's application with respect to the issuance and publication of a "Certificate of Substantial Performance", Owner shall review the Work to verify the validity of such application, and no later than seven (7) days after completing the review, Owner shall notify Contractor whether the Agreement is substantially performed or not. Upon mutual agreement by the Parties that substantial performance has been attained, Owner and Contractor shall state the date of substantial performance in a certificate signed by them. Contractor shall publish the mutually signed certificate of substantial performance in accordance with the requirements of the Construction Lien Act. Any interest accruing on Holdback shall accrue for the account of Owner and not Contractor.

**4.5.1 Basic Holdback.** Within a reasonable time following the Final Acceptance Date, and provided that the forty-five (45) day lien period pursuant to the Construction Lien Act has expired, Contractor may prepare a Request for Payment for the Basic Holdback. Subject to the Owner's rights pursuant to this Agreement and provided that there are no pending claims under the Construction Lien Act or otherwise which Owner determines may be claimed against such monies, the release of the Basic Holdback authorized by this certificate shall be carried out provided that the Contractor has submitted to Owner the statutory

declarations of itself and all Major Subcontractors in the forms referenced in Exhibit BB-1 and Exhibit BB-2, respectively, and the Contractor has provided Owner with evidence of compliance with the provisions of the Workplace Safety and Insurance Act (Ontario) including payments due thereunder.

**4.5.2 Finishing Holdback.** Subject to Owner's rights pursuant to this Agreement, the release of the Finishing Holdback, by way of a further payment shall be carried out in accordance with the Construction Lien Act, provided that (i) there are no pending claims under the Construction Lien Act or otherwise which Owner determines may be claimed against such monies, and (ii) the Contractor has submitted to the Owner the statutory declarations of itself and all Major Subcontractors in the forms referenced in Exhibit BB-1 and Exhibit BB-2, respectively, and Contractor has provided Owner with evidence of compliance with the provisions of the Workplace Safety and Insurance Act (Ontario) including payments due thereunder.

**4.6 Conditions of Payment.** Contractor's right to receive any payment to be paid to it hereunder is conditioned upon (i) [REDACTED] (ii) Contractor's compliance with its obligations under Section 12.1.1 and (iii) in a form acceptable to Owner, (A) a Request for Payment in the form of Exhibit Y, (B) evidence of compliance with the provisions of the Workplace Safety and Insurance Act (Ontario) including payments due thereunder, (C) waiver of claims referenced in Section 2.18.4, (D) a duly executed Exhibit BB-1 Contractor's Statutory Declaration in the form of CCDC 9A, (E) Subcontractor's statutory declaration from all Major Subcontractors in the form of CCDC 9B, and (F) such other documentation as provided for under this Agreement or reasonably requested by Owner. Each Request For Payment shall provide, for each Activity in the Schedule of Values, 1) the value attributed to the applicable Activity which had been previously paid by Owner, 2) the value attributed to the applicable Activity which had been earned during the month for which the applicable Request for Payment is being submitted, 3) the total value attributed to the applicable Activity which has been earned to date and 4) the total value of the applicable Activity. In addition, as a condition to Contractor's right to receive any payment to be paid hereunder, with each such Request for Payment Contractor will submit evidence of completion of all Activities required to be achieved prior to such payment. Within [REDACTED] days after its receipt of a Request for Payment, provided that Contractor has satisfied the foregoing conditions and Contractor has delivered the Letter of Credit required pursuant to Section 2.22, and provided that no Lien is preserved that has not been satisfied, discharged or vacated as provided in this Agreement, and that there are no pending claims under the Construction Lien Act (other than Contractor's claim for the Holdback) or otherwise which may be claimed against such monies, Owner shall pay to Contractor the amount that remains after the deduction from the amount requested in the applicable Request for Payment of the following amounts: (A) any portion thereof that Owner disputes as not being due and owing, (B) any overpayment made by Owner for any previous period, (C) any Delay Liquidated Damages (including interest thereon) payable by Contractor, (D) any amounts withheld pursuant to Section 4.5 and Section 4.7 and (E) any costs incurred by Owner in enforcing any provision hereof (including legal fees and other consultants' fees) regardless of whether such provisions expressly provide for withholding or set-off (the "Progress Payment"). Owner shall not be obligated to make more than one (1) Progress Payment during each month. [REDACTED]

**4.7 Withholding Payment.** Notwithstanding any other provision to the contrary contained herein, Owner may withhold payments to Contractor hereunder and Owner may decide not to certify payment or may nullify the whole or a part of a certification for payment made pursuant to a previous Request for Payment to such extent as may be necessary in Owner's reasonable opinion to protect Owner from loss because of: (i) Defects in the Work not remedied; (ii) any Lien described in Section 2.18; (iii) the failure of Contractor to make payments when due to Subcontractors; (iv) damage to Owner or another contractor, for which Contractor is liable, including damage to the property of Owner or any of its Affiliates; (v) Contractor's or any Subcontractor's failure to carry out the Scope of Work in accordance with the Agreement; (vi) the occurrence of a Contractor Event of Default; (vii) a good faith determination by Owner that Contractor cannot, with prompt and reasonable acceleration of the Work, achieve Provisional Acceptance by the applicable



Guaranteed Provisional Acceptance Date; (viii) Contractor's failure to deliver any item required to be delivered by Contractor hereunder to Owner on or before the date such item is scheduled to be delivered. Contractor shall not have any rights of termination or suspension hereunder as a result of Owner's exercise or attempted exercise of its rights under this Section 4.7; or (ix) withholdings as required by Applicable Law. Subject to Applicable Law, Owner shall release payments withheld pursuant to this Section 4.7 within thirty (30) days from the date when Contractor cures all such events or breaches to the satisfaction of Owner.

**4.8 Intentionally Left Blank.**

**4.9 Termination Payment.**

**4.9.1 Termination Payments Due to Contractor.** Upon a termination of this Agreement pursuant to Section 13.2 or Section 13.3 on or after the date of this Agreement, Contractor shall be entitled to a payment (the "Termination Payment"), which shall equal (but in no event exceed the Contract Price less payments of the Contract Price made hereunder) the sum of the following, without duplication: (i) that portion of the Contract Price that is applicable to Work completed up to the date of termination that has not previously been paid to Contractor (as determined below); (ii) the expenses reasonably incurred by Contractor in withdrawing Contractor's Equipment and personnel from the Job Site and in otherwise demobilizing; and (iii) the expenses reasonably incurred by Contractor in terminating contracts with Subcontractors pertaining to the Work (excluding fees of any Affiliates of Contractor), except to the extent Owner has instructed Contractor not to terminate such contracts, in which event such contract will be assigned to Owner, subject to Owner's assumption of same. The Termination Payment shall not include any costs incurred by Contractor after the date of the event giving rise to such termination that Contractor reasonably could have mitigated. Contractor shall use all reasonable diligent efforts to mitigate the costs associated with termination of this Agreement, including identifying and pursuing other uses for Equipment or supplies manufactured or obtained pursuant to this Agreement.

**4.9.2 Payment of Termination Payment.** Contractor shall submit an invoice to Owner for the Termination Payment with the supporting information and documentation of any fees or expenses claimed by Contractor pursuant to Section 4.9.1. Upon review and agreement that such invoice is proper, Owner shall pay such invoice within [REDACTED] days after its receipt of same unless it disputes in good faith certain elements thereof, in which event only the undisputed portion of the Termination Payment need be made within such [REDACTED] day period, provided that payments for termination under Section 13.3 shall be due Contractor within [REDACTED] days after receipt of a substantiated invoice and Owner's receipt of any and all Equipment and Work under Section 13.3 and Section 13.5. As a condition precedent to receiving any Termination Payment, Contractor shall comply with Section 13.4 in its entirety and deliver to Owner the additional documentation referenced in Section 4.6.

**4.9.3 Termination Payment Contractor's Sole Remedy.** Payment of the Termination Payment shall be the sole and exclusive liability of Owner, and the sole and exclusive remedy of Contractor, with respect to termination of this Agreement under Section 13.2 or Section 13.3, and in such event Owner shall have no further liability to Contractor notwithstanding the actual amount of damages that Contractor may have sustained in connection with such termination. Calculation of the Termination Payment has been agreed upon hereunder because of the difficulty of ascertaining the exact amount of such damages Contractor will actually sustain in the event of a termination of this Agreement pursuant to Section 13.2 or Section 13.3, and Owner and Contractor agree that the calculation of the Termination Payment is fair and reasonable. If this Agreement is cancelled pursuant to Section 13.1, no Termination Payment shall be due and payable pursuant to this Section 4.9 from Owner and any payment to Contractor shall be computed solely in accordance with Section 13.1.

**4.10 Effect of Payment.** Payment of the Contract Price shall not constitute Owner's approval of any portion of the Work that has been determined not to be, or subsequently is determined not to have been, performed in accordance with the requirements of the Agreement.

**4.11 Set-off.** Owner may deduct and set-off against any part of the balance due or to become due to Contractor under this Agreement (i) any Delay Liquidated Damages due or accrued but not paid from Contractor to Owner hereunder, (ii) any Holdback held by Owner, and (iii) any other amounts that are due from Contractor to Owner under or in connection with this Agreement.

**4.12 Payment Dates.** Notwithstanding anything to the contrary in this Article IV, in the event that a payment to be made under this Agreement falls due on any day that is not a Business Day, the payment shall be deemed due on the first Business Day thereafter.

**4.13 No Payment During Contractor Event of Default.** Notwithstanding any other provision to the contrary contained herein, Owner shall have no obligation to make any payment to Contractor at any time when a Contractor Event of Default has occurred and is continuing.

## **ARTICLE V. OWNER RESPONSIBILITIES**

**5.1 Owner-Furnished Equipment.** Owner shall provide or cause to be provided all Owner-Furnished Equipment in accordance with the delivery schedule therefor set forth in Exhibit N.

**5.2 Permits.** Owner shall, with Contractor's reasonable assistance (to be provided at no cost to Owner), timely obtain and maintain, at its own cost and expense, all Owner Permits as set forth in Exhibit H. In addition, Owner shall execute, at no cost to Owner, such applications as Contractor may reasonably request in connection with obtaining any of the Contractor Permits.

## **ARTICLE VI. PROVISIONAL ACCEPTANCE; FINAL ACCEPTANCE; DELAY LIQUIDATED DAMAGES**

**6.1 Intentionally Left Blank.**

**6.2 Intentionally Left Blank.**

**6.3 Intentionally Left Blank.**

**6.4 Provisional Acceptance.**

**6.4.1 Achievement of Provisional Acceptance.** Contractor shall cause Provisional Acceptance of the Work to occur on or prior to the applicable Guaranteed Provisional Acceptance Date. If Contractor fails to achieve Provisional Acceptance by the applicable Guaranteed Provisional Acceptance Date, Contractor shall pay to Owner Delay Liquidated Damages pursuant to Section 6.9. On the date on which Contractor believes it has achieved Provisional Acceptance, Contractor shall prepare and submit to Owner a completed Provisional Acceptance Certificate for such portion of the Work. Such Provisional Acceptance Certificate shall include a report containing all information relevant to the achievement of Provisional Acceptance, which report shall be in a form reasonably acceptable to Owner, with sufficient detail to enable Owner to corroborate that Provisional Acceptance has been achieved.

**6.4.2 Confirmation of Provisional Acceptance.** By the close of the fifteenth (15) Business Day following the date on which the Provisional Acceptance Certificate is received by Owner, Owner shall review and inspect all Work and shall either (i) countersign and deliver to Contractor the Provisional Acceptance Certificate, or (ii) notify Contractor that Provisional Acceptance has not been achieved. Any notice issued pursuant to clause (ii) above shall state in detail Owner's reasons for determining that Contractor has not achieved Provisional Acceptance. If Owner determines that Provisional Acceptance has not been achieved and delivers the notice under the preceding clause (ii), Contractor promptly shall take such

action, including the performance of additional Work, as will achieve Provisional Acceptance thereof. Upon completing such actions, Contractor shall issue a new Provisional Acceptance Certificate for such Work for reconsideration by Owner. Such procedure shall be repeated as necessary until Provisional Acceptance has been achieved for such Work. For all purposes of this Agreement, the date and time of achievement of Provisional Acceptance for any portion of the Work shall be the date and time the Provisional Acceptance Certificate ultimately accepted by Owner was submitted to Owner after achievement of Provisional Acceptance.

**6.5 Intentionally Left Blank.**

**6.6 Punch List.**

**6.6.1** No later than thirty (30) days before the Provisional Acceptance Date, Contractor shall prepare and submit to Owner a comprehensive list of the Punch List Items to be completed for the Work to reach Final Acceptance. Contractor shall make such revisions such list as and when requested by Owner from time to time. Contractor shall complete the Punch List Items within thirty (30) days after the Provisional Acceptance Date.

**6.6.2** Upon request of Owner, the Parties shall reasonably agree upon the commercial value of all Punch List Items that have not been completed. The Parties agree that with respect to Punch List Items that remain uncompleted and which are preventing Final Acceptance, it may be more expedient for Owner to complete any or all of the Punch List Items, at its election and option.



**6.7 Final Acceptance.**

**6.7.1 Achievement of Final Acceptance.** Contractor shall cause Final Acceptance to occur on or before the Guaranteed Final Acceptance Date and otherwise in accordance with the requirements of the Agreement. Upon satisfaction of all requirements for Final Acceptance, Contractor shall provide Owner with a Final Acceptance Certificate with respect to the achievement of such activity. Such Final Acceptance Certificate shall include a report containing all information relevant to the achievement of Final Acceptance, which report shall be presented in a form reasonably acceptable to Owner, with sufficient detail to enable Owner to determine that Contractor has achieved Final Acceptance.

**6.7.2 Confirmation of Final Acceptance.** Within thirty (30) days following the date on which the Final Acceptance Certificate is received by Owner, Owner shall review and inspect the Work and shall either (a) deliver to Contractor a countersigned Final Acceptance Certificate indicating its acceptance of the achievement of Final Acceptance, or (b) notify Contractor in writing that such Final Acceptance has not been achieved, stating in detail the reasons therefor. If Owner delivers the notice under the preceding clause (b), Contractor shall promptly take all actions necessary, including the performance of additional Work, to achieve Final Acceptance, and upon completion of such actions shall issue to Owner another Final Acceptance Certificate pursuant to this Section 6.7.2. Such procedure shall be repeated as necessary until Final Acceptance has been achieved. For all purposes of this Agreement, the date of achievement of Final Acceptance shall be the date on which Contractor delivers to Owner the Final Acceptance Certificate that Owner ultimately accepts after achievement of Final Acceptance.

**6.8 Completion Deadlines.** Time is of the essence in Contractor's performance of its obligations under this Agreement. Without duplication or limitation of the foregoing or any other provisions of the

Agreement, Contractor shall do whatever is commercially necessary to perform the Work in full compliance with the Agreement so that the performance of the Work satisfies all of the conditions of Provisional Acceptance and Final Acceptance by the guaranteed date for the applicable milestone.

## **6.9 Delay Liquidated Damages.**

### **6.9.1 Obligation to Pay.**

(a) Owner and Contractor acknowledge and agree that any failure to achieve Provisional Acceptance on or before the applicable Guaranteed Provisional Acceptance Date will directly cause substantial damage to Owner, which damage cannot be ascertained with reasonable certainty. Accordingly, if Contractor fails to achieve Provisional Acceptance for any portion of the Work on or before the applicable Guaranteed Provisional Acceptance Date, it shall pay to Owner, as liquidated and agreed damages, an amount (collectively, the “Provisional Acceptance Delay Liquidated Damages”) equal to [REDACTED] for each day (or portion thereof) of delay beyond the applicable Guaranteed Provisional Acceptance Date, commencing with the first calendar day after such Guaranteed Provisional Acceptance Date.

(b) Owner and Contractor acknowledge and agree that any failure of the Transmission Facilities to satisfy the Operational Tests between the Provisional Acceptance Date and Final Acceptance will directly cause substantial damage to Owner, which damage cannot be ascertained with reasonable certainty. Accordingly, if the Transmission Facilities fail to satisfy the Operational Tests between the Provisional Acceptance Date and Final Acceptance, Contractor shall pay to Owner, as liquidated and agreed damages, an amount (collectively, the “Late Delivery Delay Liquidated Damages” together with the Provisional Acceptance Liquidated Damages, the “Delay Liquidated Damages”) equal to [REDACTED] for each day (or portion thereof) of delay between the Provisional Acceptance Date and Final Acceptance that the Transmission Facilities fail to satisfy the Operational Tests, commencing with the first calendar day after the date the Transmission Facilities are first interconnected with the high voltage facilities of Utility in accordance with the Utility’s interconnection requirements.

(c) The amount of Delay Liquidated Damages shall not exceed [REDACTED] of the Contract Price (the “LD Cap”). Except as set forth in Section 6.9.2, payment of Delay Liquidated Damages in accordance with this Section 6.9.1 shall constitute Contractor’s sole liability, and Owner’s exclusive remedy, for delay in achieving Provisional Acceptance or failure of the Transmission Facilities to satisfy the Operational Tests between the Provisional Acceptance Date and Final Acceptance, as applicable, but in no event shall excuse Contractor from performance of any of its other obligations hereunder, including the obligation of Provisional Acceptance and Final Acceptance to occur. Notwithstanding the foregoing, if Contractor fails to: (i) achieve Provisional Acceptance by the first to occur of (A) the date that is [REDACTED] days after the Guaranteed Provisional Acceptance Date, and (B) the date that Provisional Acceptance Delay Liquidated Damages payable hereunder reaches the LD Cap; or (ii) achieve Final Acceptance by the first to occur of (1) the date that is [REDACTED] days after the Guaranteed Final Acceptance Date and (2) the date that Late Delivery Delay Liquidated Damages payable hereunder reaches the LD Cap, such failure shall automatically constitute a Contractor Event of Default under Article XIII and Owner shall be entitled to any and all remedies afforded Owner under this Agreement.

**6.9.2 Fair and Reasonable Amount.** It is understood and agreed between the Parties that the terms, conditions and amounts fixed pursuant to this Article VI as Delay Liquidated Damages are fair and reasonable, considering the damages that Owner would sustain if (i) Provisional Acceptance is delayed beyond the applicable Guaranteed Provisional Acceptance Date or (ii) failure of any of the Transmission Facilities to satisfy the Operational Tests between the Provisional Acceptance Date and Final Acceptance, as applicable, and that these amounts are agreed upon and fixed as liquidated damages, and not as a penalty, because of the difficulty of ascertaining the exact amount of damages that would be sustained as a result of (a) delay in achieving Provisional Acceptance or (b) failure of any of the Transmission Facilities to satisfy the Operational Tests between the Provisional Acceptance Date and Final Acceptance.

**6.9.3 Accrual; Payment.** After the end of any week during which Delay Liquidated Damages accrue under this Section 6.9, Owner may provide Contractor with a statement of the amount of Delay Liquidated Damages owed for such week. Contractor shall pay any Delay Liquidated Damages within seven (7) days after receipt of such statement(s). Contractor's obligation to pay Delay Liquidated Damages when and as provided in this Section 6.9 is an absolute and unconditional obligation, and shall not be released, discharged, diminished, or in any way affected by (i) any default by Owner in the performance or observance of any of its obligations hereunder, provided that Owner has paid all undisputed amounts due to Contractor hereunder, (ii) the assignment by Owner of the Agreement to any Person, or (iii) any other circumstances, happening, condition or event. Contractor shall pay such Delay Liquidated Damages without deduction, set-off, reduction or counterclaim. Contractor shall continue to make such payments of Delay Liquidated Damages until achievement of Final Acceptance, at which time Contractor shall pay all previously accrued and unpaid Delay Liquidated Damages amounts. Contractor shall pay Delay Liquidated Damages required hereunder by wire transfer. In no event shall the payment of Delay Liquidated Damages excuse Contractor from performance of any of its other obligations hereunder, including the obligation to cause Provisional Acceptance or Final Acceptance to occur.

**6.10 Offset Rights; Security for Obligations.** Owner shall have the right to offset any amounts owing to Owner under this Article VI against Progress Payments or other amounts owing to Contractor and to exercise its rights against any security provided to Owner hereunder by or for the benefit of Contractor, in such order as Owner may elect in its sole discretion.

## **ARTICLE VII. WARRANTIES**

### **7.1 Warranty Provisions.**

#### **7.1.1 Warranty.**

(a) Contractor warrants to Owner that all Equipment (other than Owner-Furnished Equipment) shall (i) be new, unused and undamaged when installed, (ii) be free from improper workmanship and Defects, (ii) conform to all applicable requirements of all Additional Contractor Responsibilities, Applicable Laws, Applicable Permits, Applicable Standards, Prudent Electrical Industry Practices and the Agreement and (iii) be suitable for Owner's use in the Transmission Facilities in accordance with Owner's intended purposes.

(b) Contractor warrants to Owner that the Work will be performed in a good and workmanlike manner, and that the Work: (i) will conform to, and be designed (to the extent of Contractor's design responsibilities set forth in the Technical Specifications), and constructed in accordance with, all Applicable Laws, Applicable Permits, Applicable Standards, Prudent Electrical Industry Practices and the other terms and requirements of the Agreement; and (ii) will be constructed to operate, and shall be capable of being operated, safely, normally and continuously in accordance with the requirements of all Applicable Laws, Applicable Permits and the Agreement at all operating levels and modes specified in the Agreement and the Drawings.

(c) Except as expressly stated herein to the contrary, Contractor agrees to remedy any Defects or breach of any warranty set forth in this Section 7.1.1 which appear within a period of [REDACTED] following Final Acceptance (as such period may be extended in accordance with the terms hereof) (the "Warranty Period"); provided, however, that if any portion of the Work is remedied pursuant to this Section, then the Warranty Period with respect to such Work shall be continued until the later of (i) the expiration of the Warranty Period and (ii) [REDACTED] from the date of completion of such remedying Work; provided, however, in no event shall the Warranty Period extend beyond [REDACTED] from the Final Acceptance Date, except for serial component failures set forth in Section 7.1.1(d). The provisions of



this Section apply to Work performed by Subcontractors as well as Work performed directly by Contractor. Contractor shall bear all costs and expenses associated with remedying any Defect or breach of warranty, including, without limitation, necessary disassembly, removal, replacement, transportation, reassembly and retesting, as well as reworking, repair or replacement of such Work and any portion of the Work affected by such the Defect or breach of warranty, disassembly and reassembly of piping, ducts, structures, electrical work, instrumentation, insulation, machinery, Equipment, any obstruction or other work as necessary to give access to the Defect or the affected Work and correction, removal or repair of any damage to other work or property that arises from the Defect or breach of warranty (including, without limitation, costs of cranes and dunnage). If Contractor is obligated to repair, replace or renew any Equipment, item or portion of the Work hereunder, Contractor will, at its sole costs and expenses, undertake a technical analysis of the problem and correct the “root cause” unless Contractor can demonstrate to Owner’s satisfaction that there is not a risk of the reoccurrence of such problem.

(d)



**7.1.2 Correction of Deficiencies.** Owner shall provide Contractor with reasonable access to the Work in order to perform its obligation under this Article, and the Parties shall schedule such remedying Work as necessary so as to minimize disruptions to the operation of the Project. No such remedying Work shall be considered complete until Owner shall have reviewed and accepted such Work in writing.

**7.1.3 Conformance of Warranty Service to Specifications.** Contractor warrants in favour of Owner that all materials and equipment incorporated into the Work as part of repairs to and replacements of the Work by Contractor or any Subcontractor, and repairs to and replacements of the Work pursuant to the warranties set forth in this Section 7.1, shall conform to the requirements of the Agreement and all applicable warranties for the foregoing and shall be free from Defects. Contractor shall perform, at its cost and expense, such tests as Owner may reasonably request to verify that any correction, repair, replacement or re-performance of the Work pursuant to this Article complies with the requirements of the warranties set forth in this Section 7.1.

**7.1.4 Risk of Loss or Damage.** Whenever Contractor is required to repair or replace Work pursuant to this Article VII, Contractor shall bear the risk of loss or damage (including, without limitation, all insurance related thereto, provided that such insurance is maintained in accordance with the requirements set forth in Article XII) for such Work during the period of such repair or replacement. If any Work must be removed from the Job Site, transportation charges associated with any repair or replacement shall be borne by Contractor.

**7.2 Delay.** If, after notification of a Defect or breach of warranty, Contractor fails to mobilize to commence remedying such Defect or breach of warranty (and performing its other obligations under Section 7.1.1(c)) within five (5) days after notice thereof or if in Owner’s sole opinion shall thereafter fail to diligently continue remedying to completion such Defect or breach of warranty and performing such obligations, then Owner may correct such Defect or breach of warranty and perform such obligations, and Contractor shall be liable for all costs, charges and expenses incurred by Owner in connection with such remedying Work and

performance of such obligations and shall pay to Owner an amount equal to such costs, charges and expenses within thirty (30) days after demand therefor. Any remedying Work performed by Owner or its contractors pursuant to this Section shall not affect the warranties herein or Contractor's warranty obligations hereunder, shall be deemed to have been performed by Contractor hereunder and shall be subject to extended Warranty Periods in accordance with Section 7.1.1(c).

### **7.3 Subcontractor Warranties.**

**7.3.1** Contractor shall, for the protection of Contractor and Owner, obtain from the Subcontractors such guarantees and warranties with respect to Work performed as are reasonably obtainable, which guarantees and warranties shall equal or exceed those set forth in Section 7.1 and shall be made available and assignable to Owner and the Financing Parties to the full extent of the terms thereof upon the expiration of the Warranty Period. Owner shall be an express third-party beneficiary of all such guarantees and warranties. To the extent available, Owner shall have the right to require Contractor to secure additional warranty or extended guarantee protection pursuant to a Scope Change Order issued in accordance with the provisions of Article IX. Upon the earlier of the expiration of the Warranty Period or termination of this Agreement, Contractor shall deliver to Owner copies of all relevant contracts providing for such guarantees and warranties.

**7.3.2** Contractor shall be responsible for enforcing the warranties of all Subcontractors through the Warranty Period unless Owner requests that any such warranties be assigned to it at an earlier date. Upon the earlier of the expiration of the Warranty Period or termination of this Agreement, Contractor shall assign to Owner all warranties received by it from Subcontractors or otherwise obtained under Section 7.3.1. Contractor shall provide reasonable assistance to Owner without cost to Contractor in connection with the enforcement by Owner of any Subcontractor warranty after such assignment. Such assignment of warranties to Owner must also allow Owner to further assign such warranties. However, in the event that Owner makes any warranty claim against Contractor with respect to services supplied in whole or in part by any Subcontractor, and Contractor fulfills its obligations with respect to such claim by Owner, Contractor shall be entitled to enforce for its own benefit any warranty given by such Subcontractor with respect to such services.

**7.4 Proprietary Rights.** Without limiting any of the provisions of the Agreement and notwithstanding any provision herein to the contrary, if Owner or Contractor is prevented from completing the Work (or any part thereof) in accordance with the Agreement or from the use, operation repair, maintenance, alteration, expansion, rebuilding or enjoyment of the Work (or any part thereof) as a result of a claim, action or proceeding by any Person for unauthorized disclosure, infringement or use of Intellectual Property Rights arising from Contractor's performance (or that of its Subcontractors) under the Agreement or any Intellectual Property Right or Contractor Deliverable transferred or licensed to Owner hereunder, Contractor shall promptly, but in no event later than thirty (30) days from the date of any action or proceeding, take all actions necessary to remove such impediment, including (a) secure termination of the injunction and procure for Owner or its assigns, as applicable, the right to use such materials, Equipment or Contractor Deliverable in connection with the completion, repair, operation, maintenance, alteration, rebuilding or expansion of the Work without obligation or liability; or (b) replace such materials, Equipment, or Contractor Deliverable, with a non-infringing equivalent, or modify same to become non-infringing, all at Contractor's sole expense, but subject to all the requirements of the Agreement.

**7.5 No Implied Warranties.** THE WARRANTIES SET FORTH IN THIS AGREEMENT ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, FOR PERFORMANCE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE. THERE ARE NO OTHER WARRANTIES, AGREEMENTS, ORAL OR WRITTEN, OR UNDERSTANDINGS WHICH EXTEND BEYOND THOSE SET FORTH IN THIS AGREEMENT WITH RESPECT TO THE WARRANTED WORK, MATERIALS AND EQUIPMENT.

**7.6 Survival of Warranties.** The provisions of this Article VII shall survive the expiration or

termination of this Agreement.

## **ARTICLE VIII.**

### **FORCE MAJEURE/OWNER CAUSED DELAY/CHANGE IN APPLICABLE LAW**

**8.1 Performance Excused.** So long as the conditions set forth in this Section 8.1 are satisfied, neither Party shall be responsible or liable for or deemed in breach of this Agreement because of any failure or delay in complying with its obligations under or pursuant to the Agreement to the extent that such failure has been caused, or contributed to, by one or more Force Majeure Events or its effects or by any combination thereof, and in such event:

(a) The Party claiming a Force Majeure Event shall give the other Party notice describing the particulars of the cause and nature of the occurrence, with written notice given promptly after the occurrence of the Force Majeure Event, and in no event more than five (5) Business Days after the affected Party becomes aware of such occurrence and as soon as reasonably practicable, but in any case within ten (10) Business Days after such occurrence, the Party claiming a Force Majeure Event shall give the other Party sufficient proof of the occurrence of such Force Majeure Event and written notice estimating the Force Majeure Event's expected duration and probable impact on the performance of such Party's obligations hereunder, and such affected Party shall continue to furnish timely regular reports with respect thereto during the continuation of the Force Majeure Event;

(b) The performance of the Party claiming the Force Majeure Event of its obligations hereunder shall be suspended, provided the suspension of performance shall be of no greater scope and of no longer duration than is reasonably required by the effects of the Force Majeure Event;

(c) Any liability of either Party, which arose before the occurrence of the Force Majeure Event causing the suspension of performance, shall not be excused as a result of the occurrence;

(d) The affected Party shall continually exercise all commercially reasonable efforts to alleviate and mitigate the cause and effect of such Force Majeure Event, remedy its inability to perform and limit damages to the other Party;

(e) The affected Party shall use all reasonable efforts to continue to perform its obligations hereunder and to correct or cure the event or condition excusing performance; and

(f) When the affected Party is able to resume performance of the affected obligations under the Agreement, that Party shall give the other Party written notice to that effect, and the affected Party promptly shall resume performance under the Agreement.

So long as the conditions set forth in this Section 8.1 are satisfied, Contractor shall be entitled to suspension of performance or extension of time (including an extension of the applicable Guaranteed Provisional Acceptance Date to the extent achievement thereof is affected) with respect to a Force Majeure Event to the extent agreed upon by both Parties pursuant to a Scope Change Order under Article IX. A Party's failure to comply with the provisions of this Section 8.1 shall constitute a waiver of any claim of a Force Majeure Event.

**8.2 Owner Caused Delay.** In the event Contractor desires to claim an Owner Caused Delay, Contractor shall within three (3) Business Days after it becomes aware of the Owner Caused Delay, give Owner written notice describing the details of the Owner Caused Delay, the anticipated length of such delay and any other effect on Contractor's performance of its obligations hereunder. Within ten (10) days after initial notification, Contractor shall provide to Owner demonstrable proof (i) of the occurrence and duration of such Owner Caused Delay and (ii) that such Owner Caused (x) prevents Contractor from performing all or a portion of the Work, (y) has a demonstrable material cost increase to Contractor and (z) has a schedule impact

that will actually, demonstrably, adversely and materially affect Contractor's ability to complete the Critical Path of the Work by the required dates. So long as the conditions set forth in this Section 8.2 are satisfied, Contractor shall be entitled to suspension of performance or extension of time with respect thereto, together with an increase in the Contract Price for its demonstrated, justified and reasonable additional costs, incurred by reason of such delay to the extent agreed upon by both Parties pursuant to a Scope Change Order issued in accordance with the provisions of Article IX, provided that: (A) such suspension of performance and extension of time shall be of no greater scope and of no longer duration than is required by the effects of the Owner Caused Delay; (B) Contractor provides timely notice of the Owner Caused Delay; and (C) Contractor shall continually exercise all commercially reasonable efforts to alleviate and mitigate the cause and effect of such Owner Caused Delay, remedy its inability to perform and limit damages to Owner. Contractor's failure to comply with the terms of this Section 8.2 shall constitute a waiver of any claim of an Owner Caused Delay.

**8.3 Change in Applicable Law.** In the event Contractor desires to claim a Change in Applicable Law, Contractor shall within five (5) Business Days after it becomes aware of the Change in Applicable Law, give Owner written notice describing the details of the Change in Applicable Law, the anticipated length of such delay and any other effect on Contractor's performance of its obligations hereunder. Within ten (10) days after initial notification, Contractor shall provide to Owner demonstrable proof (i) of the occurrence and duration of such Change in Applicable Law and (ii) that such Change in Applicable Law (x) prevents Contractor from performing all or a portion of the Work, (y) has a demonstrable material cost increase to Contractor and (z) has a schedule impact that will actually, demonstrably, adversely and materially affect Contractor's ability to complete the Critical Path of the Work by the required dates. So long as the conditions set forth in this Section 8.3 are satisfied, Contractor shall be entitled to suspension of performance or extension of time with respect thereto, an adjustment (whether an increase or a decrease) in the Contract Price for its demonstrated, justified and reasonable costs, incurred or not incurred by reason of such delay to the extent agreed upon by both Parties pursuant to a Scope Change Order issued in accordance with the provisions of Article IX, provided that: (A) such suspension of performance and extension of time shall be of no greater scope and of no longer duration than is required by the effects of the Change in Applicable Law; (B) Contractor provides timely written notice of the Change in Applicable Law; and (C) Contractor shall continually exercise all commercially reasonable efforts to alleviate and mitigate the cause and effect of such Change in Applicable Law, remedy its inability to perform and limit damages to Owner. Contractor's failure to comply with the terms of this Section 8.3 shall constitute a waiver of any claim of a Change in Applicable Law.

**8.4 Burden of Proof.** The burden of proof as to whether a Force Majeure Event, Owner Caused Delay, or Change in Applicable Law has occurred and whether the Force Majeure Event or Owner Caused Delay or Change in Applicable Law excuses the claiming Party from performance under Section 8.1, Section 8.2 or Section 8.3 shall be upon the Party claiming such Force Majeure Event or Owner Caused Delay.

## **ARTICLE IX. SCOPE CHANGES**

**9.1 Scope Changes at Owner's Request.** Owner may, from time to time, without invalidating this Agreement, order or approve scope changes in all or a portion of the Work or changes in the Project Schedule (collectively, "Scope Changes") by notification in writing to Contractor. Contractor shall make a written response thereto within ten (10) days after receiving such request. If Contractor believes that giving effect to any Scope Change requested by Owner will increase or decrease its cost of performing the Work, shorten or lengthen the time needed for completion of the Work or require a modification of any provisions of the Agreement, its response to the Scope Change request shall set forth such changes (including any amendments to the Agreement) that Contractor deems necessary as a result of the requested Scope Change and its justification therefor. If Contractor accepts the Scope Changes requested by Owner (together with any amendments to the Agreement specified therein) or if the Parties agree upon a modification of such requested Scope Changes, the Parties shall set forth the agreed upon Scope Change in the Work and agreed upon amendments to the Agreement, if any, in a Scope Change Order. Each Scope Change Order shall constitute a

final settlement of all items covered therein, including any schedule relief or compensation for any impact on, or delay or acceleration in, performing the Work. If the Parties do not agree upon all terms of the Scope Change Order, Contractor shall proceed with such Work, and the dispute shall be resolved in accordance with the terms hereof.

**9.2 No Unapproved Scope Changes.** Contractor shall not perform any Scope Changes until Owner has approved in writing the proposed adjustments or has expressly authorized Contractor in writing to perform the Scope Change prior to such approval. If Owner does not approve the proposed adjustments and Contractor and Owner are unable mutually to agree upon alternative adjustments, Owner may by written notice to Contractor cancel the Scope Change. Upon receiving from Owner such written approval or such written authorization to perform, Contractor shall diligently perform the Scope Change in accordance with and subject to all of the terms of the Agreement. Scope Changes are processed in accordance with Exhibit V-2.

**9.3 Presumption Against Scope Changes.** It is the intent of Owner and Contractor that the Scope of Work attached hereto as Exhibit A and the Technical Specifications includes all items necessary for the proper execution and completion of the Work. As more particularly described in Section 2.1, Work not described in the Scope of Work shall not require a Scope Change Order if such Work is consistent with and reasonably inferable from the Scope of Work, so that a contractor of Contractor's experience and expertise should have anticipated that the Work would have been required. Within ten (10) days of Contractor's becoming aware of any event or circumstance for which Contractor may be entitled to a Scope Change Order, Contractor shall provide written notice to Owner specifically requesting a Scope Change Order, which notice must provide in detail all claims to be made by Contractor related to such event or circumstance, including any schedule relief or compensation for any impact on, or delay or acceleration in, performing the Work. Contractor's failure to provide written notice to Owner of any claim related to such event or circumstance within such ten (10) day period shall constitute a waiver of such claim.

**9.4 Scope Changes Due to Concealed Conditions.** In accordance with and subject to Section 4.1.2, if the actual quantities used in performance of the Work vary from estimated quantities, then the Contract Price shall be adjusted (whether increased or decreased) in accordance with the unit rates set forth in Exhibit B hereto.

Contractor shall notify Owner of the existence of such unknown and unforeseen subsurface condition in accordance with the Scope Change process outlined in Exhibit V-2 with written notice in the form of Exhibit V-3 with respect to such unknown and unforeseen subsurface condition at the Job Site.

Owner in its sole discretion may either (x) issue a Scope Change Order to address such condition (by either abandoning such layout location or adapting the design and plan to accommodate the conditions encountered), pursuant to which Contractor shall be entitled to an extension of the time to perform the Work hereunder, which extension shall be for an equitable duration designed to reflect the delay actually caused by such condition and/or an increase in the Contract Price or (y) terminate this Agreement pursuant to Section 13.3. Contractor specifically waives the right to make any such claims with respect to the relevant portion of the Job Site (a) after the expiration of ten (10) day period set forth in this Section 9.4 or (b) if Contractor failed to comply with the Scope Change process outlined in Exhibit V-2 with written notice in the form of Exhibit V-3. Except as set forth in this Section 9.4, Contractor assumes the risk of surface and subsurface conditions at the Job Site and shall not be entitled to an extension of the Work Schedule or an increase in the Contract Price as a result thereof.



## **9.5 Scope Changes Caused by a Force Majeure Event, Owner-Caused Delay or Change in Applicable Law.**

**9.5.1** Owner and Contractor may, by written notice to the other Party, propose Scope Changes in the Work or the Project Schedule due to a Force Majeure Event, Owner Caused Delay or Change in Applicable Law. If Owner agrees that Contractor has met all of the applicable condition precedents for a requested Force Majeure Event, Owner Caused Delay or Change in Applicable Law, as applicable, including, without limitation, Contractor establishing there is a material impact that will actually, demonstrably, adversely and materially affects the Critical Path as a result of such Force Majeure Event, Owner Caused Delay or Change in Applicable Law, then the Parties agree to negotiate reasonably and in good-faith for the execution of a mutually acceptable Scope Change Order.

**9.5.2** Force Majeure Events will entitle Contractor only to extensions of the Project Schedule and will not entitle Contractor to any compensation, reimbursement of costs or any increase in the Contract Price. Any extension permitted under this Section 9.5 shall be of an equitable duration designed to reflect the delay actually caused by the relevant event despite Contractor's efforts to mitigate the same. In the case of Force Majeure Events, Owner Caused Delays and Change in Applicable Law, the Parties acknowledge that such equitable extension will generally be equal to or less than the number of days during which a (i) Force Majeure Event or the effects thereof persisted, (ii) the number of days of the Owner Caused Delay or (iii) Change in Applicable Law or the effects thereof persisted, as the case may be; provided, however, that in no event will Contractor be entitled to an extension that is longer than the duration of the applicable (a) Force Majeure Event or the effects thereof, (b) Owner Caused Delay or (c) Change in Applicable Law or the effects thereof persisted.

**9.6 Changes to Contract Price; Disputes.** A Scope Change Order initiated by Owner may have the effect of either increasing or decreasing the Contract Price. [REDACTED]

[REDACTED] Any Contractor response to a Scope Change Order under Section 9.1 and any Contractor notification under Section 9.4, shall be accompanied by a proposed all inclusive final lump sum cost (separating materials and labour) to Owner; provided, however, Owner may in its sole discretion determine that Contractor shall be paid for such Scope Change on a not to exceed cost plus basis. In the event that the Parties are unable to reach an agreement on an all-inclusive final lump sum cost to Owner or a not-to-exceed cost estimate as a result of a requested Scope Change, then Contractor agrees to perform the requested Scope Change at a price equal to Owner's proposed lump sum amount and to resolve (in accordance with the dispute resolution procedures set forth in Article XV) the issue of any excess of Contractor's proposed lump sum cost over that of Owner's proposed lump sum amount. In addition, in the event that Owner and Contractor are unable to reach agreement on a Scope Change Order for a Scope Change requested by either Owner or Contractor, at the direction of Owner (and only at the direction of Owner), Owner's proposed Scope Changes shall become effective as a Scope Change Order and Contractor shall continue to perform the Work in accordance with such Scope Change Order and the proposed Scope Changes shall be performed by Contractor at its sole cost and expense pending resolution of the dispute pursuant to the dispute resolution procedures set forth in Article XV. Contractor shall not suspend, in whole or in part, performance of this Agreement during any good faith dispute over any Scope Change Order unless directed to do so by Owner.

## **ARTICLE X. INDEMNIFICATION**

### **10.1 Indemnities.**

**10.1.1 Contractor's General Indemnity.** Contractor shall defend, indemnify and hold harmless, on an After-Tax Basis, each of Owner, the Financing Parties and each of their subsidiaries and Affiliates, and the directors, officers, agents, employees, successors and assigns of each of them (each, an

“Owner Indemnified Party”) from and against losses, costs, damages, injuries, liabilities, claims, demands, penalties, assessments, interest and causes of action, expenses, including reasonable legal fees, incurred by or asserted against any Owner Indemnified Party to the extent and as a result of the following:

(a) Bodily injury, death or damage to property caused by any act or omission (including strict liability) relating to or arising out of the performance of the Work (including any warranty Work) by Contractor or any Affiliate thereof, any Subcontractor, or anyone directly or indirectly employed by any of them, or anyone for whose acts such Person may be liable;

(b) Claims resulting from bodily injury, death or damage to property arising out of any Defect or breach of any warranty set forth in Article VII;

(c) Claims by any Governmental Authority for, or in respect of or in connection with, any Taxes payable by Contractor;

(d) Any Hazardous Material brought to the Job Site or generated at the Job Site by Contractor or any Subcontractor, or (ii) any contamination or pollution, or any release or discharge of any Hazardous Material, on, under or from the Job Site or any portion thereof that is caused or contributed to by Contractor or any Subcontractor (including as a result of releasing pre-existing Hazardous Material, exacerbating pre-existing Hazardous Material or rendering removal or remediation of pre-existing Hazardous Material more costly);

(e) Any Lien, on the Project, the Work, Equipment, the Job Site or any fixtures or personal property included in the Work created by, through or under, or as a result of any act or omission (or alleged act or omission) of, Contractor, any Subcontractor or other Person providing labour or materials in connection with the Work;

(f) Any claim, action or proceeding by any Person for unauthorized disclosure, infringement or use of any Intellectual Property Right arising from or related to (i) Contractor’s performance (or that of its Affiliates, Subcontractors) under the Agreement, (ii) the design, construction, use, operation or ownership of the Work (including the Equipment, Contractor Deliverables or any portion of any of them), or (iii) Owner’s use of any license granted hereunder;

(g) Any failure of the Work, as constructed and completed by Contractor, to comply with, or be capable of operating in compliance with, Applicable Laws or the conditions or provisions of Applicable Permits;

(h) Any failure of Contractor to comply with Applicable Laws or the conditions or provisions of Applicable Permits;

(i) Any claims with respect to employer’s liability or worker’s compensation filed by any employee of Contractor or any of its Subcontractors;

(j) Any breach by Contractor of any representation or warranty contained in Article XVI;

(k) Any vitiation of any insurance policy procured under Article XII as a result of Contractor’s failure to comply with any of the requirements set forth in such policy or any other act by Contractor or any Subcontractor;

(l) Any allegation or claim of noncompliance by Contractor or any Contractor Agent or Subcontractor with, or breach of any representation set forth in, Section 2.23; and

(m) Any allegation or claim of noncompliance by Contractor or any its Recipients with, or breach of any obligation set forth in, Section 2.27.

**10.1.2 Owner's Indemnity.** Owner shall defend, indemnify and hold harmless, on an After-Tax Basis, Contractor and its directors, officers, agents, employees, Subcontractors, successors and assigns from and against any and all losses, costs, damages, injuries, liabilities, claims, demands, penalties, assessments, interest and causes of action, expenses, including reasonable legal fees, incurred by or asserted against any such Person to the extent and as a result (i) of the injury or death of any Person, including employees of Owner, Contractor or any Person employed by any of them for whose acts any of them may be liable resulting from Owner's negligent acts or omissions under this Agreement or (ii) resulting from loss of or damage to property resulting from Owner's negligent acts or omissions under this Agreement.

**10.2 Conditions of Indemnification.** The respective rights and obligations of the Parties and the other indemnitees under this Article with respect to claims resulting from the assertion of liability by third parties shall be subject to the following terms and conditions:

**10.2.1 Notice of Proceedings.** Within fourteen (14) days (or such earlier time as might be required to avoid prejudicing the indemnifying Party's position) after receipt of notice of commencement of any legal action or of any claims against such indemnitee in respect of which indemnification will be sought, the Person claiming to be indemnified under the terms of this Article (the "Indemnified Person") shall give the Party from which indemnification is sought (the "Indemnifying Party") written notice thereof, together with a copy of such claim, process or other legal pleading. Failure of the Indemnified Person to give such notice will not reduce or relieve the Indemnifying Party of liability hereunder unless and to the extent that the Indemnifying Party was precluded from defending such claim, action, suit or proceeding as a result of the failure of the Indemnified Person to give such notice. In any event, the failure to so notify shall not relieve the Indemnifying Party from any liability that it may have to the Indemnified Person otherwise than under this Article.

**10.2.2 Conduct of Proceedings.** Each Party and each other indemnitee shall have the right, but not the obligation, to contest, defend and litigate any claim, action, suit or proceeding by any third party alleged or asserted against it arising out of any matter in respect of which it is entitled to be indemnified hereunder and the reasonable costs and expenses thereof (including reasonable legal fees and expert witness fees) shall be subject to the said indemnity; provided that the Indemnifying Party shall be entitled, at its option, to assume and control the defence of such claim, action, suit or proceeding at its expense upon its giving written notice thereof to the Indemnified Person. The Indemnified Person shall provide reasonable assistance to the Indemnifying Party, at the Indemnifying Party's expense, in connection with such claim, action, suit or proceeding. Upon such assumption, the Indemnifying Party shall reimburse the Indemnified Person for the reasonable costs and expenses previously incurred by it prior to the assumption of such defence by the Indemnifying Party. The Indemnifying Party shall keep the Indemnified Person informed as to the status and progress of such claim, action, suit or proceeding. Except as set forth in paragraph (c) below, in the event the Indemnifying Party assumes the control of the defence, the Indemnifying Party will not be liable to the Indemnified Person under this Article for any legal fees or expenses subsequently incurred by the Indemnified Person in connection with such defence. The Indemnifying Party shall control the settlement of all claims over which it has assumed the defence; provided, however, that the Indemnifying Party shall not agree to or conclude any settlement that affects the Indemnified Person without the prior written approval of the Indemnified Person, (whose said approval shall not be unreasonably withheld).

**10.2.3 Representation.** In the event the Indemnifying Party assumes control of the defence, the Indemnified Person shall have the right to employ its own counsel and such counsel may participate in such claim, action, suit or proceeding, but the fees and expenses of such counsel shall be at the expense of such Indemnified Person, when and as incurred, unless the:

(a) Employment of counsel by such Indemnified Person has been authorized in



writing by the Indemnifying Party;

(b) Indemnified Person shall have reasonably concluded that there may be a conflict of interest between the Indemnifying Party and the Indemnified Person in the conduct of the defence of such action; or

(c) Indemnified Person shall have reasonably concluded and specifically notified the Indemnifying Party either that there may be specific defence available to it which are different from or additional to those available to the Indemnifying Party.

If any of the preceding clauses (a) through (c) shall be applicable, then counsel for the Indemnified Person shall have the right to direct the defence of such claim, action, suit or proceeding on behalf of the Indemnified Person and the reasonable fees and expenses of such counsel shall be reimbursed by the Indemnifying Party.

**10.3 Contributory Negligence.** If the joint, concurring, comparative or contributory negligence of the Parties gives rise to damages for which the Parties are entitled to indemnification under this Article X, then such damages shall be allocated between the Parties in proportion to their respective degrees of negligence contributing to such damages.

**10.4 Survival of Indemnities.** The indemnities set forth in this Agreement shall survive the termination or expiration of this Agreement.

#### **ARTICLE XI. LIMITATIONS OF LIABILITY**

**11.1 Consequential Damages.** Subject to the next sentence and except as expressly set forth herein, neither Owner nor Contractor nor any of either of their Affiliates, successors or assigns, or the respective shareholders, partners, assigns, directors, officers, agents or employees or representatives of either of them, shall be liable to the other for consequential, special, exemplary, indirect or incidental losses or damages under this Agreement, including loss of use, cost of capital, loss of goodwill, lost revenues or loss of profit, and Owner and Contractor each hereby releases the other and each of such Persons from any such liability.

[REDACTED]

**11.2 Contractor Limitation of Liability.**

[REDACTED]

**11.3 Owner Limitation of Liability.**

[REDACTED]

## ARTICLE XII. INSURANCE

**12.1 Contractor's Insurance.** Prior to performing any Work at the Job Site, Contractor shall obtain and provide a certificate of insurance to Owner and thereafter shall maintain until the expiration of the Warranty Period and Contractor's satisfaction of its warranty obligations hereunder, the following minimum limits of insurance:

**12.1.1 Worker's Compensation.** Contractor shall provide and maintain workers' compensation insurance as required by any workers' compensation and/or occupational disease laws of any applicable provincial or federal law of Canada or where the Work is performed and employer's liability insurance with a limit of liability of (i) [REDACTED] for bodily injury per accident, (ii) [REDACTED] for bodily injury by disease per policy and (iii) [REDACTED] for bodily injury by disease per employee. Prior to commencing the Work and as a condition precedent to Contractor's right to receive payment in respect of each progress draw and final payment, Contractor shall provide evidence of compliance with the requirements of the Workplace Safety and Insurance Act (Ontario) including payments due thereunder. All employees and workers of Contractor and Subcontractors working on the Project must be covered by the Workplace Safety and Insurance Act (Ontario). At any time during the term of the Agreement, when requested by Owner, Contractor shall provide such evidence of compliance by itself and its Subcontractors;

**12.1.2 Automobile Liability.** Contractor shall provide and maintain business auto liability insurance covering owned, non-owned, leased, hired and borrowed automobiles in the amount of [REDACTED] combined single policy limit for bodily injury and property damage for each accident;

**12.1.3 Commercial General Liability.** Contractor shall provide and maintain commercial general liability insurance of not less than [REDACTED] per occurrence and in the aggregate for bodily injury and/or property damage, including coverage for premises and construction operations; independent contractors; products and completed operations; explosion, collapse and underground hazards; forest fire fighting expense; broad form contractual liability; personal injury; non-owned watercraft, if applicable; broad form property damage; broad form named insured endorsement; action over coverage, and non-owned aircraft, if applicable. The products and completed operations coverage will be for a period not less than twenty-four (24) months following the Provisional Acceptance Date.

**12.1.4 Pollution Liability.** Contractor shall provide and maintain pollution liability insurance including sudden and accidental coverage with a limit not less than [REDACTED] for each occurrence or accident;

**12.1.5 Aircraft Liability.** Contractor shall provide and maintain aircraft liability insurance for all owned, non-owned and hired aircraft used in the performance of the Work with a minimum limit of liability of [REDACTED] for bodily injury and property damage (other than passenger) and [REDACTED] for bodily injury per person for passengers;

**12.1.6 Excess Liability.** Contractor shall provide and maintain excess liability insurance on a following form basis covering employer's liability, automobile liability, commercial general liability, and pollution liability, each to a limit of [REDACTED] combined single policy limit for bodily injury and property damage;

**12.1.7 All Risk Equipment Insurance.** Contractor shall provide and maintain or shall have the right to self-insure all risk equipment insurance covering all risk of physical damage to equipment owned by Contractor and/or provided for use at the Job Site by Contractor; and

**12.1.8 Professional Liability Insurance.** Contractor shall provide and maintain professional liability insurance on a claims-made basis with limits of [REDACTED] for liability arising out of any negligent act, error, mistake or omission resulting from Contractor's procurement, construction, commissioning, start-up and testing services, such coverage to remain in effect for not less than four (4) years following Final Acceptance.

**12.1.9 Requirements of Contractor's Insurance.** [REDACTED]

[REDACTED] Except for Professional Liability Insurance, which shall be required to be maintained on a "per claim basis," all Contractor liability policies required to be maintained by Contractor pursuant to this Section 12.1 shall be maintained on an "occurrence basis." All policies of insurance required to be maintained by Contractor hereunder shall: (i) be endorsed to specify that they are primary to and not excess to or on a contributing basis with any insurance or self-insurance maintained by Owner, Owner's Affiliates, the Financing Parties (including their respective officers, directors and employees) or any Subcontractors in respect of losses arising out of or in connection with the Work; (ii) provide a severability of interests or cross liability clause; (iii) provide for waivers of subrogation (or the equivalent thereof) in favour of Owner, its Affiliates, the Financing Parties and such other Persons (including their respective officers, directors and employees) as may be requested by Owner, from its Subcontractors and their respective agents, officers and employees; (iv) provide that Owner and any additional insured shall be provided thirty (30) days' prior written notice of any non-renewals or cancellations; (v) provide that Owner and the Financing Parties shall have the right, but not any obligation, to pay premiums if Contractor shall fail to do so; and (vi) waive any right of subrogation against Owner, its Affiliates or the Financing Parties and waive any other right of the insurers to any off-set or counterclaim or any other deduction, whether by attachment or otherwise, in respect of any liability of Owner or the Financing Parties. Contractor shall promptly provide evidence of the minimum insurance coverage required under the Agreement in the form of an ACORD certificate or other certificate of insurance acceptable to Owner. Upon Owner's request, Contractor will make available certified copies of insurance policies available for inspection by Owner or Owner's representatives. Neither Contractor's failure to provide evidence of minimum coverage of insurance following Owner's request, nor Owner's decision to not make such a request, shall release Contractor from its obligation to maintain the minimum coverage provided for in this Article XII.

**12.2 Right to Insure.** Should Contractor fail to provide or maintain any of the insurance coverage required pursuant to this Article XII, Owner shall have the right to provide or maintain such insurance coverage at Contractor's expense, either by direct charge or set-off.

**12.3 Payment of Deductibles and Qualified Insurers.** Contractor shall be responsible for the payment of any deductible of any insurance coverage required pursuant to this Article XII. All Contractor Insurance Policies shall be written by insurers reasonably acceptable to Owner and the Financing Parties and that are rated "A-" VII or higher by A.M. Best's Key Rating Guide, or as may be approved in writing by Owner and the Financing Parties from time to time.

**12.4 No Limitation on Liability.** Nothing in this Article XII shall be deemed to limit Owner or Contractor's liability under the Agreement regardless of the insurance coverages required by this Article. No limitation of liability provided to Owner or Contractor under the Agreement is intended nor shall run to the benefit of any insurance company or in any way prejudice, alter, diminish, abridge or reduce, in any respect, the amount of proceeds of insurance otherwise payable to Owner or Contractor under coverage required to be carried by other Party under the Agreement, it being the intent of the Parties that the full amount of insurance coverage bargained for be actually available notwithstanding any limitation of liability contained in the Agreement, if any.

**ARTICLE XIII.**

## DEFAULT, TERMINATION AND SUSPENSION

**13.1 Contractor Defaults.** The occurrence of any one or more of the following events shall constitute an event of default by Contractor hereunder ("Contractor Event of Default"):

(a) Any of the following occurs: (i) Contractor consents to the appointment of or taking possession by, a receiver, a trustee, custodian, or liquidator of itself or of a substantial part of its assets, or fails or admits in writing its inability to pay its debts generally as they become due, or makes a general assignment for the benefit of creditors; (ii) Contractor files a voluntary petition in bankruptcy or a voluntary petition or an answer seeking reorganization in a proceeding under any applicable bankruptcy or insolvency laws or an answer admitting the material allegations of a petition filed against it in any such proceeding, or seeks relief by voluntary petition, answer or consent, under the provisions of any now existing or future bankruptcy, insolvency or other similar law providing for the liquidation, reorganization, or winding up of corporations, or providing for an agreement, composition, extension, or adjustment with its creditors; (iii) a substantial part of Contractor's assets is subject to the appointment of a receiver, trustee, liquidator, or custodian by court order and such order shall remain in effect for more than thirty (30) days; or (iv) Contractor is adjudged bankrupt or insolvent, has any property sequestered or seized by court order and such order shall remain in effect for more than thirty (30) days, or has filed against it a petition under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and such petition shall not be dismissed within thirty (30) days of such filing;

(b) Contractor fails to achieve Provisional Acceptance by the earlier of (i) the date on which the cap, if any, on Delay Liquidated Damages has been reached or (ii) sixty (60) days after the Guaranteed Provisional Acceptance Date;

(c) Contractor fails, for any reason, (i) to pay when due Delay Liquidated Damages as required herein or (ii) to make any other payment or payments required to be made to Owner under the Agreement within ten (10) Business Days after receipt of written notice from Owner of Contractor's failure to make such other payment or payments;

(d) Contractor suspends performance of a material portion of the Work (other than as permitted under Article VIII or pursuant to a Scope Change Order);

(e) Contractor disregards any provision of any Applicable Law, and such condition remains unremedied for fifteen (15) days following written notice thereof by Owner;

(f) Any breach by Contractor of any representation or warranty contained in Article XVI;

(g) The failure by Contractor to deliver any recovery plan described in Section 2.4.4 in accordance with the terms of such Section, or following approval of a recovery plan pursuant to such Section, the failure of Contractor to comply with such recovery plan;

(h) The dissolution of Contractor, except for the purpose of merger, consolidation or reorganization where the successor expressly assumes Contractor's obligations hereunder and such assignment and assumption does not materially adversely affect the ability of the successor to perform its obligations under the Agreement, as applicable, remains in full force and effect for the obligations of such successor;

(i) The transfer by Contractor of (i) all or a substantial portion of the rights and/or obligations of Contractor hereunder, except for an assignment permitted hereunder, or (ii) all or a substantial portion of the assets or obligations of Contractor;

(j) Any failure by Contractor to maintain the insurance coverages required of it in

accordance with Article XII;

(k) Any failure of Contractor to obtain or maintain the Letter of Credit in accordance with Section 2.22;

(l) Any noncompliance by Contractor (or its employees) or any Subcontractor (or its employees) with, or breach of any obligation set forth in Section 2.27;

(m) Any noncompliance by Contractor or any Contractor Agent or any Subcontractor with, or breach of any representation set forth in Section 2.23; or

(n) Contractor is in breach of any provision of this Agreement or has failed to perform its obligations under the Agreement (other than those breaches specified in this Section 13.1 (a) through (m) above) and (i) such breach is not cured by Contractor within fifteen (15) days after notice thereof from Owner, or (ii) if such breach is not capable of being cured within such fifteen (15) day period (as determined in Owner's reasonable judgment), Contractor (A) fails to commence to cure such breach within such fifteen (15) day period, (B) fails to thereafter diligently proceed to cure such breach in a manner satisfactory to Owner or (C) fails to cure such breach within sixty (60) days after notice thereof from Owner.

**13.1.1 Termination for Cause.** Upon the occurrence and during the continuation of any Contractor Event of Default hereunder, Owner, in addition to its right to pursue any other remedy now or hereafter existing at law or in equity or otherwise, shall have the right to terminate this Agreement by written notice to Contractor (an "Owner Termination for Cause"). An Owner Termination for Cause shall be effective upon delivery of Owner's notice with respect thereto, subject to the applicable cure periods set forth herein. In the event of a termination by Owner under this Section 13.1.1, Owner shall have the right to take possession of and use all of the Contractor Equipment located at the Job Site on the date of such termination for the purpose of completing the Work and may employ any other Person to complete the Work by whatever method that Owner may deem necessary. In addition, Owner may make such expenditures as in Owner's sole judgment will accomplish the timely completion of the Work in accordance with the terms hereof. Owner shall, within a reasonable period of time after the Work is finally completed by the work of one or more replacement contractors, determine the total cost to Owner for completing the Work in accordance with the Scope of Work, the Technical Specifications, and the other requirements of the Agreement, including all sums previously paid or then owed to Contractor pursuant to this Agreement. In the event of termination by Owner under this Section 13.1.1, Contractor shall be responsible for and shall reimburse Owner for the following amounts: (i) all costs and expenses incurred by Owner to engage one of more substitute contractors to complete (or cure Defects in) the Work, including, without limitation, overhead and legal, engineering and other professional expenses, (ii) all other costs, expenses and damages suffered by Owner as a result of a default or breach by Contractor of the requirements of this Agreement and the termination of the Agreement as a result thereof, and (iii) the amount by which (A) the cost to complete (or cure Defects in) the Work, exceeds (B) the balance of the Contract Price unpaid at the time of the termination. Any amount owed by Owner to Contractor for the completion of the Work shall be retained by Owner until after completion of the Work and applied by Owner to pay any amounts owed by Contractor pursuant to this Section 13.1.1 or otherwise. Any excess of the amount retained by Owner over the amount due to Owner from Contractor under this Section 13.1.1 shall be remitted to Contractor within thirty (30) days after the Final Acceptance Date.

**13.1.2 Other Owner Remedies.** Upon the occurrence and during the continuance of a Contractor Event of Default but prior to termination of this Agreement by Owner, Owner may, without prejudice to any of its other rights or remedies under the Agreement or existing at law or in equity, (i) seek performance by any guarantor of Contractor's obligations hereunder or make a claim or draw under any security for Contractor's performance (including any letter of credit) to cure such Contractor Event of Default, (ii) seek equitable relief to cause Contractor to take action or to refrain from taking action pursuant to the Agreement, or to make restitution of amounts improperly received under the Agreement, and/or (iii) make such payments or perform such obligations as are required to cure such Contractor Event of Default and Contractor

shall reimburse Owner for the cost of such payment or performance within fifteen (15) days after demand therefor; provided that Owner shall be under no obligation to cure any such Contractor Event of Default.

### **13.2 Owner Defaults.**

**13.2.1 Contractor Termination for Cause.** The occurrence of any one or more of the following events shall constitute an event of default by Owner hereunder ("Owner Event of Default"):

(a) Any of the following occurs: (i) Owner consents to the appointment of or taking possession by, a receiver, a trustee, custodian, or liquidator of itself or of a substantial part of its assets, or fails or admits in writing its inability to pay its debts generally as they become due, or makes a general assignment for the benefit of creditors; (ii) Owner files a voluntary petition in bankruptcy or a voluntary petition or an answer seeking reorganization in a proceeding under any applicable bankruptcy or insolvency laws or an answer admitting the material allegations of a petition filed against it in any such proceeding, or seeks relief by voluntary petition, answer or consent, under the provisions of any now existing or future bankruptcy, insolvency or other similar law providing for the liquidation, reorganization or winding up of corporations, or providing for an agreement, composition, extension or adjustment with its creditors; (iii) a substantial part of Owner's assets are subject to the appointment of a receiver, trustee, liquidator or custodian by court order and such order shall remain in effect for more than thirty (30) days; or (iv) Owner is adjudged bankrupt or insolvent, has any property sequestered by court order and such order remains in effect for more than thirty (30) days, or has filed against it a petition under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and such petition is not dismissed within thirty (30) days of such filing;

(b) The dissolution of Owner except for the purpose of merger, consolidation or reorganization where the successor expressly assumes Owner's obligations hereunder and such assignment and assumption does not materially adversely affect the ability of the successor to perform its obligations under the Agreement; or

(c) The transfer by Owner of (i) all or a substantial portion of the rights and/or obligations of Owner hereunder, except for an assignment permitted hereunder, or (ii) all or a substantial portion of the assets or obligations of Owner, except where the transferee expressly assumes the transferred obligations and such transfer does not materially adversely affect the ability of Owner or the transferee, as applicable, to perform its obligations under the Agreement.

(d) Owner is in breach of any provision of this Agreement or has failed to perform its obligations under the Agreement (other than those breaches specified above) and (i) such breach is not cured by Owner within thirty (30) days after notice thereof from Contractor, or (ii) if such breach is not capable of being cured within such thirty (30) day period (as determined in Owner's reasonable judgment), Owner (A) fails to commence to cure such breach within such thirty (30) day period, (B) fails to thereafter diligently proceed to cure such breach in a manner satisfactory to Contractor or (C) fails to cure such breach within sixty (60) days after notice thereof from Contractor; provided that Owner shall not be deemed to be in breach of this Agreement due to the failure of Owner to pay any portion of any amount that remains in dispute hereunder.

Upon the occurrence and during the continuation of any Owner Event of Default hereunder, Contractor shall have the right to terminate this Agreement by written notice to Owner (an "Contractor Termination for Cause"), subject to the applicable cure periods set forth herein, and shall be entitled to be paid the Termination Payment under Section 4.9, as Contractor's sole and exclusive remedy due to such termination or any Owner Event of Default or other breach by Owner of any provision hereof. A Contractor Termination for Cause shall be effective upon delivery of Contractor's notice with respect thereto, subject to the applicable cure periods set forth herein. Unless Contractor terminates this Agreement pursuant to the foregoing provisions, Contractor shall not be entitled to terminate the Agreement and shall not suspend or delay performance of the Work



because of any Owner Event of Default or other breach by Owner of any provision hereof. Contractor shall continue performance of the Work during any dispute under or related to this Agreement.

**13.2.2 Financing Party Cure Rights.** Contractor's right to exercise the option to terminate this Agreement pursuant to Section 13.2.1 is subject to Contractor's first delivering to the Financing Parties, simultaneously with delivery thereof to Owner, notice of Owner's failure to cure the default and Contractor's intent to terminate as a result thereof. Each Financing Party shall have the option to cure such Owner Event of Default within ninety (90) days after receipt of such notice or to cause the Financing Parties' designee to assume this Agreement. If the Financing Parties desire to cause their designee to assume this Agreement, they shall provide notice to that effect within ninety (90) days after receipt of Contractor's notice to the Financing Parties of Contractor's intent to terminate. In either such case, Contractor's right to terminate this Agreement shall be of no further force and effect upon the cure by the Financing Parties of such default or receipt by Contractor of such notice from the Financing Parties of their intent to have this Agreement assumed.

**13.3 Termination Without Cause.** Owner may for its convenience terminate this Agreement after giving written notice to Contractor in which event Contractor shall be entitled to be paid the Termination Payment pursuant to Section 4.9. As a condition to any termination by Owner pursuant to this Section 13.3 (a "Termination Without Cause"), Owner must provide written notice to Contractor of the Termination Without Cause prior to the effective date of such termination. If, at the date of termination under this Section 13.3, Contractor has properly performed services or purchased, prepared or fabricated off the Job Site any materials or Equipment for subsequent incorporation at the Job Site, Owner shall have the option of having such materials or Equipment delivered to the Job Site or to such other place as Owner shall reasonably direct.

#### **13.4 Actions Required Following Termination.**

**13.4.1 Discontinuation of Work.** Upon termination of this Agreement, Owner shall be immediately released from any and all obligations to Contractor (except for Owner's obligation to pay any amount specified in the event of such termination, if applicable) and Contractor immediately shall discontinue the Work. Upon a termination of this Agreement: (a) Contractor shall leave the Job Site and remove from the Job Site all the Contractor Equipment, waste, rubbish and Hazardous Material as Owner may request; (b) Owner shall take possession of the Job Site and of the Equipment (whether at the Job Site, in transit or otherwise); (c) Contractor shall promptly assign to Owner or its designee any contract that it has with Subcontractors as requested by Owner, and Contractor shall execute such documents as may be reasonably requested by Owner to evidence such assignment, subject to Owner's assumption of same; (d) Contractor shall promptly furnish Owner with copies of all completed Contractor Deliverables and, to the extent available, drafts of incomplete Contractor Deliverables; (e) Contractor shall execute such documents as may be reasonably requested by Owner to evidence the licenses granted hereunder; (f) Contractor shall assist Owner in preparing an inventory of all Equipment in use or in storage at the Job Site; and (g) Contractor shall take such other action as required hereunder upon termination of the Agreement.

**13.4.2 Surviving Obligations.** Termination or expiration of this Agreement (a) shall not relieve either Party of its obligations with respect to the confidentiality of the other Party's information as set forth in Section 17.1, (b) shall not relieve either Party of any obligation hereunder which expressly or by implication survives termination hereof and (c) except as otherwise provided in any provision of this Agreement expressly limiting the liability of either Party, shall not relieve either Owner or Contractor of any obligations or liabilities for loss or damage to the other Party arising out of or caused by acts or omissions of such Party prior to the effectiveness of such termination or arising out of such termination, and shall not relieve Contractor of its obligations as to portions of the Work or other services hereunder already performed or of obligations assumed by Contractor prior to the date of termination. This Article XIII shall survive the termination or expiration of this Agreement.

**13.5 Suspension by Owner for Convenience.** Owner may suspend all or a portion of the Work to be performed under the Agreement at any time for any reason in its sole discretion by giving written notice

thereof to Contractor. Such suspension shall continue for the period specified in the notice of suspension, and Contractor agrees to resume performance of the Work promptly upon receipt of notice from Owner. Upon receiving any such notice of suspension, unless the notice requires otherwise, Contractor shall: (i) immediately discontinue the Work on the date and to the extent specified in the notice; (ii) place no further orders or subcontracts for Equipment, services or materials with respect to suspended Work, other than to the extent required in the notice; (iii) promptly make every reasonable effort to obtain suspension, with terms satisfactory to Owner, of all orders, subcontracts and rental agreements to the extent they relate to performance of suspended Work; (iv) continue to protect and maintain the Work performed, including those portions on which Work has been suspended; and (v) take any other reasonable steps to minimize costs and expenses associated with such suspension. Contractor shall use reasonable commercial efforts to include a suspension for convenience provision with terms similar to the foregoing in all subcontracts. Any Scope Changes required as a result of a suspension of Work pursuant to this Section 13.5 shall be made pursuant to a Scope Change Order issued in accordance with the provisions of Article IX, provided that Contractor's full compensation for any suspension under this Section will be reimbursed by Owner for the costs, as reasonably incurred, without duplication of any item, to the extent that such costs directly result from such suspension of the Work and to the extent that they do not reflect reimbursement for Contractor's or Subcontractors' anticipated profit from unperformed Work, including all necessary and reasonable costs incurred in connection with demobilization and remobilization of Contractor's facility and Labour and the Contractor Equipment and of receiving, maintaining and protecting that portion of Work upon which performance has been suspended, in each case as such costs have been agreed to by Owner and Contractor.

**13.6 Suspension by Owner for Cause.** Owner may, by notice, temporarily suspend the Work, or any portion thereof, under this Agreement (i) when the performance by Contractor is unsatisfactory to obtain the results required by this Agreement or (ii) upon the occurrence of a Contractor Event of Default. The methods by which Contractor performs its Work are entirely the responsibility of Contractor. Owner's right to suspend Work under this Section 13.6 is intended solely to verify that the Work being performed by Contractor conforms to the Agreement, including the Drawings and Project Schedule and shall not obligate Owner to review the efficiency, adequacy or safety of Contractor's methods or means of operation or construction. Any additional costs incurred by Contractor resulting from such suspension shall be borne solely by Contractor. Upon receiving any such notice of suspension under this Section 13.6, unless the notice requires otherwise, Contractor shall: (a) immediately discontinue the Work on the date and to the extent specified in the notice; (b) place no further orders or subcontracts for Equipment, services or materials with respect to suspended Work, other than to the extent required in the notice; (c) promptly make every reasonable effort to obtain suspension, with terms satisfactory to Owner, of all orders, subcontracts and rental agreements to the extent they relate to performance of suspended Work; and (d) continue to protect and maintain the Work performed, including those portions on which Work has been suspended. Contractor shall use reasonable commercial efforts to include a suspension for cause provision with terms similar to the foregoing in all subcontracts. If the unsatisfactory condition is immediately corrected by Contractor, Owner shall authorize resumption of the Work. Contractor's failure to promptly effect correction of the unsatisfactory conditions shall be cause for immediate termination of the Agreement in accordance with Section 13.1.

#### **ARTICLE XIV. TITLE AND RISK OF LOSS**

**14.1 Title to the Work.** Contractor warrants and guarantees that legal title to and ownership of each portion of the Work (including, without limitation, all Equipment) shall pass to Owner, free and clear of any and all Liens, upon the earlier of (i) payment to Contractor of the portion of the Contract Price then actually due Contractor in connection with the applicable Request for Payment as provided in the Agreement or (ii) delivery of such portion of the Work to the Job Site or other Owner designated location. Notwithstanding anything to the contrary, (a) title to any Equipment provided (or to be provided) by Contractor that is manufactured outside Canada shall pass to Owner no earlier than at the port of export after having cleared customs, (b) the costs of unloading and transporting to the Job Site are included in the Contract Price and (c) all right, title and interest in and to all Owner-Furnished Equipment shall remain with Owner.



**14.2 Title to Contractor Deliverables.** Except as otherwise provided in Article XIII, title to the Contractor Deliverables, which are owned by Contractor, shall be transferred to Owner upon the earlier of delivery of such Contractor Deliverable, Provisional Acceptance or termination of the Agreement. In addition, Contractor grants to Owner an irrevocable, perpetual, non-exclusive royalty-free license to use and reproduce such Contractor Deliverables to which Contractor does not have title solely for the purpose of completing construction of, operating and maintaining, rebuilding, modifying and expanding the Work. Owner shall have the right to assign the benefit of such license to the Financing Parties in connection with granting a security interest in the Transmission Facilities, to a purchaser or the Utility in connection with a transfer of the Transmission Facilities, or to any subsequent purchaser or assignee of same. Any such purchaser or assignee shall acquire such license subject to the same terms and restrictions as stated in this Section 14.2. Owner may retain the necessary number of copies of all such documents for purposes of construction, operation, maintenance and repair of the Work.

**14.3 Risk of Loss.** Notwithstanding passage of title as provided in Section 14.1, from the Effective Date until the Provisional Acceptance Date, Contractor hereby assumes the risk of loss for the Work, including: (a) any Equipment whether on or off the Job Site, (b) all other Work completed on or off the Job Site, (c) Owner-Furnished Equipment on the Job Site and (d) all Work in progress. All Equipment and Owner-Furnished Equipment not yet incorporated into the Work shall be stored in secured areas. Contractor shall bear the responsibility of preserving, safeguarding and maintaining such Equipment, Owner-Furnished Equipment and any other completed Work and Work in progress (including spare parts provided by Owner). If any loss, damage, theft or destruction occurs to Owner-Furnished Equipment and the Work, on or off the Job Site, for which Contractor has so assumed the risk of loss, Contractor shall, at its cost, promptly repair or replace the property affected thereby. Risk of loss for the Work shall pass to Owner (excluding Contractor Equipment and other items to be removed by Contractor, which shall remain the responsibility of Contractor) on the Provisional Acceptance Date; provided, however, Contractor shall continue to be responsible until the Final Acceptance Date for claims, physical loss or damage to the Owner-Furnished Equipment and Work to the extent resulting from Contractor's or its Subcontractors' acts or omissions, and/or failure to comply with the requirements of the Agreement. Notwithstanding the foregoing, if Contractor is obligated by the terms of this Agreement to perform additional Work subsequent to the date of completion for such Work, Contractor shall bear the risk of loss and damage with respect to such Work until such additional Work is complete.

## **ARTICLE XV. DISPUTE RESOLUTION**

**15.1 Senior Representatives Discussion.** Any dispute between the Parties relating to the prosecution of the Work, including without limitation, the scheduling thereof, the achievement of Milestones, and the entitlement of Contractor for payment in accordance with the Schedule of Values for completed Activities, shall be referred to the on-site project managers of the Parties for prompt resolution. Any such dispute between the Parties that cannot be resolved by on-site project managers within fifteen (15) days and any other dispute arising out of or relating to this Agreement (collectively, "Disputes"), including without limitation, Disputes concerning the breach, termination or invalidity hereof, shall be reviewed by senior representatives of each of the Parties designated by such Party, for resolution on an informal basis as promptly as practicable. If such consultations do not result in a resolution of the Dispute within thirty (30) days after notice of a Dispute is delivered by either Party, then either Party may pursue all of its remedies.

### **15.2 Litigation.**

**15.2.1** If a Dispute cannot be resolved pursuant to Section 15.1, and in the event of litigation arising hereunder, the Parties agree that the exclusive venue for such litigation shall be the courts of the Province of Ontario located in Toronto and any appellate court from any thereof. The Parties irrevocably waive any objection, which any of them may now or hereafter have to the bringing of any such action or

proceeding in such respective jurisdictions, including any objection to the laying of venue based on the grounds of forum non conveniens and any objection based on the grounds of lack of in personam jurisdiction.

**15.2.2** IN ANY LITIGATION ARISING FROM OR RELATED TO THIS AGREEMENT, THE PARTIES HERETO EACH HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EACH MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF EITHER PARTY TO THIS AGREEMENT. THIS PROVISION IS A MATERIAL INDUCEMENT FOR OWNER AND CONTRACTOR TO ENTER INTO THIS AGREEMENT, TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAWS. EACH PARTY AGREES THAT FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN ANY OTHER JURISDICTION BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY APPLICABLE LAW.

**15.2.3** The rights and obligations of the Parties under this Article XV shall not be impaired, reduced or otherwise affected as a result of any of the following: (i) the receipt by a Party from any third party of any amounts in reimbursement of damages that are the subject of the Dispute; or (ii) the assignment or transfer by either Party of any or all of its rights and/or obligations under the Agreement as permitted hereunder.

**15.3 Continued Performance.** During the continuation of any Dispute, so long as the dispute resolution procedures set forth in this Article XV are continuing, the Parties shall continue to perform their respective obligations under this Agreement including continuation of Work under the Project Schedule and prompt and timely payment of all undisputed amounts due hereunder until a final non-appealable resolution is reached.

**15.4 Tolling Statute of Limitations.** All applicable statutes of limitation and defences based upon the passage of time and similar contractual limitations shall be tolled while the procedures specified in this Article XV are pending. The Parties will take such action, if any, required to effectuate such tolling. Without prejudice to the procedures specified in this Article XV, a Party may file a complaint for statute of limitations purposes, if in its sole judgment such action may be necessary to preserve its claims or defences. Despite such action, the Parties will continue to participate in good faith in the procedures specified in this Article XV.

**15.5 Audit Rights.** In addition to Owner's rights to audit elsewhere in this Agreement, in the event of a claim by Owner or Contractor under this Agreement involving an amount greater than [REDACTED] or for any audit to which the Owner is subject under Applicable Law regardless of amount including relating to any regulatory requirements, Contractor shall grant audit rights to Owner with respect to all relevant documentation pertaining to such claim.

**15.6 Specific Performance.** Notwithstanding anything to the contrary contained in this Article XV, if, due to a material breach or threatened material breach or default or threatened default, a Party is suffering irreparable harm for which monetary damages are inadequate, such Party may petition a court of competent jurisdiction for injunctive relief, specific performance or other equitable relief.

## **ARTICLE XVI. REPRESENTATIONS AND WARRANTIES**

**16.1 Contractor Representations and Warranties.** Contractor represents and warrants to Owner that:

**16.1.1 Organization.** It is a [ ] duly formed, validly existing and in good standing under the laws of the Province of [ ], and is duly authorized and qualified to do business in the Province of Ontario.

**16.1.2 No Violation of Law; Litigation.** It is not in violation of any Applicable Laws or Applicable Permits or judgments entered by any Governmental Authority which violations, individually or in the aggregate, would affect its performance of any obligations under this Agreement. There are no legal, administrative or arbitration proceedings or actions now pending or, to the best knowledge of Contractor, threatened against Contractor which, if adversely determined, could reasonably be expected to affect the ability of Contractor to perform any of its obligations under this Agreement. Contractor does not know of any basis for any such proceedings.

**16.1.3 Licenses.** It is the holder of all governmental consents, licenses, permissions and other authorizations and Applicable Permits required to operate and conduct its business now and as contemplated by this Agreement, other than Applicable Permits which will be obtained in accordance with the terms of the this Agreement;

**16.1.4 No Breach.** None of the execution, delivery and performance of this Agreement, the consummation of the transactions herein contemplated, or compliance with the terms and provisions hereof, shall conflict with or result in a violation or breach of the terms, conditions or provisions of, or require any consent under, the charter or by-laws of Contractor, or any Applicable Law or regulation, order, writ, injunction, award, judgment or decree of any court, or any agreement, contract, indenture or other instrument to which Contractor is a party or by which it or its assets is bound or to which it or its assets is subject, or constitute a default under any such agreement or instrument;

**16.1.5 Corporate Action.** It has all necessary power and authority to conduct its business, own its properties and to execute, deliver and perform its obligations under this Agreement; the execution, delivery and performance by Contractor of this Agreement have been duly authorized by all requisite corporate action; and this Agreement has been duly and validly executed and delivered by Contractor and constitutes the legal, valid and binding obligation of Contractor enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization or moratorium or other similar laws relating to the enforcement of creditors' rights generally and by general equitable principles;

**16.1.6 Investigation.** It has: (i) by itself and through its Subcontractors, full experience and proper qualifications to perform the Work and (ii) ascertained the nature and location of the Work, the general character and accessibility of the Job Site, the existence of obstacles to performance of the Work, the location and character of existing or adjacent work or structures, and other general and local conditions and Applicable Laws (including Labour) which might affect its performance of the Work or the cost thereof and has performed such testing or examined the results of such testing as would normally be conducted by a contractor considering entering into an agreement such as this Agreement;

**16.1.7 Review of Agreement.** It has examined this Agreement, including all Exhibits attached hereto, thoroughly and become familiar with all its terms and provisions;

**16.1.8 Review of Additional Documents.** It has reviewed all other documents and information necessary and available to it in order to ascertain the nature, location and scope of the Work, the character and accessibility of the Job Site, the existence of obstacles to performance of the Work, the availability of facilities and utilities, and the location and character of existing or adjacent work or structures.

**16.1.9 Intellectual Property.** It owns or has the right to use all patents, trademarks, service marks, tradenames, copyrights, licenses, franchises, Permits and intellectual property rights necessary to perform the Work without conflict with the rights of others;

**16.1.10 Solvency.** It is financially solvent, able to pay its debts as they mature, and possessed of sufficient working capital to complete its obligations under this Agreement;

**16.1.11 Studies and Reports.** Owner may provide or may have provided it with copies of certain studies, assessments, reports or other information (including oral statements) and it represents and acknowledges that (i) all such documents or information have been or will be provided as background information and as an accommodation to Contractor, (ii) Owner makes no representations or warranties with respect to the accuracy of such documents or the information (including oral statements) or opinions therein contained or expressed and (iii) it is not relying on Owner for any information, data, inferences, conclusions, or other information with respect to the Job Site, including the surface conditions of the Job Site and the surrounding areas;

**16.1.12 Certifications.** All Persons who will perform any portion of the Work have and will have all business and professional certifications required by Applicable Law to perform their respective services under this Agreement;

**16.1.13 Site Access.** The access rights granted to or obtained by Contractor to the Job Site are adequate for the performance of the Work; and

**16.1.14 Residency.** Contractor is not a non-resident of Canada for purposes of the *Income Tax Act* (Canada).

**16.1.15 MNRF Sensitive Data.** Contractor and each of its Recipients who have a need to view the MNRF Sensitive Data have successfully completed either (i) the Full Day Data Sensitivity Training, or (ii) the Understanding Sensitive Information Training under the supervision of another employee or person who has successfully completed the Full Day Data Sensitivity Training.

**16.2 Owner Representations and Warranties.** Owner represents and warrants to Contractor that:

**16.2.1 Organization.** It is a limited partnership duly formed, validly existing and in good standing under the laws of the Province of Ontario, and is duly authorized and qualified to do business in the Province of Ontario.

**16.2.2 No Violation of Law; Litigation.** It is not in violation of any Applicable Laws or Applicable Permits or judgments entered by any Governmental Authority which violations, individually or in the aggregate, would affect its performance of any of its obligations under this Agreement;

**16.2.3 Licenses.** It is the holder of all governmental consents, licenses, permissions and other authorizations and Applicable Permits required to operate and conduct its business now and as contemplated by this Agreement, other than Applicable Permits which will be obtained in accordance with the terms of this Agreement;

**16.2.4 No Breach.** None of the execution and delivery of this Agreement, the consummation of the transactions herein contemplated, or compliance with the terms and provisions hereof and thereof, conflicts with or will result in a breach of, or require any consent under, the limited liability company agreement of Owner, or any Applicable Law or regulation, order, writ, injunction or decree of any court, or any agreement or instrument to which Owner is a party or by which it is bound or to which it is subject, or constitute a default under any such agreement or instrument; and

**16.2.5 Corporate Action.** It has all necessary power and authority to conduct its business, own its properties and to execute, deliver and perform its obligations under this Agreement; the execution, delivery and performance by Owner of this Agreement have been duly authorized by all requisite limited liability company action; and this Agreement has been duly and validly executed and delivered by Owner and

constitutes the legal, valid and binding obligation of Owner enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization or moratorium or other similar laws relating to the enforcement of creditors' rights generally and by general equitable principles.

**16.3 Survival of Representations and Warranties.** The representations and warranties of the Parties in this Article shall survive execution and termination of this Agreement.

## **ARTICLE XVII. MISCELLANEOUS PROVISIONS**

### **17.1 Confidentiality and Publicity.**

**17.1.1 Confidential Information and Permitted Disclosures.** Contractor and Owner shall hold in confidence the contents of the Agreement and any information provided by the other Party pursuant to this Agreement and any other information supplied by either Party to the other Party or any Subcontractor or other Affiliate or agent that is either (i) marked as "confidential" or "proprietary" by an appropriate stamp, label, legend or other written notice thereon if transmitted electronically or other written form, and if disclosed orally by a Party, then the disclosing Party shall confirm the oral or visual disclosure that shall be considered Confidential Information in a written memorandum to the receiving Party within thirty (30) days after such visual or oral disclosure or (ii) information that due to its character and nature, a reasonable person under like circumstances would treat such information as confidential or proprietary (collectively, "Confidential Information"). Notwithstanding foregoing, any MNRF Sensitive Data disclosed by Owner or its agents to Contractor or its Recipients under this Agreement shall be deemed Confidential Information. Both Parties shall inform their respective Affiliates, Subcontractors, suppliers and employees of its obligations under this Section 17.1 and require such Persons to adhere to the provisions hereof. Notwithstanding the foregoing, either Party may disclose the following categories of information or any combination thereof:

(i) Confidential Information that was in the public domain prior to receipt thereof by either party or which subsequently becomes part of the public domain by publication or otherwise except by a wrongful act of the Party to whom which the Confidential Information had been provided or its Affiliates, Subcontractors, employees, directors, officers, agents, advisers or representatives;

(ii) Confidential Information that either Party can show was lawfully in its possession prior to receipt thereof from the other Party through no breach of any confidentiality obligation;

(iii) Confidential Information received by either Party from a third party having no obligation of confidentiality with respect thereto;

(iv) Confidential Information at any time developed independently by either Party providing it is not developed from otherwise Confidential Information;

(v) Confidential Information disclosed pursuant to and in conformity with Applicable Law;

(vi) Confidential Information that is necessary or advisable to disclose for Owner to exercise its Intellectual Property Rights under this Agreement;

(vii) Confidential Information that is necessary or advisable to disclose for the purpose of enforcing the disclosing Party's rights hereunder;

(viii) Confidential Information required to be disclosed under securities laws applicable to publicly traded companies and their subsidiaries; and

(ix) Confidential Information disclosed to Affiliates, Subcontractors, contractors, consultants, employees, directors, officers, agents, advisors, insurers or representatives (the “Recipients”) of either Party as necessary for purposes of the Work, the Project or other Owner purpose; provided that such Recipients are informed of the confidential nature of the Confidential Information, and disclosing Party shall be liable to the other Party for any disclosure by such Recipients in violation of the terms of this Section 17.1.

**17.1.2 Consent.** Notwithstanding the foregoing, either Party may disclose Confidential Information with the express written consent of the other Party, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, Owner may disclose information on a need-to-know basis to (a) any existing or potential Financing Party or potential purchaser of any direct or indirect interest in the Work, the Project or Owner, and (b) any Person relating to the completion, operation, repair or maintenance of the Work or the Project; provided, however, that such disclosures shall be subject to such Financing Party or other Person being informed of the confidential nature of the Confidential Information, and disclosing Party shall be liable to the other Party for any disclosure by such Financing Party or other Person in violation of the terms of this Section 17.1.

**17.1.3 Press Release.** Contractor shall not issue any press or publicity release or otherwise release, distribute or disseminate any confidential information for publication concerning this Agreement or the participation of Owner in the transactions contemplated hereby without the prior written consent of Owner; provided, however, that such limitation on disclosure shall not apply to disclosures or reporting required by a Governmental Authority if Contractor informs Owner of the need for such disclosure and, if reasonably requested by Owner, seeks, through a protective order or other appropriate mechanism, to maintain the confidentiality of Confidential Information.

**17.1.4 Ownership of Confidential Information.** All right and title to, and interest in, Owner’s Confidential Information shall remain with Owner. All Confidential Information obtained, developed or created by or for Contractor exclusively for the Work, including copies thereof, is the exclusive property of Owner whether delivered to Owner or not. No right or license is granted to Contractor or any third party respecting the use of Confidential Information by virtue of this Agreement. Contractor shall deliver the Confidential Information, including all copies thereof, to Owner upon request.

**17.1.5 Required Disclosure.** In the event that a Party is requested or required by legal or regulatory authority to disclose any Confidential Information, the receiving Party shall promptly notify the disclosing Party of such request or requirement prior to disclosure, if permitted by law, so that the disclosing Party may seek an appropriate protective order and/or waive compliance with the terms of this Agreement. In the event that a protective order or other remedy is not obtained, or the disclosing Party waives compliance with the provisions hereof, the receiving Party agrees to furnish only that portion of the Confidential Information that it reasonably determines, in consultation with its counsel, is consistent with the scope of the subpoena or demand, and to exercise reasonable efforts to obtain assurance that confidential treatment will be accorded such Confidential Information.

**17.1.6 Remedies for Unauthorized Disclosure.** The Parties agrees that money damages would not be a sufficient remedy for any breach of the a Party’s Confidential Information under this Agreement and that the disclosing Party shall be entitled to injunctive or other equitable relief to remedy or prevent any breach or threatened breach of this Agreement. Such remedy for an unauthorized disclosure of a Party’s Confidential Information shall not be the exclusive remedy for any breach of this Agreement, but shall be in addition to all other rights and remedies available at law or in equity.

**17.2 Notice.** All notices and other communications required or permitted by this Agreement or by

law to be served upon or given to a Party by any other Party shall be in writing signed by the Party giving such notice and shall be deemed duly served, given and received (i) when actually received by the Party to whom it is sent, if served personally or if delivered by nationally recognized courier service to the Party to whom notice is to be given, (ii) on the first (1st) day following the day transmitted (with confirmation of receipt) if delivered by facsimile or (iii) on the third (3rd) Business Day after mailing, if mailed by first class registered or certified mail, return receipt requested, postage prepaid, addressed to the appropriate Party, at the address and/or facsimile numbers of such Party set forth below (or at such other address as such Party may designate by written notice to the other Party in accordance with this Section 17.2):

If to Owner:

NextBridge Infrastructure LP  
[Representative contact name]  
[Title]

[Redacted Address]

Telephone: ( ) [ ]

Fax: ( ) [ ]

If to Contractor:

[ ]  
[Representative contact name]  
[Title]

[ ]

[ ]

Telephone: ( ) [ ]

Fax: ( ) [ ]

**17.3 Time of the Essence.** Time is of the essence to the performance of the Work in accordance with the requirements of this Agreement.

**17.4 No Rights in Third Parties.** Except with respect to the rights of indemnitees under Article X (a) nothing in this Agreement nor any action taken hereunder shall be construed to create any duty, liability or standard of care to any Person that is not a Party, (b) no Person that is not a Party shall have any rights or interest, direct or indirect, in this Agreement or the services to be provided hereunder and (c) this Agreement is intended solely for the benefit of the Parties, and the Parties expressly disclaim any intent to create any rights in any third party as a third-party beneficiary to this Agreement or the services to be provided hereunder.

**17.5 Entire Agreement.** The Agreement contains the entire understanding of the Parties with respect to the subject matter hereof and supersedes all prior agreements, arrangements, discussions, undertakings and commitments (whether written or oral) with respect thereto. There are no other oral understandings, terms or conditions and neither Party has relied upon any representation, express or implied, not contained in this Agreement.

**17.6 Amendments.** No amendment or modification of this Agreement shall be valid or binding upon the Parties unless such amendment or modification shall be in writing and duly executed by authorized officers of both Parties.

**17.7 Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the province of Ontario, Canada, and the laws of Canada applicable therein, other than any provision thereof relation to the choice or conflict of law.

**17.8 Right of Waiver.** No delay, failure or refusal on the part of any Party to exercise or enforce any right under this Agreement shall impair such right or be construed as a waiver of such right or any obligation of another Party, nor shall any single or partial exercise of any right hereunder preclude other or

future exercise of any right. The failure of a Party to give notice to the other Party of a breach of this Agreement shall not constitute a waiver thereof. Any waiver of any obligation or right hereunder shall not constitute a waiver of any other obligation or right, then existing or arising in the future. Each Party shall have the right to waive any of the terms and conditions of this Agreement that are for its benefit. To be effective, a waiver of any obligation or right must be in writing and signed by the Party waiving such obligation or right.

**17.9 Severability.** If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement; and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Agreement. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of the this Agreement a provision as similar in its terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

**17.10 Assignment.** Except as set forth herein, this Agreement and all of the Contractor's rights, duties and obligations under this Agreement are personal in nature and shall not be subcontracted, assigned, delegated or otherwise disposed of by the Contractor without the prior written consent of Owner. Without limiting Owner's right to assign this Agreement, it is understood and acknowledged by Contractor that (i) Owner shall be entitled to assign this Agreement and its rights herein without the consent of Contractor to any of Owner's Affiliates that has a direct or indirect interest in the Project, and (ii) Contractor hereby consents to the granting of a security interest in and an assignment by Owner of the Agreement and its rights herein to the Financing Parties and their successors, assigns and designees in connection with any financing or refinancing related to the development, construction, operation and maintenance of the Project. In furtherance of the foregoing, Contractor further acknowledges that Owner's Affiliates and/or the Financing Parties may under certain circumstances assume the interests and rights of Owner under the Agreement.

**17.11 Successors and Assigns.** This Agreement shall be binding upon the Parties and their successors and permitted assigns.

**17.12 Survival.** All provisions of the Agreement that are expressly or by implication to come into or continue in force and effect after the expiration or termination of this Agreement shall remain in effect and be enforceable following such expiration or termination.

**17.13 Effectiveness.** This Agreement shall be effective on, and binding upon each of the Parties, the Effective Date.

**17.14 Expenses and Further Assurances.** Each Party shall pay its own costs and expenses in relation to the negotiation, preparation, execution and carrying into effect this Agreement. Contractor and Owner agree to provide such information, execute and deliver any instruments and documents and to take such other actions as may be necessary or reasonably requested by the other Party (at the cost and expense of the other Party) in order to give full effect to this Agreement and to carry out the intent of this Agreement.

**17.15 Counterparts.** This Agreement may be executed in any number of counterparts and each counterpart shall represent a fully executed original as if executed by both Parties, with all such counterparts together constituting but one and the same instrument. Delivery hereof may be performed by facsimile of, or the electronic transmission of scanned, signature pages.

**17.16 Offset.** Notwithstanding any other provision hereof, any and all amounts owing or to be paid by Owner to Contractor hereunder or otherwise, shall be subject to offset and reduction in an amount equal to any amounts that may be owing at any time by Contractor to Owner.

**17.17 Good Faith Dealings.** The Parties undertake to act fairly and in good faith in relation to the



performance and implementation of this Agreement and to take such other reasonable measures as may be necessary for the realization of its purposes and objectives.

**17.18 Financing Parties' Requirements.** Contractor acknowledges that Owner or its Affiliates may borrow certain funds from the Financing Parties and that, as a condition to making loans to Owner or its Affiliates, the Financing Parties may from time to time require certain documents from, and agreements by, Contractor and its Subcontractors. In connection therewith, Contractor agrees to furnish to the Financing Parties, and to cause its Subcontractors to furnish to the Financing Parties, such written information, certificates, copies of invoices and receipts, statutory declarations, affidavits, consents to assignment of the Agreement and other like documents as the Financing Parties may reasonably request. In addition, Contractor agrees to accept all revisions or amendments to the Agreement, which are reasonably requested by the Financing Parties, provided that such revisions or amendments are of a nature typically obtained by financing parties in non-recourse financing. Upon the request of the Financing Parties, Contractor shall state in writing whether or not it is satisfied with Owner's performance to that date.

**17.19 Financial Assurances.** If Owner determines that Contractor's financial condition has deteriorated so as to create a risk of loss to Owner, then Owner may inform Contractor in writing of such insecurity, and as Owner shall direct in its sole discretion, Contractor shall immediately: (a) provide written assurance within five (5) Days that Contractor is capable of performing and completing the Work and its obligations under this Agreement; (b) increase the forms and/or amounts of security; (c) require direct payment or co-payment to Subcontractors; (d) adjust the amount of Work to be performed by Contractor with corresponding adjustments in the Contract Price; and/or (e) to assign to Owner any agreement or purchase order with a Subcontractor, provided that Contractor shall remain responsible for its obligations under such agreement or purchase order.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK;  
SIGNATURES APPEAR ON FOLLOWING PAGE.]

IN WITNESS WHEREOF, the Parties have caused this PROCUREMENT AND CONSTRUCTION AGREEMENT FOR TRANSMISSION FACILITIES to be executed by their duly authorized representatives as of the date and year first above written.

**as Owner:**

**NEXTBRIDGE INFRASTRUCTURE LP**

**By: Upper Canada Transmission, Inc., its general partner**

By: \_\_\_\_\_

Name:

Title:

By: \_\_\_\_\_

Name:

Title:

**as Contractor:**

[\_\_\_\_\_]

By: \_\_\_\_\_

Name:

Title:

**Exhibit A and its associated appendices, relating to the scope of work under the RFP, are protected confidential materials.**

**Exhibit B of the RFP is protected confidential material.**

**Exhibit C-1 of the RFP is protected confidential material.**

## **Exhibit C-2**

### **Project Controls Requirements**

#### **1.0 DEFINITIONS**

- 1.1. Baseline – Project plan (schedule, commodity curves, etc.) upon which the executed contract is based. All Baseline deliverables are to be submitted within twenty-eight (28) days of contract award (or date approved by Owner) and are required to be reviewed and approved by Owner. All Baseline deliverables will reflect the Contractor's plan to achieve the critical milestone dates as reflected in Exhibit C-1, Project Schedule. The Baseline project plan is maintained unchanged throughout the contract.
- 1.2. Target – Project plan (schedule, commodity curves, etc.) upon which the Contractor will execute the work. The Target project plan may vary from the Baseline plan as the Contractor modifies their execution plan.
- 1.3. Current – Project plan (schedule, commodity curves, etc.) reflective of actual progress to date and forecasted progress to complete the contractual scope of work.
- 1.4. Recovery Plan - Project plan (schedule, commodity curves, etc.) reflective of actual progress to date and forecasted progress to complete the contractual scope of work in accordance with the Contract Guarantee Dates.

#### **2.0 GENERAL PROGRAM REQUIREMENTS**

- 2.1. Provide adequate methods and tools for budget control, scheduling, tracking, trending, and reporting of work in progress for the engineering, procurement and construction activities related to the Project.
- 2.2. Identify Contractor's organization.

#### **3.0 PROJECT MILESTONES**

- 3.1. Project Milestones have been established by the Owner for the construction activities in Exhibit C-1.
- 3.2. Contractor shall include in the Level Three schedule each Project Milestone. The milestones are to be logically tied to the scheduled activities. The Contractor's status against each Project Milestone will be updated along with all schedule activities on a weekly basis.
- 3.3. The Project Milestones status shall be reported on in the Monthly Management Review Meeting.

#### **4.0 PROJECT SCHEDULE**

Contractor shall prepare and maintain Project Schedule utilizing Primavera 6.2 or higher and agreed upon schedule conventions. Contractor shall submit the Project Schedule to the Owner for review and acceptance as follows:

- 4.1. Contractor shall develop a Level One summary schedule (typically 1 page) for the project, which encompasses the entire Scope of Work. This graphic timeline schedule reflects a summary for each of the significant activities, and will be submitted by Contractor to Owner within fifteen (15) days after the contract award. An activity progress status and data date shall also be included.
- 4.2. Contractor shall provide a Level Three schedule for the project, which shall be a detailed schedule integrating the Contractor's entire Scope of Work in CPM format. This schedule establishes the detailed plan for completing the Work in accordance with the Contract Documents and Guaranteed Dates per Exhibit C-1, and identifies all engineering, procurement, construction and Owner and/or Owner-Contractor interface points (including Owner's material obligations required to be performed by Owner in accordance with the Agreement). This schedule at a minimum shall include equipment and material delivery, equipment erection, construction activities, and commissioning /startup activities. As a general rule, activities shall be in days with no single activity greater than fourteen (14) calendar days (excluding procurement activities). This schedule must demonstrate that it supports the Project milestones and shall be submitted within twenty-eight (28) days of contract award or a date as agreed upon by the Owner. Contractor will issue the Project Schedule for Owner's approval a reasonable and achievable "Level 3" Project Schedule that establishes Contractor's plan for executing the Work. Owner will review and provide comments to such schedule within ten (10) Business Days after submission by Contractor.

## **Exhibit C-2**

### **PROJECT CONTROL REQUIREMENTS**

**(continued)**

- 4.2.1. Contractor will effect such changes and resubmit such schedule to Owner within seven (7) days after Contractor receives Owner's comments. Owner will have seven (7) days after such resubmission to review and provide comments or approve such schedule resubmitted by Contractor. Such procedure shall continue with the same seven (7) day time periods until Owner accepts such schedule.
- 4.3. The Project Schedule shall be updated on a weekly basis for current status and forecast. The Project Schedule and the weekly updates shall be provided to the Owner in Primavera 6.2 or higher.
- 4.4. The Project Schedule will be a fully integrated schedule. Other Contractor and Owner activities may be required to be added to the schedule to enable a fully integrated Project Schedule.
- 4.5. In the event Contractor current progress is behind the baseline plan a Recovery Plan shall be developed, reviewed, and approved by the Owner. The recovery shall be submitted within ten (10) calendar days from the Owner's request for a Recovery Plan.
- 4.6. Upon completion of the transmission line design upon request from the Owner a schedule revalidation shall be performed by contractor, in collaboration with the Owner.

#### **5.0 PLAN OF THE DAY**

The Plan of the Day is a daily meeting held at the jobsite which includes a document prepared by the Contractor. The Plan of the Day tracks installed commodities versus planned for all major activities. The Plan of the Day includes a three day window consisting of prior day activities actually completed, scheduled activities for the current day and planned activities for the next day. An example format shall be provided by Owner.

#### **6.0 PROJECT ORGANIZATION**

Within twenty-eight (28) days of the contract award, Contractor shall produce for Owner's review and approval a Project organization chart, which shows the function, title, name and interrelationships of the individual assigned to the Work. A list of phone numbers and e-mail addresses will be submitted with such chart. Any update or revision to the Project Organization shall be provided to the Owner immediately.

#### **7.0 PROJECT SCOPE COST & QUANTITY MANAGEMENT**

- 7.1. Contractor shall invoice per the conditions of the contract terms. Additionally Contractor is required to provide an estimate of the next invoice four business days prior to month end. It is understood that this is only an estimate and may be revised with issuance of the formal invoice.
- 7.2. Contractor shall provide at a minimum on a bi-weekly basis the Claims, Changes or extra work, delays or accelerations, interferences and the like known to Contractor that have occurred or may be claimed to have occurred since project onset. This information is required to be provided in Microsoft Excel. The report is referred to as the Cost Management Report and will include current status of aforementioned items, initiated dates, dollar exposure amounts (incremental to the executed contract amount), drawing references, subcontractor documentation, etc. as required to establish an understanding of the issues. If there are no known Claims, Changes, etc the Cost Management Report shall still be issued bi-weekly stating NONE. The most recent Cost Management Report shall be attached to each Contractor invoice.
- 7.3. Indicators  
Contractor within twenty-eight (28) days of contract award will establish the baseline (the budgeted) material quantity estimates for the following construction commodities and will provide Owner with a weekly schedule of baseline quantities to be installed in the example format provided by Owner (Microsoft Excel format). The quantity reporting curves in line graph format will include the Baseline plan at contract award, the contractor Target plan (if different) and the Current plan (actual/forecasted installation). Commodities to be planned and tracked include at a minimum:

**Exhibit C-2**  
**PROJECT CONTROL REQUIREMENTS**  
**(continued)**

- 7.3.1. Roads Installed (LF)
- 7.3.2. Foundations Excavated (EA)
- 7.3.3. Foundations Complete including Backfill (EA)
- 7.3.4. Materials Delivered
  - a. Tangent Support Structures (EA)
  - b. Dead End Structures (EA)
  - c. Special Structures (EA)
  - d. Cable, Wire, Fiber by type (LF)
  - e. Insulators, Suspension, and Clamp Materials by type (EA)
- 7.3.5. Transmission Line Installation
  - a. Structures Installed (EA)
  - b. Cable, Wire, Fiber (all types) Pulled and Clipped (LF)
- 7.3.6. Project Percent Complete Curve for Contractor (Man-hour basis)
- 7.3.7. Manpower Curve (Equivalent Headcount)
- 7.4. Contractor will provide Owner with weekly reports updated to reflect actual progress/installed quantities through the end of the most recent week and revised forecast progress/quantities in an electronic Microsoft Excel format. The reports will indicate status of the installed (or actual) quantities against the Baseline, Target, and Current (if re-forecasted) quantities. Weekly submittals will be in a spreadsheet as well as graphical format. Weekly submittals will be issued to the Owner by no later than Wednesday close of business each week.
- 7.5. Weekly quantities submittal at each month's end will reflect progress through the same reporting period utilized for monthly invoicing and the monthly management report referenced in Section 9.0, MONTHLY MANAGEMENT MEETING AND REPORT, below.
- 7.6. Forecast and final quantity take-offs and verification are required to be performed. The quantity take-offs are required as deemed necessary by the Owner with a minimum of twice during the construction phase. The quantity information is to be provided to the Owner within 14 days of request and/or requirement identified in 7.6.1 and 7.6.2. All Schedule of Values line items and commodities listed in 7.3 above are to be verified in this process.
  - 7.6.1. Forecast quantity take-offs are to be performed at 30 days after construction commencement (or at the request of the Owner whichever is earlier)
  - 7.6.2. Final quantity take-offs to be performed within 14 days of all structures (towers and poles) installed.
- 7.7. Prior to final payment, contractor shall assign cost codes encompassing the entire scope of work in a level of detail as required by the functional classifications specified in the Owner Property Retirement Unit Catalog.

**8.0 SAFETY AND MANPOWER STATUS**

- 8.1. Accident statistics shall be presented in a spreadsheet format, to be mutually agreed upon, and shall include the category of craft, years of experience, type of injury/illness, cause of injury/illness, treatment, and supervisor name. Owner to provide example format. A Safety Indicator status is required and shall include total contractor man-hours, Minor Injuries, OSHA Recordable Injuries and Near Misses. A graphic showing injury type and body part effected shall also be included. Example: cuts, strains, fall. Hand, back, eye.
- 8.2. An accident investigation report with root cause analysis and countermeasures shall be completed for all OSHA recordable incidents and near-misses.
- 8.3. Safety statistics shall be presented in a spreadsheet format, to be mutually agreed upon, and will include disposition and close-out of deficiencies.



**Exhibit C-2**  
**PROJECT CONTROL REQUIREMENTS**  
**(continued)**

- 8.4. Manpower and man-hour statistics for each trade or subcontractor shall be shown in spreadsheet format and in graphical format, contrasting forecasted with actual man-hours.
- 8.5. At a minimum the contractor shall submit the above information to the Owner on a monthly basis no later than the 5<sup>th</sup> of every month.

**9.0 MONTHLY MANAGEMENT MEETING AND REPORT**

- 9.1. Contractor shall develop and provide a formal monthly written and electronic status report with the minimum requirements as outlined below. This monthly report is to be received no later than the fifth (5th) calendar day of the month and shall be consistent with the reporting period reflected in the month end invoices and Commodity Curves set forth in Section 7.0, PROJECT SCOPE COST & QUANTITY MANAGEMENT, above. This progress report is to cover engineering, procurement and construction activities and shall include, at a minimum, the following information:
  - 9.1.1. Brief narrative overview of Project status.
  - 9.1.2. Brief narrative of identified critical issues.
  - 9.1.3. Brief narrative of short term look ahead activities.
  - 9.1.4. Updated organization chart for the Project.
  - 9.1.5. Safety and Environmental issues/status.
  - 9.1.6. Project Milestones current status update and forecast vs. baseline schedule
  - 9.1.7. Contractor Project schedules shall be updated and submitted in adobe acrobat format (pdf). These schedules shall show current status and the projected completion dates of all project activities against the current planned schedule.
  - 9.1.8. An electronic copy (data file) of the most recently updated complete integrated Project Schedule network.
  - 9.1.9. Cost Management Report
  - 9.1.10. Manpower curves (manpower plan with actual and forecast to go over time)
  - 9.1.11. Progress curves (progress versus time).
  - 9.1.12. Construction commodity curves (actual vs. Baseline and Current plan) in the format delineated in Section 7.0 PROJECT SCOPE COST & QUANTITY MANAGEMENT, above. A variance explanation and/or recovery plan shall be provided by Contractor should progress monitored fall behind the plan.
  - 9.1.13. Procurement Status Report

A complete listing of all equipment and materials to be procured by the Contractor, including status of the procurement process (bid, evaluate & award) shall be provided. The information included in this report shall be consistent with and in support of the Project Schedule.

**End**

## Exhibit D

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## **Exhibit E**

### **Job Book Documentation Requirements**

***Please Note:*** *The Job Book contents identified in this document are the minimum required. Projects may require more specific requirements or items to be added. If an item below on a project does not exist, please still include a tab for that section and indicate the item was not used or needed on the job.*

#### **1. Transmission Line**

- i. Red Line Markup Drawings  
Contractor shall up-date red-line drawings daily, submit red-line drawings to Owner and Owner's Transmission Facilities design engineer at completion of Project per the Agreement, and work with the Transmission Facilities design engineer to complete As-Built documentation.
- ii. All QA/QC Documentation
- iii. Copies of all test reports & results including but not limited to:
  - Anchor observation form
  - Drilling observation form
  - Framing observation form
  - Stub setting observation form
  - Concrete break report
  - Ground rob testing form
  - Non-splice compression fitting form
  - Stringing form
  - Wire pulling form
- iv. As-built equipment manuals
- v. Vendor provided drawings
- vi. V&V's - Owner's verification and validation requirements

#### **2. Provisional & Final Acceptance Exhibits**

- a. T-5, form of Provisional Acceptance Certificate, signed by all Parties to the Document
- b. T-6, form of Final Acceptance Certificate, signed by all Parties to the Document

#### **3. Purchase Orders, Operating Manuals**

- a. Copies of All purchase orders on Major Subcontractor's equipment (non-priced) with addenda
- b. Subcontractor information for equipment purchased (as received from Subcontractors, including instruction and maintenance manuals for Subcontractors
- c. Operating Manuals

## Exhibit F

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**Exhibit G of the RFP is protected confidential material.**

Exhibit H			
Contractor and Owner Permits			
Regulatory Body	Legislation, Acts, and/or Regulations	Owner Responsibility	Contractor Responsibility
Municipal			
<b>Local Municipalities</b> 1) Municipality of Shuniah 2) Township of Dorion 3)Township of Red Rock 4)Township of Nipigon 5)Township of Schreiber 6)Township of Terrace Bay 7)Town of Marathon 8)Township of White River 9) Municipality of Wawa	Building Permit as per the <i>Ontario Building Code Act, 1992</i>		●
	Site Plan Control Approval in accordance with the <i>Planning Act</i>		●
	Permit to Injure or Remove Trees (woodlands/woodlots), as applicable based on municipal by-laws	●	
	Noise By-Law exemptions, as applicable based on proposed work and municipal by-laws		●
	<i>Fire Protection and Prevention Act, 1997</i> - Notice of camp opening		●
	Open Air Burning / Fire Permits, as applicable based on proposed work and municipal by-laws		●
Thunder Bay District Health Unit	<i>Health Protection and Promotion Act (1990)</i> - notice of camp opening		●
	<i>Ontario Building Code Act, 1992</i> - permit for holding tank at camp location		●
Provincial			
Ministry of Labour	Compliance with safety regulation as per the <i>Occupational Health and Safety Act (1990)</i> , including the filing of a notice of Project prior to construction		●
Ministry of Health and Long-Term Care	Adhere to health regulations as per the <i>Health Protection and Promotion Act (1990)</i>		●
Ministry of the Environment and Climate Change	<i>Environmental Protection Act</i> - Environmental Compliance Approval (ECA) required from MOECC; generator registration	●	
	Ontario <i>EnvironmentalAssessment Act</i> (approval of the EA)	●	

	<i>Ontario Water Resources Act</i> (OWRA) - Permit To Take Water (PTTW) under the Water Taking Regulation (O.Reg. 387/04) and s. 53 Environmental Compliance Approval (ECA) for discharge.	●	
	<i>Safe Drinking Water Act, 2002</i> - Environmental Compliance Approval - Municipal and non-municipal drinking water systems		●
	<i>Pesticides Act</i> (1990) - approval for application, transportation, storage and disposal of pesticides		●
Ministry of Northern Development and Mines	<i>Mining Act (1990)</i> - withdrawal of land from prospecting, withdrawal of staking rights.	●	
	Permanent withdrawal of staking rights under the <i>Mining Act</i> ( 1990)	●	

Ministry of Natural Resources and Forestry	Consolidated Work Permit as per the <i>Lakes and Rivers Improvement Act (1990)</i> , for work planned on shore land and within water bodies including work and burn authorization for clearing and burning of cleared vegetation	●	
	Fish Scientific Collectors Permit and Wildlife Scientific Collection Permit under the <i>Fish and Wildlife Conservation Act, 1997</i> , to allow for the taking and transferring of fish or wildlife	●	
	<i>Endangered Species Act, 2007</i> , Section 17 permit if the Project affects a species at risk or associated habitat	●	
	<i>Provincial Parks and Conservation Reserves Act, 2006</i> - Research Authorization for provincial parks and conservation reserves (for work to be completed in provincial parks)	●	
	<i>Fish and Wildlife Conservation Act, 1997</i> , authorization should the Project impact scheduled species, any nesting areas, beavers or black bears	●	
	Forest Resource License to harvest timber on Crown lands as per the <i>Crown Forest Sustainability Act, 1994</i>		●
	Crown Lease or Land Use Permit for rights to Crown land in order to locate towers and access facilities under the <i>Public Lands Act (1990)</i>	●	
	Permit under the <i>Aggregate Resources Act (1990)</i> , for the extraction of aggregate on Crown land	●	
	Approval (work permit) to cross provincial parks as per the <i>Provincial Parks and Conservation Reserves Act, 2006</i>	●	
	Air Craft landing permission Provincial Parks	●	
	Amendment to management direction for applicable provincial parks and nature reserves	●	
	<i>Forest Fires Prevention Act (1990)</i> - Burn permit required if there is any fired-based forest clearing proposed		●
Ministry of Transportation	Land Use and Building Permit for construction within, or adjacent to, provincial highways as per the <i>Public Transportation and Highway Improvement Act (1990)</i>	●	
	Entrance Permit for proposed entrances onto provincial highways as per the <i>Public Transportation and Highway Improvement Act (1990)</i>	●	
	An Encroachment Permit is required to place, alter or erect any power line, pole line, or other transmission line within 400 m of any limit of a controlled access highway (e.g., Highway 17) as per the <i>Public Transportation and Highway Improvement Act (1990)</i>	●	
	A Sign permit is required for all signage erected within 400 m of the limit of a provincial highway		●
Hydro One Networks Inc.	Permit to cross existing transmission lines	●	



Lakehead Region Conservation Authority	Conservation Authorities Act (1990) (Ontario Regulation 180/06 Regulation of Development, Interference with Wetlands and Alteration to Shorelines and Watercourses) - Water crossing permits prior to start of construction.	●	
Ministry of Tourism, Culture and Sport	Archaeological clearance under the Ontario Heritage Act (1990)	●	
	Heritage clearance under the Ontario Heritage Act (1990)	●	

Ontario Energy Board	Leave to Construct – The Project requires a “Leave to Construct” approval under Section 92 of the <i>Ontario Energy Board Act , 1998</i> . This application provides the OEB with an opportunity to review the Projects’ technical and other components	●	
	Early Access to Land – This approval is required to permit NextBridge to access private property potentially affected by the Project to undertake specific field studies to establish baseline data while the Section 92 application is considered by the OEB. Early access is often requested to meet seasonal data collection requirements	●	
Technical Standards and Safety Authority (TSSA)	<i>Technical Standards and Safety Act, 2000</i> - licenses for the transport, storage and handling of fuels		
Federal			
Indigenous and Northern Development Canada (INAC)	Permit under Section 28(2) of the <i>Indian Act ( 1985 )</i> , for use of federal lands (i.e., to allow for the crossing of First Nation reserves).	●	
	<i>Canadian Environmental Assessment Act, 2012</i> - s. 67 environmental effects determination for projects on federal land	●	
Fisheries and Oceans Canada	<i>Species at Risk Act (2002)</i> (Federal) - Prior to start of construction	●	
	Authorization under s. 35 of the <i>Fisheries Act</i> may be required if commercial, recreational, or Aboriginal fisheries are impacted	●	
Parks Canada	Land use permit or equivalent authorization to use federal lands	●	
	<i>Canadian Environmental Assessment Act, 2012</i> - s. 67 environmental effects determination for projects on federal land	●	
	<i>Species at Risk Act</i> (2002) (Federal) - Prior to start of construction	●	
Environment Canada	<i>Migratory Birds Convention Act, 1994</i> - Authorization under Section 5, Permit under Section 4	●	
	Permit under s. 73 of the <i>Species at Risk Act</i> (2002) (Federal) - Prior to start of construction	●	
	<i>Transportation of Dangerous Goods Act, 1992</i> - permits of equivalent level of safety		●
	<i>Railway Safety Act</i> (1985) (crossing federally regulated rail lines)	●	
	<i>Canadian Aviation Regulations</i> (Aeronautical Obstruction Clearance)	●	

Transport Canada	<i>Navigation Protection Act</i> - Authorization or Letters of Exemption from TC under the NPA prior to start of construction	●	
	<i>Federal Real Property and Federal Immovables Act</i> for any lease or crossing agreement for road, railway or canal	●	
Natural Resources Canada (NRCan)	<i>Explosives Act</i> (1985) - for the use, storage or transportation of explosives		●
Other			
Rail Companies (CN Rail, etc.)	Permit to cross rail lines	●	
Utility Companies (Various)	Clearance Letters (Private) prior to start of construction	●	
	Permit to cross other utilities (i.e., existing pipelines, fiber optics, etc.)	●	
Mining Claim Holders	Consent from existing claim holders	●	
All other required permits not being supplied by Owner			●
Any permits not listed under owner or contractor's responsibility, Contractor will assist the owner in obtaining in accordance with Section 2.8 of the agreement. Any fees associated with the permits will be passed through to the owner with no mark-up			
Rev 8-30-16			

**Exhibit I of the RFP is protected confidential material.**

**Exhibit J of the RFP is protected confidential material.**

## Exhibit K

### Contractor Provided Training

#### 1. Safety Orientation

- a. The Contractor will provide all manuals and train all personnel in accordance with the site safety rules of the project.
- b. The Contractor will develop a site safety manual to train all personnel
- c. The Contractor will hold regular scheduled safety meeting and training sessions developed by project team.

#### 2. Electrical Contractor Conductor Splicing Training

- a. The Contractor performing all conductor splices will be trained in accordance with splicing manufacturer specifications on conductor splicing and must have satisfactorily completed training sponsored by the splices manufacturer within six months prior to beginning work. Contractor will use manufacturer's instructions and specification details to prepare splices:
  - i. The Contractor must train ALL personnel performing the splicing on the project. Under no circumstance will any individual perform splicing unless specifically training by the splices manufacturer.
  - ii. All individuals must accurately demonstrate splicing techniques and methods to a splicing manufacturer trainer.
  - iii. All splice technicians must provide evidence of training to Owner prior to actual field splicing.

#### 3. Contractor OEM Training

- a. The Contractor will accept all OEM training by the manufacturer.

#### 4. Electrical Clearance Training

- a. Employees shall be submitted to Owner prior to Substation Facilities energization.
- b. Contractor shall provide electrical clearance training to all employees prior to initial Transmission Facilities energization. Documentation certifying this training has been conducted for all employees shall be submitted to Owner prior to Transmission Facilities energization.
- c. Contractor will train all personnel to properly lock and tag all equipment that become energized during construction.

#### 5. Aboriginal

- a. Contractor shall provide Cultural Sensitivity training to all employees to raise awareness of the history and culture of Aboriginal people leading to discussions on how to form effective professional relationship.

#### 6. Environmental

- a. Owner will develop environmental training, which in turn will be administered and provided by Contractor to all Contractor's employees, and as necessary and applicable, subcontractor(s) and site visitors. The environmental training is to raise awareness of Contractor fully compliance with and adherence to the project environmental requirements including, but not limited to, environmental regulatory requirements, topsoil stripping, soil management, erosion control, drilling mud management, watercourse crossings, species at risk mitigation, surface water management, wildlife management, vegetation management, air/noise monitoring, socioeconomic constraints, timing restrictions, setback requirements, contractor requirements, environmental incidents, reporting requirements

## Exhibit L

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## Exhibit M

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**Exhibit N of the RFP is protected confidential material.**

## **Exhibit O**

### **Project Management Team**

**[Provide organization chart of key personnel assigned to this project]**

## Exhibit P

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Revised 2/18/16

## NextBridge Contractor Safety Requirements Policy

### Purpose

Safety is vital to the well-being of any persons, individual, corporation, partnership, limited liability company, association, trust, incorporated organization, governmental authority or any other entity of whatever nature (including their successors or assigns) (each a “**Contractor Entity**” and collectively, the “**Contractor Entities**”), engaged by NextBridge Energy, Inc., its subsidiaries, affiliates, successors or assigns (each a “**NextBridge Entity**” and collectively, the “**NextBridge Entities**”) as identified on a project specific basis to perform work for any NextBridge Entity. The purpose of this Engineering and Construction Business Unit Contractor Safety Requirements Policy (“**Policy**”) is to ensure that any Contractor Entity engaged by any NextBridge Entity to perform work for any NextBridge Entity and all of such Contractor Entity’s subcontractors, vendors and suppliers who perform work at the request or under the direct or indirect control of any Contractor Entity (collectively, “**Contractor Parties**”), on any NextBridge Entity’s or on any NextBridge Entity’s customers’ or contractual parties’ project specific premises, rights-of-way, or facilities (collectively, the “**Job Site**”) is aware of and complies with the relevant NextBridge Entity’s safety requirements, as well as any act, statute, law, regulation, permit, license, ordinance, rule, judgment, order, decree, directive, guideline or policy (to the extent mandatory) or any similar form of decision or determination by, or any written interpretation or administration of, any of the foregoing by any governmental authority with jurisdiction over the Contractor Parties, the relevant project, the Job Site, the performance of the work or other services to be performed under the agreement to which this Policy applies. In certain instances, (identified herein or otherwise specified by the NextBridge Entity) such safety and environmental responsibilities will only pertain to Contractor Parties’ work related areas within the Job Site (“**Contractor Work Area**”). This Policy may be used by the Contractor Parties to help meet training, reporting, submittal and other safety requirements imposed on the Contractor Parties by the relevant NextBridge Entity. The Contractor Parties may also find it helpful in identifying and correcting potential safety hazards prior to starting work, and monitoring the effectiveness of their own safety programs. For avoidance of doubt, this Policy shall be in addition to any other obligations and requirements imposed on the Contractor Entity under any Applicable Laws and the relevant contract between the Contractor Entity and the relevant NextBridge Entity and shall not be deemed or interpreted to limit the Contractor Entity’s other obligations and requirements under any Applicable Laws or elsewhere in such contract.

NextBridge Entities are committed to providing a safe working environment. Review and knowledge of Job Site safety policies will help keep the Job Site safe; however, no Job Site can be injury free without the personal commitment and active involvement of every Contractor Entity on the Job Site. Personal protective equipment (“**PPE**”), tailboards, checklists, and safety meetings can never be as effective as the individual commitment of all Contractor Parties to creating and maintaining a safe work environment. To that end, the Contractor Entity shall and shall cause each of the Contractor Parties to support a safe work environment by providing the necessary tools and time to perform the work in a safe manner. The requirements established within this Policy must be adhered to while working on the Job Site. The purpose of the requirements in this Policy is to ensure the safety of all Contractor Parties on the Job Site, provide a consistent understanding of NextBridge Entities’ expectations, and to provide for the proper treatment of all Contractor Parties on the Job Site, including landowners and their property adjacent to the Job Site. NextBridge Entities reserve the right to refuse Job Site access to Contractor Parties and their personnel for which the relevant NextBridge Entity reasonably believes or has knowledge of such Contractor Parties or their personnel violating any Applicable Laws or requirement set forth in this Policy. Violation of Applicable Laws, safety rules and regulations, or behavior lacking in regard for one’s own personal safety, or that of others, will not be tolerated. The Contractor Entity and each of the Contractor Parties are responsible to implement Job Site and Contractor Work Area specific safety programs and emergency response plans for each NextBridge Entity project. All Contractor Parties who perform work on the Job Site shall comply with the requirements of Applicable Laws, the Job Site and Contractor Work Area specific safety program.

### Pre-Construction Meeting

A leadership engagement meeting where the Senior Management Representatives from the Owner and Contractor get together to discuss project expectations shall be held and 2) A Kick-Off meeting will be held at site and include the Owner’s Construction Management Team and the Contractors team.

### Contractor’s Responsibilities

It is the Contractor Parties’ responsibility to implement measures necessary to establish and maintain safe working conditions on

the Job Site and for the project. Prior to the commencement of any Job Site work by any Contractor Parties, such Contractor Parties will designate in writing to the relevant NextBridge Entity, a competent safety professional having requisite knowledge and practice in safe working conditions, which competent safety professional shall be mutually agreeable to the relevant NextBridge Entity (each such Contractor Entity shall be referred to as the “**Safety Professional(s)**”). The Safety Professional(s) shall make frequent and regular safety inspections of the Job Site and Contractor Work Area. These inspections shall be documented in writing to the relevant NextBridge Entity in format acceptable to such NextBridge Entity, and submitted to such NextBridge Entity within three (3) business days of such safety inspections of the Job Site and Contractor Work Area. All Contractor Parties on the Job Site shall also be responsible for identifying field supervisors, which shall undertake and document daily safety inspections of such Contractor Entity’s Contractor Work Area (and upon the request of the relevant NextBridge Entity, submit to such NextBridge Entity within three (3) business days of such daily safety inspections of such Contractor Entity’s Contractor Work Area. All at-risk behavior and/or unsafe conditions noted during the daily safety inspections of such Contractor Entity’s Contractor Work Area shall be corrected immediately. The Contractor Entity shall be required to perform a job hazard analysis (“**JHA**”) prior to, and for all work activities on the Job Site. Copies of JHA’s shall be provided to the relevant NextBridge Entity designated representative. Each Contractor Entity shall initiate an accident prevention program which shall include a safety observation program and shall instruct and cause each of the Contractor Parties on the Job Site in the recognition and avoidance of unsafe acts and/or conditions applicable to its work environment to control or eliminate injuries. Each Contractor Entity shall enforce the project safety rules and OSHA regulations pertaining to each of the Contractor Parties and require them to meet all requirements of this Policy. Each of the Contractor Parties is responsible for providing and requiring the use of appropriate PPE in all operations where there is an exposure to hazardous conditions or where the hazard assessment results require PPE. Each Contractor Entity shall also designate and submit to the relevant NextBridge Entity the names of person(s) as required by Applicable Laws for each of the Contractor Parties’ work activities. Each Contractor Entity shall ensure that each of the Competent Persons(s) understand their responsibilities and are capable of identifying existing or predictable hazards, as well as working conditions which are unsanitary, hazardous, or dangerous to personnel on the Job Site, and understands that he/she has the authorization to take prompt corrective measures to eliminate them.

## **Instruction and Training**

All Job Site project supervision (foreman and above) on NextBridge Entities’ projects shall be provided notice of the NextBridge Entities’ safety requirements as set forth by and in accordance with this Policy. Contractor Parties who perform work on a Job Site **MUST** maintain documentation of this training on the Job Site and make same available to the relevant NextBridge Entity upon request. This training will also be required of each of the Contractor Parties whose employment may place them in a position of presumed authority. Instruction and training of all Contractor Parties as it relates to Contractor Parties’ duties, is required on the project. Upon request, documentation of training will be provided to the relevant NextBridge Entity. Temporarily assigned Contractor Parties shall be escorted to the Job Site. Examples of such training to be provided by the Contractor Parties include the following:

- Orientation - All Contractor Parties shall be instructed in the Job Site and Contractor Work Area safety policies and rules, as well as the JHA’s and other safety practices required by their work assignments prior to starting work. Each of the Contractor Parties shall document this training and demonstrate to the relevant NextBridge Entity that each of the Contractor Parties know and understand the safety orientation and JHA’s.
- Safety Meetings - Properly conducted and recorded safety meetings are required. Safety meeting attendance is mandatory. A weekly all hands safety meeting is to be conducted. Documentation of all safety meetings is to be submitted to relevant NextBridge Entity’s designated representative within three (3) business days of such safety meeting.
- Tailboard Meetings - At the start of each shift, each foreman will hold a tailboard meeting which will include safety topics related to the Contractor Parties’ work and a tailboard/specific risk assessment. Topics are to be in writing. The tailboard/specific risk assessment will be completed for all work assignments given throughout the day. The foreman, and the Contractor Parties involved will complete, review and sign the tailboard/specific risk assessment sheet before beginning work. Tailboard/specific risk assessment sheet(s) and the parent JHA(s) are to be kept in the work area for immediate review and/or revision. Contractor Parties assigned to a new activity that is already underway are to review the activities JHA and sign the activity’s tailboard/specific risk assessment sheet before beginning work.
- Specific Instructions - OSHA requires that Contractor Parties on the Job Site who perform specific tasks or operate specific equipment be trained in its use. The Contractor Parties on the Job Site shall ensure that only Contractor Parties qualified by training or experience shall be permitted to operate machinery. These qualifications shall be documented

by each Contractor Entity, maintained at the Job Site and made available to the relevant NextBridge Entity upon request.

A leadership safety training session shall be developed and held for all supervisory personnel. A third party trainer should be utilized if the contractor does not have an in-house leadership program.

## **Record Keeping**

The Contractor Parties on the Job Site have the responsibility to maintain all records required by Applicable Laws, applicable permits, worker's compensation insurance or similar regulations. Specific items required to be submitted to, or maintained at the Job Site and made available to the relevant NextBridge Entity upon request are as follows:

1. Copy of contractor's site specific safety program
2. Copy of contractor's hazard communication program
3. Copy of indexed SDS's
4. Designated (in writing) safety professional
5. Field supervisor daily and safety professional safety inspections
6. Names of competent persons (if applicable):
7. Safety meeting minutes and attendance sign-in sheet
8. All accident/incident reports
9. Employers first report of injury and associated medical reports or doctor recommendations
10. Notification of any hazardous chemicals brought on the job site
11. Daily excavation inspection reports
12. Updated roster including employee name and position (weekly)
13. Copy of all job hazard analysis – copy must also be in work area while work is being performed.
14. First aid/recordable injury statistics (monthly)
15. Verification of employee orientation including JHA(s) training
16. Tailboard Sheet - must be in work area while work is being performed - kept on file when task complete
17. Specific instructions - pre-lift meetings, operator training, Hazcom training, powder actuated tool training, etc.
18. First-aid log
19. Job site specific injury & illness log
20. Regulatory posters
21. Emergency response plan
22. Crane inspections (annual, monthly, daily)
23. Heavy equipment inspections (monthly, daily)
24. Equipment inspections (rigging, ladder, etc.) daily.
25. Inspection of first-aid kit(s) - weekly

## **Hazardous Materials**

Each of the Contractor Parties on the Job Site' is responsible for notifying the relevant NextBridge Entity in writing of any hazardous chemicals or substances that are to be brought on the Job Site. The legal storage, use, and disposal of hazardous chemicals or substances are the responsibility of the Contractor Parties on the Job Site unless otherwise specified by the relevant NextBridge Entity. If hazardous chemicals are going to be used, the Contractor Parties shall implement a hazard communication program that will include training, SDS, and labeling. All containers will be labeled without regard for duration of use or quantity. Use of chemicals may result in hazardous waste; in such cases, the Contractor Parties on the Job Site shall institute a program to address hazardous waste storage and disposal in accordance with the code of Federal regulations, state regulations, and other requirements delineated in the bid and contract documents. When it is reasonable that the Contractor Parties' personnel on the Job Site may come into contact with chemicals, particulates, aerosols or fumes which are reasonably expected to exist and exceed allowable limits, then the Contractor Parties on the Job Site shall put an industrial hygiene program in place. SDS sheets are to be found on file and available on the Job Site for review in the Contractor Parties' offices by all personnel.

## **Fire Prevention**

The Contractor Parties on the Job Site shall be responsible for fire protection in its work and operational and storage areas in accordance with all local, county, state and federal requirements twenty-four (24) hours a day, seven (7) days a week, through the duration of the contract. The Contractor Parties on the Job Site shall comply with all fire and safety rules and regulations established on the project. Fire extinguishers and a fire watch are required around open flame and spark producing operations. All vehicles are required to have proper exhaust systems. A Job Site emergency and evacuation plan shall be developed and implemented by the Contractor Parties on the Job Site.

## **Corrective Measures for Safety Program, Safety Training or Safety Rule Violations**

The Contractor Parties shall establish a safety program that defines corrective measures for minor safety violations and major safety violations that occur on the project. These classifications as to what shall constitute a “minor” versus a “major” violation shall be subject to the NextBridge Entity’s input and approval.

The Contractor Parties shall institute a “two strikes and you are out” policy for minor violations. After two minor violations have been observed by a Contractor Party’s supervisor or manager, the third violation shall require that the employee of such Contractor Party who committed such minor violation be denied access to the Job Site.

After any single major violation committed by a Contractor Party employee, the employee of such Contractor Party who committed such major violation shall be denied access to the Job Site.

## **Medical/ First Aid Services and Procedures**

Each of the Contractor Parties performing work on the Job Site shall make provisions prior to commencement of the project for prompt medical attention in case of serious injury or medical emergency. An injury management system shall be developed and executed by the Contractor Parties’ authorized representative with the following components:

1. Minor injuries shall be treated on the Job Site by an individual certified in first aid.
2. A local occupational health clinic or physician knowledgeable of construction work shall be established at the start of the project to treat injuries that require a doctor visit. The local emergency room will be utilized as a last resort only if a local clinic/physician is unavailable. Utilization of an emergency room should be followed as soon as possible by a more thorough and accordingly more accurate evaluation by the Contractor Parties’ local clinic/physician.
3. Return to work policies shall be developed and implemented by each of the Contractor Parties on the Job Site.

Each of the Contractor Parties performing work on the Job Site shall ensure that first-aid supplies are easily accessible around the Contractor Work Area and documented inspection and refilling of the contents shall be conducted at least weekly. The Contractor shall post telephone numbers and addresses of the EMS providers and hospitals. Each occupational illness or injury shall be reported immediately by the Contractor Parties to the relevant NextBridge Entity designated project manager. For emergency cases, ambulance services will be contacted first by the quickest means available. A daily record shall be kept on all Contractor Parties performing work on the Job Site requiring first aid treatment. If medical treatment is required, the Contractor Parties must provide transportation of the injured to a hospital or physician. A Contractor Parties’ supervisor shall accompany the injured person and remain at the facility until the person is ready to return. All reports from the physician concerning treatment, diagnosis, return to work status and restrictions shall be brought back to the Job Site and a copy(s) provided to the relevant NextBridge Entity designated project manager. The Contractor Parties performing work on the Job Site shall complete and retain on file “Employer’s First Report of Injury” and a Job Site specific injury & illness log, and provide the relevant NextBridge Entity a copy of each upon request.

Accident statistics shall be presented in a spreadsheet format acceptable the relevant NextBridge Entity, and shall include the injured person’s category of craft, the relevant Contactor Entity’s name with whom the injured person is affiliated, the injured person’s years of experience, type and description of injury/illness, cause of injury/illness, treatment, and supervisor’s name. The relevant NextBridge Entity will provide an example form. A safety indicator status is required and shall include total contractor man-hours, minor injuries, lost time recordable injuries and near misses.

The NextBridge Project Monthly Safety Metrics Template or equivalent shall be utilized.

The Contractor Parties performing work on a Job Site will provide the relevant NextBridge Entity with written monthly injury, recordable incident, and man-hour statistics by the fifth (5<sup>th</sup>) day of each month.

## **Accident Investigation & Reporting Process**

All injuries to any Contractor Party personnel or damage to any property and near misses must be reported to the relevant NextBridge Entity designated project manager immediately. In addition to other reporting requirements, at the end of their shift, all Contractor Parties’ personnel performing work on a Job Site are required to verbally report to their supervisor whether or not they have sustained any injury or caused any damage to property on the Job Site or other safety concern. Supervisors are to relay any items discussed, or lack thereof, up their chain of command until the Contractor Parties’ Job Site manager has spoken with the relevant NextBridge Entity’s designated project manager. All injuries and property damage must be reported no later than

the end of shift. Late report of injuries will not be accepted. In the event of an Lost time Injury case or near miss on the Job Site, the NextBridge Entity's designated project manager shall convene a meeting with injured personnel, the supervisor, and other attendees as deemed necessary by the NextBridge Entity's designated project manager. Notification and investigation of the same by the Contractor Entity shall be performed in the following manner:

1. The Contractor Entity shall send a preliminary report within 24 hours to the relevant NextBridge Entity's designated project manager, include the following:
  - A. Description of the incident;
  - B. Immediate corrective action taken;
  - C. Condition of the injured; and
  - D. Medical treatment administered.
2. Prior to the NextBridge Entity designated project manager's meeting and within ten (10) days of the incident, the Contractor Entity shall provide a follow-up report to the relevant NextBridge Entity's designated project manager with the following:
  - A. Detailed incident description and investigation results including root causes;
  - B. Corrective action and implementation plan; and
  - C. Contractor Entity's first report of injury.
3. The Contractor Entity will amend the follow-up report to include any additional information found relevant during the meeting with the designated NextBridge Entity's designated project manager and this will serve as the final report.

Management reserves the right to require the contractor to hold a safety incident leadership review dependent on actual or potential incident severity. The Enbridge MP-HSMS Guideline 007 or equivalent shall be utilized.

### **Project Safety Committee**

The project will require the active involvement of a project safety committee. The purpose of the committee is to allow unencumbered opportunity for craft Contractor Parties' personnel performing work on the Job Site to explore or voice concerns or suggestions in an effort to promote such craft personnel involvement in improving their work environment and provide a forum for discussion and review of individual Contractor Entity and Contractor Parties efforts toward the project goal of zero accidents/incidents. The safety committee will work with the full understanding that they may only comment or make suggestions to project management. Committee membership and participation will be solicited and required from the non-supervisor craft level of Contractor Entities/crafts and on-Job Site Contractor Parties. Members will be required to attend and participate in a regularly scheduled meeting held on a weekly basis. Committee members will decide committee membership rotation, if any, based on factors that encourage committee success. Committee members will select a chairman to lead the committee and develop a weekly agenda. A NextBridge Entity's supervisor will act as a committee resource, as well as documenting committee meeting minutes. Contractor Parties Job Site safety supervisors will be welcomed into committee meetings as committee resources. Individual representatives will have the responsibility to disseminate committee information to their respective Contractor Parties and fellow personnel. Project management is expected to support the committee by promptly addressing comments and suggestions made by the committee. It is expected that most decisions by project management on committee suggestions will be reached at the daily planning meeting, at which, the committee's comments are distributed. Committee comments and Contractor Parties' decisions or actions requiring extended consideration or correction time may require a written response to the relevant NextBridge Entity's designated project manager.

### **Third Party Inspections**

In addition to visits and inspections by corporate representatives, the Contractor Parties are advised that the project and the Job Site may be inspected by authorized third parties. These may include, without limitation representatives of NextBridge Entities' insurance companies, or the Ministry of labor. Third party inspectors are to be directed to the relevant NextBridge Entity's office prior to being allowed on the Job Site. Third party inspectors entitled to access will be treated with respect and courtesy.

**The safety program shall outline requirements similar or equal to the following safety expectations:**

- **Clothing Requirements**

Shirts with at least a four (4)-inch over the shoulder sleeve shall be worn at all times. Tank tops are not permitted. Long pants are required. Approved work boots or footwear shall be worn in all construction areas. Sandals, tennis shoes, or any other street type shoes will not be permitted. Contractor Parties performing work on the Job Site shall ensure that work boots or footwear provide adequate protection from foot injuries due to falling or rolling objects as identified in the hazard assessment. Loose fitting clothes or jewelry shall not be worn around moving machinery, grinding operations, welding operations, etc.



- **Personal Protective Equipment**

All Contractor Parties' personnel will have their name or other positive identifier, and company name clearly identified on their hard hat. Hard hats shall be worn at all times while within the Job Site. This includes while operating any piece of equipment that is not fully enclosed. Hard hats may be removed during breaks, lunches, and immediate crew briefings when all work is stopped in the area. Safety glasses with side shields are required at all times. Approved double eye protection and face protection is required when in the area of welding, grinding, chipping, chemical handling, drilling, or sawing. This section will also apply to those who are assisting anyone performing these activities. Prescription glasses must meet safety glass standards or safety glasses must be worn over prescription glasses. Work gloves are required to be worn for all manual material handling and as identified in JHA's. Chemical resistant protective footwear shall be worn when there is a possibility of hazardous chemicals coming in contact with the foot. OSHA approved hearing and respiratory equipment shall be worn when required. Contractor Parties shall meet the selection, fitting, and maintenance requirements of Federal, provincial and local safety and environmental standards. Contractor Parties' personnel working within a public roadway easement, where the potential for public vehicle traffic is present, shall wear approved warning vests or other suitable garments marked with or made of reflective or high-visibility material.

- **Fall Protection**

All Contractor Parties' personnel performing work on the Job Site shall wear a full body harness and shock absorbing lanyard attached to the back "D" ring when working six feet or more above the ground or a lower level. When possible exposure to a fall of six (6) feet or more, or the possibility exists that a fall may result in striking a lower level, and no other approved means of fall protection is provided, 100% tie-off is required. Lanyards shall be rigged as such that Contractor Parties' personnel can neither free fall more than six (6) feet, nor contact any lower level. A full body harness and shock absorbing lanyard shall also be worn and attached to the tie-off point when working from extensible or articulating boom platforms and to vertical drop lines when working from suspended scaffolding. Specific project or task requirements may exist that require adherence to more stringent requirements. Self-Retracting lanyards (SRL) are a preferred method of fall arrest when the anchor point is within 18 feet from the nearest point of contact (i.e. ground/platform) as the fall clearance requirements for 6 foot lanyards is a minimum of 18 feet.

- **Signs, Signals, Barricades and Lights**

Signs, signals and barricades shall be utilized and visible at all times where a hazard exists. When such signs, signals and barricades (including barricade tape) are in use, a tag shall be conspicuously placed and securely fastened to same and shall explain the hazard and identify the Contractor Parties (including the employee and/or supervisor) responsible for the erection of such item. All streets, roads, highways and other public thoroughfares, which are closed to traffic, shall be protected by effective barricades on which shall be placed acceptable and highly visible warning signs. Barricades shall be located at the nearest intersecting public highway or street on each side of the blocked section. Obstructions, such as material piles and equipment, shall be evaluated for suitable barriers, warning signs and lights. All barricades, signs, lights and other protective devices shall be installed and maintained in conformance with applicable statutory requirements. When any work is performed at night or where daylight is obscured, the Contractor Parties performing work on the Job Site shall, at their expense, provide artificial light sufficient to permit work to be carried out efficiently, satisfactorily and safely, and to permit thorough inspection. During such time, access to the place of work shall also be clearly illuminated. All wiring for electric light and power shall be installed and maintained in a professional manner, securely fastened in place at all points, and shall be kept as far as possible from telephone wires, signal wires, and wires used for blasting. Signs, signals and barricades shall be removed when a hazard no longer exists.

- **Lockout/Tag out**

The Contractor Parties performing work on the Job Site must adhere to a lockout/tag out program that meets or exceeds current Applicable Laws whenever they must isolate machines or equipment from energy sources to prevent unexpected energization, start-up or release of stored energy that could cause injury. All Contractor Parties' personnel involved in the installation, maintenance, repair, or the servicing of equipment on the Job Site that requires the bypassing of guards, are required to follow this policy. All authorized and affected Contractor Parties' personnel performing work on the Job Site shall be trained in the lockout/tag out procedure.

- **Hand and Power Tools**

All hand and power tools shall be maintained in a safe condition. Contractor Parties shall not issue nor permit the use of unsafe hand or power tools. Electrical power tools shall be grounded or double insulated and protected by a Ground Fault Circuit Interrupter at the power source. Pneumatic power tools shall be secured to the hose or whip by some positive means. Air compressors will be equipped with a check valve to prevent unrestricted airflow. Only properly trained Contractor Parties'

personnel performing work on the Job Site shall operate power actuated tools. The Contractor Parties shall maintain certification documentation on their personnel performing work on the Job Site that require the use of powder-actuated tools during performance of the work on the Job Site. Cords, leads and hoses shall be kept at least seven (7) feet off the ground or placed out of the way to prevent a tripping or traffic hazard. The use of razor or any type knife to strip cable or wire is forbidden. Any and all cable or wire will be stripped using a proper cable stripping or wire stripping tool.

- **Compressed Gas Cylinders**

Compressed gas cylinders shall be stored upright in racks or carts at all times. Oxygen cylinders in storage shall be separated from fuel gas cylinders or combustible material a minimum of twenty-five (25) feet, or by a non-combustible barrier at least five (5) feet high having a fire resistant rating of at least one-half hour. Empty cylinders shall be stored separate from full cylinders and stored with like cylinders. "No Smoking" signs shall be posted at storage areas and signs shall clearly indicate contents of the cylinders. When transporting, moving and storing cylinders valve protection caps shall be in place and secured. Cylinders shall not be hoisted by magnets or choker slings. Valve protection caps shall not be used for hoisting cylinders. Cylinders shall be kept away from sparks, hot slag and flames, or be adequately protected. Cylinders shall not be placed where they can become part of an electrical circuit. Cylinders shall be labeled as to the nature of the contents. Anti-flash back valves shall be provided on all oxygen and acetylene lines.

- **Rigging Equipment**

All rigging equipment shall be free from defects, in good operating condition and maintained in a safe condition. Rigging equipment shall be inspected before use on each shift and as necessary to ensure that it is safe. The Contractor Parties shall be required to perform daily inspections, which such inspections are to be documented on the day's tailboard. A designated, Competent Person of the Contractor Parties performing work on the Job Site shall thoroughly inspect and document rigging equipment inspections monthly to ensure that it is in safe condition. Rigging shall be properly stored off the ground and from exposure to the sun, rain, snow, etc. Rigging can be damaged or compromised because of poor storage methods.

- **Cranes and Derricks**

The Contractor Entities performing work on the Job Site shall certify all cranes and derricks as being in safe operating condition before using the crane or derrick on the Job Site. This certification shall be maintained by the Contractor Parties and provided to the relevant NextBridge Entity upon request. Cranes and derricks shall be inspected daily prior to use. A more thorough monthly inspection shall be made when said monthly inspections are recommended by the manufacturer. The Contractor Parties shall maintain records on the Job Site of these inspections and provide copies to the relevant NextBridge Entity upon request. Any deficiencies shall be repaired, or defective parts replaced before continued use. The Contractor Parties shall comply with the manufacturer's specifications and limitations applicable to the operation of all cranes and derricks. All operators of cranes shall be properly licensed and/or certified by a Competent Person. Copies of operator certifications shall be maintained on the Job Site and copies made available to the relevant NextBridge Entity upon request. The swing radius of cranes shall be barricaded. Hand signals shall be posted in an operator's station; Contractor Parties' personnel assigned to work around the crane on the Job Site will be trained in the use of hand signals. There shall be one designated signal person for each lifting operation. Equipment shall not be operated where any of the equipment or load will come within ten (10) feet (3.1m) of electrical distribution or transmission lines less than 50 kV. Minimum clearance between lines and any part of the crane or load must be ten (10) feet PLUS 0.4 inches for each 1kV over 50kV or twice the length of the line insulator but never less than ten (10) feet. The Contractor Parties shall not permit their personnel to ride the headache ball, hook, or any load being handled by the crane. While in use, maintenance or lubrication shall not be performed. Rated load capabilities, recommended operating speeds, special hazard warning and special instructions shall be visible to the operator while at the control station. Tag lines shall be used on all loads. Special caution should be used in concrete bucket operations.

Contractors shall conduct "spotter" training for all employees assigned to be spotters for heavy equipment.

- **Equipment**

All equipment must be inspected daily before use. A more thorough monthly inspection shall be made when said monthly inspections are recommended by the manufacturer. All inspections must be documented and copies shall be provided to the relevant NextBridge Entity upon request. Defective equipment shall be removed from service immediately and repairs made as soon as possible. All rubber-tired self-propelled scrapers, rubber-tired front-end loaders, rubber-tired dozers, wheel-type agricultural and industrial tractors, crawler tractors, crawler-type loaders and motor graders shall be equipped with rollover protective structures and seat harnesses. All operators of construction equipment shall be properly licensed and/or certified by a Competent Person. Copies of operator certifications shall be maintained on the Job Site and provided to the relevant NextBridge Entity upon request. All equipment with an obstructed view to the rear shall have a reverse signal alarm audible above the

surrounding noise level or a flagman. All cracked or broken glass shall be replaced before bringing vehicles on the Job Site. If glass is broken or damaged on the Job Site, and if the damage is severe enough to cause a potential safety problem, the machine shall be stopped until such damage has been repaired. While in use, maintenance or lubrication shall not be performed. Standing or riding on the back of a piece of equipment is prohibited. Seat belts shall be worn when operating any equipment with rollover protection. All Contractor Parties' personnel performing work on the Job Site operating a forklift, owned or leased, must possess and be able to present upon request, a forklift training certification card specifying their qualification for that class of forklift.

- **Motor Vehicles**

All Contractor Parties' personnel driving on the Job Sites are required to have property damage and personal liability insurance on personal vehicles. All drivers of motor vehicles shall be licensed, trained, and instructed to exercise good cautious operating judgment as well as observe posted speed limits. Seat belts shall be worn at all times when traveling in any vehicle. Horns are to be sounded at blind corners, when passing, etc. Riding in the back of any type of truck is strictly prohibited. While in use, maintenance or lubrication shall not be performed.

- **Ladders**

Ladders shall be inspected prior to use and documented on the day's tailboard. The use of ladders with broken, cracked, or missing rungs or steps, broken or split rails or other defective construction is prohibited. Damaged or defective ladders will be removed from the Job Site. Ladders shall extend no less than 36 inches above landing and be secured to prevent displacement. Stepladders must be set level with spreaders locked. Portable ladders must be equipped with safety shoes. Wooden ladders are not to be used on the Job Site. Metal or conductive ladders shall not be used where they may become energized.

- **Floor and Wall Openings and Stairways**

Tower ladder hatches will be kept closed. Contractor Parties' personnel passing through a hatch must close the hatch prior to performing any other task or continuing to climb. Floor and wall openings shall be guarded by a standard guardrail, including midrail and toeboard or a cover installed and secured to prevent movement. Guardrails must be of sufficient strength to support two hundred (200) pounds of pressure when applied at midspan of the guardrail parallel with the floor and perpendicular to the guardrail with a minimum deflection of three (3) inches. Covers must be adequately secured to prevent displacement and have "Danger" signs attached identifying the hazard. Every flight of stairs having four (4) or more risers shall be equipped with standard stair railings. Stairs are not to be used until risers and railings are securely installed. Treads will be poured as soon as possible where poured treads apply and stairways are not to be used until treads are poured. Debris and other loose materials shall not be allowed on stairways or at stairway access points.

- **Excavations and Trenching**

Prior to opening any excavation or trench, the Contractor Parties performing such work on the Job Site must notify the relevant NextBridge Entity. In addition, the Contractor Parties performing work on the Job Site shall contact any other necessary personnel within ten (10) days prior to commencing any digging, to determine whether underground installations, (sewer, telephone, fuel, electric lines, etc.) may be encountered and where they are located. An excavation permit may be specifically required by the project. Excavations and trenches shall be inspected by a Competent Person daily and after every rainfall to determine if they are safe. The evaluation shall include the work activity, as well as, non-work related traffic. Inspections shall be documented and copies are to be provided upon request to the relevant NextBridge Entity within three (3) working days of completion. After the soil is classified, all banks four (4) feet high or more shall be sloped, shored, or have trench shields installed. Spoils will be located no closer than two (2) feet from the edge of the excavation. Ladders or steps shall be provided in all trenches four (4) feet or more in depth. Ladders or steps shall be located to require no more than twenty-five (25) feet of lateral travel before having access. All open trenches and other excavations shall be provided with suitable barriers, signs and lights to the extent that adequate protection is provided. Barricades may be removed if necessary to allow unrestricted access while working in an excavation. Barricades must be reinstalled prior to the end of shift or Personnel otherwise leaving the area. All walkways or ramps crossing over excavations shall be secured in place and equipped with standard guardrails.

- **Confined Space Entry**

At a minimum, "Confined Space" will be recognized as defined by Canadian regulations. Confined Space entry shall be performed in compliance with Canadian regulations and will include a permit system, air sampling, and proper training.

- **Housekeeping**

During the course of construction, all field trash, debris and scrap material shall be promptly disposed of and shop/work areas shall be kept clean and orderly. The Contractor Parties performing work on the Job Site shall provide containers for the

collection and separation of waste, trash, oily rags and other refuse. Metal (dumpster type) containers must be used and emptied promptly. Garbage and other waste shall be disposed of at frequent and regular intervals in a manner approved by the relevant NextBridge Entity's designated project manager. The Contractor Parties shall notify the relevant NextBridge Entity in writing of any hazardous waste that will be generated during performance of the work on the Job Site. The Contractor Parties have the direct responsibility of maintaining proper storage of these wastes while on the Job Site and will verify to the relevant NextBridge Entity in writing that the wastes have been disposed of in a legal manner. Contractor Parties' personnel shall not pour, bury, burn, nor in any way dispose of any chemical on the Job Site without the written permission of the relevant NextBridge Entity. The Contractor Parties shall dispose of all combustible debris generated on the Job Site to an approved solid waste disposal site. No open burning of debris or rubbish will be permitted on the Job Site. Materials and supplies shall be stored in locations that will not block access ways, and shall be arranged to permit easy cleaning of the area. Smoking is prohibited in all enclosed buildings and in areas posted as "No Smoking Area". All cigarette ends (fire hazard in the dry areas) must be disposed of appropriately; do not throw on the ground. All hoses, cables, extension cords, and similar materials shall be located, arranged, and grouped so they will not block any access way and will permit easy cleaning and maintenance.

- **Safe Work Practices**

Safe work procedures shall be developed by the contractor for the following processes:

Helicopter safety  
 Slings loads with a helicopter  
 Driving safety  
 All-terrain vehicle safety  
 Snowmobile safety  
 Work in remote locations  
 Wildlife safety  
 Bear deterrents  
 Cougar survival  
 Wilderness survival  
 Working in cold and hot environments  
 Working on or near ice and along rivers.  
 Boat Safety  
 Drilling safety  
 Lightning hazards  
 Ground disturbance Guidelines  
 Open Blade Knife Policy  
 Winter footwear

- **Weather Event/Severe Storm Emergency Response Procedure**

Contractor Parties shall implement an organized, orderly system to prepare the Contractor Work Area for inclement weather associated with weather events, severe storms, and lightning.

Contractor Parties are responsible for developing and training personnel on the Job Site in a weather event/severe storm emergency response procedure.

Contractor Parties shall establish a storm damage assessment team.

- **Weather Event/Severe Storm Preparedness Plan**

Contractor Parties shall inspect the Job Site, contractor work area, storage areas, shops and trailers to ensure all Contractor Parties' equipment and material are properly secured. Contractor Parties shall establish a call-in team in the event preparations need to be made after hours. As a minimum, the following should be accomplished:

**Weather Event/Severe Storm Watch (36 to 48 Hours' Notice):**

1. Band and secure all lumber.
2. Band and secure all plastic pipes, conduit, and other similar objects.

3. Band and secure all siding, decking, sheet metal, and other similar objects.
4. Dismantle and/or secure all scaffolds and temporary platforms.
5. Inspect and secure all temporarily installed piping, ductwork, and equipment. The may include adding lashing or lowering the equipment or material to the ground.
6. Finish bolting up all unfinished erected structural steel. Add additional steel, if necessary, to ensure the stability of the structure.
7. Lash down all unsecured tanks, silos, ductwork, and hoppers.
8. Tie down all storage vans, containers, and temporary structures. This includes stairways, print shacks, and other similar structures.
9. Tie down all gang boxes or other similar items located in elevated positions up in the structures.
10. Dismantle and/or secure all large signs and similar structures.
11. Remove all radiation sources from the project.
12. If possible, remove all fuel trucks and tanks from the project. Trucks and tanks left on the Job Site shall be secured and diked to contain a spill.
13. If possible, all of Contractor's Parties' hazardous material shall be removed from the Job Site. Material left on the Job Site shall be secured and diked to contain a spill.
14. All elevated work areas for example, Turbine decks, shall be cleared of all loose material.

**Weather Event/Severe Storm Warning (1 to 24 Hours' Notice):**

1. Contractor Parties should make sure that all materials and equipment are secured by this time.
2. Contractor Parties will shut down the contractor work area construction power system.
3. Contractor Parties will shut off the construction water system.
4. All crane booms shall be lowered to the ground and secured.
5. All small vehicles such as golf carts, welding machines and compressors shall be secured.
6. All office trailers and buildings shall be locked.
7. Job Site shall be evacuated.

**Following a Weather Event/Severe Storm:**

1. Once the weather event/severe storm has passed, the Contractor Parties shall return to the Job Site to determine if the contractor work areas are safe for Contractor Parties' personnel re-entry.
2. Contractor Parties shall appoint a management person as a contact. The Contractor Parties who perform work on the Job Site shall communicate to the appointed persons the condition of the contractor work area.
3. If the contractor work area is unsafe for entry, the Contractor Parties shall determine what resources are needed to make the contractor work area safe for re-occupancy.
4. The Contractor Parties shall appoint a single point of contact for the necessary resources to prepare the contractor work area for re-occupancy.
5. Only when the contractor work area has been determined safe for re-occupancy by the relevant Contractor Parties' and the relevant NextBridge Entity shall the Contractor Parties' personnel be allowed back to the contractor work area to resume normal construction activities.

**Weather Events/Severe Response Construction Site Team**

The Contractor Entity shall maintain a list of team members and phone numbers of those Contractor Parties' personnel on the Job Site/Contractor Work Area teams.

## Exhibit R

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## Exhibit S

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## Exhibit T-1

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## Exhibit T-2

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## Exhibit T-3

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## Exhibit T-4

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## Exhibit T-5 Form of Provisional Acceptance Certificate

### Provisional Acceptance Certificate

DATE: \_\_\_\_\_

1. Unless otherwise defined herein, the capitalized terms used throughout this Provisional Acceptance Certificate shall have the meanings as set forth in the Procurement and Construction Agreement for Transmission Facilities effective as of [\_\_\_\_\_] [\_\_\_], 201[\_\_\_], between NextBridge Infrastructure LP (“Owner”) and [\_\_\_\_\_] (“Contractor”).
2. Contractor certifies and represents that the following statements are true as of the date of delivery of this Provisional Acceptance Certificate to Owner:
  - a) The Contractor has satisfied all of the requirements for the achievement of Provisional Acceptance in accordance with the Agreement.
  - b) Contractor has delivered this form, completed except for signature by Owner, to Owner’s duly authorized representative on the above date.
  - c) Punch List Items not completed to date are listed below or on the attached sheet:  
  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.
  - d) The following are the assigned responsibilities for security, maintenance, utilities, damage to the Work, and insurance.  
  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.
3. The person signing below is authorized to submit this form to Owner for and on behalf of Contractor.

[Contractor]:

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

**Exhibit T-5**  
**Form of Provisional Acceptance Certificate**

**Provisional Acceptance Certificate**

Owner to cross through one (1) of the following statements:

- A.     Owner agrees that the Contractor has satisfied all the required obligations and has achieved Provisional Acceptance for his scope of work. This Provisional Acceptance Certificate was received by Owner on the date first written above and is effective as of that date.
- B.     Owner does not agree that the Contractor has satisfied his required obligations, and therefore has not achieved Provisional Acceptance for his scope of work, due to the omissions, liens, or defects listed below and/or the incomplete nature of the specified portions of the Work listed below or on the attached sheet:

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NextBridge Infrastructure LP:

The person signing below is authorized to sign the Provisional Acceptance Certificate for and on behalf of Owner.

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

## **Exhibit T-6**

### **Form of Final Acceptance Certificate**

#### **Final Acceptance Certificate**

Date: \_\_\_\_\_

1. Unless otherwise defined herein, the capitalized terms used throughout this Final Acceptance Certificate shall have the meanings as set forth in the Procurement and Construction Agreement for Transmission Facilities effective as of [\_\_\_\_\_] [\_\_\_], 201[\_\_\_], between NextBridge Infrastructure LP (“Owner”) and [\_\_\_\_\_] (“Contractor”).
2. Contractor certifies and represents that the following statements are true as of the date of delivery of this Final Acceptance Certificate to Owner:
  - a) The Contractor has satisfied all of the requirements for the achievement of Final Acceptance in accordance with the Agreement.
  - b) Contractor has delivered this form, completed except for signature by Owner, to Owner’s duly authorized representative on the above date.
3. The person signing below is authorized to submit this form to Owner for and on behalf of Contractor.

[Contractor]:

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

## **Exhibit T-6**

### **Form of Final Acceptance Certificate**

#### **Final Acceptance Certificate**

Owner to cross through one (1) of the following statements:

- A. Owner agrees that Final Acceptance has been achieved. This Final Acceptance Certificate was received by Owner on the date first written above and is effective as of that date.
  
- B. Owner does not agree that Final Acceptance has been achieved by the Contractor due to the omissions, liens or defects listed below and/or the incomplete nature of the specified portions of the Work listed below or on the attached sheet:

---

---

---

---

NextBridge Infrastructure LP:

The person signing below is authorized to sign the Final Acceptance Certificate for and on behalf of Owner.

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

Date: \_\_\_\_\_

## Exhibit T-7

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## Exhibit T-8

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## Exhibit T-9

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**Exhibit T-10**  
**Form of Milestone Achievement Certificate**

**Milestone Achievement Certificate**

Date: \_\_\_\_\_

Mr. \_\_\_\_\_  
[Owner Entity Name]  
[Enter Name], Project Manager

Reference: [Contractor] Job No. \_\_\_\_\_  
Subject: Milestone No. \_\_\_\_\_

Dear Mr. \_\_\_\_\_:

[Contractor] certifies:

A. The completion of the following Milestones on the dates set forth below:

<u>Milestone No.</u>	<u>Completion Date</u>
----------------------	------------------------

As evidence of achievement, the attached "Field Completion Certificate(s)" are offered.

B. The Milestones listed in "Field Progress Certificate No. \_\_\_\_" attached hereto have the percentage of completion provided therein.

Very Truly Yours,

[Contractor's Name]  
[Enter Name], Project Manager

Attachment: Field Completion Certificate No. \_\_\_\_  
Field Progress Certificate No. \_\_\_\_

**Exhibit T-10**  
**Form of Milestone Achievement Certificate**

**Field Completion Certificate**

Date: \_\_\_\_\_

To:           [Owner Entity Name]  
              [Enter Name], Project Manager

\_\_\_\_\_

From:       [Contractor's Name]  
              [Enter Name], Site Manager

\_\_\_\_\_

Subject:     Milestone Number \_\_\_\_\_

This is to certify that the following milestone was completed on \_\_\_\_\_

Milestone Number: \_\_\_\_\_

Milestone Description: \_\_\_\_\_

SIGNED: \_\_\_\_\_  
          [Contractor's Name]  
          [Enter Name], SITE MANAGER

DATE: \_\_\_\_\_

SIGNED: \_\_\_\_\_  
          [Owner Entity Name]  
          SITE REPRESENTATIVE

DATE: \_\_\_\_\_

## Exhibit U

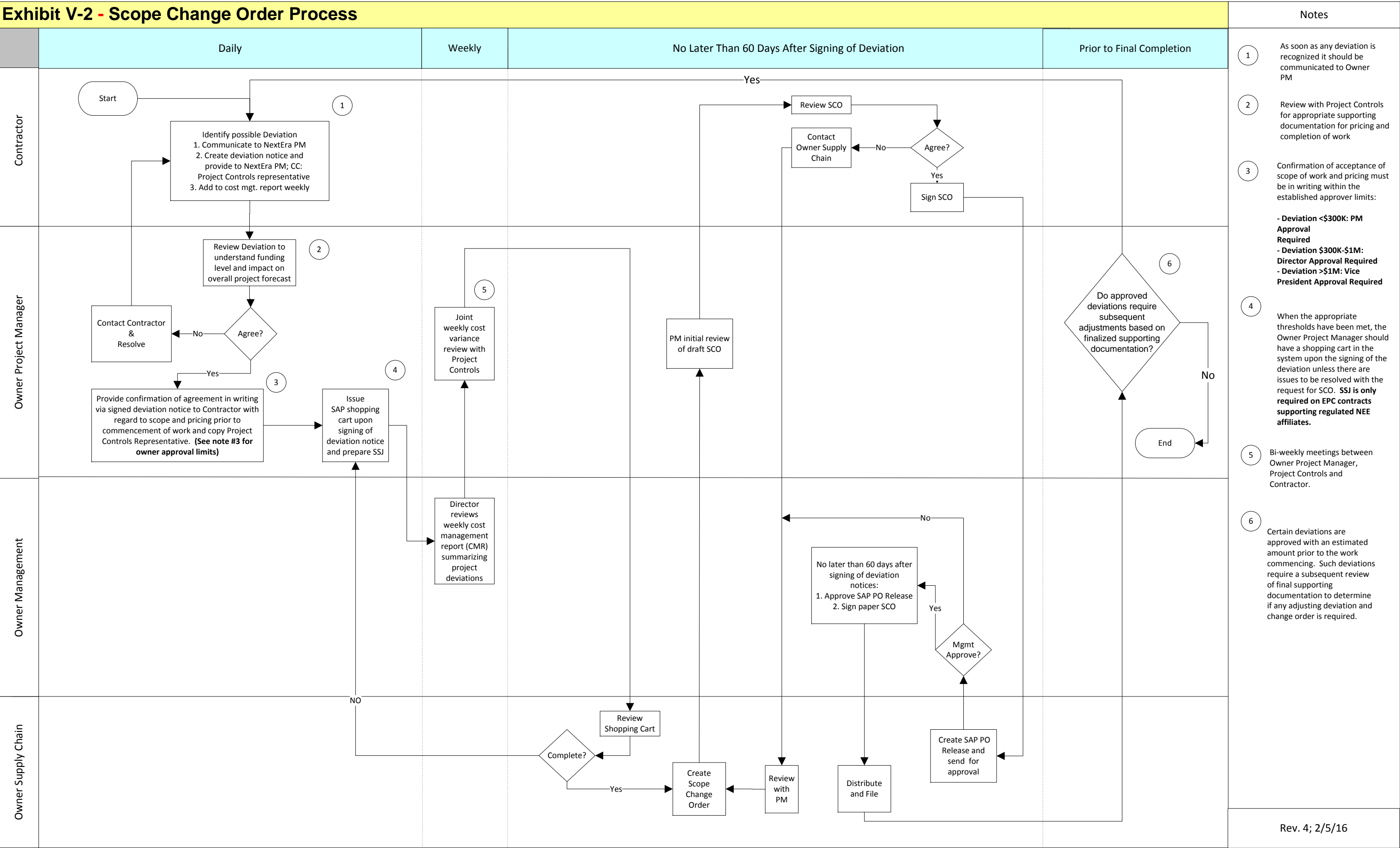
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**EXHIBIT V-1**

**FORM OF SCOPE CHANGE ORDER**

**SCOPE CHANGE ORDER NO. \_\_\_\_\_**

<b>Contractor:</b> _____	<b>Title:</b> _____	<b>Date:</b> _____						
<b>CONTRACT CHANGE: (Detail)</b>		<b>Amount (Circle Credits)</b>						
<p>This Scope Change Order No. [____] ("Scope Change Order"), effective as of [____] [____], 201[____], is issued to amend the Procurement and Construction Agreement for Transmission Facilities between NextBridge Infrastructure LP, an Ontario limited partnership ("Owner") and [____] ("Contractor") dated [____] [____], 201[____] (the "Agreement") as specified below. The initial capitalized terms used herein, unless otherwise defined in this Scope Change Order, shall have the meanings ascribed to them in the Agreement.</p> <p>[INSERT DETAIL OF SCOPE CHANGE]</p>								
<b>Contract Start Date:</b> _____ <b>Contract Completion Date:</b> _____		<b>Total Authorized Amount This Scope Change Order</b> <b>(CDN)</b>						
<b>Schedule of Prices:</b> <b>Lump Sum Fixed Price</b>								
<b>WORK/SERVICE START DATE:</b> _____ <b>WORK/SERVICE END DATE:</b> _____								
<p>It is hereby understood that, if this Scope Change Order is executed by Owner, then Contractor shall implement the above-referenced change(s). If this Scope Change Order is executed by Owner the changes to the Work, Contract Price, time requirements and/or any other provisions of the Agreement described in this Scope Change Order are considered an amendment to the Agreement. Except as otherwise set forth in this Scope Change Order, the change(s) described in this Scope Change Order do not relieve Owner or Contractor of their responsibilities described in the Agreement. If this Scope Change Order is executed by Owner, this Scope Change Order constitutes a full and complete settlement with respect to change(s) to the Work, Contract Price, time requirements and/or any other provisions of the Agreement described in this Scope Change Order, including the settlement of compensation to Contractor, for the change(s) described in this Scope Change Order.</p>								
_____ <b>Project Manager</b>								
<table border="0" style="width: 100%;"> <tr> <td style="width: 50%; text-align: center;"><b>COST HISTORY</b></td> <td style="width: 20%; text-align: center;"><b>Primary Cause of Change (Check One)</b></td> <td style="width: 30%; text-align: center;"><b>SCHEDULE</b></td> </tr> <tr> <td>                     Original Contract Price                      \$ _____ (CDN)                      Total Previous Changes Auth.                      \$ _____ (CDN)                      This Change (Net Amount)                      \$ _____ (CDN)                          <input type="checkbox"/> Firm      <input type="checkbox"/> Estimate                      Total Contract Price                      \$ _____ (CDN)                      (Including this change)                      Could this Scope Change Order Impact Other Contracts?                          <input type="checkbox"/> Yes      <input type="checkbox"/> No                 </td> <td> <input type="checkbox"/> Variance from Quantity Estimate  <input type="checkbox"/> Regulatory Requirements  <input type="checkbox"/> Construction Changes  <input type="checkbox"/> Engineering Changes  <input type="checkbox"/> Other Department Requests  <input type="checkbox"/> Vendor Caused (Identify Back Charges)  <input type="checkbox"/> Constructability  <input type="checkbox"/> Other (Specify) _____                 </td> <td> <input type="checkbox"/> Change Does Not Affect                          Guaranteed Substantial                          Completion Date   <input type="checkbox"/> Change Will Affect                          Guaranteed Substantial                          Completion Date                 </td> </tr> </table>			<b>COST HISTORY</b>	<b>Primary Cause of Change (Check One)</b>	<b>SCHEDULE</b>	Original Contract Price                      \$ _____ (CDN) Total Previous Changes Auth.                      \$ _____ (CDN) This Change (Net Amount)                      \$ _____ (CDN) <input type="checkbox"/> Firm <input type="checkbox"/> Estimate Total Contract Price                      \$ _____ (CDN) (Including this change) Could this Scope Change Order Impact Other Contracts? <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Variance from Quantity Estimate <input type="checkbox"/> Regulatory Requirements <input type="checkbox"/> Construction Changes <input type="checkbox"/> Engineering Changes <input type="checkbox"/> Other Department Requests <input type="checkbox"/> Vendor Caused (Identify Back Charges) <input type="checkbox"/> Constructability <input type="checkbox"/> Other (Specify) _____	<input type="checkbox"/> Change Does Not Affect Guaranteed Substantial Completion Date  <input type="checkbox"/> Change Will Affect Guaranteed Substantial Completion Date
<b>COST HISTORY</b>	<b>Primary Cause of Change (Check One)</b>	<b>SCHEDULE</b>						
Original Contract Price                      \$ _____ (CDN) Total Previous Changes Auth.                      \$ _____ (CDN) This Change (Net Amount)                      \$ _____ (CDN) <input type="checkbox"/> Firm <input type="checkbox"/> Estimate Total Contract Price                      \$ _____ (CDN) (Including this change) Could this Scope Change Order Impact Other Contracts? <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Variance from Quantity Estimate <input type="checkbox"/> Regulatory Requirements <input type="checkbox"/> Construction Changes <input type="checkbox"/> Engineering Changes <input type="checkbox"/> Other Department Requests <input type="checkbox"/> Vendor Caused (Identify Back Charges) <input type="checkbox"/> Constructability <input type="checkbox"/> Other (Specify) _____	<input type="checkbox"/> Change Does Not Affect Guaranteed Substantial Completion Date  <input type="checkbox"/> Change Will Affect Guaranteed Substantial Completion Date						
<div style="text-align: right;"> <b>Owner Authorization:</b>  <b>NextBridge Infrastructure LP</b>  <b>By: Upper Canada Transmission, Inc., its general partner</b>   <b>Signature:</b> _____  <b>Name (Print):</b> _____  <b>Title (Print):</b> _____  <b>Date:</b> _____                 </div> <div style="text-align: center; margin-top: 20px;"> <b>Accepted by Contractor:</b>  <b>[INSERT CONTRACTOR LEGAL NAME]</b> </div> <div style="text-align: right; margin-top: 20px;"> <b>Owner Authorization:</b>  <b>NextBridge Infrastructure LP</b>  <b>By: Upper Canada Transmission, Inc., its general partner</b>   <b>Signature:</b> _____  <b>Name (Print):</b> _____  <b>Title (Print):</b> _____  <b>Date:</b> _____                 </div> <div style="margin-top: 20px;"> <b>Signature:</b> _____  <b>Name (Print):</b> _____  <b>Title (Print):</b> _____  <b>Date:</b> _____                 </div>								



Rev. 2/5/16



## Exhibit W-1

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## Exhibit W-2

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**Exhibit X of the RFP is protected confidential material.**

## Exhibit Y Form of Request For Payment

TO: NextBridge Infrastructure LP  
Suite 1720, 390 Bay Street  
Toronto, Ontario M5H 2Y2  
Attention: [\_\_\_\_\_]

With a copy to:

NextBridge Infrastructure LP  
700 Universe Blvd.  
Juno Beach, FL 33408  
Attention: Invoice Processing Department (Mail Stop: CPM/JB)

### APPLICATION FOR PAYMENT

Contractor's Invoice No.: \_\_\_\_\_

DATE: \_\_\_\_\_

WBS Element: [Provided by Owner]

Purchase Order Number: [Provided by Owner]

Application is made for payment as shown below in connection with the contract.

See continuation sheets attached for additional breakdowns for labor and material.

Prepared by: \_\_\_\_\_

Date: \_\_\_\_\_

ORIGINAL CONTRACT PRICE	\$_____ (CDN)
Net Change by Scope Change Orders	\$_____ (CDN)
CONTRACT PRICE TO DATE	\$_____ (CDN)
Less Prior Applications for Payment	\$_____ (CDN)
<b>CURRENT APPLICATION FOR PAYMENT</b>	<b>\$_____ (CDN)</b>
<b>BALANCE OF</b>	
<b>CONTRACT PRICE</b>	<b>\$_____ (CDN)</b>

**Exhibit Z****FORM OF QUALITY CONTROL PROGRAM**

Contractor shall have in effect at all times a Project Quality Assurance Program which has been approved by Owner which as a minimum conforms to the American National Standard ANSI/ASQ ISO 9001, Model for Quality Assurance, or an approved alternative. This QA Program shall ensure that all materials and services (including subcontracted materials and services) provided on this project comply with the specification and applicable Codes.

**1.0 Quality Assurance Program:**

- 1.1 Contractor shall have a QA Program in effect at all times to verify that all items and services, including subcontracted items and services, comply with the contract requirements.
- 1.2 This program will clearly establish the authority and responsibility of those responsible for the QA Program. Persons performing quality functions will have sufficient and well-defined responsibility and authority to enforce quality requirements; to identify, initiate, recommend, and provide solutions to quality problems; and to verify the effectiveness of the solutions.
- 1.3 Contractor shall submit a controlled copy of his QA or Quality Control Manual for review and acceptance by Owner. In addition, Contractor will make available for review copies of any associated implementing procedures and/or instructions. A post award meeting will be held at Contractor's facility to discuss the Project's QA and quality requirements.
- 1.4 Contractor shall utilize a quality plan for all stages of the project including design, procurement, installation/erection, testing, start-up and turnover. The quality plan will identify critical activities, inspections and other quality verification points that will be performed to ensure the quality of work meets specified requirements.
- 1.5 Prior to the post award meeting, Contractor shall make available for review the Quality Control Manual for the project that includes implementing procedures, instructions, and check-sheets (which may include but not limited to):
  - 1.5.1 Test & Inspections
  - 1.5.2 Quality System Audits
  - 1.5.3 Nondestructive Examination Control
  - 1.5.4 Control of Special Process
  - 1.5.5 Non-conformance Control and Corrective Actions
  - 1.5.6 Material Control
  - 1.5.7 Document Control and Record Retention

Contractor's preliminary site Construction Quality Plan includes "Inspection and Test plans" that comply with the National Codes (ASME, AWS, ACI). Owner will perform an overview of Contractor's Quality System. This overview does not include "Hold" or "Witness" points. Every effort will be made to implement a meaningful overview without impeding Contractor's efforts or job progress. Owner's overview is intended to assist Contractor implement an effective Quality System and associated quality controls focused on problem prevention and continuous improvement. Concerns arising from the overview activities will immediately be conveyed to Contractor for incorporation into Contractor's Quality System or Project's Quality Plan for corrective action, recurrence control, and trending. Owner's representatives will continually monitor and evaluate Contractor's timeliness and adequacy of corrective actions and recurrence controls.

- 1.6 If subsequent to its acceptance, the QA Program is found to be ineffective or inadequate in providing acceptable quality controls, Owner reserves the right to require the necessary revisions.

**2.0 Contractor's Responsibilities for Suppliers**

- 2.1 Material and equipment quality control: Contractor shall provide new equipment, materials and workmanship for their application.
- 2.2 Contractor is responsible for the work and materials specified in the contract and shall require its subcontractors/suppliers to comply with the appropriate technical and quality requirements of the specification and associated procurement documents.
- 2.3 Contractor will identify, in purchase documents to his suppliers, all applicable quality and QA requirements imposed by the specification on Contractor and will ensure compliance thereto. Contractor has the prime responsibility for vendor surveillance and evaluating and monitoring the implementation of the Quality Assurance Programs of his suppliers. . The degree of overview should be based on results of the evaluation and ongoing quality performance.

## **Exhibit Z**

### **FORM OF QUALITY CONTROL PROGRAM**

- 2.4 Contractor will submit a copy of his Vendor Surveillance plans to Owner for review prior to implementation. Upon request, Contractor will submit to Owner copies of the reports of the vendor surveillance activities that he performs on his suppliers.
- 3.0 Witness Points**
- 3.1 Owner will have the right to establish witness points for which Contractor will give ten (10) business days prior notification. In addition, Owner may establish witness points to ensure resolution of quality problems.
  - 3.2 Witness points are defined as predetermined points during fabrication when equipment or activities may be inspected or witnessed for compliance with the Agreement, specification, and quality requirements.
  - 3.3 Owner will have the right to access Contractor and Contractor's Suppliers facilities at any time to verify the progress and quality of the work.
- 4.0 Stop Work Action**
- 4.1 Owner will orally notify and confirm in writing to Contractor of any situation where, in the judgment of Owner, Contractor or Contractor's suppliers are performing work contrary to the conditions and terms of the Contract or where continued operations could cause damage, preclude further inspection, or render remedial action ineffective for any product or service provided by Contractor or Contractor's suppliers.
  - 4.2 If, after this notification, Contractor does not commence appropriate corrective action to the satisfaction of Owner, Owner will initiate stop work action on the specified product or service and so notify Contractor in writing.
  - 4.3 Upon receipt of a Stop Work Directive (SWD) from Owner, Contractor and Contractor's suppliers will cease operations, including shipments, on any specified product or service to the extent stipulated by the SWD. Resumption of operations will not be undertaken until Contractor has obtained a written authorization from Owner. A written authorization to resume further operations will only be granted upon approval of Contractor's written commitment to correct those conditions itemized on the SWD. Correction of the actual deficiency will be required prior to release for shipment.
- 5.0 Deviations and Nonconformance's**
- 5.1 Departure from any requirement of this Specification shall be considered a deviation or nonconformance. Examples include physical defects in equipment, test failures, equipment out-of-tolerance, or deviations from the specification, inspection or test procedures. No deviation or nonconformance from this Specification will be accepted until approved in writing by Owner.
  - 5.2 Access to Contractor's facility and their suppliers' facilities shall be provided to the Owner (or agent) at its' option, to evaluate the effectiveness of the quality systems. Necessary changes, which may be required to conform to the above requirements, shall be made by Contractor.
- 6.0 Inspection, Shop Testing and Quality Verification**
- 6.1 Contractor shall develop, implement and provide to the owner a Quality Control Plan for Equipment Suppliers that identifies the level and extent of shop inspection, testing and other quality verification activities. Contractor shall identify the number of man-days budgeted regarding each equipment supplier listed on the Quality Control Plan.
  - 6.2 Testing programs shall be established by Contractor, but shall not be less thorough than the manufacturer's standard testing procedures or as outlined in the major equipment contracts. Contractor is responsible for insuring that the manufacturers meet specification requirements for quality, inspections and testing contained in all equipment contracts.
  - 6.3 Contractor's inspection and testing programs can be established based on previous experience however Contractor shall demonstrate to Owner justification of inspection activities.
  - 6.4 Contractor shall perform inspection, shop testing or other quality verification activities with appropriately qualified and experienced personnel.
  - 6.5 Contractor shall develop and maintain a monthly schedule that identifies the quality verification activities and witness points to be performed on this project. Copies of this schedule shall be provided to the owner.
    - 6.5.1 The Owner reserves the right of shop inspection visits and may witness shop tests, provided that Contractors Schedule is not impacted. Any shop inspections by Owner does not relieve Contractor of its responsibility contained in the terms of the Contract. Contractor shall notify

## **Exhibit Z**

### **FORM OF QUALITY CONTROL PROGRAM**

Owner of impending inspection visits or tests at least ten (10) business days in advance of inspections or tests. Shop inspections shall also be identified in Contractor's schedule.

6.6 Contractor shall furnish to Owner certified copies of test reports and shop tests whether Owner witnesses the shop test or not.

#### **7.0 Equipment Expediting Services**

Expediting services are included for all engineered equipment to track the engineering phase to ensure timely delivery of vendor design drawings and documents, as well as timely engineering design drawing review, and timely resolution of open issues. Expediting services are also included to track the manufacturing and testing phase to ensure timely shipment of equipment that passes all tests and meets vendor as well as Contractor quality assurance and quality control program requirements.

#### **8.0 Construction Quality Control**

First line, primary inspection and testing (hereafter referred to as Quality Control) is the responsibility of Contractor. Contractor's quality control procedures shall be clearly stated in the Project's Quality Control Manual, and shall specify field inspections and inspection criteria. Problems discovered during inspections and testing which could impair job cost, schedule, or facility function, will be immediately conveyed to Owner.

#### **9.0 Construction Meetings**

Contractor shall conduct meetings with subcontractor supervisory personnel prior to task performance, to insure understanding of the design specification requirements. At this time, inspection requirements and witness points shall be explained. Meetings shall be documented.

#### **10.0 Construction Surveillance**

The surveillance, which shall include hands-on inspections and documentation, verifies that the installations conform to the drawings, specifications, and applicable codes. Surveillance shall include in-process inspections, early in the process, as an effort to evoke problem prevention instead of problem resolution that comes with performing only final inspections. Contractor is obligated to engineer, construct and operate equipment in accordance with manufacturers' recommendations. Owner must be notified in writing prior to Contractor initiating actions that deviate from manufacturer's recommendations.

#### **11.0 Test Monitoring**

Testing shall be observed and documented by qualified Contractor personnel. Testing procedures and test reports should be reviewed as well as direct observation of the test process.

#### **12.0 Inspection Plan**

Contractor shall develop an Inspection Plan that identifies the Quality Control activities Contractor will perform. This plan shall outline the usage and extent of the above methods, or additional methods to be used by Contractor to monitor the quality of the installation.

#### **13.0 As-Builts**

Contractor shall develop and implement a document control program to ensure that the project submittals identified in the EPC Agreement are properly controlled and as-builts are provided to the owner in accordance to the project document submittal schedule.

## Exhibit AA-1

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## Exhibit AA-2

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# Statutory Declaration of Progress Payment Distribution by Contractor

Standard Construction Document

**CCDC 9A - 2001**

To be made by the Contractor **prior to payment** when required as a condition for either:

- ☐ second and subsequent progress payments; or  
☐ release of holdback.

The last application for progress payment for which the Declarant has received payment is No. \_\_\_\_\_  
 dated the \_\_\_\_\_ day of \_\_\_\_\_,  
 in the year \_\_\_\_\_.

## Identification of Contract

Name of Contract (Location and description of the Work as it appears in the Contract Documents)

Date of Contract:

Day

Month

Year

Name of Owner

Name of Contractor

## Identification of Declarant

Name of Declarant

Position or Title (of office held with Contractor)

## Declaration

I solemnly declare that, as of the date of this declaration, I am an authorized signing officer, partner or sole proprietor of the Contractor named in the Contract identified above, and as such have authority to bind the Contractor, and have personal knowledge of the fact that all accounts for labour, subcontracts, products, services, and construction machinery and equipment which have been incurred directly by the Contractor in the performance of the work as required by the Contract, and for which the Owner might in any way be held responsible, have been paid in full as required by the Contract up to and including the latest progress payment received, as identified above, except for:

- 1) holdback monies properly retained,
- 2) payments deferred by agreement, or
- 3) amounts withheld by reason of legitimate dispute which have been identified to the party or parties, from whom payment has been withheld.

I make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath.

Declared before me in \_\_\_\_\_

City/Town and Province

this \_\_\_\_\_ day of \_\_\_\_\_, in the year \_\_\_\_\_.

Signature of Declarant

(A Commissioner for Oaths, Notary Public, Justice of the Peace, etc.)

**The making of a false or fraudulent declaration is a contravention of the Criminal Code of Canada, and could carry, upon conviction, penalties including fines or imprisonment.**

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Canadian Construction Documents Committee

# Statutory Declaration

Standard Construction Document

## of Progress Payment Distribution by Subcontractor CCDC 9B - 2001

To be made by the Subcontractor **prior to payment** when required as a condition for either:

- ☐ second and subsequent progress payments; or  
☐ release of holdback.

The last application for progress payment for which the Declarant has received payment is No. \_\_\_\_\_  
dated the \_\_\_\_\_ day of \_\_\_\_\_,  
in the year \_\_\_\_\_.

### Identification of Subcontract

Name of Subcontract (Location and description of the Work as it appears in the Subcontract Documents)

Date of Contract:

Day

Month

Year

Name of Contractor

Name of Subcontractor

### Identification of Declarant

Name of Declarant

Position or Title (of office held with Subcontractor)

### Declaration

I solemnly declare that, as of the date of this declaration, I am an authorized signing officer, partner or sole proprietor of the Subcontractor named in the Subcontract identified above, and as such have authority to bind the Subcontractor, and have personal knowledge of the fact that all accounts for labour, subcontracts, products, services, and construction machinery and equipment which have been incurred directly by the Subcontractor in the performance of the work as required by the Subcontract, and for which the Contractor might in any way be held responsible, have been paid in full as required by the Subcontract up to and including the latest progress payment received, as identified above, except for:

- 1) holdback monies properly retained,
- 2) payments deferred by agreement, or
- 3) amounts withheld by reason of legitimate dispute which have been identified to the party or parties, from whom payment has been withheld.

I make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath.

Declared before me in \_\_\_\_\_

City/Town and Province

this \_\_\_\_\_ day of \_\_\_\_\_, in the year \_\_\_\_\_.

Signature of Declarant

(A Commissioner for Oaths, Notary Public, Justice of the Peace, etc.)

**The making of a false or fraudulent declaration is a contravention of the Criminal Code of Canada, and could carry, upon conviction, penalties including fines or imprisonment.**

**Apply a CCDC 9  
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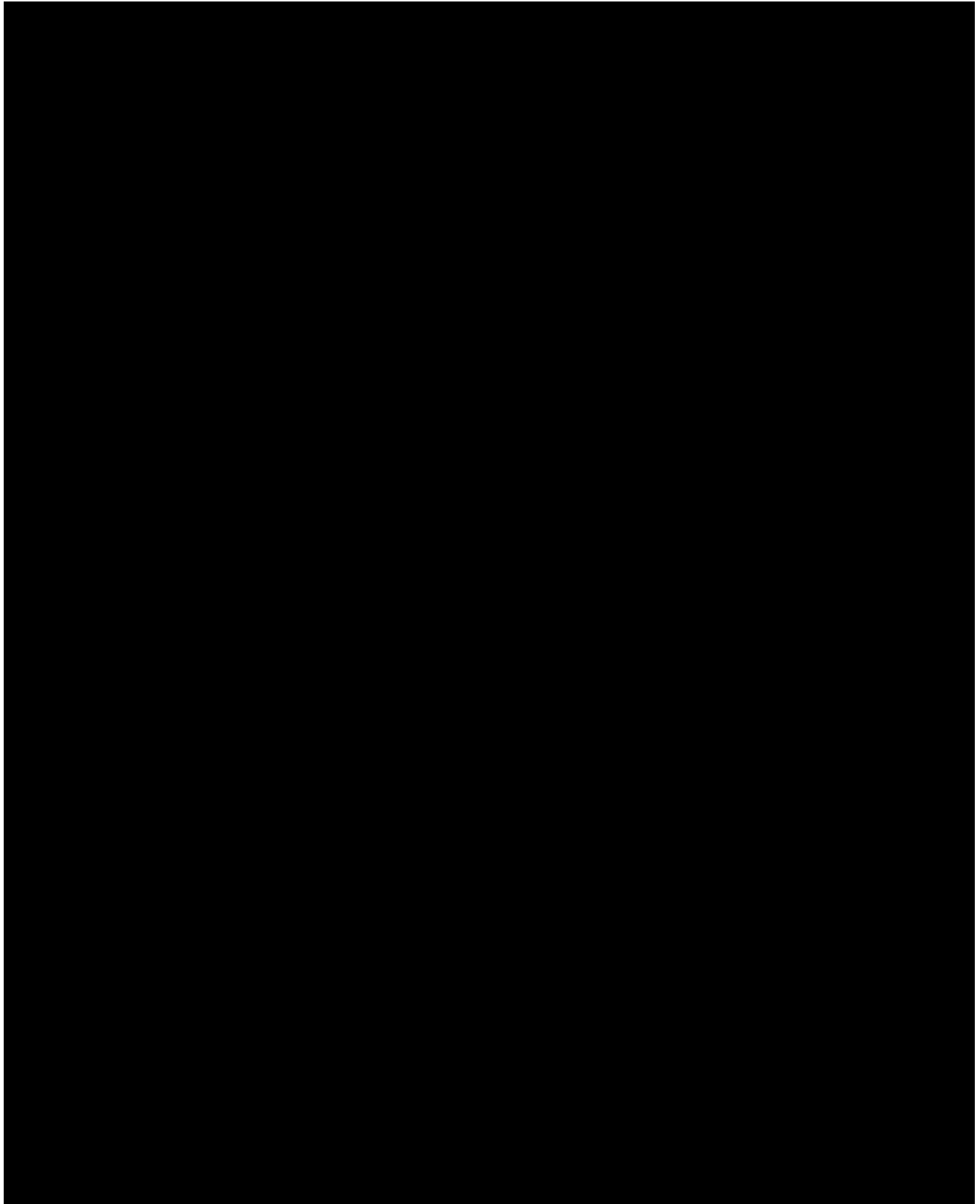
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**Exhibit CC of the RFP is protected confidential material.**



NextBridge OEWTL RFP  
Transmission Line EPC Agreement for Procurement & Construction

Updated: 04-15-16
Target Date for RFP Execution: 4-20-16

Documents	Remarks / Issues
Folder 1 - RFP Commercial Documents	
Attachment 1 - Form of EPC Agreement	FINAL
Attachment 2 - Supplier Financial Risk Assessment Form	FINAL
Attachment 3 - Addenda Acknowledgement Form	FINAL
RFP Letter	FINAL
Folder 2 - Scope of Work	
Exhibit A - Scope of Work	FINAL
Exhibit A Appendix A-1 - Master Index Sheet	FINAL
Exhibit A Appendix A-2 - Framing Drawings	FINAL
Exhibit A Appendix A-3 - Segment A	FINAL
Exhibit A Appendix A-4 - Segment B	FINAL
Exhibit A Appendix A-5 - Segement C	FINAL
Exhibit A Appendix A-6 - Segment D	FINAL
Exhibit A Appendix A-7 - Segment E	FINAL
Exhibit A Appendix A-8 - Segment F	FINAL
Exhibit A Appendix A-9 - Tower Erection Drawings	FINAL
Exhibit A Appendix A-10 - Preliminary Geotech Report	FINAL
Exhibit A Appendix A-11 - Foundation Master Index	FINAL
Exhibit A Appendix A-12 - Foundation Drawings	FINAL
Exhibit A Appendix A-13 - Segment A - Foundation Schedule	FINAL
Exhibit A Appendix A-14 - Segment B - Foundation Schedule	FINAL
Exhibit A Appendix A-15 - Segment C - Foundation Schedule	FINAL
Exhibit A Appendix A-16 - Segment D - Foundation Schedule	FINAL
Exhibit A Appendix A-17 - Segment F - Foundation Schedule	FINAL
Exhibit A Appendix A-18 - Segment E - Foundation Schedule	FINAL
Exhibit A Appendix A-19 - Preliminary Transmission Line Access & Const. Plan	FINAL
Exhibit A Appendix A-20 - Preliminary Access Plan (kmz file)	FINAL
Exhibit A Appendix A-21 - Temporary Construction Easement	FINAL
Exhibit A Appendix A-22 - Repeater Site Drawings	FINAL
Exhibit A Appendix A-23 - Reel Handling Spec	FINAL
Exhibit A Appendix A-24 - Not Used	FINAL
Exhibit A Appendix A-25 - EWT Permanent Access Road List	FINAL
Folder 3 - Agreement Exhibits	
Exhibit B - Schedule of Values	FINAL
Exhibit B-1 - Cash Flow Table	FINAL
Exhibit B-2 - Unit Rate Schedule	FINAL
Exhibit B-3 - Contract Price Breakdown	FINAL
Exhibit C-1 - Project Schedule (OEWTL)	FINAL
Exhibit C-2 - Project Control Requirements	FINAL
Exhibit D - Intentionally Left Blank	
Exhibit E - Job Books Documentation Requirements	FINAL
Exhibit F - Intentionally Left Blank	
Exhibit G - Description of Project Site & Real Property Rights	FINAL
Exhibit H - List Of Permits	FINAL
Exhibit I - List of Approved Major Subcontractors	FINAL
Exhibit J - Form of Letter of Credit	FINAL
Exhibit K - Contractor Provided Training	FINAL
Exhibit L - Intentionally Left Blank	
Exhibit M - Intentionally Left Blank	
Exhibit N - Owner Furnished Equipment	FINAL
Exhibit O - Project Management Team	Contractor to provide Org Chart
Exhibit P - Intentionally Left Blank	
Exhibit Q-1 - NextBridge Contractor Safety Requirements	FINAL
Exhibit R - Intentionally Left Blank	
Exhibit S - Intentionally Left Blank	
Exhibit T-1 - Intentionally Left Blank	
Exhibit T-2 - Intentionally Left Blank	
Exhibit T-3 - Intentionally Left Blank	
Exhibit T-4 - Intentionally Left Blank	
Exhibit T-5 - Form of Provisional Acceptance Certificate	FINAL
Exhibit T-6 - Form of Final Acceptance Certificate	FINAL
Exhibit T-7 - Intentionally Left Blank	
Exhibit T-8 - Intentionally Left Blank	
Exhibit T-9 - Intentionally Left Blank	
Exhibit T-10 - Form of Milestone Achievement Certificate	FINAL
Exhibit U - Intentionally Left Blank	
Exhibit V-1 - Form of Scope Change Order	FINAL
Exhibit V-2 - Scope Change Process Rev 1	FINAL
Exhibit V-3 - Deviation Notice	FINAL
Exhibit W-1 - Intentionally Left Blank	
Exhibit W-2 - Intentionally Left Blank	
Exhibit X - Ancillary Requirements	Cover Page only
Exhibit X Attachment 1 - Aboriginal Requirements	To be issued on April 27 <sup>th</sup> , 2016
Exhibit X Attachment 2 - Environmental Requirements	To be issued upon proponent's submit evidence that it has completed MNRF's Data Sensitivity Training
Exhibit Y - Form of Request for Payment	FINAL
Exhibit Z - Form of Quality Control Program	FINAL
Exhibit AA-1 - Intentionally Left Blank	
Exhibit AA-2 - Intentionally Left Blank	
Exhibit BB-1 - Contractor's Statutory Declaration in the form of CCDC 9A	FINAL
Exhibit BB-2 - Major Subcontractor's Statutory Declaration in the form of CCDC 9B	FINAL
Exhibit CC-1 - List of Designated Substances under the OSHA.	FINAL (Based on Letter dated 9/25/16)



NextBridge OEWTL RFP  
Transmission Line EPC Agreement for Procurement & Construction

Updated: 04-20-16
Target Date for RFP Execution: 4-20-16

Documents	Remarks / Issues
Folder 1 - RFP Commercial Documents	
Attachment 1 - Form of EPC Agreement	FINAL
Attachment 2 - Supplier Financial Risk Assessment Form	FINAL
Attachment 3 - Addenda Acknowledgement Form	FINAL
RFP Letter	FINAL
Folder 2 - Scope of Work	
Exhibit A - Scope of Work	FINAL
Exhibit A Appendix A-1 - Master Index Sheet	FINAL
Exhibit A Appendix A-2 - Framing Drawings	FINAL
Exhibit A Appendix A-3 - Segment A	FINAL
Exhibit A Appendix A-4 - Segment B	FINAL
Exhibit A Appendix A-5 - Segement C	FINAL
Exhibit A Appendix A-6 - Segment D	FINAL
Exhibit A Appendix A-7 - Segment E	FINAL
Exhibit A Appendix A-8 - Segment F	FINAL
Exhibit A Appendix A-9 - Tower Erection Drawings	FINAL
Exhibit A Appendix A-10 - Preliminary Geotech Report	FINAL
Exhibit A Appendix A-11 - Foundation Master Index	FINAL
Exhibit A Appendix A-12 - Foundation Drawings	FINAL
Exhibit A Appendix A-13 - Segment A - Foundation Schedule	FINAL
Exhibit A Appendix A-14 - Segment B - Foundation Schedule	FINAL
Exhibit A Appendix A-15 - Segment C - Foundation Schedule	FINAL
Exhibit A Appendix A-16 - Segment D - Foundation Schedule	FINAL
Exhibit A Appendix A-17 - Segment F - Foundation Schedule	FINAL
Exhibit A Appendix A-18 - Segment E - Foundation Schedule	FINAL
Exhibit A Appendix A-19 - Preliminary Transmission Line Access & Const. Plan	FINAL
Exhibit A Appendix A-20 - Preliminary Access Plan (kmz file)	FINAL
Exhibit A Appendix A-21 - Temporary Construction Easement	FINAL
Exhibit A Appendix A-22 - Repeater Site Drawings	FINAL
Exhibit A Appendix A-23 - Reel Handling Spec	FINAL
Exhibit A Appendix A-24 - Not Used	FINAL
Exhibit A Appendix A-25 - EWT Permanent Access Road List	FINAL
Folder 3 - Agreement Exhibits	
Exhibit B - Schedule of Values	FINAL
Exhibit B-1 - Contract Price Breakdown	FINAL
Exhibit B-2 - Unit Rate Schedule	FINAL
Exhibit B-3 - Cash Flow Table	FINAL
Exhibit C-1 - Project Schedule (OEWTL)	FINAL
Exhibit C-2 - Project Control Requirements	FINAL
Exhibit D - Intentionally Left Blank	
Exhibit E - Job Books Documentation Requirements	FINAL
Exhibit F - Intentionally Left Blank	
Exhibit G - Description of Project Site & Real Property Rights	FINAL
Exhibit H - List Of Permits	FINAL
Exhibit I - List of Approved Major Subcontractors	FINAL
Exhibit J - Form of Letter of Credit	FINAL
Exhibit K - Contractor Provided Training	FINAL
Exhibit L - Intentionally Left Blank	
Exhibit M - Intentionally Left Blank	
Exhibit N - Owner Furnished Equipment	FINAL
Exhibit O - Project Management Team	Contractor to provide Org Chart
Exhibit P - Intentionally Left Blank	
Exhibit Q-1 - NextBridge Contractor Safety Requirements	FINAL
Exhibit R - Intentionally Left Blank	
Exhibit S - Intentionally Left Blank	
Exhibit T-1 - Intentionally Left Blank	
Exhibit T-2 - Intentionally Left Blank	
Exhibit T-3 - Intentionally Left Blank	
Exhibit T-4 - Intentionally Left Blank	
Exhibit T-5 - Form of Provisional Acceptance Certificate	FINAL
Exhibit T-6 - Form of Final Acceptance Certificate	FINAL
Exhibit T-7 - Intentionally Left Blank	
Exhibit T-8 - Intentionally Left Blank	
Exhibit T-9 - Intentionally Left Blank	
Exhibit T-10 - Form of Milestone Achievement Certificate	FINAL
Exhibit U - Intentionally Left Blank	
Exhibit V-1 - Form of Scope Change Order	FINAL
Exhibit V-2 - Scope Change Process Rev 1	FINAL
Exhibit V-3 - Deviation Notice	FINAL
Exhibit W-1 - Intentionally Left Blank	
Exhibit W-2 - Intentionally Left Blank	
Exhibit X - Additional Contractor Responsibilities	To be issued by addendum
Exhibit X, Part 1 - Aboriginal Project Requirements	To be issued by addendum
Exhibit X, Part 2 - Environmental Requirements	To be issued upon proponent's submittal of evidence that it has completed MNRF's Data Sensitivity Training
Exhibit X, Appendix 1 - Contractor's Aboriginal Participation Plan	Contractor to provide
Exhibit X, Appendix 2 - Contractor's Environmental Compliance Plan	Contractor to provide
Exhibit Y - Form of Request for Payment	FINAL
Exhibit Z - Form of Quality Control Program	FINAL
Exhibit AA-1 - Intentionally Left Blank	
Exhibit AA-2 - Intentionally Left Blank	
Exhibit BB-1 - Contractor's Statutory Declaration in the form of CCDC 9A	FINAL
Exhibit BB-2 - Major Subcontractor's Statutory Declaration in the form of CCDC 9B	FINAL
Exhibit CC-1 - List of Designated Substances under the OSHA.	FINAL

**Addenda 1-11 and 13-17 to the RFP are protected confidential materials.**



November 4, 2016

## **ADDENDUM #12**

### **LETTER SENT TO ALL PROPONENTS**

Subject: NextBridge Infrastructure LP  
Request for Proposal No. RJC-041516  
Procurement & Construction Agreement for Transmission Facilities

To All Potential Proponents:

This Addendum #12 is issued to incorporate a Bid Due Date of **Monday, December 19, 2016, 2:00PM EST**, for the Subject Request for Proposal.

All other terms & conditions of this RFP remain the same.

**Please confirm receipt of this RFP Addendum via email to the undersigned.**

Sincerely,

*Robert Conklin*

Robert Conklin  
Senior Sourcing Specialist  
Engineering & Construction  
Email: [robert.conklin@nexteraenergy.com](mailto:robert.conklin@nexteraenergy.com)

cc:

A. Gill

R. Guzman

January 10, 2016

## **ADDENDUM #18**

### **LETTER SENT TO ALL PROPONENTS**

Subject: NextBridge Infrastructure LP  
Request for Proposal No. RJC-041516  
Procurement & Construction Agreement for Transmission Facilities

To All Potential Proponents:

This Addendum #18 is issued to incorporate the following clarifications in response to questions submitted by Proponents:

The Bid Due Date from this Request for proposal remains **Monday, January 16, 2017**; however, NextBridge is hereby extending the time to midnight.

**It is our expectations that each Proponent has made accommodations for submittal of their proposals electronically to the undersigned. If you have not, NextBridge has established an FTP site for transfer of your files. An individual file folder has been established for each Proponent.**

**Instructions to gain access to the FTP site will be provided to each Proponent in separate e-mail.**

### **REMINDER:**

The Proponent's Proposal hard copies must be sent not later than three (3) calendar days after Proposal Due Date to the attention of **Robert Conklin, 390 Bay Street, Suite 1720, Toronto Ontario, Canada M5H 2Y2**. In addition, the Proponent's sealed Proposal shall be submitted with the RFP Number RJC- 041516 and "Attention: Robert Conklin" plainly indicated on the outside of the package.

**Please confirm receipt of this RFP Addendum via email to the undersigned.**

Sincerely,



Robert Conklin  
Senior Sourcing Specialist  
Engineering & Construction  
Email: [robert.conklin@nexteraenergy.com](mailto:robert.conklin@nexteraenergy.com)

cc:

A. Brott  
R. Guzman

**Attachment 4 to the RFP is protected confidential material.**

## **Blasting Near Transmission Lines**

High energy blasting is the use of large blasts to shatter rock for aggregate production or the construction of roads, pipelines, etc. Large blasts may also be used for excavations for buildings and mineral extraction. Detonation between holes is usually delayed momentarily to peel away the rock face sequentially. There are two ways that damage could be caused:

- a. Ground Vibrations
- b. Flyrock

- (a) Several studies and tests have been carried out by various organizations, including Hydro One, on the propagation of ground vibration and its effects on structures and buildings. Actual vibration measurements and the response of the structure to the ground vibrations have been observed.

Based on the review of the information available, a maximum of 50mm/s (2 in/s) at the structure is recommended as the safe vibration level. Although 50 mm/s is considered somewhat conservative, this value is accepted by most authorities taking into account variables such as the ground conditions, soil and/or rock quality, ground water etc.

Further, the Ministry of the Environment and Climate Change has issued ground vibration limits. These limits are stated in the Model Municipal Noise Control Bylaw, August 1978. The Ministry of the Environment and Climate Change limit is 12 mm/s (0.5 in/s) as stated below:

“If the person in charge of blasting operation carries out routine monitoring of the vibration, the peak particle velocity limit for vibration resulting from blasting operations in a mine or quarry is 12 mm/s (0.5 in/s)”.

The Ministry of the Environment and Climate Change ground vibration limit is well below the limit of 50mm/s (2 in/s) and is very conservative.

Several quarry operators were contacted for their practices and methods for controlling the ground vibrations. A demonstration of the blasting operations at Milton near Hydro One ROW was also attended. Information gathered from this appears to indicate that the blasting operations near buildings and structures, generally, conform to the federal, provincial and municipal regulations.

- (b) Quarry operators conducting blasting are responsible for controlling flyrock. A blaster must take appropriate measures to ensure flyrock is controlled and does not damage adjacent property. In this regard, the Occupational Health and Safety Act states:

## **Explosives**

**109.** Blasting mats shall be used where necessary to protect persons, structures and other property on or adjacent to a project from flying rocks or other objects due to blasting operations.

**Note: See sections 77 and 78 of the Criminal Code of Canada, R.S.C. 1970, c. C-34 as amended for legal duties of those in possession or control of explosive substances.**

A Hydro One authorized delegate shall secure from the operator written acceptance of compliance and understanding of the following:

Regulation of the Pits and Quarries Control Act

Regulation of the Model Municipal Noise Control Bylaw.

Regulation of the Occupational Health and Safety Act (section #109)

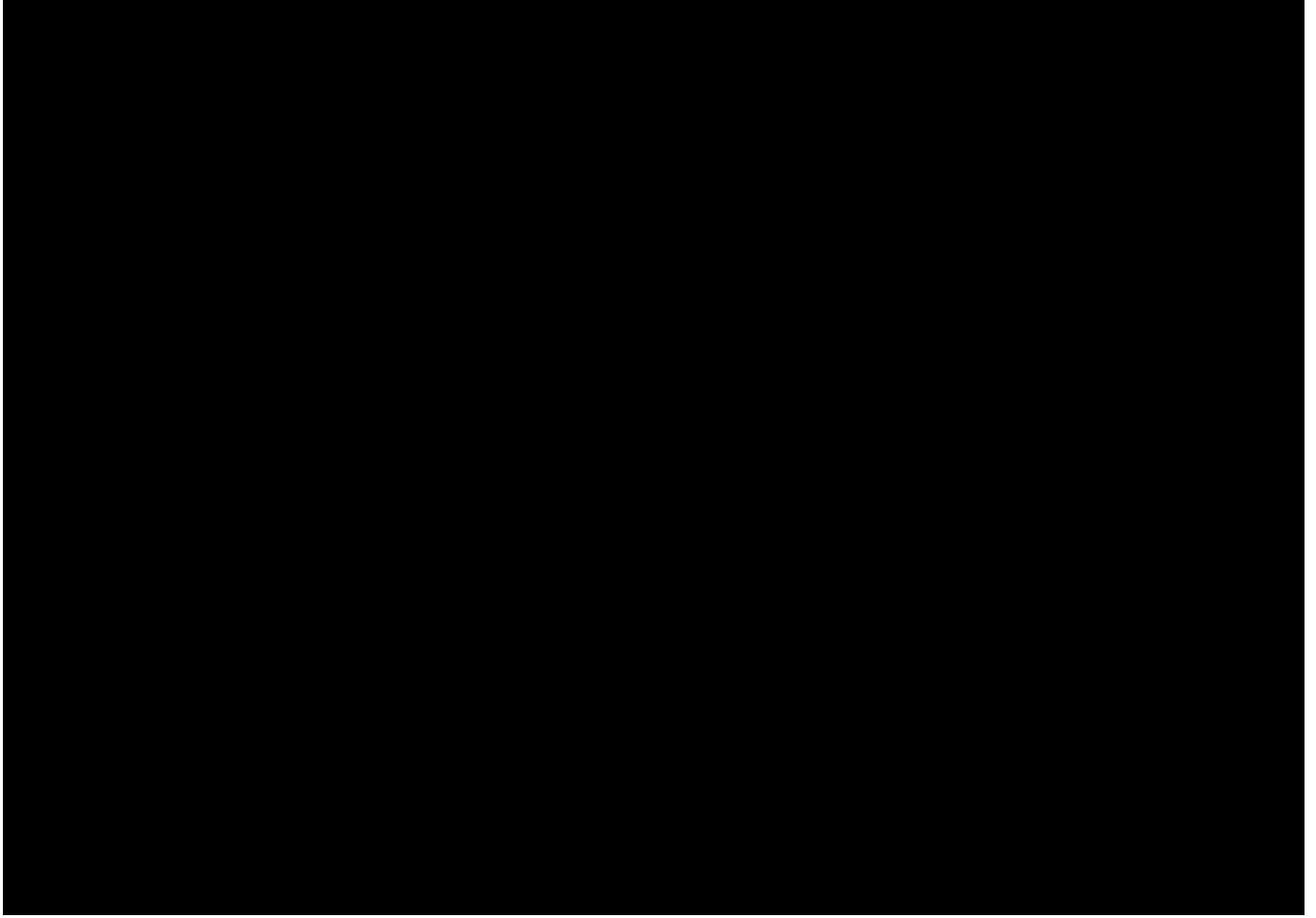
Maximum permissible ground vibrations at the foundation(s) of the transmission structure nearest to the blast will not exceed 50mm/s (2 in/s).

Quarry operator shall permit Hydro One to take ground vibration measurements at the site during the blasting operations, if Hydro One determines that such readings are necessary. This will be used to predict the minimum distance that a quarry may approach a given line given specific ground type.

**Note: Outside consultants are available to take ground vibration measurements during Blasting operations.**

Quarry operator shall be responsible for adequate control and elimination of flyrock hazards to the transmission line components. The Hydro One delegate at his or her discretion, reserves the right to request and obtain the description of method(s) of precaution proposed against flyrock hazard.

Non-acceptance by the Quarry operator of any of the above will result in Hydro One assessing the risks of damage to the nearby transmission facilities due to blasting. If such assessment indicates considerable risk to transmission line security, Hydro One will take appropriate steps to stop the operation.



**ACAD Damper Schedules and Staking Tables associated with the RFP are protected confidential material.**

# In-water Work Timing Window Guidelines

Ontario Ministry of Natural Resources

March 11, 2013

The Ministry of Natural Resources (MNR) has established timing window guidelines to restrict in-water work related to an activity during certain periods in order to protect fish from impacts of works or undertakings in and around water during spawning migrations and other critical life stages.

Follow the steps below to determine which timing windows apply to your project:

1. Determine the fish species that are present in the waterbody in which the activity will occur. If you are uncertain, please contact your local MNR office.  
NOTE: If species listed under the *Endangered Species Act, 2007* are present, you may be required to obtain approval under the *Endangered Species Act, 2007* prior to commencing any in-water work related to an activity.
2. Use the following map on page 2 (Figure 1. MNR Regions) to determine the MNR Region in which the activity will occur. If you are uncertain of the MNR Region in which the activity will occur, please contact your local MNR office.

3. Use Table 1 (on page 2) to determine the dates during which in-water work related to an activity is restricted based on the region and species present. If more than one species is present, then the timing windows should be combined for all species present (e.g., if a waterbody in the Northwest Region contains both Northern Pike (April 1 to June 15) and Smallmouth Bass (May 15 to July 15), then the combined timing window would be April 1 to July 15).

4. If you are required to conduct in-water work related to an activity during a restricted timing window period as outlined in Table 1, please contact your local Ministry of Natural Resources Office.



Northern Pike (*Esox lucius*), Hawk Lake, Kenora Ontario



## IN-WATER WORK TIMING WINDOW GUIDELINES | 2

Figure 1. MNR Regions

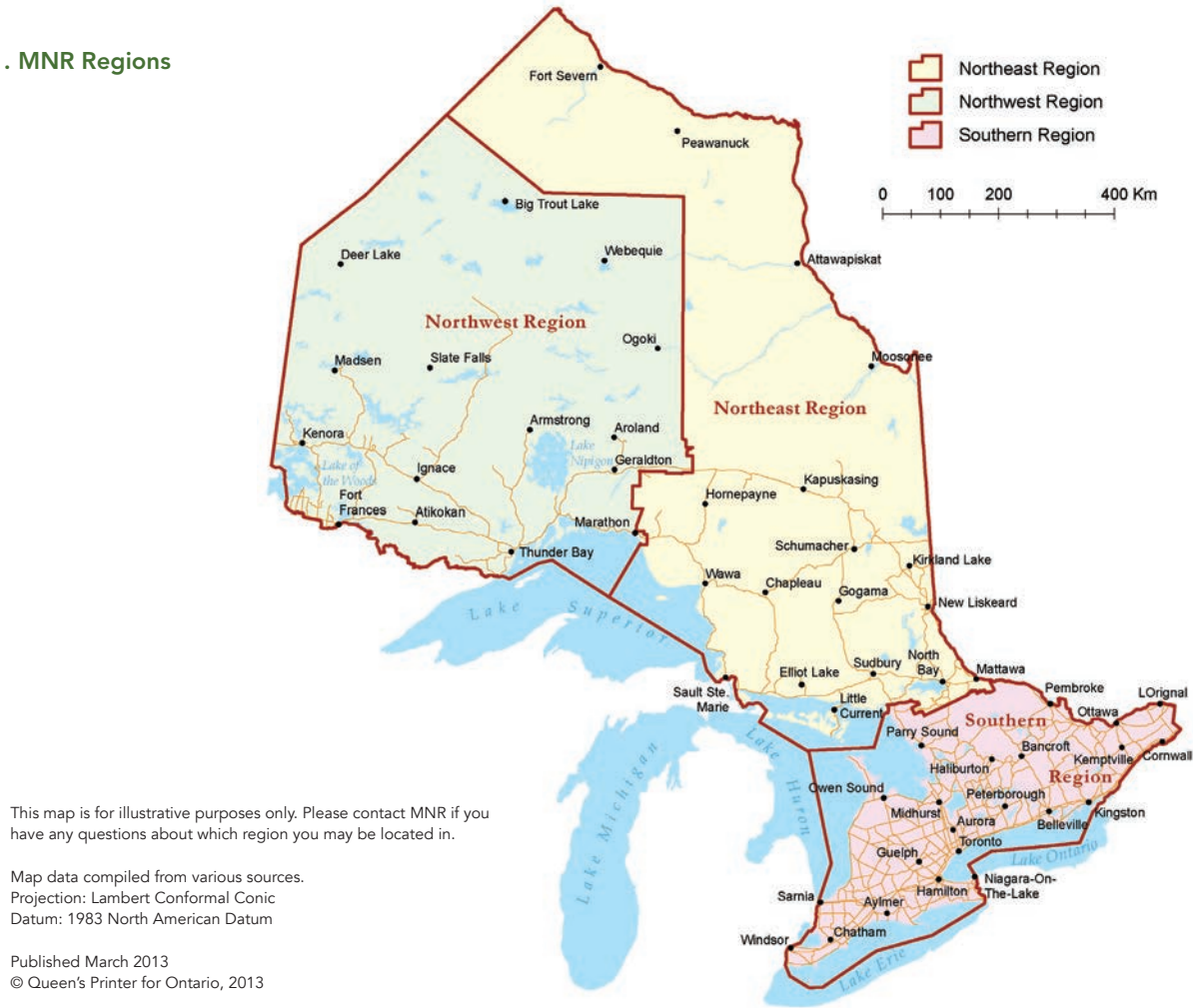


Table 1. Timing windows when in-water work is restricted – based on species presence and MNR Region

	Fish Species	Northwest Region	Northeast Region	Southern Region
Spring	Walleye	April 1 to June 20	April 1 to June 20	Mar. 15 to May 31
	Northern Pike	April 1 to June 15	April 1 to June 15	Mar. 15 to May 31
	Lake Sturgeon	May 1 to June 30	May 1 to July 15	May 1 to June 30
	Muskellunge	May 1 to July 15	May 15 to July 15	Mar. 15 to May 31
	Large/Smallmouth Bass	May 15 to July 15	May 15 to July 15	May 1 to July 15
	Rainbow Trout	April 1 to June 15	April 1 to June 15	Mar. 15 to June 15
	Other/Unknown Spring Spawning Species	April 1 to June 15	April 1 to June 15	Mar. 15 to July 15
Fall	Lake Trout	Sept. 1 to May 31	Sept. 1 to May 31	Oct. 1 to May 31
	Brook Trout	Sept. 1 to June 15	Sept. 1 to June 15	Oct. 1 to May 31
	Pacific Salmon	Sept. 1 to June 15	Sept. 1 to June 15	Sept. 15 to May 31
	Lake Whitefish	Sept. 15 to May 31	Sept. 15 to May 15	Oct. 15 to May 31
	Lake Herring	Oct. 1 to May 31	Oct. 1 to May 31	Oct. 15 to May 31
	Other/Unknown Fall Spawning Species	Sept. 1 to June 15	Sept. 1 to June 15	Oct. 1 to May 31

Documents	
Form of PC Agreement	
Exhibit A - Scope of Work	
Exhibit A Appendix A-1 - Master Index Sheet	
Exhibit A Appendix A-2 - Framing Drawings	
Exhibit A Appendix A-3 - Not Used	
Exhibit A Appendix A-4 - Not Used	
Exhibit A Appendix A-5 - Not Used	
Exhibit A Appendix A-6 - Not Used	
Exhibit A Appendix A-7 - Not Used	
Exhibit A Appendix A-8 - Not Used	
Exhibit A Appendix A-9 - Tower Erection Drawings	
Exhibit A Appendix A-10 - Preliminary Geotech Report	
Exhibit A Appendix A-11 - Geotechnical Profiles, Rev 0	
Exhibit A Appendix A-12 - Foundation Loading, Rev 0	
Exhibit A Appendix A-13 - Soil Profile Schedule, Rev 0	
Exhibit A Appendix A-14 - Landowner Requirements (Construction Line List)	
Exhibit A Appendix A-15 - Not Used	
Exhibit A Appendix A-16 - Not Used	
Exhibit A Appendix A-17 - NotUsed	
Exhibit A Appendix A-18 - Not Used	
Exhibit A Appendix A-19 - Not Used	
Exhibit A Appendix A-20 - OEWTl Master Access Plan	
Exhibit A Appendix A-21 - Temporary Construction Easement	
Exhibit A Appendix A-22 - Not Used	
Exhibit A Appendix A-23 - Reel Handling Specification	
Exhibit A Appendix A-24 - Not Used	
Exhibit A Appendix A-25 - Not Used	
Exhibit A Appendix A-26 – Lattice Steel Towers, Rev 1	
Exhibit A Appendix A-27 – Guy Strand, Rev 1	
Exhibit A Appendix A-28 – Insulator & Guy Hardware Specification_ Rev A	
Exhibit A Appendix A-29 – Insulator & Guy Hardware Installation Specification_ Rev A	
Exhibit A Appendix A-30 – Ceramic Insulator Specification_ Rev A	
Exhibit A Appendix A-31 – Ceramic Insulator Installation Specification_ Rev A	
Exhibit A Appendix A-32 – Non-Ceramic Insulator Specification_ Rev A	
Exhibit A Appendix A-33 – Non-Ceramic Insulator Installation Specification_ Rev A	
Exhibit A Appendix A-34 - Minimum Requirements for Transmission Line Const	
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Exhibit B-2 - Unit Rate Schedule	
Exhibit B-3 - Cash Flow Table	
Exhibit C-1 - Project Schedule (OEWTl)	
Exhibit C-2 - Project Control Requirements	
Exhibit D - Intentionally Left Blank	
Exhibit E - Job Books Documentation Requirements	
Exhibit F - Intentionally Left Blank	
Exhibit G -Intentionally Left Blank	
Exhibit H - List Of Permits	
Exhibit I - List of Approved Major Subcontractors	
Exhibit J - Form of Letter of Credit	
Exhibit K - Contractor Provided Training	
Exhibit L - Intentionally Left Blank	
Exhibit M - Intentionally Left Blank	
Exhibit N - Owner Furnished Equipment	
Exhibit O - Project Management Team	
Exhibit P - Intentionally Left Blank	
Exhibit Q-1 - NextBridge Contractor Safety Requirements	
Exhibit R - Intentionally Left Blank	
Exhibit S - Intentionally Left Blank	
Exhibit T-1 - Intentionally Left Blank	
Exhibit T-2 - Intentionally Left Blank	
Exhibit T-3 - Intentionally Left Blank	
Exhibit T-4 - Intentionally Left Blank	
Exhibit T-5 - Form of Provisional Acceptance Certificate	
Exhibit T-6 - Form of Final Acceptance Certificate	
Exhibit T-7 - Intentionally Left Blank	
Exhibit T-8 - Intentionally Left Blank	
Exhibit T-9 - Intentionally Left Blank	
Exhibit T-10 - Form of Milestone Achievement Certificate	
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Exhibit V-1 - Form of Scope Change Order	
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Exhibit W-2 - Intentionally Left Blank	
Exhibit X - Ancillary Requirements (Cover Page)	
Exhibit X Attachment 1 - Aboriginal Requirements	
Exhibit X Appendix 1 - CAPP	
Exhibit X Attachment 2 - Environmental Requirements	
Exhibit Y - Form of Request for Payment	
Exhibit Z - Form of Quality Control Program	
Exhibit AA-1 - Intentionally Left Blank	
Exhibit AA-2 - Intentionally Left Blank	
Exhibit BB-1 - Contractor's Statutory Declaration in the form of CCDC 9A	
Exhibit BB-2 - Major Subcontractor's Statutory Declaration in the form of CCDC 9B	
Exhibit CC-1 - List of Designated Substances under the OSHA.	

*Execution Version*

**ENGINEERING, PROCUREMENT AND CONSTRUCTION AGREEMENT**

**FOR**

**TRANSMISSION FACILITIES**

**by and between**

**NEXTBRIDGE INFRASTRUCTURE LP,**  
as Owner,

and

**VALARD CONSTRUCTION LP,**  
as Contractor,

**dated as of**

**December 5, 2017**

**Ontario East/West Transmission Project**

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## **ENGINEERING, PROCUREMENT AND CONSTRUCTION AGREEMENT FOR TRANSMISSION FACILITIES**

THIS ENGINEERING, PROCUREMENT AND CONSTRUCTION AGREEMENT FOR TRANSMISSION FACILITIES (this "Agreement"), is made this 5th day of December, 2017 (the "Effective Date"), by and between Valard Construction LP, an Alberta limited partnership ("Contractor"), and NextBridge Infrastructure LP, an Ontario limited partnership acting through its general partner Upper Canada Transmission, Inc. ("Owner") (each individually referred to hereinafter as a "Party" and collectively as the "Parties").

### **WITNESSETH:**

WHEREAS, Owner is developing a 230 kV transmission line, and all services and utilities related thereto, to form part of the interconnected electricity transmission system located in Ontario, Canada;

WHEREAS, Contractor has represented that it is experienced and qualified in providing technical assistance, construction management, construction, engineering, procurement and installation services, and that it possesses the requisite expertise and resources to complete the Work (as hereinafter defined);

WHEREAS, Owner desires to obtain, and Contractor has agreed to provide, through itself or through Subcontractors (as hereinafter defined), such Work, all for the Contract Price (as hereinafter defined); and

WHEREAS, Contractor has agreed to guarantee the timely and proper completion of the Work in strict accordance with the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the foregoing premises, the mutual promises and covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

### **ARTICLE I. DEFINITIONS**

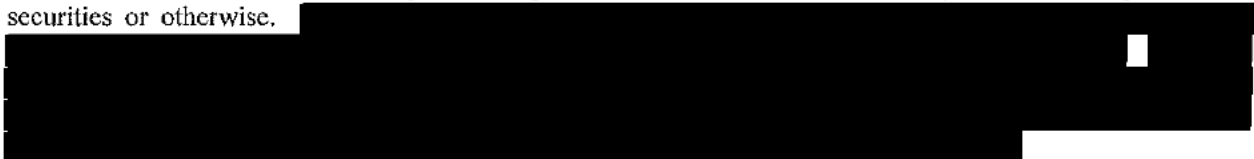
**1.1 Definitions.** As used in this Agreement, the following terms have the meanings indicated:

"Activity" means, in relation to the Schedule of Values, a task or group of tasks to be performed by Contractor pursuant to the terms of the Agreement.

"Additional Contractor Responsibilities" means those additional Contractor requirements set forth in Exhibit X.

"After-Tax Basis" means, with respect to any indemnity payment to be received by any Person, the amount of such payment (the base payment) supplemented by a further payment (the additional payment) to that Person so that the sum of the base payment plus the additional payment shall, after deduction of the amount of all federal, provincial and local income Taxes, if any, required to be paid by such Person in respect of the receipt or accrual of the base payment and the additional payment (taking into account any reduction in such income Taxes resulting from Tax benefits realized or to be realized by the recipient as a result of the payment or the event giving rise to the payment), be equal to the amount required to be received. Such calculations shall be made on the basis of the highest applicable federal, provincial and local income Tax rates applicable to the corporation or entity for whom the calculation is being made for all relevant periods in effect for the year of the payment, and shall take into account the deductibility of provincial and local income Taxes for federal income Tax purposes and for these purposes any indemnity payment shall be exclusive of HST, if any.

"Affiliate" means, in relation to any Person, any other Person: (i) which directly or indirectly controls, or is controlled by, or is under common control with, such Person; or (ii) which directly or indirectly beneficially owns or holds fifty percent (50%) or more of any class of voting stock or other equity interests of such Person; or (iii) which has fifty percent (50%) or more of any class of voting stock or other equity interests that is directly or indirectly beneficially owned or held by such Person, or (iv) who either holds a general partnership interest in such Person or such Person holds a general partnership interest in the other Person. For purposes of this definition, the word "controls" means possession, directly or indirectly of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities or otherwise.



"Agreement" has the meaning set forth in the first paragraph hereof (including the Exhibits hereto), as the same may be amended, supplemented or modified from time to time in accordance with the terms hereof.

"Applicable Laws" means: (i) federal, provincial, or municipal laws, orders-in-council, by-laws, codes (including, without limitation, the Transmission System Code), rules (including the IESO Market Rules as well as any manuals or interpretation bulletins issued by the IESO from time to time), policies, guidelines, regulations and statutes; (ii) orders, decisions, codes, judgments, rules, injunctions, decrees, awards, and writs of any Governmental Authority; and (iii) any requirements under or prescribed by any Applicable Permits, licenses and/or common law; applicable to a Party (as to that Party), the Project, the Job Site or the performance of the Work.

"Applicable Permits" means any and all permits, clearances, licenses, authorizations, consents, filings, registrations, exemptions or approvals from or required by any Governmental Authority or requested by Owner that are necessary for the performance of the Work or ownership or operation of the Transmission Facilities or the Project.

"Applicable Standards" means those sound and prudent practices, methods, specifications, codes or standards of assembly, erection, installation, construction, performance, safety and workmanship prudently and generally engaged in or observed by the majority of the professional engineering and construction contractors for high voltage electric transmission facilities in the United States and Canada that, in the exercise of reasonable judgment, would have been expected to accomplish the desired result in a manner consistent with Applicable Laws, Additional Contractor Responsibilities, Applicable Permits, Prudent Electrical Industry Practices, reliability, safety, environmental protection, local conditions, economy and efficiency. Notwithstanding the foregoing, the Work or any portion thereof shall meet specifications that are at least as stringent as those set forth in the Technical Specifications or any other specifications set forth in the Agreement.

"As-Built Drawings" means final Drawings and final Technical Specifications for the Work, as revised to reflect the changes in the Work during construction, and shall include as-built drawings, piping and instrumentation diagrams, underground structure drawings (including buried piping, all utilities, and critical hidden items), electric one lines, electric schematics and connection diagrams.

"Basic Holdback" means that portion of the Holdback with respect to Work performed up to publication of the certificate of "substantial performance" of the Agreement as that term is defined in the Construction Lien Act.

"Business Day" means every day other than a Saturday, Sunday or a day which is a legal holiday in Toronto, Canada.

“Change in Applicable Law” means any newly enacted or change in, or final change in the judicial or administrative interpretation of, or adoption or repeal of, any Applicable Law promulgated by any Governmental Authority of (A) the Province of Ontario (or any city, county or municipality therein) or (B) the Federal government of Canada to the extent such federal law directly affects the Work performed at the Job Site and is at variance with or in addition to any Applicable Law (if any) in effect on the Effective Date, and provided further that (i) such change materially and adversely affect Contractor’s costs or schedule for performing the Work, (ii) such change could not on the Effective Date reasonably have been foreseen and (iii) such change affects a substantial or essential portion of the Work; provided, however, and notwithstanding the foregoing, it is understood and agreed by the Parties that (a) changes to Applicable Law relating to income taxes imposed on Contractor or its Subcontractors, (b) changes to Applicable Law relating to the organization, existence, good standing, qualification, or licensing of Contractor or its Subcontractors in any jurisdiction, (c) the issuance of an Applicable Permit pursuant to Applicable Law, (d) changes to any federal, provincial, or local Tax law or any other law imposing a Tax, duty, levy, impost, fee, royalty, or charge for which Contractor is responsible hereunder, (e) changes to any federal, provincial or local law affecting the cost of Contractor’s or any Subcontractor’s Labour, and (f) changes to the Construction Lien Act, in each case of clauses (a) through (f) of this definition, shall not be a Change in Applicable Law pursuant to this Agreement.

“Commodity Taxes” means all Taxes levied on or measured by, or referred to as transfer, land transfer, registration charges, gross receipt, sales, provincial sales, use, consumption, HST, Quebec sales, value-added, turnover, excise or stamp, all customs duties, countervail, anti-dumping and special import measures and all import and export taxes.

“Confidential Information” has the meaning set forth in Section 17.1.

“Consumable Parts” has the meaning set forth in Section 2.10.

“Construction Lien Act” means the Construction Lien Act (Ontario), and all regulations issued thereunder, all as amended from time to time or any successor statutes thereto.

“Contract Price” means the total sum payable by Owner for all labour, all materials, and all equipment, which sum shall be due in accordance with the terms of the Agreement as consideration for the timely performance of the Scope of Work to be performed by or through Contractor in order to complete the Work, all in strict accordance with the terms of the Agreement, which total sum is guaranteed by Contractor not to exceed the amount set forth in Section 4.1, and which sum shall only be subject to adjustment in accordance with the Agreement.

“Contractor” has the meaning set forth in the first paragraph hereof, and includes its legal successors and permitted assigns, pursuant to the terms of this Agreement.

“Contractor Agent” has the meaning set forth in Section 2.23.1.

“Contractor Deliverables” means all Drawings, Final Plans, operation and maintenance manuals and other documents and similar information prepared or modified by Contractor or any of its Subcontractors and delivered or required to be delivered hereunder.

“Contractor Equipment” means all of the equipment, materials, apparatus, structures, tools, supplies and other goods provided and used by Contractor and its Subcontractors for performance of the Work but which is not intended to be installed or incorporated into the Work.

“Contractor Event of Default” has the meaning set forth in Section 13.1.

“Contractor Permits” means those permits required to be obtained by Contractor, as listed in Part B of Exhibit H.

“Contractor Provided Training” means the training provided by Contractor as set forth in Exhibit K.

“Contractor Safety Requirements” means those safety requirements that Contractor and its Subcontractors shall comply with as more particularly set forth in set forth in Exhibit Q-1.

“Contractor Termination for Cause” has the meaning set forth in Section 13.2.

“Critical Path” means a determination of the Project Schedule specifically illustrating those unique activities and durations that must be completed in sequence to complete the Work in the shortest possible duration, which logic and sequence shall be determined using the critical path method precedence networking techniques applied by Contractor, using Primavera or equivalent electronic scheduling software.

“Defect” means, any design, engineering, software, drawing, component, tool, Equipment, installation, construction, workmanship or Work or portion thereof that, in Owner’s reasonable judgment, (i) does not conform to the requirements of the Agreement, (ii) is not of uniform good quality, free from defects in design, application, manufacture or workmanship, or that contain improper or inferior workmanship or (iii) would adversely affect (A) the performance of the Transmission Facilities under anticipated operating conditions contemplated by the Agreement, and, (B) the continuous safe operation of the Transmission Facilities during the Transmission Facilities’ design life, (C) the structural integrity of the Transmission Facilities or (D) the economic value of Owner’s investment in the Work. Anything to the contrary notwithstanding, the Parties agree that (x) the term “Defect” does not include Owner-Furnished Equipment other than Defects arising from or related to any acts or omissions of Contractor or any of its Subcontractors or any Person directly or indirectly employed by them or for whom any of them are responsible, including, without limitation, compliance with this Agreement and/or failure to follow any Owner provided manufacturer recommendation or directions in regards to Owner-Furnished Equipment, in which case, the term “Defect” shall apply to the Owner-Furnished Equipment, and (y) Work shall be considered to be defective if it does not conform to the Applicable Standards.

“Delay Liquidated Damages” has the meaning set forth in Section 6.9.1.

“Design Documents” has the meaning set forth in Section 2.6.1.

“Deviation Notice” means a written notice pursuant to Article IX and set forth in Exhibit V-3, signed by Owner and Contractor Project Manager acknowledging a Scope Change Order request.

“Disputes” has the meaning set forth in Section 15.1.

“Dollars” and “\$” shall mean the legal currency of Canada, unless otherwise specified.

“Drawings” means (i) all specifications, calculations, designs, plans, drawings, engineering and analyses, Design Documents, and other documents which determine, establish, define or otherwise describe the scope, quantity, and relationship of the components of the Work, including the structure and foundation thereof, and (ii) all technical drawings, operating drawings, specifications, shop drawings, diagrams, illustrations, schedules and performance charts, calculations, samples, patterns, models, operation and maintenance manuals, underground structure drawings, conduit and grounding drawings, lighting drawings, conduit and cable drawings, electric one-lines, electric schematics, connection diagrams and technical information of a like nature, prepared or modified by Contractor or any of its Subcontractors any of which are required to be submitted by Contractor, or any Subcontractor, from time to time under the Agreement or at Owner’s request which illustrates any of the Equipment or any other portion of the Work, either in components or as completed.

“Effective Date” means the date of this Agreement.

“Environmental Compliance Plan” has the meaning set forth in Section 2.13.1.

“Equipment” means all of the equipment (including, without limitation, Owner-Furnished Equipment), materials, apparatus, structures, tools, supplies, goods and other items provided by Contractor and its Subcontractors that are installed or incorporated into the Work (other than Contractor Equipment).

“ESA” means the Electrical Safety Authority of Ontario, or its successor.

“Final Acceptance” means the achievement of each of the following: (a) Provisional Acceptance has been achieved and Contractor has performed all of the Work, including restoration and remediation of the Job Site (including the clean-up and restoration of that portion of the Job Site, the removal from the Job Site of all waste materials introduced or created by Contractor in the performance of the Work, the recycling and/or disposal of such waste material in accordance with Additional Contractor Responsibilities, Applicable Laws and Applicable Permits and the re-grading and/or re-seeding of disturbed areas where appropriate); (b) the Transmission Facilities are capable of being operated safely, reliably, normally and continuously in accordance with the requirements of all Additional Contractor Responsibilities, Applicable Laws, Applicable Permits and the Agreement at all operating conditions and modes specified in the Agreement; (c) Owner has received a final list and summary of the work performed by all Subcontractors and verification of the payment thereof; (d) any and all Liens in respect to the Project, the Work, the Agreement, the Job Site or any fixtures, personal property or Equipment included in the Work created by, through or under, or as a result of any act or omission of, Contractor or any Subcontractor other Person providing labour or materials in connection with the Work have been released or bonded in form satisfactory to Owner; (e) Contractor has delivered (and has caused each Major Subcontractor to deliver) to Owner the statutory declarations in the applicable forms of CCDC 9A/9B, and waiver of claim contemplated in Section 2.18.4 from the Contractor; (f) all Operational Tests have been completed and the results thereof have been to the satisfaction of Owner; (g) all Contractor Equipment and all of Contractor’s supplies, personnel and waste have been removed from the Job Site; (h) any Defects found have been corrected; (i) the Final Plans accurately reflect the Work as constructed; (j) Contractor has paid all Delay Liquidated Damages due under the Agreement, if any; (k) all Contractor Deliverables have been delivered to, and accepted by, Owner; (l) either (1) all Punch List Items have been completed or (2) the Parties have reached an agreement pursuant to Section 6.6.2 and Contractor has paid all amounts due to Owner pursuant thereto; (m) “completion” of the Agreement has been attained by the Contractor for purposes of the Construction Lien Act; and (n) Owner has accepted a Final Acceptance Certificate pursuant to Section 6.7.2.

“Final Acceptance Certificate” means the certificate, in the form of Exhibit T-6, issued by Contractor indicating that Final Acceptance has been achieved.

“Final Acceptance Date” means the date on which Final Acceptance occurs as indicated in the Final Acceptance Certificate.

“Final Plans” means final Drawings for the Work, as revised to reflect the changes during construction, and shall include As-Built Drawings, piping and instrumentation diagrams, underground structure drawings (including buried piping, all utilities, and critical hidden items), electric one-lines, electric schematics and connection diagrams.

“Financing Documents” means all of those documents, instruments and agreements by and between Owner and any of the Financing Parties or otherwise related to the financing provided by the Financing Parties.

“Financing Parties” means the lenders, security holders, investors, export credit agencies, multilateral institutions, equity providers and others providing financing or refinancing to or on behalf of Owner or any Affiliate thereof, and any trustee, agent or engineer, acting on behalf of any of the foregoing.

"Finishing Holdback" means that portion of the Holdback with respect to Work performed after the date of publication of the certificate of "substantial performance" of the Agreement as defined in the Construction Lien Act.

"Force Majeure Event" means any event or circumstance, or combination of events or circumstances, that arises after the date hereof, is beyond the reasonable control of the Party claiming the Force Majeure Event, is unavoidable or could not be prevented or overcome by the reasonable efforts and due diligence of the Party claiming the Force Majeure Event and has an impact which will actually, demonstrably, adversely and materially affect Owner's ability to perform its obligations (other than payment obligations) in accordance with the terms of the Agreement or has an impact which will actually, demonstrably, adversely and materially affect the Critical Path of the Work and performance of Contractor's obligations in accordance with the terms of the Agreement; subject to the satisfaction of the foregoing criteria, Force Majeure Events may include, without limitation, the following: acts of God, natural disasters, fires, earthquakes, lightning, floods, storms, civil disturbances, riots, war and military invasion. Notwithstanding the foregoing, the definition of "Force Majeure Event" shall not include: strikes, work stoppages (or deteriorations), slowdowns or other labour actions; any labour or manpower shortages; unavailability, late delivery, failure, breakage or malfunction of equipment or materials or events that affect the cost of equipment or materials; economic hardship (including lack of money); perils of sea; delays in transportation (including delays in clearing customs) other than delays in transportation resulting from accidents or closure of roads or other transportation route by Governmental Authorities; changes in Applicable Laws or Applicable Permits; reasonably foreseeable weather conditions in the Job Site's geographic area (Contractor acknowledges that it has factored into the schedule a sufficient number of lost days to account for such weather conditions) or elsewhere; actions of a Governmental Authority with respect to Contractor's compliance with Applicable Laws or Applicable Permits, which may include, without limitation, a Change in Applicable Law; any failure by a Party to obtain and/or maintain any Applicable Permit it is required to obtain and/or maintain hereunder; any surface or subsurface conditions at the Job Site; [REDACTED], Owner Caused Delays or any other act, omission, delay, default or failure (financial or otherwise) of a Subcontractor.

"Full Day Data Sensitivity Training" means a full day classroom or WebEx training course provided by the NHIC or the MNRF, related to the access, use and confidentiality of Sensitive Data, which may be obtained by contacting the NHIC or the MNRF.

"Full Notice to Proceed" means the written notice given from Owner to Contractor, directing Contractor to commence performance of the entire Work.

"Full Notice to Proceed Date" means the date the Full Notice to Proceed is issued as set forth in Section 2.4.2.

"Governmental Authority" means any and all foreign, national, federal, provincial, county, city, municipal, local or regional authorities, departments, bodies, commissions, corporations, branches, directorates, agencies, ministries, courts, tribunals, judicial authorities, legislative bodies, administrative bodies, regulatory bodies, autonomous or quasi-autonomous entities or taxing authorities or any department, municipality or other political subdivision thereof, including the IESO, the OEB, the ESA, the TSSA, any municipality or township, any transmitter (including HONI) or local distribution company, and any Person acting under the authority of any Governmental Authority.

[REDACTED]

"Guaranteed Final Acceptance Date" means the date as identified in Exhibit C-1, as such date may be extended in accordance with the terms hereof.

“Guaranteed Provisional Acceptance Date” means the date as identified in Exhibit C-1, as such date may be extended in accordance with the terms hereof.

“Hazardous Materials” means and include each substance designated as a hazardous waste, hazardous substance, hazardous material, special waste, radioactive material, dangerous substance or dangerous good, pollutant, contaminant, toxic substance, or other compound, element or substance in any form as designated with words of similar meaning and regulatory effect under any Applicable Law, as well as petroleum and petroleum products, derivatives, wastes or additives, polychlorinated biphenyls, asbestos, and any other substance present in, on, or under the Job Site in excess of that permitted by Applicable Laws, including without limiting the generality of the foregoing, any contaminant, waste, substance or material of any kind that is: (i) defined by Applicable Law as hazardous, toxic or dangerous or any other substance or material prohibited or regulated pursuant to any Applicable Law; (ii) a “designated substance” pursuant to OHSA; (iii) a “hazardous industrial waste”, “hazardous waste”, or “hazardous waste chemical” pursuant to Ontario Regulation 347 (General – Waste Management), R.R.O. 1990, made under the Ontario *Environmental Protection Act*, R.S.O. 1990, c. E.19; (iv) a “contaminant” as defined under the Ontario *Environmental Protection Act*, R.S.O. 1990, c. E.19; (v) a material that “may impair the quality of the water of any waters” within the meaning of s. 30 of the *Ontario Water Resources Act*, R.S.O. 1990, c. O.40, including without limitation soil erosion or sedimentation from construction activities; or, (vi) a “substance” or “toxic substance” or “pollution” under the *Canadian Environmental Protection Act, 1999*, S.C. 1999, c. 33, or the regulations made thereunder.

“Health Plan” has the meaning set forth in Section 2.13.1.

“Health and Safety Plan” has the meaning set forth in Section 2.13.1.

“Holdback” means the holdback contemplated in the Construction Lien Act and includes the Basic Holdback and the Finishing Holdback.

“HONI” means Hydro One Networks, Inc., or its successor.

“HST” means any harmonized sales tax or goods and services tax levied or imposed under Part IX of the Excise Tax Act (Canada).

“IESO” means the Independent Electricity System Operator established under Part II of the Electricity Act, 1998 (Ontario), or its successor.

“IESO Market Rules” means the rules made under section 32 of the Electricity Act, 1998 (Ontario), together with all market manuals, policies, and guidelines issued by the IESO, all as amended or replaced from time to time.

“Indemnified Person” has the meaning set forth in Section 10.2.

“Indemnifying Party” has the meaning set forth in Section 10.2.

“Intellectual Property Rights” has the meaning set forth in Section 2.20.

“Job Book” means all of the minimal requirements as identified in Exhibit E, which may be amended from time to time in accordance with the terms hereof.

“Job Site” means all those parcels of land in the Province of Ontario on which the Transmission Facilities will be located or Work performed under this Agreement, including any access roads, laydown or storage areas.



"Labour" means the workforce of the relevant Person, including its staff and employee and non-employee and skilled and unskilled workers.

"Late Delivery Liquidated Damages" has the meaning set forth in Section 6.9.1.

"Latest Full Notice to Proceed Date" has the meaning set forth in Section 2.4.2.

"LD Cap" has the meaning set forth in Section 6.9.1.

[REDACTED]

"Lien" means any lien, security interest, retention, claim, charge, mortgage, hypothecation, encumbrance or other restriction on title or property interest, and includes written notice of any of the foregoing.

"Limited Notice to Proceed" means any written notice, purchase order or other agreement given by Owner or an Affiliate thereof to Contractor directing or authorizing Contractor to commence performance of any portion of the Work (including the procurement of materials or equipment), which Limited Notice to Proceed may be issued prior to or after the date of this Agreement.

"Limited Notice to Proceed Date" has the meaning set forth in Section 2.4.1.

[REDACTED]

"Major Subcontract" means any agreement with a Subcontractor having an aggregate value in excess of [REDACTED] for performance of any part of the Work.

"Major Subcontractor" means, any Subcontractor with whom Contractor will enter (or has entered) into a Major Subcontract.

"Milestone" means each activity listed in the Project Schedule.

"Milestone Achievement Certificate" means the certificate, in the form of Exhibit T-10, issued by Contractor in connection with a Request for Payment.

"Milestone Date" means the date identified in the Project Schedule as being the date by which the corresponding Milestone is required to be achieved, as such date may be extended pursuant to the terms of this Agreement.

"MNRF" means Her Majesty the Queen in right of Ontario as represented by the Ministry of Natural Resources and Forestry.

"MNRF Sensitive Data" means confidential digital data, meta-data, information or documentation related to Provincially Tracked Species, or other data identified as "medium sensitivity" by the MNRF in accordance with the Government of Ontario's Information Security & Privacy Classification Operating Procedures.

"Monthly Progress Report" means a monthly written report that includes a description of the progress and status of the Work compared to the Project Schedule, the Subcontractors' activities, cost information regarding backcharges, a summary of any Scope Change Orders executed by the Parties as of the date of such report and a summary of any events which may affect the Project Schedule (including, without limitation, any Force Majeure Events, Liens on the Job Site or the Project, or any asserted violations of Applicable Laws).

[REDACTED]

"MW" means one (1) megawatt or one million (1,000,000) watts.

"NHIC" means the National Heritage Information Center.

"OEB" means the Ontario Energy Board, or its successor.

"OHSA" means the Occupational Health and Safety Act (Ontario), and all regulations issued thereunder, all as amended from time to time.

"Operational Tests" means the operational tests (as such tests are more particularly described in Exhibit A) to be conducted by Utility, which are necessary and required for Contractor to demonstrate to the satisfaction of Owner that the Transmission Facilities (i) have been interconnected and synchronized with the high voltage facilities of Utility in accordance with the Utility's interconnection requirements and (ii) are being operated safely, reliably, normally and continuously in accordance with the requirements of all Additional Contractor Responsibilities, Applicable Laws, Applicable Permits and the Agreement at all operating conditions and modes specified in the Agreement.

"Owner" has the meaning set forth in the first paragraph hereof, and includes its legal successors and permitted assigns, pursuant to the terms of this Agreement.

"Owner Caused Delay" means a material delay in Contractor's performance of the Work that is actually and demonstrably caused directly and solely by Owner's failure to perform any covenant of Owner hereunder (other than [REDACTED] and/or by exercise of rights under this Agreement, including the exercise by Owner of the right to have defective or nonconforming Work corrected or re-executed) which actually, demonstrably, adversely and materially affects the Critical Path of the Work. Contractor expressly acknowledges and agrees that any delay that is due in part to Contractor's or any of its Subcontractors' action or inaction is not an Owner Caused Delay.

"Owner Event of Default" has the meaning set forth in Section 13.2.

"Owner-Furnished Equipment" means the equipment and materials incorporated into the Work, which are furnished by Owner and identified in Exhibit N.

"Owner Indemnified Party" has the meaning set forth in Section 10.1.1.

"Owner Permits" means the Permits required to be obtained by Owner, as listed in Part A of Exhibit H.

"Owner Taxes" has the meaning set forth in Section 4.2.

"Owner Termination for Cause" has the meaning set forth in Section 13.1.1.

"Party" means, individually, Owner or Contractor.

"Parties" means, collectively, Owner and Contractor.

"Permit" means any valid waiver, exemption, variance, certificate, franchise, permit, authorization, license or similar order of or from, or filing with, or notice to, any Governmental Authority.

"Person" means any individual, corporation, partnership, limited liability company, association, joint stock company, trust, unincorporated organization, joint venture, Governmental Authority or other entity of whatever nature.

"Pre-Existing Hazardous Material" means Hazardous Material that existed on or in the Job Site prior to the date when Contractor or any of its Subcontractors or other representatives is first present on the Job Site on or following the earlier of Limited Notice to Proceed Date or the date of this Agreement.

"Progress Payments" has the meaning set forth in Section 4.6.

"Project" means the 230 kV transmission facilities to be located in the Province of Ontario, and consisting of all poles, structures, facilities, transformers, substation facilities, appliances, lines (including transmission lines), conductors, instruments, equipment, apparatus, components, roads and other property comprising and integrating the entire facility, including the Transmission Facilities and other Work, as more particularly described in the Agreement.

"Project Schedule" means the schedule for key dates and milestones for the completion of the Work as set forth in Exhibit C-1, as amended in accordance with the terms of this Agreement.

"Provincially Tracked Species" means (i) species listed on the Species at Risk in Ontario List in O. Reg. 230/08 made under the Endangered Species Act, 2007, S.O. 2007, c. 6, as amended, or (ii) other species identified by the NHIC for which there are very few known observations or a potential conservation concern at a global, national or provincial level, included in the Provincially Tracked Species List, as amended from time to time, and available on the NHIC's website.

"Provisional Acceptance" means the achievement of each of the following: (a) the Work has been completed (other than Punch List Items) and the Transmission Facilities are capable of being energized; (b) the Transmission Facilities are capable of being interconnected and synchronized with the high voltage facilities of Utility in accordance with the Utility's interconnection requirements; (b) Contractor has prepared and submitted to Owner the final and complete list of Punch List Items and Owner has reviewed and approved such list; (c) the Transmission Facilities are capable of being operated safely, reliably, normally and continuously in accordance with the requirements of all Additional Contractor Responsibilities, Applicable Laws, Applicable Permits and the Agreement at all operating conditions and modes specified in the Agreement; (d) all training, if any, required under the Agreement has been completed; (e) all spare parts required under the Agreement have been delivered by Contractor to the Job Site; (f) a certificate of substantial performance (in the form prescribed by the Construction Lien Act) shall have been issued by Contractor with the agreement of the Owner and publication of notice of substantial performance shall have been effected as required by the Construction Lien Act; and (g) Owner and Contractor have each executed a Provisional Acceptance Certificate with respect to the Work pursuant to Section 6.4.2.

"Provisional Acceptance Certificate" means a certificate, in the form of Exhibit T-5, issued by

Contractor indicating that Provisional Acceptance has been achieved.

“Provisional Acceptance Date” means the date on which Provisional Acceptance occurs as indicated in the Provisional Acceptance Certificate.

“Provisional Acceptance Delay Liquidated Damages” has the meaning set forth in Section 6.9.1.

“Prudent Electrical Industry Practices” means those practices, methods, standards and acts (including those engaged in or approved by a significant portion of the electric utility industry for facilities in the United States and Canada similar to the Transmission Facilities) that at a particular time in the exercise of good judgment would have been expected to accomplish the desired result in a manner consistent with Applicable Laws, Applicable Permits, Applicable Standards, reliability, safety, environmental protection, local conditions, economy and efficiency.

“Punch List Items” means minor items that remain to be performed hereunder at the time of Provisional Acceptance that do not affect the safety, reliability or operability of the Work, the Project or any part of them and do not require a shut-down or reduced operation of the Work, the Project or any part of them to be completed and which items the Contractor must complete before Final Acceptance.

“Quality Control Program” means Contractor’s written quality control program for the Work, which is substantially in the form of Exhibit Z and reviewed and approved by Owner, that includes at a minimum measures to insure that: (i) materials are accurately specified and ordered; (ii) correct materials are received, properly stored and controlled, (iii) accurate instructions are provided and followed to perform the Work, (iv) critical parameters and data are identified and checked using proper inspection and testing techniques; (v) special processes such as welding and coatings are correctly performed, inspected and documented; (vi) installation and testing is properly performed using proper test equipment and techniques; (vii) nonconforming conditions and/or deficiencies are identified and correctly resolved; and (viii) proper records and documentation are maintained, reviewed and certified for correctness.

“Real Property Rights” means all rights in or to real property, including leases, agreements, Permits, easements, licenses and private rights-of-way, obtained by Owner or its Affiliates in connection with the right to use or access the Job Site.

“Request for Payment” has the meaning set forth in Section 4.3.

“Safety Plan” has the meaning set forth in Section 2.13.1.

“Schedule of Values” means the table of unit rates set forth in Exhibit B.

“Scope Change” has the meaning set forth in Section 9.1.

“Scope Change Order” means a written order, in the form set forth in Exhibit V-1, to Contractor pursuant to Article IX, signed by Owner and countersigned by Contractor, authorizing a Scope Change.

“Scope of Work” means the services and work to be provided, or caused to be provided, by or through Contractor under the Agreement, as more particularly described in Exhibit A, and the other obligations of Contractor under the Agreement, including the Technical Specifications, as the same may be amended from time to time in accordance with the terms hereof, and which Scope of Work includes, without limitation, all licenses, technical assistance, assembly, construction management, construction, services, labour, materials, equipment, operations and management that are indicated on, inferable from, or incidental to, the Agreement or the Drawings, all in order to produce Transmission Facilities that complies with the requirements of the Agreement.

“Sensitive Data Location Standards” refers to the standards created by the NHIC for representing Sensitive Data on a map or in an application, as amended from time to time, and available from the NHIC’s website.

“Subcontractor” means any subcontractor or supplier of equipment, services or other work to Contractor or any subcontractor or any Person engaged or employed by Contractor or any subcontractor in connection with the performance of the Work.

“Tax” or “Taxes” shall mean all fees, taxes (including HST, consumption taxes, sales taxes, use taxes, stamp taxes, value-added taxes, ad valorem taxes and property taxes (personal and real, tangible and intangible), levies, assessments, withholdings and other charges and impositions of any nature, plus all related interest, penalties, fines and additions to tax, now or hereafter imposed by any federal, provincial, local or foreign government or other taxing authority.

“Technical Specifications” means the detailed technical specifications for the Project set forth as in Exhibit A.

“Termination Payment” has the meaning set forth in Section 4.9.1.

“Termination Without Cause” has the meaning set forth in Section 13.3.

“Transmission Facilities” means the 230 kV transmission line, as more particularly described in the Technical Specifications, including all necessary grid transformers (new), protection equipment, metering and associated control buildings.

“Transmission System Code” means the “Transmission System Code” approved by the OEB, as may be amended, supplemented or replaced from time to time.

“TSSA” means the Technical Standards and Safety Authority of Ontario, or its successor.

“Understanding Sensitive Information Training” means the e-learning module related to the access, use and confidentiality of Sensitive Data, which may be obtained by contacting the MNRF.

“Utility” means HONI.

“Warranty Period” has the meaning set forth in Section 7.1.1.

“Work” has the meaning set forth in Section 2.1 and includes the PO Work, Contactor Deliverables, the Equipment, the Transmission Facilities and any other product or result of the Work.

**1.2 Rules of Interpretation.** Unless otherwise required by the context in which any term appears: (a) capitalized terms used in this Agreement have the meanings specified in this Article I; (b) the gender of all words used herein shall include the masculine, feminine and neuter and the singular shall include the plural; (c) unless otherwise specified, references to “Articles,” “Sections,” “Schedules,” “Annexes,” “Appendices” or “Exhibits” (if any) shall be to Articles, Sections, schedules, annexes, appendices or Exhibits (if any) of this Agreement, as the same may be amended, modified, supplemented or replaced from time to time hereunder; (d) all references to a Person shall include a reference to such Person’s successors and permitted assigns; (e) the words “herein,” “hereof” and “hereunder” shall refer to this Agreement as a whole and not to any particular Section or subsection of this Agreement; (f) all accounting terms not specifically defined herein shall be construed in accordance with generally accepted accounting principles in Canada, consistently applied; (g) references to this Agreement shall include a reference to all appendices, annexes, schedules and Exhibits hereto, as the same may be amended, modified, supplemented or replaced from time to time; (h) references to any agreement, document or instrument shall mean a reference to such agreement,

document or instrument as the same may be amended, modified, supplemented or replaced from time to time; (i) the use of the word "including" in this Agreement to refer to specific examples shall be construed to mean "including, without limitation" or "including but not limited to" and shall not be construed to mean that the examples given are an exclusive list of the topics covered; (j) references to an Applicable Law shall mean a reference to such Applicable Law as the same may be amended, modified, supplemented or restated and be in effect from time to time; and (k) the headings contained herein are used solely for convenience and do not constitute a part of this Agreement nor should they be used to aid in any manner to construe or interpret this Agreement. The Parties collectively have prepared this Agreement, and none of the provisions hereof shall be construed against one Party on the ground that such Party is the author of this Agreement or any part hereof. The Parties hereto have requested that this Agreement and all related documents (unless otherwise specified herein) be drafted in the English language. Les parties aux présentes ont requis que cette entente ainsi que tous les autres documents reliés (à moins de mention à l'effet contraire) soient rédigés en langue anglaise.

**1.3 Exhibits.** The following exhibits are attached to and incorporated into and made a part of this Agreement:

Exhibit A	[REDACTED]
Exhibit B-1	[REDACTED]
Exhibit B-2	[REDACTED]
Exhibit B-3	[REDACTED]
Exhibit C-1	[REDACTED]
Exhibit C-2	Project Controls Requirements, Rev. 03/30/16;
Exhibit D	Intentionally Left Blank;
Exhibit E	Job Books Documentation Requirements, Rev. 03/01/16;
Exhibit F	Intentionally Left Blank;
Exhibit G	Intentionally Left Blank;
Exhibit H	List of Permits, Rev. 08/30/16;
Exhibit I	[REDACTED]
Exhibit J	[REDACTED]
Exhibit K	Contractor Provided Training, Rev. 04/14/16;
Exhibit L	Intentionally Left Blank;
Exhibit M	Intentionally Left Blank;
Exhibit N	[REDACTED]
Exhibit O	[REDACTED]
Exhibit P	Intentionally Left Blank;
Exhibit Q-1	Contractor Safety Requirements Policy, Rev. 02/18/16;
Exhibit R	Intentionally Left Blank;
Exhibit S	Intentionally Left Blank;
Exhibit T-1	Intentionally Left Blank;
Exhibit T-2	Intentionally Left Blank;
Exhibit T-3	Intentionally Left Blank;
Exhibit T-4	Intentionally Left Blank;
Exhibit T-5	Form of Provisional Acceptance Certificate, Rev. 01/14/16;
Exhibit T-6	Form of Final Acceptance Certificate, Rev. 01/14/16;
Exhibit T-7	Intentionally Left Blank;
Exhibit T-8	Intentionally Left Blank;
Exhibit T-9	Intentionally Left Blank;
Exhibit T-10	Form of Milestone Achievement Certificate, Rev. 01/15/16;
Exhibit U	Intentionally Left Blank;
Exhibit V-1	Form of Scope Change Order, Rev. 04/03/17;
Exhibit V-2	Scope Change Process, Rev. 08/29/17;
Exhibit V-3	Form of Deviation Notice, Rev. 02/5/16;
Exhibit W-1	Intentionally Left Blank;

Exhibit W-2	Intentionally Left Blank;
Exhibit X	
Exhibit Y	Form of Request for Payment, Rev. 01/14/16;
Exhibit Z	Form of Quality Control Program, Rev. 01/15/16;
Exhibit AA-1	Intentionally Left Blank;
Exhibit AA-2	Intentionally Left Blank;
Exhibit BB-1	Contractor's Statutory Declaration in the form of CCDC 9A;
Exhibit BB-2	Major Subcontractor's Statutory Declaration in the form of CCDC 9B; and
Exhibit CC-1	

#### **1.4 Order of Precedence.**

**1.4.1** In the event of any inconsistencies between the terms of this Agreement, the following order of precedence in the interpretation hereof or resolution of such conflict hereunder shall prevail:

(a) Amendments, addenda or other modifications to the Agreement (including Scope Change Orders) duly signed and issued after the signing of this Agreement, with those of a later date having precedence over those of an earlier date;

(b) The terms of the Agreement (other than Exhibits);

(c) Exhibits hereto; and

(d) Drawings produced and delivered pursuant hereto (in respect of which, precedence shall be given to Drawings of a larger scale over those of smaller, figured dimensions on the drawings shall control over scaled dimensions, and noted materials shall control over undimensioned graphic indications).

**1.4.2** In the event of a conflict among, or within, any provision within any one of the levels set forth in the foregoing order of precedence, the more stringent or higher quality requirements of such provisions which are applicable to the obligations of Contractor shall take precedence over the less stringent or lesser quality requirements applicable thereto. All obligations imposed on Contractor and each Subcontractor under the Agreement (other than this Agreement) or under Applicable Laws, Applicable Permits, Prudent Electrical Industry Practices or Applicable Standards and not expressly imposed or addressed in this Agreement shall be in addition to and supplement the obligations imposed on Contractor under this Agreement, and shall not be construed to create an "irreconcilable conflict." Where a conflict exists among codes and standards applicable to Contractor's performance of the Work, the most stringent provision of such codes and standards shall govern.

### **ARTICLE II.**

#### **RETENTION OF CONTRACTOR; CONTRACTOR RESPONSIBILITIES**

##### **2.1 Work to be Performed.**

**2.1.1** Owner hereby retains Contractor, and Contractor hereby agrees to be retained by Owner, to perform or cause to be performed all Work in accordance with the terms and conditions of the Agreement. Contractor shall, at its own cost and expense, (a) design and engineer (to the extent of Contractor's design and engineering obligation in the Scope of Work), procure and construct the Transmission Facilities, and (b) manage, supervise, inspect and furnish all labour, equipment, materials, temporary structures, temporary utilities, machinery, tools, transportation, products and services, all on a turnkey basis, for the performance of Contractor's obligations hereunder, including completion of the Scope of Work, all in accordance with the Agreement, including, without limitation, the Project Schedule, as each may be modified from time to time in accordance with the terms hereof by a Scope Change Order or other amendment hereto

(all of the foregoing being collectively referred to in this Agreement as the “Work”).

**2.1.2** In light of the foregoing, Contractor has included within the Contract Price the cost to complete the entire Scope of Work. Items need not be specifically listed in the Agreement or in the Technical Specifications in order to be deemed to be items within the Scope of Work. It is understood that Contractor is better qualified to list exclusions than Owner is to list inclusions. Therefore, any item indicated in the Agreement, inferable therefrom, incidental thereto or required in accordance with any Applicable Law, Ancillary Requirement, Applicable Permit, Prudent Electrical Industry Practices or Applicable Standard is to be considered as part of the Scope of Work. In addition, the Scope of Work includes all that should be properly included and all that would be customarily included within the general scope and magnitude of the Work. As a result, Contractor, without prejudice to its rights under Article IX, hereby waives any and all claims for an increase in the Contract Price or an extension of time hereunder, including, without limitation, the applicable Guaranteed Provisional Acceptance Date or the Guaranteed Final Acceptance Date based, in whole or in part, upon an assertion that any certain license, technical assistance, assembly, construction, service, Labour, material, equipment, operation or management is beyond the Scope of Work when such license, technical assistance, assembly, construction, service, Labour, material, Equipment, operation or management is indicated in the Agreement, the Drawings or other instruments of service prepared in connection with the Agreement, inferable therefrom, incidental thereto, required in accordance with any Applicable Law, Ancillary Requirement, Applicable Permits, Prudent Electrical Industry Practices, Applicable Standards or otherwise necessary in order to complete the Work in accordance with and subject to the requirements of the Agreement.

**2.2 Status of Contractor; No Partnership.** Contractor shall be an independent contractor with respect to any and all Work performed or to be performed under the Agreement. The Agreement shall not be interpreted or construed to create an association, joint venture or partnership relationship among or between the Parties or any similar relationship, obligations or liabilities. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, act on behalf of, or to act as or be an agent or representative of, or to otherwise bind or obligate the other Party.

**2.3 Compliance.** The Work shall meet professional standards utilized by construction professionals regularly involved in projects in the United States and Canada of technology, complexity and size similar to the Transmission Facilities. Without limiting the generality of the foregoing, Contractor shall: (i) comply with, and shall cause the Work and all components thereof to comply with, Additional Contractor Responsibilities, Prudent Electrical Industry Practices, Applicable Laws, Applicable Permits, Applicable Standards, the Agreement, including the Technical Specifications and Owner’s reasonable requests; (ii) cause all engineering and design services to be provided in accordance with Prudent Electrical Industry Practices, Applicable Laws, Applicable Permits, Applicable Standards, the Agreement, including the Technical Specifications and the generally accepted standard of care, skill and diligence as would be provided by, in the case of engineering services, a prudent engineering firm, and in the case of assembly, erection, construction and installation services, by a prudent construction firm, in each case experienced in supplying construction services in the United States and Canada to electric utilities for projects of technology, complexity and size similar to the Transmission Facilities; and (iii) cause the Work to be performed with Contractor’s best skill and judgment, in a safe, expeditious, good and workmanlike manner in accordance with the preceding clauses (i) and (ii). Contractor shall inspect or cause to be inspected all materials and equipment to be incorporated into or used in the performance of the Work and shall reject those items determined not to be in compliance with the requirements of this Agreement. Except as otherwise expressly provided in this Agreement, the standard of performance set forth in this Section 2.3 shall apply to all aspects of the Work, and this Section 2.3 shall be deemed to be incorporated by reference into each provision of the Agreement describing the Work, Contractor’s obligations hereunder, or referring to the “requirements of this Agreement” or words of similar effect. In no event will references in any provision of this Agreement to one or more of the standards, guidelines, practices, regulations, laws, or permits contained in this Section 2.3 be interpreted to limit in the applicability of all such standards, guidelines, practices, regulations, laws, and permits to such provision. Additionally, as a condition to meeting any Milestone, including Provisional Acceptance or Final Acceptance,



the Work for such Milestone must be completed in accordance with all of the standards, guidelines, practices, regulations, laws, and permits contained in this Section 2.3. Without limiting Contractor's obligations under this Agreement, Contractor acknowledges and agrees that its compliance with the Ministry of Labor Occupational Health and Safety Act includes, without limitation, the preparation and filing of the "Notice of Project" prior to the start of any onsite Work and shall identify Owner as "Owner" and Contractor as "Constructor" as defined by the Ministry of Labour Occupational Health and Safety Act.

## **2.4 Commencement of Work; Scheduling.**

**2.4.1 Limited Notice to Proceed.** Prior to or after the Effective Date hereof, Owner may issue one or more Limited Notices to Proceed. The date on which Owner provides Contractor with a Limited Notice to Proceed, if at all, shall be the respective "Limited Notice to Proceed Date." Any work described in a Limited Notice to Proceed shall be deemed to be Work hereunder and be subject to the terms of this Agreement. Any payment by Owner under any Limited Notice to Proceed shall be credited against the earliest payments of the Contract Price to be made in accordance with Article IV hereof.

**2.4.2 Full Notice to Proceed.** The Full Notice to Proceed shall be issued by Owner no later than the date identified in Exhibit C-1 (the "Latest Full Notice to Proceed Date"). On the Full Notice to Proceed Date, Contractor shall commence and shall thereafter diligently pursue all of the Work assigning to it a priority that should reasonably permit the attainment of Provisional Acceptance on or before the Guaranteed Provisional Acceptance Date. Contractor shall proceed with the performance of the Work in accordance with the Project Schedule.

**2.4.3 Project Schedule.** Contractor shall perform the Work in accordance with the Project Schedule, including completing the Work required on or before the applicable Guaranteed Provisional Acceptance Date and the Guaranteed Final Acceptance Date. Contractor hereby covenants and warrants to Owner that, in undertaking to complete the Work in accordance with the terms hereof, Contractor has taken into consideration and made reasonable allowances for hindrances and delays incident to such Work. Contractor shall meet or achieve each Milestone noted as such on the Project Schedule no later than the Milestone Date therefor. Contractor shall coordinate and incorporate the schedules of all Subcontractors and other contractors of Owner performing Work at or near the Job Site into all applicable schedules, work plans

and progress reports. Contractor shall promptly notify Owner in writing at any time that Contractor has reason to believe that there will be a material deviation from the Project Schedule and shall specify in such notice the corrective action planned by Contractor. During the performance of the Scope of Work, Contractor and Owner shall, at a minimum, conduct meetings each month (or more frequently or less frequently as may be requested by Owner) at a mutually convenient time and date for the purpose of reviewing the progress of the Scope of Work, the latest progress reports, the Health and Environmental Compliance Plan, Safety Plan, Quality Control Program, Contractor's and Subcontractors' adherence to the Scope of Work and the Project Schedule as well as the status of any claims submitted pursuant to the terms of the Agreement. Contractor shall prepare detailed minutes of each such meeting, in form and content acceptable to Owner, and shall distribute same to Owner within five (5) Business Days after such meeting.

#### **2.4.4 Acceleration of Work.**

(a) If, at any time or from time to time, Owner determines, in its sole discretion, that: (i) Contractor has failed to show adequate progress of the Work toward completion of a Milestone by the date required by the applicable Milestone Date, or (ii) Contractor has failed to achieve a Milestone by the applicable Milestone Date, then, on each such date, Contractor shall promptly, but in any event within two (2) Business Days of such date, submit for approval by Owner a written recovery plan to complete all necessary Work to achieve completion of the remaining Milestones by the applicable Milestone Dates. Owner shall approve or submit reasonable revisions to such written recovery plan. Contractor shall incorporate such revisions into such recovery plan and resubmit such recovery plan to Owner for approval within two (2) Business Days of receipt of Owner's revisions. Upon approval by Owner, Contractor shall diligently prosecute the Work in accordance with such recovery plan at its sole cost and expense. Notwithstanding anything to the contrary in this Agreement, in law, or in equity, neither approval by Owner of such recovery plan nor Contractor's prosecution of the Work in compliance with such recovery plan shall (A) be deemed in any way to have relieved Contractor of its obligations under the Agreement relating to the failure to timely achieve any Milestone by the applicable Milestone Date, or (B) be a basis for a Scope Change Order, any claim for Owner-directed acceleration (or similar claim however phrased), or any other compensation or an increase whatsoever in the Contract Price or extension whatsoever in the Project Schedule. In the event that Contractor fails to deliver a recovery plan in accordance with this Section 2.4.4(a) or fails to comply with such recovery plan or thereafter fails to achieve a Milestone by the applicable Milestone Date, Owner shall have the right to require Contractor to accelerate the Work by means of overtime, additional personnel, additional shifts, additional equipment and/or re-sequencing of the Work. Notwithstanding anything to the contrary in this Agreement, in law, or in equity, Contractor agrees that it shall not be entitled to a Scope Change Order, any claim for Owner-directed acceleration (or similar claim however phrased), or any other compensation or increase in the Contract Price or extension whatsoever in the Project Schedule in connection with the implementation of any recovery plan or any such requirement to accelerate. This Section 2.4.4(a) shall not be construed to limit any of the rights and remedies hereunder.

(b) In addition to the provisions of Section 2.4.4(a) relating to delays in the Work, (i) in the event of a delay arising from any Owner Caused Delay or Force Majeure Event or (ii) if Contractor provides evidence reasonably acceptable to Owner that such delay results from a suspension pursuant to Section 13.5, Owner may, in accordance with the provisions of Article IX, direct that the Work be accelerated by means of overtime, additional crews or additional shifts or resequencing of the Work. If (A) such delay arises from any Owner Caused Delay or Force Majeure Event, or (B) Contractor provides evidence reasonably acceptable to Owner that such delay results from a suspension pursuant to Section 13.5, then Contractor shall be entitled to reimbursement of increased costs [REDACTED] as a result of such acceleration (i.e., premium portion of overtime pay, additional crew, shift or Equipment cost and such other items of incremental cost requested in advance by Contractor and approved by Owner which approval will not be unreasonably withheld) less savings or costs not incurred due to such acceleration, but expressly waives any other compensation therefor. CONTRACTOR SHALL RECEIVE NO SUCH REIMBURSEMENT, FOR COSTS ARISING OUT OF, AND CONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR ANY COSTS INCURRED BY

CONTRACTOR AS A RESULT OF, ACCELERATION RELATED TO ANY EVENT OTHER THAN THE EVENTS SPECIFICALLY DESCRIBED IN CLAUSES (i) AND (ii) OF THIS SECTION 2.4.4(b). Contractor shall cause prosecution of the Work to conform to the Project Schedule within thirty (30) days after receiving written notice from Owner to accelerate the Work under this Section 2.4.4(b).

**2.4.5 Critical Path.** No later than fifteen (15) days following the date hereof, Contractor shall prepare and submit to Owner for review and comment a preliminary draft of the Critical Path, in form and content acceptable to Owner, and being in such electronic native format that includes full disclosure the logic and sequencing assumptions within the Critical Path. Upon receipt of comment from Owner, Contractor shall either promptly make changes to the Critical Path as suggested by Owner or negotiate and resolve in good faith with Owner such changes. Upon approval of the Critical Path by the Parties, Contractor shall comply with the provisions thereof. Contractor shall provide five (5) copies, as well as an electronic copy, of the Critical Path to Owner. Contractor shall not revise or modify the Critical Path without the written consent of Owner, and if such consent is received, the Critical Path shall be maintained so that so that it reflects and clearly indicates the impact of Scope Change Orders and other occurrences that impact the Project Schedule, on an ongoing basis.

## **2.5 Materials, Equipment and Related Services.**

**2.5.1** Contractor shall procure and supply, at its own expense, whether by producing itself or by procuring from others, all materials, tools, equipment, supplies, consumables, transportation, labour, supervision and other goods and services required for performance of its obligations under this Agreement (whether on or off the Job Site). Contractor shall be responsible, at its sole expense, for furnishing and installation of all temporary utilities, telephone, data lines, cabling and wiring necessary for all activities associated with the completion of the Work. All Equipment and materials produced or procured by Contractor for use in performance of the Work shall be new (except as otherwise agreed to in writing by Owner and Contractor) and, where otherwise not specified in the Technical Specification, of suitable grade for their respective purpose. Contractor shall provide appropriate storage for materials, supplies, tools and Equipment for use in performance of the Work. Contractor shall have exclusive responsibility for construction and installation methods, means, techniques and procedures and for the establishment of and compliance with safety procedures at the Job Site, including, without limitation, the Contractor Safety Requirements. All materials, supplies, tools and Equipment which may be used in the performance of the Work and which are stored at a location other than on the Job Site shall be segregated from other goods.

**2.5.2** Contractor shall (or if necessary, Contractor shall designate a licensed customs broker to act as the importer of record and make entry on the Contractor's behalf) be responsible for customs clearance and performing administrative formalities in connection therewith, including being the "importer of record" and obtaining all approvals, documents and licenses which may be pertinent and/or necessary for the exportation or importation of Equipment, Contractor Equipment, spare parts and other items required for performance of the Work hereunder and for providing all completed documentation required by all applicable Governmental Authorities to import equipment, machinery, materials and spare parts required for the Work. Contractor also agrees to prepare and execute any necessary or appropriate documents to acknowledge or demonstrate that Contractor or the licensed customs broker designated by Contractor is the importer of record for, and consignee of all portions of the Work shipping from international locations into Canada. All custom duties for the importation of Equipment, Contractor Equipment, spare parts and other items required for performance of the Work hereunder shall be paid by Contractor and be deemed to be included in the Contract Price. Without limiting Contractor's obligations hereunder, Contractor shall be responsible for all broker and other customs and import fees, duties and Taxes with respect to the importation of the Work into Canada (including any antidumping or countervailing duties). Notwithstanding anything in this Section 2.5.2 to the contrary, Owner shall retain title to the Work in accordance with Section 14.1.

## **2.6 Design; Engineering; Contractor Deliverables.**

**2.6.1** Contractor shall perform all engineering and design services within the Scope of Work in conformity with the requirements of this Agreement. All engineering work of Contractor requiring certification shall be certified, and all drawings and specifications for the Work (the "Design Documents") requiring sealing shall be sealed, in each case by professional engineers licensed and properly qualified to perform such engineering services in all appropriate jurisdictions, which engineers and their qualifications shall be subject to Owner's review under Section 2.6.4. The portion of the Work performed by Contractor for which it has design and engineering responsibility shall be designed and engineered: (i) in accordance with the Technical Specifications and all design and engineering requirements set forth in the Agreement, including, those requirements set forth in Section 2.3; and (ii) be capable of being operated safely, reliably, normally and continuously (other than Owner designated planned maintenance) for at least [REDACTED] under the climatic and normal operating conditions described in Exhibit A. No later than the dates set forth in Exhibit C-1, Contractor shall prepare and submit all Design Documents for Owner's review. Based on the Technical Specifications, Contractor shall prepare comprehensive drawings and specifications setting forth in detail the requirements for the construction of the Work. As the drawings and specifications for the Work are issued, they shall be clearly identified as Design Documents.

**2.6.2** The Contractor shall maintain at the Job Site, as required during the performance of the Work, qualified technical representatives of the manufacturers of Equipment and other qualified personnel to aid the Contractor until Provisional Acceptance all at the Contractor's cost and expense. Notwithstanding the foregoing, the Contractor shall, at its sole cost and expense, fully perform its obligation to address Defects and breaches of warranty set forth in Article VII by providing any technical assistance necessary in connection with any such Defect or breach of warranty.

**2.6.3** Contractor shall deliver the Contractor Deliverables to Owner in accordance with the Project Schedule and the Technical Specifications. All Contractor Deliverables shall be in English. All Contractor Deliverables, reports and other information furnished by Contractor, or prepared by it, its Subcontractors or others in connection with the performance of the Work, whenever provided, shall be kept by Contractor at the Job Site in an orderly and catalogued fashion for reference by Owner during the performance by Contractor of the Work.

**2.6.4** Contractor shall submit all Contractor Deliverables in electronic format to Owner in accordance with Exhibit A for review and comment as provided in the Scope of Work. Based upon Owner's comments, if any, Contractor shall resolve Owner's comments and resubmit such Contractor Deliverable to Owner for review and comment within the time periods set forth in Exhibit A. Such process shall continue until Owner approves such Contractor Deliverable. Notwithstanding anything contained herein to the contrary, Owner's review and/or acceptance of any Contractor Deliverable, or any portion thereof, shall not in any way relieve Contractor of any of its obligations or warranties set forth herein, including, but not limited to, its full responsibility for the accuracy of the dimensions, details, integrity and quality of Contractor Deliverables.

**2.7 Quality Control Program.** Not later than thirty (30) days after the Effective Date, Contractor shall submit for Owner's approval a draft Quality Control Program, which shall be substantially in the form of Exhibit Z, to be used by Contractor in the performance of the Work. Within fifteen (15) days of such submission, Owner shall notify Contractor of Owner's approval of the draft Quality Control Program, or its revisions to or rejection of all or any portion thereof. In the event Owner revises or rejects all or any portion of the draft Quality Control Program, within fifteen (15) days after receipt of notice of such revision or rejection Contractor shall make appropriate changes to the draft Quality Control Program to respond to Owner's revisions or rejection and shall resubmit such draft Quality Control Program to Owner. Such process shall be repeated until Owner accepts such Quality Control Program. Upon acceptance by Owner, Contractor shall, and shall cause its Subcontractors, comply with the Quality Control Program.

**2.8 Obtaining, Maintaining and Identifying Permits.** Contractor shall timely obtain and

maintain all Contractor Permits and any other Applicable Permit necessary for performance of the Work. In addition, Contractor shall provide all assistance reasonably requested by Owner in connection with Owner's efforts to obtain and maintain the Owner Permits, including, without limitation, witnesses testimony, depositions, preparation of exhibits, technical calculations and attending meetings. In the event that any Applicable Permit is required to perform the Work that is not identified in the Agreement, Contractor or Owner, as applicable, shall promptly, after it becomes aware of the need for such Applicable Permit, notify the other Party that such Applicable Permit is required. If such permit is of a nature typically obtained by contractors in similar projects, Contractor shall, at its sole cost and expense, be obligated to obtain and maintain such Applicable Permit on behalf of Owner. Contractor shall deliver to Owner true and complete copies of all Applicable Permits obtained by Contractor upon its receipt thereof.

**2.9 Real Property Rights.** Contractor shall comply with the terms of the Real Property Rights. As of the Effective Date, Contractor represents and warrants that it has inspected and is fully familiar with the Job Site and the Real Property Rights, and that (i) other than with respect to the status of Owner's title thereto (as to which Contractor makes no representation or warranty), the Job Site and such Real Property Rights are sufficient for Contractor to undertake and complete the Work in accordance with the Agreement, Applicable Laws, Applicable Permits, Applicable Standards and Prudent Electrical Industry Practices, and (ii) Contractor has not discovered any conditions that in Contractor's reasonable judgment would be a basis for claiming a Scope Change. Contractor shall have the sole responsibility to obtain all construction permits, transportation permits, railroad or waterway crossing rights, blasting and other seismic rights, other licenses, rights-of-way and other real property rights and easements necessary for Contractor to complete the Work that are not Owner Permits or part of the Real Property Rights.

**2.10 Consumable Parts.** Included within the Work is the provision of consumable parts for such Work and for achievement of Provisional Acceptance of such Work, including consumable supplies normally consumed in the construction and installation of Transmission Facilities (the "Consumable Parts"). Contractor shall ensure that an initial stock of Consumable Parts is in storage at the Job Site upon commencement of the Work hereunder. All Consumable Parts not used by Contractor as of the Provisional Acceptance Date shall become the property of Owner.

**2.11 Final Plans.** Thirty (30) days prior to the date on which Contractor is scheduled to achieve Provisional Acceptance, Contractor shall deliver to Owner two (2) copies of the semi-final draft of the Final Plans. A semi-final draft shall mean a draft that is as reasonably complete as available information will allow. Contractor shall provide five (5) copies of the final and complete Final Plans to Owner within ten (10) days prior to the Guaranteed Final Acceptance Date. Final Plans must be presented in a format acceptable to Owner for Final Acceptance to occur. The Final Plans shall be prepared in English only. Where any of the information in the Final Plans was produced by computer-aided design and is available to Contractor or any Subcontractor, Contractor shall provide or cause to be provided to Owner an electronic copy of such information.

## **2.12 Labour and Personnel.**

**2.12.1 Engagement of Labour.** Contractor shall provide, manage, oversee, hire, remove, promote and transfer all Labour and personnel required in connection with the performance of the Work and of its obligations hereunder, all of whom shall have had extensive experience (in the case of supervisors, managers and other key personnel) and appropriate levels of experience (in the case of other personnel) performing work similar in technology and magnitude to those portions of the Work each will perform, including: (i) a project manager; (ii) construction personnel and supervisors; (iii) professional engineers licensed to perform engineering services in each jurisdiction where the performance of the Work requires such licensing; and (iv) quality assurance personnel and supervisors, all of whom are competent to perform their assigned duties in a safe and secure manner. Contractor agrees, where required by Applicable Law or at Owner's request, to employ only licensed personnel in good standing with their respective trades and licensing authorities to perform the Work. All such professional services shall be performed with the degree of care,

safety, skill and responsibility customary among such licensed personnel.

**2.12.2 Owner Review of Labour.** Upon Owner's request, Contractor shall provide Owner with the resumes of, and arrange for the interview by Owner of, any or all management and supervisory personnel employed in connection with the Work. Owner may require the replacement of any of Contractor's or its Subcontractors' Labour, at Contractor's sole expense if, in Owner's opinion, such person is impeding the orderly progress of the Work, creating any unsafe condition or other situation that may cause damage or harm to any person or property or otherwise causing interference or delays with respect to the Work. Rejection of Contractor's Labour by Owner shall not relieve Contractor of any of its obligations hereunder or be construed as a waiver by Owner of any of its rights under the Agreement.

**2.12.3 Alcohol and Drugs.** Contractor shall not possess, consume, import, sell, give, barter or otherwise make available or dispose of any alcoholic beverages or drugs (excluding drugs for proper medical purposes and then only in accordance with Applicable Law) at the Job Site, or permit or suffer any such possession, consumption, importation, sale, gift, barter or disposal by its Subcontractors, agents or Labour and shall at all times assure that the Job Site is kept free of all such substances and that its Subcontractors, agents and Labour perform the Work free from the influence of all such substances. To the extent permitted by Applicable Law, Contractor shall perform random alcohol testing on Subcontractors, agents and Labour and shall be required to perform a drug and alcohol test on any Subcontractor, agent or Labour that Contractor or Owner reasonably suspects is in possession of or under the influence of any dangerous or controlled drug, alcohol or other such substance at any time during such Person's performance of any portion of the Work at the Job Site. Contractor shall immediately identify and remove from its or its Subcontractors' employment at the Job Site any Person (whether in the charge of Contractor or any Subcontractor) who (i) is in possession of or under the influence of any dangerous or controlled drug, alcohol or other such substance at any time during such Person's performance of any portion of the Work, excluding any Person using a prescription drug under supervision and approval from a medical doctor, or (ii) who is required to submit to a drug or alcohol test in accordance with this Section 2.12.3, pending the results of such test.

**2.12.4 Disorderly Conduct.** Contractor shall be responsible for the conduct and deeds of its Labour and its Subcontractors' Labour relating to the Agreement and the consequences thereof. Contractor shall at all times take all reasonable precautions to prevent any unlawful, riotous or disorderly conduct by or among such Labour and for the preservation of peace, protection and safety of Persons and property in the area of the Job Site against the same. Contractor shall not interfere with any members of any authorized police, military or security force in the execution of their duties.

**2.12.5 Labour Disputes.** Contractor shall minimize the risk of labour-related delays or disruption of the progress of the Work. Contractor shall promptly take any and all reasonable steps that may be available in connection with the resolution of violations of collective bargaining agreements or labour jurisdictional disputes, including the filing of appropriate processes with any court or administrative agency having jurisdiction to settle, enjoin or award damages resulting from violations of collective bargaining agreements or labour jurisdictional disputes. Contractor shall advise Owner promptly, in writing, of any actual or threatened labour dispute of which Contractor has knowledge that might materially affect the performance of the Work by Contractor or by any of its Subcontractors.

**2.12.6 Personnel Documents.** Contractor shall ensure that all its personnel and personnel of any Subcontractors performing the Work are, and at all times shall be, in possession of all such documents (including, without limitation, visas, driver's licenses and work permits) as may be required by any and all Applicable Laws.

**2.12.7 Non-English Speaking Employees.** Contractor's use of non-English speaking employees will not impede or adversely affect the efficient and safe prosecution of the Work.

**2.12.8 Project Management.** Contractor has designated the management team positions, as set forth on Exhibit O. Any future members of the management team must be approved by Owner in writing prior to his/her designation becoming effective, which approval shall not be unreasonably withheld. During the performance of the Work from the initial Job Site mobilization and thereafter, Contractor shall maintain continuously at the Job Site adequate management, supervisory, administrative, security and technical personnel to ensure expeditious and competent handling of all matters related to the Work, according to its determination of the staffing required for this purpose. Contractor will not re-assign, remove or replace those Persons set forth on Exhibit O without Owner's prior written consent, except to the extent Contractor no longer employs or has a contract with such Person. To the extent any change to a Person identified on Exhibit O is approved by Owner, the Parties shall enter into a Scope Change Order to update Exhibit O.

**2.13 Environmental Compliance Plan, Health Plan and Safety Plan; Emergencies; and Security.**

**2.13.1 Environmental Compliance Plan, Health Plan and Safety Plan.** No later than thirty (30) days prior to the first instance when any of Contractor or its Subcontractors' Labour or other representatives will be present on the Job Site or as otherwise required pursuant to a Limited Notice to Proceed, Contractor shall prepare and submit to Owner (i) a project specific health plan that includes health, first aid facility/area with qualified attendant and emergency procedures to be used at the Job Site (the "Health Plan"); (ii) a project specific environmental compliance plan that satisfies and complies with all of the requirements set forth in Exhibit X and which also includes, without limitation, (a) a Hazardous Materials, waste and industrial hazards management and disposal program which details the controlled usage and treatment of all Hazardous Materials, toxic wastes, industrial hazards, sanitary waste, solid waste and other waste brought onto, used or produced at the Job Site or in relation to the Work and outlines a management structure for carrying out the specific provisions of such program, (b) an environmental protection and management program, including, without limitation, a sediment and erosion control program, (c) a re-vegetation program and (d) the description, location and drawings of construction facilities and temporary works (the "Environmental Compliance Plan"); and (iii) a project specific safety plan that, at a minimum satisfies and complies with the requirements set forth in the Contractor Safety Requirements, and which plan shall also include an acknowledgement by Contractor that Contractor shall at all times remain in compliance with all federal, provincial and local safety codes and other Applicable Laws (the "Safety Plan," together with the Health Plan, the "Health and Safety Plan"). Each of the Health and Safety Plan and the Environmental Compliance Plan shall be consistent with all Applicable Laws, and Applicable Permits and shall be submitted to Owner for review and comment. Contractor shall either promptly make changes to such Health and Safety Plan and/or Environmental Compliance Plan incorporating the comments of Owner or negotiate and resolve in good faith with Owner any such changes. Contractor shall comply and shall cause its Subcontractors comply with the Health and Safety Plan and the Environmental Compliance Plan and the Contractor Safety Requirements, and to follow all other safety measures and procedures implemented by Owner or the Utility at the Job Site. Without limiting the generality of the foregoing, Contractor shall furnish and maintain all necessary safety equipment such as barriers, signs, warning lights and guards as required to provide adequate protection to Persons and property during the term of this Agreement. Contractor shall be responsible for (x) all damage it and its Subcontractors cause to public roads and highways, (y) all damage caused by it and its Subcontractors to private roads or property of third parties, in each case in connection with performance of the Work, and (z) all injury resulting from a failure of its agents, employees or Subcontractors to abide by the requirements of the Health and Safety Plan and the Environmental Compliance Plan, in each case in connection with performance of the Work. Without limiting Contractor's obligations under this Agreement, Contractor acknowledges and agrees that its compliance with OHSA includes, without limitation, the preparation, filing and posting of the "Notice of Project" prior to the start of any onsite Work and shall identify Owner as "Owner" and Contractor as "Constructor" as defined by OHSA.

**2.13.2 Constructor Responsibilities.** Without limiting the generality of Contractor's obligations under Section 2.13.1, and notwithstanding anything in this Agreement to the contrary, until the Final Acceptance Date, the Contractor shall: (i) be, and fulfill all of the duties and obligations of, the

“constructor” (as that term is defined under OHSA) with respect to the Work and work and other activities performed by Owner and other contractors and other service providers employed by Owner at the Job Site (e.g., telephone and metering installation) for the purposes of OHSA; (ii) have complete and sole responsibility for all health and safety matters regarding the Work and work and other activities performed by Owner and other contractors and subcontractors at the Job Site, including, without limitation, compliance with all requirements pursuant to Applicable Laws, familiarizing all relevant Persons with the provisions of OHSA that apply to the Work and work performed by Owner and other contractors and subcontractors at the Job Site and all potential or actual dangers to health and safety in the workplace and as otherwise set out in this Agreement; (iii) initiate, maintain and take complete responsibility for supervising health and safety precautions and programs necessary to comply with Applicable Laws and to prevent injury to Persons or damage to property on, about or adjacent to the Job Site; (iv) be responsible for submission of the required “Notice of Project” and registration form under OHSA; and (v) comply with the pre-start safety review in accordance with OHSA. On and after the Final Acceptance Date, Contractor shall comply with the safety, health and project regulations, policies or directives of Owner and promptly remove from the Job Site anyone under the control of Contractor who violates any of the aforesaid safety, health, or plant regulations, policies or directives or upon reasonable request of Owner.

**2.13.3 Emergencies.** In the event of any emergency endangering Persons or property during the performance of the Work, Contractor shall take such action as may be reasonable and necessary to prevent, avoid or mitigate injury, damage or loss and shall, as soon as possible, report any such incidents, including Contractor’s response thereto, to Owner. Whenever Contractor has not taken reasonable precautions for the safety of the public or the protection of the Work or of structures or property on or adjacent to the Job Site, Owner may, but shall be under no obligation to, take such action as is reasonably necessary under the circumstances. The taking of such action by Owner or Owner’s failure to do so shall not limit Contractor’s obligations or liability hereunder. Contractor shall reimburse Owner for any costs incurred by Owner in taking such actions in the event of an emergency.

**2.13.4 Security.** Contractor shall be responsible for the security and protection of the Equipment, machinery and components comprising the Work and other property owned or leased by Contractor or any Subcontractor located at the Job Site or stored or warehoused off the Job Site through the Final Acceptance Date. Contractor shall use the same care to protect any of Owner’s property at any time in its possession or under its control while performing the Work as it does with its own property and shall be responsible for any damage to such property resulting from its failure to use such care.

## **2.14 Hazardous Materials.**

**2.14.1 Contractor Duty to Monitor Compliance.** Contractor shall, and shall cause its Subcontractors to, comply with all Applicable Laws relating to Hazardous Materials and all Applicable Permits. Without limiting the generality of the foregoing: (i) Contractor shall, and shall cause its Subcontractors to, apply for, obtain, comply with, maintain and renew all Applicable Permits required of Contractor by Applicable Laws regarding Hazardous Materials that are necessary, customary or advisable for the performance of the Work. Contractor shall, and shall cause its Subcontractors to, comply with all waste generation facility, generator registration, manifesting, and reporting requirements for the generation, storage, handling, transportation and disposal of Hazardous Material under the Agreement if and as required under Applicable Laws or Applicable Permits; (ii) Contractor shall conduct its activities under the Agreement, and shall cause each of its Subcontractors to conduct its activities, in a manner designed to prevent pollution of the environment or any other release of any Hazardous Material by Contractor and its Subcontractors in a manner or at a level requiring remediation pursuant to any Applicable Law and/or Applicable Permit; (iii) Contractor shall not cause or allow the release or disposal of Hazardous Material at the Job Site, bring Hazardous Material to the Job Site, or transport Hazardous Material from the Job Site, except in accordance with Applicable Law and Applicable Permits. Contractor shall be responsible for the management of and proper disposal of all Hazardous Material brought onto or generated at the Job Site by it or its Subcontractors, if any. Contractor shall cause all such Hazardous Material brought onto or generated at the Job Site by it or its Subcontractors, if



any, (A) to be transported only by carriers maintaining valid permits and operating in compliance with such permits and laws regarding Hazardous Material pursuant to manifest and shipping documents identifying only Contractor as the generator of waste or person who arranged for waste disposal, and (B) to be treated and disposed of only at treatment, storage and disposal facilities maintaining valid permits operating in compliance with such permits and laws regarding Hazardous Material, from which, to the best of Contractor's knowledge, there has been and will be no release of Hazardous Material. Contractor shall submit to Owner a list of all Hazardous Material to be brought onto or generated at the Job Site prior to bringing or generating such Hazardous Material onto or at the Job Site. Contractor shall keep Owner informed as to the status of all Hazardous Material on the Job Site and disposal of all Hazardous Material from the Job Site.

**2.14.2 Environmental Releases.** Contractor shall perform the Work and turn the Work over to Owner in a manner that is environmentally sustainable, prevents the discharge or release of Hazardous Materials to the environment, and fully protects all waterways, watersheds, habitats and lands in proximity to the Job Site, from any and all environmental impacts. If Contractor or any of its Subcontractors releases any Hazardous Material on, at, or from the Job Site, or becomes aware of any Person who has stored, released or disposed of Hazardous Material on, at, or from the Job Site during the Work, Contractor shall immediately notify Owner in writing. If Contractor's Work involved the area where such release occurred, Contractor shall immediately stop any Work affecting the area. Contractor shall, at its sole cost and expense, diligently proceed to take all necessary or desirable remedial action to clean-up fully the contamination caused by (A) any negligent release or exacerbation by Contractor or any of its Subcontractors of any Pre-Existing Hazardous Material, and (B) any Hazardous Material that was brought onto the Job Site by, or used in performance of the Work by, Contractor or any of its Subcontractors, whether on or off the Job Site. If Contractor discovers any Pre-Existing Hazardous Material that has been stored, released or disposed of at the Job Site, Contractor shall immediately notify Owner in writing. If Contractor's Work involves the area where such a discovery was made, Contractor shall immediately stop any Work affecting the area and Owner shall determine a reasonable course of action. Contractor shall not, and shall cause its Subcontractors to not, take any action that may exacerbate any such Pre-Existing Hazardous Material or cause or permit its discharge, further discharge or migration from the Job Site.

**2.14.3 Designated Substance.** Contractor acknowledges that: (i) prior to the negotiation and execution of this Agreement, Owner conducted an environmental assessment of the Job Site and provided the results to the Contractor as set out in [REDACTED] and (ii) in light of the nature of the Project and the large geographic expanse of the Job Site, such assessment represents a genuine and reasonable determination as to Pre-Existing Hazardous Materials which are a "designated substance" as defined under the OSHA and its regulations, and which are potentially present at the Job Site. Contractor agrees to proceed with the Work in light of the results of due diligence assessment in [REDACTED] and shall take all appropriate precautions in preparing for and conducting the Work as it relates to such potentially present designated substances, and shall comply with all obligations imposed upon in by the OSHA in respect of "designated substances" that may be encountered by Contractor and its Subcontractors at the Job Site.

**2.14.4 Recordkeeping.** Contractor shall maintain an updated file of all material safety data sheets for all Hazardous Materials used in connection with performance of the Work or at or near the Job Site and shall deliver an update of such file to Owner no later than ten (10) Business Days after the end of each month. Contractor shall maintain an accurate record and current inventory of all Hazardous Materials used in performance of the Work or at or near the Job Site, which record shall identify quantities, location of storage, use and final disposition of such Hazardous Materials.

**2.15 Clean-up; Non-Interference.** Contractor shall at all times keep the Job Site reasonably free from waste materials or rubbish related to the Work. Contractor shall maintain the Job Site in a neat and orderly condition throughout the performance of the Work. Prior to the Final Acceptance Date or as soon as practicable after termination of this Agreement by Owner in accordance with the provisions of Article XIII, Contractor shall remove all of Contractor Equipment and materials not constituting part of the Work (other than equipment, supplies and materials necessary or useful to the operation or maintenance of the Work and

equipment, supplies and materials directed by Owner to remain at the Job Site until completion of the Work) and complete removal of all waste material and rubbish from and around the Job Site. All waste material and rubbish resulting from the Work shall be handled and disposed of by Contractor at its own expense in accordance with all Applicable Laws and Applicable Permits. Contractor shall provide to Owner all waste disposal manifests, if any. Contractor shall re-grade and/or re-seed areas disturbed as a result of the performance of the Work.

## **2.16 Books and Records; Job Books.**

**2.16.1 Books and Records.** During the term of the Agreement and continuing for seven (7) years after the Final Acceptance Date, Owner or its representatives or agents may audit, examine and/or copy, at any time during the office hours of the Contractor, the Contractor's books, records, accounts, relevant correspondence, specifications, time cards, drawings, designs and other documents, to the extent that these are related to the Work and insofar as Owner believes necessary (i) to verify items paid by the Owner pursuant to the Agreement, (ii) to verify Contractor's compliance with this Agreement or (iii) for Owner's Tax or regulatory filings or exemptions or positions advocated by Owner.

**2.16.2 Job Books.** Not later than thirty (30) days prior to the Guaranteed Provisional Acceptance Date, Contractor shall deliver to Owner two (2) copies of the semi-final draft of the Job Books, either in job book format or in form and format available as a result of the design and construction process, as appropriate. A semi-final draft shall mean a draft that does not contain final As-Built Drawings and documentation, but is as reasonably complete as available information will allow, containing at a minimum sufficient information to permit the conduct of operator training and operation, repair and modification of the Transmission Facilities by Persons generally familiar with machinery and equipment similar to that comprising the Transmission Facilities. Contractor shall provide two (2) paper copies and two (2) compact disk (data type, not audio) sets of the final and complete Job Books to Owner within thirty (30) days after the Final Acceptance Date. The Job Books shall be prepared in English only. Where any of the information in the Job Books was produced by computer-aided design and is available to Contractor or any Subcontractor, Contractor shall provide or cause to be provided to Owner a disk copy of such information. Owner shall have a license to use such information.

## **2.17 Owner's Right to Inspect; Correction of Defects.**

### **2.17.1 Right to Inspect.**

(a) Owner, its authorized representatives and, with Owner's prior approval, any of Owner's other contractors, the Financing Parties and any of their authorized representatives, shall have the right to inspect the Work and to maintain personnel at the Job Site for such purpose, subject in all cases to Contractor's reasonable safety precautions. Contractor shall include rights in all Subcontracts to permit Owner, the Financing Parties and any of their authorized representatives to audit, inspect, test and observe the Equipment at the facilities of any Subcontractor and the manufacturer of Equipment, and Contractor shall ensure reasonable, adequate and safe access to such facilities for such purposes.

(b) If any portion of the Work should be covered contrary to the request of Owner or contrary to requirements specifically expressed in the Agreement, such portion of the Work shall, if requested by Owner, be uncovered for observation and shall be replaced at Contractor's expense. If any portion of the Work has been covered which Owner has not specifically requested to observe prior to being covered, Owner may request to see such Work and Contractor shall uncover it. If such portion of the Work is found not to be in accordance with the requirements of this Agreement, the cost of uncovering, replacement and re-covering shall be charged to Contractor. If such portion of the Work is found to be in accordance with the requirements of this Agreement, Owner shall pay such costs pursuant to an appropriate Scope Change Order in accordance with Article IX. Such inspection of any part of the Work shall in no way relieve

Contractor of its obligation to perform the Work in accordance with this Agreement.

(c) Contractor shall perform such detailed inspection of Work in progress at intervals appropriate to the stage of construction of the Work and the fabrication of Equipment at the facilities of Subcontractors and the manufacturer of Equipment as is necessary to ensure that such Work is proceeding in accordance with the Agreement and to protect Owner against Defects and deficiencies in such Work. With respect to any inspection or test of the Work performed by Contractor, Contractor (i) shall advise Owner of any Defects and deficiencies revealed through such inspections or tests and of the measures proposed by Contractor to remedy such deficiencies in order to avoid any delay in the completion of the Work and Contractor's performance of the Work; provided that, any such notice provided pursuant to this Section shall not constitute a request for adjustment, extension or modification of the Project Schedule or Owner's consent to any of the same; and (ii) shall, upon Owner's request, provide Owner with a reasonable opportunity to review Contractor's records with respect to such inspections or tests.

**2.17.2 Correction of Defects.** Contractor shall, at its own cost and expense, correct or replace any Work that contains a Defect, or is not otherwise in compliance with the terms and requirements of the Agreement. Equipment that has been replaced, if situated on the Job Site, shall be removed by Contractor from the Job Site at Contractor's own cost and expense. If Contractor fails within a reasonable period of time (as reasonably determined by Owner) after it knows or should have known of such Defect or noncompliance or neglects to commence and continue correction of such Defect or noncompliance with diligence and promptness, Owner may, without prejudice to other remedies Owner may have under the Agreement, correct such Defect or noncompliance. In such event, an appropriate Scope Change Order shall be issued deducting from payments then or thereafter due to Contractor the cost of correcting such Defect or noncompliance, including compensation for the costs to enforce this provision (including legal fees) and any consultant's additional services and expenses made necessary by such neglect or failure. If payments then or thereafter due to Contractor are not sufficient to cover such amounts, Contractor shall pay the difference to Owner within three (3) days from Owner's request therefor. Contractor shall correct any and all Defects and noncompliance as required by the Agreement notwithstanding any actual or possible legal obligation or duty of a Subcontractor concerning same and nothing contained in this Section shall modify Contractor's obligations under the Agreement.

## **2.18 Liens**

**2.18.1** Contractor shall not suffer to be created any Lien in respect to the Project, the Work, the Agreement, the Equipment, the Job Site, the property of an adjacent operator or other neighbouring property, or any fixtures or personal property included in the Work (whether or not any such Lien is valid or enforceable) created by, through or under, or as a result of any act or omission (or alleged act or omission) of, Contractor or any Subcontractor, or other Person providing Labour or materials within the Scope of Work. Contractor shall immediately notify Owner in writing of the assertion of any Lien, whether by registration on title of a Lien or delivery of a notice of Lien that is not registered on title.

**2.18.2** Contractor shall, at Contractor's sole expense, within ten (10) days of the earlier of (i) receipt of a written demand from Owner and (ii) the Contractor having knowledge of or should have had knowledge of the assertion of any Lien, vacate or discharge the Lien from title to the premises, cancel the notice of Lien, or make alternative arrangements consented to by Owner in writing to bond or otherwise secure the amount of the Lien claim and costs associated therewith, as the case may be, in accordance with Applicable Law.

**2.18.3** In the event that Contractor fails or refuses to vacate or discharge a Lien, cancel a notice of Lien, or make alternative arrangements to bond the amount of Lien claim and costs associated therewith, as the case may be, within ten (10) days, Owner shall, at its option, be entitled to take all steps necessary to vacate and/or discharge Lien, or cancel the notice of Lien by paying monies into court or posting security in accordance with the Construction Lien Act, and all costs and expenses incurred by Owner in so

doing (including all losses and the cost and amount of the security posted to vacate Lien) shall be for the account of Contractor, and Owner may draw down and use funds from the Letter of Credit for such purpose and/or deduct such amounts from amounts otherwise due or owing to Contractor. If Owner vacates a Lien, it shall be entitled to retain all amounts it would be required to retain pursuant to the Construction Lien Act if Lien had not been vacated.

**2.18.4** Except (i) as otherwise expressly prohibited under the Construction Lien Act or (ii) claims for which Contractor has delivered a dispute notice to Owner in accordance with the time periods set forth in this Agreement, in consideration of each payment to Contractor hereunder and on the date of any Request for Payment hereunder, Contractor does hereby unconditionally and irrevocably waive, release, remise, relinquish and quit claim all actions, claims and demands, of any kind whatsoever, which Contractor ever had or then has (or, upon final payment hereunder, may have in the future), known against the Work, the Project, the property on which the Work or the Project is located, or against Owner, its Affiliates, at all tiers, and its and their insurers, sureties, employees, officers, directors, representatives, partners, members, shareholders, agents, and all Persons acting for any of them, including, without limitation, all claims related to, in connection with, or arising out of, all facts, acts, events, circumstances, changes or extra work, constructive or actual delays or accelerations, interferences and the like which have occurred or may be claimed to have occurred. Contractor acknowledges and agrees that the releases and waivers given by Contractor pursuant to this Section 2.18.4 shall be provided to Owner from time to time at the same times as the CCDC 9A statutory declarations are required under this Agreement, and are freely and voluntarily given by Contractor, and Contractor has had the advice of counsel in connection herewith and is fully informed as to the legal effects of such releases and waivers.

**2.19 Cooperation and Non-Interference with Other Owner Contractors.** Contractor shall cooperate with Owner in connection with Owner's efforts to obtain the approvals, certificates, financing, Applicable Permits and Owner's commissioning and testing of the Project. Contractor acknowledges that work may be performed by others at or near the Job Site during the execution of Work under this Agreement. Contractor further acknowledges that Owner, through itself or through its employees, subcontractors or agents, will continue to work and perform activities in connection therewith at the Job Site during the execution of the Work under this Agreement. In addition to Contractor's obligations under Section 2.13 regarding safety for any such persons at the Job Site, Contractor shall cooperate and cause its Subcontractors to cooperate with Owner and other unrelated contractors and the Utility who may be working at or near the Job Site in order to assure that neither Contractor, nor any of its Subcontractors unreasonably hinders or increases, or makes more difficult than necessary the work being done by Owner, other unrelated contractors and the Utility. Contractor agrees to perform the Work in full cooperation with such others and to permit, without charge, reasonable access to, and use of, the Job Site and the Work, by said others or by Owner, whether such Work is partially or entirely complete, when, in the judgment of Owner, such access or use is necessary for the performance and completion of the work of others. All material and Labour shall be furnished, and the Work performed, at such time or times as shall be for the best interest of all contractors concerned, to the end that all Work, and the work of any separate contractor, will be properly coordinated and completed in accordance with the applicable schedules and the times of completion required by the Agreement. Notwithstanding any other provision in this Agreement to the contrary, Contractor shall not communicate with the Financing Parties and their independent engineer and technical advisors, if any, except with the prior written consent of Owner.

**2.20 Intellectual Property Rights.** Contractor agrees to obtain and maintain, until the later of completion of the Work (including warranty obligations) or the expiration of the Warranty Period, all trade secrets, patents, copyrights, trademarks, proprietary rights or information, licenses or other intellectual property rights (collectively, the "Intellectual Property Rights") necessary for performance of the Work. Contractor hereby grants to Owner and its Affiliates an irrevocable, non-exclusive, perpetual, royalty-free license under all Intellectual Property Rights whether now existing or developed for the Work, now or hereafter owned, licensed to or controlled by Contractor or any of its Affiliates, to the extent necessary for the completion, operation, maintenance, repair, rebuilding, alteration and expansion of the Work for the Project and all subsystems and components thereof including the rights to disclose and sub-license to third parties as

required for such purposes. Owner shall have the right to assign the benefit of such license to any Financing Party in connection with granting a security interest in the Transmission Facilities, to a purchaser in connection with a transfer of the Transmission Facilities, or to any subsequent purchaser or assignee of same. Any such purchaser or assignee shall acquire such license subject to the same terms and restrictions as stated in this Section 2.20.

**2.21 Additional Contractor Responsibilities.** Contractor shall (and shall cause its Subcontractors) to comply with all Additional Contractor Responsibilities in connection with Agreement, including, without limitation, the performance of the Work and any other activities at the Job Site.

**2.22**



**2.23 Anti-Bribery.**

**2.23.1** Contractor represents and warrants that neither Contractor nor any past or present shareholder, member, partner, director, officer, parent, subsidiary or Affiliate, employee, representative or agent of Contractor or any other Person acting on Contractor's behalf (any of the foregoing being a "Contractor Agent") (at any time during which such Person was a shareholder, member, partner, director, officer, parent, subsidiary or Affiliate, employee, representative or agent of Contractor) has directly or indirectly, paid, promised or offered to pay, or authorized the payment of any money or anything of value to:

(i) an officer, employee, agent or representative of any government (including, without limitation, Aboriginal governments), including any department, agency or instrumentality of any government or any government-owned or government controlled entity or any Person acting in an official capacity on behalf thereof; or (ii) a candidate for political office, any political party or any official of a political party; or (iii) any other Person while knowing or having reason to believe that some portion or all of the payment or thing of value will be offered, given or promised, directly or indirectly, to any Person described in this Section 2.23; in each case under clause (i), (ii) or (iii) above, for the purpose of influencing any act or decision of such government official, political party, party official, or candidate in his or its official capacity, including a decision to do or omit to do any act in violation of the lawful duty of such Person, or inducing such Person to use his or its influence with the government or instrumentality thereof to affect or influence any act or decision.

**2.23.2** Contractor agrees that neither it nor any Contractor Agent or Subcontractors will violate any applicable anti-bribery laws. Without limiting the foregoing, Contractor agrees that it will not (and shall cause each Contractor Agent and Subcontractor not to), directly or indirectly, pay, promise or offer to pay, or authorize the payment of any money or anything of value to (including a "grease," "expediting" or facilitation payment): (i) an officer, employee, agent or representative of any government (including, without limitation, Aboriginal governments), including any department, agency or instrumentality of any government or any government-owned or government controlled entity or any Person acting in an official capacity on behalf thereof; or (ii) a candidate for political office, any political party or any official of a political party; or (iii) any other Person while knowing or having reason to believe that some portion or all of the payment or thing of value will be offered, given or promised, directly or indirectly, to any Person described above; in each case under clause (i), (ii) or (iii), for the purpose of influencing any act or decision of such government official, political party, party official, or candidate in his or its official capacity, including a decision to do or omit to do any act in violation of the lawful duty of such Person, or inducing such Person to use his or its influence with the government or instrumentality thereof to affect or influence any act or decision, for the benefit of Owner, Contractor or any Contractor Agent or Subcontractor in connection with the Agreement.

**2.23.3** In addition, no payment shall be made to anyone for any reason on behalf of or for the benefit of Owner which is not properly and accurately recorded in Contractor's, any Contractor Agent's and Subcontractors' books and records, including the amount, purpose and recipient, all of which shall be maintained with supporting documentation. For seven (7) years after Contractor's receipt of the last payment made under this Agreement, Owner shall have the right to audit the Contractor's books and records with respect to payments made to anyone for any reason on behalf of or for the benefit of Owner.

**2.23.4** Contractor agrees to provide prompt written notice to Owner in the event that the performance of Work will require any Contractor Agent to, directly or indirectly, interact with, on behalf of Owner or any Owner Affiliate, (i) any officer, employee, agent or representative of any government, including any department, agency or instrumentality of any government or any government-owned or government controlled entity or any Person acting in an official capacity on behalf thereof, or (ii) a candidate for political office, any political party or any official of a political party. Contractor agrees that no Contractor Agent shall engage in any such activity without the prior written consent of Owner.

**2.24 Waiver of Responsibility.** No inspection made, acceptance of Work, payment of money or approval given by Owner shall be deemed a waiver of any provision by Owner or relieve Contractor of its obligations for the proper performance of the Work in accordance with the terms hereof. Owner may reject any Work with Defects or which is not in accordance with the requirements of the Agreement, regardless of the stage of completion, the time or place of discovery of error, and whether Owner previously accepted any or all of such Work through oversight or otherwise. No approval given by Owner shall be considered as an assumption of risk or liability by Owner. Any such approval shall mean that Owner has no objection to the adoption or use by Contractor of the matter approved at Contractor's own risk and responsibility. Contractor shall have no claim relating to any such matter approved, including any claims relating to the failure or inefficiency of any method approved.

**2.25 Project Controls Requirements.** Contractor shall comply with the requirements of Exhibit C-2 hereto.

**2.26 Archaeological Resources.** In the event any archaeological sites, places, monuments or areas are discovered or identified by Contractor during the performance of Work under the Agreement, Contractor shall leave such sites untouched and protected by fencing and shall immediately stop any Work affecting the area. Contractor promptly shall notify Owner of any such discovery as soon as practicable, and Contractor shall carry out Owner's instructions for dealing with the same. All fossils, coins, articles of value or antiquity and structures and other remains or things of geological, archaeological, historical, religious, cultural or similar interest discovered on the Job Site shall, as between Owner and Contractor, be deemed to be the absolute property of Owner. Contractor shall prevent its and its Subcontractors' Labour and any other Persons from removing or damaging any such article or thing. If Contractor discovers such sites, articles or things and their existence actually, demonstrably, adversely and materially affects (i) the Critical Path of the Work and (ii) performance of Contractor's obligations in accordance with the terms of the Agreement, then Contractor shall promptly, but in any event within five (5) days after any such discovery, notify Owner thereof and Owner shall either (x) issue a Scope Change Order to address the effect (if any) on the Contract Price and/or the Project Schedule as a result of the discovery of any archaeological sites or articles or (y) terminate this Agreement pursuant to Section 13.3.

**2.27 MNRF Sensitive Data.** Contractor shall cause each of Contractor's Recipients who have a need to view the MNRF Sensitive Data to have successfully completed either (i) the Full Day Data Sensitivity Training, or (ii) the Understanding Sensitive Information Training under the supervision of another employee or person who has successfully completed the Full Day Data Sensitivity Training. It is understood and agreed by Contractor that Contractor shall cause each of Contractor's Recipients who have a need to view the MNRF Sensitive Data to: (a) use the MNRF Sensitive Data solely for purposes of completing the Work for the Project and for no other use or purpose; (b) reproduce all applicable notices that appear on the MNRF Sensitive Data when received on all copies made by each of Contractor's Recipients who have a need to view the MNRF Sensitive Data; and (c) not display the MNRF Sensitive Data related to the location of Provincially Tracked Species in a document to be made available to any Person other than Owner, except in accordance with the Sensitive Data Location Standards and agreed to by Owner in writing.

### **ARTICLE III. SUBCONTRACTORS**

#### **3.1 Subcontractors and Assignment of Subcontracts.**

**3.1.1 Subcontractors.** Owner acknowledges that Contractor intends to have portions of the Work accomplished by Subcontractors qualified to perform such Work pursuant to written subcontracts between Contractor and such Subcontractors; provided, that Contractor may not enter into any contract with a Major Subcontractor unless the Major Subcontractor [REDACTED] has been approved by Owner in accordance with Section 3.2 and that Contractor shall provide Owner with the right to inspect all aspects of the Work at facilities of each Major Subcontractor to the extent practical. Contractor shall be solely responsible for engaging, managing, supervising and paying all such Subcontractors. Contractor shall require that all Work performed, and all Equipment provided by Subcontractors are received, inspected and otherwise furnished in accordance with the Agreement, and Contractor shall be solely liable for all acts, omissions, liabilities and Work (including Defects therein) of such Subcontractors and of Persons directly or indirectly employed by them. All contracts with Subcontractors shall be consistent with the terms and provisions of the Agreement. At a minimum, all subcontracts shall require the Subcontractors to comply with Applicable Laws and Applicable Permits, shall provide that Owner has the right of inspection as provided hereunder and require such Subcontractors to (a) be subject to the Labour obligations hereunder as well as the safety and security provisions of the Agreement, (b) provide guarantees and warranties with respect to its portion of the Work and the Equipment, (c) with respect to Major Subcontractors, provide certificates of insurance as set forth herein,

and (d) be subject to the dispute resolution procedures as required herein. All subcontracts shall preserve and protect the rights of Owner, shall not prejudice such rights and shall require each Subcontractor to enter into similar agreements with other Subcontractors. Except as hereinafter provided, no contractual relationship shall exist between Owner and any Subcontractor with respect to the Work to be performed hereunder. Contractor shall require and shall cause all Subcontractors to perform their portions of the Work in accordance with the requirements of the Agreement. Nothing contained herein shall obligate Owner to pay any Subcontractor and Contractor shall be solely responsible for paying each Subcontractor and any other Person to whom any amount is due from Contractor in connection with the Work.

**3.1.2 Subcontract Third-Party Beneficiary.** In addition to the requirements set forth in Section 3.1.1, Contractor shall include in each subcontract entered into with Subcontractors the following language to make Owner an express third-party beneficiary of such subcontract:

“The parties hereto agree and acknowledge that the services/work/equipment to be provided hereunder by [subcontractor] will be incorporated into the transmission facilities being developed by [Owner] who is not a party to this subcontract and who has no obligations under this subcontract. As such, the parties expressly agree that the Contractor is a trustee of the Owner for the limited purpose of holding in trust for the Owner the benefit of the applicable covenants, warranties, and guarantees relating to such services/work/equipment. Owner is a third-party beneficiary of this [Agreement] entitled, in its own name or in the name of [Contractor], to enforce this [Agreement] against [subcontractor]. The parties agree that the Beneficiary may, at its option, enforce such rights and promises in their own right (and shall not be required to add Contractor as a party to any proceedings for such enforcement).”

**3.1.3 Assignment.** No subcontract or purchase order shall bind or purport to bind Owner, but each subcontract entered into between Contractor and a Subcontractor with respect to the Work shall contain a provision permitting its assignment to Owner upon Owner's written request, following default by Contractor or termination or expiration of this Agreement.

**3.1.4 Subcontractor Warranties.** Without in any way derogating Contractor's representations and warranties and other testing requirements and guarantees set forth herein with respect to all of the Work, Contractor shall use reasonable efforts to obtain from all Subcontractors any representations, warranties, guarantees, and obligations offered by such Subcontractors and to negotiate the longest reasonably practicable warranty periods at no additional cost with respect to design, materials, workmanship, Equipment, tools, supplies, and other items furnished by such Subcontractors. Contractor shall assign all representations, warranties, guarantees, and obligations of all Subcontractors at the request and direction of Owner, and without recourse to Contractor, to Owner upon default by Contractor or termination or expiration of this Contract; provided, however, that, notwithstanding such assignment, Contractor shall be entitled to enforce each such representation, warranty, guaranty, and obligation so long as Contractor has any liability under this Agreement. Contractor hereby assigns to Owner, effective as of the end of the Warranty Period, all representations, warranties, guaranties and obligations of all Subcontractors.

## **3.2 Major Subcontracts.**

Contractor shall (i) notify Owner of the proposed Major Subcontractor at the earliest practical point in its selection process and furnish to Owner all information reasonably requested by Owner with respect to Contractor's selection criteria (including copies of bid packages furnished to prospective Major Subcontractors and the qualifications of proposed Major Subcontractors) and (ii) notify Owner no less than fifteen (15) Business Days prior to the proposed date of execution of a Major Subcontract. Owner shall have the right to reject any proposed Major Subcontractor or Major Subcontract, and Contractor shall not enter into any Major Subcontract with a proposed Major Subcontractor rejected by Owner. Owner shall undertake in good faith to review the information provided by Contractor expeditiously and shall notify Contractor of any



such rejection as soon as practicable after such decision is made. If at the end of the fifteen (15) Business Days after receipt of such information by Owner Contractor has not received notice of Owner's rejection of the proposed Major Subcontractor or Major Subcontract, Contractor shall have the right to execute such agreement with the proposed Major Subcontractor [REDACTED]

[REDACTED] Approval (or deemed approval) of any Major Subcontractor under this paragraph shall only be for the portion of the Work so approved. Contractor hereby acknowledges and agrees that the review and/or acceptance of any subcontract by Owner and the acceptance of the approved Major Subcontractors shall not (i) modify, in any way, the obligations of Contractor pursuant to the Agreement; or (ii) be raised as a claim or as a defense or counterclaim to any claim in connection with the Agreement.

#### **ARTICLE IV. CONTRACT PRICE**

##### **4.1 Contract Price.**

**4.1.1** As full consideration and payment to Contractor for completing and furnishing the Work, Owner agrees to pay Contractor an amount, equal to [REDACTED] subject to any price adjustments as may arise from time to time pursuant to this Section 4.1. [REDACTED]

**4.1.2** The Contract Price is fixed, subject to any price adjustments as may arise from time to time pursuant to Article IX.

**4.1.3** The following amounts and only the following amounts that may be payable to Contractor pursuant to the terms hereof are in addition to the Contract Price: (i) interest payable on overdue payments by Owner hereunder that are not being disputed by Owner; and (ii) indemnification payments pursuant to Article X.

##### **4.2 Taxes.**

**4.2.1 Contract Price.** The Contract Price is inclusive of any Tax (other than any applicable HST as noted in Section 4.2.4), benefits and burdens of Persons with respect to the Work performed thereby. For greater certainty, the Contract Price excludes applicable HST on all equipment and materials that are not conveyed to Owner as part of this Agreement.

**4.2.2 Contractor Taxes.** Except as otherwise provided herein, Contractor shall pay all Taxes payable by Contractor under Applicable Law, plus any Commodity Taxes (other than HST and real property Taxes as noted in Section 4.2.3) payable by Owner under Applicable Law as levied on the Work or in connection with Contractor's performance hereunder, including without limitation, applicable HST on all materials, supplies and equipment supplied to Contractor in respect of the Work or this Agreement, Taxes based on or related to the income, receipt, capital or net worth of Contractor, Contractor's or its Subcontractors' Labour or income, HST on Contractor owned, leased or rented equipment, all personal property taxes assessed, if any, by any Governmental Authority with respect to or against any Contractor equipment located at the Job Site, and any amounts related to licenses and permits required for Contractor to carry on business or perform any Work or deliver any goods (collectively, "Contractor Taxes"). Contractor will be responsible for any sales and use Tax related to the items purchased for their own consumption. Owner Taxes, shall be governed by the Section below, and shall not be included within the term "Contractor Taxes." Contractor and Owner agree that sales and use Taxes (or other similar transfer or transaction Taxes) will be governed by Section 4.2.4 below. Contractor shall cooperate with Owner to minimize Taxes. Contractor shall act as importer of record for all goods to be imported into Canada for consumption, use or supply in the performance of the Work and pay all Commodity Taxes in respect of such import.

**4.2.3 Owner Taxes.** Owner shall pay all real property Taxes assessed by the Province of Ontario against real property owned by Owner, plus all income and capital Taxes of the Owner. Except as set forth in the preceding sentence, all other Commodity Taxes payable by the Owner under Applicable Law are included in the Contract Price and shall deemed Contractor Taxes and the responsibility of Contractor to remit to the applicable Governmental Authority.

**4.2.4 Sales Tax and HST.** Owner and Contractor agree that this Agreement is a real property improvement contract. As such, Owner and Contractor acknowledge that the Contractor will be deemed the ultimate consumer of the materials and supplies used to perform the Work and will be responsible for paying the HST to Contractor's suppliers on all purchases. Contractor shall bill the Owner, as required by Applicable Law, HST due on the Contract Price as a separate line item. Contractor agrees to take such action as may be reasonably required by Owner to allow any of the property included within the Project to qualify for any applicable Tax exemptions. Contractor shall, as required by Applicable Law, pay HST on materials and equipment, and Contractor shall pay HST on all materials and equipment physically incorporated in the Project, purchased by Contractor that are not subject to exemption. In the event that an assessment for HST is levied against Contractor on materials and equipment subject to exemption, Contractor shall promptly notify Owner and furnish to Owner a copy of such assessment. If Owner determines that the assessment should be contested and so notifies Contractor in writing, Owner may file such documents as are necessary to contest such assessment. Owner shall exclusively control any contest, assessment or other action regarding any such Taxes or assessments, or any penalties or interest in respect thereof. Contractor shall cooperate with and assist Owner in any contest or proceeding relating to HST assessed or paid on materials and equipment included in this Agreement. In the event that Owner is required to pay additional Taxes, penalties or interest because Contractor failed to follow written instructions of Owner appropriately or to comply with its obligations under this Section 4.2, Contractor shall be responsible for the cost of such additional Taxes, penalties and interest within thirty (30) days of Owner's written request therefor. Contractor shall (and shall cause its Subcontractors to) provide to Owner all information and documentation necessary for Owner to recover any HST paid to Contractor.

**4.2.5 Tax Indemnity.** Owner shall not be obligated to pay, and shall be promptly reimbursed by Contractor if Owner does pay, any amounts of Taxes, penalties or interest charges levied or assessed by reason of any failure of Contractor to comply with Applicable Laws or Applicable Permits or governmental regulations, and Contractor shall indemnify and hold Owner Indemnified Parties (as defined in Section 10.1.1) harmless, on an After-Tax Basis, from the payment of any or all such Taxes, penalty, and interest and all costs, expenses, and charges (including legal fees) associated therewith or arising therefrom. Any limitations of Contractor liability present in other sections of this Agreement are not applicable to payments made by Contractor under this section. Contractor further agrees to provide to Owner, upon request, all forms and/or other documentation as may be required by Applicable Laws for purposes of Federal, provincial, county or municipal Tax reporting, including, but not limited to, certification(s) regarding residency.

**4.3 Payment of the Contract Price.** Owner shall pay the Contract Price to Contractor based on progress of completion of Activities in the Schedule of Values and made in accordance with the Cash Flow Table, subject to the terms and conditions hereof. Commencing after the Effective Date, Contractor shall, on the first (1st) day of a calendar month (or the following Business Day) following any month in which Contractor achieves completion of a Activity, Contractor may submit to Owner a request for payment (the "Request for Payment") (separating materials and labour) for each Activity completed during the previous month.

**4.4 Disputed Invoices.** If there is any Dispute about any amount invoiced by Contractor, the amount not in dispute shall be promptly paid, and any amount that is disputed in good faith by proper proceedings shall be paid if required following resolution of the Dispute.

**4.5 Holdback.** There shall be withheld as Holdback from each payment due and payable to

Contractor hereunder such amounts as required by, and in accordance with, the Construction Lien Act. When Contractor believes that this Agreement has attained "substantial performance" pursuant to the Construction Lien Act, Contractor shall submit an application to Owner with respect to the issuance and publication of a "Certificate of Substantial Performance" of this Agreement as that term and process are defined in, and in accordance with the requirements of, the Construction Lien Act. No later than ten (10) days after the receipt of Contractor's application with respect to the issuance and publication of a "Certificate of Substantial Performance", Owner shall review the Work to verify the validity of such application, and no later than seven (7) days after completing the review, Owner shall notify Contractor whether the Agreement is substantially performed or not. Upon mutual agreement by the Parties that substantial performance has been attained, Owner and Contractor shall state the date of substantial performance in a certificate signed by them. Contractor shall publish the mutually signed certificate of substantial performance in accordance with the requirements of the Construction Lien Act. Any interest accruing on Holdback shall accrue for the account of Owner and not Contractor.

**4.5.1 Basic Holdback.** Within a reasonable time following the Final Acceptance Date, and provided that the forty-five (45) day lien period pursuant to the Construction Lien Act has expired, Contractor may prepare a Request for Payment for the Basic Holdback. Subject to the Owner's rights pursuant to this Agreement and provided that there are no pending claims under the Construction Lien Act or otherwise which Owner determines may be claimed against such monies, the release of the Basic Holdback authorized by this certificate shall be carried out provided that the Contractor has submitted to Owner the statutory declarations of itself and all Major Subcontractors in the forms referenced in Exhibit BB-1 and Exhibit BB-2, respectively, and the Contractor has provided Owner with evidence of compliance with the provisions of the Workplace Safety and Insurance Act (Ontario) including payments due thereunder.

**4.5.2 Finishing Holdback.** Subject to Owner's rights pursuant to this Agreement, the release of the Finishing Holdback, by way of a further payment shall be carried out in accordance with the Construction Lien Act, provided that (i) there are no pending claims under the Construction Lien Act or otherwise which Owner determines may be claimed against such monies, and (ii) the Contractor has submitted to the Owner the statutory declarations of itself and all Major Subcontractors in the forms referenced in Exhibit BB-1 and Exhibit BB-2, respectively, and Contractor has provided Owner with evidence of compliance with the provisions of the Workplace Safety and Insurance Act (Ontario) including payments due thereunder.

**4.6 Conditions of Payment.** Contractor's right to receive any payment to be paid to it hereunder is conditioned upon (i) [REDACTED] (ii) Contractor's compliance with its obligations under Section 12.1.1 and (iii) in a form acceptable to Owner, (A) a Request for Payment in the form of Exhibit Y, (B) evidence of compliance with the provisions of the Workplace Safety and Insurance Act (Ontario) including payments due thereunder, (C) a duly executed Exhibit BB-1 Contractor's Statutory Declaration in the form of CCDC 9A, (D) Subcontractor's statutory declaration from all Major Subcontractors in the form of CCDC 9B, and (E) such other documentation as provided for under this Agreement or reasonably requested by Owner. Each Request For Payment shall provide, for each Activity in the Schedule of Values, 1) the value attributed to the applicable Activity which had been previously paid by Owner, 2) the value attributed to the applicable Activity which had been earned during the month for which the applicable Request for Payment is being submitted, 3) the total value attributed to the applicable Activity which has been earned to date and 4) the total value of the applicable Activity. In addition, as a condition to Contractor's right to receive any payment to be paid hereunder, with each such Request for Payment Contractor will submit evidence of completion of all Activities required to be achieved prior to such payment. Within [REDACTED] days after its receipt of a Request for Payment, provided that Contractor has satisfied the foregoing conditions and Contractor has delivered the Letter of Credit required pursuant to Section 2.22, and provided that no Lien is preserved that has not been satisfied, discharged or vacated as provided in this Agreement, and that there are no pending claims under the Construction Lien Act (other than Contractor's claim for the Holdback) or otherwise which may be claimed against such monies, Owner shall, subject to the waiver of claims set forth in Section 2.18.4, pay to Contractor the amount that remains after the deduction from the amount requested in the applicable Request for Payment of the following amounts (I) any portion thereof that Owner disputes as not

being due and owing, (II) any overpayment made by Owner for any previous period, (III) any Delay Liquidated Damages (including interest thereon) payable by Contractor, (IV) any amounts withheld pursuant to Section 4.5 and Section 4.7 and (V) any costs incurred by Owner in enforcing any provision hereof (including legal fees and other consultants' fees) regardless of whether such provisions expressly provide for withholding or set-off (the "Progress Payment"). Owner shall not be obligated to make more than one (1) Progress Payment during each month.

**4.7 Withholding Payment.** Notwithstanding any other provision to the contrary contained herein, Owner may withhold payments to Contractor hereunder and Owner may decide not to certify payment or may nullify the whole or a part of a certification for payment made pursuant to a previous Request for Payment to such extent as may be necessary in Owner's reasonable opinion to protect Owner from loss because of: (i) Defects in the Work not remedied; (ii) any Lien described in Section 2.18; (iii) the failure of Contractor to make payments when due to Subcontractors; (iv) damage to Owner or another contractor, for which Contractor is liable, including damage to the property of Owner or any of its Affiliates; (v) Contractor's or any Subcontractor's failure to carry out the Scope of Work in accordance with the Agreement; (vi) the occurrence of a Contractor Event of Default; (vii) a good faith determination by Owner that Contractor cannot, with prompt and reasonable acceleration of the Work, achieve Provisional Acceptance by the applicable Guaranteed Provisional Acceptance Date; (viii) Contractor's failure to deliver any item required to be delivered by Contractor hereunder to Owner on or before the date such item is scheduled to be delivered. Contractor shall not have any rights of termination or suspension hereunder as a result of Owner's exercise or attempted exercise of its rights under this Section 4.7; or (ix) withholdings as required by Applicable Law. Subject to Applicable Law, Owner shall release payments withheld pursuant to this Section 4.7 within thirty (30) days from the date when Contractor cures all such events or breaches to the satisfaction of Owner.

**4.8 Intentionally Left Blank.**

**4.9 Termination Payment.**

**4.9.1 Termination Payments Due to Contractor.** Upon a termination of this Agreement pursuant to Section 13.2 or Section 13.3 on or after the date of this Agreement, Contractor shall be entitled to a payment (the "Termination Payment"), which shall equal (but in no event exceed the Contract Price less payments of the Contract Price made hereunder) the sum of the following, without duplication: (i) that portion of the Contract Price that is applicable to Work completed up to the date of termination that has not previously been paid to Contractor (as determined below); (ii) the expenses reasonably incurred by Contractor in withdrawing Contractor's Equipment and personnel from the Job Site and in otherwise demobilizing; and (iii) the expenses reasonably incurred by Contractor in terminating contracts with Subcontractors pertaining to the Work (excluding fees of any Affiliates of Contractor), except to the extent Owner has instructed Contractor not to terminate such contracts, in which event such contract will be assigned to Owner, subject to Owner's assumption of same. The Termination Payment shall not include any costs incurred by Contractor after the date of the event giving rise to such termination that Contractor reasonably could have mitigated. Contractor shall use all reasonable diligent efforts to mitigate the costs associated with termination of this Agreement, including identifying and pursuing other uses for Equipment or supplies manufactured or obtained pursuant to this Agreement.

**4.9.2 Payment of Termination Payment.** Contractor shall submit an invoice to Owner for the Termination Payment with the supporting information and documentation of any fees or expenses claimed by Contractor pursuant to Section 4.9.1. Upon review and agreement that such invoice is proper, Owner shall pay such invoice within [REDACTED] days after its receipt of same unless it disputes in good faith certain elements thereof, in which event only the undisputed portion of the Termination Payment need be made within such [REDACTED] day period, provided that payments for termination under Section 13.3 shall

be due Contractor within forty-five (45) days after receipt of a substantiated invoice and Owner's receipt of any and all Equipment and Work under Section 13.3 and Section 13.5. As a condition precedent to receiving any Termination Payment, Contractor shall comply with Section 13.4 in its entirety and deliver to Owner the additional documentation referenced in Section 4.6.

**4.9.3 Termination Payment Contractor's Sole Remedy.** Payment of the Termination Payment shall be the sole and exclusive liability of Owner, and the sole and exclusive remedy of Contractor, with respect to termination of this Agreement under Section 13.2 or Section 13.3, and in such event Owner shall have no further liability to Contractor notwithstanding the actual amount of damages that Contractor may have sustained in connection with such termination. Calculation of the Termination Payment has been agreed upon hereunder because of the difficulty of ascertaining the exact amount of such damages Contractor will actually sustain in the event of a termination of this Agreement pursuant to Section 13.2 or Section 13.3, and Owner and Contractor agree that the calculation of the Termination Payment is fair and reasonable. If this Agreement is cancelled pursuant to Section 13.1, no Termination Payment shall be due and payable pursuant to this Section 4.9 from Owner and any payment to Contractor shall be computed solely in accordance with Section 13.1.

**4.10 Effect of Payment.** Payment of the Contract Price shall not constitute Owner's approval of any portion of the Work that has been determined not to be, or subsequently is determined not to have been, performed in accordance with the requirements of the Agreement.

**4.11 Set-off.** Owner may deduct and set-off against any part of the balance due or to become due to Contractor under this Agreement (i) any Delay Liquidated Damages due or accrued but not paid from Contractor to Owner hereunder, (ii) any Holdback held by Owner, and (iii) any other amounts that are due from Contractor to Owner under or in connection with this Agreement.

**4.12 Payment Dates.** Notwithstanding anything to the contrary in this Article IV, in the event that a payment to be made under this Agreement falls due on any day that is not a Business Day, the payment shall be deemed due on the first Business Day thereafter.

**4.13 No Payment During Contractor Event of Default.** Notwithstanding any other provision to the contrary contained herein, Owner shall have no obligation to make any payment to Contractor at any time when a Contractor Event of Default has occurred and is continuing.

## **ARTICLE V. OWNER RESPONSIBILITIES**

**5.1 Owner-Furnished Equipment.** Owner shall provide or cause to be provided all Owner-Furnished Equipment in accordance with the delivery schedule therefor set forth in Exhibit N.

**5.2 Permits.** Owner shall, with Contractor's reasonable assistance (to be provided at no additional cost to Owner), timely obtain and maintain, at its own cost and expense, all Owner Permits as set forth in Exhibit H. In addition, Owner shall execute, at no cost to Owner, such applications as Contractor may reasonably request in connection with obtaining any of the Contractor Permits.

## **ARTICLE VI. PROVISIONAL ACCEPTANCE; FINAL ACCEPTANCE; DELAY LIQUIDATED DAMAGES**

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**6.2 Intentionally Left Blank.**

**6.3 Intentionally Left Blank.**

#### **6.4 Provisional Acceptance.**

**6.4.1 Achievement of Provisional Acceptance.** Contractor shall cause Provisional Acceptance of the Work to occur on or prior to the applicable Guaranteed Provisional Acceptance Date. If Contractor fails to achieve Provisional Acceptance by the applicable Guaranteed Provisional Acceptance Date, Contractor shall pay to Owner Delay Liquidated Damages pursuant to Section 6.9. On the date on which Contractor believes it has achieved Provisional Acceptance, Contractor shall prepare and submit to Owner a completed Provisional Acceptance Certificate for such portion of the Work. Such Provisional Acceptance Certificate shall include a report containing all information relevant to the achievement of Provisional Acceptance, which report shall be in a form reasonably acceptable to Owner, with sufficient detail to enable Owner to corroborate that Provisional Acceptance has been achieved.

**6.4.2 Confirmation of Provisional Acceptance.** By the close of the fifteenth (15) Business Day following the date on which the Provisional Acceptance Certificate is received by Owner, Owner shall review and inspect all Work and shall either (i) countersign and deliver to Contractor the Provisional Acceptance Certificate, or (ii) notify Contractor that Provisional Acceptance has not been achieved. Any notice issued pursuant to clause (ii) above shall state in detail Owner's reasons for determining that Contractor has not achieved Provisional Acceptance. If Owner determines that Provisional Acceptance has not been achieved and delivers the notice under the preceding clause (ii), Contractor promptly shall take such action, including the performance of additional Work, as will achieve Provisional Acceptance thereof. Upon completing such actions, Contractor shall issue a new Provisional Acceptance Certificate for such Work for reconsideration by Owner. Such procedure shall be repeated as necessary until Provisional Acceptance has been achieved for such Work. For all purposes of this Agreement, the date and time of achievement of Provisional Acceptance for any portion of the Work shall be the date and time the Provisional Acceptance Certificate ultimately accepted by Owner was submitted to Owner after achievement of Provisional Acceptance.

#### **6.5 Intentionally Left Blank.**

#### **6.6 Punch List.**

**6.6.1** No later than thirty (30) days before the Provisional Acceptance Date, Contractor shall prepare and submit to Owner a comprehensive list of the Punch List Items to be completed for the Work to reach Final Acceptance. Contractor shall make such revisions such list as and when requested by Owner from time to time. Contractor shall complete the Punch List Items within thirty (30) days after the Provisional Acceptance Date.

**6.6.2** Upon request of Owner, the Parties shall reasonably agree upon the commercial value of all Punch List Items that have not been completed. The Parties agree that with respect to Punch List Items that remain uncompleted and which are preventing Final Acceptance, it may be more expedient for Owner to complete any or all of the Punch List Items, at its election and option.

#### **6.7 Final Acceptance.**

**6.7.1 Achievement of Final Acceptance.** Contractor shall cause Final Acceptance to occur on or before the Guaranteed Final Acceptance Date and otherwise in accordance with the requirements

of the Agreement. Upon satisfaction of all requirements for Final Acceptance, Contractor shall provide Owner with a Final Acceptance Certificate with respect to the achievement of such activity. Such Final Acceptance Certificate shall include a report containing all information relevant to the achievement of Final Acceptance, which report shall be presented in a form reasonably acceptable to Owner, with sufficient detail to enable Owner to determine that Contractor has achieved Final Acceptance.

**6.7.2 Confirmation of Final Acceptance.** Within thirty (30) days following the date on which the Final Acceptance Certificate is received by Owner, Owner shall review and inspect the Work and shall either (a) deliver to Contractor a countersigned Final Acceptance Certificate indicating its acceptance of the achievement of Final Acceptance, or (b) notify Contractor in writing that such Final Acceptance has not been achieved, stating in detail the reasons therefor. If Owner delivers the notice under the preceding clause (b), Contractor shall promptly take all actions necessary, including the performance of additional Work, to achieve Final Acceptance, and upon completion of such actions shall issue to Owner another Final Acceptance Certificate pursuant to this Section 6.7.2. Such procedure shall be repeated as necessary until Final Acceptance has been achieved. For all purposes of this Agreement, the date of achievement of Final Acceptance shall be the date on which Contractor delivers to Owner the Final Acceptance Certificate that Owner ultimately accepts after achievement of Final Acceptance.

**6.8 Completion Deadlines.** Time is of the essence in Contractor's performance of its obligations under this Agreement. Without duplication or limitation of the foregoing or any other provisions of the Agreement, Contractor shall do whatever is commercially necessary to perform the Work in full compliance with the Agreement so that the performance of the Work satisfies all of the conditions of Provisional Acceptance and Final Acceptance by the guaranteed date for the applicable milestone.

**6.9 Delay Liquidated Damages.**

**6.9.1 Obligation to Pay.**

(a) Owner and Contractor acknowledge and agree that any failure to achieve Provisional Acceptance on or before the applicable Guaranteed Provisional Acceptance Date will directly cause substantial damage to Owner, which damage cannot be ascertained with reasonable certainty. Accordingly, if Contractor fails to achieve Provisional Acceptance for any portion of the Work on or before the applicable Guaranteed Provisional Acceptance Date, it shall pay to Owner, as liquidated and agreed damages, an amount (collectively, the "Provisional Acceptance Delay Liquidated Damages") equal to [REDACTED] for each day (or portion thereof) of delay beyond the applicable Guaranteed Provisional Acceptance Date, commencing with the first calendar day after such Guaranteed Provisional Acceptance Date.

(b) Owner and Contractor acknowledge and agree that any failure of the Transmission Facilities to satisfy the Operational Tests between the Provisional Acceptance Date and Final Acceptance will directly cause substantial damage to Owner, which damage cannot be ascertained with reasonable certainty. Accordingly, if the Transmission Facilities fail to satisfy the Operational Tests between the Provisional Acceptance Date and Final Acceptance, Contractor shall pay to Owner, as liquidated and agreed damages, an amount (collectively, the "Late Delivery Delay Liquidated Damages" together with the Provisional Acceptance Liquidated Damages, the "Delay Liquidated Damages") equal to [REDACTED] for each day (or portion thereof) of delay between the Provisional Acceptance Date and Final Acceptance that the Transmission Facilities fail to satisfy the Operational Tests, commencing on the tenth (10th) calendar day after the date the Transmission Facilities are first interconnected with the high voltage facilities of Utility in accordance with the Utility's interconnection requirements.

(c) The amount of Delay Liquidated Damages shall not exceed [REDACTED] of the Contract Price (the "LD Cap"). Except as set forth in Section 6.9.2, payment of Delay Liquidated Damages in accordance with this Section 6.9.1 shall constitute Contractor's sole liability, and Owner's exclusive remedy, for delay in achieving Provisional Acceptance or failure of the Transmission Facilities to satisfy the

Operational Tests between the Provisional Acceptance Date and Final Acceptance, as applicable, but in no event shall excuse Contractor from performance of any of its other obligations hereunder, including the obligation of Provisional Acceptance and Final Acceptance to occur. Notwithstanding the foregoing, if Contractor fails to: (i) achieve Provisional Acceptance by the first to occur of (A) the date that is [REDACTED] days after the Guaranteed Provisional Acceptance Date, and (B) the date that Provisional Acceptance Delay Liquidated Damages payable hereunder reaches the LD Cap; or (ii) achieve Final Acceptance by the first to occur of (1) the date that is [REDACTED] days after the Guaranteed Final Acceptance Date and (2) the date that Late Delivery Delay Liquidated Damages payable hereunder reaches the LD Cap, such failure shall automatically constitute a Contractor Event of Default under Article XIII and Owner shall be entitled to any and all remedies afforded Owner under this Agreement.

**6.9.2 Fair and Reasonable Amount.** It is understood and agreed between the Parties that the terms, conditions and amounts fixed pursuant to this Article VI as Delay Liquidated Damages are fair and reasonable, considering the damages that Owner would sustain if (i) Provisional Acceptance is delayed beyond the applicable Guaranteed Provisional Acceptance Date or (ii) failure of any of the Transmission Facilities to satisfy the Operational Tests between the Provisional Acceptance Date and Final Acceptance, as applicable, and that these amounts are agreed upon and fixed as liquidated damages, and not as a penalty, because of the difficulty of ascertaining the exact amount of damages that would be sustained as a result of (a) delay in achieving Provisional Acceptance or (b) failure of any of the Transmission Facilities to satisfy the Operational Tests between the Provisional Acceptance Date and Final Acceptance.

**6.9.3 Accrual; Payment.** After the end of any week during which Delay Liquidated Damages accrue under this Section 6.9, Owner may provide Contractor with a statement of the amount of Delay Liquidated Damages owed for such week. Contractor shall pay any Delay Liquidated Damages within seven (7) days after receipt of such statement(s). Contractor's obligation to pay Delay Liquidated Damages when and as provided in this Section 6.9 is an absolute and unconditional obligation, and shall not be released, discharged, diminished, or in any way affected by (i) any default by Owner in the performance or observance of any of its obligations hereunder, provided that Owner has paid all undisputed amounts due to Contractor hereunder, (ii) the assignment by Owner of the Agreement to any Person, or (iii) any other circumstances, happening, condition or event. Contractor shall pay such Delay Liquidated Damages without deduction, set-off, reduction or counterclaim. Contractor shall continue to make such payments of Delay Liquidated Damages until achievement of Final Acceptance, at which time Contractor shall pay all previously accrued and unpaid Delay Liquidated Damages amounts. Contractor shall pay Delay Liquidated Damages required hereunder by wire transfer. In no event shall the payment of Delay Liquidated Damages excuse Contractor from performance of any of its other obligations hereunder, including the obligation to cause Provisional Acceptance or Final Acceptance to occur.

**6.10 Offset Rights; Security for Obligations.** Owner shall have the right to offset any amounts owing to Owner under this Article VI against Progress Payments or other amounts owing to Contractor and to exercise its rights against any security provided to Owner hereunder by or for the benefit of Contractor, in such order as Owner may elect in its sole discretion.

## **ARTICLE VII. WARRANTIES**

### **7.1 Warranty Provisions.**

#### **7.1.1 Warranty.**

(a) Contractor warrants to Owner that all Equipment (other than Owner-Furnished Equipment) shall (i) be new, unused and undamaged when installed, (ii) be free from improper workmanship and Defects, (ii) conform to all applicable requirements of all Additional Contractor Responsibilities, Applicable Laws, Applicable Permits, Applicable Standards, Prudent Electrical Industry



Practices and the Agreement and (iii) where otherwise not specified in the Technical Specification, be suitable for Owner's use in the Transmission Facilities in accordance with Owner's intended purposes.

(b) Contractor warrants to Owner that the Work will be performed in a good and workmanlike manner, and that the Work: (i) will conform to, and be designed and engineered (to the extent of Contractor's design and/or engineering responsibilities set forth in the Technical Specifications), and constructed in accordance with, all Applicable Laws, Applicable Permits, Applicable Standards, Prudent Electrical Industry Practices and the other terms and requirements of the Agreement; and (ii) will be constructed to operate, and shall be capable of being operated, safely, normally and continuously in accordance with the requirements of all Applicable Laws, Applicable Permits and the Agreement at all operating levels and modes specified in the Agreement and the Drawings. Contractor also warrants and guarantees to Owner that none of the Work, Equipment, the Contractor Deliverables and the design, engineering and other services rendered by or through Contractor hereunder, nor the use, operation or ownership of the Work (including the Equipment (other than the Owner-Furnished Equipment) and the Contractor Deliverables) by Owner, nor any license granted hereunder, infringes, violates or constitutes a misappropriation of any Intellectual Property Rights.

(c) Except as expressly stated herein to the contrary, Contractor agrees to remedy any Defects or breach of any warranty set forth in this Section 7.1.1 which appear within a period of [REDACTED] months following Final Acceptance (as such period may be extended in accordance with the terms hereof) (the "Warranty Period"); provided, however, that if any portion of the Work is remedied pursuant to this Section, then the Warranty Period with respect to such Work shall be continued until the later of (i) the expiration of the Warranty Period and (ii) [REDACTED] from the date of completion of such remedying Work; provided, however, in no event shall the Warranty Period extend beyond [REDACTED] months from the Final Acceptance Date, except for serial component failures set forth in Section 7.1.1(d). The provisions of this Section apply to Work performed by Subcontractors as well as Work performed directly by Contractor. Contractor shall bear all costs and expenses associated with remedying any Defect or breach of warranty, including, without limitation, necessary disassembly, removal, replacement, transportation, reassembly and retesting, as well as reworking, repair or replacement of such Work and any portion of the Work affected by such the Defect or breach of warranty, disassembly and reassembly of piping, ducts, structures, electrical work, instrumentation, insulation, machinery, Equipment, any obstruction or other work as necessary to give access to the Defect or the affected Work and correction, removal or repair of any damage to other work or property that arises from the Defect or breach of warranty (including, without limitation, costs of cranes and dunnage). If Contractor is obligated to repair, replace or renew any Equipment, item or portion of the Work hereunder, Contractor will, at its sole costs and expenses, undertake a technical analysis of the problem and correct the "root cause" unless Contractor can demonstrate to Owner's satisfaction that there is not a risk of the reoccurrence of such problem.

(d) [REDACTED]

**7.1.2 Correction of Deficiencies.** Owner shall provide Contractor with reasonable access to the Work in order to perform its obligation under this Article, and the Parties shall schedule such remedying

Work as necessary so as to minimize disruptions to the operation of the Project. No such remedying Work shall be considered complete until Owner shall have reviewed and accepted such Work in writing.

**7.1.3 Conformance of Warranty Service to Specifications.** Contractor warrants in favour of Owner that all materials and equipment incorporated into the Work as part of repairs to and replacements of the Work by Contractor or any Subcontractor, and repairs to and replacements of the Work pursuant to the warranties set forth in this Section 7.1, shall conform to the requirements of the Agreement and all applicable warranties for the foregoing and shall be free from Defects. Contractor shall perform, at its cost and expense, such tests as Owner may reasonably request to verify that any correction, repair, replacement or re-performance of the Work pursuant to this Article complies with the requirements of the warranties set forth in this Section 7.1.

**7.1.4 Risk of Loss or Damage.** Whenever Contractor is required to repair or replace Work pursuant to this Article VII, Contractor shall bear the risk of loss or damage (including, without limitation, all insurance related thereto, provided that such insurance is maintained in accordance with the requirements set forth in Article XII) for such Work during the period of such repair or replacement. If any Work must be removed from the Job Site, transportation charges associated with any repair or replacement shall be borne by Contractor.

**7.2 Delay.** If, after notification of a Defect or breach of warranty, Contractor fails to mobilize to commence remedying such Defect or breach of warranty (and performing its other obligations under Section 7.1.1(c)) within five (5) days after notice thereof or if in Owner's sole opinion shall thereafter fail to diligently continue remedying to completion such Defect or breach of warranty and performing such obligations, then Owner may correct such Defect or breach of warranty and perform such obligations, and Contractor shall be liable for all costs, charges and expenses incurred by Owner in connection with such remedying Work and performance of such obligations and shall pay to Owner an amount equal to such costs, charges and expenses within thirty (30) days after demand therefor. Any remedying Work performed by Owner or its contractors pursuant to this Section shall not affect the warranties herein or Contractor's warranty obligations hereunder, shall be deemed to have been performed by Contractor hereunder and shall be subject to extended Warranty Periods in accordance with Section 7.1.1(c).

### **7.3 Subcontractor Warranties.**

**7.3.1** Contractor shall, for the protection of Contractor and Owner, obtain from the Subcontractors such guarantees and warranties with respect to Work performed as are reasonably obtainable, which guarantees and warranties shall equal or exceed those set forth in Section 7.1 and shall be made available and assignable to Owner and the Financing Parties to the full extent of the terms thereof upon the expiration of the Warranty Period. Owner shall be an express third-party beneficiary of all such guarantees and warranties. To the extent available, Owner shall have the right to require Contractor to secure additional warranty or extended guarantee protection pursuant to a Scope Change Order issued in accordance with the provisions of Article IX. Upon the earlier of the expiration of the Warranty Period or termination of this Agreement, Contractor shall deliver to Owner copies of all relevant contracts providing for such guarantees and warranties.

**7.3.2** Contractor shall be responsible for enforcing the warranties of all Subcontractors through the Warranty Period unless Owner requests that any such warranties be assigned to it at an earlier date. Upon the earlier of the expiration of the Warranty Period or termination of this Agreement, Contractor shall assign to Owner all warranties received by it from Subcontractors or otherwise obtained under Section 7.3.1. Contractor shall provide reasonable assistance to Owner without cost to Contractor in connection with the enforcement by Owner of any Subcontractor warranty after such assignment. Such assignment of warranties to Owner must also allow Owner to further assign such warranties. However, in the event that Owner makes any warranty claim against Contractor with respect to services supplied in whole or in part by any Subcontractor, and Contractor fulfills its obligations with respect to such claim by Owner, Contractor shall be

entitled to enforce for its own benefit any warranty given by such Subcontractor with respect to such services.

**7.4 Proprietary Rights.** Without limiting any of the provisions of the Agreement and notwithstanding any provision herein to the contrary, if Owner or Contractor is prevented from completing the Work (or any part thereof) in accordance with the Agreement or from the use, operation repair, maintenance, alteration, expansion, rebuilding or enjoyment of the Work (or any part thereof) as a result of a claim, action or proceeding by any Person for unauthorized disclosure, infringement or use of Intellectual Property Rights arising from Contractor's performance (or that of its Subcontractors) under the Agreement or any Intellectual Property Right or Contractor Deliverable transferred or licensed to Owner hereunder, Contractor shall promptly, but in no event later than thirty (30) days from the date of any action or proceeding, take all actions necessary to remove such impediment, including (a) secure termination of the injunction and procure for Owner or its assigns, as applicable, the right to use such materials, Equipment or Contractor Deliverable in connection with the completion, repair, operation, maintenance, alteration, rebuilding or expansion of the Work without obligation or liability; or (b) replace such materials, Equipment, or Contractor Deliverable, with a non-infringing equivalent, or modify same to become non-infringing, all at Contractor's sole expense, but subject to all the requirements of the Agreement.

**7.5 No Implied Warranties.** THE WARRANTIES SET FORTH IN THIS AGREEMENT ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, FOR PERFORMANCE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE. THERE ARE NO OTHER WARRANTIES, AGREEMENTS, ORAL OR WRITTEN, OR UNDERSTANDINGS WHICH EXTEND BEYOND THOSE SET FORTH IN THIS AGREEMENT WITH RESPECT TO THE WARRANTED WORK, MATERIALS AND EQUIPMENT.

**7.6 Survival of Warranties.** The provisions of this Article VII shall survive the expiration or termination of this Agreement.

#### **ARTICLE VIII FORCE MAJEURE; OWNER CAUSED DELAY; CHANGE IN APPLICABLE LAW; [REDACTED]**

**8.1 Performance Excused.** So long as the conditions set forth in this Section 8.1 are satisfied, neither Party shall be responsible or liable for or deemed in breach of this Agreement because of any failure or delay in complying with its obligations under or pursuant to the Agreement to the extent that such failure has been caused, or contributed to, by one or more Force Majeure Events or its effects or by any combination thereof, and in such event:

(a) The Party claiming a Force Majeure Event shall give the other Party notice describing the particulars of the cause and nature of the occurrence, with written notice given promptly after the occurrence of the Force Majeure Event, and in no event more than five (5) Business Days after the affected Party becomes aware of such occurrence and as soon as reasonably practicable, but in any case within ten (10) Business Days after such occurrence, the Party claiming a Force Majeure Event shall give the other Party sufficient proof of the occurrence of such Force Majeure Event and written notice estimating the Force Majeure Event's expected duration and probable impact on the performance of such Party's obligations hereunder, and such affected Party shall continue to furnish timely regular reports with respect thereto during the continuation of the Force Majeure Event;

(b) The performance of the Party claiming the Force Majeure Event of its obligations hereunder shall be suspended, provided the suspension of performance shall be of no greater scope and of no longer duration than is reasonably required by the effects of the Force Majeure Event;

(c) Any liability of either Party, which arose before the occurrence of the Force Majeure Event causing the suspension of performance, shall not be excused as a result of the occurrence;

(d) The affected Party shall continually exercise all commercially reasonable efforts to alleviate and mitigate the cause and effect of such Force Majeure Event, remedy its inability to perform and limit damages to the other Party;

(e) The affected Party shall use all reasonable efforts to continue to perform its obligations hereunder and to correct or cure the event or condition excusing performance; and

(f) When the affected Party is able to resume performance of the affected obligations under the Agreement, that Party shall give the other Party written notice to that effect, and the affected Party promptly shall resume performance under the Agreement.

So long as the conditions set forth in this Section 8.1 are satisfied, Contractor shall be entitled to suspension of performance or extension of time (including an extension of the applicable Guaranteed Provisional Acceptance Date to the extent achievement thereof is affected) with respect to a Force Majeure Event to the extent agreed upon by both Parties pursuant to a Scope Change Order under Article IX. A Party's failure to comply with the provisions of this Section 8.1 shall constitute a waiver of any claim of a Force Majeure Event.

**8.2 Owner Caused Delay.** In the event Contractor desires to claim an Owner Caused Delay, Contractor shall within three (3) Business Days after it becomes aware of the Owner Caused Delay, give Owner written notice describing the details of the Owner Caused Delay, the anticipated length of such delay and any other effect on Contractor's performance of its obligations hereunder. Within ten (10) days after initial notification, Contractor shall provide to Owner demonstrable proof (i) of the occurrence and duration of such Owner Caused Delay and (ii) that such Owner Caused (x) prevents Contractor from performing all or a portion of the Work, (y) has a demonstrable material cost increase to Contractor and (z) has a schedule impact that will actually, demonstrably, adversely and materially affect Contractor's ability to complete the Critical Path of the Work by the required dates. So long as the conditions set forth in this Section 8.2 are satisfied, Contractor shall be entitled to suspension of performance or extension of time with respect thereto, together with an increase in the Contract Price for its demonstrated, justified and reasonable additional costs, incurred by reason of such delay to the extent agreed upon by both Parties pursuant to a Scope Change Order issued in accordance with the provisions of Article IX, provided that: (A) such suspension of performance and extension of time shall be of no greater scope and of no longer duration than is required by the effects of the Owner Caused Delay; (B) Contractor provides timely notice of the Owner Caused Delay; and (C) Contractor shall continually exercise all commercially reasonable efforts to alleviate and mitigate the cause and effect of such Owner Caused Delay, remedy its inability to perform and limit damages to Owner. Contractor's failure to comply with the terms of this Section 8.2 shall constitute a waiver of any claim of an Owner Caused Delay.

**8.3 Change in Applicable Law.** In the event Contractor desires to claim a Change in Applicable Law, Contractor shall within five (5) Business Days after it becomes aware of the Change in Applicable Law, give Owner written notice describing the details of the Change in Applicable Law, the anticipated length of such delay and any other effect on Contractor's performance of its obligations hereunder. Within ten (10) days after initial notification, Contractor shall provide to Owner demonstrable proof (i) of the occurrence and duration of such Change in Applicable Law and (ii) that such Change in Applicable Law (x) prevents Contractor from performing all or a portion of the Work, (y) has a demonstrable material cost increase to Contractor and (z) has a schedule impact that will actually, demonstrably, adversely and materially affect Contractor's ability to complete the Critical Path of the Work by the required dates. So long as the conditions set forth in this Section 8.3 are satisfied, Contractor shall be entitled to suspension of performance or extension of time with respect thereto, an adjustment (whether an increase or a decrease) in the Contract Price for its demonstrated, justified and reasonable costs, incurred or not incurred by reason of such delay to the extent agreed upon by both Parties pursuant to a Scope Change Order issued in accordance with the provisions of Article IX, provided that: (A) such suspension of performance and extension of time shall be of no greater scope and of no longer duration than is required by the effects of the Change in Applicable Law; (B) Contractor provides timely written notice of the Change in Applicable Law; and (C) Contractor shall

continually exercise all commercially reasonable efforts to alleviate and mitigate the cause and effect of such Change in Applicable Law, remedy its inability to perform and limit damages to Owner. Contractor's failure to comply with the terms of this Section 8.3 shall constitute a waiver of any claim of a Change in Applicable Law.

8.4

**8.5 Burden of Proof.** The burden of proof as to whether a Force Majeure Event, Owner Caused Delay, Change in Applicable Law or [REDACTED] has occurred, and whether the Force Majeure Event, Owner Caused Delay, Change in Applicable Law [REDACTED] excuses the claiming Party from performance under Section 8.1, Section 8.2, Section 8.3 or Section 8.4 shall be upon the Party claiming such Force Majeure Event or Owner Caused Delay.

#### **ARTICLE IX. SCOPE CHANGES**

**9.1 Scope Changes at Owner's Request.** Owner may, from time to time, without invalidating this Agreement, order or approve scope changes in all or a portion of the Work or changes in the Project Schedule (collectively, "Scope Changes") by notification in writing to Contractor. Contractor shall make a written response thereto within ten (10) days after receiving such request. If Contractor believes that giving effect to any Scope Change requested by Owner will increase or decrease its cost of performing the Work, shorten or lengthen the time needed for completion of the Work or require a modification of any provisions of the Agreement, its response to the Scope Change request shall set forth such changes (including any amendments to the Agreement) that Contractor deems necessary as a result of the requested Scope Change and its justification therefor. If Contractor accepts the Scope Changes requested by Owner (together with any amendments to the Agreement specified therein) or if the Parties agree upon a modification of such requested Scope Changes, the Parties shall set forth the agreed upon Scope Change in the Work and agreed upon amendments to the Agreement, if any, in a Scope Change Order. Each Scope Change Order shall constitute a final settlement of all items covered therein, including any schedule relief or compensation for any impact on, or delay or acceleration in, performing the Work. If the Parties do not agree upon all terms of the Scope Change Order, Contractor shall proceed with such Work, and the dispute shall be resolved in accordance with the terms hereof.

**9.2 No Unapproved Scope Changes.** Contractor shall not perform any Scope Changes until Owner has approved in writing the proposed adjustments or has expressly authorized Contractor in writing to perform the Scope Change prior to such approval. If Owner does not approve the proposed adjustments and Contractor and Owner are unable mutually to agree upon alternative adjustments, Owner may by written notice to Contractor cancel the Scope Change. Upon receiving from Owner such written approval or such written authorization to perform, Contractor shall diligently perform the Scope Change in accordance with and subject to all of the terms of the Agreement. Scope Changes are processed in accordance with Exhibit V-2.

**9.3 Presumption Against Scope Changes.** It is the intent of Owner and Contractor that the Scope of Work attached hereto as Exhibit A and the Technical Specifications includes all items necessary for the proper execution and completion of the Work. As more particularly described in Section 2.1, Work not described in the Scope of Work shall not require a Scope Change Order if such Work is consistent with and reasonably inferable from the Scope of Work, so that a contractor of Contractor's experience and expertise should have anticipated that the Work would have been required. Within ten (10) days of Contractor's becoming aware of any event or circumstance for which Contractor may be entitled to a Scope Change Order, Contractor shall provide written notice to Owner specifically requesting a Scope Change Order, which notice must provide in detail all claims to be made by Contractor related to such event or circumstance, including any schedule relief or compensation for any impact on, or delay or acceleration in, performing the Work. Contractor's failure to provide written notice to Owner of any claim related to such event or circumstance within such ten (10) day period shall constitute a waiver of such claim.

**9.4 Scope Changes Due to Concealed Conditions.** Excluding archaeological artifacts at the Job Site which shall be governed by Section 2.26, Contractor shall conduct and complete, at Contractor's own cost, at the Job Site a geotechnical investigation of any portion of the Job Site as Contractor reasonably deems necessary to confirm the Job Site conditions. [REDACTED]

[REDACTED], then Contractor shall notify Owner of the existence of such unknown and unforeseen subsurface condition in accordance with the Scope Change process outlined in Exhibit V-2 with written notice in the form of Exhibit V-3 with respect to such unknown and unforeseen subsurface condition at the Job Site. [REDACTED]

[REDACTED] Owner in its sole discretion may either (a) issue a Scope Change Order to address such condition (by either abandoning such layout location or adapting the design and plan to accommodate the conditions encountered), pursuant to which Contractor shall be entitled to an extension of the time to perform the Work hereunder, which extension shall be for an equitable duration designed to reflect the delay actually caused by such condition and/or an increase in the Contract Price [REDACTED]

[REDACTED] or (b) terminate this Agreement pursuant to Section 13.3. Contractor specifically waives the right to make any such claims with respect to the relevant portion of the Job Site (1) after the expiration of ten (10) day period set forth in this Section 9.4 or (2) if Contractor failed to comply with the Scope Change process outlined in Exhibit V-2 with written notice in the form of Exhibit V-3. Except as set forth in this Section 9.4, Contractor assumes the risk of surface and subsurface conditions at the Job Site and shall not be entitled to an extension of the Project Schedule or an increase in the Contract Price as a result thereof.

**9.5 Scope Changes Caused by a Force Majeure Event, Owner-Caused Delay, Change in Applicable Law** [REDACTED]

**9.5.1** Owner and Contractor may, by written notice to the other Party, propose Scope Changes in the Work or the Project Schedule due to a Force Majeure Event, Owner Caused Delay or Change in Applicable [REDACTED]

If Owner agrees that Contractor has met all of the applicable condition precedents for a requested Force Majeure Event, Owner Caused Delay, Change in Applicable Law [REDACTED], as applicable, including, without limitation, Contractor establishing there is a material impact that will actually, demonstrably, adversely and materially affects the Critical Path as a result of such Force Majeure Event, Owner Caused Delay, Change in Applicable Law [REDACTED], then the Parties agree to negotiate reasonably and in good-faith for the execution of a mutually acceptable Scope Change Order.

**9.5.2** Force Majeure Events will entitle Contractor only to extensions of the Project Schedule and will not entitle Contractor to any compensation, reimbursement of costs or any increase in the Contract Price. [REDACTED]

Any extension permitted under this Section 9.5 shall be of an equitable duration designed to reflect the delay actually caused by the relevant event despite Contractor's efforts to mitigate the same. In the case of Force Majeure Events, Owner Caused Delays and Change in Applicable Law, the Parties acknowledge that such equitable extension will generally be equal to or less than the number of days during which a (i) Force Majeure Event or the effects thereof persisted, (ii) the number of days of the Owner Caused Delay or (iii) Change in Applicable Law or the effects thereof persisted, as the case may be; provided, however, that in no event will Contractor be entitled to an extension that is longer than the duration of the applicable (a) Force Majeure Event or the effects thereof, (b) Owner Caused Delay or (c) Change in Applicable Law or the effects thereof persisted.

**9.6 Changes to Contract Price; Disputes.** A Scope Change Order initiated by Owner may have the effect of either increasing or decreasing the Contract Price. [REDACTED]

Any Contractor response to a Scope Change Order under Section 9.1 and any Contractor notification under Section 9.4, shall be accompanied by a proposed all-inclusive final lump sum cost (separating materials and labour) to Owner; provided, however, Owner may in its sole discretion

determine that Contractor shall be paid for such Scope Change on a not to exceed cost plus basis. In the event that the Parties are unable to reach an agreement on an all-inclusive final lump sum cost to Owner or a not-to-exceed cost estimate as a result of a requested Scope Change, then Contractor agrees to perform the requested Scope Change at a price equal to Owner's proposed lump sum amount [REDACTED] and to resolve (in accordance with the dispute resolution procedures set forth in Article XV) the issue of any excess of Contractor's proposed lump sum cost over that of Owner's proposed lump sum amount. In addition, in the event that Owner and Contractor are unable to reach agreement on a Scope Change Order for a Scope Change requested by either Owner or Contractor, at the direction of Owner (and only at the direction of Owner), Owner's proposed Scope Changes shall become effective as a Scope Change Order and Contractor shall continue to perform the Work in accordance with such Scope Change Order and the proposed Scope Changes shall be performed by Contractor at its sole cost and expense pending resolution of the dispute pursuant to the dispute resolution procedures set forth in Article XV. Contractor shall not suspend, in whole or in part, performance of this Agreement during any good faith dispute over any Scope Change Order unless directed to do so by Owner.

## ARTICLE X. INDEMNIFICATION

### 10.1 Indemnities.

**10.1.1 Contractor's General Indemnity.** Contractor shall defend, indemnify and hold harmless, on an After-Tax Basis, each of Owner, the Financing Parties and each of their subsidiaries and Affiliates, and the directors, officers, agents, employees, successors and assigns of each of them (each, an "Owner Indemnified Party") from and against losses, costs, damages, injuries, liabilities, claims, demands, penalties, assessments, interest and causes of action, expenses, including reasonable legal fees, incurred by or asserted against any Owner Indemnified Party to the extent and as a result of the following:

(a) Bodily injury, death or damage to property caused by any negligent act or omission (or, on a strict liability basis where applicable) relating to or arising out of the performance of the Work (including any warranty Work) by Contractor or any Affiliate thereof, any Subcontractor, or anyone directly or indirectly employed by any of them, or anyone for whose acts such Person may be liable;

(b) Claims resulting from bodily injury, death or damage to property arising out of any Defect or breach of any warranty set forth in Article VII to the extent caused by the negligent act or omission (or, on a strict liability basis where applicable) of Contractor or any Affiliate thereof, any Subcontractor, or anyone directly or indirectly employed by any of them, or anyone for whose acts such Person may be liable;

(c) Claims by any Governmental Authority for, or in respect of or in connection with, any Taxes payable by Contractor;

(d) (i) Any Hazardous Material brought to the Job Site or generated at the Job Site by Contractor or any Subcontractor, or (ii) any contamination or pollution, or any release or discharge of any Hazardous Material, on, under or from the Job Site or any portion thereof that is caused or contributed to by Contractor or any Subcontractor (excluding as a result of releasing Pre-Existing Hazardous Material, exacerbating Pre-Existing Hazardous Material or rendering removal or remediation of Pre-Existing Hazardous Material, except as has been made more costly as a result of the of Contractor or any Affiliate thereof, any Subcontractor, or anyone directly or indirectly employed by any of them, or anyone for whose acts such Person may be liable);

(e) Provided Owner has paid all undisputed amounts due pursuant to the Agreement, any Lien, on the Project, the Work, Equipment, the Job Site or any fixtures or personal property included in the Work created by, through or under, or as a result of any act or omission (or alleged act or



omission) of, Contractor, any Subcontractor or other Person providing Labour or materials in connection with the Work;

(f) Any claim, action or proceeding by any Person for unauthorized disclosure, infringement or use of any Intellectual Property Right arising from or related to (i) Contractor's performance (or that of its Affiliates, Subcontractors) under the Agreement, (ii) the design, construction, use, operation or ownership of the Work (including the Equipment, Contractor Deliverables or any portion of any of them), or (iii) Owner's use of any license granted hereunder;

(g) Any failure of the Work, as designed (to the extent of Contractor's design responsibilities), constructed and completed by Contractor, to comply with, or be capable of operating in compliance with, Applicable Laws or the conditions or provisions of Applicable Permits;

(h) Any failure of Contractor to comply with Applicable Laws or the conditions or provisions of Applicable Permits;

(i) Any claims with respect to employer's liability or worker's compensation filed by any employee of Contractor or any of its Subcontractors;

(j) Any breach by Contractor of any representation or warranty contained in Article XVI;

(k) Any vitiation of any insurance policy procured under Article XII as a result of Contractor's failure to comply with any of the requirements set forth in such policy or any other act by Contractor or any Subcontractor;

(l) Any allegation or claim of noncompliance by Contractor or any Contractor Agent or Subcontractor with, or breach of any representation set forth in, Section 2.23; and

(m) Any allegation or claim of noncompliance by Contractor or any its Recipients with, or breach of any obligation set forth in, Section 2.27.

**10.1.2 Owner's Indemnity.** Owner shall defend, indemnify and hold harmless, on an After-Tax Basis, Contractor and its directors, officers, agents, employees, Subcontractors, successors and assigns from and against any and all losses, costs, damages, injuries, liabilities, claims, demands, penalties, assessments, interest and causes of action, expenses, including reasonable legal fees, incurred by or asserted against any such Person to the extent and as a result (i) of the injury or death of any Person, including employees of Owner, Contractor or any Person employed by any of them for whose acts any of them may be liable resulting from Owner's negligent acts or omissions under this Agreement or (ii) resulting from loss of or damage to property resulting from Owner's negligent acts or omissions under this Agreement.

**10.2 Conditions of Indemnification.** The respective rights and obligations of the Parties and the other indemnitees under this Article with respect to claims resulting from the assertion of liability by third parties shall be subject to the following terms and conditions:

**10.2.1 Notice of Proceedings.** Within fourteen (14) days (or such earlier time as might be required to avoid prejudicing the indemnifying Party's position) after receipt of notice of commencement of any legal action or of any claims against such indemnitee in respect of which indemnification will be sought, the Person claiming to be indemnified under the terms of this Article (the "Indemnified Person") shall give the Party from which indemnification is sought (the "Indemnifying Party") written notice thereof, together with a copy of such claim, process or other legal pleading. Failure of the Indemnified Person to give such notice will not reduce or relieve the Indemnifying Party of liability hereunder unless and to the extent that the Indemnifying Party was precluded from defending such claim, action, suit or proceeding as a result of the

failure of the Indemnified Person to give such notice. In any event, the failure to so notify shall not relieve the Indemnifying Party from any liability that it may have to the Indemnified Person otherwise than under this Article.

**10.2.2 Conduct of Proceedings.** Each Party and each other indemnitee shall have the right, but not the obligation, to contest, defend and litigate any claim, action, suit or proceeding by any third party alleged or asserted against it arising out of any matter in respect of which it is entitled to be indemnified hereunder and the reasonable costs and expenses thereof (including reasonable legal fees and expert witness fees) shall be subject to the said indemnity; provided that the Indemnifying Party shall be entitled, at its option, to assume and control the defence of such claim, action, suit or proceeding at its expense upon its giving written notice thereof to the Indemnified Person. The Indemnified Person shall provide reasonable assistance to the Indemnifying Party, at the Indemnifying Party's expense, in connection with such claim, action, suit or proceeding. Upon such assumption, the Indemnifying Party shall reimburse the Indemnified Person for the reasonable costs and expenses previously incurred by it prior to the assumption of such defence by the Indemnifying Party. The Indemnifying Party shall keep the Indemnified Person informed as to the status and progress of such claim, action, suit or proceeding. Except as set forth in paragraph (c) below, in the event the Indemnifying Party assumes the control of the defence, the Indemnifying Party will not be liable to the Indemnified Person under this Article for any legal fees or expenses subsequently incurred by the Indemnified Person in connection with such defence. The Indemnifying Party shall control the settlement of all claims over which it has assumed the defence; provided, however, that the Indemnifying Party shall not agree to or conclude any settlement that affects the Indemnified Person without the prior written approval of the Indemnified Person, (whose said approval shall not be unreasonably withheld).

**10.2.3 Representation.** In the event the Indemnifying Party assumes control of the defence, the Indemnified Person shall have the right to employ its own counsel and such counsel may participate in such claim, action, suit or proceeding, but the fees and expenses of such counsel shall be at the expense of such Indemnified Person, when and as incurred, unless the:

(a) Employment of counsel by such Indemnified Person has been authorized in writing by the Indemnifying Party;

(b) Indemnified Person shall have reasonably concluded that there may be a conflict of interest between the Indemnifying Party and the Indemnified Person in the conduct of the defence of such action; or

(c) Indemnified Person shall have reasonably concluded and specifically notified the Indemnifying Party either that there may be specific defence available to it which are different from or additional to those available to the Indemnifying Party.

If any of the preceding clauses (a) through (c) shall be applicable, then counsel for the Indemnified Person shall have the right to direct the defence of such claim, action, suit or proceeding on behalf of the Indemnified Person and the reasonable fees and expenses of such counsel shall be reimbursed by the Indemnifying Party.

**10.3 Contributory Negligence.** If the joint, concurring, comparative or contributory negligence of the Parties gives rise to damages for which the Parties are entitled to indemnification under this Article X, then such damages shall be allocated between the Parties in proportion to their respective degrees of negligence contributing to such damages.

**10.4 Survival of Indemnities.** The indemnities set forth in this Agreement shall survive the termination or expiration of this Agreement.

## ARTICLE XI LIMITATIONS OF LIABILITY

**11.1 Consequential Damages.** Subject to the next sentence and except as expressly set forth herein, neither Owner nor Contractor nor any of either of their Affiliates, successors or assigns, or the respective shareholders, partners, assigns, directors, officers, agents or employees or representatives of either of them, shall be liable to the other for consequential, special, exemplary, indirect or incidental losses or damages under this Agreement, including loss of use, cost of capital, loss of goodwill, lost revenues or loss of profit, and Owner and Contractor each hereby releases the other and each of such Persons from any such liability.

**11.2 Contractor Limitation of Liability.**

**11.3 Owner Limitation of Liability.**

**ARTICLE XII.  
INSURANCE**

**12.1 Contractor's Insurance.** Prior to performing any Work at the Job Site, Contractor shall obtain and provide a certificate of insurance to Owner and thereafter shall maintain until the expiration of the Warranty Period and Contractor's satisfaction of its warranty obligations hereunder, the following limits of insurance:

**12.1.1 Worker's Compensation.** Contractor shall provide and maintain workers' compensation insurance as required by any workers' compensation and/or occupational disease laws of any applicable provincial or federal law of Canada or where the Work is performed and employer's liability insurance with a limit of liability of (i) [REDACTED] bodily injury per accident, (ii) [REDACTED] for bodily injury by disease per policy and (iii) [REDACTED] for bodily injury by disease per employee. Prior to commencing the Work and as a condition precedent to Contractor's right to receive payment in respect of each progress draw and final payment, Contractor shall provide evidence of compliance with the requirements of the Workplace Safety and Insurance Act (Ontario) including payments due thereunder. All employees and workers of Contractor and Subcontractors working on the Project must be covered by the Workplace Safety and Insurance Act (Ontario).

At any time during the term of the Agreement, when requested by Owner, Contractor shall provide such evidence of compliance by itself and its Subcontractors;

**12.1.2 Automobile Liability.** Contractor shall provide and maintain business auto liability insurance covering owned, non-owned, leased, hired and borrowed automobiles in the amount of [REDACTED] combined single policy limit for bodily injury and property damage for each accident;

**12.1.3 Commercial General Liability.** Contractor shall provide and maintain commercial general liability insurance with a limit of [REDACTED] per occurrence and in the aggregate for bodily injury and/or property damage, including coverage for premises and construction operations; independent contractors; products and completed operations; explosion, collapse and underground hazards; forest fire fighting expense; broad form contractual liability; personal injury; non-owned watercraft, if applicable; broad form property damage; broad form named insured endorsement; action over coverage, and non-owned aircraft, if applicable. The products and completed operations coverage will be for a period not less than twenty-four (24) months following the Provisional Acceptance Date.

**12.1.4 Pollution Liability.** Contractor shall provide and maintain pollution liability insurance including sudden and accidental coverage with a limit of [REDACTED] for each occurrence or accident;

**12.1.5 Aircraft Liability.** Contractor shall provide and maintain aircraft liability insurance for all owned, non-owned and hired aircraft used in the performance of the Work with a limit of liability of [REDACTED] for bodily injury and property damage (other than passenger) and [REDACTED] for bodily injury per person for passengers;

**12.1.6 Excess Liability.** Contractor shall provide and maintain excess liability insurance on a following form basis covering employer's liability, automobile liability, commercial general liability, and pollution liability, each to a limit of [REDACTED] combined single policy limit for bodily injury and property damage;

**12.1.7 All Risk Equipment Insurance.** Contractor shall provide and maintain or shall have the right to self-insure all risk equipment insurance covering all risk of physical damage to equipment owned by Contractor and/or provided for use at the Job Site by Contractor; and

**12.1.8 Professional Liability Insurance.** Contractor shall provide and maintain professional liability insurance on a claims-made basis with limits of [REDACTED] for liability arising out of any negligent act, error, mistake or omission resulting from Contractor's engineering, design, procurement, construction, commissioning, start-up and testing services, such coverage to remain in effect for not less than four (4) years following Final Acceptance.

**12.1.9 Requirements of Contractor's Insurance.** [REDACTED]

[REDACTED] Except for Professional Liability Insurance, which shall be required to be maintained on a "per claim basis," all Contractor liability policies required to be maintained by Contractor pursuant to this Section 12.1 shall be maintained on an "occurrence basis." All policies of insurance required to be maintained by Contractor hereunder shall: (i) be endorsed to specify that they are primary to and not excess to or on a contributing basis with any insurance or self-insurance maintained by Owner, Owner's Affiliates, the Financing Parties (including their respective officers, directors and employees) or any Subcontractors in respect of losses arising out of or in connection with the Work; (ii) provide a severability of interests or cross liability clause; (iii) provide for waivers of subrogation (or the equivalent thereof) in favour of Owner, its Affiliates, the Financing Parties and such other Persons (including their respective officers, directors and employees) as may be requested by Owner, from its

Subcontractors and their respective agents, officers and employees; (iv) provide that Owner and any additional insured shall be provided thirty (30) days' prior written notice of any non-renewals or cancellations; (v) provide that Owner and the Financing Parties shall have the right, but not any obligation, to pay premiums if Contractor shall fail to do so; and (vi) waive any right of subrogation against Owner, its Affiliates or the Financing Parties and waive any other right of the insurers to any off-set or counterclaim or any other deduction, whether by attachment or otherwise, in respect of any liability of Owner or the Financing Parties. Contractor shall promptly provide evidence of the minimum insurance coverage required under the Agreement in the form of an ACORD certificate or other certificate of insurance acceptable to Owner. Upon Owner's request, Contractor will make available certified copies of insurance policies available for inspection by Owner or Owner's representatives. Neither Contractor's failure to provide evidence of minimum coverage of insurance following Owner's request, nor Owner's decision to not make such a request, shall release Contractor from its obligation to maintain the minimum coverage provided for in this Article XII.

**12.2 Right to Insure.** Should Contractor fail to provide or maintain any of the insurance coverage required pursuant to this Article XII, Owner shall have the right to provide or maintain such insurance coverage at Contractor's expense, either by direct charge or set-off.

**12.3 Payment of Deductibles and Qualified Insurers.** Contractor shall be responsible for the payment of any deductible of any insurance coverage required pursuant to this Article XII. All Contractor Insurance Policies shall be written by insurers reasonably acceptable to Owner and the Financing Parties and that are rated "A-" VII or higher by A.M. Best's Key Rating Guide, or as may be approved in writing by Owner and the Financing Parties from time to time.

**12.4 No Limitation on Liability.** Nothing in this Article XII shall be deemed to limit Owner or Contractor's liability under the Agreement regardless of the insurance coverages required by this Article. No limitation of liability provided to Owner or Contractor under the Agreement is intended nor shall run to the benefit of any insurance company or in any way prejudice, alter, diminish, abridge or reduce, in any respect, the amount of proceeds of insurance otherwise payable to Owner or Contractor under coverage required to be carried by other Party under the Agreement, it being the intent of the Parties that the full amount of insurance coverage bargained for be actually available notwithstanding any limitation of liability contained in the Agreement, if any.

### **ARTICLE XIII. DEFAULT, TERMINATION AND SUSPENSION**

**13.1 Contractor Defaults.** The occurrence of any one or more of the following events shall constitute an event of default by Contractor hereunder ("Contractor Event of Default"):

(a) Any of the following occurs: (i) Contractor consents to the appointment of or taking possession by, a receiver, a trustee, custodian, or liquidator of itself or of a substantial part of its assets, or fails or admits in writing its inability to pay its debts generally as they become due, or makes a general assignment for the benefit of creditors; (ii) Contractor files a voluntary petition in bankruptcy or a voluntary petition or an answer seeking reorganization in a proceeding under any applicable bankruptcy or insolvency laws or an answer admitting the material allegations of a petition filed against it in any such proceeding, or seeks relief by voluntary petition, answer or consent, under the provisions of any now existing or future bankruptcy, insolvency or other similar law providing for the liquidation, reorganization, or winding up of corporations, or providing for an agreement, composition, extension, or adjustment with its creditors; (iii) a substantial part of Contractor's assets is subject to the appointment of a receiver, trustee, liquidator, or custodian by court order and such order shall remain in effect for more than thirty (30) days; or (iv) Contractor is adjudged bankrupt or insolvent, has any property sequestered or seized by court order and such order shall remain in effect for more than thirty (30) days, or has filed against it a petition under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and such petition shall not be dismissed within thirty (30) days of such filing;

(b) Contractor fails to achieve Provisional Acceptance by the earlier of (i) the date on which the cap, if any, on Delay Liquidated Damages has been reached or (ii) [REDACTED] days after the Guaranteed Provisional Acceptance Date;

(c) Contractor fails, for any reason, (i) to pay when due Delay Liquidated Damages as required herein or (ii) to make any other payment or payments required to be made to Owner under the Agreement within ten (10) Business Days after receipt of written notice from Owner of Contractor's failure to make such other payment or payments;

(d) Contractor suspends performance of a material portion of the Work (other than as permitted under Article VIII or pursuant to a Scope Change Order);

(e) Contractor disregards any provision of any Applicable Law, and such condition remains unremedied for fifteen (15) days following written notice thereof by Owner;

(f) Any breach by Contractor of any representation or warranty contained in Article XVI;

(g) The failure by Contractor to deliver any recovery plan described in Section 2.4.4(a) in accordance with the terms of such Section, or following approval of a recovery plan pursuant to such Section, the failure of Contractor to comply with such recovery plan;

(h) The dissolution of Contractor, except for the purpose of merger, consolidation or reorganization where the successor expressly assumes Contractor's obligations hereunder and such assignment and assumption does not materially adversely affect the ability of the successor to perform its obligations under the Agreement, as applicable, remains in full force and effect for the obligations of such successor;

(i) The transfer by Contractor of (i) all or a substantial portion of the rights and/or obligations of Contractor hereunder, except for an assignment permitted hereunder, or (ii) all or a substantial portion of the assets or obligations of Contractor;

(j) Any failure by Contractor to maintain the insurance coverages required of it in accordance with Article XII;

(k) [REDACTED]

(l) Any noncompliance by Contractor (or its employees) or any Subcontractor (or its employees) with, or breach of any obligation set forth in Section 2.27;

(m) Any noncompliance by Contractor or any Contractor Agent or any Subcontractor with, or breach of any representation set forth in Section 2.23; or

(n) Contractor is in breach of any provision of this Agreement or has failed to perform its obligations under the Agreement (other than those breaches specified in this Section 13.1 (a) through (m) above) and (i) such breach is not cured by Contractor within fifteen (15) days after notice thereof from Owner, or (ii) if such breach is not capable of being cured within such fifteen (15) day period (as determined in

Owner's reasonable judgment), Contractor (A) fails to commence to cure such breach within such fifteen (15) day period, (B) fails to thereafter diligently proceed to cure such breach in a manner satisfactory to Owner or (C) fails to cure such breach within sixty (60) days after notice thereof from Owner.

**13.1.1 Termination for Cause.** Upon the occurrence and during the continuation of any Contractor Event of Default hereunder, Owner, in addition to its right to pursue any other remedy now or hereafter existing at law or in equity or otherwise, shall have the right to terminate this Agreement by written notice to Contractor (an "Owner Termination for Cause"). An Owner Termination for Cause shall be effective upon delivery of Owner's notice with respect thereto, subject to the applicable cure periods set forth herein. In the event of a termination by Owner under this Section 13.1.1, Owner shall have the right to take possession of and use all of the Contractor Equipment located at the Job Site on the date of such termination for the purpose of completing the Work and may employ any other Person to complete the Work by whatever method that Owner may deem necessary. In addition, Owner may make such expenditures as in Owner's sole judgment will accomplish the timely completion of the Work in accordance with the terms hereof. Owner shall, within a reasonable period of time after the Work is finally completed by the work of one or more replacement contractors, determine the total cost to Owner for completing the Work in accordance with the Scope of Work, the Technical Specifications, and the other requirements of the Agreement, including all sums previously paid or then owed to Contractor pursuant to this Agreement. In the event of termination by Owner under this Section 13.1.1, Contractor shall be responsible for and shall reimburse Owner for the following amounts: (i) all costs and expenses incurred by Owner to engage one or more substitute contractors to complete (or cure Defects in) the Work, including, without limitation, overhead and legal, engineering and other professional expenses, (ii) all other costs, expenses and damages suffered by Owner as a result of a default or breach by Contractor of the requirements of this Agreement and the termination of the Agreement as a result thereof, and (iii) the amount by which (A) the cost to complete (or cure Defects in) the Work, exceeds (B) the balance of the Contract Price unpaid at the time of the termination. Any amount owed by Owner to Contractor for the completion of the Work shall be retained by Owner until after completion of the Work and applied by Owner to pay any amounts owed by Contractor pursuant to this Section 13.1.1 or otherwise. Any excess of the amount retained by Owner over the amount due to Owner from Contractor under this Section 13.1.1 shall be remitted to Contractor within thirty (30) days after the Final Acceptance Date.

**13.1.2 Other Owner Remedies.** Upon the occurrence and during the continuance of a Contractor Event of Default but prior to termination of this Agreement by Owner, Owner may, without prejudice to any of its other rights or remedies under the Agreement or existing at law or in equity, (i) seek performance by any guarantor of Contractor's obligations hereunder or make a claim or draw under any security for Contractor's performance (including any letter of credit) to cure such Contractor Event of Default, (ii) seek equitable relief to cause Contractor to take action or to refrain from taking action pursuant to the Agreement, or to make restitution of amounts improperly received under the Agreement, and/or (iii) make such payments or perform such obligations as are required to cure such Contractor Event of Default and Contractor shall reimburse Owner for the cost of such payment or performance within fifteen (15) days after demand therefor; provided that Owner shall be under no obligation to cure any such Contractor Event of Default.

## **13.2 Owner Defaults.**

**13.2.1 Contractor Termination for Cause.** The occurrence of any one or more of the following events shall constitute an event of default by Owner hereunder ("Owner Event of Default"):

(a) Any of the following occurs: (i) Owner consents to the appointment of or taking possession by, a receiver, a trustee, custodian, or liquidator of itself or of a substantial part of its assets, or fails or admits in writing its inability to pay its debts generally as they become due, or makes a general assignment for the benefit of creditors; (ii) Owner files a voluntary petition in bankruptcy or a voluntary petition or an answer seeking reorganization in a proceeding under any applicable bankruptcy or insolvency laws or an answer admitting the material allegations of a petition filed against it in any such proceeding, or seeks relief by voluntary petition, answer or consent, under the provisions of any now existing or future

bankruptcy, insolvency or other similar law providing for the liquidation, reorganization or winding up of corporations, or providing for an agreement, composition, extension or adjustment with its creditors; (iii) a substantial part of Owner's assets are subject to the appointment of a receiver, trustee, liquidator or custodian by court order and such order shall remain in effect for more than thirty (30) days; or (iv) Owner is adjudged bankrupt or insolvent, has any property sequestered by court order and such order remains in effect for more than thirty (30) days, or has filed against it a petition under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and such petition is not dismissed within thirty (30) days of such filing;

(b) The dissolution of Owner except for the purpose of merger, consolidation or reorganization where the successor expressly assumes Owner's obligations hereunder and such assignment and assumption does not materially adversely affect the ability of the successor to perform its obligations under the Agreement; or

(c) The transfer by Owner of (i) all or a substantial portion of the rights and/or obligations of Owner hereunder, except for an assignment permitted hereunder, or (ii) all or a substantial portion of the assets or obligations of Owner, except where the transferee expressly assumes the transferred obligations and such transfer does not materially adversely affect the ability of Owner or the transferee, as applicable, to perform its obligations under the Agreement.

(d) Owner is in breach of any provision of this Agreement or has failed to perform its obligations under the Agreement (other than those breaches specified above) and (i) such breach is not cured by Owner within thirty (30) days after notice thereof from Contractor, or (ii) if such breach is not capable of being cured within such thirty (30) day period (as determined in Owner's reasonable judgment), Owner (A) fails to commence to cure such breach within such thirty (30) day period, (B) fails to thereafter diligently proceed to cure such breach in a manner satisfactory to Contractor or (C) fails to cure such breach within sixty (60) days after notice thereof from Contractor; provided that Owner shall not be deemed to be in breach of this Agreement due to the failure of Owner to pay any portion of any amount that remains in dispute hereunder.

Upon the occurrence and during the continuation of any Owner Event of Default hereunder, Contractor shall have the right to terminate this Agreement by written notice to Owner (an "Contractor Termination for Cause"), subject to the applicable cure periods set forth herein, and shall be entitled to be paid the Termination Payment under Section 4.9, as Contractor's sole and exclusive remedy due to such termination or any Owner Event of Default or other breach by Owner of any provision hereof. A Contractor Termination for Cause shall be effective upon delivery of Contractor's notice with respect thereto, subject to the applicable cure periods set forth herein. Unless Contractor terminates this Agreement pursuant to the foregoing provisions, Contractor shall not be entitled to terminate the Agreement and shall not suspend or delay performance of the Work because of any Owner Event of Default or other breach by Owner of any provision hereof. Contractor shall continue performance of the Work during any dispute under or related to this Agreement.

**13.2.2 Financing Party Cure Rights.** Contractor's right to exercise the option to terminate this Agreement pursuant to Section 13.2.1 is subject to Contractor's first delivering to the Financing Parties, simultaneously with delivery thereof to Owner, notice of Owner's failure to cure the default and Contractor's intent to terminate as a result thereof. Each Financing Party shall have the option to cure such Owner Event of Default within ninety (90) days after receipt of such notice or to cause the Financing Parties' designee to assume this Agreement. If the Financing Parties desire to cause their designee to assume this Agreement, they shall provide notice to that effect within ninety (90) days after receipt of Contractor's notice to the Financing Parties of Contractor's intent to terminate. In either such case, Contractor's right to terminate this Agreement shall be of no further force and effect upon the cure by the Financing Parties of such default or receipt by Contractor of such notice from the Financing Parties of their intent to have this Agreement assumed.

**13.3 Termination Without Cause.** Owner may for its convenience terminate this Agreement



after giving written notice to Contractor in which event Contractor shall be entitled to be paid the Termination Payment pursuant to Section 4.9. As a condition to any termination by Owner pursuant to this Section 13.3 (a "Termination Without Cause"), Owner must provide written notice to Contractor of the Termination Without Cause prior to the effective date of such termination. If, at the date of termination under this Section 13.3, Contractor has properly performed services or purchased, prepared or fabricated off the Job Site any materials or Equipment for subsequent incorporation at the Job Site, Owner shall have the option of having such materials or Equipment delivered to the Job Site or to such other place as Owner shall reasonably direct.

#### **13.4 Actions Required Following Termination.**

**13.4.1 Discontinuation of Work.** Upon termination of this Agreement, Owner shall be immediately released from any and all obligations to Contractor (except for Owner's obligation to pay any amount specified in the event of such termination, if applicable) and Contractor immediately shall discontinue the Work. Upon a termination of this Agreement: (a) Contractor shall leave the Job Site and remove from the Job Site all the Contractor Equipment, waste, rubbish and Hazardous Material as Owner may request; (b) Owner shall take possession of the Job Site and of the Equipment (whether at the Job Site, in transit or otherwise); (c) Contractor shall promptly assign to Owner or its designee any contract that it has with Subcontractors as requested by Owner, and Contractor shall execute such documents as may be reasonably requested by Owner to evidence such assignment, subject to Owner's assumption of same; (d) Contractor shall promptly furnish Owner with copies of all completed Contractor Deliverables and, to the extent available, drafts of incomplete Contractor Deliverables; (e) Contractor shall execute such documents as may be reasonably requested by Owner to evidence the licenses granted hereunder; (f) Contractor shall assist Owner in preparing an inventory of all Equipment in use or in storage at the Job Site; and (g) Contractor shall take such other action as required hereunder upon termination of the Agreement.

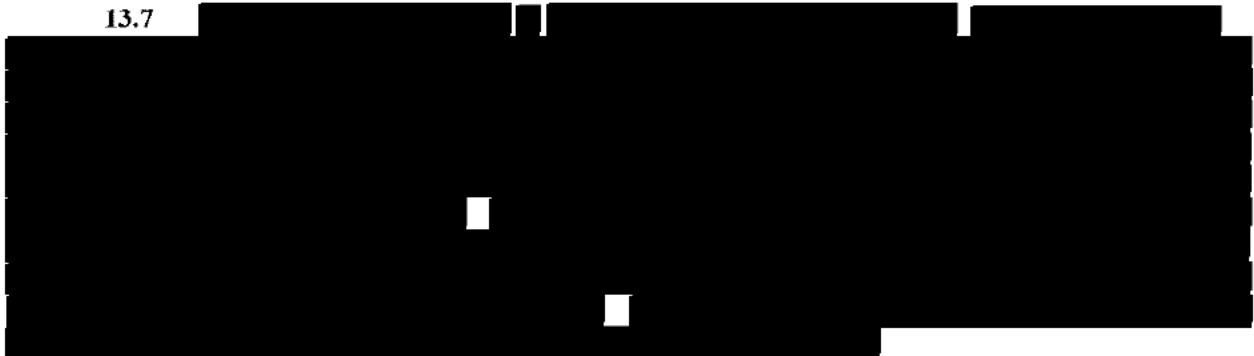
**13.4.2 Surviving Obligations.** Termination or expiration of this Agreement (a) shall not relieve either Party of its obligations with respect to the confidentiality of the other Party's information as set forth in Section 17.1, (b) shall not relieve either Party of any obligation hereunder which expressly or by implication survives termination hereof and (c) except as otherwise provided in any provision of this Agreement expressly limiting the liability of either Party, shall not relieve either Owner or Contractor of any obligations or liabilities for loss or damage to the other Party arising out of or caused by acts or omissions of such Party prior to the effectiveness of such termination or arising out of such termination, and shall not relieve Contractor of its obligations as to portions of the Work or other services hereunder already performed or of obligations assumed by Contractor prior to the date of termination. This Article XIII shall survive the termination or expiration of this Agreement.

**13.5 Suspension by Owner for Convenience.** Owner may suspend all or a portion of the Work to be performed under the Agreement at any time for any reason in its sole discretion by giving written notice thereof to Contractor. Such suspension shall continue for the period specified in the notice of suspension, and Contractor agrees to resume performance of the Work promptly upon receipt of notice from Owner. Upon receiving any such notice of suspension, unless the notice requires otherwise, Contractor shall: (i) immediately discontinue the Work on the date and to the extent specified in the notice; (ii) place no further orders or subcontracts for Equipment, services or materials with respect to suspended Work, other than to the extent required in the notice; (iii) promptly make every reasonable effort to obtain suspension, with terms satisfactory to Owner, of all orders, subcontracts and rental agreements to the extent they relate to performance of suspended Work; (iv) continue to protect and maintain the Work performed, including those portions on which Work has been suspended; and (v) take any other reasonable steps to minimize costs and expenses associated with such suspension. Contractor shall use reasonable commercial efforts to include a suspension for convenience provision with terms similar to the foregoing in all subcontracts. Any Scope Changes required as a result of a suspension of Work pursuant to this Section 13.5 shall be made pursuant to a Scope Change Order issued in accordance with the provisions of Article IX, provided that Contractor's full compensation for any suspension under this Section will be reimbursed by Owner for the costs, as reasonably incurred, without duplication of any item, to the extent that such costs directly result from such suspension of the Work and to

the extent that they do not reflect reimbursement for Contractor's or Subcontractors' anticipated profit from unperformed Work, including all necessary and reasonable costs incurred in connection with demobilization and remobilization of Contractor's facility and Labour and the Contractor Equipment and of receiving, maintaining and protecting that portion of Work upon which performance has been suspended, in each case as such costs have been agreed to by Owner and Contractor.

**13.6 Suspension by Owner for Cause.** Owner may, by notice, temporarily suspend the Work, or any portion thereof, under this Agreement (i) when the performance by Contractor is unsatisfactory to obtain the results required by this Agreement or (ii) upon the occurrence of a Contractor Event of Default. The methods by which Contractor performs its Work are entirely the responsibility of Contractor. Owner's right to suspend Work under this Section 13.6 is intended solely to verify that the Work being performed by Contractor conforms to the Agreement, including the Drawings and Project Schedule and shall not obligate Owner to review the efficiency, adequacy or safety of Contractor's methods or means of operation or construction. Any additional costs incurred by Contractor resulting from such suspension shall be borne solely by Contractor. Upon receiving any such notice of suspension under this Section 13.6, unless the notice requires otherwise, Contractor shall: (a) immediately discontinue the Work on the date and to the extent specified in the notice; (b) place no further orders or subcontracts for Equipment, services or materials with respect to suspended Work, other than to the extent required in the notice; (c) promptly make every reasonable effort to obtain suspension, with terms satisfactory to Owner, of all orders, subcontracts and rental agreements to the extent they relate to performance of suspended Work; and (d) continue to protect and maintain the Work performed, including those portions on which Work has been suspended. Contractor shall use reasonable commercial efforts to include a suspension for cause provision with terms similar to the foregoing in all subcontracts. If the unsatisfactory condition is immediately corrected by Contractor, Owner shall authorize resumption of the Work. Contractor's failure to promptly effect correction of the unsatisfactory conditions shall be cause for immediate termination of the Agreement in accordance with Section 13.1.

13.7



#### **ARTICLE XIV. TITLE AND RISK OF LOSS**

**14.1 Title to the Work.** Contractor warrants and guarantees that legal title to and ownership of each portion of the Work (including, without limitation, all Equipment) shall pass to Owner, free and clear of any and all Liens, upon the earlier of (i) payment to Contractor of the portion of the Contract Price then actually due Contractor in connection with the applicable Request for Payment as provided in the Agreement or (ii) delivery of such portion of the Work to the Job Site or other Owner designated location. Notwithstanding anything to the contrary, (a) title to any Equipment provided (or to be provided) by Contractor that is manufactured outside Canada shall pass to Owner no earlier than at the port of export after having cleared customs, (b) the costs of unloading and transporting to the Job Site are included in the Contract Price and (c) all right, title and interest in and to all Owner-Furnished Equipment shall remain with Owner.

**14.2 Title to Contractor Deliverables.** Except as otherwise provided in Article XIII, title to the Contractor Deliverables, which are owned by Contractor, shall be transferred to Owner upon the earlier of

delivery of such Contractor Deliverable, Provisional Acceptance or termination of the Agreement. In addition, Contractor grants to Owner an irrevocable, perpetual, non-exclusive royalty-free license to use and reproduce such Contractor Deliverables to which Contractor does not have title solely for the purpose of completing construction of, operating and maintaining, rebuilding, modifying and expanding the Work. Owner shall have the right to assign the benefit of such license to the Financing Parties in connection with granting a security interest in the Transmission Facilities, to a purchaser or the Utility in connection with a transfer of the Transmission Facilities, or to any subsequent purchaser or assignee of same. Any such purchaser or assignee shall acquire such license subject to the same terms and restrictions as stated in this Section 14.2. Owner may retain the necessary number of copies of all such documents for purposes of construction, operation, maintenance and repair of the Work.

**14.3 Risk of Loss.** Notwithstanding passage of title as provided in Section 14.1, from the Effective Date until the Provisional Acceptance Date, Contractor hereby assumes the risk of loss for the Work, including: (a) any Equipment whether on or off the Job Site, (b) all other Work completed on or off the Job Site, (c) Owner-Furnished Equipment on the Job Site and (d) all Work in progress. All Equipment and Owner-Furnished Equipment not yet incorporated into the Work shall be stored in secured areas. Contractor shall bear the responsibility of preserving, safeguarding and maintaining such Equipment, Owner-Furnished Equipment and any other completed Work and Work in progress (including spare parts provided by Owner). If any loss, damage, theft or destruction occurs to Owner-Furnished Equipment and the Work, on or off the Job Site, for which Contractor has so assumed the risk of loss, Contractor shall, at its cost, promptly repair or replace the property affected thereby. Risk of loss for the Work shall pass to Owner (excluding Contractor Equipment and other items to be removed by Contractor, which shall remain the responsibility of Contractor) on the Provisional Acceptance Date; provided, however, Contractor shall continue to be responsible until the Final Acceptance Date for claims, physical loss or damage to the Owner-Furnished Equipment and Work to the extent resulting from Contractor's or its Subcontractors' acts or omissions, and/or failure to comply with the requirements of the Agreement. Notwithstanding the foregoing, if Contractor is obligated by the terms of this Agreement to perform additional Work subsequent to the date of completion for such Work, Contractor shall bear the risk of loss and damage with respect to such Work until such additional Work is complete.

## **ARTICLE XV. DISPUTE RESOLUTION**

**15.1 Senior Representatives Discussion.** Any dispute between the Parties relating to the prosecution of the Work, including without limitation, the scheduling thereof, the achievement of Milestones, and the entitlement of Contractor for payment in accordance with the Schedule of Values for completed Activities, shall be referred to the on-site project managers of the Parties for prompt resolution. Any such dispute between the Parties that cannot be resolved by on-site project managers within fifteen (15) days and any other dispute arising out of or relating to this Agreement (collectively, "Disputes"), including without limitation, Disputes concerning the breach, termination or invalidity hereof, shall be reviewed by senior representatives of each of the Parties designated by such Party, for resolution on an informal basis as promptly as practicable. If such consultations do not result in a resolution of the Dispute within thirty (30) days after notice of a Dispute is delivered by either Party, then either Party may pursue all of its remedies.

### **15.2 Litigation.**

**15.2.1** If a Dispute cannot be resolved pursuant to Section 15.1, and in the event of litigation arising hereunder, the Parties agree that the exclusive venue for such litigation shall be the courts of the Province of Ontario located in Toronto and any appellate court from any thereof. The Parties irrevocably waive any objection, which any of them may now or hereafter have to the bringing of any such action or proceeding in such respective jurisdictions, including any objection to the laying of venue based on the grounds of forum non conveniens and any objection based on the grounds of lack of in personam jurisdiction.

**15.2.2** IN ANY LITIGATION ARISING FROM OR RELATED TO THIS AGREEMENT,

THE PARTIES HERETO EACH HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EACH MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF EITHER PARTY TO THIS AGREEMENT. THIS PROVISION IS A MATERIAL INDUCEMENT FOR OWNER AND CONTRACTOR TO ENTER INTO THIS AGREEMENT, TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAWS. EACH PARTY AGREES THAT FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN ANY OTHER JURISDICTION BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY APPLICABLE LAW.

**15.2.3** The rights and obligations of the Parties under this Article XV shall not be impaired, reduced or otherwise affected as a result of any of the following: (i) the receipt by a Party from any third party of any amounts in reimbursement of damages that are the subject of the Dispute; or (ii) the assignment or transfer by either Party of any or all of its rights and/or obligations under the Agreement as permitted hereunder.

**15.3 Continued Performance.** During the continuation of any Dispute, so long as the dispute resolution procedures set forth in this Article XV are continuing, the Parties shall continue to perform their respective obligations under this Agreement including continuation of Work under the Project Schedule and prompt and timely payment of all undisputed amounts due hereunder until a final non-appealable resolution is reached.

**15.4 Tolling Statute of Limitations.** All applicable statutes of limitation and defences based upon the passage of time and similar contractual limitations shall be tolled while the procedures specified in this Article XV are pending. The Parties will take such action, if any, required to effectuate such tolling. Without prejudice to the procedures specified in this Article XV, a Party may file a complaint for statute of limitations purposes, if in its sole judgment such action may be necessary to preserve its claims or defences. Despite such action, the Parties will continue to participate in good faith in the procedures specified in this Article XV.

**15.5 Audit Rights.** In addition to Owner's rights to audit elsewhere in this Agreement, in the event of a claim by Owner or Contractor under this Agreement involving an amount greater than [REDACTED] or for any audit to which the Owner is subject under Applicable Law regardless of amount including relating to any regulatory requirements, Contractor shall grant audit rights to Owner with respect to all relevant documentation pertaining to such claim.

**15.6 Specific Performance.** Notwithstanding anything to the contrary contained in this Article XV, if, due to a material breach or threatened material breach or default or threatened default, a Party is suffering irreparable harm for which monetary damages are inadequate, such Party may petition a court of competent jurisdiction for injunctive relief, specific performance or other equitable relief.

## **ARTICLE XVI. REPRESENTATIONS AND WARRANTIES**

**16.1 Contractor Representations and Warranties.** Contractor represents and warrants to Owner that:

**16.1.1 Organization.** It is a limited partnership duly formed, validly existing and in good standing under the laws of the Province of Alberta, and is duly authorized and qualified to do business in the Province of Ontario.

**16.1.2 No Violation of Law; Litigation.** It is not in violation of any Applicable Laws or

Applicable Permits or judgments entered by any Governmental Authority which violations, individually or in the aggregate, would affect its performance of any obligations under this Agreement. There are no legal, administrative or arbitration proceedings or actions now pending or, to the best knowledge of Contractor, threatened against Contractor which, if adversely determined, could reasonably be expected to affect the ability of Contractor to perform any of its obligations under this Agreement. Contractor does not know of any basis for any such proceedings.

**16.1.3 Licenses.** It is the holder of all governmental consents, licenses, permissions and other authorizations and Applicable Permits required to operate and conduct its business now and as contemplated by this Agreement, other than Applicable Permits which will be obtained in accordance with the terms of the this Agreement;

**16.1.4 No Breach.** None of the execution, delivery and performance of this Agreement, the consummation of the transactions herein contemplated, or compliance with the terms and provisions hereof, shall conflict with or result in a violation or breach of the terms, conditions or provisions of, or require any consent under, the charter or by-laws of Contractor, or any Applicable Law or regulation, order, writ, injunction, award, judgment or decree of any court, or any agreement, contract, indenture or other instrument to which Contractor is a party or by which it or its assets is bound or to which it or its assets is subject, or constitute a default under any such agreement or instrument;

**16.1.5 Corporate Action.** It has all necessary power and authority to conduct its business, own its properties and to execute, deliver and perform its obligations under this Agreement; the execution, delivery and performance by Contractor of this Agreement have been duly authorized by all requisite corporate action; and this Agreement has been duly and validly executed and delivered by Contractor and constitutes the legal, valid and binding obligation of Contractor enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization or moratorium or other similar laws relating to the enforcement of creditors' rights generally and by general equitable principles;

**16.1.6 Investigation.** It has: (i) by itself and through its Subcontractors, full experience and proper qualifications to perform the Work and (ii) ascertained the nature and location of the Work, the general character and accessibility of the Job Site, the existence of obstacles to performance of the Work, the location and character of existing or adjacent work or structures, and other general and local conditions and Applicable Laws (including Labour) which might affect its performance of the Work or the cost thereof and has performed such testing or examined the results of such testing as would normally be conducted by a contractor considering entering into an agreement such as this Agreement;

**16.1.7 Review of Agreement.** It has examined this Agreement, including all Exhibits attached hereto, thoroughly and become familiar with all its terms and provisions;

**16.1.8 Review of Additional Documents.** It has reviewed all other documents and information necessary and available to it in order to ascertain the nature, location and scope of the Work, the character and accessibility of the Job Site, the existence of obstacles to performance of the Work, the availability of facilities and utilities, and the location and character of existing or adjacent work or structures.

**16.1.9 Intellectual Property.** It owns or has the right to use all patents, trademarks, service marks, tradenames, copyrights, licenses, franchises, Permits and intellectual property rights necessary to perform the Work without conflict with the rights of others;

**16.1.10 Solvency.** It is financially solvent, able to pay its debts as they mature, and possessed of sufficient working capital to complete its obligations under this Agreement;

**16.1.11 Studies and Reports.** Owner may provide or may have provided it with copies of certain studies, assessments, reports or other information (including oral statements) and it represents and

acknowledges that (i) all such documents or information have been or will be provided as background information and as an accommodation to Contractor, (ii) Owner makes no representations or warranties with respect to the accuracy of such documents or the information (including oral statements) or opinions therein contained or expressed and (iii) it is not relying on Owner for any information, data, inferences, conclusions, or other information with respect to the Job Site, including the surface conditions of the Job Site and the surrounding areas;

**16.1.12 Certifications.** All Persons who will perform any portion of the Work have and will have all business and professional certifications required by Applicable Law to perform their respective services under this Agreement;

**16.1.13 Site Access.** The access rights granted to or obtained by Contractor to the Job Site are adequate for the performance of the Work;

**16.1.14 Residency.** Contractor is not a non-resident of Canada for purposes of the *Income Tax Act* (Canada); and

**16.1.15 MNRF Sensitive Data.** Contractor and each of its Recipients who have a need to view the MNRF Sensitive Data have successfully completed either (i) the Full Day Data Sensitivity Training, or (ii) the Understanding Sensitive Information Training under the supervision of another employee or person who has successfully completed the Full Day Data Sensitivity Training.

**16.2 Owner Representations and Warranties.** Owner represents and warrants to Contractor that:

**16.2.1 Organization.** It is a limited partnership duly formed, validly existing and in good standing under the laws of the Province of Ontario, and is duly authorized and qualified to do business in the Province of Ontario.

**16.2.2 No Violation of Law; Litigation.** It is not in violation of any Applicable Laws or Applicable Permits or judgments entered by any Governmental Authority which violations, individually or in the aggregate, would affect its performance of any of its obligations under this Agreement;

**16.2.3 Licenses.** It is the holder of all governmental consents, licenses, permissions and other authorizations and Applicable Permits required to operate and conduct its business now and as contemplated by this Agreement, other than Applicable Permits which will be obtained in accordance with the terms of this Agreement;

**16.2.4 No Breach.** None of the execution and delivery of this Agreement, the consummation of the transactions herein contemplated, or compliance with the terms and provisions hereof and thereof, conflicts with or will result in a breach of, or require any consent under, the limited liability company agreement of Owner, or any Applicable Law or regulation, order, writ, injunction or decree of any court, or any agreement or instrument to which Owner is a party or by which it is bound or to which it is subject, or constitute a default under any such agreement or instrument; and

**16.2.5 Corporate Action.** It has all necessary power and authority to conduct its business, own its properties and to execute, deliver and perform its obligations under this Agreement; the execution, delivery and performance by Owner of this Agreement have been duly authorized by all requisite limited liability company action; and this Agreement has been duly and validly executed and delivered by Owner and constitutes the legal, valid and binding obligation of Owner enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization or moratorium or other similar laws relating to the enforcement of creditors' rights generally and by general equitable principles.

**16.3 Survival of Representations and Warranties.** The representations and warranties of the Parties in this Article shall survive execution and termination of this Agreement.

## **ARTICLE XVII. MISCELLANEOUS PROVISIONS**

### **17.1 Confidentiality and Publicity.**

**17.1.1 Confidential Information and Permitted Disclosures.** Contractor and Owner shall hold in confidence the contents of the Agreement and any information provided by the other Party pursuant to this Agreement and any other information supplied by either Party to the other Party or any Subcontractor or other Affiliate or agent that is either (i) marked as “confidential” or “proprietary” by an appropriate stamp, label, legend or other written notice thereon if transmitted electronically or other written form, and if disclosed orally by a Party, then the disclosing Party shall confirm the oral or visual disclosure that shall be considered Confidential Information in a written memorandum to the receiving Party within thirty (30) days after such visual or oral disclosure or (ii) information that due to its character and nature, a reasonable person under like circumstances would treat such information as confidential or proprietary (collectively, “Confidential Information”). Notwithstanding foregoing, any MNRF Sensitive Data disclosed by Owner or its agents to Contractor or its Recipients under this Agreement shall be deemed Confidential Information. Both Parties shall inform their respective Affiliates, Subcontractors, suppliers and employees of its obligations under this Section 17.1 and require such Persons to adhere to the provisions hereof. Notwithstanding the foregoing, either Party may disclose the following categories of information or any combination thereof:

(i) Confidential Information that was in the public domain prior to receipt thereof by either party or which subsequently becomes part of the public domain by publication or otherwise except by a wrongful act of the Party to whom which the Confidential Information had been provided or its Affiliates, Subcontractors, employees, directors, officers, agents, advisers or representatives;

(ii) Confidential Information that either Party can show was lawfully in its possession prior to receipt thereof from the other Party through no breach of any confidentiality obligation;

(iii) Confidential Information received by either Party from a third party having no obligation of confidentiality with respect thereto;

(iv) Confidential Information at any time developed independently by either Party providing it is not developed from otherwise Confidential Information;

(v) Confidential Information disclosed pursuant to and in conformity with Applicable Law;

(vi) Confidential Information that is necessary or advisable to disclose for Owner to exercise its Intellectual Property Rights under this Agreement;

(vii) Confidential Information that is necessary or advisable to disclose for the purpose of enforcing the disclosing Party’s rights hereunder;

(viii) Confidential Information required to be disclosed under securities laws applicable to publicly traded companies and their subsidiaries; and

(ix) Confidential Information disclosed to Affiliates, Subcontractors, contractors, consultants, employees, directors, officers, agents, advisors, insurers or representatives (the “Recipients”) of either Party as necessary for purposes of the Work, the Project or other Owner purpose; provided that such Recipients are informed of the confidential nature of the Confidential Information, and disclosing Party shall

be liable to the other Party for any disclosure by such Recipients in violation of the terms of this Section 17.1.

**17.1.2 Consent.** Notwithstanding the foregoing, either Party may disclose Confidential Information with the express written consent of the other Party, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, Owner may disclose information on a need-to-know basis to (a) any existing or potential Financing Party or potential purchaser of any direct or indirect interest in the Work, the Project or Owner, and (b) any Person relating to the completion, operation, repair or maintenance of the Work or the Project; provided, however, that such disclosures shall be subject to such Financing Party or other Person being informed of the confidential nature of the Confidential Information, and disclosing Party shall be liable to the other Party for any disclosure by such Financing Party or other Person in violation of the terms of this Section 17.1.

**17.1.3 Press Release.** Contractor shall not issue any press or publicity release or otherwise release, distribute or disseminate any confidential information for publication concerning this Agreement or the participation of Owner in the transactions contemplated hereby without the prior written consent of Owner; provided, however, that such limitation on disclosure shall not apply to disclosures or reporting required by a Governmental Authority if Contractor informs Owner of the need for such disclosure and, if reasonably requested by Owner, seeks, through a protective order or other appropriate mechanism, to maintain the confidentiality of Confidential Information.

**17.1.4 Ownership of Confidential Information.** All right and title to, and interest in, Owner's Confidential Information shall remain with Owner. All Confidential Information obtained, developed or created by or for Contractor exclusively for the Work, including copies thereof, is the exclusive property of Owner whether delivered to Owner or not. No right or license is granted to Contractor or any third party respecting the use of Confidential Information by virtue of this Agreement. Contractor shall deliver the Confidential Information, including all copies thereof, to Owner upon request.

**17.1.5 Required Disclosure.** In the event that a Party is requested or required by legal or regulatory authority to disclose any Confidential Information, the receiving Party shall promptly notify the disclosing Party of such request or requirement prior to disclosure, if permitted by law, so that the disclosing Party may seek an appropriate protective order and/or waive compliance with the terms of this Agreement. In the event that a protective order or other remedy is not obtained, or the disclosing Party waives compliance with the provisions hereof, the receiving Party agrees to furnish only that portion of the Confidential Information that it reasonably determines, in consultation with its counsel, is consistent with the scope of the subpoena or demand, and to exercise reasonable efforts to obtain assurance that confidential treatment will be accorded such Confidential Information.

**17.1.6 Remedies for Unauthorized Disclosure.** The Parties agrees that money damages would not be a sufficient remedy for any breach of the a Party's Confidential Information under this Agreement and that the disclosing Party shall be entitled to injunctive or other equitable relief to remedy or prevent any breach or threatened breach of this Agreement. Such remedy for an unauthorized disclosure of a Party's Confidential Information shall not be the exclusive remedy for any breach of this Agreement, but shall be in addition to all other rights and remedies available at law or in equity.

**17.2 Notice.** All notices and other communications required or permitted by this Agreement or by law to be served upon or given to a Party by any other Party shall be in writing signed by the Party giving such notice and shall be deemed duly served, given and received (i) when actually received by the Party to whom it is sent, if served personally or if delivered by nationally recognized courier service to the Party to whom notice is to be given, (ii) on the first (1st) day following the day transmitted (with confirmation of receipt) if delivered by facsimile or (iii) on the third (3rd) Business Day after mailing, if mailed by first class registered or certified mail, return receipt requested, postage prepaid, addressed to the appropriate Party, at the address and/or facsimile numbers of such Party set forth below (or at such other address as such Party may designate by written notice to the other Party in accordance with this Section 17.2):



If to Owner:

NextBridge Infrastructure LP

[REDACTED]

NextBridge Infrastructure LP

[REDACTED]

If to Contractor:

Valard Construction LP

[REDACTED]

Valard Construction LP

[REDACTED]

**17.3 Time of the Essence.** Time is of the essence to the performance of the Work in accordance with the requirements of this Agreement.

**17.4 No Rights in Third Parties.** Except with respect to the rights of indemnitees under Article X (a) nothing in this Agreement nor any action taken hereunder shall be construed to create any duty, liability or standard of care to any Person that is not a Party, (b) no Person that is not a Party shall have any rights or interest, direct or indirect, in this Agreement or the services to be provided hereunder and (c) this Agreement is intended solely for the benefit of the Parties, and the Parties expressly disclaim any intent to create any rights in any third party as a third-party beneficiary to this Agreement or the services to be provided hereunder.

**17.5 Entire Agreement.** The Agreement contains the entire understanding of the Parties with respect to the subject matter hereof and supersedes all prior agreements, arrangements, discussions, undertakings and commitments (whether written or oral) with respect thereto. There are no other oral understandings, terms or conditions and neither Party has relied upon any representation, express or implied, not contained in this Agreement.

**17.6 Amendments.** No amendment or modification of this Agreement shall be valid or binding

upon the Parties unless such amendment or modification shall be in writing and duly executed by authorized officers of both Parties.

**17.7 Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the province of Ontario, Canada, and the laws of Canada applicable therein, other than any provision thereof relation to the choice or conflict of law.

**17.8 Right of Waiver.** No delay, failure or refusal on the part of any Party to exercise or enforce any right under this Agreement shall impair such right or be construed as a waiver of such right or any obligation of another Party, nor shall any single or partial exercise of any right hereunder preclude other or future exercise of any right. The failure of a Party to give notice to the other Party of a breach of this Agreement shall not constitute a waiver thereof. Any waiver of any obligation or right hereunder shall not constitute a waiver of any other obligation or right, then existing or arising in the future. Each Party shall have the right to waive any of the terms and conditions of this Agreement that are for its benefit. To be effective, a waiver of any obligation or right must be in writing and signed by the Party waiving such obligation or right.

**17.9 Severability.** If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement; and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Agreement. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of the this Agreement a provision as similar in its terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

**17.10 Assignment.** Except as set forth herein, this Agreement and all of the Contractor's rights, duties and obligations under this Agreement are personal in nature and shall not be subcontracted, assigned, delegated or otherwise disposed of by the Contractor without the prior written consent of Owner. Without limiting Owner's right to assign this Agreement, it is understood and acknowledged by Contractor that (i) Owner shall be entitled to assign this Agreement and its rights herein without the consent of Contractor to any of Owner's Affiliates that has a direct or indirect interest in the Project, and (ii) Contractor hereby consents to the granting of a security interest in and an assignment by Owner of the Agreement and its rights herein to the Financing Parties and their successors, assigns and designees in connection with any financing or refinancing related to the development, construction, operation and maintenance of the Project. In furtherance of the foregoing, Contractor further acknowledges that Owner's Affiliates and/or the Financing Parties may under certain circumstances assume the interests and rights of Owner under the Agreement.

**17.11 Successors and Assigns.** This Agreement shall be binding upon the Parties and their successors and permitted assigns.

**17.12 Survival.** All provisions of the Agreement that are expressly or by implication to come into or continue in force and effect after the expiration or termination of this Agreement shall remain in effect and be enforceable following such expiration or termination.

**17.13 Effectiveness.** This Agreement shall be effective on, and binding upon each of the Parties, the Effective Date.

**17.14 Expenses and Further Assurances.** Each Party shall pay its own costs and expenses in relation to the negotiation, preparation, execution and carrying into effect this Agreement. Contractor and Owner agree to provide such information, execute and deliver any instruments and documents and to take such other actions as may be necessary or reasonably requested by the other Party (at the cost and expense of the other Party) in order to give full effect to this Agreement and to carry out the intent of this Agreement.

**17.15 Counterparts.** This Agreement may be executed in any number of counterparts and each counterpart shall represent a fully executed original as if executed by both Parties, with all such counterparts together constituting but one and the same instrument. Delivery hereof may be performed by facsimile of, or the electronic transmission of scanned, signature pages.

**17.16 Offset.** Notwithstanding any other provision hereof, any and all amounts owing or to be paid by Owner to Contractor hereunder or otherwise, shall be subject to offset and reduction in an amount equal to any amounts that may be owing at any time by Contractor to Owner.

**17.17 Good Faith Dealings.** The Parties undertake to act fairly and in good faith in relation to the performance and implementation of this Agreement and to take such other reasonable measures as may be necessary for the realization of its purposes and objectives.

**17.18 Financing Parties' Requirements.** Contractor acknowledges that Owner or its Affiliates may borrow certain funds from the Financing Parties and that, as a condition to making loans to Owner or its Affiliates, the Financing Parties may from time to time require certain documents from, and agreements by, Contractor and its Subcontractors. In connection therewith, Contractor agrees to furnish to the Financing Parties, and to cause its Subcontractors to furnish to the Financing Parties, such written information, certificates, copies of invoices and receipts, statutory declarations, affidavits, consents to assignment of the Agreement and other like documents as the Financing Parties may reasonably request. In addition, Contractor agrees to accept all revisions or amendments to the Agreement, which are reasonably requested by the Financing Parties, provided that such revisions or amendments are of a nature typically obtained by financing parties in non-recourse financing. Upon the request of the Financing Parties, Contractor shall state in writing whether or not it is satisfied with Owner's performance to that date.

**17.19 Financial Assurances.** If Owner determines that Contractor's financial condition has deteriorated so as to create a risk of loss to Owner, then Owner may inform Contractor in writing of such insecurity, and as Owner shall direct in its sole discretion, Contractor shall immediately: (a) provide written assurance within five (5) Days that Contractor is capable of performing and completing the Work and its obligations under this Agreement; (b) increase the forms and/or amounts of security; (c) require direct payment or co-payment to Subcontractors; (d) adjust the amount of Work to be performed by Contractor with corresponding adjustments in the Contract Price; and/or (e) to assign to Owner any agreement or purchase order with a Subcontractor, provided that Contractor shall remain responsible for its obligations under such agreement or purchase order.

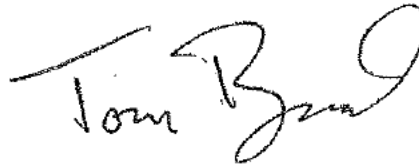
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IN WITNESS WHEREOF, the Parties have caused this ENGINEERING, PROCUREMENT AND CONSTRUCTION AGREEMENT FOR TRANSMISSION FACILITIES to be executed by their duly authorized representatives as of the date and year first above written.

as Owner:

NEXTBRIDGE INFRASTRUCTURE LP

By: Upper Canada Transmission, Inc., its general partner



By:

Name: Tom Broad

Title: Vice President

Date: \_\_\_\_\_

as Contractor:

VALARD CONSTRUCTION LP

By: Valard Construction 2008 Ltd., its general partner



**Exhibit A and its associated appendices, relating to scope of work under the EPC agreement, are protected confidential materials.**

**Exhibit B to the EPC agreement is protected confidential material.**

**Exhibit C to the EPC agreement is protected confidential material.**

## **Exhibit C-2**

### **Project Controls Requirements**

#### **1.0 DEFINITIONS**

- 1.1. Baseline – Project plan (schedule, commodity curves, etc.) upon which the executed contract is based. All Baseline deliverables are to be submitted within twenty-eight (28) days of contract award (or date approved by Owner) and are required to be reviewed and approved by Owner. All Baseline deliverables will reflect the Contractor's plan to achieve the critical milestone dates as reflected in Exhibit C-1, Project Schedule. The Baseline project plan is maintained unchanged throughout the contract.
- 1.2. Target – Project plan (schedule, commodity curves, etc.) upon which the Contractor will execute the work. The Target project plan may vary from the Baseline plan as the Contractor modifies their execution plan.
- 1.3. Current – Project plan (schedule, commodity curves, etc.) reflective of actual progress to date and forecasted progress to complete the contractual scope of work.
- 1.4. Recovery Plan - Project plan (schedule, commodity curves, etc.) reflective of actual progress to date and forecasted progress to complete the contractual scope of work in accordance with the Contract Guarantee Dates.

#### **2.0 GENERAL PROGRAM REQUIREMENTS**

- 2.1. Provide adequate methods and tools for budget control, scheduling, tracking, trending, and reporting of work in progress for the engineering, procurement and construction activities related to the Project.
- 2.2. Identify Contractor's organization.

#### **3.0 PROJECT MILESTONES**

- 3.1. Project Milestones have been established by the Owner for the construction activities in Exhibit C-1.
- 3.2. Contractor shall include in the Level Three schedule each Project Milestone. The milestones are to be logically tied to the scheduled activities. The Contractor's status against each Project Milestone will be updated along with all schedule activities on a weekly basis.
- 3.3. The Project Milestones status shall be reported on in the Monthly Management Review Meeting.

#### **4.0 PROJECT SCHEDULE**

Contractor shall prepare and maintain Project Schedule utilizing Primavera 6.2 or higher and agreed upon schedule conventions. Contractor shall submit the Project Schedule to the Owner for review and acceptance as follows:

- 4.1. Contractor shall develop a Level One summary schedule (typically 1 page) for the project, which encompasses the entire Scope of Work. This graphic timeline schedule reflects a summary for each of the significant activities, and will be submitted by Contractor to Owner within fifteen (15) days after the contract award. An activity progress status and data date shall also be included.
- 4.2. Contractor shall provide a Level Three schedule for the project, which shall be a detailed schedule integrating the Contractor's entire Scope of Work in CPM format. This schedule establishes the detailed plan for completing the Work in accordance with the Contract Documents and Guaranteed Dates per Exhibit C-1, and identifies all engineering, procurement, construction and Owner and/or Owner-Contractor interface points (including Owner's material obligations required to be performed by Owner in accordance with the Agreement). This schedule at a minimum shall include equipment and material delivery, equipment erection, construction activities, and commissioning /startup activities. As a general rule, activities shall be in days with no single activity greater than fourteen (14) calendar days (excluding procurement activities). This schedule must demonstrate that it supports the Project milestones and shall be submitted within twenty-eight (28) days of contract award or a date as agreed upon by the Owner. Contractor will issue the Project Schedule for Owner's approval a reasonable and achievable "Level 3" Project Schedule that establishes Contractor's plan for executing the Work. Owner will review and provide comments to such schedule within ten (10) Business Days after submission by Contractor.



**Exhibit C-2**  
**PROJECT CONTROL REQUIREMENTS**  
(continued)

- 4.2.1. Contractor will effect such changes and resubmit such schedule to Owner within seven (7) days after Contractor receives Owner's comments. Owner will have seven (7) days after such resubmission to review and provide comments or approve such schedule resubmitted by Contractor. Such procedure shall continue with the same seven (7) day time periods until Owner accepts such schedule.
- 4.3. The Project Schedule shall be updated on a weekly basis for current status and forecast. The Project Schedule and the weekly updates shall be provided to the Owner in Primavera 6.2 or higher.
- 4.4. The Project Schedule will be a fully integrated schedule. Other Contractor and Owner activities may be required to be added to the schedule to enable a fully integrated Project Schedule.
- 4.5. In the event Contractor current progress is behind the baseline plan a Recovery Plan shall be developed, reviewed, and approved by the Owner. The recovery shall be submitted within ten (10) calendar days from the Owner's request for a Recovery Plan.
- 4.6. Upon completion of the transmission line design upon request from the Owner a schedule revalidation shall be performed by contractor, in collaboration with the Owner.

**5.0 PLAN OF THE DAY**

The Plan of the Day is a daily meeting held at the jobsite which includes a document prepared by the Contractor. The Plan of the Day tracks installed commodities versus planned for all major activities. The Plan of the Day includes a three day window consisting of prior day activities actually completed, scheduled activities for the current day and planned activities for the next day. An example format shall be provided by Owner.

**6.0 PROJECT ORGANIZATION**

Within twenty-eight (28) days of the contract award, Contractor shall produce for Owner's review and approval a Project organization chart, which shows the function, title, name and interrelationships of the individual assigned to the Work. A list of phone numbers and e-mail addresses will be submitted with such chart. Any update or revision to the Project Organization shall be provided to the Owner immediately.

**7.0 PROJECT SCOPE COST & QUANTITY MANAGEMENT**

- 7.1. Contractor shall invoice per the conditions of the contract terms. Additionally Contractor is required to provide an estimate of the next invoice four business days prior to month end. It is understood that this is only an estimate and may be revised with issuance of the formal invoice.
- 7.2. Contractor shall provide at a minimum on a bi-weekly basis the Claims, Changes or extra work, delays or accelerations, interferences and the like known to Contractor that have occurred or may be claimed to have occurred since project onset. This information is required to be provided in Microsoft Excel. The report is referred to as the Cost Management Report and will include current status of aforementioned items, initiated dates, dollar exposure amounts (incremental to the executed contract amount), drawing references, subcontractor documentation, etc. as required to establish an understanding of the issues. If there are no known Claims, Changes, etc the Cost Management Report shall still be issued bi-weekly stating NONE. The most recent Cost Management Report shall be attached to each Contractor invoice.
- 7.3. Indicators

Contractor within twenty-eight (28) days of contract award will establish the baseline (the budgeted) material quantity estimates for the following construction commodities and will provide Owner with a weekly schedule of baseline quantities to be installed in the example format provided by Owner (Microsoft Excel format). The quantity reporting curves in line graph format will include the Baseline plan at contract award, the contractor Target plan (if different) and the Current plan (actual/forecasted installation). Commodities to be planned and tracked include at a minimum:

**Exhibit C-2**  
**PROJECT CONTROL REQUIREMENTS**  
**(continued)**

- 7.3.1. Roads Installed (LF)
- 7.3.2. Foundations Excavated (EA)
- 7.3.3. Foundations Complete including Backfill (EA)
- 7.3.4. Materials Delivered
  - a. Tangent Support Structures (EA)
  - b. Dead End Structures (EA)
  - c. Special Structures (EA)
  - d. Cable, Wire, Fiber by type (LF)
  - e. Insulators, Suspension, and Clamp Materials by type (EA)
- 7.3.5. Transmission Line Installation
  - a. Structures Installed (EA)
  - b. Cable, Wire, Fiber (all types) Pulled and Clipped (LF)
- 7.3.6. Project Percent Complete Curve for Contractor (Man-hour basis)
- 7.3.7. Manpower Curve (Equivalent Headcount)
- 7.4. Contractor will provide Owner with weekly reports updated to reflect actual progress/installed quantities through the end of the most recent week and revised forecast progress/quantities in an electronic Microsoft Excel format. The reports will indicate status of the installed (or actual) quantities against the Baseline, Target, and Current (if re-forecasted) quantities. Weekly submittals will be in a spreadsheet as well as graphical format. Weekly submittals will be issued to the Owner by no later than Wednesday close of business each week.
- 7.5. Weekly quantities submittal at each month's end will reflect progress through the same reporting period utilized for monthly invoicing and the monthly management report referenced in Section 9.0, MONTHLY MANAGEMENT MEETING AND REPORT, below.
- 7.6. Forecast and final quantity take-offs and verification are required to be performed. The quantity take-offs are required as deemed necessary by the Owner with a minimum of twice during the construction phase. The quantity information is to be provided to the Owner within 14 days of request and/or requirement identified in 7.6.1 and 7.6.2. All Schedule of Values line items and commodities listed in 7.3 above are to be verified in this process.
  - 7.6.1. Forecast quantity take-offs are to be performed at 30 days after construction commencement (or at the request of the Owner whichever is earlier)
  - 7.6.2. Final quantity take-offs to be performed within 14 days of all structures (towers and poles) installed.
- 7.7. Prior to final payment, contractor shall assign cost codes encompassing the entire scope of work in a level of detail as required by the functional classifications specified in the Owner Property Retirement Unit Catalog.

**8.0 SAFETY AND MANPOWER STATUS**

- 8.1. Accident statistics shall be presented in a spreadsheet format, to be mutually agreed upon, and shall include the category of craft, years of experience, type of injury/illness, cause of injury/illness, treatment, and supervisor name. Owner to provide example format. A Safety Indicator status is required and shall include total contractor man-hours, Minor Injuries, OSHA Recordable Injuries and Near Misses. A graphic showing injury type and body part effected shall also be included. Example: cuts, strains, fall. Hand, back, eye.
- 8.2. An accident investigation report with root cause analysis and countermeasures shall be completed for all OSHA recordable incidents and near-misses.
- 8.3. Safety statistics shall be presented in a spreadsheet format, to be mutually agreed upon, and will include disposition and close-out of deficiencies.

**Exhibit C-2**  
**PROJECT CONTROL REQUIREMENTS**  
(continued)

- 8.4. Manpower and man-hour statistics for each trade or subcontractor shall be shown in spreadsheet format and in graphical format, contrasting forecasted with actual man-hours.
- 8.5. At a minimum the contractor shall submit the above information to the Owner on a monthly basis no later than the 5<sup>th</sup> of every month.

**9.0 MONTHLY MANAGEMENT MEETING AND REPORT**

- 9.1. Contractor shall develop and provide a formal monthly written and electronic status report with the minimum requirements as outlined below. This monthly report is to be received no later than the fifth (5th) calendar day of the month and shall be consistent with the reporting period reflected in the month end invoices and Commodity Curves set forth in Section 7.0, PROJECT SCOPE COST & QUANTITY MANAGEMENT, above. This progress report is to cover engineering, procurement and construction activities and shall include, at a minimum, the following information:
  - 9.1.1. Brief narrative overview of Project status.
  - 9.1.2. Brief narrative of identified critical issues.
  - 9.1.3. Brief narrative of short term look ahead activities.
  - 9.1.4. Updated organization chart for the Project.
  - 9.1.5. Safety and Environmental issues/status.
  - 9.1.6. Project Milestones current status update and forecast vs. baseline schedule
  - 9.1.7. Contractor Project schedules shall be updated and submitted in adobe acrobat format (pdf). These schedules shall show current status and the projected completion dates of all project activities against the current planned schedule.
  - 9.1.8. An electronic copy (data file) of the most recently updated complete integrated Project Schedule network.
  - 9.1.9. Cost Management Report
  - 9.1.10. Manpower curves (manpower plan with actual and forecast to go over time)
  - 9.1.11. Progress curves (progress versus time).
  - 9.1.12. Construction commodity curves (actual vs. Baseline and Current plan) in the format delineated in Section 7.0 PROJECT SCOPE COST & QUANTITY MANAGEMENT, above. A variance explanation and/or recovery plan shall be provided by Contractor should progress monitored fall behind the plan.
  - 9.1.13. Procurement Status Report

A complete listing of all equipment and materials to be procured by the Contractor, including status of the procurement process (bid, evaluate & award) shall be provided. The information included in this report shall be consistent with and in support of the Project Schedule.

**End**

## Exhibit D

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## **Exhibit E**

### **Job Book Documentation Requirements**

***Please Note:*** *The Job Book contents identified in this document are the minimum required. Projects may require more specific requirements or items to be added. If an item below on a project does not exist, please still include a tab for that section and indicate the item was not used or needed on the job.*

#### **1. Transmission Line**

- i. Red Line Markup Drawings  
Contractor shall up-date red-line drawings daily, submit red-line drawings to Owner and Owner's Transmission Facilities design engineer at completion of Project per the Agreement, and work with the Transmission Facilities design engineer to complete As-Built documentation.
- ii. All QA/QC Documentation
- iii. Copies of all test reports & results including but not limited to:
  - Anchor observation form
  - Drilling observation form
  - Framing observation form
  - Stub setting observation form
  - Concrete break report
  - Ground rob testing form
  - Non-splice compression fitting form
  - Stringing form
  - Wire pulling form
- iv. As-built equipment manuals
- v. Vendor provided drawings
- vi. V&V's - Owner's verification and validation requirements

#### **2. Provisional & Final Acceptance Exhibits**

- a. T-5, form of Provisional Acceptance Certificate, signed by all Parties to the Document
- b. T-6, form of Final Acceptance Certificate, signed by all Parties to the Document

#### **3. Purchase Orders, Operating Manuals**

- a. Copies of All purchase orders on Major Subcontractor's equipment (non-priced) with addenda
- b. Subcontractor information for equipment purchased (as received from Subcontractors, including instruction and maintenance manuals for Subcontractors
- c. Operating Manuals

## Exhibit F

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## **Exhibit G**

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Exhibit H			
Contractor and Owner Permits			
Regulatory Body	Legislation, Acts, and/or Regulations	Owner Responsibility	Contractor Responsibility
Municipal			
<b>Local Municipalities</b> 1) Municipality of Shuniah 2) Township of Dorion 3)Township of Red Rock 4)Township of Nipigon 5)Township of Schreiber 6)Township of Terrace Bay 7)Town of Marathon 8)Township of White River 9) Municipality of Wawa	Building Permit as per the <i>Ontario Building Code Act, 1992</i>		●
	Site Plan Control Approval in accordance with the <i>Planning Act</i>		●
	Permit to Injure or Remove Trees (woodlands/woodlots), as applicable based on municipal by-laws	●	
	Noise By-Law exemptions, as applicable based on proposed work and municipal by-laws		●
	<i>Fire Protection and Prevention Act, 1997</i> - Notice of camp opening		●
	Open Air Burning / Fire Permits, as applicable based on proposed work and municipal by-laws		●
Thunder Bay District Health Unit	<i>Health Protection and Promotion Act (1990)</i> - notice of camp opening		●
	<i>Ontario Building Code Act, 1992</i> - permit for holding tank at camp location		●
Provincial			
Ministry of Labour	Compliance with safety regulation as per the <i>Occupational Health and Safety Act (1990)</i> , including the filing of a notice of Project prior to construction		●
Ministry of Health and Long-Term Care	Adhere to health regulations as per the <i>Health Protection and Promotion Act (1990)</i>		●
Ministry of the Environment and Climate Change	<i>Environmental Protection Act</i> - Environmental Compliance Approval (ECA) required from MOECC; generator registration	●	
	Ontario <i>EnvironmentalAssessment Act</i> (approval of the EA)	●	



	<i>Ontario Water Resources Act</i> (OWRA) - Permit To Take Water (PTTW) under the Water Taking Regulation (O.Reg. 387/04) and s. 53 Environmental Compliance Approval (ECA) for discharge.	●	
	<i>Safe Drinking Water Act, 2002</i> - Environmental Compliance Approval - Municipal and non-municipal drinking water systems		●
	<i>Pesticides Act</i> (1990) - approval for application, transportation, storage and disposal of pesticides		●
Ministry of Northern Development and Mines	<i>Mining Act (1990)</i> - withdrawal of land from prospecting, withdrawal of staking rights.	●	
	Permanent withdrawal of staking rights under the <i>Mining Act</i> ( 1990)	●	

Ministry of Natural Resources and Forestry	Consolidated Work Permit as per the <i>Lakes and Rivers Improvement Act (1990)</i> , for work planned on shore land and within water bodies including work and burn authorization for clearing and burning of cleared vegetation	●	
	Fish Scientific Collectors Permit and Wildlife Scientific Collection Permit under the <i>Fish and Wildlife Conservation Act, 1997</i> , to allow for the taking and transferring of fish or wildlife	●	
	<i>Endangered Species Act, 2007</i> , Section 17 permit if the Project affects a species at risk or associated habitat	●	
	<i>Provincial Parks and Conservation Reserves Act, 2006</i> - Research Authorization for provincial parks and conservation reserves (for work to be completed in provincial parks)	●	
	<i>Fish and Wildlife Conservation Act, 1997</i> , authorization should the Project impact scheduled species, any nesting areas, beavers or black bears	●	
	Forest Resource License to harvest timber on Crown lands as per the <i>Crown Forest Sustainability Act, 1994</i>		●
	Crown Lease or Land Use Permit for rights to Crown land in order to locate towers and access facilities under the <i>Public Lands Act (1990)</i>	●	
	Permit under the <i>Aggregate Resources Act (1990)</i> , for the extraction of aggregate on Crown land	●	
	Approval (work permit) to cross provincial parks as per the <i>Provincial Parks and Conservation Reserves Act, 2006</i>	●	
	Air Craft landing permission Provincial Parks	●	
	Amendment to management direction for applicable provincial parks and nature reserves	●	
	<i>Forest Fires Prevention Act (1990)</i> - Burn permit required if there is any fired-based forest clearing proposed		●
Ministry of Transportation	Land Use and Building Permit for construction within, or adjacent to, provincial highways as per the <i>Public Transportation and Highway Improvement Act (1990)</i>	●	
	Entrance Permit for proposed entrances onto provincial highways as per the <i>Public Transportation and Highway Improvement Act (1990)</i>	●	
	An Encroachment Permit is required to place, alter or erect any power line, pole line, or other transmission line within 400 m of any limit of a controlled access highway (e.g., Highway 17) as per the <i>Public Transportation and Highway Improvement Act (1990)</i>	●	
	A Sign permit is required for all signage erected within 400 m of the limit of a provincial highway		●
Hydro One Networks Inc.	Permit to cross existing transmission lines	●	

Lakehead Region Conservation Authority	Conservation Authorities Act (1990) (Ontario Regulation 180/06 Regulation of Development, Interference with Wetlands and Alteration to Shorelines and Watercourses) - Water crossing permits prior to start of construction.	●	
Ministry of Tourism, Culture and Sport	Archaeological clearance under the Ontario Heritage Act (1990)	●	
	Heritage clearance under the Ontario Heritage Act (1990)	●	

Ontario Energy Board	Leave to Construct – The Project requires a “Leave to Construct” approval under Section 92 of the <i>Ontario Energy Board Act , 1998</i> . This application provides the OEB with an opportunity to review the Projects’ technical and other components	●	
	Early Access to Land – This approval is required to permit NextBridge to access private property potentially affected by the Project to undertake specific field studies to establish baseline data while the Section 92 application is considered by the OEB. Early access is often requested to meet seasonal data collection requirements	●	
Technical Standards and Safety Authority (TSSA)	<i>Technical Standards and Safety Act, 2000</i> - licenses for the transport, storage and handling of fuels		
Federal			
Indigenous and Northern Development Canada (INAC)	Permit under Section 28(2) of the <i>Indian Act ( 1985 )</i> , for use of federal lands (i.e., to allow for the crossing of First Nation reserves).	●	
	<i>Canadian Environmental Assessment Act, 2012</i> - s. 67 environmental effects determination for projects on federal land	●	
Fisheries and Oceans Canada	<i>Species at Risk Act (2002)</i> (Federal) - Prior to start of construction	●	
	Authorization under s. 35 of the <i>Fisheries Act</i> may be required if commercial, recreational, or Aboriginal fisheries are impacted	●	
Parks Canada	Land use permit or equivalent authorization to use federal lands	●	
	<i>Canadian Environmental Assessment Act, 2012</i> - s. 67 environmental effects determination for projects on federal land	●	
	<i>Species at Risk Act</i> (2002) (Federal) - Prior to start of construction	●	
Environment Canada	<i>Migratory Birds Convention Act, 1994</i> - Authorization under Section 5, Permit under Section 4	●	
	Permit under s. 73 of the <i>Species at Risk Act</i> (2002) (Federal) - Prior to start of construction	●	
	<i>Transportation of Dangerous Goods Act, 1992</i> - permits of equivalent level of safety		●
	<i>Railway Safety Act</i> (1985) (crossing federally regulated rail lines)	●	
	<i>Canadian Aviation Regulations</i> (Aeronautical Obstruction Clearance)	●	

Transport Canada	<i>Navigation Protection Act</i> - Authorization or Letters of Exemption from TC under the NPA prior to start of construction	●	
	<i>Federal Real Property and Federal Immovables Act</i> for any lease or crossing agreement for road, railway or canal	●	
Natural Resources Canada (NRCan)	<i>Explosives Act</i> (1985) - for the use, storage or transportation of explosives		●
Other			
Rail Companies (CN Rail, etc.)	Permit to cross rail lines	●	
Utility Companies (Various)	Clearance Letters (Private) prior to start of construction	●	
	Permit to cross other utilities (i.e., existing pipelines, fiber optics, etc.)	●	
Mining Claim Holders	Consent from existing claim holders	●	
All other required permits not being supplied by Owner			●
Any permits not listed under owner or contractor's responsibility, Contractor will assist the owner in obtaining in accordance with Section 2.8 of the agreement. Any fees associated with the permits will be passed through to the owner with no mark-up			
Rev 8-30-16			

**Exhibit I to the EPC agreement is protected confidential material.**

**Exhibit J to the EPC agreement is protected confidential material.**

## Exhibit K

### Contractor Provided Training

#### 1. Safety Orientation

- a. The Contractor will provide all manuals and train all personnel in accordance with the site safety rules of the project.
- b. The Contractor will develop a site safety manual to train all personnel
- c. The Contractor will hold regular scheduled safety meeting and training sessions developed by project team.

#### 2. Electrical Contractor Conductor Splicing Training

- a. The Contractor performing all conductor splices will be trained in accordance with splicing manufacturer specifications on conductor splicing and must have satisfactorily completed training sponsored by the splices manufacturer within six months prior to beginning work. Contractor will use manufacturer's instructions and specification details to prepare splices:
  - i. The Contractor must train ALL personnel performing the splicing on the project. Under no circumstance will any individual perform splicing unless specifically training by the splices manufacturer.
  - ii. All individuals must accurately demonstrate splicing techniques and methods to a splicing manufacturer trainer.
  - iii. All splice technicians must provide evidence of training to Owner prior to actual field splicing.

#### 3. Contractor OEM Training

- a. The Contractor will accept all OEM training by the manufacturer.

#### 4. Electrical Clearance Training

- a. Employees shall be submitted to Owner prior to Substation Facilities energization.
- b. Contractor shall provide electrical clearance training to all employees prior to initial Transmission Facilities energization. Documentation certifying this training has been conducted for all employees shall be submitted to Owner prior to Transmission Facilities energization.
- c. Contractor will train all personnel to properly lock and tag all equipment that become energized during construction.

#### 5. Aboriginal

- a. Contractor shall provide Cultural Sensitivity training to all employees to raise awareness of the history and culture of Aboriginal people leading to discussions on how to form effective professional relationship.

#### 6. Environmental

- a. Owner will develop environmental training, which in turn will be administered and provided by Contractor to all Contractor's employees, and as necessary and applicable, subcontractor(s) and site visitors. The environmental training is to raise awareness of Contractor fully compliance with and adherence to the project environmental requirements including, but not limited to, environmental regulatory requirements, topsoil stripping, soil management, erosion control, drilling mud management, watercourse crossings, species at risk mitigation, surface water management, wildlife management, vegetation management, air/noise monitoring, socioeconomic constraints, timing restrictions, setback requirements, contractor requirements, environmental incidents, reporting requirements



## Exhibit L

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## Exhibit M

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**Exhibit N to the EPC agreement is protected confidential material.**

**Exhibit O to the EPC agreement is protected confidential material.**

## Exhibit P

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Revised 2/18/16

## NextBridge Contractor Safety Requirements Policy

### Purpose

Safety is vital to the well-being of any persons, individual, corporation, partnership, limited liability company, association, trust, incorporated organization, governmental authority or any other entity of whatever nature (including their successors or assigns) (each a “**Contractor Entity**” and collectively, the “**Contractor Entities**”), engaged by NextBridge Energy, Inc., its subsidiaries, affiliates, successors or assigns (each a “**NextBridge Entity**” and collectively, the “**NextBridge Entities**”) as identified on a project specific basis to perform work for any NextBridge Entity. The purpose of this Engineering and Construction Business Unit Contractor Safety Requirements Policy (“**Policy**”) is to ensure that any Contractor Entity engaged by any NextBridge Entity to perform work for any NextBridge Entity and all of such Contractor Entity’s subcontractors, vendors and suppliers who perform work at the request or under the direct or indirect control of any Contractor Entity (collectively, “**Contractor Parties**”), on any NextBridge Entity’s or on any NextBridge Entity’s customers’ or contractual parties’ project specific premises, rights-of-way, or facilities (collectively, the “**Job Site**”) is aware of and complies with the relevant NextBridge Entity’s safety requirements, as well as any act, statute, law, regulation, permit, license, ordinance, rule, judgment, order, decree, directive, guideline or policy (to the extent mandatory) or any similar form of decision or determination by, or any written interpretation or administration of, any of the foregoing by any governmental authority with jurisdiction over the Contractor Parties, the relevant project, the Job Site, the performance of the work or other services to be performed under the agreement to which this Policy applies. In certain instances, (identified herein or otherwise specified by the NextBridge Entity) such safety and environmental responsibilities will only pertain to Contractor Parties’ work related areas within the Job Site (“**Contractor Work Area**”). This Policy may be used by the Contractor Parties to help meet training, reporting, submittal and other safety requirements imposed on the Contractor Parties by the relevant NextBridge Entity. The Contractor Parties may also find it helpful in identifying and correcting potential safety hazards prior to starting work, and monitoring the effectiveness of their own safety programs. For avoidance of doubt, this Policy shall be in addition to any other obligations and requirements imposed on the Contractor Entity under any Applicable Laws and the relevant contract between the Contractor Entity and the relevant NextBridge Entity and shall not be deemed or interpreted to limit the Contractor Entity’s other obligations and requirements under any Applicable Laws or elsewhere in such contract.

NextBridge Entities are committed to providing a safe working environment. Review and knowledge of Job Site safety policies will help keep the Job Site safe; however, no Job Site can be injury free without the personal commitment and active involvement of every Contractor Entity on the Job Site. Personal protective equipment (“**PPE**”), tailboards, checklists, and safety meetings can never be as effective as the individual commitment of all Contractor Parties to creating and maintaining a safe work environment. To that end, the Contractor Entity shall and shall cause each of the Contractor Parties to support a safe work environment by providing the necessary tools and time to perform the work in a safe manner. The requirements established within this Policy must be adhered to while working on the Job Site. The purpose of the requirements in this Policy is to ensure the safety of all Contractor Parties on the Job Site, provide a consistent understanding of NextBridge Entities’ expectations, and to provide for the proper treatment of all Contractor Parties on the Job Site, including landowners and their property adjacent to the Job Site. NextBridge Entities reserve the right to refuse Job Site access to Contractor Parties and their personnel for which the relevant NextBridge Entity reasonably believes or has knowledge of such Contractor Parties or their personnel violating any Applicable Laws or requirement set forth in this Policy. Violation of Applicable Laws, safety rules and regulations, or behavior lacking in regard for one’s own personal safety, or that of others, will not be tolerated. The Contractor Entity and each of the Contractor Parties are responsible to implement Job Site and Contractor Work Area specific safety programs and emergency response plans for each NextBridge Entity project. All Contractor Parties who perform work on the Job Site shall comply with the requirements of Applicable Laws, the Job Site and Contractor Work Area specific safety program.

### Pre-Construction Meeting

A leadership engagement meeting where the Senior Management Representatives from the Owner and Contractor get together to discuss project expectations shall be held and 2) A Kick-Off meeting will be held at site and include the Owner’s Construction Management Team and the Contractors team.

### Contractor’s Responsibilities

It is the Contractor Parties’ responsibility to implement measures necessary to establish and maintain safe working conditions on

the Job Site and for the project. Prior to the commencement of any Job Site work by any Contractor Parties, such Contractor Parties will designate in writing to the relevant NextBridge Entity, a competent safety professional having requisite knowledge and practice in safe working conditions, which competent safety professional shall be mutually agreeable to the relevant NextBridge Entity (each such Contractor Entity shall be referred to as the “**Safety Professional(s)**”). The Safety Professional(s) shall make frequent and regular safety inspections of the Job Site and Contractor Work Area. These inspections shall be documented in writing to the relevant NextBridge Entity in format acceptable to such NextBridge Entity, and submitted to such NextBridge Entity within three (3) business days of such safety inspections of the Job Site and Contractor Work Area. All Contractor Parties on the Job Site shall also be responsible for identifying field supervisors, which shall undertake and document daily safety inspections of such Contractor Entity’s Contractor Work Area (and upon the request of the relevant NextBridge Entity, submit to such NextBridge Entity within three (3) business days of such daily safety inspections of such Contractor Entity’s Contractor Work Area. All at-risk behavior and/or unsafe conditions noted during the daily safety inspections of such Contractor Entity’s Contractor Work Area shall be corrected immediately. The Contractor Entity shall be required to perform a job hazard analysis (“**JHA**”) prior to, and for all work activities on the Job Site. Copies of JHA’s shall be provided to the relevant NextBridge Entity designated representative. Each Contractor Entity shall initiate an accident prevention program which shall include a safety observation program and shall instruct and cause each of the Contractor Parties on the Job Site in the recognition and avoidance of unsafe acts and/or conditions applicable to its work environment to control or eliminate injuries. Each Contractor Entity shall enforce the project safety rules and OSHA regulations pertaining to each of the Contractor Parties and require them to meet all requirements of this Policy. Each of the Contractor Parties is responsible for providing and requiring the use of appropriate PPE in all operations where there is an exposure to hazardous conditions or where the hazard assessment results require PPE. Each Contractor Entity shall also designate and submit to the relevant NextBridge Entity the names of person(s) as required by Applicable Laws for each of the Contractor Parties’ work activities. Each Contractor Entity shall ensure that each of the Competent Persons(s) understand their responsibilities and are capable of identifying existing or predictable hazards, as well as working conditions which are unsanitary, hazardous, or dangerous to personnel on the Job Site, and understands that he/she has the authorization to take prompt corrective measures to eliminate them.

## **Instruction and Training**

All Job Site project supervision (foreman and above) on NextBridge Entities’ projects shall be provided notice of the NextBridge Entities’ safety requirements as set forth by and in accordance with this Policy. Contractor Parties who perform work on a Job Site **MUST** maintain documentation of this training on the Job Site and make same available to the relevant NextBridge Entity upon request. This training will also be required of each of the Contractor Parties whose employment may place them in a position of presumed authority. Instruction and training of all Contractor Parties as it relates to Contractor Parties’ duties, is required on the project. Upon request, documentation of training will be provided to the relevant NextBridge Entity. Temporarily assigned Contractor Parties shall be escorted to the Job Site. Examples of such training to be provided by the Contractor Parties include the following:

- Orientation - All Contractor Parties shall be instructed in the Job Site and Contractor Work Area safety policies and rules, as well as the JHA’s and other safety practices required by their work assignments prior to starting work. Each of the Contractor Parties shall document this training and demonstrate to the relevant NextBridge Entity that each of the Contractor Parties know and understand the safety orientation and JHA’s.
- Safety Meetings - Properly conducted and recorded safety meetings are required. Safety meeting attendance is mandatory. A weekly all hands safety meeting is to be conducted. Documentation of all safety meetings is to be submitted to relevant NextBridge Entity’s designated representative within three (3) business days of such safety meeting.
- Tailboard Meetings - At the start of each shift, each foreman will hold a tailboard meeting which will include safety topics related to the Contractor Parties’ work and a tailboard/specific risk assessment. Topics are to be in writing. The tailboard/specific risk assessment will be completed for all work assignments given throughout the day. The foreman, and the Contractor Parties involved will complete, review and sign the tailboard/specific risk assessment sheet before beginning work. Tailboard/specific risk assessment sheet(s) and the parent JHA(s) are to be kept in the work area for immediate review and/or revision. Contractor Parties assigned to a new activity that is already underway are to review the activities JHA and sign the activity’s tailboard/specific risk assessment sheet before beginning work.
- Specific Instructions - OSHA requires that Contractor Parties on the Job Site who perform specific tasks or operate specific equipment be trained in its use. The Contractor Parties on the Job Site shall ensure that only Contractor Parties qualified by training or experience shall be permitted to operate machinery. These qualifications shall be documented

by each Contractor Entity, maintained at the Job Site and made available to the relevant NextBridge Entity upon request.

A leadership safety training session shall be developed and held for all supervisory personnel. A third party trainer should be utilized if the contractor does not have an in-house leadership program.

## **Record Keeping**

The Contractor Parties on the Job Site have the responsibility to maintain all records required by Applicable Laws, applicable permits, worker's compensation insurance or similar regulations. Specific items required to be submitted to, or maintained at the Job Site and made available to the relevant NextBridge Entity upon request are as follows:

1. Copy of contractor's site specific safety program
2. Copy of contractor's hazard communication program
3. Copy of indexed SDS's
4. Designated (in writing) safety professional
5. Field supervisor daily and safety professional safety inspections
6. Names of competent persons (if applicable):
7. Safety meeting minutes and attendance sign-in sheet
8. All accident/incident reports
9. Employers first report of injury and associated medical reports or doctor recommendations
10. Notification of any hazardous chemicals brought on the job site
11. Daily excavation inspection reports
12. Updated roster including employee name and position (weekly)
13. Copy of all job hazard analysis – copy must also be in work area while work is being performed.
14. First aid/recordable injury statistics (monthly)
15. Verification of employee orientation including JHA(s) training
16. Tailboard Sheet - must be in work area while work is being performed - kept on file when task complete
17. Specific instructions - pre-lift meetings, operator training, Hazcom training, powder actuated tool training, etc.
18. First-aid log
19. Job site specific injury & illness log
20. Regulatory posters
21. Emergency response plan
22. Crane inspections (annual, monthly, daily)
23. Heavy equipment inspections (monthly, daily)
24. Equipment inspections (rigging, ladder, etc.) daily.
25. Inspection of first-aid kit(s) - weekly

## **Hazardous Materials**

Each of the Contractor Parties on the Job Site' is responsible for notifying the relevant NextBridge Entity in writing of any hazardous chemicals or substances that are to be brought on the Job Site. The legal storage, use, and disposal of hazardous chemicals or substances are the responsibility of the Contractor Parties on the Job Site unless otherwise specified by the relevant NextBridge Entity. If hazardous chemicals are going to be used, the Contractor Parties shall implement a hazard communication program that will include training, SDS, and labeling. All containers will be labeled without regard for duration of use or quantity. Use of chemicals may result in hazardous waste; in such cases, the Contractor Parties on the Job Site shall institute a program to address hazardous waste storage and disposal in accordance with the code of Federal regulations, state regulations, and other requirements delineated in the bid and contract documents. When it is reasonable that the Contractor Parties' personnel on the Job Site may come into contact with chemicals, particulates, aerosols or fumes which are reasonably expected to exist and exceed allowable limits, then the Contractor Parties on the Job Site shall put an industrial hygiene program in place. SDS sheets are to be found on file and available on the Job Site for review in the Contractor Parties' offices by all personnel.

## **Fire Prevention**

The Contractor Parties on the Job Site shall be responsible for fire protection in its work and operational and storage areas in accordance with all local, county, state and federal requirements twenty-four (24) hours a day, seven (7) days a week, through the duration of the contract. The Contractor Parties on the Job Site shall comply with all fire and safety rules and regulations established on the project. Fire extinguishers and a fire watch are required around open flame and spark producing operations. All vehicles are required to have proper exhaust systems. A Job Site emergency and evacuation plan shall be developed and implemented by the Contractor Parties on the Job Site.



## **Corrective Measures for Safety Program, Safety Training or Safety Rule Violations**

The Contractor Parties shall establish a safety program that defines corrective measures for minor safety violations and major safety violations that occur on the project. These classifications as to what shall constitute a “minor” versus a “major” violation shall be subject to the NextBridge Entity’s input and approval.

The Contractor Parties shall institute a “two strikes and you are out” policy for minor violations. After two minor violations have been observed by a Contractor Party’s supervisor or manager, the third violation shall require that the employee of such Contractor Party who committed such minor violation be denied access to the Job Site.

After any single major violation committed by a Contractor Party employee, the employee of such Contractor Party who committed such major violation shall be denied access to the Job Site.

## **Medical/ First Aid Services and Procedures**

Each of the Contractor Parties performing work on the Job Site shall make provisions prior to commencement of the project for prompt medical attention in case of serious injury or medical emergency. An injury management system shall be developed and executed by the Contractor Parties’ authorized representative with the following components:

1. Minor injuries shall be treated on the Job Site by an individual certified in first aid.
2. A local occupational health clinic or physician knowledgeable of construction work shall be established at the start of the project to treat injuries that require a doctor visit. The local emergency room will be utilized as a last resort only if a local clinic/physician is unavailable. Utilization of an emergency room should be followed as soon as possible by a more thorough and accordingly more accurate evaluation by the Contractor Parties’ local clinic/physician.
3. Return to work policies shall be developed and implemented by each of the Contractor Parties on the Job Site.

Each of the Contractor Parties performing work on the Job Site shall ensure that first-aid supplies are easily accessible around the Contractor Work Area and documented inspection and refilling of the contents shall be conducted at least weekly. The Contractor shall post telephone numbers and addresses of the EMS providers and hospitals. Each occupational illness or injury shall be reported immediately by the Contractor Parties to the relevant NextBridge Entity designated project manager. For emergency cases, ambulance services will be contacted first by the quickest means available. A daily record shall be kept on all Contractor Parties performing work on the Job Site requiring first aid treatment. If medical treatment is required, the Contractor Parties must provide transportation of the injured to a hospital or physician. A Contractor Parties’ supervisor shall accompany the injured person and remain at the facility until the person is ready to return. All reports from the physician concerning treatment, diagnosis, return to work status and restrictions shall be brought back to the Job Site and a copy(s) provided to the relevant NextBridge Entity designated project manager. The Contractor Parties performing work on the Job Site shall complete and retain on file “Employer’s First Report of Injury” and a Job Site specific injury & illness log, and provide the relevant NextBridge Entity a copy of each upon request.

Accident statistics shall be presented in a spreadsheet format acceptable the relevant NextBridge Entity, and shall include the injured person’s category of craft, the relevant Contactor Entity’s name with whom the injured person is affiliated, the injured person’s years of experience, type and description of injury/illness, cause of injury/illness, treatment, and supervisor’s name. The relevant NextBridge Entity will provide an example form. A safety indicator status is required and shall include total contractor man-hours, minor injuries, lost time recordable injuries and near misses. The NextBridge Project Monthly Safety Metrics Template or equivalent shall be utilized.

The Contractor Parties performing work on a Job Site will provide the relevant NextBridge Entity with written monthly injury, recordable incident, and man-hour statistics by the fifth (5<sup>th</sup>) day of each month.

## **Accident Investigation & Reporting Process**

All injuries to any Contractor Party personnel or damage to any property and near misses must be reported to the relevant NextBridge Entity designated project manager immediately. In addition to other reporting requirements, at the end of their shift, all Contractor Parties’ personnel performing work on a Job Site are required to verbally report to their supervisor whether or not they have sustained any injury or caused any damage to property on the Job Site or other safety concern. Supervisors are to relay any items discussed, or lack thereof, up their chain of command until the Contractor Parties’ Job Site manager has spoken with the relevant NextBridge Entity’s designated project manager. All injuries and property damage must be reported no later than

the end of shift. Late report of injuries will not be accepted. In the event of an Lost time Injury case or near miss on the Job Site, the NextBridge Entity's designated project manager shall convene a meeting with injured personnel, the supervisor, and other attendees as deemed necessary by the NextBridge Entity's designated project manager. Notification and investigation of the same by the Contractor Entity shall be performed in the following manner:

1. The Contractor Entity shall send a preliminary report within 24 hours to the relevant NextBridge Entity's designated project manager, include the following:
  - A. Description of the incident;
  - B. Immediate corrective action taken;
  - C. Condition of the injured; and
  - D. Medical treatment administered.
2. Prior to the NextBridge Entity designated project manager's meeting and within ten (10) days of the incident, the Contractor Entity shall provide a follow-up report to the relevant NextBridge Entity's designated project manager with the following:
  - A. Detailed incident description and investigation results including root causes;
  - B. Corrective action and implementation plan; and
  - C. Contractor Entity's first report of injury.
3. The Contractor Entity will amend the follow-up report to include any additional information found relevant during the meeting with the designated NextBridge Entity's designated project manager and this will serve as the final report.

Management reserves the right to require the contractor to hold a safety incident leadership review dependent on actual or potential incident severity. The Enbridge MP-HSMS Guideline 007 or equivalent shall be utilized.

### **Project Safety Committee**

The project will require the active involvement of a project safety committee. The purpose of the committee is to allow unencumbered opportunity for craft Contractor Parties' personnel performing work on the Job Site to explore or voice concerns or suggestions in an effort to promote such craft personnel involvement in improving their work environment and provide a forum for discussion and review of individual Contractor Entity and Contractor Parties efforts toward the project goal of zero accidents/incidents. The safety committee will work with the full understanding that they may only comment or make suggestions to project management. Committee membership and participation will be solicited and required from the non-supervisor craft level of Contractor Entities/crafts and on-Job Site Contractor Parties. Members will be required to attend and participate in a regularly scheduled meeting held on a weekly basis. Committee members will decide committee membership rotation, if any, based on factors that encourage committee success. Committee members will select a chairman to lead the committee and develop a weekly agenda. A NextBridge Entity's supervisor will act as a committee resource, as well as documenting committee meeting minutes. Contractor Parties Job Site safety supervisors will be welcomed into committee meetings as committee resources. Individual representatives will have the responsibility to disseminate committee information to their respective Contractor Parties and fellow personnel. Project management is expected to support the committee by promptly addressing comments and suggestions made by the committee. It is expected that most decisions by project management on committee suggestions will be reached at the daily planning meeting, at which, the committee's comments are distributed. Committee comments and Contractor Parties' decisions or actions requiring extended consideration or correction time may require a written response to the relevant NextBridge Entity's designated project manager.

### **Third Party Inspections**

In addition to visits and inspections by corporate representatives, the Contractor Parties are advised that the project and the Job Site may be inspected by authorized third parties. These may include, without limitation representatives of NextBridge Entities' insurance companies, or the Ministry of labor. Third party inspectors are to be directed to the relevant NextBridge Entity's office prior to being allowed on the Job Site. Third party inspectors entitled to access will be treated with respect and courtesy.

**The safety program shall outline requirements similar or equal to the following safety expectations:**

- **Clothing Requirements**

Shirts with at least a four (4)-inch over the shoulder sleeve shall be worn at all times. Tank tops are not permitted. Long pants are required. Approved work boots or footwear shall be worn in all construction areas. Sandals, tennis shoes, or any other street type shoes will not be permitted. Contractor Parties performing work on the Job Site shall ensure that work boots or footwear provide adequate protection from foot injuries due to falling or rolling objects as identified in the hazard assessment. Loose fitting clothes or jewelry shall not be worn around moving machinery, grinding operations, welding operations, etc.

- **Personal Protective Equipment**

All Contractor Parties' personnel will have their name or other positive identifier, and company name clearly identified on their hard hat. Hard hats shall be worn at all times while within the Job Site. This includes while operating any piece of equipment that is not fully enclosed. Hard hats may be removed during breaks, lunches, and immediate crew briefings when all work is stopped in the area. Safety glasses with side shields are required at all times. Approved double eye protection and face protection is required when in the area of welding, grinding, chipping, chemical handling, drilling, or sawing. This section will also apply to those who are assisting anyone performing these activities. Prescription glasses must meet safety glass standards or safety glasses must be worn over prescription glasses. Work gloves are required to be worn for all manual material handling and as identified in JHA's. Chemical resistant protective footwear shall be worn when there is a possibility of hazardous chemicals coming in contact with the foot. OSHA approved hearing and respiratory equipment shall be worn when required. Contractor Parties shall meet the selection, fitting, and maintenance requirements of Federal, provincial and local safety and environmental standards. Contractor Parties' personnel working within a public roadway easement, where the potential for public vehicle traffic is present, shall wear approved warning vests or other suitable garments marked with or made of reflective or high-visibility material.

- **Fall Protection**

All Contractor Parties' personnel performing work on the Job Site shall wear a full body harness and shock absorbing lanyard attached to the back "D" ring when working six feet or more above the ground or a lower level. When possible exposure to a fall of six (6) feet or more, or the possibility exists that a fall may result in striking a lower level, and no other approved means of fall protection is provided, 100% tie-off is required. Lanyards shall be rigged as such that Contractor Parties' personnel can neither free fall more than six (6) feet, nor contact any lower level. A full body harness and shock absorbing lanyard shall also be worn and attached to the tie-off point when working from extensible or articulating boom platforms and to vertical drop lines when working from suspended scaffolding. Specific project or task requirements may exist that require adherence to more stringent requirements. Self-Retracting lanyards (SRL) are a preferred method of fall arrest when the anchor point is within 18 feet from the nearest point of contact (i.e. ground/platform) as the fall clearance requirements for 6 foot lanyards is a minimum of 18 feet.

- **Signs, Signals, Barricades and Lights**

Signs, signals and barricades shall be utilized and visible at all times where a hazard exists. When such signs, signals and barricades (including barricade tape) are in use, a tag shall be conspicuously placed and securely fastened to same and shall explain the hazard and identify the Contractor Parties (including the employee and/or supervisor) responsible for the erection of such item. All streets, roads, highways and other public thoroughfares, which are closed to traffic, shall be protected by effective barricades on which shall be placed acceptable and highly visible warning signs. Barricades shall be located at the nearest intersecting public highway or street on each side of the blocked section. Obstructions, such as material piles and equipment, shall be evaluated for suitable barriers, warning signs and lights. All barricades, signs, lights and other protective devices shall be installed and maintained in conformance with applicable statutory requirements. When any work is performed at night or where daylight is obscured, the Contractor Parties performing work on the Job Site shall, at their expense, provide artificial light sufficient to permit work to be carried out efficiently, satisfactorily and safely, and to permit thorough inspection. During such time, access to the place of work shall also be clearly illuminated. All wiring for electric light and power shall be installed and maintained in a professional manner, securely fastened in place at all points, and shall be kept as far as possible from telephone wires, signal wires, and wires used for blasting. Signs, signals and barricades shall be removed when a hazard no longer exists.

- **Lockout/Tag out**

The Contractor Parties performing work on the Job Site must adhere to a lockout/tag out program that meets or exceeds current Applicable Laws whenever they must isolate machines or equipment from energy sources to prevent unexpected energization, start-up or release of stored energy that could cause injury. All Contractor Parties' personnel involved in the installation, maintenance, repair, or the servicing of equipment on the Job Site that requires the bypassing of guards, are required to follow this policy. All authorized and affected Contractor Parties' personnel performing work on the Job Site shall be trained in the lockout/tag out procedure.

- **Hand and Power Tools**

All hand and power tools shall be maintained in a safe condition. Contractor Parties shall not issue nor permit the use of unsafe hand or power tools. Electrical power tools shall be grounded or double insulated and protected by a Ground Fault Circuit Interrupter at the power source. Pneumatic power tools shall be secured to the hose or whip by some positive means. Air compressors will be equipped with a check valve to prevent unrestricted airflow. Only properly trained Contractor Parties'

personnel performing work on the Job Site shall operate power actuated tools. The Contractor Parties shall maintain certification documentation on their personnel performing work on the Job Site that require the use of powder-actuated tools during performance of the work on the Job Site. Cords, leads and hoses shall be kept at least seven (7) feet off the ground or placed out of the way to prevent a tripping or traffic hazard. The use of razor or any type knife to strip cable or wire is forbidden. Any and all cable or wire will be stripped using a proper cable stripping or wire stripping tool.

- **Compressed Gas Cylinders**

Compressed gas cylinders shall be stored upright in racks or carts at all times. Oxygen cylinders in storage shall be separated from fuel gas cylinders or combustible material a minimum of twenty-five (25) feet, or by a non-combustible barrier at least five (5) feet high having a fire resistant rating of at least one-half hour. Empty cylinders shall be stored separate from full cylinders and stored with like cylinders. "No Smoking" signs shall be posted at storage areas and signs shall clearly indicate contents of the cylinders. When transporting, moving and storing cylinders valve protection caps shall be in place and secured. Cylinders shall not be hoisted by magnets or choker slings. Valve protection caps shall not be used for hoisting cylinders. Cylinders shall be kept away from sparks, hot slag and flames, or be adequately protected. Cylinders shall not be placed where they can become part of an electrical circuit. Cylinders shall be labeled as to the nature of the contents. Anti-flash back valves shall be provided on all oxygen and acetylene lines.

- **Rigging Equipment**

All rigging equipment shall be free from defects, in good operating condition and maintained in a safe condition. Rigging equipment shall be inspected before use on each shift and as necessary to ensure that it is safe. The Contractor Parties shall be required to perform daily inspections, which such inspections are to be documented on the day's tailboard. A designated, Competent Person of the Contractor Parties performing work on the Job Site shall thoroughly inspect and document rigging equipment inspections monthly to ensure that it is in safe condition. Rigging shall be properly stored off the ground and from exposure to the sun, rain, snow, etc. Rigging can be damaged or compromised because of poor storage methods.

- **Cranes and Derricks**

The Contractor Entities performing work on the Job Site shall certify all cranes and derricks as being in safe operating condition before using the crane or derrick on the Job Site. This certification shall be maintained by the Contractor Parties and provided to the relevant NextBridge Entity upon request. Cranes and derricks shall be inspected daily prior to use. A more thorough monthly inspection shall be made when said monthly inspections are recommended by the manufacturer. The Contractor Parties shall maintain records on the Job Site of these inspections and provide copies to the relevant NextBridge Entity upon request. Any deficiencies shall be repaired, or defective parts replaced before continued use. The Contractor Parties shall comply with the manufacturer's specifications and limitations applicable to the operation of all cranes and derricks. All operators of cranes shall be properly licensed and/or certified by a Competent Person. Copies of operator certifications shall be maintained on the Job Site and copies made available to the relevant NextBridge Entity upon request. The swing radius of cranes shall be barricaded. Hand signals shall be posted in an operator's station; Contractor Parties' personnel assigned to work around the crane on the Job Site will be trained in the use of hand signals. There shall be one designated signal person for each lifting operation. Equipment shall not be operated where any of the equipment or load will come within ten (10) feet (3.1m) of electrical distribution or transmission lines less than 50 kV. Minimum clearance between lines and any part of the crane or load must be ten (10) feet PLUS 0.4 inches for each 1kV over 50kV or twice the length of the line insulator but never less than ten (10) feet. The Contractor Parties shall not permit their personnel to ride the headache ball, hook, or any load being handled by the crane. While in use, maintenance or lubrication shall not be performed. Rated load capabilities, recommended operating speeds, special hazard warning and special instructions shall be visible to the operator while at the control station. Tag lines shall be used on all loads. Special caution should be used in concrete bucket operations.

Contractors shall conduct "spotter" training for all employees assigned to be spotters for heavy equipment.

- **Equipment**

All equipment must be inspected daily before use. A more thorough monthly inspection shall be made when said monthly inspections are recommended by the manufacturer. All inspections must be documented and copies shall be provided to the relevant NextBridge Entity upon request. Defective equipment shall be removed from service immediately and repairs made as soon as possible. All rubber-tired self-propelled scrapers, rubber-tired front-end loaders, rubber-tired dozers, wheel-type agricultural and industrial tractors, crawler tractors, crawler-type loaders and motor graders shall be equipped with rollover protective structures and seat harnesses. All operators of construction equipment shall be properly licensed and/or certified by a Competent Person. Copies of operator certifications shall be maintained on the Job Site and provided to the relevant NextBridge Entity upon request. All equipment with an obstructed view to the rear shall have a reverse signal alarm audible above the

surrounding noise level or a flagman. All cracked or broken glass shall be replaced before bringing vehicles on the Job Site. If glass is broken or damaged on the Job Site, and if the damage is severe enough to cause a potential safety problem, the machine shall be stopped until such damage has been repaired. While in use, maintenance or lubrication shall not be performed. Standing or riding on the back of a piece of equipment is prohibited. Seat belts shall be worn when operating any equipment with rollover protection. All Contractor Parties' personnel performing work on the Job Site operating a forklift, owned or leased, must possess and be able to present upon request, a forklift training certification card specifying their qualification for that class of forklift.

- **Motor Vehicles**

All Contractor Parties' personnel driving on the Job Sites are required to have property damage and personal liability insurance on personal vehicles. All drivers of motor vehicles shall be licensed, trained, and instructed to exercise good cautious operating judgment as well as observe posted speed limits. Seat belts shall be worn at all times when traveling in any vehicle. Horns are to be sounded at blind corners, when passing, etc. Riding in the back of any type of truck is strictly prohibited. While in use, maintenance or lubrication shall not be performed.

- **Ladders**

Ladders shall be inspected prior to use and documented on the day's tailboard. The use of ladders with broken, cracked, or missing rungs or steps, broken or split rails or other defective construction is prohibited. Damaged or defective ladders will be removed from the Job Site. Ladders shall extend no less than 36 inches above landing and be secured to prevent displacement. Stepladders must be set level with spreaders locked. Portable ladders must be equipped with safety shoes. Wooden ladders are not to be used on the Job Site. Metal or conductive ladders shall not be used where they may become energized.

- **Floor and Wall Openings and Stairways**

Tower ladder hatches will be kept closed. Contractor Parties' personnel passing through a hatch must close the hatch prior to performing any other task or continuing to climb. Floor and wall openings shall be guarded by a standard guardrail, including midrail and toeboard or a cover installed and secured to prevent movement. Guardrails must be of sufficient strength to support two hundred (200) pounds of pressure when applied at midspan of the guardrail parallel with the floor and perpendicular to the guardrail with a minimum deflection of three (3) inches. Covers must be adequately secured to prevent displacement and have "Danger" signs attached identifying the hazard. Every flight of stairs having four (4) or more risers shall be equipped with standard stair railings. Stairs are not to be used until risers and railings are securely installed. Treads will be poured as soon as possible where poured treads apply and stairways are not to be used until treads are poured. Debris and other loose materials shall not be allowed on stairways or at stairway access points.

- **Excavations and Trenching**

Prior to opening any excavation or trench, the Contractor Parties performing such work on the Job Site must notify the relevant NextBridge Entity. In addition, the Contractor Parties performing work on the Job Site shall contact any other necessary personnel within ten (10) days prior to commencing any digging, to determine whether underground installations, (sewer, telephone, fuel, electric lines, etc.) may be encountered and where they are located. An excavation permit may be specifically required by the project. Excavations and trenches shall be inspected by a Competent Person daily and after every rainfall to determine if they are safe. The evaluation shall include the work activity, as well as, non-work related traffic. Inspections shall be documented and copies are to be provided upon request to the relevant NextBridge Entity within three (3) working days of completion. After the soil is classified, all banks four (4) feet high or more shall be sloped, shored, or have trench shields installed. Spoils will be located no closer than two (2) feet from the edge of the excavation. Ladders or steps shall be provided in all trenches four (4) feet or more in depth. Ladders or steps shall be located to require no more than twenty-five (25) feet of lateral travel before having access. All open trenches and other excavations shall be provided with suitable barriers, signs and lights to the extent that adequate protection is provided. Barricades may be removed if necessary to allow unrestricted access while working in an excavation. Barricades must be reinstalled prior to the end of shift or Personnel otherwise leaving the area. All walkways or ramps crossing over excavations shall be secured in place and equipped with standard guardrails.

- **Confined Space Entry**

At a minimum, "Confined Space" will be recognized as defined by Canadian regulations. Confined Space entry shall be performed in compliance with Canadian regulations and will include a permit system, air sampling, and proper training.

- **Housekeeping**

During the course of construction, all field trash, debris and scrap material shall be promptly disposed of and shop/work areas shall be kept clean and orderly. The Contractor Parties performing work on the Job Site shall provide containers for the

collection and separation of waste, trash, oily rags and other refuse. Metal (dumpster type) containers must be used and emptied promptly. Garbage and other waste shall be disposed of at frequent and regular intervals in a manner approved by the relevant NextBridge Entity's designated project manager. The Contractor Parties shall notify the relevant NextBridge Entity in writing of any hazardous waste that will be generated during performance of the work on the Job Site. The Contractor Parties have the direct responsibility of maintaining proper storage of these wastes while on the Job Site and will verify to the relevant NextBridge Entity in writing that the wastes have been disposed of in a legal manner. Contractor Parties' personnel shall not pour, bury, burn, nor in any way dispose of any chemical on the Job Site without the written permission of the relevant NextBridge Entity. The Contractor Parties shall dispose of all combustible debris generated on the Job Site to an approved solid waste disposal site. No open burning of debris or rubbish will be permitted on the Job Site. Materials and supplies shall be stored in locations that will not block access ways, and shall be arranged to permit easy cleaning of the area. Smoking is prohibited in all enclosed buildings and in areas posted as "No Smoking Area". All cigarette ends (fire hazard in the dry areas) must be disposed of appropriately; do not throw on the ground. All hoses, cables, extension cords, and similar materials shall be located, arranged, and grouped so they will not block any access way and will permit easy cleaning and maintenance.

- **Safe Work Practices**

Safe work procedures shall be developed by the contractor for the following processes:

Helicopter safety  
 Slings loads with a helicopter  
 Driving safety  
 All-terrain vehicle safety  
 Snowmobile safety  
 Work in remote locations  
 Wildlife safety  
 Bear deterrents  
 Cougar survival  
 Wilderness survival  
 Working in cold and hot environments  
 Working on or near ice and along rivers.  
 Boat Safety  
 Drilling safety  
 Lightning hazards  
 Ground disturbance Guidelines  
 Open Blade Knife Policy  
 Winter footwear

- **Weather Event/Severe Storm Emergency Response Procedure**

Contractor Parties shall implement an organized, orderly system to prepare the Contractor Work Area for inclement weather associated with weather events, severe storms, and lightning.

Contractor Parties are responsible for developing and training personnel on the Job Site in a weather event/severe storm emergency response procedure.

Contractor Parties shall establish a storm damage assessment team.

- **Weather Event/Severe Storm Preparedness Plan**

Contractor Parties shall inspect the Job Site, contractor work area, storage areas, shops and trailers to ensure all Contractor Parties' equipment and material are properly secured. Contractor Parties shall establish a call-in team in the event preparations need to be made after hours. As a minimum, the following should be accomplished:

**Weather Event/Severe Storm Watch (36 to 48 Hours' Notice):**

1. Band and secure all lumber.
2. Band and secure all plastic pipes, conduit, and other similar objects.

3. Band and secure all siding, decking, sheet metal, and other similar objects.
4. Dismantle and/or secure all scaffolds and temporary platforms.
5. Inspect and secure all temporarily installed piping, ductwork, and equipment. The may include adding lashing or lowering the equipment or material to the ground.
6. Finish bolting up all unfinished erected structural steel. Add additional steel, if necessary, to ensure the stability of the structure.
7. Lash down all unsecured tanks, silos, ductwork, and hoppers.
8. Tie down all storage vans, containers, and temporary structures. This includes stairways, print shacks, and other similar structures.
9. Tie down all gang boxes or other similar items located in elevated positions up in the structures.
10. Dismantle and/or secure all large signs and similar structures.
11. Remove all radiation sources from the project.
12. If possible, remove all fuel trucks and tanks from the project. Trucks and tanks left on the Job Site shall be secured and diked to contain a spill.
13. If possible, all of Contractor's Parties' hazardous material shall be removed from the Job Site. Material left on the Job Site shall be secured and diked to contain a spill.
14. All elevated work areas for example, Turbine decks, shall be cleared of all loose material.

**Weather Event/Severe Storm Warning (1 to 24 Hours' Notice):**

1. Contractor Parties should make sure that all materials and equipment are secured by this time.
2. Contractor Parties will shut down the contractor work area construction power system.
3. Contractor Parties will shut off the construction water system.
4. All crane booms shall be lowered to the ground and secured.
5. All small vehicles such as golf carts, welding machines and compressors shall be secured.
6. All office trailers and buildings shall be locked.
7. Job Site shall be evacuated.

**Following a Weather Event/Severe Storm:**

1. Once the weather event/severe storm has passed, the Contractor Parties shall return to the Job Site to determine if the contractor work areas are safe for Contractor Parties' personnel re-entry.
2. Contractor Parties shall appoint a management person as a contact. The Contractor Parties who perform work on the Job Site shall communicate to the appointed persons the condition of the contractor work area.
3. If the contractor work area is unsafe for entry, the Contractor Parties shall determine what resources are needed to make the contractor work area safe for re-occupancy.
4. The Contractor Parties shall appoint a single point of contact for the necessary resources to prepare the contractor work area for re-occupancy.
5. Only when the contractor work area has been determined safe for re-occupancy by the relevant Contractor Parties' and the relevant NextBridge Entity shall the Contractor Parties' personnel be allowed back to the contractor work area to resume normal construction activities.

**Weather Events/Severe Response Construction Site Team**

The Contractor Entity shall maintain a list of team members and phone numbers of those Contractor Parties' personnel on the Job Site/Contractor Work Area teams.

## Exhibit R

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## Exhibit S

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## Exhibit T-1

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## Exhibit T-2

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## Exhibit T-3

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## Exhibit T-4

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## Exhibit T-5 Form of Provisional Acceptance Certificate

### Provisional Acceptance Certificate

DATE: \_\_\_\_\_

1. Unless otherwise defined herein, the capitalized terms used throughout this Provisional Acceptance Certificate shall have the meanings as set forth in the Procurement and Construction Agreement for Transmission Facilities effective as of [\_\_\_\_\_] [\_\_\_], 201[\_\_\_], between NextBridge Infrastructure LP (“Owner”) and [\_\_\_\_\_] (“Contractor”).
2. Contractor certifies and represents that the following statements are true as of the date of delivery of this Provisional Acceptance Certificate to Owner:
  - a) The Contractor has satisfied all of the requirements for the achievement of Provisional Acceptance in accordance with the Agreement.
  - b) Contractor has delivered this form, completed except for signature by Owner, to Owner’s duly authorized representative on the above date.
  - c) Punch List Items not completed to date are listed below or on the attached sheet:  
  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.
  - d) The following are the assigned responsibilities for security, maintenance, utilities, damage to the Work, and insurance.  
  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.
3. The person signing below is authorized to submit this form to Owner for and on behalf of Contractor.

[Contractor]:

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

**Exhibit T-5**  
**Form of Provisional Acceptance Certificate**

**Provisional Acceptance Certificate**

Owner to cross through one (1) of the following statements:

- A. Owner agrees that the Contractor has satisfied all the required obligations and has achieved Provisional Acceptance for his scope of work. This Provisional Acceptance Certificate was received by Owner on the date first written above and is effective as of that date.
- B. Owner does not agree that the Contractor has satisfied his required obligations, and therefore has not achieved Provisional Acceptance for his scope of work, due to the omissions, liens, or defects listed below and/or the incomplete nature of the specified portions of the Work listed below or on the attached sheet:

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NextBridge Infrastructure LP:

The person signing below is authorized to sign the Provisional Acceptance Certificate for and on behalf of Owner.

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

## **Exhibit T-6**

### **Form of Final Acceptance Certificate**

#### **Final Acceptance Certificate**

Date: \_\_\_\_\_

1. Unless otherwise defined herein, the capitalized terms used throughout this Final Acceptance Certificate shall have the meanings as set forth in the Procurement and Construction Agreement for Transmission Facilities effective as of [\_\_\_\_\_] [\_\_\_], 201[\_\_\_], between NextBridge Infrastructure LP (“Owner”) and [\_\_\_\_\_] (“Contractor”).
2. Contractor certifies and represents that the following statements are true as of the date of delivery of this Final Acceptance Certificate to Owner:
  - a) The Contractor has satisfied all of the requirements for the achievement of Final Acceptance in accordance with the Agreement.
  - b) Contractor has delivered this form, completed except for signature by Owner, to Owner’s duly authorized representative on the above date.
3. The person signing below is authorized to submit this form to Owner for and on behalf of Contractor.

[Contractor]:

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



## **Exhibit T-6**

### **Form of Final Acceptance Certificate**

#### **Final Acceptance Certificate**

Owner to cross through one (1) of the following statements:

- A. Owner agrees that Final Acceptance has been achieved. This Final Acceptance Certificate was received by Owner on the date first written above and is effective as of that date.
  
- B. Owner does not agree that Final Acceptance has been achieved by the Contractor due to the omissions, liens or defects listed below and/or the incomplete nature of the specified portions of the Work listed below or on the attached sheet:

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NextBridge Infrastructure LP:

The person signing below is authorized to sign the Final Acceptance Certificate for and on behalf of Owner.

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

Date: \_\_\_\_\_

## Exhibit T-7

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## Exhibit T-8

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## Exhibit T-9

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**Exhibit T-10**  
**Form of Milestone Achievement Certificate**

**Milestone Achievement Certificate**

Date: \_\_\_\_\_

Mr. \_\_\_\_\_  
[Owner Entity Name]  
[Enter Name], Project Manager

Reference: [Contractor] Job No. \_\_\_\_\_  
Subject: Milestone No. \_\_\_\_\_

Dear Mr. \_\_\_\_\_:

[Contractor] certifies:

A. The completion of the following Milestones on the dates set forth below:

<u>Milestone No.</u>	<u>Completion Date</u>
----------------------	------------------------

As evidence of achievement, the attached "Field Completion Certificate(s)" are offered.

B. The Milestones listed in "Field Progress Certificate No. \_\_\_\_" attached hereto have the percentage of completion provided therein.

Very Truly Yours,

[Contractor's Name]  
[Enter Name], Project Manager

Attachment: Field Completion Certificate No. \_\_\_\_  
Field Progress Certificate No. \_\_\_\_

**Exhibit T-10**  
**Form of Milestone Achievement Certificate**

**Field Completion Certificate**

Date: \_\_\_\_\_

To: [Owner Entity Name]  
[Enter Name], Project Manager

\_\_\_\_\_

From: [Contractor's Name]  
[Enter Name], Site Manager

\_\_\_\_\_

Subject: Milestone Number \_\_\_\_\_

This is to certify that the following milestone was completed on \_\_\_\_\_

Milestone Number: \_\_\_\_\_

Milestone Description: \_\_\_\_\_

SIGNED: \_\_\_\_\_  
[Contractor's Name]  
[Enter Name], SITE MANAGER

DATE: \_\_\_\_\_

SIGNED: \_\_\_\_\_  
[Owner Entity Name]  
SITE REPRESENTATIVE

DATE: \_\_\_\_\_

## Exhibit U

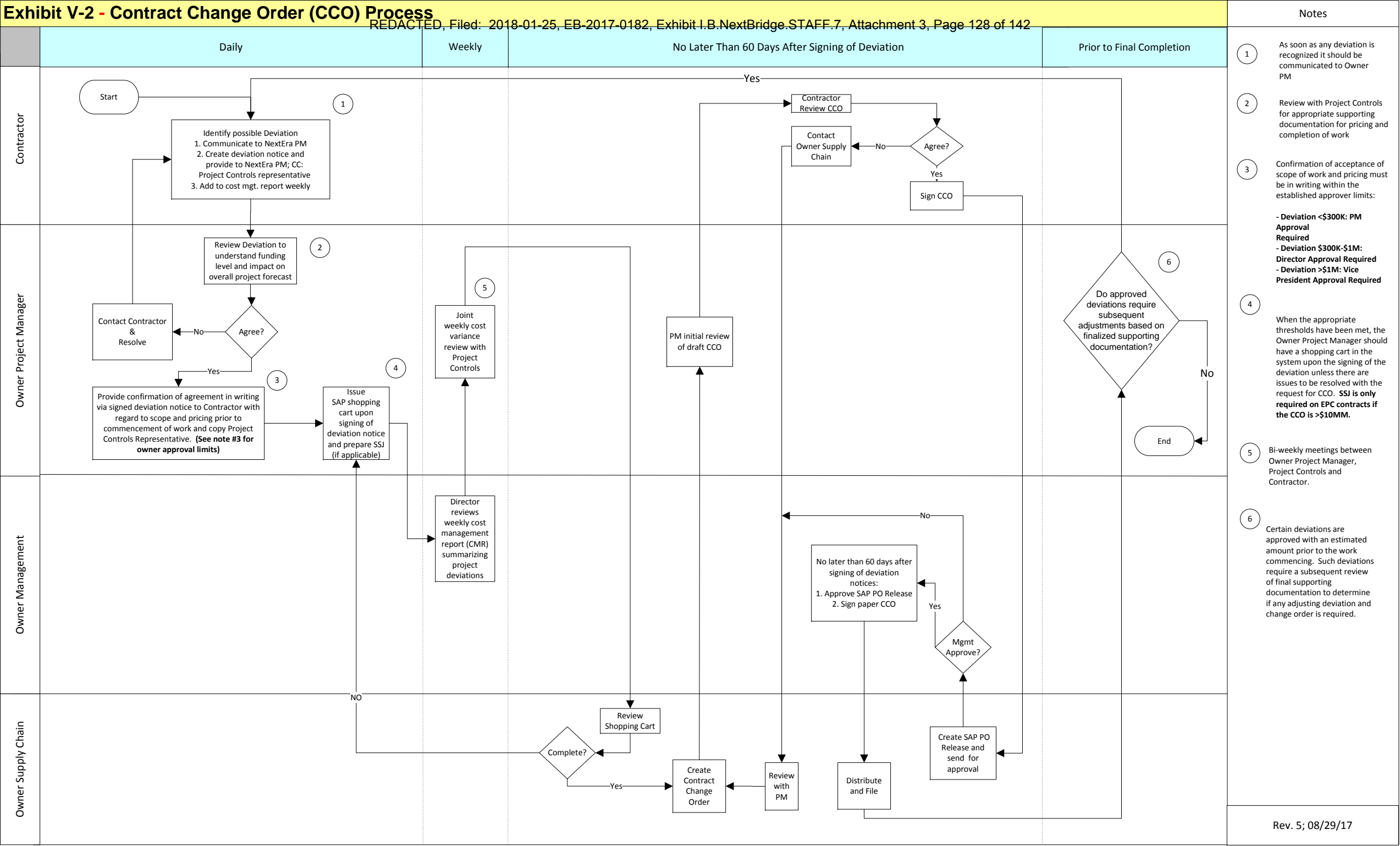
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# **EXHIBIT V-1** **FORM OF SCOPE CHANGE ORDER**

**SCOPE CHANGE ORDER NO. \_\_\_\_\_**

<b>Contractor:</b> _____		<b>Title:</b> _____		<b>Date:</b> _____	
<b>CONTRACT CHANGE: (Detail)</b>					<b>Amount (Circle Credits)</b>
<p>This Scope Change Order No. [____], effective [____], is issued to amend the Engineering, Procurement and Construction Agreement for [____] between [____], a [____] ("Owner") and [____] ("Contractor") dated [____] (the "Agreement") as specified below. The initial capitalized terms used herein, unless otherwise defined in this Scope Change Order, shall have the meanings ascribed to them in the Agreement.</p> <p>[INSERT DETAIL OF SCOPE CHANGE]</p>					
<b>Contract Start Date:</b> _____ <b>Contract Completion Date:</b> _____			<b>Total Authorized Amount This Scope Change Order (CAD)</b>		
<b>Schedule of Prices:</b> <b>Lump Sum Fixed Price</b>					
<b>WORK/SERVICE START DATE:</b>			<b>WORK/SERVICE END DATE:</b>		
<b>COST HISTORY</b>		<b>Primary Cause of Change (Check One)</b>		<b>SCHEDULE</b>	
Original Contract Price (CAD)	\$ _____	<input type="checkbox"/>	Variance from Quantity Estimate	<input type="checkbox"/>	Change Does Not Affect
Total Previous Changes Auth. (CAD)	_____	<input type="checkbox"/>	Regulatory Requirements		Guaranteed Substantial
This Change (Net Amount) (CAD)	_____	<input type="checkbox"/>	Construction Changes		Completion Date
<input type="checkbox"/> Firm <input type="checkbox"/> Estimate	_____	<input type="checkbox"/>	Engineering Changes		
Total Contract Price (CAD)	\$ _____	<input type="checkbox"/>	Other Department Requests	<input type="checkbox"/>	Change Does Affect
(Including this change)		<input type="checkbox"/>	Vendor Caused (Identify Back Charges)		Guaranteed Substantial
Could this Scope Change Order Impact Other Contracts?		<input type="checkbox"/>	Constructability		Completion Date
<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/>	Other (Specify) _____		
<div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 45%;"> <p align="center"><b>Accepted by Contractor:</b>            [INSERT CONTRACTOR LEGAL NAME]</p> <p><b>Signature:</b> _____  <b>Name (Print)</b> _____  <b>Title (Print)</b> _____  <b>Date:</b> _____</p> </div> <div style="width: 45%;"> <p align="center"><b>Owner Authorization:</b>            [_____]</p> <p><b>Signature:</b> _____  <b>Name (Print)</b> _____  <b>Title (Print)</b> _____  <b>Date:</b> _____</p> </div> </div>					





Rev. 2/5/16

## Exhibit W-1

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## Exhibit W-2

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**Exhibit X to the EPC agreement is protected confidential material.**

## **Exhibit O**

### **Additional Contractor Responsibilities**

**Part 1 - Aboriginal Project Requirements, Rev 6-15-16**

**Appendix 1 of Part 1- Contractor's Aboriginal Participation Plan, Rev 11-15-17**

**Part 2 - Environmental Protection Plan, Rev 4-28-16**

## Exhibit Y Form of Request For Payment

TO: NextBridge Infrastructure LP  
500-214 King Street, West  
Toronto, Ontario M5H 3S6 Canada  
Attention: [\_\_\_\_\_]

With a copy to:

NextBridge Infrastructure LP  
700 Universe Blvd.  
Juno Beach, FL 33408  
Attention: Invoice Processing Department (Mail Stop: CPM/JB)

### APPLICATION FOR PAYMENT

Contractor's Invoice No.: \_\_\_\_\_

DATE: \_\_\_\_\_

WBS Element: [Provided by Owner]

Purchase Order Number: [Provided by Owner]

Application is made for payment as shown below in connection with the contract.

See continuation sheets attached for additional breakdowns for labor and material.

Prepared by: \_\_\_\_\_

Date: \_\_\_\_\_

ORIGINAL CONTRACT PRICE	\$_____ (CDN)
Net Change by Scope Change Orders	\$_____ (CDN)
CONTRACT PRICE TO DATE	\$_____ (CDN)
Less Prior Applications for Payment	\$_____ (CDN)
CURRENT APPLICATION FOR PAYMENT	\$_____ (CDN)
<b>BALANCE OF</b>	
<b>CONTRACT PRICE</b>	<b>\$_____ (CDN)</b>

## **Exhibit Z**

### **FORM OF QUALITY CONTROL PROGRAM**

Contractor shall have in effect at all times a Project Quality Assurance Program which has been approved by Owner which as a minimum conforms to the American National Standard ANSI/ASQ ISO 9001, Model for Quality Assurance, or an approved alternative. This QA Program shall ensure that all materials and services (including subcontracted materials and services) provided on this project comply with the specification and applicable Codes.

#### **1.0 Quality Assurance Program:**

- 1.1 Contractor shall have a QA Program in effect at all times to verify that all items and services, including subcontracted items and services, comply with the contract requirements.
- 1.2 This program will clearly establish the authority and responsibility of those responsible for the QA Program. Persons performing quality functions will have sufficient and well-defined responsibility and authority to enforce quality requirements; to identify, initiate, recommend, and provide solutions to quality problems; and to verify the effectiveness of the solutions.
- 1.3 Contractor shall submit a controlled copy of his QA or Quality Control Manual for review and acceptance by Owner. In addition, Contractor will make available for review copies of any associated implementing procedures and/or instructions. A post award meeting will be held at Contractor's facility to discuss the Project's QA and quality requirements.
- 1.4 Contractor shall utilize a quality plan for all stages of the project including design, procurement, installation/erection, testing, start-up and turnover. The quality plan will identify critical activities, inspections and other quality verification points that will be performed to ensure the quality of work meets specified requirements.
- 1.5 Prior to the post award meeting, Contractor shall make available for review the Quality Control Manual for the project that includes implementing procedures, instructions, and check-sheets (which may include but not limited to):
  - 1.5.1 Test & Inspections
  - 1.5.2 Quality System Audits
  - 1.5.3 Nondestructive Examination Control
  - 1.5.4 Control of Special Process
  - 1.5.5 Non-conformance Control and Corrective Actions
  - 1.5.6 Material Control
  - 1.5.7 Document Control and Record Retention

Contractor's preliminary site Construction Quality Plan includes "Inspection and Test plans" that comply with the National Codes (ASME, AWS, ACI). Owner will perform an overview of Contractor's Quality System. This overview does not include "Hold" or "Witness" points. Every effort will be made to implement a meaningful overview without impeding Contractor's efforts or job progress. Owner's overview is intended to assist Contractor implement an effective Quality System and associated quality controls focused on problem prevention and continuous improvement. Concerns arising from the overview activities will immediately be conveyed to Contractor for incorporation into Contractor's Quality System or Project's Quality Plan for corrective action, recurrence control, and trending. Owner's representatives will continually monitor and evaluate Contractor's timeliness and adequacy of corrective actions and recurrence controls.

- 1.6 If subsequent to its acceptance, the QA Program is found to be ineffective or inadequate in providing acceptable quality controls, Owner reserves the right to require the necessary revisions.

#### **2.0 Contractor's Responsibilities for Suppliers**

- 2.1 Material and equipment quality control: Contractor shall provide new equipment, materials and workmanship for their application.
- 2.2 Contractor is responsible for the work and materials specified in the contract and shall require its subcontractors/suppliers to comply with the appropriate technical and quality requirements of the specification and associated procurement documents.
- 2.3 Contractor will identify, in purchase documents to his suppliers, all applicable quality and QA requirements imposed by the specification on Contractor and will ensure compliance thereto. Contractor has the prime responsibility for vendor surveillance and evaluating and monitoring the implementation of the Quality Assurance Programs of his suppliers. . The degree of overview should be based on results of the evaluation and ongoing quality performance.



## **Exhibit Z**

### **FORM OF QUALITY CONTROL PROGRAM**

- 2.4 Contractor will submit a copy of his Vendor Surveillance plans to Owner for review prior to implementation. Upon request, Contractor will submit to Owner copies of the reports of the vendor surveillance activities that he performs on his suppliers.
- 3.0 Witness Points**
- 3.1 Owner will have the right to establish witness points for which Contractor will give ten (10) business days prior notification. In addition, Owner may establish witness points to ensure resolution of quality problems.
  - 3.2 Witness points are defined as predetermined points during fabrication when equipment or activities may be inspected or witnessed for compliance with the Agreement, specification, and quality requirements.
  - 3.3 Owner will have the right to access Contractor and Contractor's Suppliers facilities at any time to verify the progress and quality of the work.
- 4.0 Stop Work Action**
- 4.1 Owner will orally notify and confirm in writing to Contractor of any situation where, in the judgment of Owner, Contractor or Contractor's suppliers are performing work contrary to the conditions and terms of the Contract or where continued operations could cause damage, preclude further inspection, or render remedial action ineffective for any product or service provided by Contractor or Contractor's suppliers.
  - 4.2 If, after this notification, Contractor does not commence appropriate corrective action to the satisfaction of Owner, Owner will initiate stop work action on the specified product or service and so notify Contractor in writing.
  - 4.3 Upon receipt of a Stop Work Directive (SWD) from Owner, Contractor and Contractor's suppliers will cease operations, including shipments, on any specified product or service to the extent stipulated by the SWD. Resumption of operations will not be undertaken until Contractor has obtained a written authorization from Owner. A written authorization to resume further operations will only be granted upon approval of Contractor's written commitment to correct those conditions itemized on the SWD. Correction of the actual deficiency will be required prior to release for shipment.
- 5.0 Deviations and Nonconformance's**
- 5.1 Departure from any requirement of this Specification shall be considered a deviation or nonconformance. Examples include physical defects in equipment, test failures, equipment out-of-tolerance, or deviations from the specification, inspection or test procedures. No deviation or nonconformance from this Specification will be accepted until approved in writing by Owner.
  - 5.2 Access to Contractor's facility and their suppliers' facilities shall be provided to the Owner (or agent) at its' option, to evaluate the effectiveness of the quality systems. Necessary changes, which may be required to conform to the above requirements, shall be made by Contractor.
- 6.0 Inspection, Shop Testing and Quality Verification**
- 6.1 Contractor shall develop, implement and provide to the owner a Quality Control Plan for Equipment Suppliers that identifies the level and extent of shop inspection, testing and other quality verification activities. Contractor shall identify the number of man-days budgeted regarding each equipment supplier listed on the Quality Control Plan.
  - 6.2 Testing programs shall be established by Contractor, but shall not be less thorough than the manufacturer's standard testing procedures or as outlined in the major equipment contracts. Contractor is responsible for insuring that the manufacturers meet specification requirements for quality, inspections and testing contained in all equipment contracts.
  - 6.3 Contractor's inspection and testing programs can be established based on previous experience however Contractor shall demonstrate to Owner justification of inspection activities.
  - 6.4 Contractor shall perform inspection, shop testing or other quality verification activities with appropriately qualified and experienced personnel.
  - 6.5 Contractor shall develop and maintain a monthly schedule that identifies the quality verification activities and witness points to be performed on this project. Copies of this schedule shall be provided to the owner.
    - 6.5.1 The Owner reserves the right of shop inspection visits and may witness shop tests, provided that Contractors Schedule is not impacted. Any shop inspections by Owner does not relieve Contractor of its responsibility contained in the terms of the Contract. Contractor shall notify

## **Exhibit Z**

### **FORM OF QUALITY CONTROL PROGRAM**

Owner of impending inspection visits or tests at least ten (10) business days in advance of inspections or tests. Shop inspections shall also be identified in Contractor's schedule.

6.6 Contractor shall furnish to Owner certified copies of test reports and shop tests whether Owner witnesses the shop test or not.

#### **7.0 Equipment Expediting Services**

Expediting services are included for all engineered equipment to track the engineering phase to ensure timely delivery of vendor design drawings and documents, as well as timely engineering design drawing review, and timely resolution of open issues. Expediting services are also included to track the manufacturing and testing phase to ensure timely shipment of equipment that passes all tests and meets vendor as well as Contractor quality assurance and quality control program requirements.

#### **8.0 Construction Quality Control**

First line, primary inspection and testing (hereafter referred to as Quality Control) is the responsibility of Contractor. Contractor's quality control procedures shall be clearly stated in the Project's Quality Control Manual, and shall specify field inspections and inspection criteria. Problems discovered during inspections and testing which could impair job cost, schedule, or facility function, will be immediately conveyed to Owner.

#### **9.0 Construction Meetings**

Contractor shall conduct meetings with subcontractor supervisory personnel prior to task performance, to insure understanding of the design specification requirements. At this time, inspection requirements and witness points shall be explained. Meetings shall be documented.

#### **10.0 Construction Surveillance**

The surveillance, which shall include hands-on inspections and documentation, verifies that the installations conform to the drawings, specifications, and applicable codes. Surveillance shall include in-process inspections, early in the process, as an effort to evoke problem prevention instead of problem resolution that comes with performing only final inspections. Contractor is obligated to engineer, construct and operate equipment in accordance with manufacturers' recommendations. Owner must be notified in writing prior to Contractor initiating actions that deviate from manufacturer's recommendations.

#### **11.0 Test Monitoring**

Testing shall be observed and documented by qualified Contractor personnel. Testing procedures and test reports should be reviewed as well as direct observation of the test process.

#### **12.0 Inspection Plan**

Contractor shall develop an Inspection Plan that identifies the Quality Control activities Contractor will perform. This plan shall outline the usage and extent of the above methods, or additional methods to be used by Contractor to monitor the quality of the installation.

#### **13.0 As-Builts**

Contractor shall develop and implement a document control program to ensure that the project submittals identified in the EPC Agreement are properly controlled and as-builts are provided to the owner in accordance to the project document submittal schedule.

## Exhibit AA-1

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## Exhibit AA-2

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# Statutory Declaration of Progress Payment Distribution by Contractor

Standard Construction Document

**CCDC 9A - 2001**

To be made by the Contractor **prior to payment** when required as a condition for either:

- ☐ second and subsequent progress payments; or  
☐ release of holdback.

The last application for progress payment for which the Declarant has received payment is No. \_\_\_\_\_  
dated the \_\_\_\_\_ day of \_\_\_\_\_,  
in the year \_\_\_\_\_.

## Identification of Contract

Name of Contract (Location and description of the Work as it appears in the Contract Documents)

Date of Contract:

Day

Month

Year

Name of Owner

Name of Contractor

## Identification of Declarant

Name of Declarant

Position or Title (of office held with Contractor)

## Declaration

I solemnly declare that, as of the date of this declaration, I am an authorized signing officer, partner or sole proprietor of the Contractor named in the Contract identified above, and as such have authority to bind the Contractor, and have personal knowledge of the fact that all accounts for labour, subcontracts, products, services, and construction machinery and equipment which have been incurred directly by the Contractor in the performance of the work as required by the Contract, and for which the Owner might in any way be held responsible, have been paid in full as required by the Contract up to and including the latest progress payment received, as identified above, except for:

- 1) holdback monies properly retained,
- 2) payments deferred by agreement, or
- 3) amounts withheld by reason of legitimate dispute which have been identified to the party or parties, from whom payment has been withheld.

I make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath.

Declared before me in \_\_\_\_\_  
City/Town and Province

this \_\_\_\_\_ day of \_\_\_\_\_, in the year \_\_\_\_\_.

Signature of Declarant

(A Commissioner for Oaths, Notary Public, Justice of the Peace, etc.)

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# Statutory Declaration

Standard Construction Document

## of Progress Payment Distribution by Subcontractor CCDC 9B - 2001

To be made by the Subcontractor **prior to payment** when required as a condition for either:

- ☐ second and subsequent progress payments; or  
☐ release of holdback.

The last application for progress payment for which the Declarant has received payment is No. \_\_\_\_\_

dated the \_\_\_\_\_ day of \_\_\_\_\_,  
in the year \_\_\_\_\_.

### Identification of Subcontract

Name of Subcontract (Location and description of the Work as it appears in the Subcontract Documents)

Date of Contract:

Day

Month

Year

Name of Contractor

Name of Subcontractor

### Identification of Declarant

Name of Declarant

Position or Title (of office held with Subcontractor)

### Declaration

I solemnly declare that, as of the date of this declaration, I am an authorized signing officer, partner or sole proprietor of the Subcontractor named in the Subcontract identified above, and as such have authority to bind the Subcontractor, and have personal knowledge of the fact that all accounts for labour, subcontracts, products, services, and construction machinery and equipment which have been incurred directly by the Subcontractor in the performance of the work as required by the Subcontract, and for which the Contractor might in any way be held responsible, have been paid in full as required by the Subcontract up to and including the latest progress payment received, as identified above, except for:

- 1) holdback monies properly retained,
- 2) payments deferred by agreement, or
- 3) amounts withheld by reason of legitimate dispute which have been identified to the party or parties, from whom payment has been withheld.

I make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath.

Declared before me in \_\_\_\_\_

City/Town and Province

this \_\_\_\_\_ day of \_\_\_\_\_, in the year \_\_\_\_\_.

Signature of Declarant

(A Commissioner for Oaths, Notary Public, Justice of the Peace, etc.)

**The making of a false or fraudulent declaration is a contravention of the Criminal Code of Canada, and could carry, upon conviction, penalties including fines or imprisonment.**

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STAFF INTERROGATORY #8

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit B, Tab 9, Schedule 1, page 3, lines 10-12

NextBridge indicated that the construction and equipment procurement plans provided by the potential general contractors included recognition of the risks associated with reasonable escalation rates over the life cycle of the New EWT Line Project.

Question:

Please advise as to how the construction and equipment procurement plans of the successful bidder account for these risks.

RESPONSE

Based on the Contractor's knowledge of the construction labour market, the Contractor has forecasted and committed to a pricing of their construction services and equipment procurement plans based on the current East West Tie Line Project schedule and completion date. The construction contract would not be subject to escalation adjustments, unless the Project is delayed beyond the in service date of the end of 2020.



STAFF INTERROGATORY #9

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit B, Tab 9, Schedule 1, page 2, lines 4-8 and EB-2011-0140, UCT Response to Board Interrogatory 26, Attachment 1

Preamble:

Since 2012, the New EWT Line Project has progressed through the development phase, which included stakeholder consultation and resulting refinements to the project, which have impacted the total project cost estimates. To develop the total project cost estimate, NextBridge:

- a) compared the New EWT Line Project against similar projects;
- b) received external cost estimates from competitive procurements involving Requests for Proposals (“RFP”); and
- c) estimated and revised costs due to new project scope requirements, the extension in the New EWT Line’s in-service date to 2020, cost of imported materials, and other project refinements that are subject to change over the course of the development of the New EWT Line.

Questions:

- a) Please describe each of the three factors above and how it affected the total project cost estimate as compared to the cost estimate filed in the answer to IR 26 in the designation proceeding.
- b) Please specifically describe the new project scope refinements and related cost estimate variances for the project.
- c) Please provide details of the similar projects that were used to develop construction cost estimates, including in-service year of the comparator projects and similarities/differences in terms of voltage level, length of line, cost, location, type of towers, type of terrain, etc. Please also provide details of any cost overruns in those projects.

## RESPONSE

a) Each of the identified factors is addressed below:

- i. NextBridge estimated the project construction costs using NextEra Energy Resources, LLC affiliates experience on similar capital projects that provide an informed understanding of labour and material costs and cost drivers.

Once the project construction costs were determined and adjustments for market pricing and modifications to the scope as described below were made and quantified, then, total project costs were compared. NextBridge employed a high level review of three resources for its comparative analysis: Hydro One's East West Tie Project Definition Report (2010), Western Electricity Coordinating Council *Capital Costs for Transmission and Substations – Updated Recommendations for WECC Transmission Expansion Planning (2014)*, and the Alberta Electric System Operator Cost Benchmark Database. Additionally, since the date of filing, NextBridge retained Charles River Associates to prepare an independent benchmarking study assessment of the NextBridge cost estimate. See NextBridge's response to CCC Interrogatory #11, found at Exhibit I.B.NextBridge.CCC.11 for a copy of the report. These comparisons did not cause NextBridge to adjust its estimated cost, but instead provided additional confirmation that the estimate was competitive and reasonable.

- ii. The estimated costs were adjusted based on actual market pricing for labour and material based on the competitive bids that NextBridge solicited through a recent Request for Proposals ("RFP") for the construction services on the project. These costs were established by contractors' efforts to negotiate with subcontractors, equipment and other labour, and service suppliers over several months. Additionally, the Contractors have spent considerable time evaluating and developing their most efficient construction plan through extensive field assessments. All of these efforts by each of the Contractors combined as the basis for their bid given the commercial terms and conditions in NextBridge's draft agreement. Given the Contractors' efforts and competitive bidding, these costs are considered to be representative of the market costs and were used in the executed construction contract.

Information arising out of other RFPs undertaken in relation to the Project was also used to inform the total project cost estimate with market based information. For information related to such RFPs, please see NextBridge's response to SEC interrogatory #8, available at Exhibit I.NextBridge.SEC.8.

- iii. Variances to the scope were also quantified and included in the project estimate. For how these scope variances and refinements affected the total project cost estimate, please see NextBridge's response to Board Staff Interrogatory #24, found at Exhibit I.B.NextBridge.STAFF.24.
- b) See NextBridge's response to Board Staff Interrogatory #24, found at Exhibit I.B.NextBridge.STAFF.24.
- c) See responses to part a) i. of this interrogatory above, and NextBridge's response to Board Staff Interrogatory #32, filed on March 28, 2013 in EB-2011-0140, attached here for ease of reference.

## UPPER CANADA TRANSMISSION, INC.

### Response to Board Interrogatory 32 to all Applicants

Please complete the following tables, detailing all transmission projects greater than 100 km in length, undertaken by the applicant, its partners, shareholders, affiliates, or any other entities which the applicant is relying on for the purposes of its application, in the past 10 years in all jurisdictions. Please provide the reasons for the budget and schedule variances for each project.

a) Budget Variance Table

Name of project	Details of project	Budgeted cost	Stage of process at which budget created	Actual cost	Variance	Reason for variance

b) Schedule Variance Table

Name of project	Details of project	Estimated development and construction time	Stage of process at which time estimate made	Actual development and construction time	Variance	Reason for variance

---

### Response:

For ease of reading, NextBridge has isolated the project descriptions outside the table.

### **Lone Star Transmission, LLC (LST)**

- Rate regulated transmission operator in Texas.
- 512 km, primarily double circuit 345 kV.
- Five high voltage transmission substations, including series compensation and reactive resources.
- Begins in the Abilene area of Texas to just south of the Dallas metropolitan area.
- Included approximately 1000 tracts of land and 700 landowners.
- Terrain features include a mix of high sandy plains, prairies, savannah, woodlands, limestone surface formations, as well as rocky terrain crossed by narrow streams, occasional drop offs and rolling terrain with clay soils.

### **Texas Clean Energy Express (TCEE)**

- Private generator tie line that connects the Horse Hollow area wind facilities near Abilene, Texas to the LCRA Kendall Substation, southwest of Austin, Texas.
- 344 km, single circuit 345kV and associated 138 kV radial feeders.
- Two 345 kV substations and six 138 kV collection substations including series compensation.
- 270 landowners, 504 crossing agreements, all negotiated without access to the right of expropriation.
- Begins in the Abilene area of Texas with rolling countryside, and transitions into "Hill Country" of central Texas marked by numerous canyons, rocky terrain with occasional steep drop offs and numerous long-span peak to peak crossings of up to 700 feet; the route is heavily wooded with only small portions containing significant areas of population.

### **Blythe Energy, LLC (BE)**

- Private generator tie line that connects the 520 MW Blythe Energy plant to the California ISO Julian Hinds substation.
- 108 km, single circuit 230 kV.

- Two-thirds of the land is managed by the U.S. Department of the Interior, Bureau of Land Management, as well as approximately an additional 50 private landowners.
- Terrain includes agricultural lands in the Palo Verde Valley, California, crossing desert lands with scrub, trees and shrubs, sand dunes and blowing sand playas; there is steeper topography near Desert Center, CA, including unvegetated rock outcrops and some rocky shrub lands.

#### **Peetz-Logan Intertie (PLI)**

- Private generator tie line located between Peetz and Fort Morgan, Colorado.
- 125 km, single circuit 230 kV.
- Over 50 separate landowners.
- The majority of the route is rolling grassland plains typical of Northeastern Colorado.

#### **Montana-Alberta Tie Line (MATL)**

- Contracted merchant transmission line from Great Falls, Montana to Lethbridge, Alberta
- 330 km, 230 kV single circuit
- The line is situated on a combination of privately owned agricultural crop land; Crown lands and State of Montana grasslands with low to very low population densities.

a) Budget Variance Table

Name of project	Budgeted cost	Stage of process at which budget created	Actual cost	Variance	Reason for variance
LST	\$794.1 MM	Public Utility Commission of Texas – Certificate of Convenience and Necessity Filing - April 2010	Forecast cost to completion is \$731.6 MM. Commercial operation commenced March, 2013	(\$62.5 MM)	Reductions in AFUDC due to lower capital expenditure, as a result of favourable pricing of EPC services due to negotiations with vendors.
TCEE	\$238 MM	NextEra OpComm <sup>1</sup> – June 2008	\$267.4 MM	\$29.4 MM	Increase in line length from 315 to 344 km, due to inability to expropriate. Addition of capacitor banks, extensive rock excavation.
BE	\$95 MM	NextEra OpComm <sup>1</sup> – January 2009	\$80 MM	(\$15 MM)	Favourable pricing of EPC services. Decision to lease versus building substation.
PLI	\$34.1 MM	NextEra Board Meeting - May 2006	\$36.1 MM	\$2.0 MM	Line length increase from 107 to 125 km, offset by per km construction costs decreased.
MATL	\$139 MM	The budget was created when the asset was acquired in Q3 2011. At the time construction had been halted by previous owners.	Ongoing with costs not finalized.	Estimated at \$25 MM	Increased contractor and legal costs due to regulatory delay and remediation of construction issues (legacy issues associated with previous project owner).

b) Schedule Variance Table

Name of project	Estimated development and construction time	Stage of process at which time estimate made	Actual development and construction time	Variance	Reason for variance
LST	4 years, 2 months <sup>2</sup>	Public Utility Commission of Texas – Certificate of Convenience and Necessity Filing 4/2010	4 years, 2 months	None	Not applicable.
TCEE	16 months	OpComm <sup>1</sup> – June 2008	15 months	(1 month)	Expediting and paralleling of development, design and construction activities.
BE	18 months	OpComm <sup>1</sup> – January 2009	16.5 months	(6 weeks)	Construction expediting.
PLI	17 months	NextEra Board Meeting - May 2006	16 months	(1 month)	Construction expediting.
MATL	Approximately 1 year from the date of acquisition, with expected completion by end of September 2012.	The schedule was created when the asset was acquired in Q3 2011.	Ongoing with expected completion by end of June 2013.	Estimated at 9 months	Regulatory delay.

<sup>1</sup> OpComm (Operating Committee) is an internal NextEra vetting and approval process which includes a presentation of project budget, schedule, risks and benefits. OpComm approves the budget for a given project.



<sup>2</sup> Based on 2009-01-29 Texas Public Utility Commission award of CREZ project through a 2013-03-31 construction completion.

STAFF INTERROGATORY #10

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit B, Tab 9, Schedule 1, page 1, Table 2 and page 3, lines 17-19

Preamble:

NextBridge states that it has examined the current project definition and, based on experience from previous projects, calculated its construction contingency amount of \$49,399,000.

Questions:

- a) Please show how this amount was calculated and what previous projects were considered to arrive at this number.
- b) Have there been any changes to the contingency estimate filed in NextBridge's July 2017 application?
- c) Explain how the construction contingency estimate has changed since NextBridge's estimate at designation. Were any of the increases in the cost estimate covered by that contingency?
- d) Does NextBridge believe that the current contingency of approximately 6.7% of total construction budget is reasonable given the size and complexity of the project?
- e) How does the current contingency compare to contingencies in other projects of similar size and complexity undertaken by NextBridge related entities?

RESPONSE

- a) As set forth in NextBridge's response to SEC Interrogatory #16, found at Exhibit I.NextBridge.SEC.16, NextBridge partner entities have extensive experience in constructing large capital projects in North America. The NextEra Engineering and

Construction group has drawn on this extensive experience to arrive at a reasonable contingency for this project, based on its level of design and procurement.

As explained in the Leave to Construct Application Exhibit B, Tab 9, Schedule 1, page 4 of 11:

Contingency is calculated based on the value of quantifiable scope at the time of the estimate. Risks are identified and contingency rates are then applied based on a risk assessment and past project portfolio experience.

The experience referenced here is not only a limited set of projects, but, rather, is based on the extensive experience of the NextEra Engineering and Construction group developing and constructing high-voltage transmission lines and generation tie lines throughout North America.

- b) No, there have not been any changes to the contingency estimate filed in NextBridge's July 2017 application.
- c) The contingency was estimated at Designation to be \$35.7M which is approximately 9.0% of the total project cost at designation. The new total in the construction cost estimate filed in NextBridge's July 2017 application was \$49M which is approximately 6.7% of total construction cost. The reduction in the contingency percentage is due to a better quantification and qualification of risks based on knowledge gained throughout the development phase of the project. To elaborate, in both the Designation application and in the Leave to Construct application, the contingency value was assessed based on the estimated costs of the East-West Tie Line Project scope and known or expected risks. The current contingency value represents a lower percentage of the Project costs, which is consistent with the level of design and procurement efforts completed during development. None of the increases in the LTC Application cost estimate were covered by construction contingency estimated at the time of designation.
- d) Yes, NextBridge believes that the current contingency of approximately 6.7% of total construction budget is reasonable given the size and complexity of the East-West Tie Line Project.
- e) The current contingency is comparable to other NextBridge related entity projects, which is typically 5% to 10% of total construction cost, depending on the complexity of design and procurement. NextBridge's assessment of this contingency is representative of a project with well-defined engineering, contracted construction, and consulting services for the majority of the outstanding work based on the project schedule. Materials not yet procured bear some pricing risk, but, this along with other reasonable risks are adequately considered in the current contingency. An outline of the pricing risks referenced here are set forth in NextBridge's responses to Board Staff

Interrogatory #11, found at Exhibit I.B.NextBridge.STAFF.11, Board Staff Interrogatory #29, found at Exhibit I.B.NextBridge.STAFF.29 and HONI Interrogatory #6, found at Exhibit I.B.NextBridge.HONI.6.

STAFF INTERROGATORY #11

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit B, Tab 9, Schedule 1, page 11, lines 5-7

Preamble:

NextBridge states that the contingency does not address certain systemic and unpredictable project risks that could cause substantial delays to the project and increases in cost.

Questions:

- a) Please provide a list of the systemic and unpredictable project risks that are not addressed in the contingency, explain the likelihood of such risks occurring and estimate the potential impact of such events on cost and the in-service date.
- b) Please explain the steps that NextBridge has taken or will take to mitigate these risks.

RESPONSE

- a) NextBridge has provided an extensive list of project risks in response to Board Staff Interrogatory #29, found at Exhibit I.B.NextBridge.STAFF.29 that expand on the risks outlined in the Leave to Construct Application to include those from the designation. These projected risks have been included in the contingency of the project estimate and are deemed reasonable as known potential risks. During project development and construction other unforeseeable risks can arise that are unpredictable. These are not included in project contingency, and without knowing the risk, a potential impact to cost and schedule cannot be estimated.
- b) If unforeseeable risks materialize, NextBridge will address them expeditiously in order to minimize cost and schedule implications.

STAFF INTERROGATORY #12

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit C, Tab 1, Schedule 1, page 5 and Exhibit C, Tab 2, Schedule 1, attachment 4

Preamble:

NextBridge notes that it is working with Hydro One to address the feasibility of crossing Hydro One transmission infrastructure in certain locations, or, in the alternative, moving the Hydro One transmission structures. NextBridge notes that there are no costs associated with the relocation of existing Hydro One infrastructure in its application since there has not been a final determination on the scope of the relocations and discussion with Hydro One is ongoing.

Also included in the evidence is an email from Hydro One to NextBridge expressing its concern over the number of crossing and the impact on reliability of the transmission system and connected customers.

Questions:

- a) Please advise as to the current status of discussions with Hydro One on this issue.
- b) Please describe the potential cost impacts of relocating existing Hydro One infrastructure.
- c) How does NextBridge intend to treat these costs? Would they be covered by the project contingency?
- d) Please explain why crossings at eleven locations cannot be avoided in Hydro One/NextBridge's view. Could changing the routing (and potentially acquiring additional land) impact the number of crossings required? If so, please explain why this option was rejected.
- e) Please describe the reliability impacts for customers and anything Hydro One/NextBridge intends to do to mitigate these impacts.

- f) Has NextBridge agreed with Hydro One to relocate two short sections of circuit T1M? Why or why not?

## RESPONSE

- a) Over the past few years, NextBridge has worked with Hydro One to reduce the number of transmission line crossings from 23 to 15. Hydro One provided its transmission line crossing design criteria and NextBridge incorporated these criteria into the line design for each of the Hydro One transmission crossings. Most recently, NextBridge has resubmitted to Hydro One for approval, transmission crossing designs for 14 of the 15 transmission crossings addressing all prior comments, with one remaining crossing design still to be finalized and sent to Hydro One for approval.

NextBridge continues to work with Hydro One in support of the crossing agreements. An alternative to four of the crossings NextBridge considered included Hydro One relocating their existing T1M 115kV line in two locations between Terrace Bay and Marathon. In NextBridge's view, the relocation of the existing T1M lines will be more expensive than the technically acceptable crossing solutions NextBridge has designed which present fewer cost and schedule risks.

- b) The relocations considered the two locations along the T1M lines where the NextBridge EWT line crosses the T1M line a total of four times. At each of these locations the T1M line approaches and deviates from the existing Hydro One EWT line at a shallow angle, and, thus, requires back-to-back crossings of the T1M line to stay parallel with the existing corridor. Based on a feasibility review of these crossings versus proposed relocation of the T1M lines, NextBridge estimated the incremental cost on the EWT line to be approximately \$1.3MM which includes heavier and taller structures to cross T1M lines. This compares favorably to Hydro One's preliminary estimate of \$1.5MM - \$3.5MM to relocate the identified segments of their T1M line.
- c) The cost of Hydro One's relocation of the two T1M lines is not included in the NextBridge EWT cost estimate as it was an alternative considered, but not included in the current plan. Any net incremental cost of the alternative relocation is therefore not included in the current cost estimate nor expected to be covered by NextBridge's contingency.

- d) To eliminate the remaining eleven Hydro One transmission crossings, (not including the four T1M crossings referenced above), would require a combination of more costly re-routes ranging from an additional approximately 6km to 100km of line, Lakehead Transformer Station reconfiguration, and additional disturbances that may potentially increase environmental and land impacts beyond the current project footprint. NextBridge and Hydro One considered the impacts listed above in their diligent efforts to reduce the number of crossings where feasible.
- e) Although avoidance of crossings by the relocation of these existing lines can be argued as an improvement of the reliability as it omits the risk of the new line being able to impact the existing lines, it is equally argued that the electrical transmission industry accepts crossing of transmission lines in such a manner to minimize the risk as a broadly acceptable mitigation for these reliability concerns. In NextBridge's opinion the alternative costs to relocate these lines are more costly than NextBridge's current plan to cross the existing lines consistent with Hydro One's crossing criteria. In fact, numerous instances of transmission line crossings can be found across the Canadian and American electrical transmission systems, including Hydro One's system. To mitigate potential impact on reliability caused by the crossings, Hydro One has provided NextBridge specific design requirements; including a minimum vertical clearance distance between the transmission lines greater than CSA code requirements, combined with an additional design factor that only recognizes 70% of the design strength of tower, insulators and hardware. Both of these mitigations requested by Hydro One exceed code requirements.

Additionally, the NextBridge EWT line is designed to a 1 in 100 year weather return period which yields higher reliability than the lower voltage lines being crossed, assuming the lower voltage lines are designed to a typical 1 in 50 year weather return period. This inherently further reduces the potential to impact the reliability of the existing lines being crossed by NextBridge's EWT.

- f) No, NextBridge has not agreed to relocate the two sections of the T1M line.

Based on a feasibility review with NextBridge and Hydro One input, it was determined that the alternative cost to relocate these lines is higher than the cost of NextBridge's current plan to cross the existing lines, and NextBridge's plan is compliant with Hydro One's crossing criteria. Additionally, NextBridge is concerned that beyond its initial view of the cost impacts to relocating the existing transmission lines in these locations, Hydro One's timeliness of completing such relocations could potentially present significant delays to the planned in-service due to detailed engineering and permitting not yet started.



STAFF INTERROGATORY #13

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit B, Tab 9, Schedule 1, page 3, lines 21-23

Preamble:

NextBridge states that it reduced controllable project risk by applying its knowledge learned through the development phase.

Question:

Please provide specifics in support of this statement.

RESPONSE

Please refer to NextBridge's response to Board Staff Interrogatory #4, found at Exhibit I.NextBridge.STAFF.4.b.

STAFF INTERROGATORY #14

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit B, Tab 9, Schedule 1, page 1, Table 2

Preamble:

NextBridge estimates interest during construction (IDC) costs of \$31,003,000.

Question:

Please explain how this number was calculated and any assumptions on which this amount is based.

RESPONSE

The \$31MM IDC estimated value was calculated using the OEB prescribed interest rates effective as of the second quarter of 2017 and the assumed cash flow spend for the East West Tie Line Project, which is set forth in NextBridge's response to Board Staff Interrogatory #16 (c) found at Exhibit I.B.NextBridge.STAFF.16.

STAFF INTERROGATORY #15

INTERROGATORY

Ref: EB-2011-0140, UCT Response to Board Interrogatories 26 and 28 and Evidence EB-2017-0182 Exhibit B, Tab 9, Schedule 1, page 1, Table 2

Preamble:

In its answer to IR 28 in the designation proceeding, UCT indicated that the construction phase estimates were arrived at by NextEra in consultation with its external engineering and construction advisors. The 2012 estimates differ, in some cases significantly, from estimates filed in July 2017.

Questions:

- a) Please provide a detailed explanation as to the reasons for the increased cost estimates for each of:
  - Engineering Design and Procurement Activity
  - Materials and Equipment (other than the reasons already outlined in the July 2017 application)
  - Environmental and Regulatory Approvals (including Permits and Licenses)
  - Land rights
  - FN & M consultation
  - other consultations
  - site clearing and preparation (other than the reasons already outlined in the July 2017 application)
  - construction (other than the reasons already outlined in the July 2017 application)
  - site remediation
  - contingency
  - regulatory
  - project management
- b) What steps has NextBridge taken to mitigate and/or contain cost increases for these categories?
- c) What was the result of those mitigation efforts?

- d) Have there been any changes to these estimates since the filing of the July 2017 application?

## RESPONSE

- a) Reasons for increased cost estimates in relation to the identified categories include the following:
- i. Engineering Design and Procurement Activity: Additional geotechnical engineering scope due to a lack of access rights, additional line engineering, surveying (LIDAR/ground), as well as site and access assessments due to multiple line reroutes, additional coordination with MNRF in provincial parks and conservation reserves and extensive crossing coordination with Hydro One.
  - ii. Materials and Equipment: No further reasons than those outlined in NextBridge's Leave to Construct application in Exhibit B, Tab 9, Schedule 1 at page 9 of 11.
  - iii. Environmental and Regulatory Approvals (including Permits and Licenses):
    - Permitting requirements – A narrower scope and smaller number of permits contemplated at the time of designation cost estimates.
    - Costs related to Environmental Inspection have increased to account for the current proposed construction execution plan which involves constructing 6 segments simultaneously.
    - Costs for field surveys during construction were not included in the designation budget and will be required where construction is occurring in non-winter conditions, as planned.
    - Costs related to ancillary EA applications to other stakeholders (IO, INAC).
  - iv. Land Rights: A material change in the assumptions used to calculate the land acquisition component resulted in increased costs associated with the land contract services needed to meet the project land acquisition and permitting requirements. Assumptions that were not borne out in project development included:
    - the number of parcels anticipated for acquisition and permitting,
    - point at which a preferred route and project footprint would be identified,
    - time period anticipated to complete the acquisition and permitting program,
    - survey requirements, and
    - appraisal requirements.

- v. First Nations & Métis consultation  
There was an increase in capacity funding support provided to First Nations & Métis communities to facilitate traditional knowledge data collection and consolidation, and costs to coordinate those activities, than originally estimated at designation
  - vi. Other consultations: Cost for “other” or public consultation increase includes:
    - Increase to the number of rounds of Open Houses, the number of locations attended as part of each round, and the costs involved with each open house;
    - Increased labour costs to support stakeholder relations, communications, design and graphics, community investment and database management activities;
    - Increased costs to facilitate NextBridge involvement in local business organizations and community investment;
    - Increased fees for website and database maintenance services;
    - Construction Awareness Campaign costs to educate the public about the construction process and to increase community safety.
  - vii. Site clearing and preparation: No further increases than those outlined in NextBridge’s Leave to Construct application in Exhibit B, Tab 9, Schedule 1 page 1 of 11.
  - viii. Construction: No further reasons than the ones outlined in the July 2017 application. (Please also refer to NextBridge’s response to Board Staff Interrogatory #24, found at Exhibit I.B.NextBridge.STAFF.24).
  - ix. Site remediation: NextBridge reclamation activities not previously budgeted for include two years of post-construction monitoring requirements that would be based on conditions of the environmental approvals.
  - x. Contingency: Total dollars increased due to the increase in escalated direct and indirect costs.
  - xi. Regulatory: Increased costs are attributable to inclusion of costs related to support for land access and acquisition activity, including expropriation, as well as increased leave to construct hearing costs and resources for a full adjudication process.
  - xii. Project management: Increased costs are primarily attributable to additional internal staff labour as well as some external contractor time to support the entire EWT Line Project team.
- b) During the development phase, NextBridge took cost management and control measures as described in NextBridge’s response to Board Staff Interrogatory#23, found at Exhibit I.NextBridge.STAFF.23, to mitigate cost increases. For the execution phase, the biggest cost increase risk is the construction costs. A lump sum

Engineering, Procurement and Construction (“EPC”) contract has been executed to minimize the potential construction costs overruns.

For the Environmental and Regulatory Approvals cost increases described in part a) of NextBridge’s response to this interrogatory, NextBridge completed a competitive bid process for the environmental consultants conducting the EA, archaeological and permitting work to ensure NextBridge is receiving competitive rates for services required and requested.

For the Land Rights cost increases described in part a) of NextBridge’s response to this interrogatory, NextBridge completed a competitive bid process for the land contractor, land surveyor, and land appraiser to ensure NextBridge is receiving competitive rates for services required and requested. Project footprint requirements continue to be reviewed to ensure additional parcels are not unnecessarily included, to reduce further increases to parcel count.

Other Consultation – Although the number of open houses and costs has increased, NextBridge has taken measures to mitigate the extent of the increase. After the number of locations to hold open houses extended beyond four, not all sessions could be held in one week. At first the sessions were spread over a two week period, which required significant staff time increase due to travel and/or stay over the weekend. In an effort to reduce the impact, NextBridge undertook a two team approach to complete the sessions within one week. Also, each team of staff was scaled down in size to recognize more efficiency.

Labour for the Stakeholder Relations team, which manages “other consultation”, has been targeted to the specific tasks required such as communications, design and graphics, and community investment to clearly inform stakeholder of project construction activities. Minimal time has been allotted for these support activities and resources are shared among the project partners to recognize efficiencies and avoid duplication.

Support for community events and investment initiatives is targeted to ensure community needs are considered and support is distributed fairly along the right of way.

In general, continued efforts to negotiate mutually acceptable easements, access arrangements and to obtain consent from Crown land interest holders mitigates regulatory workstream costs in support of land access and acquisition activity in an effort to reduce the need to rely on legislated expropriation process in relation to private lands not secured by way of agreement and mediation processes in relation to Crown land.

- c) Mitigation measures undertaken have been generally successful to date and are ongoing. During the development phase, the development costs avoided through cost management and control measures are described in NextBridge's response to Board Staff Interrogatory #23, found at Exhibit I.B.NextBridge.STAFF.23. During construction phase execution, subsurface, access road and labor cost escalation risks have been transferred to the general contractor.

All activities related to Environmental and Regulatory Approvals are being delivered in accordance with regulator requirements at a cost effective level.

Land: Mitigation efforts are ongoing as scope remains to be finalized. We anticipate these measures along with close scope monitoring will keep costs within what has currently been proposed as part of the LTC application.

Other consultation activities are being delivered as required by regulation and meeting the expectations of local stakeholders at a cost-effective level.

Project management costs primarily include internal labour in the activities that are being delivered as required which allow for a more cost effective work product.

- d) No, there have not been any changes to these estimates since the filing of the July 2017 application.

STAFF INTERROGATORY #16

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit B, Tab 9, Schedule 1, page 1, Table 2

Questions:

- a) What are NextBridge's actual construction costs to date broken down by category listed in Table 2?
- b) Does NextBridge have monthly or quarterly construction cost estimates including major components? Please provide those current estimates and, if different, the estimates as of the July 2017 application.
- c) Please provide a project spend curve up to the in-service date of the project.
- d) Please identify any anticipated costs during construction that are not currently accounted for in the \$737 million total construction estimate.

RESPONSE

- a) Actual construction costs through December 31, 2017 are as follows:

(\$'000)	August 1 to December 31, 2017
Engineering, Design & Procurement	\$ 473
Materials & Equipment	-
Permitting & Licensing	-
Environmental and Regulatory	1,663
Land Rights	837
First Nation and Metis Participation	491
First Nation and Metis Consultation	486
Other Consultation	37
Site Clearing and Preparation	-
Construction	-
Site Remediation	-
IDC	249
Contingency	-
Regulatory	250
Project Management	434
Interconnection Studies	4
Total Construction Cost	\$ 4,924



- b) No, NextBridge does not have monthly or quarterly construction cost estimates including major components
- c) The anticipated construction cost spend curve (excluding interest during construction amounts of \$31 million) up to the in-service date of the project is as follows:
  - 2017 = \$2 million
  - 2018 = \$89 million
  - 2019 = \$333 million
  - 2020 = \$282 million
- d) There are no anticipated costs during construction that are not currently accounted for in the \$737 million total construction estimate.

STAFF INTERROGATORY #17

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit B, Tab 13, Schedule 1

Preamble:

NextBridge states that if the OEB grants the leave to construct application, NextBridge proposes the establishment of a CWIP account for the recording of capital costs related to the EW Tie line.

Questions:

- a) Why is NextBridge proposing a CWIP account? What are the benefits of a CWIP account to NextBridge, and to transmission ratepayers?
- b) How is a CWIP account different than a deferral account in NextBridge's view?
- c) When and how would NextBridge expect to test the prudence of costs tracked in the CWIP account?
- d) How would NextBridge propose to report its progress, as well as any changes to scope or costs during construction to the OEB? What metrics does NextBridge propose to track?
- e) Does NextBridge believe a cap on the CWIP amount allowed is appropriate? Why or why not?

RESPONSE

- a) NextBridge is proposing a CWIP account because, with approval of the Leave to Construct ("LTC") Application, NextBridge will begin construction activity related to the project and the costs incurred from the LTC approval date are to be recorded in a CWIP account approved by the Board. The benefits of utilizing an approved CWIP account are that it provides NextBridge certainty for balance sheet treatment of the costs incurred and possible future inclusion as part of a rate recovered asset assuming the Board determines the costs were prudently incurred. The benefits to ratepayers are that, subject to a prudence review, the costs incurred are recovered over the life of the asset once placed into service instead of being recovered in a shortened disposition window (e.g., the disposition of the deferral account).

- b) Generally, both accounts afford balance sheet treatment, future recovery of prudent costs, and a prescribed interest rate commensurate with the types of costs incurred. A deferral account represents costs that generally would be expensed during a current period, but are deferred for a specified reason and are recovered according to a Board determined future time period. A CWIP account represents the construction phase of the project and the costs included in the account that are deemed prudently incurred will become part of asset recovered over the useful life of the asset.
- c) NextBridge expects that costs tracked in the CWIP account would be subject to a prudence review in its first revenue requirement proceeding. NextBridge will consult with the OEB on the timing of the proceedings which will address prudence and the ability to have a rate in effect at the time the assets are placed into service.
- d) NextBridge will continue to provide its quarterly reports as it has done during development, but will include more details around its construction activities during the construction phase of the project. Other than tracking to budget and schedule, NextBridge has not proposed to track any metrics at this time.
- e) NextBridge is unaware of any OEB requirement or precedent to cap CWIP expenditures, and NextBridge is not currently proposing one.

STAFF INTERROGATORY #18

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit B Tab 13, Schedule 1

Preamble:

It appears to OEB staff that NextBridge has not filed evidence in this application to support an examination of the prudence all of the development costs recorded by NextBridge in the Development Cost Deferral Account.

Questions:

- a) Please confirm that NextBridge, as part of this leave to construct proceeding, is not asking the OEB to review the prudence of the development costs, and not seeking approval to recover development costs from ratepayers at this time.
- b) If its application for leave to construct is approved, at what time will NextBridge seek to recover development costs from ratepayers?
- c) When will NextBridge present the evidence for an in-depth review of the prudence of actual development costs?

RESPONSE

- a) NextBridge confirms that as part of this leave to construct proceeding, it is not asking the OEB to review the prudence of the development costs, and is not seeking approval to recover development costs from ratepayers at this time.
- b) If NextBridge's LTC application is approved and the Board approves NextBridge's request that the development costs be included in the CWIP account, NextBridge will bring forward its proposal for treatment of the development costs along with the construction expenditures included in the CWIP account during its first revenue requirement filing.
- c) In accordance with NextBridge's response to part b) of this Interrogatory, NextBridge would present the evidence for an in-depth review of the prudence of actual development costs in its first revenue requirement application.

STAFF INTERROGATORY #19

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit B Tab 13, Schedule 1

Please explain the statement at page one of this Exhibit: "It is important to ensure that there is no uncertainty about future consideration by the Board of amounts recorded in the CWIP account." What uncertainty is NextBridge referring to?

RESPONSE

As stated in the evidence at Exhibit B, Tab 13, Schedule 1, the uncertainty referred to in the evidence relates to whether amounts can be recorded in the CWIP account for disposition in a future Board proceeding without any risk that, in the future proceeding, the amounts might be considered out-of-period costs. Accordingly, NextBridge has requested that the Board's approval of the CWIP account include direction and confirmation that costs and interest recorded in the CWIP account will be considered in a future OEB proceeding, just as the disposition of costs recorded in a deferral account can be considered in a future OEB proceeding.

STAFF INTERROGATORY #20

INTERROGATORY

Exhibit B Tab 13 Schedule 1, Exhibit B Tab 13 Schedule 1 Attachment 1

The OEB approved NextBridge's request for a development cost deferral account (DCDA) in a prior proceeding<sup>1</sup>. In the current proceeding, NextBridge requested that if the OEB approves the leave to construct application, the OEB establish a new CWIP Account 2055. NextBridge also asked that the existing development expenditures and interest currently recorded in Account 1508.001 and Account 1508.002 be transferred to the new CWIP Account, so that the costs will ultimately become part of the electricity transmission assets.

- a) As NextBridge is proposing to clear the balances of the DCDA to zero please confirm that if NextBridge's leave to construct application is approved that the company will no longer require the use of the DCDA.
- b) If NextBridge's application is approved, please confirm that the Company will no longer require deferral accounts, as it will commence recording capital costs relating to the new EWT Line to CWIP Account 2055 and subsequently transfer the amounts recorded to appropriate capital accounts when the assets have been put into service.
- c) Please confirm that if NextBridge's application is approved that it will list development costs in sub-accounts of Account 2055 equivalent to the sub-accounts that were approved in NextBridge's prior proceeding when the OEB approved the use of Accounts 1508.001 and Account 1508.002.
- d) Please provide a list by USoA account of the types of capital expenditures that NextBridge plans to incur to construct the new EWT Line. Please provide a proposal for sub accounts to be tracked in Account 2055 and in the capital accounts to enable the OEB at a future proceeding to conduct a prudence review of NextBridge's capital expenditures.

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<sup>1</sup> EB-2011-0140 DESIGNATION: EAST-WEST TIE LINE, Appendix 2 - ACCOUNTING ORDER DEVELOPMENT COST DEFERRAL ACCOUNT

## RESPONSE

- a) Confirmed – if NextBridge's leave to construct application is approved and a CWIP account is established for the recording of capital costs relating to the Project, the company will no longer require the use of the DCDA.
- b) Confirmed for the initial construction of the East West Tie Line. If NextBridge subsequently requires a deferral account for additional construction costs beyond the initial construction of the East West Tie Line, NextBridge would request it separately of the Board at the appropriate time.
- c) Confirmed – if NextBridge's application is approved, it will list costs in sub-accounts of Account 2055 equivalent to the sub-accounts that were approved in NextBridge's prior proceeding when the OEB approved the use of Accounts 1508.001 and Account 1508.002.
- d) NextBridge anticipates using the USoA related to electric plant in service for transmission plant and general plant where the company would utilize accounts that include, but are not limited to poles, towers, conductor, and land rights. NextBridge would setup a detailed costing structure that mirrors what is currently being reported today in the deferral accounts. Please see below proposal. NextBridge would be prepared to provide all necessary information for the OEB to make a prudence determination.

001 - Engineering, Design and Procurement Activity  
002 - Permitting and Licensing  
003 - Environmental and Regulatory Approvals  
004 - Land Acquisition (Excludes Aboriginal)  
005 - First Nation and Métis Consultation  
006 - First Nation and Métis Land Acquisition  
007- First Nation and Métis Participation  
008 - Other Consultation  
009 - Regulatory  
010 - Interconnection Studies  
011 - Project Management  
012 - Site remediation  
013 - Contingency and Escalation  
014 - Other Costs Not Included In Above Categories  
015 - Carrying Charges

## STAFF INTERROGATORY #21

### INTERROGATORY

Ref: EB-2011-0140, Letter from NextBridge to the OEB dated June 24, 2015, Schedule C.

Preamble:

In its letter to the OEB, NextBridge provided a breakdown of incremental Extended Development Period activities and corresponding costs in Schedule C.

Questions:

For each increase in development costs that is attributed to a “scope change” or “budget variance”, please provide the following information:

- Why was NextBridge unable to anticipate this additional expenditure at the time of its application for designation?
- What alternatives did NextBridge consider when the need for additional expenditure was proposed?
- Why was the additional expenditure the preferred alternative?

### RESPONSE

In general, NextBridge was unable to anticipate the need for various additional expenditures prior to Designation without the benefit of field studies and discussions with Indigenous communities, regulators, and stakeholders.

Alternatives to budget expenditures were not generally assessed because the spend was deemed to be prudent to advance project development.

For each anticipated increase in development costs that is attributed to a “scope change” or “budget variance,” the attached table organizes and provides more detail on each of the three bulleted questions.



Activity Reference # from Revised Schedule C	Specific Activity	Category of Activity	Extended Development Period Incremental Cost	Rationale Why Unable to Anticipate at time of Application for Designation	Alternatives Assessed	Justification of Expenditure
20	Expanded alternatives assessment	Scope Change	\$110,000	Consultation with MNRF and MOECC revealed instructions to complete the assessment	None	Request of regulator
21	Incremental field studies and access route assessment	Scope Change	\$2,210,000	Consultation with MRF revealed increased requirements for information	None	Request of regulator
22	Incremental environmental permits	Scope Change	\$410,000	Related to incremental field work requested by MNRF	None	Request of regulator
23	Establish incremental study area and required activities	Scope Change	\$120,000	Related to incremental field work requested by MNRF	None	Request of regulator
24	Incremental socio-economic assessment	Scope Change	\$170,000	Related to incremental field work requested by MNRF	None	Request of regulator
25	Capacity funding agreements	Budget Variance	\$480,000	Discussions with Aboriginal communities revealed increased capacity funding support needed for consultation activities.	None	Need to meet delegated Crown Duty to Consult obligations
26	Archaeology Stage 2 study	Budget Variance	\$1,270,000	Better information regarding archaeological potential made available through Stage 1 archaeological study	None	Need to mitigate risk of archeological findings
27	Timber valuation	Budget Variance	\$210,000	Discussions with Crown and private land holders revealed increased need	None	Needed to further land appraisals and land rights optioning
28	Engineering review	Budget Variance	\$250,000		None	Design validation, cost estimate validation and project readiness was needed to further development
29	Land title review activity	Budget Variance	\$170,000	Support of third party agreement negotiations, which were more extensive than anticipated	None	Costs to purchase and review title and encumbrance documents were needed to ensure all landowners and encumbrance holders were included in line list
30	Legal support for land activity	Budget Variance	\$340,000	Agreements particularly complex after consulting and in relation to Crown disposition rights holders.	None	Legal support is a necessary part of land negotiations
31	Compliance tracking and safety coordination	Budget Variance	\$110,000	As part of designation, NextBridge was asked to track compliance with commitments	None	Request of regulator
32	Community investment	Budget Variance	\$40,000	After discussions with stakeholders, the community investment budget was increased	None	Stakeholder and landowner support and knowledge of the project proponent is needed for regulatory processed (ex. Environmental Assessment)
33	Data management/technical figure production	Budget Variance	\$50,000	Needed to support the increased scope from MOECC and MNRF	None	Needed to support requests of regulator
34	Land access and optioning activities	Budget Variance	\$1,140,000	Land access was needed for early project development activities prior to landowner option agreements. Option agreements are offered when route is confirmed, access was not anticipated before route confirmation.	None	Access was needed to further develop and refine the route
35	Market valuation	Budget Variance	\$30,000	Intended to rely on sales data in the area, however very limited availability	None	Values were needed for land acquisition purposes
36	External general legal support for review and negotiations of documents & Aboriginal capacity funding agreements	Budget Variance	\$170,000	After discussions with Aboriginal communities the number of agreements was increased	None	Need to meet delegated Crown Duty to Consult obligations
37	Aboriginal consultation costs	Budget Variance	\$160,000	Discussions with Aboriginal communities revealed increased need for consultation activities.	None	Need to meet delegated Crown Duty to Consult obligations
38	Stakeholder relations activity	Budget Variance	\$350,000	Discussions with municipalities and stakeholders revealed increased interest in the project. More open houses were needed to address this	None	Stakeholder and landowner support and knowledge of the project proponent is needed for regulatory processed (ex. Environmental Assessment)
39	Regulatory and accounting matters	Budget Variance	\$140,000	Specific accounting practices not contemplated in advance of designation (authorization to use US GAAP accounting required), as well as addressing deferral account matters arising from the designation decision, PBR and other regulatory matters.	None	Not contemplated at designation
40	Support functions for EWT Project development work from all work streams	Budget Variance	\$680,000	Based on increased unanticipated scope, internal resources and support were not budgeted for	None	Scope increased to advance development activities, internal resources needed to support it
			\$8,610,000			

## STAFF INTERROGATORY #22

### INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit B, Tab 9, Schedule 1, page 6-7

In its application, NextBridge sets out certain costs that were unbudgeted at designation including (i) First Nation and Métis Participation and Land Acquisition, (ii) interest during construction, and (iii) Pic River appeal.

Questions:

- a) How do these costs compare to costs for similar work on similar projects? Please provide relevant examples.
- b) How did NextBridge satisfy itself that the level of costs in each category of unbudgeted costs is reasonable?
- c) Please break down the total costs into the three categories described.

### RESPONSE

a)

#### First Nation and Métis Participation

NextBridge followed policy direction from the Ontario government regarding First Nation and Métis participation in major transmission projects, which can be found in Ontario's 2013 *Achieving Balance – Ontario's Long-term Energy Plan* ("LTEP"). In addition to setting out consultation expectations for energy projects in Ontario, the LTEP identifies that Indigenous communities have an interest in sharing in the economic benefits from future transmission projects crossing through their traditional territories. The OEB's August 7, 2013 Decision and Order for the New EWT Line Project, at page 15 identified where the new transmission line crossed the traditional territories of Indigenous communities, and indicated that there would be a presumption that the proponent will explore economic participation opportunities. Since this was the first time that this recommendation was included in a designation, there are no comparable Ontario transmission line projects that provide a relevant example.

However, the Lower Mattagami hydro project provides an Ontario energy example. There is a partnership between the Moose Cree First Nation (25% “ownership”) and Ontario Power Generation (“OPG”) for a hydro dam of six new units on the Lower Mattagami River (438 MW). The total project budget was \$2.6 billion. Moose Cree businesses were awarded over \$300 million worth of sub-contracts since the project began, including catering, security, surveying, electrical work, road construction and transportation. At peak construction, 1,800 people worked on the project including over 250 First Nation and Métis workers (14%). This project was financed through an equity contribution by both OPG and its partner, the Moose Cree First Nation, and through borrowing from lending institutions. To NextBridge’s knowledge, the costs of Indigenous participation are not publicly available.

#### Interest During Construction

The interest during construction is based on the timing and magnitude of the project’s cash expenditures, and reflects the OEB-prescribed interest rate; therefore, the interest during construction is the same for all projects with a similar cash expenditure profile.

#### Pic River Appeal

In September 2013, the Ojibways of Pic River (Heron Bay First 9 Nation), now Biigtigong Nishnaabeg, filed a Notice of Appeal of the Board’s decision in EB-2011-0140 in the Ontario Divisional Court. The appeal was ordered abandoned in April 2014 on a without costs basis. Costs incurred by NextBridge in the procedural steps respecting the appeal would be comparable to other regulatory and appellate legal fees.

b) NextBridge used commercial experience to determine that unbudgeted costs were reasonable.

c) A breakdown of the costs related to each of the three categories is provided below.

<u>Unbudgeted at Designation</u>	<u>\$42.6M</u>
First Nation and Métis Participation	\$10.4M
Pic River Appeal	\$ 0.2M
Interest During Construction	\$31.9M

## STAFF INTERROGATORY #23

### INTERROGATORY

Ref: Evidence EB-2017-0182, Exhibit B, Tab 9

Questions:

- a) Please describe the cost management and control measures used by NextBridge during the development phase of the project.
- b) Please quantify the development costs avoided through these cost control measures.
- c) Is NextBridge proposing to use the same cost management strategy during the construction phase of the project?
- d) What refinements to the strategy are needed?

### RESPONSE

- a) The cost management and control measures used by NextBridge during the development phase of the East West Tie Line Project involved management of day-to-day expenditures at the Lead project managers level ("Lead level") with regular reporting to the Project Director and to the Operations Committee that closely monitored any variance from the estimated Project budget. Starting in October 2013, budgeted cost information was presented in the regular OEB Project reporting materials at first on a monthly basis, and then on a quarterly basis starting January 2015. During the entire development phase of the project, when the internal financial reporting was completed as part of either the OEB monthly report or quarterly report, a variance analysis was completed by the project management office ("PMO") for each discipline and variances (i.e., under or over spend in the month) were asked to be explained. On May 15, 2015, NextBridge brought forward an updated schedule and development phase budget as a result of the development period being extended by almost three years. As part of the re-evaluation of the updated scope of work and budget of costs for the extended development period, each workstream was required to complete a thorough review of the remaining scope of work, cost estimates from specific vendors and internal time estimates. The PMO consolidated this information

and completed reviews with each workstream. In the January 22, 2016 OEB report, NextBridge updated its Project Costs Status table to reflect the updated development phase budget. To summarize, the cost management and control measures included reporting and re-assessment, thereby reducing expenditures where the schedule allowed.

- b) One quantification of development costs avoided through cost control measures arose in reaction to the OPA's September 30, 2014 correspondence recommending a delay to the in-service date. NextBridge promptly took steps to conserve the Board-Approved Costs by slowing down development activity where possible and cost-effective to do so, by minimizing expenses to the extent practicable and by shifting the focus of the development team towards rescheduling analysis and a re-budgeting exercise. NextBridge successfully transitioned from an average monthly spend of approximately \$1.4 million per month in the fall of 2014 to a low spend of \$240,000 in March of 2015.
- c) Yes, NextBridge is proposing to use the same cost management strategy during the construction phase, which will include the PMO being involved.
- d) Refinements to the cost management strategy during the construction phase will include the engineering and construction project controls department monitoring and overseeing all aspects of the general contractor contract and providing input and analysis to the PMO. On an annual basis, at a minimum, cash flow forecasting will be completed at the workstream level, which will include scope of work review to be completed to ensure that any timing or permanent differences in scope and costs are brought forward to the PMO and incorporated into Project decision-making.

STAFF INTERROGATORY #24

INTERROGATORY

Ref: Evidence EB-2017-0182, Exhibit B, Tab 9, Schedule 1, page 6, Table 5 Cost Estimate Change

Preamble:

NextBridge indicated a total of \$358,121,000 increase in cost estimates which include cost increases as follows:

- (i) 11.9% - unbudgeted at designation (e.g. First Nation and Metis participation and land acquisition)
- (ii) 28.9% -new scope requirements (e.g. deviations from the Reference Route)
- (iii) 25.0% -other unforeseeable factors (e.g. delay of the in-service date to 2020)
- (iv) 34.2% -development phase project refinements (e.g. revised compensation to landowners)

Questions:

- a) Please provide an itemized monetary value of the cost increases, broken down by component, in each of the four cost categories above.
- b) In the event that further increases in construction cost estimates have been identified since filing the application, please provide updates of these cost increases, and an explanation for the increases.

RESPONSE

- a) See the following table which provides a detailed list of the change in cost estimate in each of the four cost categories:

**Table 5: Cost Estimate Change**

<b><u>Line</u></b> (a)	<b><u>Description</u></b> (b)	<b><u>Amount</u></b> (c)	<b><u>% of Total</u></b> (d)
<b>1</b>	<b><u>Unbudgeted at Designation</u></b>		
<b>2</b>	First Nation and Metis Participation		
<b>3</b>	Development Phase	\$ 3,375,999	0.9%
<b>4</b>	Construction Phase	7,000,000	2.0%
<b>5</b>	Pic River Appeal	230,163	0.1%
<b>6</b>	Financing		
<b>7</b>	Carrying Charges (Development Phase)	849,510	0.2%
<b>8</b>	Interest During Construction (Construction Phase)	31,003,000	8.7%
<b>9</b>	<b>Total Unbudgeted at Designation</b>	<b>\$ 42,458,672</b>	<b>11.9%</b>
<b>10</b>	<b><u>New Scope Requirements</u></b>		
<b>11</b>	Route Alterations	\$ 66,919,593	18.7%
<b>12</b>	Weather Adjusted Structures		
<b>13</b>	50 to 100 Year Structure	7,786,399	2.2%
<b>14</b>	Additional Structures	806,964	0.2%
<b>15</b>	Total Weather Adjusted Structures	8,593,363	2.4%
<b>16</b>	Hydro One Line Crossings	5,473,580	1.5%
<b>17</b>	MNRF Conservation Reserve Requirement	1,526,344	0.4%
<b>18</b>	Timber Stacking and Loading	20,997,947	5.9%
<b>19</b>	<b>Total New Scope Requirements</b>	<b>\$ 103,510,828</b>	<b>28.9%</b>
<b>20</b>	<b><u>Other Unforeseeable Factors</u></b>		
<b>21</b>	Project Delay		
<b>22</b>	Development Phase	\$ 13,356,829	3.7%
<b>23</b>	Construction Phase	57,190,900	16.0%
<b>24</b>	Total Project Delay	70,547,729	19.7%
<b>25</b>	Cost of Imported Materials	19,136,691	5.3%
<b>26</b>	<b>Total Other Unforeseeable Factors</b>	<b>\$ 89,684,420</b>	<b>25.0%</b>
<b>27</b>	<b><u>Development Phase Refinements</u></b>		
<b>28</b>	Self-Supported Structure Utilization	\$ 30,652,205	8.6%
<b>29</b>	Foundation Cost	45,566,957	12.7%
<b>30</b>	Grounding Cost	4,628,083	1.3%
<b>31</b>	Access Road Optimization	4,202,523	1.2%
<b>32</b>	Environmental	8,084,955	2.3%
<b>33</b>	Land Rights	5,518,265	1.5%
<b>34</b>	First Nation and Metis Consultation	6,333,693	1.8%
<b>35</b>	Other Consultation	1,392,201	0.4%
<b>36</b>	Regulatory	1,452,465	0.4%
<b>37</b>	Project Management	1,403,411	0.4%
<b>38</b>	Site Remediation	3,551,775	1.0%
<b>39</b>	Contingency - Non_E&C	757,274	0.2%
<b>40</b>	Contingency - E&C	11,109,314	3.1%
<b>41</b>	Other	(2,185,640)	-0.6%
<b>42</b>	<b>Total Development Phase Refinements</b>	<b>\$ 122,467,482</b>	<b>34.2%</b>
<b>43</b>	<b>Total Project Cost</b>	<b>\$ 358,121,402</b>	<b>100.0%</b>

- b) Since the filing of the LTC application, no construction cost increases or decreases have been identified.



STAFF INTERROGATORY #25

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit B, Tab 9, Schedule 1, page 7, lines 14-16 and page 8, lines 10 – 14 and lines 25-27: “New Scope Requirements”

Preamble:

At Exhibit B-9-1, page 7, NextBridge describes how new scope requirements have resulted in cost variances between the present estimates and estimates given in the Designation proceeding.

Questions:

- a) Please provide the cost variances from the designation estimates for the items below in both monetary terms and percentages:
  - Increased length of the line
  - Deviations from the Reference Route at Pukaskwa National Park and moving the line north of Loon Lake and west of Ouimet Canyon
  - Processing and stacking timber at the edge of the ROW
  - Construction refinements near conservation reserves (e.g. Using self-supporting towers near the Kwinkwaga Ground Moraine Uplands Conservation Reserve)
  - Increasing the strength parameters of the New EWT Line to withstand a 1 in 100 year weather event
  - Design work on crossings of the New EWT Line with existing infrastructure of Hydro One.
- b) In addition, for each category, please explain:
  - Why was NextBridge unable to anticipate this additional expenditure at the time of its application for designation?
  - What alternatives did NextBridge consider when the need for additional expenditure was proposed?
  - Why was the additional expenditure the preferred alternative?

- c) Please provide the cost per kilometre for the original 400 km route and for the additional 50 km resulting from route refinements. Please also provide the cost per kilometre of the total 450 kilometre line.

## RESPONSE

- a) Please see NextBridge's response to Board Staff Interrogatory #24, found at Exhibit I.B.NextBridge.STAFF.24.
- b) At the time the designation application was submitted, NextBridge had not engaged in any significant amount of stakeholder consultation or had a chance to perform in depth design work or studies. Only after the project was awarded were stakeholders engaged and requirements collected, which enabled NextBridge to quantify the additional scope. See alternatives assessments in the NextBridge EA for alternatives considered:
- [Appendix 3-I: Alternative Route Assessment for the East-West Tie Transmission Project](#)
  - [Appendix 3-I A: Alternative Route Assessment Around Loon Lake](#)
  - [Appendix 3-I B: Alternative Route Assessment Around Provincial Parks and Conservation Reserves](#)
- c) NextBridge has not re-estimated the cost per kilometre of the original 400 km route or the additional 47 km resulting from route refinements, and NextBridge does not view an attempt to reverse engineer the calculation of the 400 km route as likely to provide an accurate cost per km. The cost per kilometer for the total 447km route is approximately \$1.7MM/km.

## STAFF INTERROGATORY #26

### INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit B, Tab 9, Schedule 1, pages 9-10

Preamble:

NextBridge states that other unforeseeable factors contributed to the increase in development and construction cost estimates over the estimate provided at the time of designation.

Questions:

- a) What other unforeseeable factors contributed to the increase besides the delay of the in-service date?
- b) Please quantify the cost increases driven by the delay of the in-service date for each of the following categories:
  - Labour costs
  - Materials costs, excluding the change in the value of the Canadian dollar
  - The change in the value of the Canadian dollar

### RESPONSE

- a) Please see NextBridge's response to Board Staff Interrogatory #24, found at Exhibit I.B.NextBridge.STAFF.24.
- b) The cost increase driven by the delay of the in-service date has been estimated in total, but has not been separated into labour vs. materials. The total cost of the delay is estimated to be \$70.5 million, of which \$13.4 million is attributable to the development phase and \$57.2 million is attributable to the construction phase.

The change in the value of the Canadian dollar impacted the cost of imported materials. This impact is estimated to equal \$19.1 million.

STAFF INTERROGATORY #27

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit B, Tab 9, Schedule 1 page 11, lines 9 – 17:  
“Development Phase Refinements”

Preamble:

Construction execution and access plans developed during the development phase increased the number of access roads from the conceptual plan assumed in the Designation cost estimate. NextBridge states that these updated plans greatly minimize potential aerial construction and associated costs, which also mitigates many risk elements, including safety and project delays.

Questions:

- a) Please quantify the costs savings resulting from the reduced use of aerial construction.
- b) Please quantify the cost increases resulting from the increased use of access roads (e.g. land acquisition, permits etc.).
- c) What prompted NextBridge to increase its use of access roads?
- d) How did NextBridge evaluate an option to require more land against a reduction in costs and risks?

RESPONSE

- a) Through the competitive bid process for the General Contractor NextBridge allowed the bidders the flexibility to propose the most cost effective plan to build the line. The winning bidder, Valard, proposed a solution using a ground based access approach and had a better developed plan and less expensive cost than the other bidders. The awarded construction contractor’s execution plan resulted in helicopter access savings of approximately \$3 million.

- b) The awarded construction contractor's access plan increased the quantity of access roads required from approximately 26 million sq. ft. estimated in the designation application to approximately 49 million sq. ft. estimated in the Leave to Construct application. However, the increased quantity was partially offset by a reduction of \$0.28 in the average cost per sq. ft. The total access road cost increased approximately \$7 million, of which a portion (approximately 10%) of the increase is attributable to route alteration. This cost amount includes construction amounts only, and does not include additional increased land services and environmental permitting costs.
- c) NextBridge competitively bid the construction of the project and allowed the bidders the flexibility to propose their most cost effective plan to build. The selected contractor had the lowest cost and their construction execution plan proposed a mostly ground-based access approach, which increased the use of access roads.
- d) A thorough analysis by the selected contractor confirmed that an access plan based on ground access was feasible, efficient, and represented the least risk to safety and timely project delivery, particularly given typical local weather conditions. In addition, the ground access approach proposal was the most cost efficient proposal overall, and final negotiations resulted in the contractor bearing the risk of access deviations, provided that NextBridge successfully acquired and permitted the access plan.

STAFF INTERROGATORY #28

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit B, Tab 9, Schedule 1, page 8, line 25-28 and page 9, lines 1-5.

Preamble:

NextBridge indicates that using a 100 year return period for structural design will cost approximately 1-1.5% of the total project cost.

Question:

Please explain how this amount was arrived at and what will the extra dollars be used for?

RESPONSE

During the transmission structure design bid preparation, an estimate was completed on the cost increase that would be incurred for the transmission structures if the return period was doubled from a 50 to 100 year return period load. Doubling the return period doubles the relative reliability of the structures. The cost of increasing the reliability of the structures affects the structure, foundations, guys, anchors and installation costs. Other components of line cost are not affected, such as development cost, land cost, survey, tree clearing, and right of way preparation. The impact of the increased load on the structures was estimated to be small, increasing the weight by only a few percent. The overall cost of the project was estimated to increase by 1 to 1.5%.

In the transmission structure design request for proposal released to tower vendors in 2014, NextBridge asked for the pricing of towers designed to withstand both 1 in 50 yr. return period loads and 1 in 100 year return period loads. Based on the bids received an analysis was performed at that time comparing the tower weights and prices of towers designed using 1 in 50 year return period load against the tower weights and prices of towers designed using 1 in 100 year return period loads. The incremental foundation price and structure/foundation installation price were increased proportionally to the structure price resulting in an overall projected cost increase of approximately 0.7% of project cost, which is less than the original design bid estimate of 1 to 1.5%.

The extra dollars required for a 1 in 100 year return period will be used for additional tower steel, larger foundation sizes and materials, and added labour to install the foundation and erect the towers which will support the 1 in 100 year return period loads.

Doubling the reliability of the structures is also prudent as the American Society of Civil Engineers ("ASCE") is moving toward use of 1 in 100 year return period loads for their next release of *ASCE Manual No. 74 – Guidelines for Electrical Transmission Line Structural Loading*.

STAFF INTERROGATORY #29

INTERROGATORY

Ref: UCT's designation application EB-2011-0140, section 7.2, page 103-110 (filed January 4, 2013) and Evidence EB-2017-0182 Exhibit B, Tab 9, Schedule 1, page 4

Preamble:

In its designation application, NextBridge provided a risk matrix for risks that could affect both schedule and cost for both development and construction of the line. In its current application, NextBridge provides a matrix of key risks for construction.

Questions:

- a) Please indicate which risks on the matrix filed in the designation application have increased the actual cost of development and the estimated cost of construction. For each such risk, please describe why the mitigation plan was not successful.
- b) Please indicate which other risks included in the matrix provided in the designation application are still relevant to the construction of the project.

RESPONSE

The following table provides the information requested in (a) and (b).

<b>Risk Item #</b>	<b>Risk Item Description from Designation Application</b>	<b>Mitigation Plan from Designation Application</b>	<b>Increased Actual Development or Estimated Construction Cost</b>	<b>Mitigation Plan Success</b>	<b>Still Relevant to Project Construction</b>
1	Unavailable off ROW access due to landowner non participation	Early identification of off ROW access requirements needed to avoid significant civil work. Expropriate if necessary.	No	Mitigation plan was successful and continues to be implemented	Yes – NextBridge continues to work with property owners and anticipates reaching agreement with the remaining landowners in Q1



Risk Item #	Risk Item Description from Designation Application	Mitigation Plan from Designation Application	Increased Actual Development or Estimated Construction Cost	Mitigation Plan Success	Still Relevant to Project Construction
					2018, with substantial completion of property rights acquisition being completed by Q4 2018. Potential expropriation requirements have been accounted for in current project costs and schedule. Refer to NextBridge's response to Board Staff Interrogatory #35, found at Exhibit I.E.NextBridge.STAFF.35for explanation of acquisition process.
2	Construction not permitted within Federal or Provincial Park Boundaries	Alternative alignments should be utilized to minimize schedule impacts. Engage Park officials early in project to assist in development of mitigation measures	Yes	Mitigation was unsuccessful since line had to be rerouted around Pukaskwa National Park despite early engagement with Parks Canada	Yes – however for provincial parks only
3	Communication (OPGW) Regen Sites cannot be	Identify Regen Sites as early as possible to provide	No	Early identification determined no	No - the need for regen sites has been eliminated

<b>Risk Item #</b>	<b>Risk Item Description from Designation Application</b>	<b>Mitigation Plan from Designation Application</b>	<b>Increased Actual Development or Estimated Construction Cost</b>	<b>Mitigation Plan Success</b>	<b>Still Relevant to Project Construction</b>
	located near distribution power source	time to determine alternative power sources.		need for mitigation plan	through consultation with Hydro One.
4	Expropriation not completed on time. ROW / Access / lay down/assembly areas not available to initiate engineering and construction work	Route adjustment may be required if land cannot be secured in a timely manner. Need to allow for additional off ROW access, (impact to land acquisition costs, civil costs). Contractor may need to move around areas not secured.	No	Mitigation plan was successful and continues to be implemented. Early engagement and route with adjustments to project footprint being made based on feedback has been effective.	Yes – NextBridge continues to work with property owners and anticipates reaching agreement with the remaining landowners in Q1 2018, with substantial completion of property rights acquisition being completed by Q4 2018. Potential expropriation requirements have been accounted for in current project costs and schedule. Refer to Board Staff Interrogatory #35, found at Exhibit I.E.NextBridge.STAFF.35for explanation of acquisition process.
5	Environmental permitting (EA & any other approvals) not	Submit permit applications as early as possible. Follow up as	Yes – cost increase in contingency	Mitigation may be unsuccessful if regulators	Yes – the mitigation measure continues to be in

Risk Item #	Risk Item Description from Designation Application	Mitigation Plan from Designation Application	Increased Actual Development or Estimated Construction Cost	Mitigation Plan Success	Still Relevant to Project Construction
	received on time to initiate engineering and construction work	necessary.		require more fieldwork and meetings to walk through applications despite early permit submissions	place of submitting applications prior to EA approval
6	Delay in First Nation and Métis engagement and consultation	First Nation and Métis communities will be engaged early in development Route variants have been identified in the event during consultation it is determined that it is preferable to follow the variant.	No	Mitigation plan was successful and continues to be implemented	Yes – however, significant engagement and consultation has been completed to date. Refer to NextBridge's response to Board Staff Interrogatory #42, found at Exhibit I.H.NextBridge.STAFF.42
7	Existing access roads or existing ROW corridor (owned by Hydro One) are not allowed to be used for Project Construction or Maintenance	Hydro One should be engaged early in Project development for ways to resolve issues in a manner that benefits both parties (joint use access or ROW utilization agreements).	No	Mitigation plan was successful and continues to be implemented	Yes –NextBridge has engaged Hydro One early providing opportunity to review and comment; however, Hydro One remains opposed to longitudinal access of the existing ROW. NextBridge continues to work with Hydro One on this matter.

<b>Risk Item #</b>	<b>Risk Item Description from Designation Application</b>	<b>Mitigation Plan from Designation Application</b>	<b>Increased Actual Development or Estimated Construction Cost</b>	<b>Mitigation Plan Success</b>	<b>Still Relevant to Project Construction</b>
8	Protected Species Habitat Locations	Avoid if possible. Early identification of habitat / bird nesting areas to assure clearing is performed before return migration. Working in habitat areas will require environmental construction monitoring to mitigate risk. Additional contingency required for monitoring and possible skip or delay charges could result if birds or other species inhabit uncleared locations.	No – funds have been allocated in the current cost estimate to do this work prior to clearing and during construction	Mitigation plan was successful and continues to be implemented	Yes – however, locations have been identified and construction plan incorporates locations to avoid
9	Specific siting changes (route or soil conditions) impact engineering design	Finalize route early. Work with land services on design options. Ensure schedule allows for engineering adjustment of design and route	No	Mitigation plan was successful and continues to be implemented	Yes –significant geotechnical investigations have been done to date to mitigate risk
10	Landowners claim mineral or mining rights delays land acquisition	Engage early. Reroute if required. Purchase land in fee. Expropriate. Limit exposure to future mining rights issues through	No	Mitigation plan was successful and continues to be implemented	Yes –NextBridge has developed an approach to compensation for these types of interests and continues to work

<b>Risk Item #</b>	<b>Risk Item Description from Designation Application</b>	<b>Mitigation Plan from Designation Application</b>	<b>Increased Actual Development or Estimated Construction Cost</b>	<b>Mitigation Plan Success</b>	<b>Still Relevant to Project Construction</b>
		sufficient consultation.			towards obtaining required consent agreement
11	Archaeological sites encountered	Engage local monitors to review structure locations & move as needed to avoid.  Develop working relationship with regulators and preplan for occurrences.	Yes – cost increase in contingency	Mitigation plan may be unsuccessful if sites are unexpectedly found, but costs contained by mitigation measures	Yes – Stage 1 and Stage 2 work have been largely completed to identify potential areas to mitigate risk. Others may arise during construction.
12	Transmission structure fabrication quality and timely deliveries	Implement early procurement strategy considering multiple supplier base and review on site QA / QC program and hold weekly conference calls with fabricator to ensure design and delivery compliance.	No	Mitigation plan was successful and continues to be implemented	Yes – NextBridge will still procure structures well before they are required for construction to mitigate risk.
13	Material supply fabrication and delivery (rock anchors, insulators, conductor, OPGW / OHGW, etc)	Develop an early stage strategic sourcing and storage plan to mitigate material risk.	No	Mitigation plan was successful and continues to be implemented	Yes – plan is being developed to mitigate risk

<b>Risk Item #</b>	<b>Risk Item Description from Designation Application</b>	<b>Mitigation Plan from Designation Application</b>	<b>Increased Actual Development or Estimated Construction Cost</b>	<b>Mitigation Plan Success</b>	<b>Still Relevant to Project Construction</b>
14	Ensure adequate structure grounding	Early flash density studies performed to identify lightening frequency and intensity. Prepare implementation of counterpoise measures should design require. Possible use of lightning arresters.	Yes	Mitigation measure of early studies indicated need for changes to structures.	No, this risk has been mitigated in the design through the use of lightning arresters consistent with mitigation plan.
15	Civil work (clearing, access, pad prep & foundations) needs to be completed in timely order to support structure delivery and installation	Secure civil services contracts early with multiple contractors.	No	Mitigation plan was successful and continues to be implemented	Yes –despite securing civil services early as planned, a risk to the timeliness of this work may now be impacted by delayed permitting or approval of the Leave to Construct.
16	Uncertain subsurface conditions could affect foundation installations (Geotechnical work)	Desktop study and field observations completed. Alternative foundation options prepared for all conditions, each with differing cost implications. Added contingency for unknown subsurface conditions.	No	Mitigation plan was successful and continues to be implemented	Yes – significant geotechnical investigations have been done to date to mitigate risk

<b>Risk Item #</b>	<b>Risk Item Description from Designation Application</b>	<b>Mitigation Plan from Designation Application</b>	<b>Increased Actual Development or Estimated Construction Cost</b>	<b>Mitigation Plan Success</b>	<b>Still Relevant to Project Construction</b>
17	Reluctance of utilities or railroad to grant line energization without cathodic mitigation in place	Identify facility locations and initiate discussions with owner early so that locations and mitigation plan can be determined.	No	Mitigation plan was successful and continues to be implemented	Yes – NextBridge continues to consult with utilities, including Hydro One.
18	Increase in equipment and material costs	Implement an early stage procurement strategy to secure future price increases. Plan for escalation.	No	Mitigation plan was successful and continues to be implemented. General Contractor assumes pricing risk for equipment and material costs	Yes
19	Weather or seasonal conditions affect construction	Schedule resources and activities around positive and negative weather events. Contingency increased to account for likely weather scenario. Alternative construction methodologies and associated cost implications to be investigated.	No	Mitigation plan was successful and continues to be implemented	Yes –construction plan incorporates seasonality to mitigate risk
20	Geotechnical contractor cannot get	Alternative foundation designs have sufficient	No	Mitigation plan was successful and continues	Yes - significant geotechnical investigations

Risk Item #	Risk Item Description from Designation Application	Mitigation Plan from Designation Application	Increased Actual Development or Estimated Construction Cost	Mitigation Plan Success	Still Relevant to Project Construction
	access to all required boring locations due to land access or terrain constraints; as a result rock depth can only be estimated	flexibility to accommodate variations without changing long lead materials. Construction contractor will be made aware of geotechnical investigation limitations		to be implemented	have been done to date to mitigate risk Contractor has costing risk.
21	Highway / Road Repairs	Early identification of road use and access requirements. Develop alternative delivery routes / methods to allow for avoidance of subject roads. Where no alternatives routes consult with owners / authorities to ensure schedule coordination as required.	No	Mitigation plan was successful and continues to be implemented	Yes – significant engagement with Ministry of Transportation and municipalities for access routes has mitigated risk
22	Having adequate and qualified construction Resources available to meet COD	Develop a strategic sourcing plan with large transmission contractor(s) familiar with this type of construction early in order to mitigate labour risk.  Analyze local labour markets and	No	Mitigation plan was successful and continues to be implemented	No – Contractor familiar with this type of construction has been contracted and is working with local communities, including Indigenous, to hire & train



<b>Risk Item #</b>	<b>Risk Item Description from Designation Application</b>	<b>Mitigation Plan from Designation Application</b>	<b>Increased Actual Development or Estimated Construction Cost</b>	<b>Mitigation Plan Success</b>	<b>Still Relevant to Project Construction</b>
		develop active strategy to engage the local workforce.			
23	Having available helicopter resources which will be used for over 80% of line construction.	Secure contract with helicopter company and backup supplier in advance. Ensure lay down and tower erection areas are available and multiple crews are engaged to fabricate structures and minimize helicopter down time	No	Mitigation plan was successful and continues to be implemented	No, Contractor's preferred installation will minimize use of heavy-lift helicopter given ground access planned.
24	Reluctance of IESO to grant transmission line clearances to perform crossing activities	Early identification of all crossing locations. Early signed and executed consents with Hydro One. Minimize crossings through route alignment. Develop pulling plan to possibly work around if required. Redirect work to other locations.	Yes	Mitigation plan continues to be implemented, despite early identification and engagement, work continues with Hydro One	Yes – see NextBridge's response to Board Staff Interrogatory #12, found at I.C.NextBridge.STAFF.12 for information related to work completed with Hydro One to date related to crossings
25	Concrete availability	Secure early binding performance contracts with ready mix companies or	No	Mitigation plan was successful and continues to be implemented	Yes – material sourcing plan is being developed to mitigate risk

<b>Risk Item #</b>	<b>Risk Item Description from Designation Application</b>	<b>Mitigation Plan from Designation Application</b>	<b>Increased Actual Development or Estimated Construction Cost</b>	<b>Mitigation Plan Success</b>	<b>Still Relevant to Project Construction</b>
		consider on-site batch plants if required.			
26	Hunting Season	Draft land agreements that preclude landowners from denying access and construction activities during hunting season.	No	Mitigation plan was successful and continues to be implemented	Yes – mitigation measures are in place
27	Offsite Service power and T1 communications installed at construction trailers	Early engagement of local utility to support need. Rural location may require significant work to provide service of both service power and communications. Diesel generators and satellite communication.	No	Mitigation plan was successful and continues to be implemented	Yes – camps will be located in proximity to municipal services where possible to mitigate risk
28	Regulatory Delay beyond the timelines stated	Consult with the OEB at all phases of the project. Rely on in house regulatory counsel with OEB experience.	No	Mitigation plan was successful and continues to be implemented	Yes – a competing Leave to Construct application could slow OEB processes

STAFF INTERROGATORY #30

INTERROGATORY

Ref: EB-2011-0140, UCT Response to Board Interrogatory 26 Evidence EB-2017-0182 Exhibit B, Tab 12, Schedule 1, page 1, lines 17-18.

Preamble

The original O&M cost was estimated at \$4.4M per annum. The present estimate is close to \$7.4M.

Questions:

- a) What has changed about maintaining the line since 2012?
- b) OEB Staff understands that the O&M estimate is derived as a multiplier of the capital cost of the line. Why does an increase in construction costs cause an increase in the amount of O&M work that will be necessary every year (other than as a result of increased line length)?

RESPONSE

- a) The underlying assumptions for maintaining the line have not changed. NextBridge incorrectly incorporated expenditures related to a particular program into O&M, resulting in a higher estimate. The correct estimate is \$4.7MM as further detailed below.

The recorded increase in OM&A annual cost was primarily attributable to the “neutral footprint” or equivalent program presented in the Designation Application and summarized at Appendix 7, which increased costs by \$2.7MM. The program sought to make the project neutral to the environment by mitigating footprint impacts.

Upon further review, the cost of the program was inadvertently included in both OM&A and in the estimated construction cost under “Site Remediation” at Table 2, Exhibit B, Tab 9 Schedule 1, page 1 of 11 of the Leave to Construct Application (“LTC”). Any expenditures of this nature are anticipated as a one-time expenditure, and are not properly included in OM&A. Removing this cost from the annual OM&A reduces the current estimate to approximately \$4.7MM. Thus, NextBridge’s revised projected OM&A cost of \$4.7MM represents an incremental increase of \$0.3MM, which is primarily due to the additional inflation as a result of the delayed in-service date.

- b) A change in construction costs does not necessarily mean a change in OM&A. NextBridge's language in the LTC application was disclosing that NextBridge's OM&A annual cost estimate was approximately 1% of construction costs. NextBridge's OM&A estimates provided at either designation or for the LTC application are based upon NextBridge bottoms up expectations of OM&A which happened to arrive at approximately 1% of construction in relation to the LTC Application annual OM&A cost, now approximately 0.6% of construction with the above adjustments made.

STAFF INTERROGATORY #31

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit D, Tab 1, Schedule 1, page 1.

NextBridge states that it is proposing to locate a maintenance facility in close proximity to the project.

Questions:

- a) Please provide locational details of the maintenance facility NextBridge is proposing.
- b) Please provide estimated response time for outages and how this complies with NERC and IESO reliability standards.

RESPONSE

- a) The specific location of the maintenance facility will be determined during the construction phase of the project, six to twelve months prior to the commercial operations date.
- b) NextBridge interprets this question to be an inquiry related to the estimated response times for forced outages and if those times would be compliant with NERC and IESO reliability standards. NextBridge is unaware of a NERC or IESO reliability standard that requires a specific response time for forced outages. NextBridge, however, is aware of NERC and IESO reliability standards that require NextBridge to coordinate the restoration activities of a forced outage with Hydro One and the IESO, and will follow the applicable IESO market rules. In this context, through remote monitoring and coordination with Hydro One, NextBridge will know of forced outages as they occur. Response to these outages by field personnel and NextBridge emergency response resources will begin immediately, with personnel accessing the fault location as soon as weather conditions permit. Every effort will be made to restore service as quickly and as safely as possible.

STAFF INTERROGATORY #32

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit B, Tab 9, Schedule 1 page 11, lines 17 – 21:  
“Development Phase Refinements”

Preamble:

NextBridge notes that the compensation package was revised to include incentive payments for acquisition of land rights in line with amounts of incentives in other transmission projects in Ontario.

Questions:

- a) Please provide the Land Acquisition Policy that NextBridge is using to acquire all the various forms of land agreements it requires to construct the EWT line. Such Policy should include the standard compensation formulas.
- b) Please explain why the compensation packages were revised.
- c) Please provide details of the “incentive payment” that was offered.
- d) Please explain how this payment was determined, including details of other projects that were used to come up with this payment.
- e) Please compare the revised incentive payments to the previously estimated land rights costs.

RESPONSE

- a) NextBridge has developed compensation principles that are being used to guide acquisition of land rights NextBridge requires to construct the EWT Line Project. These compensation principles were submitted as part of this Application at Exhibit E, Tab 4, Schedule 1, Attachment 2. NextBridge is applying these principles in an equitable and transparent manner to ensure property owners are treated in a consistent and fair manner. The specific application of these principles, including compensation formulas, is captured in the option acknowledgement letters that accompany the option agreements as part of agreement presentation meetings with private property owners. Attached to this response as Attachments 1 through 4

respectively are copies of the following forms of acknowledgement letter being provided to landowners evidencing specific compensation details and formulas:

- a) Transmission Option Acknowledgement Letter;
- b) Fixed Road Use Option Acknowledgement Letter;
- c) Road Use Option Acknowledgement Letter;
- d) Ground Lease Acknowledgement Letter.

NextBridge has developed Crown land acquisition policies that are being used to acquire consent or agreement required from impacted interest holders of Crown land required to construct the EWT line. NextBridge is applying these policies in an equitable and transparent manner to ensure Crown interest holders are treated in a consistent and fair manner based on the type of interest impacted. Attached to this response as Attachments 5 through 7 are copies of the following policies that are being applied in relation to eligible Crown interest holders:

- e) Affected Mining Leasehold Compensation Policy;
- f) Affected Aggregate Site Compensation Policy;
- g) Affected Unpatented Claimholder Compensation Policy.

- b) In NextBridge's East-West Tie Designation Application (EB-2011-0140), a proposed compensation and payment approach was described in Section 9.

It is NextBridge's objective to acquire land rights for the proposed Project by successfully negotiating mutually acceptable agreements with property owners. NextBridge is confident that a positive "win-win" outcome for both NextBridge and the affected property owners can be achieved by applying comprehensive and fair compensation principles, thereby avoiding the potentially prolonged, less flexible, and less certain outcomes associated with legislated expropriation procedures.

NextBridge reviewed the compensation and payment approach it had originally contemplated and compared it to compensation packages of other transmitters including Hydro One and AltaLink for similar land takings, specifically Hydro One's Bruce to Milton 2008 Transmission Reinforcement Project Land Acquisition Compensation Principles and AltaLink's 2011 Western Alberta Transmission Line Compensation package. Based on this review, NextBridge determined that a revised payment structure consistent with those offered by other transmitters in Ontario and other jurisdictions that includes additional incentive payments would increase acquisition success, limit independent appraisal and legal review, and potentially reduce the number of expropriation proceedings. The revised compensation framework is captured in the Compensation Principles submitted as part of this Application at Exhibit E, Tab 4, Schedule 1, Attachment 2.

- c) As outlined in the Compensation Principles at Exhibit E, Tab 4, Schedule 1, Attachment 2 at page 4 of 6, private property owners who accepted NextBridge's offer to acquire an easement or a mandatory total buyout were offered the following incentives:
- A \$1,000 option payment within 60 days of the execution of the Option Agreement, providing NextBridge with the option to acquire the interest easement or a mandatory total buyout, as applicable;
  - \$4,000 at the time the option is exercised in cases where the property owner has not sought reimbursement for costs associated with independent AACI appraisal advice related to the NextBridge's Offer; and,
  - A Review Payment of \$1,000 will be paid, on a per agreement basis, as compensation for the time and any legal expense related to the property owner's review of the Option Agreement.
- (together, the "incentive payment").
- d) As indicated in part b) of NextBridge's response to this interrogatory, to determine the incentive payment, NextBridge reviewed compensation packages being offered by other transmitters including Hydro One and AltaLink for similar land takings, specifically Hydro One's Bruce to Milton 2008 Transmission Reinforcement Project Land Acquisition Compensation Principles and AltaLink's 2011 Western Alberta Transmission Line Compensation package. Hydro One and AltaLink were both parties to the EWT Line Project designation proceeding, and had compensation packages published in relation to other large transmission projects. NextBridge adopted a similar incentive structure to Hydro One's, while maintaining a lower upfront option payment consistent with its designation application, and including an upfront review payment. NextBridge believes the revised incentive payment provides fair compensation to landowners while remaining competitive to other transmitters for similar takings. See table below for a summary of the comparison undertaken.



Hydro One Bruce to Milton Transmission Reinforcement (500 kV, 180 km new ROW adjacent to existing, located in Ontario)	Altalink Western Alberta Transmission Line (500 kV, 350 km of new ROW, located in Alberta)	NextBridge Current Application (230 kV, 450 km of new ROW, located in Ontario)
<ul style="list-style-type: none"> <li>- \$5,000.00 upfront option signing payment</li> <li>- \$4,000.00 payment in place of reimbursement costs associated with independent appraisal, and</li> <li>- an amount equal to 40% of the appraised fair market value of the acreage over which the easement interest was taken should the project proceed</li> </ul>	<ul style="list-style-type: none"> <li>- \$50.00 upfront option signing payment</li> <li>- \$10,000.00 upfront early access and routing consent payment</li> </ul>	<ul style="list-style-type: none"> <li>- \$1,000.00 upfront option signing payment</li> <li>- \$4,000.00 payment in place of reimbursement costs associated with independent appraisal, and</li> <li>- \$1,000.00 upfront review payment</li> </ul>

- e) The current compensation package includes various components of compensation as captured in the compensation principles and supporting option acknowledgement letters and Crown land compensation policies referred to in part a) of NextBridge's response to this interrogatory. Please refer to the table below for a comparison of the current incentive payments to the previously estimated land rights costs. Adoption of the current incentive payments did not result in an increase to the estimated land rights costs as the previously estimated land rights costs for Crown land acquisition were reduced from the designation application to the costs estimated in the current application.

<b>Proposal</b>	<b>Incentive Payment Structure</b>	<b>Description</b>	<b>Land Rights cost (rounded)</b>
Designation Application (EB-2011-0140)	\$1,000.00	For regulatory expedience	\$9.7MM
Current Application (EB-2017-0182)	\$6,000.00	Option payment, payment in place of reimbursement costs associated with independent appraisal, and review payment	\$9.7MM



390 Bay Street, Suite 1720  
Toronto • ON • M5H 2Y2 • Canada

To: \_\_\_\_\_

Re: Transmission Easement Option Agreement for NextBridge’s East-West Tie Project  
PIN  
Legal  
HST No: \_\_\_\_\_

NextBridge Infrastructure LP (“**NextBridge**”) has been designated as the developer for the East-West Tie Transmission Line Project (the “**Project**”) and is in the process of undertaking activities in support of its leave to construct and environmental assessment. Pending satisfactory receipt of the necessary approvals, NextBridge may proceed with the construction of the Project. NextBridge would like to secure its interest for a transmission line on the property described above. In this letter (the “**Option Acknowledgement Letter**”), NextBridge is making certain payment commitments that are not contained in the agreement documents, and explains how some of the payments were calculated. All of these payments are summarized in this letter. At the end of this Option Acknowledgement Letter, you are given the opportunity to direct the payments that have been offered to you to some other party should you choose to do so.

The Review Payment

NextBridge is proposing to obtain the land rights that are needed to build the Project on your property through a Transmission Easement Option Agreement (the “**Easement Option Agreement**”). NextBridge will pay you One Thousand Dollars (\$1,000.00), which is meant to compensate you for the time that you spend reviewing this agreement, and which can be put towards any legal expenses that you may incur for any independent legal advice that you may choose to obtain for this purpose.

The Option Payment and Additional Option Payment

Once you sign (and give to NextBridge) the Easement Option Agreement and this letter, NextBridge will pay you the Option Payment, in the amount of One Thousand Dollars (\$1,000.00), which is the consideration for granting NextBridge the option to take the easement. If NextBridge requires more than 3 years to decide to exercise its option in the easement, then they will extend the Easement Option Agreement term by 1 year, and you will be entitled to Additional Option Payment of One Thousand Dollars (\$1,000.00) for this Extended Option Term.

If NextBridge does not choose to exercise its option in the easement, then you may keep the Option Payment and any Additional Option Payment that may have been paid to you, and NextBridge will send a letter to you confirming that the Transmission Easement Agreement is null and void.

Calculation of Transmission Easement Payment

If NextBridge, in its sole and unfettered discretion, chooses to build the transmission line, then NextBridge will exercise its option in the Easement Option Agreement. You will be entitled to payments under a Transmission Easement Agreement (the “**Easement Agreement**”) to compensate you for NextBridge’s acquisition of the right-of-way and easement pursuant to the Easement Agreement. This is described in more detail below.

When NextBridge exercises the option and executes the Easement Agreement, you will be entitled to an Easement Payment. On your property, the amount for the Easement Payment was calculated as follows:

Easement Payment = Easement Area (minimum 1 ac) X Fair Market Value

Easement Payment = \_\_\_\_\_ X \_\_\_\_\_

Easement Payment = \_\_\_\_\_



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The Easement Area has been taken from the sketch that has been included in the agreement documents that you have been presented (labelled “Area Required for ROW”). For your property, the Easement Area is \_\_\_\_\_ acres. NTD: [, so a 1.0 acre minimum has been applied to the Easement Payment calculation.]

The Fair Market Value for your property has been determined through a benchmark market data valuation conducted by a member of the Accredited Appraiser Canadian Institute. For your property, the Fair Market Value has been determined to be \_\_\_\_\_ - \_\_\_\_\_ per acre.

The Incentive Payment

As stated in NextBridge’s Compensation Principles Document, if you disagree with this valuation result, you may hire an independent appraiser at NextBridge’s expense to conduct an appraisal of your property. However, if you choose not to hire your own appraiser and you sign the Easement Option Agreement, you will be paid an Incentive Payment of Four Thousand Dollars (\$4,000.00) if, and only if, the option in the Easement Option Agreement is exercised by NextBridge. This payment will be paid at the time of the exercise of the option. If you do hire your own appraiser, you will not qualify for this Incentive Payment.

This Incentive Payment is a supplementary payment and is not compensation or payment for you granting NextBridge the right-of-way and easement under the Transmission Easement Agreement.

Disturbance Damage Payment

This is the payment that you will receive in connection with the extra time and inconvenience associated with the Project for (a) working and/or farming around the right-of-way and easement during NextBridge’s activities, (b) planning for the right-of-way and easement and (c) interacting with NextBridge and its consulting personnel.

When NextBridge exercises the option and executes the Easement Agreement, you will be entitled to a Disturbance Damage Payment. On your property, the amount for the Disturbance Damage Payment was calculated as follows:

Disturbance Damage Payment = Easement Area X \$600.00

Disturbance Damage Payment = \_\_\_\_\_ X \$600.00

Disturbance Damage Payment = \_\_\_\_\_

Crop Compensation Payment

Property owners will receive payment for crop loss for lands disturbed by NextBridge from the proposed Project right of way, if and when applicable. The value of the crop loss will be established on the basis of local market rates and yields for specific crops being grown. The value will be determined on a case-by-case basis.

Merchantable Timber Loss Payment

Property owners will receive payment for merchantable timber that is removed by NextBridge from the proposed Project right of way. The value of the merchantable timber has been established on the basis of local market timber rates. If property owners elect to retain the merchantable timber, the value of the trees will be deducted from the compensation offer from the easement settlement between NextBridge and the landowner.



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### Summary of Payment Timelines and Amounts

In summary, you are entitled to the following payments at the following times.

#### **Easement Option Agreement Payments**

Upon review of the Easement Option Agreement:

1. The Review Payment of \$1,000.00

Sixty days from the Easement Option Agreement Effective Date:

2. The Option Payment of \$1,000.00

If, and only if, the Easement Option Agreement is extended, upon the date that you are notified of that extension:

3. The Additional Option Payment of \$1,000.00

If, and only if, you do not choose to have an independent appraisal conducted on your property, upon the date that NextBridge exercises the option in the Easement Option Agreement and the Easement Agreement is executed:

4. The Incentive Payment of \$4,000.00

#### **Easement Agreement Payment**

You will be entitled to the following payment if, and only if, NextBridge exercises the option in the Easement Option Agreement and the Easement Agreement is executed:

5. The Easement Payment of \_\_\_\_\_
6. Disturbance Damage Payment of \_\_\_\_\_
7. Crop Compensation Payment (if applicable), based on market rates

#### **Merchantable Timber Loss Payment**

You will be entitled to the following payment if, and only if, NextBridge exercises the option in the Easement Option Agreement and the Easement Agreement is executed, and merchantable timber is removed from your property:

8. The Merchantable Timber Loss Payment of \_\_\_\_\_

#### **NTD: [Non-Resident Withholding Tax]**

You have confirmed you are a non-resident of Canada. NextBridge will be remitting 25% of the funds to Revenue Canada for non-residency tax. Further information regarding withholding tax can be found at the following website:

<http://www.cra-arc.gc.ca/tx/nnrsdnts/ndvdl/nnrs-eng.html>



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Please sign all copies of this letter confirming your acknowledgment of the payment structure for the Easement Option Agreement. This letter is to be signed at the same time as the Easement Option Agreement, and given to the NextBridge Land Agent representative.

The offer in this letter will expire on \_\_\_\_\_ if this letter and the associated Easement Option Agreement are not signed and presented to the NextBridge representative on or before that date.

ACKNOWLEDGED AND AGREED TO this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Witness:

\_\_\_\_\_  
Witness:



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PAYMENT DIRECTIVE

I, (WE) \_\_\_\_\_ of \_\_\_\_\_ in the Province of Ontario having executed a **TRANSMISSION EASEMENT OPTION AGREEMENT, a TRANSMISSION EASEMENT AGREEMENT and an OPTION ACKNOWLEDGEMENT LETTER** dated \_\_\_\_\_ in favour of **NEXTBRIDGE INFRASTRUCTURE LP** for that tract of land more particularly described as follows:  
\_\_\_\_\_ BEING THE WHOLE OF PIN NO. \_\_\_\_\_

HEREBY DIRECT **NEXTBRIDGE INFRASTRUCTURE LP** to pay all monies hereafter payable under its **TRANSMISSION EASEMENT OPTION AGREEMENT, TRANSMISSION EASEMENT AGREEMENT and OPTION ACKNOWLEDGEMENT LETTER** relating to the above land, in the following manner:

1. Review Payment

\$1,000.00

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_
2. Option Payment

\$1,000.00

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_
3. Additional Option Payment (if applicable)

\$1,000.00

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_
4. Incentive Payment (if applicable)

\$4,000.00

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_
5. Easement Payment

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_
6. Disturbance Damage Payment

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_
7. Crop Compensation Payment (if applicable)

Market Rates
8. Merchantable Timber Loss Payment (if applicable)

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_

It is an Owner’s responsibility to obtain advice from their professional advisors with respect to HST and/or other income tax implications on payments received.



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DATED at \_\_\_\_\_, in the Province of \_\_\_\_\_,  
this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Witness:

\_\_\_\_\_

\_\_\_\_\_  
Witness:

\_\_\_\_\_





390 Bay Street, Suite 1720  
Toronto • ON • M5H 2Y2 • Canada

To: \_\_\_\_\_

Re: Road Use Easement (Fixed Term) Option Agreement for NextBridge's East-West Tie  
Project  
PIN  
Legal  
HST No: \_\_\_\_\_

NextBridge Infrastructure LP ("**NextBridge**") has been designated as the developer for the East-West Tie Transmission Line Project (the "**Project**") and is in the process of undertaking activities in support of its leave to construct and environmental assessment. Pending satisfactory receipt of the necessary approvals, NextBridge may proceed with the construction of the Project. NextBridge would like to secure its interest for a road use easement (fixed term) on the property described above. The road use easement (fixed term) covers a term of five (5) years, with possibility for extension, as outlined in the agreement. In this letter (the "**Option Acknowledgement Letter**"), NextBridge is making certain payment commitments that are not contained in the agreement documents, and explains how some of the payments were calculated. All of these payments are summarized in this letter. At the end of this Option Acknowledgement Letter, you are given the opportunity to direct the payments that have been offered to you to some other party should you choose to do so.

#### The Review Payment

NextBridge is proposing to obtain the land rights that are needed to build the Project on your property through a Road Use Easement (Fixed Term) Option Agreement (the "**Easement Option Agreement**"). NextBridge will pay you One Thousand Dollars (\$1,000.00), which is meant to compensate you for the time that you spend reviewing this agreement, and which can be put towards any legal expenses that you may incur for any independent legal advice that you may choose to obtain for this purpose.

#### The Option Payment and Additional Option Payment

Once you sign (and give to NextBridge) the Easement Option Agreement and this letter, NextBridge will pay you the Option Payment, in the amount of One Thousand Dollars (\$1,000.00), which is the consideration for granting NextBridge the option to take the easement. If NextBridge requires more than 3 years to decide to exercise its option in the easement, then they will extend the Easement Option Agreement term by 1 year, and you will be entitled to Additional Option Payment of One Thousand Dollars (\$1,000.00) for this Extended Option Term.

If NextBridge does not choose to exercise its option in the easement, then you may keep the Option Payment and any Additional Option Payment that may have been paid to you, and NextBridge will send a letter to you confirming that the Road Use Easement (Fixed Term) Agreement is null and void.

#### Calculation of Road Use Easement (Fixed Term) Payment

If NextBridge, in its sole and unfettered discretion, chooses to build the transmission line, then NextBridge will exercise its option in the Easement Option Agreement. You will be entitled to payments under a Road Use Easement (Fixed Term) Agreement (the "**Easement Agreement**") to compensate you for NextBridge's acquisition of the right-of-way and easement pursuant to the Easement Agreement. This is described in more detail below.

When NextBridge exercises the option and executes the Easement Agreement, you will be entitled to an Easement Fee. On your property, the amount for the Easement Fee was calculated as follows:



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Easement Fee = 75% X Easement Area (minimum 1 ac) X Fair Market Value

Easement Fee = 75% X \_\_\_\_\_ X \_\_\_\_\_

Easement Fee = \_\_\_\_\_

The Easement Fee is subject to Harmonized Sales Tax (HST) if the landowner is an HST registrant. HST is calculated at 13%. For your property, the HST calculated on the Easement Fee is - \_\_\_\_\_.

The Easement Area has been taken from the sketch that has been included in the agreement documents that you have been presented (labelled “Area Required for Proposed Temporary Access Road”). For your property, the Easement Area is \_\_\_\_\_ acres. NTD: [, so a 1.0 acre minimum has been applied to the Easement Fee calculation.]

The Fair Market Value for your property has been determined through a benchmark market data valuation conducted by a member of the Accredited Appraiser Canadian Institute. For your property, the Fair Market Value has been determined to be \_\_\_\_\_ - \_\_\_\_\_ per acre.

The Incentive Payment

As stated in NextBridge’s Compensation Principles Document, if you disagree with this valuation result, you may hire an independent appraiser at NextBridge’s expense to conduct an appraisal of your property. However, if you choose not to hire your own appraiser and you sign the Easement Option Agreement, you will be paid an Incentive Payment of Four Thousand Dollars (\$4,000.00) if, and only if, the option in the Easement Option Agreement is exercised by NextBridge. This payment will be paid at the time of the exercise of the option. If you do hire your own appraiser, you will not qualify for this Incentive Payment.

This Incentive Payment is a supplementary payment and is not compensation or payment for you granting NextBridge the right-of-way and easement under the Road Use Easement (Fixed Term) Agreement.

Disturbance Damage Payment

This is the payment that you will receive in connection with the extra time and inconvenience associated with the Project for (a) working and/or farming around the right-of-way and easement during NextBridge’s activities, (b) planning for the right-of-way and easement and (c) interacting with NextBridge and its consulting personnel.

When NextBridge exercises the option and executes the Easement Agreement, you will be entitled to a Disturbance Damage Payment. On your property, the amount for the Disturbance Damage Payment was calculated as follows:

Disturbance Damage Payment = Easement Area X \$600.00

Disturbance Damage Payment = \_\_\_\_\_ X \$600.00

Disturbance Damage Payment = \_\_\_\_\_

Crop Compensation Payment

Property owners will receive payment for crop loss for lands disturbed by NextBridge from the proposed Project right of way, if and when applicable. The value of the crop loss will be established on the basis of local market rates and yields for specific crops being grown. The value will be determined on a case-by-case basis.



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Merchantable Timber Loss Payment

Property owners will receive payment for merchantable timber that is removed by NextBridge from the proposed Project right of way. The value of the merchantable timber has been established on the basis of local market timber rates. If property owners elect to retain the merchantable timber, the value of the trees will be deducted from the compensation offer from the easement settlement between NextBridge and the landowner.

Summary of Payment Timelines and Amounts

In summary, you are entitled to the following payments at the following times.

**Easement Option Agreement Payments**

Upon review of the Easement Option Agreement:

- 1. The Review Payment of \$1,000.00

Sixty days from the Easement Option Agreement Effective Date:

- 2. The Option Payment of \$1,000.00

If, and only if, the Easement Option Agreement is extended, upon the date that you are notified of that extension:

- 3. The Additional Option Payment of \$1,000.00

If, and only if, you do not choose to have an independent appraisal conducted on your property, upon the date that NextBridge exercises the option in the Easement Option Agreement and the Easement Agreement is executed:

- 4. The Incentive Payment of \$4,000.00

**Easement Agreement Payment**

You will be entitled to the following payment if, and only if, NextBridge exercises the option in the Easement Option Agreement and the Easement Agreement is executed:

- 5. The Easement Fee of \_\_\_\_\_ + HST of \_\_\_\_\_ = \_\_\_\_\_
- 6. Disturbance Damage Payment of \_\_\_\_\_
- 7. Crop Compensation Payment (if applicable), based on market rates

**Merchantable Timber Loss Payment**

You will be entitled to the following payment if, and only if, NextBridge exercises the option in the Easement Option Agreement and the Easement Agreement is executed, and merchantable timber is removed from your property:

- 8. The Merchantable Timber Loss Payment (if applicable), based on market rates

**NTD: [Non-Resident Withholding Tax**

You have confirmed you are a non-resident of Canada. NextBridge will be remitting 25% of the funds to Revenue Canada for non-residency tax. Further information regarding withholding tax can be found at the following website:

<http://www.cra-arc.gc.ca/tx/nnrsdnts/ndvdl/nnrs-eng.html>



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Please sign all copies of this letter confirming your acknowledgment of the payment structure for the Easement Option Agreement. This letter is to be signed at the same time as the Easement Option Agreement, and given to the NextBridge Land Agent representative.

The offer in this letter will expire on \_\_\_\_\_ if this letter and the associated Easement Option Agreement are not signed and presented to the NextBridge representative on or before that date.

ACKNOWLEDGED AND AGREED TO this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Witness:

\_\_\_\_\_  
Witness:



390 Bay Street, Suite 1720  
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PAYMENT DIRECTIVE

I, (WE) \_\_\_\_\_ of \_\_\_\_\_ in the Province of Ontario having executed a **ROAD USE EASEMENT (FIXED TERM) OPTION AGREEMENT, a ROAD USE EASEMENT (FIXED TERM) AGREEMENT and an OPTION ACKNOWLEDGEMENT LETTER** dated \_\_\_\_\_ in favour of **NEXTBRIDGE INFRASTRUCTURE LP** for that tract of land more particularly described as follows:  
\_\_\_\_\_ BEING THE WHOLE OF PIN NO. \_\_\_\_\_

HEREBY DIRECT **NEXTBRIDGE INFRASTRUCTURE LP** to pay all monies hereafter payable under its **ROAD USE EASEMENT (FIXED TERM) OPTION AGREEMENT, ROAD USE EASEMENT (FIXED TERM) AGREEMENT and OPTION ACKNOWLEDGEMENT LETTER** relating to the above land, in the following manner:

1. Review Payment	\$1,000.00
Payable to _____	\$/% _____
Payable to _____	\$/% _____
2. Option Payment	\$1,000.00
Payable to _____	\$/% _____
Payable to _____	\$/% _____
3. Additional Option Payment (if applicable)	\$1,000.00
Payable to _____	\$/% _____
Payable to _____	\$/% _____
4. Incentive Payment (if applicable)	\$4,000.00
Payable to _____	\$/% _____
Payable to _____	\$/% _____
5. Easement Payment	
Payable to _____	\$/% _____
Payable to _____	\$/% _____
6. Disturbance Damage Payment	
Payable to _____	\$/% _____
Payable to _____	\$/% _____
7. Crop Compensation Payment (if applicable)	Market Rates
8. Merchantable Timber Loss Payment (if applicable)	Market Rates

It is an Owner’s responsibility to obtain advice from their professional advisors with respect to HST and/or other income tax implications on payments received.



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DATED at \_\_\_\_\_, in the Province of \_\_\_\_\_,  
this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Witness:

\_\_\_\_\_

\_\_\_\_\_  
Witness:

\_\_\_\_\_



390 Bay Street, Suite 1720  
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To: \_\_\_\_\_

Re: Road Use Easement Option Agreement for NextBridge's East-West Tie Project  
PIN  
Legal  
HST No: \_\_\_\_\_

NextBridge Infrastructure LP ("**NextBridge**") has been designated as the developer for the East-West Tie Transmission Line Project (the "**Project**") and is in the process of undertaking activities in support of its leave to construct and environmental assessment. Pending satisfactory receipt of the necessary approvals, NextBridge may proceed with the construction of the Project. NextBridge would like to secure its interest for a road use easement on the property described above. In this letter (the "**Option Acknowledgement Letter**"), NextBridge is making certain payment commitments that are not contained in the agreement documents, and explains how some of the payments were calculated. All of these payments are summarized in this letter. At the end of this Option Acknowledgement Letter, you are given the opportunity to direct the payments that have been offered to you to some other party should you choose to do so.

#### The Review Payment

NextBridge is proposing to obtain the land rights that are needed to build the Project on your property through a Road Use Easement Option Agreement (the "**Easement Option Agreement**"). NextBridge will pay you One Thousand Dollars (\$1,000.00), which is meant to compensate you for the time that you spend reviewing this agreement, and which can be put towards any legal expenses that you may incur for any independent legal advice that you may choose to obtain for this purpose.

#### The Option Payment and Additional Option Payment

Once you sign (and give to NextBridge) the Easement Option Agreement and this letter, NextBridge will pay you the Option Payment, in the amount of One Thousand Dollars (\$1,000.00), which is the consideration for granting NextBridge the option to take the easement. If NextBridge requires more than 3 years to decide to exercise its option in the easement, then they will extend the Easement Option Agreement term by 1 year, and you will be entitled to Additional Option Payment of One Thousand Dollars (\$1,000.00) for this Extended Option Term.

If NextBridge does not choose to exercise its option in the easement, then you may keep the Option Payment and any Additional Option Payment that may have been paid to you, and NextBridge will send a letter to you confirming that the Road Use Easement Agreement is null and void.

#### Calculation of Road Use Easement Payment

If NextBridge, in its sole and unfettered discretion, chooses to build the transmission line, then NextBridge will exercise its option in the Easement Option Agreement. You will be entitled to payments under a Road Use Easement Agreement (the "**Easement Agreement**") to compensate you for NextBridge's acquisition of the right-of-way and easement pursuant to the Easement Agreement. This is described in more detail below.

When NextBridge exercises the option and executes the Easement Agreement, you will be entitled to an Easement Payment. On your property, the amount for the Easement Payment was calculated as follows:





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Easement Payment = Easement Area (minimum 1 ac) X Fair Market Value

Easement Payment = 75% X \_\_\_\_\_ X \_\_\_\_\_

Easement Payment = \_\_\_\_\_

The Easement Area has been taken from the sketch that has been included in the agreement documents that you have been presented (labelled “Area Required for Proposed Permanent Access Road”). For your property, the Easement Area is \_\_\_\_\_ acres. NTD: [, so a 1.0 acre minimum has been applied to the Easement Payment calculation.]

The Fair Market Value for your property has been determined through a benchmark market data valuation conducted by a member of the Accredited Appraiser Canadian Institute. For your property, the Fair Market Value has been determined to be \_\_\_\_\_ - \_\_\_\_\_ per acre.

The Incentive Payment

As stated in NextBridge’s Compensation Principles Document, if you disagree with this valuation result, you may hire an independent appraiser at NextBridge’s expense to conduct an appraisal of your property. However, if you choose not to hire your own appraiser and you sign the Easement Option Agreement, you will be paid an Incentive Payment of Four Thousand Dollars (\$4,000.00) if, and only if, the option in the Easement Option Agreement is exercised by NextBridge. This payment will be paid at the time of the exercise of the option. If you do hire your own appraiser, you will not qualify for this Incentive Payment.

This Incentive Payment is a supplementary payment and is not compensation or payment for you granting NextBridge the right-of-way and easement under the Road Use Easement Agreement.

Disturbance Damage Payment

This is the payment that you will receive in connection with the extra time and inconvenience associated with the Project for (a) working and/or farming around the right-of-way and easement during NextBridge’s activities, (b) planning for the right-of-way and easement and (c) interacting with NextBridge and its consulting personnel.

When NextBridge exercises the option and executes the Easement Agreement, you will be entitled to a Disturbance Damage Payment. On your property, the amount for the Disturbance Damage Payment was calculated as follows:

Disturbance Damage Payment = Easement Area X \$600.00

Disturbance Damage Payment = \_\_\_\_\_ X \$600.00

Disturbance Damage Payment = \_\_\_\_\_

Crop Compensation Payment

Property owners will receive payment for crop loss for lands disturbed by NextBridge from the proposed Project right of way, if and when applicable. The value of the crop loss will be established on the basis of local market rates and yields for specific crops being grown. The value will be determined on a case-by-case basis.

Merchantable Timber Loss Payment

Property owners will receive payment for merchantable timber that is removed by NextBridge from the proposed Project right of way. The value of the merchantable timber has been established on the basis of local market timber rates. If property owners elect to retain the merchantable timber, the value of the trees will be deducted from the compensation offer from the easement settlement between NextBridge and the landowner.

It is an Owner’s responsibility to obtain advice from their professional advisors with respect to HST and/or other income tax implications on payments received.





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### Summary of Payment Timelines and Amounts

In summary, you are entitled to the following payments at the following times.

#### **Easement Option Agreement Payments**

Upon review of the Easement Option Agreement:

1. The Review Payment of \$1,000.00

Sixty days from the Easement Option Agreement Effective Date:

2. The Option Payment of \$1,000.00

If, and only if, the Easement Option Agreement is extended, upon the date that you are notified of that extension:

3. The Additional Option Payment of \$1,000.00

If, and only if, you do not choose to have an independent appraisal conducted on your property, upon the date that NextBridge exercises the option in the Easement Option Agreement and the Easement Agreement is executed:

4. The Incentive Payment of \$4,000.00

#### **Easement Agreement Payment**

You will be entitled to the following payment if, and only if, NextBridge exercises the option in the Easement Option Agreement and the Easement Agreement is executed:

5. The Easement Payment of \_\_\_\_\_
6. Disturbance Damage Payment of \_\_\_\_\_
7. Crop Compensation Payment (if applicable), based on market rates

#### **Merchantable Timber Loss Payment**

You will be entitled to the following payment if, and only if, NextBridge exercises the option in the Easement Option Agreement and the Easement Agreement is executed, and merchantable timber is removed from your property:

8. The Merchantable Timber Loss Payment (if applicable), based on market rates

#### **NTD: [Non-Resident Withholding Tax]**

You have confirmed you are a non-resident of Canada. NextBridge will be remitting 25% of the funds to Revenue Canada for non-residency tax. Further information regarding withholding tax can be found at the following website:

<http://www.cra-arc.gc.ca/tx/nnrsdnts/ndvdl/nnrs-eng.html>



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Please sign all copies of this letter confirming your acknowledgment of the payment structure for the Easement Option Agreement. This letter is to be signed at the same time as the Easement Option Agreement, and given to the NextBridge Land Agent representative.

The offer in this letter will expire on \_\_\_\_\_ if this letter and the associated Easement Option Agreement are not signed and presented to the NextBridge representative on or before that date.

ACKNOWLEDGED AND AGREED TO this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Witness:

\_\_\_\_\_  
Witness:



390 Bay Street, Suite 1720  
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PAYMENT DIRECTIVE

I, (WE) \_\_\_\_\_ of \_\_\_\_\_ in the Province of Ontario having executed a **ROAD USE EASEMENT OPTION AGREEMENT, a ROAD USE EASEMENT AGREEMENT and an OPTION ACKNOWLEDGEMENT LETTER** dated \_\_\_\_\_ in favour of **NEXTBRIDGE INFRASTRUCTURE LP** for that tract of land more particularly described as follows:  
\_\_\_\_\_ BEING THE WHOLE OF PIN NO. \_\_\_\_\_

HEREBY DIRECT **NEXTBRIDGE INFRASTRUCTURE LP** to pay all monies hereafter payable under its **ROAD USE EASEMENT OPTION AGREEMENT, ROAD USE EASEMENT AGREEMENT and OPTION ACKNOWLEDGEMENT LETTER** relating to the above land, in the following manner:

1. Review Payment

\$1,000.00

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_
2. Option Payment

\$1,000.00

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_
3. Additional Option Payment (if applicable)

\$1,000.00

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_
4. Incentive Payment (if applicable)

\$4,000.00

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_
5. Easement Payment

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_
6. Disturbance Damage Payment

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_
7. Crop Compensation Payment (if applicable)

Market Rates
8. Merchantable Timber Loss Payment (if applicable)

Market Rates

DATED at \_\_\_\_\_, in the Province of \_\_\_\_\_,  
this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

It is an Owner’s responsibility to obtain advice from their professional advisors with respect to HST and/or other income tax implications on payments received.



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\_\_\_\_\_  
Witness:

\_\_\_\_\_

\_\_\_\_\_  
Witness:

\_\_\_\_\_



390 Bay Street, Suite 1720  
Toronto • ON • M5H 2Y2 • Canada

To: \_\_\_\_\_

Re: Ground Lease Option Agreement for NextBridge’s East-West Tie Project  
PIN  
Legal  
HST No: \_\_\_\_\_

NextBridge Infrastructure LP (“**NextBridge**”) has been designated as the developer for the East-West Tie Transmission Line Project (the “**Project**”) and is in the process of undertaking activities in support of its leave to construct and environmental assessment. Pending satisfactory receipt of the necessary approvals, NextBridge may proceed with the construction of the Project. NextBridge would like to secure its interest for a ground lease on the property described above. The ground lease covers a term of five (5) years, with possibility for extension, as outlined in the agreement. In this letter (the “**Option Acknowledgement Letter**”), NextBridge is making certain payment commitments that are not contained in the agreement documents, and explains how some of the payments were calculated. All of these payments are summarized in this letter. At the end of this Option Acknowledgement Letter, you are given the opportunity to direct the payments that have been offered to you to some other party should you choose to do so.

The Review Payment

NextBridge is proposing to obtain the land rights that are needed to build the Project on your property through a Ground Lease Option Agreement. NextBridge will pay you One Thousand Dollars (\$1,000.00), which is meant to compensate you for the time that you spend reviewing this agreement, and which can be put towards any legal expenses that you may incur for any independent legal advice that you may choose to obtain for this purpose.

The Option Payment and Additional Option Payment

Once you sign (and give to NextBridge) the Ground Lease Option Agreement and this letter, NextBridge will pay you the Option Payment, in the amount of One Thousand Dollars (\$1,000.00), which is the consideration for granting NextBridge the option to take the lease. If NextBridge requires more than 3 years to decide to exercise its option in the lease, then they will extend the Ground Lease Option Agreement term by 1 year, and you will be entitled to Additional Option Payment of One Thousand Dollars (\$1,000.00) for this Extended Option Term.

If NextBridge does not choose to exercise its option in the lease, then you may keep the Option Payment and any Additional Option Payment that may have been paid to you, and NextBridge will send a letter to you confirming that the Ground Lease Agreement is null and void.

Calculation of Ground Lease Payment

If NextBridge, in its sole and unfettered discretion, chooses to build the transmission line, then NextBridge will exercise its option in the Ground Lease Option Agreement. You will be entitled to payments under a Ground Lease Agreement to compensate you for NextBridge’s acquisition of the right-of-way and lease pursuant to the Ground Lease Agreement. This is described in more detail below.

When NextBridge exercises the option and executes the Ground Lease Agreement, you will be entitled to Rent. On your property, the amount for the Rent was calculated as follows:

Rent = Lease Area (minimum 1 ac) X Fair Market Value

Rent = \_\_\_\_\_ X \_\_\_\_\_

Rent = \_\_\_\_\_



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Rent is subject to Harmonized Sales Tax (HST) if the landowner is an HST registrant. HST is calculated at 13%. For your property, the HST calculated on the Easement Fee is - \_\_\_\_\_.

The Lease Area has been taken from the sketch that has been included in the agreement documents that you have been presented (labelled “Area Required for Ground Lease Option Property”). For your property, the Lease Area is \_\_\_\_\_ acres. NTD: [, so a 1.0 acre minimum has been applied to the Rent calculation.]

The Fair Market Value for your property has been determined through a benchmark market data valuation conducted by a member of the Accredited Appraiser Canadian Institute. For your property, the Fair Market Value has been determined to be \_\_\_\_\_ - \_\_\_\_\_ per acre.

The Incentive Payment

As stated in NextBridge’s Compensation Principles Document, if you disagree with this valuation result, you may hire an independent appraiser at NextBridge’s expense to conduct an appraisal of your property. However, if you choose not to hire your own appraiser and you sign the Ground Lease Option Agreement, you will be paid an Incentive Payment of Four Thousand Dollars (\$4,000.00) if, and only if, the option in the Ground Lease Option Agreement is exercised by NextBridge. This payment will be paid at the time of the exercise of the option. If you do hire your own appraiser, you will not qualify for this Incentive Payment.

This Incentive Payment is a supplementary payment and is not compensation or payment for you granting NextBridge the right-of-way and lease under the Ground Lease Agreement.

Disturbance Damage Payment

This is the payment that you will receive in connection with the extra time and inconvenience associated with the Project for (a) working and/or farming around the right-of-way and lease during NextBridge’s activities, (b) planning for the right-of-way and lease and (c) interacting with NextBridge and its consulting personnel.

When NextBridge exercises the option and executes the Ground Lease Agreement, you will be entitled to a Disturbance Damage Payment. On your property, the amount for the Disturbance Damage Payment was calculated as follows:

Disturbance Damage Payment = Lease Area X \$600.00

Disturbance Damage Payment = \_\_\_\_\_ X \$600.00

Disturbance Damage Payment = \_\_\_\_\_

Crop Compensation Payment

Property owners will receive payment for crop loss for lands disturbed by NextBridge from the proposed Project right of way, if and when applicable. The value of the crop loss will be established on the basis of local market rates and yields for specific crops being grown. The value will be determined on a case-by-case basis.

Merchantable Timber Loss Payment

Property owners will receive payment for merchantable timber that is removed by NextBridge from the proposed Project right of way. The value of the merchantable timber has been established on the basis of local market timber rates. If property owners elect to retain the merchantable timber, the value of the trees will be deducted from the compensation offer from the lease settlement between NextBridge and the landowner.

It is an Owner’s responsibility to obtain advice from their professional advisors with respect to HST and/or other income tax implications on payments received.



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Summary of Payment Timelines and Amounts

In summary, you are entitled to the following payments at the following times.

**Ground Lease Option Agreement Payments**

Upon review of the Ground Lease Option Agreement:

- 1. The Review Payment of \$1,000.00

Sixty days from the Ground Lease Option Agreement Effective Date:

- 2. The Option Payment of \$1,000.00

If, and only if, the Ground Lease Option Agreement is extended, upon the date that you are notified of that extension:

- 3. The Additional Option Payment of \$1,000.00

If, and only if, you do not choose to have an independent appraisal conducted on your property, upon the date that NextBridge exercises the option in the Ground Lease Option Agreement and the Ground Lease Agreement is executed:

- 4. The Incentive Payment of \$4,000.00

**Ground Lease Agreement Payment**

You will be entitled to the following payment if, and only if, NextBridge exercises the option in the Ground Lease Option Agreement and the Ground Lease Agreement is executed:

- 5. The Rent of \_\_\_\_\_ + HST of \_\_\_\_\_ = -  
\_\_\_\_\_

- 6. Disturbance Damage Payment of \_\_\_\_\_

- 7. Crop Compensation Payment (if applicable), based on market rates

**Merchantable Timber Loss Payment**

You will be entitled to the following payment if, and only if, NextBridge exercises the option in the Ground Lease Option Agreement and the Ground Lease Agreement is executed, and merchantable timber is removed from your property:

- 8. The Merchantable Timber Loss Payment (if applicable), based on market rates

**NTD: [Non-Resident Withholding Tax]**

You have confirmed you are a non-resident of Canada. NextBridge will be remitting 25% of the funds to Revenue Canada for non-residency tax. Further information regarding withholding tax can be found at the following website:

<http://www.cra-arc.gc.ca/tx/nnrsdnts/ndvdl/nrs-eng.html>



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Please sign all copies of this letter confirming your acknowledgment of the payment structure for the Ground Lease Option Agreement. This letter is to be signed at the same time as the Ground Lease Option Agreement, and given to the NextBridge Land Agent representative.

The offer in this letter will expire on \_\_\_\_\_ if this letter and the associated Easement Option Agreement are not signed and presented to the NextBridge representative on or before that date.

ACKNOWLEDGED AND AGREED TO this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Witness:

\_\_\_\_\_  
Witness:





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PAYMENT DIRECTIVE

I, (WE) \_\_\_\_\_ of \_\_\_\_\_ in the Province of Ontario having executed a **GROUND LEASE OPTION AGREEMENT, a GROUND LEASE AGREEMENT and an OPTION ACKNOWLEDGEMENT LETTER** dated \_\_\_\_\_ in favour of **NEXTBRIDGE INFRASTRUCTURE LP** for that tract of land more particularly described as follows:  
\_\_\_\_\_ BEING THE WHOLE OF PIN NO. \_\_\_\_\_

HEREBY DIRECT **NEXTBRIDGE INFRASTRUCTURE LP** to pay all monies hereafter payable under its **GROUND LEASE OPTION AGREEMENT, GROUND LEASE AGREEMENT and OPTION ACKNOWLEDGEMENT LETTER** relating to the above land, in the following manner:

1. Review Payment

\$1,000.00

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_
2. Option Payment

\$1,000.00

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_
3. Additional Option Payment (if applicable)

\$1,000.00

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_
4. Incentive Payment (if applicable)

\$4,000.00

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_
5. Rent

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_
6. Disturbance Damage Payment

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_

Payable to \_\_\_\_\_ \$/% \_\_\_\_\_
7. Crop Compensation Payment (if applicable)

Market Rates
8. Merchantable Timber Loss Payment (if applicable)

Market Rates

It is an Owner’s responsibility to obtain advice from their professional advisors with respect to HST and/or other income tax implications on payments received.



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DATED at \_\_\_\_\_, in the Province of \_\_\_\_\_,  
this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Witness:

\_\_\_\_\_  
Witness:

**January 2018**

**NEXTBRIDGE INFRASTRUCTURE LP**

**Affected Mining  
Leasehold Compensation  
Policy**

## Nextbridge Affected Mining Leasehold Compensation Policy

Option Payment: \$1,000

Additional Option Payment: after 3-year Option Term, 1-year extension for \$1,000

Maximum legal expense reimbursement: \$1,000 ("Review Payment")

Disturbance payment: Easement Area or Temporary Infrastructure Area x \$600.00

The above terms are consistent with the Compensation Principles for the Project, however consideration may be given to increasing the Option Payment value given what is at stake for the leaseholder. Note that timber will be handled in accordance with the *Crown Forest Sustainability Act*, since ownership of the land is held by the Crown.

### Surrender or Easement Payment

- The Ministry of Northern Development and Mines has given NextBridge the option of pursuing a Partial Surrender of Mining Land Rights or to register an Easement on the Leasehold PIN. NextBridge will determine the best approach on a case-by-case basis.
- As per Schedule B of the Partial Surrender of Mining Land Rights or Easement Option Agreement, payment will be a lump sum due upon exercise of the Option. Payment will authorize NextBridge to finalize partial surrender or form of easement (Schedule C1 of Option Agreement) and complete a legal survey of the area to be released by the leaseholder or register the easement on Leasehold PIN, accordingly.
- Should the process require a Surrender or Easement, it will be for surface rights only, however we expect an acknowledgment by the parties that through surrendering surface rights or granting an easement to NextBridge, the leaseholder is effectively consenting to restrictions on their ability to conduct mining activities over/under the proposed easement area.
- Surrender or Easement Payment therefore captures compensation beyond the fair market value of lands (e.g. rent payable for area to the Crown) and includes an estimation/allocation for potential business/commercial loss to the mining leaseholder. It should be noted the leaseholder is relinquishing nothing less than what they would receive for any provisions within the *Expropriations Act* (if it were applicable), for any losses they suffer relating to the proposed construction of the transmission line right-of-way. Any compensation provided by NextBridge pertaining to business loss must be substantiated or proven.
- Accordingly, reimbursable expenses will be offered for an independent, site specific assessment by a qualified professional or consultant to complete a study on the potential mining loss and any other recognized loss to their operation, due to the construction of the proposed 230 kV transmission line. An estimate will be required and submitted to NextBridge in advance of the appraisal/consultant work, to complete this assignment. We are currently carrying a maximum of \$10,000 in the land budget.

The above compensation policy is applicable only to leaseholds where we are pursuing a surrender of surface rights per the Partial Surrender of Mining Lands Option Agreement (i.e. affected by the transmission line) or registering an easement per the Easement Option Agreement. For leaseholds affected by temporary

infrastructure only (i.e. a temporary access road), a Temporary Infrastructure Payment that is consistent with the road use easement payment applied to fee-simple lands will be provided along with a review and disturbance payment. No Option payment will be presented for temporary rights required on leasehold interests.

**September 2017**

**NEXTBRIDGE INFRASTRUCTURE LP**

**Affected Aggregate  
Site Compensation  
Policy**



## Nextbridge Affected Aggregate Site Compensation Policy

Maximum legal expense reimbursement: \$1,000 (“Review Payment”)

Disturbance payment: Partial Surrender Area or Temporary Infrastructure Area x \$600.00

The above terms are consistent with the Compensation Principles for the Project. Note that timber will be handled in accordance with the *Crown Forest Sustainability Act*, since ownership of the land is held by the Crown.

### Surrender Payment

- Section 2 of the Acknowledgement Agreement includes a surrender payment. This payment will be a lump sum due 30-business days upon receiving a signed copy of Schedule B from the Permit or License Holder. Payment will authorize NextBridge to finalize the aggregate site plan amendment with the MNRF and complete the required survey for the site.
- Through surrendering a portion of their aggregate permit or licence area to NextBridge, the aggregate permit/licence holder is effectively consenting to restrictions on their ability to conduct aggregate activities over/under the proposed Partial Surrender Area .
- The surrender therefore captures compensation beyond the fair market value of lands (e.g. rent payable for area to the Crown or property owner) and includes an estimation/allocation for potential business/commercial loss to the permit/licence holder. It should be noted that the permit/licence holder is relinquishing nothing less than what they would receive for any provisions within the *Expropriations Act* (if it were applicable), for any losses they suffer relating to the proposed construction of the transmission line right-of-way. Any compensation provided by NextBridge pertaining to business loss must be substantiated or proven.
- Accordingly, reimbursable expenses will be offered for an independent, site specific assessment by a qualified professional or consultant to complete a study on the potential aggregate loss and any other recognized loss to their operation, due to the construction of the proposed 230 kV transmission line. An estimate will be required and submitted to NextBridge in advance of the appraisal/consultant work, to complete this assignment. We are currently carrying a maximum of \$10,000 in the land budget per aggregate site.

The above surrender payment and compensation policy is applicable only to aggregate permit/licence holders where we are pursuing a partial surrender of the aggregate permit and/or licence area (i.e. affected by the proposed transmission line) under an Acknowledgment Agreement. For aggregate permits affected by temporary infrastructure only (i.e. a temporary access road), a Temporary Infrastructure Payment that is consistent with the road use easement or ground lease payment applied to fee-simple lands will be provided along with a review and disturbance payment.

**July 2017**

**NEXTBRIDGE INFRASTRUCTURE LP**

**Affected Unpatented  
Claimholder Compensation  
Policy**



## Nextbridge Affected Unpatented Claimholder Compensation Policy

This compensation policy applies to eligible claimholders, as defined below, who are directly affected by the Project.

Payment formula: Requested Area for Disposition of Surface Rights / Total Area of the Unpatented Claim \* Total Work

- NextBridge has developed a fair and transparent compensation approach for eligible claimholders for the purposes of proportionately reimbursing work that has been applied to directly affected claims.
- NextBridge is only seeking Surface Rights and the claimholder will still retain all Mineral Rights.
- Claimholders are considered eligible for compensation if they have completed assessment work, have shown concern for disposing their surface rights and have indicated that the surface rights needed for the East-West Tie transmission line project are required by the claimholder for planned or current operations. Compensation will be reviewed in accordance with the methodology provided here.
- The approach applies the following formula to establish a fair compensation value: Requested Area for Disposition of Surface Rights / Total Area of the Unpatented Claim \* Total Work. Requested Area for Disposition of Surface Rights = area required for proposed permanent or temporary Project infrastructure. Total Area of the Unpatented Claim = area of staked claim. Total Work = amount reported on claim abstract publicly available from Ministry of Northern Development and Mines (MNDM).
- If the claimholder has unregistered work, i.e. work that is not reflected on the claim abstract, NextBridge would be willing to review documentation as proof of additional work that may have been applied to the directly affected claims. This will influence the value of compensation being offered. Proof of work would include paid invoices of survey assessment or geotechnical investigations.
- Reasonable costs associated with additional assessment work undertaken specifically to confirm value of right of way area in support of negotiations, will be reviewed and considered for reimbursement.
- NextBridge would consider signing a Confidentiality Agreement to complete negotiations, should the claimholder be reluctant to provide us with information.
- NextBridge will permit access to the East-West Tie transmission line right of way (ROW) on public lands for safe and compatible uses.
- Performance of work within the right of way will require prior authorization from NextBridge
- Crossing of equipment or vehicles off of public roads, or in locations other than designated crossing locations, will require advance notification and prior authorization from NextBridge
- Performance of work within the right of way, must meet the Ontario OHS Act, and the IHSA Electrical Utility Safety Rules.
- In the event negotiations are not successful, NextBridge will engage MNDM to assist parties in reaching a mutually acceptable agreement.
- Temporary infrastructure proposed for construction will be removed/decommissioned and restored as per the Environmental Protection Plan.

STAFF INTERROGATORY #33

INTERROGATORY

Preamble:

At Exhibit C-1-1, page 2, NextBridge notes that the structure locations identified are proposed, and are subject to change based on numerous factors, including final engineering and design considerations, environmental constraints, construction learning, and continued landowner consultation.

Questions:

Please describe how NextBridge intends to notify the OEB of any changes to the structure locations.

RESPONSE

NextBridge intends to meet the Board's expectations as set out in section 4.3.3.1 the Board's *Filing Requirements for Electricity Transmission Applications*, which addresses changes to the route, which, in turn, will include notification of changes to the structure locations.

## STAFF INTERROGATORY #34

### INTERROGATORY

Ref: Evidence EB-2011-0140 page 119, paragraph 8.8; Evidence EB-2017-0182: Exhibit B, Tab 2, Schedule 1, Attachment 1, page 2: "New East-West Tie Line Project Route"; Exhibit B, Tab 9, Schedule 1, page 7, lines 14-23: "New Scope Requirements"; Exhibit C, Tab 1, Schedule 1: "The Route"; Exhibit H, Tab 1, Schedule 1, page 6, lines 13-18: "Land Acquisition"; Exhibit I, Tab 1, Schedule 1, page 3, lines 16-24 and page 4, lines 1-4: "3.1 Dorion Public Town Hall and Special Meetings"

#### Preamble:

NextBridge's plan outlined in the Designation Application noted that it may become necessary that the Reference Route be varied and that variants may include bypasses of Pukaskwa Park and/or Pays Plat or Michipicoten First Nation Reserves. NextBridge indicated that these potential variants may cause additional costs to be incurred as a result of increasing the length of the EWT Line. These route variants, according to the Designation Application would add approximately: (i) 30.5 km around Pukaskwa Park, (ii) 0.35 km around Pays Plat, and (iii) 12.5 km around Michipicoten. This cumulatively adds 43.35 km to the 400 km total length of the Reference Route.

According to the New EWT Line route maps, the route for which NextBridge is seeking approval is about 450 km long and deviates from the Reference Route at the following locations: (i) Pukaskwa Park and (ii) north of Loon Lake and west of Ouimet Canyon Provincial Park.

NextBridge also noted that the proposed route crosses two First Nation reserves: Michipicoten and Pays Plat First Nation and that additional land acquisition permits are required for crossing these lands.

At the public meetings with the Township of Dorion local residents suggested that NextBridge evaluate three alternate routes in and around the community of Dorion. After considering the three alternatives NextBridge selected one of the alternatives and included that one in the New EWT Line preferred route.

#### Questions:

- a) What is the length of each variant in the New EWT Transmission Line route?
- b) Please provide the incremental development costs associated with each of the two route variants, alternative routing in and around the community of Dorion and additional land acquisition for crossing Michipicoten and Pays Plat reserves. Identify specific incremental cost incurred related to:
  - i. Land acquisition process
  - ii. First Nations and Metis engagement
  - iii. Community and stakeholder consultation
  - iv. Environmental assessment and impact mitigation
- c) Please provide a detailed rationale for each of the variants. Include the reasons related to:
  - i. Land acquisition process
  - ii. First Nations and Metis engagement
  - iii. Community and stakeholder consultation
  - iv. Environmental assessment and impact mitigation
- d) How is each variant influencing the type of tower to be used and the estimated cost of construction?

## RESPONSE

- a) As part of NextBridge's Environmental Assessment, alternatives assessment reports found at *Appendix 3-I: Alternative Route Assessment for the East-West Tie Transmission Project* and *Appendix 3-I A: Alternative Route Assessment Around Loon Lake* provide the length of each variant in the New EWT Transmission Line route. The documents can be found here: [http://www.nextbridge.ca/project\\_info](http://www.nextbridge.ca/project_info). Specifically, going around Pukaskwa National Park adds approximately 43km, going around the Township of Dorion adds approximately 4km, while going around Loon Lake adds no additional material length to the EWT Line Project route.
- b) Incremental development costs incurred associated with identified variants are as follows:

### First Nations and Métis engagement

Since the development of the route variants around the reserves contained in NextBridge's designation application, NextBridge has been in negotiations with Michipicoten and Pays Plat First Nations for agreements to cross their respective reserves and there is currently no intention to deviate from the Reference Route as it applies to these reserves. Given the on-going negotiation with Michipicoten and Pays Plat First Nations, there are no incremental development costs involved with a variant to go around reserve lands.

For the variation around Dorion, NextBridge provided the 18 communities identified in its consultation program with information regarding the reroute as part of the normal course of project work. Therefore, there were also no incremental First Nations and Métis engagement development costs involved with a variant to go around Dorion.

### Land acquisition process; community and stakeholder consultation; environmental assessment and impact mitigation

Incremental development costs specific to routing around Dorion are not available by land acquisition, community and stakeholder consultation, and environmental assessment and impact mitigation. Each of these activities related to this reroute occurred in the normal course of project work. For example, the change in route was incorporated into existing stakeholder and First Nation & Métis engagement presentations and materials.

Although there were no incremental development costs, there was an increase in construction cost of \$66.9MM resulting from route variations incorporated into the EWT Line Project route. This cost was included in New Scope Requirements in Exhibit B, Tab 9, Schedule 1 and is further detailed in NextBridge's response to Board Staff Interrogatory #24, found at Exhibit I.B.NextBridge.STAFF.24.

- c) The following table provides a detailed rationale for each of the variants.

Route Variant	Rationale
Pukaskwa Park	Land Acquisition Process <ul style="list-style-type: none"> <li>• Around the park required land acquisition and permitting support, through the park would not.</li> </ul>
	First Nations & Métis Engagement <ul style="list-style-type: none"> <li>• Pic River First Nation preferred route through park.</li> </ul>
	Community and Stakeholder Consultation <ul style="list-style-type: none"> <li>• Parks Canada would not allow NextBridge to study the route through the Park</li> </ul>
	Environmental assessment and impact mitigation – <ul style="list-style-type: none"> <li>• Avoids Pukaskwa National Park (0 hectares of park land impact compared to 194 hectares)</li> <li>• The route crosses more previously logged lands (245 hectares compared to 90 hectares); crosses less area of wetland (25 hectares compared to 40 hectares); and crosses less Woodland Caribou continuous habitat (63 hectares compared to 153 hectares).</li> </ul>
North of Loon Lake	Land Acquisition Process <ul style="list-style-type: none"> <li>• Loon Lake directly affected landowners were generally amenable to optioning land for the project, while those residents not directly affected were opposed to the route</li> </ul>
	First Nations & Métis Engagement – <ul style="list-style-type: none"> <li>• Reduced number of Métis harvesting features in the right of way (22 compared to 29)</li> </ul>
	Community and Stakeholder Consultation <ul style="list-style-type: none"> <li>• Residents of Loon Lake expressed concern over safety during the construction period of the project that could not be mitigated, as well as visual impacts and potential impacts to ground water flows and water quality in the lake, and cumulative impacts related to the concentration of infrastructure in the area. A meeting was held with the group and members of the Municipality of Shuniah on July 26, 2016 to review concerns and routing. The residents of the area presented three alternative routes that could mitigate these impacts. NextBridge</li> </ul>

	<p>assessed the alternatives and made refinements to the community-proposed northern route brought forward by the July 26 meeting attendees. The newly refined route addresses many of the issues brought forward to NextBridge during the meeting and other stakeholder engagement and consultation activities throughout the development of the Project.</p>
	<p>Environmental assessment and impact mitigation –</p> <ul style="list-style-type: none"> <li>• The route crosses less mapped waterbodies (8 compared to 9) and crosses less area of high potential aggregate resources (84 hectares compared to 167 hectares).</li> </ul>
West of Ouimet Canyon (Dorion)	<p>Land Acquisition Process</p> <ul style="list-style-type: none"> <li>• Dorion directly affected landowners were not generally amenable to optioning land for the project</li> <li>• Estimated costs of moving route were deemed less than those of expropriation – potentially 4 dwelling displacements</li> </ul>
	<p>First Nations &amp; Métis Engagement – Not Applicable</p>
	<p>Community and Stakeholder Consultation</p> <ul style="list-style-type: none"> <li>• Residents of Dorion expressed concern over repeated infrastructure projects in the area causing property value issues and potential conflicts with the Strategic Plan the Township was preparing. As a result of concerns expressed at a town hall meeting on March 31, 2014, NextBridge committed to exploring alternative routes in the vicinity of Dorion. A meeting was held with members of Dorion Council and the Concerned Citizens Group on June 19, 2014 to review concerns and three alternative routes identified by the Concerned Citizens Group. A teleconference meeting was held on September 22, 2014 to obtain additional local knowledge and locally significant issues regarding the project. Information gathering included current municipal plans, initiatives, land use,</li> </ul>

	development activities, and potential impacts to recreation and tourism, particularly Ouimet Canyon.
	Environmental assessment and impact mitigation – <ul style="list-style-type: none"> <li>• The route does not cross an area of high potential for aggregate resources (0 hectares compared to 20 hectares), crosses fewer watercourses (15 compared to 20); and crosses less Woodland Caribou discontinuous habitat (50 hectares compared to 45 hectares).</li> </ul>

- d) Each of the variants adopted by the Project influences the type of tower to be used and the estimated cost of construction because terrain and alignment are often the biggest considerations in selection of tower type. Deviations from the reference route typically increase the number of required angle structures to accommodate the variant. These additional angle structures generally use more steel to resist the additional forces caused by the turning of the angle. Adding more angles into the line generally increases the overall number of structures and consequently cost.



STAFF INTERROGATORY #35

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit E, Tab 5, Schedule 1, page 1, Attachments 1-8

Preamble:

Section 97 of the *Ontario Energy Board Act, 1998* (OEB Act) stipulates the following:

In an application under section 90, 91 or 92, leave to construct shall not be granted until the applicant satisfies the Board that it has offered or will offer to each owner of land affected by the approved route or location an agreement in a form approved by the Board.

NextBridge filed the following forms of agreement it has to obtain to acquire land rights to locate, construct, own, operate and maintain the New EWT Line:

- Transmission Easement Option Agreement
- Transmission Easement Agreement
- Road Use Easement Option Agreement
- Road Use Agreement
- Fixed Term Road Use Easement Agreement
- Fixed Term Road Use Easement Option Agreement
- Ground Lease Agreement
- Ground Lease Option Agreement

NextBridge stated that the clauses identified in Appendix A to the OEB Filing Requirements for Electricity Transmission Applications have been incorporated in the forms of agreement filed in its evidence.

Questions:

- a) Which of the forms NextBridge filed in its evidence has been previously approved by the OEB? If so, in which proceedings?
- b) Please confirm that NextBridge offered the same forms of agreement to each owner of the land affected by the route of the New EWT Line and confirm the agreements are in the form specified in Appendix A of the OEB's Chapter 4 filing requirements.

- c) Please update the status of negotiations between NextBridge and parties from which the land rights need to be acquired for each of the noted forms of agreement listed in Exhibit E, Tab 5, Schedule 1, page 1 in the form of the following tables below:

### Summary of Easement Agreements

Type of Easement	Privately Owned		Municipally Owned		Agency and Utility		Aboriginal	
	Required	Complete	Required	Complete	Required	Complete	Required	Complete
Tx Option Agreement								
Tx Agreement								
Road Use Option Agreement								
Road Use Agreement								
Fixed Term Road Use Option Agreement								
Fixed Road Term Road Use Agreement								

### Summary of Lease Agreements

Type of Lease	Privately Owned		Municipally Owned		Agency and Utility		Aboriginal	
	Required	Complete	Required	Complete	Required	Complete	Required	Complete
Ground Lease Agreement								
Ground Lease Option Agreement								

- d) Please provide an update in respect to any private land expropriation rights that may be required.
- e) In its May 15, 2015 letter to the OEB, at page 11, NextBridge indicated that the 35 months of additional development activity offers a valuable opportunity to negotiate with land rights holders, with the aim of eliminating the need for expropriation. Has the need for expropriation been eliminated? Please explain.
- f) What impact would expropriation requirements have on project costs and construction timelines?
- g) Please provide any documents indicating support of local landowners along the proposed transmission line route.

### RESPONSE

- a) The forms of agreement filed by NextBridge in its evidence at Exhibit E, Tab 5, Schedule 1, Attachments 1 to 8, have not been previously approved by the OEB.
- b) Yes, NextBridge offered the same forms of agreement to each owner of land affected by the route of the New EWT Line and confirms the agreements are in the form specified in Appendix A of the OEB's Chapter 4 filing requirements.
- c) The below tables summarize the status of acquisition between NextBridge and parties from which land rights need to be acquired as at January 5, 2018.

Summary of Easement Agreements

Type of Easement	Privately Owned <sup>1</sup>		Municipally Owned		Agency and Utility		Aboriginal	
	Required	Complete	Required	Complete	Required	Complete	Required	Complete
Tx Option Agreement	56	38	0	0	0	0	0	0
Tx Agreement	56	0	17	0	0	0	0	0
Road Use Option Agreement	11	1	0	0	0	0	0	0
Road Use Agreement	11	0	2	0	0	0	0	0
Fixed Term Road Use Option Agreement	108	73	0	0	0	0	0	0
Fixed Road Term Road Use Agreement	108	0	20	0	0	0	0	0

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<sup>1</sup> Note: Includes interests privately held by First Nations entities.

Summary of Lease Agreements

Type of Lease	Privately Owned		Municipally Owned		Agency and Utility		Aboriginal	
	Required	Complete	Required	Complete	Required	Complete	Required	Complete
Ground Lease Agreement	13	0	2	0	0	0	0	0
Ground Lease Option Agreement	13	7	0	0	0	0	0	0

- d) It is NextBridge's objective to acquire land rights for the proposed Project by successfully negotiating mutually acceptable agreements with property owners. To date, NextBridge has secured Option Agreements with 74% of private landowners. NextBridge continues to work with private property owners and anticipates reaching agreement with the remaining interest holders by the end of Q1 2018. Should mutually acceptable agreements not be achieved in all cases, expropriation will be pursued and is expected to be finalized by Q1 2020.
- e) As noted in NextBridge's response to part d) of this interrogatory, NextBridge's objective continues to be to acquire land rights for the proposed Project by successfully negotiating mutually acceptable agreements with property owners and Crown interest holders. The additional development period offered a valuable opportunity to continue negotiating with land rights holders and work towards addressing their concerns. At this time, NextBridge is not in a position to confirm whether the need for expropriation has been eliminated.
- f) NextBridge has accounted for potential expropriation requirements in the current project costs estimate and construction timelines, and expects to be able to accommodate potential expropriation requirements within what has been proposed without impacting the current December 2020 in-service date.
- g) NextBridge did not request nor receive any documents indicating support from directly affected landowners along the proposed transmission line route. NextBridge did circulate notification of NextBridge's Leave to Construct Application to approximately 1600 parties in response to the Board's October 12, 2017 Notice of Application and Letter of Direction. As a result of the notification, one (1) property owner and one (1) municipality requested intervenor status to participate in the proceeding. NextBridge

views the limited extent to which affected landowners have chosen to intervene as a good representation of the support the project has from local landowners along the proposed transmission line route. NextBridge has to date signed agreements in respect of 74% of interests in private properties required for the Project.

STAFF INTERROGATORY #36

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit E, Tab 4, Schedule 1, page 5,

Preamble:

“NextBridge has engaged with representatives from the municipalities of Shuniah and Wawa, the Townships of Dorion, Nipigon, Red Rock, Schreiber, and Terrace Bay, the Town of Marathon, and the Ministry of Transportation in relation to use of and location of structures and related facilities over, under or on public streets and highways”.

Questions:

- a) Please provide an update on all consultations with the municipalities along the proposed transmission line route and any documents pertaining to any discussions with municipal councils including minutes of council meetings related to the proposed transmission line route.
- b) Please provide an update on all consultations with Provincial Crown Agencies in respect to land rights (Ministry of Transportation, Ministry of Economic Development, Employment and Infrastructure and lands managed by Infrastructure Ontario. Please provide any supporting documents pertaining to any discussions with these agencies including minutes of meetings related to the proposed transmission line route.

RESPONSE

- a) All municipalities along the proposed transmission line route have been engaged as part of the public consultation and engagement program employed during the Environmental Assessment process. This has entailed a variety of forums for Project consultation with municipal representatives since 2013, including four rounds of public open houses held in local communities across the Project with municipal council members frequently in attendance. These engagements are detailed in documentation for the Terms of Reference and Environmental Assessment.

In relation to community-specific concerns raised regarding previous iterations of the transmission line route, several meetings and consultations were held with the Township of Dorion and Municipality of Shuniah. As noted, these meetings are listed in the Terms of Reference and Environmental Assessment documentation but expanded upon here with respect to route. The Township of Dorion expressed concern early in the project that the community was bearing an unfair brunt of linear

infrastructure, including highways, transmission lines and rail, which was in part a consequence of the community's location along Lake Superior and difficult terrain to the north. Dorion expressed their concerns and shared the contents of a deputation made to their council on February 4, 2014 outlining these concerns. As a result, NextBridge began a series of meetings with the Township and the Concerned Citizens Group. Dorion engagements included a Town Hall meeting on March 31, 2014, a Special Meeting of Council on June 19, 2014 with members of the Concerned Citizens Group, and a teleconference meeting with the Township of Dorion and Concerned Citizens Group on September 22, 2014. Representatives from the Municipality of Shuniah attended a meeting with the Loon Lake Community on July 26, 2016 and a meeting was held with Shuniah Mayor and Council on August 4, 2016 (no minutes available) to discuss the outcomes of the July 26 meeting. A meeting with representatives from Dorion Council and the Concerned Citizens Group was also held on August 4, 2016 to discuss the outcomes of the meetings with the Loon Lake Community and Municipality of Shuniah.

The purpose of these meetings was to update council members on the review of transmission line routing alternatives in response to their constituents' concerns. Please refer to Attachment 1 of this response for minutes from these meetings. NextBridge received a letter of support from the Township of Dorion on May 8, 2017 with respect to the proposed transmission line route. Please refer to Attachment 2 of this response for this documentation.

Since 2013, NextBridge has consulted with municipalities along the proposed transmission line route regarding environmental and engineering field study activities occurring within their respective jurisdictions, including executing forms of agreement to permit access to study potentially affected municipal lands. In February of 2017, NextBridge held meetings with municipal staff at the municipalities of Shuniah and Wawa, the Townships of Nipigon, Schreiber, Terrace Bay, and the Town of Marathon. The purpose of these meetings was to review the location of the proposed transmission line route and related facilities within municipal or township boundaries and to confirm applicable permitting and agreement requirements as it pertained to the use of public roads and municipal lands. Please refer to Attachment 3 of this response for minutes from these meetings. On August 8, 2017, the Municipality of Wawa Council passed By-Law No. 3053-17 to authorize a transmission easement agreement on municipal lands. Please refer to Attachment 4 of this response for Wawa Council Meeting Minutes. NextBridge is committed to continuing to work with all municipalities in a fair, open, and transparent manner to obtain required permissions for the Project prior to construction.

- b) NextBridge has consulted with the Ministry of Transportation ("MTO") and Infrastructure Ontario ("IO"), under the Ministry of Economic Development,



Employment and Infrastructure ("MEDEI"), in respect to the land rights required for all MTO and IO properties and interests affected by the proposed transmission line and related facilities.

NextBridge is pursuing Grants of Easements and Temporary Licences on lands managed by IO, whilst meeting IO's Class EA, consultation, indigenous engagement, cultural heritage / archaeology, and Phase One Environmental Site Assessment requirements. NextBridge is currently in the process of drafting reference plans for affected lands managed by IO in support of completing the Grants of Easement and Temporary Licence agreement process. NextBridge has been engaged with IO regarding required land rights since 2016. Please refer to Attachment 5 of this response for minutes from meetings between IO and NextBridge.

A mapping deliverable package was submitted to MTO on December 23, 2017, as discussed and requested by MTO in November 2017, for the various MTO land rights and approvals necessary for the proposed transmission line and related facilities. MTO's review of this package is ongoing. Upon the conclusion of MTO's review process, it is anticipated that MTO will issue Encroachment Permits, Entrance Permits, and Building and Land Use approvals for designated lands and Permit Control Areas. For MTO's non-designated lands, NextBridge is pursuing transmission line easement agreements with MTO. NextBridge has been engaged with MTO regarding required permits and agreements for affected MTO lands since 2016. Please refer to Attachment 6 of this response for minutes from meetings between MTO and NextBridge.

THE CORPORATION OF THE TOWNSHIP OF DORION

Being the minutes of the regular meeting held Tuesday, February 4, 2014 at 7:05 p.m. in the Board Room at the Municipal Office.

Members present: Ed Chambers, Reeve  
Don Modin  
Kitty Dumonski  
Bob Beatty  
Ben Geiger

Also present: Mavis Harris, Deputy Clerk-Treasurer

Guests: Paulette Forsyth

Deputation Guests: Syd Ellis; Peter Burkhardt; D'Arcy & Nancy Furlonger; Brent Cadeau; Clarence Holmes; Dave Harris; Wayne Tocheri (via telephone) ~ 7:05 p.m. – 7:30 p.m.

Deputations

i) Syd Ellis – NextBridge ~ East West Tie Transmission Project

A delegation of seven (7) concerned residents of Dorion attended the meeting and one (1) via telephone to present their concerns regarding the East West Tie Transmission Project. Reeve, Ed Chambers briefly explained the deputation process and the allowed the delegation to voice their concerns. The consensus of those in attendance was that Dorion already has its share of infrastructure running through the community with transmission lines, railway corridors, a pipeline and the planned twinning of highway 11/17 and are not in support of the another transmission line.

Some concerns that were brought forward included the impact on residents with regards to health issues, property assessment values and taxation with the new transmission lines running through their properties. One resident who was considering building this year now has concerns of how this may have an impact on their property and on the decision to move forward with the build, due to concerns of where the line may go. Another is concerned about decreasing property values, should the line go through their property and the impact this may have when they decide to sell their property.

One resident, who currently sits on the Northwest Energy Task Force, was present to voice his own personal comments, indicated that this would help secure power to the northwest, however, thought an alternative route to push the line further west could be considered. Another resident also commented on an alternative route further north to tie into the Manitoba lines and questioned what taxation benefit would this have for Dorion.

The delegation is seeking Council's support to oppose the proposed route through Dorion Township and also asked Council to engage local MPP's. They also requested that a public meeting be held in Dorion to discuss their concerns with NextBridge.

Reeve, Ed Chambers thanked the delegation for attending the meeting to voice their concerns and indicated that all concerns are being taken very seriously by Council and that a letter will be drafted and forwarded to NextBridge by the February 10<sup>th</sup>, 2014 deadline for comments on the Terms of Reference. He also requested that a written summary of the deputation from those concerned be submitted to Council.

Declaration – Municipal Conflict of Interest

There were no declarations of interest.

Adoption of Agenda

The following items were added to the Agenda:

- New Business – Small, Rural Northern Municipal Infrastructure Program – Capacity Funding
- New Business – 2014 Recreation Programs
- Closed Session – Personal Matters

Minutes of the Previous Meeting

14-019 Moved by D. Modin, seconded by B. Geiger  
That the minutes of the meeting held January 21, 2014 be adopted.

CARRIED

THE CORPORATION OF THE TOWNSHIP OF DORION

February 4, 2014

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Business Arising from the Minutes

Reeve Chambers reported that recycling bins have been purchased for the township office and that all shredded paper can be placed in clear bags and brought to the landfill. He also reported that a meeting was held with the Fire Department and Public Works to address the alarm system and monitoring of heating fuel at the Centennial Building/Firehall and that a flyer did go out to the community, as per the Fire Marshals suggestion, updating information on the pumper truck and fire safety tips.

Ed also reported that he will be meeting with Ron Salo from Superior North CFDC to discuss funding for strategic planning and will have this put on the agenda for the next Council meeting.

Finances and Accounts

i) Disbursements

14-020 Moved by B. Geiger, seconded by D. Modin  
That the disbursements in the amount of \$36,349.24 be approved for payment.  
CARRIED

Reports of Committees and Boards

i) Workplace Inspection Reports

14-021 Moved by R. Beatty, seconded by B. Geiger  
That the Workplace Inspection Reports of January 28, 2014 be accepted. CARRIED

ii) Thunder Bay DSSAB

14-022 Moved by D. Modin, seconded by C. Dumonski  
That the minutes of the Thunder Bay District Social Services Administration Board meetings held December 12, 2013 be accepted. CARRIED

Unfinished Business

i) Fire Department - Applications for Membership

Mavis reported that the two applications that were submitted for membership were recently withdrawn by the applicants.

ii) NextBridge – Draft Letter

Reeve Chambers reviewed the letter he drafted to NextBridge, for comments on the draft terms of reference, with Council and asked for any input they may have. Changes were made accordingly.

New Business

i) Ontario Nurses Association (ONA)

Reeve Chambers and Councillor Beatty attended a meeting at the Nipigon District Memorial Hospital regarding healthcare at the Nipigon Hospital and the planned reduction of Registered Nurses. It was noted that the Quad Council will be sending a letter to the hospital to retain the current standards with the regards to the nursing staff.

ii) Small, Rural and Northern Municipal Infrastructure Program – Capacity Funding

Mavis reported that the Clerk-Treasurer received notice that the township has received the Capacity Funding it had applied for. This funding may be used for engineering studies and road and bridge infrastructure.

iii) 2014 Recreation Programs

Councillor Dumonski provided Council with a written report on the total 2014 Community Events funding request she will be submitting to Enbridge. Council agreed with her funding requests.

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iii) 2014 Recreation Programs, continued

## Correspondence

## Public Question Period

### Council Members' Comments

## Closed Session

Council discussed personal matters.

### Adjournment

Deputy Clerk-Treasurer

Town Hall Meeting ~ Dorion / NextBridge

Date: March 31<sup>st</sup>, 2014

Time: 7:00 p.m.

## Introduction

- ✓ Reeve Chambers welcomed the Community and representatives to the Town Hall Meeting
  - ✓ Representatives from the NextBridge and from various companies working with NextBridge were introduced and given the opportunity to give a brief outline of their roles.
- Georgio Panici, Land Services Representative, CanAcre Ltd.
  - Mario Buszynski, Environmental Representative, Dillion Counselling Limited
  - Oliver Romaniuk, Project Manager ~ NextBridge Infrastructure
  - Chris Lupaschuk, Stakeholder Relations, Enbridge/NextBridge Infrastructure

## **Oliver Romaniuk, Project Manager gave an overview of the project**

- Maps available for viewing are updated from the originals that were presented at the open houses in December 2013
- Status of where the project is right now....two more open houses tentatively set for June and October 2014
- Project is a 400 KM ~ 230kV transmission line to run parallel to the existing line already there
- 1400 landowners have been notified and about 150 to 200 landowners will be involved with the project from beginning to end
- Planning Stage done by the OEB/OPA – increase electricity supply
- Bidding process took place and project was awarded to NextBridge
- Currently in the environment assessment process ~ Terms of Reference Submission and review and will still be taking written comments from today
- Approval required for the Terms of Reference (Routing / Right-of-way / Structures)
- Construction Stage – Early 2016 (approximately 2 years)

## **Chris Lupaschuk, Community Relations**

- Creates support materials; sets up events and open houses
- Two more rounds of open houses, with one possibly in Dorion - considering the turnout tonight
- Website available for viewing – [www.nextbridge.ca](http://www.nextbridge.ca)
- Terms of Reference available for viewing – comments to the MOE (including comments tonight and tomorrow – the day after this meeting) – Dave Bell ~ [dave.jr.bell@ontario.ca](mailto:dave.jr.bell@ontario.ca)

Town Hall Meeting ~ Dorion / NextBridge

Date: March 31<sup>st</sup>, 2014

Time: 7:00 p.m.

Q & A Period

1. P. Burkhardt – If letters have already been submitted, prior to the notice of submitting written comments about the Terms of Reference, do we have submit these letters again?

Response – Mario Buszynski – No need to.... all comments that were received (including those received during the draft terms of reference) and this evening will be incorporated in the ToR (Terms of Reference), but you can comment again if you wish.

2. D. Harris – Why is the route going through residential areas in the Township of Dorion and not going further north on crown lands? The township already has infrastructure with the highway, existing power lines; pipelines. Should we be directing concerns to local politicians?

Response – Mario Buszynski – The provincial government has a Provincial Policy Statement for land planning that states that lines must run parallel to existing corridors or right-of-ways – provincial direction dictates where lines should run. We will try and work with communities, but existing access roads, etc., plays an important part of the process. Feel free to contact local politicians regarding your concerns.

3. W. Tocheri – Who has made the decision on where this line should be located and what other alternatives were contemplated before this decision was made? Why was the community not consulted?

Response – Oliver Romaniuk – Planning stages included reference routes, with reference to the Provincial Policy Statement and OEB guidance, paralleling routes and alternates such as rail; roads; parks; First Nations and parks. Environmental aspect, takes in not only wildlife, but also socio-economical reasons as well. NextBridge chose the route. This is a provincial project and has no jurisdiction over federal parks or First Nation communities.

Response – Mario Buszynski – Bid process included transformer stations in Shuniah and Wawa....going out of the routes causes environmental costs. Routing has not been set in stone, alternatives will still be reviewed while conforming to provincial policies.

4. M. Broughton – Ontario Hydro was willing to go around Dorion and few years back, what has changed?

Response – Mario Buszynski – I will have to take a look at that report regarding their rerouting decision. (Wayne Tocheri also commented at this time about the most sensitive species being overlooked...the human species)

Town Hall Meeting ~ Dorion / NextBridge

Date: March 31<sup>st</sup>, 2014

Time: 7:00 p.m.

Q & A Period

5. S. Harris – Now that the residents have been given the opportunity to speak...how realistic is it to consider think that this will make a difference, or is this a done deal already? What about deadlines for submitting comments, etc.?

Response – Mario Buszynski – Field work will be done on the natural and human side and all comments will be taken into consideration. During the study period they will be out in the community and other comments will be accepted and there are still open houses to take place.

Response – Chris Lupaschuk – This meeting was facilitated as quick as it could, but it was important that it be held because of the concerns and interest from the Township of Dorion, even though it is on the last day for comment submission, comments will be accepted.

6. S. Ellis – Have there been enough comments for alternative routes and what is the final deadline for decisions of the route?

Response – Mario Buszynski – We will have more information in June/October as to alternative routes once we have more detailed information. I cannot say today when that final decision will be.

Response – Oliver Romaniuk – All lot of work is required including field biologist and land agents that will visit your property to discuss matters. Syd commented at this time that we are here as a group with community concerns and not necessarily about specific properties. We do not want it going through the community.

Response – Mario Buszynski – There is a lot of data and field work that needs to be done including wetlands and biological work. Mario suggested the community come up with a proposal that NextBridge could evaluate.

7. B. Cadeau – How much effect will the power line have on the property values and how many properties will be affected?

Response – Georgio Panici - Appraisals have not been completed yet. Individual appraisals will be done and how much of an impact it will have is to be determined. Every property will be treated equally.

Response – Mario Buszynski – Nothing is set in stone. There are socio-economic impacts that will be factored in and not all studies are done therefore issues will be presented and changes can be made.

Town Hall Meeting ~ Dorion / NextBridge

Date: March 31<sup>st</sup>, 2014

Time: 7:00 p.m.

Q & A Period

8. D. Furlonger – Why are the lines so far apart, if running parallel is cost effective?

Response – Mario Buszynski – Government policy to keep lines apart and was put in place years ago. Greenfield route is next to impossible given government policy of today.

9. Brian ? – How much wider of an area is going to be required for the new lines?

Existing lines – hydro 150' , NextBridge lines would be 160' to 180' , a much wider corridor.

- 10.C. Brown – Why would you need a wider right-of-way if you are using narrower type structures or towers?

Response – Oliver Romaniuk – The wider corridor will be required to accommodate for the wire guidelines that will be used to support the structures or tower.

- 11.E. Albo – What about virgin forest being consumed and wetlands?

Response – Mario Buszynski – Use of existing access on the right-of-ways will be used to avoid any further environmental impacts.

- 12.S. Harris – Will a tree be planted for every tree that is removed?

Response – Chris Lupaschuk – This references to merchantable timber so replacement will be based on a certain size.

Response – Oliver Romaniuk – Discussions with township would take place with regards to tree replacement

- 13.W. Tocheri – With regards to the provincial policy statement regarding paralleling existing lines, for this community it is most intrusive due to regional storm issues and the history of storm damages in the past. The existing corridor lines have not benefited the community, it is a tenant without taxation. The community interest is here and is willing to work with NextBridge on finding alternatives to this route.



Town Hall Meeting ~ Dorion / NextBridge

Date: March 31<sup>st</sup>, 2014

Time: 7:00 p.m.

### Q & A Period

14.C. Bartlett – What about health issues – hydro emissions?

Response – Georgio Panici – He read a statement from Health Canada (2012) :

*"When you are inside your home, the magnetic fields from high voltage power lines and transformer boxes are often weaker than those from household electrical appliances."*

He also indicated that the corridor would not span over primary residences and that it may on occasion go over accessory buildings.

15.Unknown – How much more ozone?

No known answer, NextBridge would have to get back on this question.

16.M. Broughton – What about safety issues and guide wires with regards to snow machines and farming?

Response – Oliver Romaniuk – This has been considered already and will be well marked and depending on specific concerns, there is the ability to change the type of structure or tower.

### Closing Comments

Reeve Chambers indicated to NextBridge that he would appreciate if the Township of Dorion be considered as a location for one of the upcoming open houses. He also stressed that the alternate route be one that has the least impact on residences.

From ToR Addendum

A special meeting, facilitated by the Clerk of the Township of Dorion was held on March 31, 2014.

The purpose of the meeting was to better understand concerns of the municipality and a number of residents.

Approximately 50 residents attended the meeting. NextBridge was represented by the Project Manager and the Stakeholder Relations representative. Dillon Consulting Limited was also in attendance to discuss the Environmental Assessment process and a representative of CanACRE was in attendance to discuss property-related questions.

Numerous residents expressed concern with the location of the Reference Route. NextBridge committed to considering minor route refinements and studying a more significant alternative in the Dorion area. This alternative route would be developed during the Environmental Assessment process jointly between NextBridge and a committee of local residents with the Township.

Being the minutes of the special meeting held Thursday, June 19, 2014 at 5:00 p.m. in the Board Room at the Municipal Office.

Members present: Ed Chambers, Reeve Kitty Dumonski Bob Beatty

Regrets: Don Modin

Absent: Ben Gieger Also present: Mavis Harris, Deputy Clerk-Treasurer

Guests: Oliver Romaniuk; Chris Lupaschuk; Carrie Wiklund, NextBridge Georgio Panici, CanACRE; Syd Ellis; Wayne Tocheri; Peter Burkhardt; Scott Harris, Citizen's Group Representatives

#### Council Comments and Public Question Period

Councillor Beatty's comment, in reference to the resolution passed by Council, indicated that the project has no benefit to Dorion to have it run through the community from a socioeconomic situation at all. It has identified all the areas and why we communicated it to NextBridge.

Scott Harris, citizen's group representative, had a two-part question regarding the decommissioned CN rail line right-of-way and upgrading the existing lines and questioned is it necessary to make a new line. Oliver answered the question regarding the upgrading of the existing lines and the new line. He reported that the Ontario Power Authority needs assessment indicated new transmission over new generation. There are electricity reliability requirements and currently there is only one line between Thunder Bay and Wawa. From a reliability perspective, a new line would provide two paths of electricity flow. Provincial Policy also dictates where new linear infrastructure should go. Wayne Tocheri requested a copy of the Provincial Policy. Mavis will provide him with a link to that policy. The OPA Needs Assessments are also publicly available on-line. Carrie responded to the decommissioned CN rail line, indicating it was suggested to them and is currently being assessed as an alternatives assessment.

Syd Ellis, citizen's group representative, questioned what happens to their EA if they cannot get on private land. Carrie responded that NextBridge would not be able to go in the area and there would be a void in the environmental assessment. If the OEB were to approve the LTC and EA with that void, then under the OEB Act, NextBridge, would be granted authority by the province, early access to complete the studies. Discussions took place regarding crown and private lands. Syd reported that, of the 22 landowners in the preferred route, a vast majority do not want the line crossing their property and have not granted access to their property. Carrie indicated that the process is the same for public agencies as well and just because it is crown land, does not make the process any easier. She also noted that, the regulated process would dictate the answer, not NextBridge.

Wayne Tocheri asked for clarification on who will own the new line. Oliver gave a brief history on who owns the current lines and that NextBridge will develop, build, own and operate the new transmission line. NextBridge will be part of the network of electricity assets in the province, being the third regulated transmitter. The Ontario Energy Board regulates the networks electricity, not each individual transmitter.

Scott Harris enquired about the extra costs incurred with redesign of the line and if NextBridge would bill the province for extra costs or if they had a fixed budget. Oliver responded to this question indicating that they had a fixed budget and if they go over, the board will review the extra costs. NextBridge will not put a cost to the project until the filing in January 2015.

Councillor Beatty asked when NextBridge would know of the preferred route. Carrie reported they are in the process of collecting data and with the preferred route determined by the second round of open houses in September 2014. She also indicated that the Dillon Consulting information should be available in September as well, but not sure about July open houses.

Wayne Tocheri asked if NextBridge responded to any of the comments or concerns submitted by parties at previous open houses. Carrie reported that they had and that those responses were included in the tables in the ToR. Oliver also added that landowners directly affected by the project are in communication with the land agents and are likely to have any questions answered directly, same as town council.

Wayne Tocheri asked about the First Nation's communities that are impacted or have an interest in their traditional lands and often they want to do their own assessments. Does NextBridge help resource these groups? Oliver responded that part of the project is working with the First Nations to determine capacity funding in order for them to be able to review project documentation. Wayne also asked if there was capacity funding available for communities such as Dorion with limited financial resources? NextBridge did not have a definite answer and Wayne asked that they get back to the township on possible resources.

Peter Burkhardt, citizen's group representative, reviewed his timeline of the process to date and wanted to know if any of the alternatives are being considered and when would they find out, in September or November? Oliver responded to his question indicating that all alternative routes are being, seriously considered and going through the same alternatives assessment. Carrie also added that all alternative routes are being compared in the criteria and indicators. Fieldwork done now, is based on the reference route to parallel and during the environmental assessment, other routes may be identified and the field data will be collected next year. Timelines are quite tight and NextBridge has to move forward with the data they currently have. Carrie also indicated that the vast majority of the route will be determined in September and the draft EA will be put out in late in November for comment. Oliver asked Carrie if they could share the results on this section of the line, once determined and Carrie indicated that they could, but did not have a definite date at this time.

Wayne Tocheri asked if NextBridge had contemplated the new four (4) lane highway? Carrie responded to this question reporting regulations have changed considerably over the years and due to regulations and set backs they cannot parallel the highway.

Syd Ellis had a question regarding timelines and a milestone date of July 3, 2014. Carrie indicated that particular date is when they anticipate a decision from the MOE on the terms of reference. Syd also wanted confirmation that Dave Bell was still the contact at the MOE, assigned to this project. Carrie

confirmed that he was, also indicating that he did provide them with all the comments submitted to him regarding the ToR.

The NextBridge team asked Council and the citizen's group representatives if they could provide them with more information on their alternate route considerations. Syd Ellis commented that he had worked on the mapping and could speak on this. The group had anticipated getting maps from NextBridge to map out alternate routes, as requested at the March 31, 2014 townhall meeting, however, only received the reference route maps. The group then utilized their own maps and proceeded to mark out lines less intrusive to private land. Line #3, is not recommended, as it does cross private land in the township and there was opposition to that line at one of the information sessions. Line #2 does by-pass Dorion township altogether and does affect people in Shuniah, McIntyre and Nipigon. Line #1 does by-pass everyone in Nipigon that had concerns and they have taken their concerns to Nipigon Council. When looking at that line (Line #1), there is already a hydro line going from Kama Bay to Alexander Landing and from there it intersects with the TransCanada Pipeline. This line would provide great access as it has existing forestry roads and is situated mostly on crown land. Discussion, initiated by Syd, also took place regarding a tie- line with Manitoba hydro.

Discussion took place regarding Line #3 and opposition it had from the community, noting that all recommendations for the lines came before the resolution. Councillor Beatty emphasized that Line #3 did not meet the criteria and was not recommended, however, the reason it was submitted was to show that all areas were researched, but this line still had an impact on a lot of people. Council and the citizen's group both indicated that Line #1 had the greatest access.

Reeve Chambers reported that the citizen's group provided all mapping for the deputation presented to Council. He also commented at this time that there is no benefit to the community to have this line and was wondering if NextBridge had any comments on this? There were no comments.

Councillor Beatty also expressed concerns regarding the effect the line will have running through the community in regards to land values and future building restrictions.

Reeve Chambers reported that Dorion is currently working on their Strategic Plan and vision for the community. It is apparent that the residents do not want another corridor going through the community.

Both Reeve Chambers and citizen's group representative Wayne Tocheri, thanked the NextBridge team for coming to Dorion to meet again regarding this matter.

Chris Lupaschuk requested to have the minutes emailed to him. Mavis will ensure that they are emailed to him.

Adjournment



**East-West Tie Transmission Project**

**TOWNSHIP OF DORION  
MEETING NOTES**

DATE: Monday, September 22, 2014

TIME: 10:00 – 11:30 p.m.

LOCATION: Teleconference

PRESENT: Ed Chambers – Reeve, Township of Dorion  
Wayne Tocheri – Property Owner, Concerned Citizen's Committee  
Scott Harris – Property Owner, Concerned Citizen's Committee  
Peter Burkhardt – Property Owner, Concerned Citizen's Committee  
Syd Ellis – **Property Owner**, Concerned Citizen's Committee  
Chris Lupaschuk – Stakeholder Relations Team Lead, NextBridge  
Carrie Wiklund - Environment Team Lead, NextBridge  
Michelle McCarthy – Planner, Environment Team, Dillon  
Ashley North – Planner, Environment Team, Dillon

PURPOSE: To gather socio-economic information and identify opportunities and/or constraints related to the proposed East-West Tie Project.

OUR FILE: 13-8567

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**1. SAFETY MOMENT**

**2. INTRODUCTIONS**

Participants introduced themselves as well as their role on/involvement in the Project.

**3. PROJECT BACKGROUND**

Due to participants' familiarity with the Project, background information is well understood. The focus of the meeting was on obtaining additional local knowledge and discussing locally significant issues.

**4. DISCUSSION**

**4.1. Current municipal plans, projects, and initiatives**

**Dorion (Mavis Harris)** to provide Dillon with current Official Plan and Zoning By-law, and new Strategic Plan

Michelle asked to obtain a copy of the Dorion Official Plan and Zoning By-law. Ed confirmed that an electronic copy can be provided. He also noted that an Open House will take place the next evening (September 23) to receive community input on the Township's new Strategic Plan, which has been in development over the past several months. The Plan is to be completed mid-November, at which point, he will provide the document to NextBridge for information. Ed identified Mavis Harris as the appropriate





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once completed in mid-November.

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point of contact to obtain the planning documents. Regarding other relevant initiatives and plans that are ongoing, Ed confirmed that the Strategic Plan is the main document currently under development.

With regard to ongoing municipal projects, Wayne stated that the four-laning through Dorion is a major project currently underway. Ed added that the Ministry of Transportation is being invited to the community to provide updates.

**Dorion (Ed Chambers)** to provide video of Ouimet Canyon Road bridge once available.

It was also mentioned that a project is being undertaken to upgrade the bridge on Ouimet Canyon Road. Ed noted that a video has been developed to highlight the Township of Dorion and show the issues with the bridge. Ed stated that the video can be provided once permission is obtained to release it to the public. It was noted that the video was shown at the provincial Association of Municipalities in Ontario (AMO) meeting.

#### **4.2. Existing and future land use and development activities**

Wayne asked for clarification whether development activities were in reference to the Alternative Route or the Reference Route. Carrie explained that we are looking for general information regarding development within the township (e.g., subdivisions) – not solely information along the Right-of-Way(s).

Ed stated that the Zoning By-law has been recently updated and that the municipality is concerned about any developments that could affect the implementation of the Strategic Plan. Mention was made of Parks Canada's development of the Lake Superior National Marine Conservation Area (LSNMCA), which extends up to Ouimet Canyon. It was mentioned that a subdivision along the Dorion Loop Road was approved by Council some time ago, but put on hold due to the downturn in the forestry industry. This is important information as it identifies where growth is expected to occur in the community. Scott also noted that improvements to Highway 11/17 have reduced travel time to Thunder Bay from 1 hour to only 40 minutes, making the area attractive to residential development.

Ed further noted that discussions have been undertaken with residents regarding potential agricultural programs in the future. Potential growth in the agricultural sector was discussed, including biomass production, as well as strawberry and potato farms. It was also noted that hay production is currently very high in the area and supports a growing number of hobby farms. Other examples of agricultural activity mentioned included a beef cattle farm that is looking to start shipping to western Canada and horse farms that offer board/pasture services to people from Thunder Bay and surrounding area. Historically there were a number of dairy farms in the Dorion area (30 milk producers between Nipigon and Thunder Bay in the 1950's), however, the last milk producer in the area closed down 2 years ago. It was acknowledged that very few residents are currently making a living from agricultural activities. However, it was clear that there is significant potential for an increase in agricultural activities in the future. Wayne alluded to the intersection of Valley Road and Reference Route likely to be the heart of new agricultural developments.

Wayne expressed knowledge of colleagues who are aware of prospective development on the Wolf River that was originally proposed in the 1990's. The proposition has not been brought forth to Council for approval but is still in the family's interest to develop into recreation and residential uses. Wayne noted that the proposed development would



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essentially straddle the current Reference Route, resulting in a direct effect to this property. Ed confirmed awareness of this initiative and acknowledged the importance of such developments to the community – an example being the increased tax base benefits that can offset the loss of forestry.

**4.3. Potential impacts on services, facilities, and infrastructure**

With respect to road use as part of Project construction, it was mentioned that half load limits are in effect in the spring on gravel roads. The major restriction is on the bridge on Ouimet Canyon Road and Fish Hatchery Road, however, this should be replaced next summer (2015).

Wayne mentioned that heading north from the Ouimet Canyon bridge development, where Brunner Road crosses the Reference Route, a bridge was lost 20 years ago. This has resulted in loss of access to the valley for Brunner Road residents. The bridge is expected to be reinstalled **in the next couple of years**.

Ed noted that the Mountain Side Cemetery, which is a significant area in the community, is located close to the Reference Route (Fish Hatchery Road and Mon Abri Lane). Community improvement funds (received through a previous Enbridge project) have allowed the Township to complete upgrades to this cemetery (i.e., developing a park-like design).

Carrie asked about the potential expansion of water treatment facilities, substations or pump stations that may be anticipated in the future. Ed noted that the Township does not have sewage plants, and that the community is serviced by drilled or dug wells. A major facility in the community is the Ministry of Natural Resources and Forestry's (MNRF) high-tech fish hatchery that would likely not be expanded in the short-term, but would cause concern regarding water resources and potential interaction with this Project. Carrie confirmed that discussions have taken place with MNRF regarding water and hydrogeology.

Carrie also noted that other examples of potential facility developments could include power or gas, livestock facilities and agricultural goods processing facilities or recreational facilities such as golf courses. Ed stated that a TransCanada pumping station used to be located in Dorion, but has since closed, leaving just the gas line crossing through the community.

Syd identified a project anticipated to produce a boiler system fed with agricultural products. He noted that there are 7,000 acres of agricultural land in Dorion that could be used to create (fuel for) electricity. Because of the existing infrastructure constraints, this type of project cannot progress as there is limited capacity on the existing East-West Tie line. The expansion of the East-West Tie would provide additional infrastructure capacity to facilitate this type of opportunity. It was noted that 14,000 acres of farm land have been identified between Nipigon and Thunder Bay for agricultural activities to produce fuel for electricity. It was noted that 1 MW can be produced from 2,500 acres of land. Only about a quarter of the 14,000 acres is currently being used for agricultural purposes. Community representatives acknowledged that the expansion of the existing East-West Tie (the Project) will increase the feasibility of this type of Project.





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**4.4. Potential impacts on recreation and tourism**

Michelle acknowledged that Dorion is known for birding and asked if there are certain areas of concern, annual events, etc. Ed explained that the Township has recently hosted the 6<sup>th</sup> Annual Bird Festival, which is becoming a large event in the community. Dorion has been recognized as a top birding area in Ontario. Dorion is unique in that the birds migrating along Lake Superior stop in Dorion, often travelling down to the Hurkett Cove Conservation Area and up to Ouimet Canyon. Birders come from all over to observe these birds, and will typically travel along the Dorion Loop Road, stopping along Fish Hatchery Road and Canyon Road. Ed noted that the festival saw 125 different species of birds last year and that the Thunder Bay Field Naturalists had 10 to 15 members attend the festival. He reiterated that fewer impacts to the area is preferred – commenting that linear infrastructure is not conducive to birding. It was mentioned that approximately 15,000 people visit Ouimet Canyon Provincial Park and Eagle Canyon every summer from around the world.

Regarding trails, Ed noted that a trail exists within the Hurkett Cove Conservation Area and has recently added boardwalks to draw tourists. Another trail mentioned is the Brunner Road trail, from Brunner Road to Harris Lake. It was noted that some trails are not promoted for due diligence reasons – insurance being a major issue. People often use back roads, such as Dorion Loop Road and Fish Hatchery Road, as trails for walking or horseback riding.

Scott mentioned that the Dorion Bible Camp has drawn people into the community for decades and now has conference facilities and a trail network on Black Lake. Ed confirmed that the bird festival went there for the first time last year and that the owner continues to promote the business.

Scott reiterated the importance of Ouimet Canyon and Eagle Canyon, offering tourist attractions such as zip-lining and a suspension bridge. Ed added that Eagle Canyon is the largest “privately owned” canyon.

**Wayne** to provide a copy of the map referenced, if possible.

Ashley inquired about Bishop’s Trail to confirm its status and its location. It was explained that in 1900, it was a horse trail originating at the rail head, which developed into a wagon trail to the Bishop Mine near Cavern Lake. Now the trail would lead to Meadowbrook Lane, but it is currently impassable. Wayne mentioned that he had seen a map illustrating the full extent of the trail (MNR map). The main challenge with this trail is that it passes through large areas of private land, however, it may be redeveloped in the future.

**4.5. Local business participation**

Regarding local businesses, Ed explained that many tourists travel along Ouimet Canyon Road and across Crow Lake in the summer and they see this as a great potential for business growth in the area. It is estimated that about 15,000 tourists pass by this area, primarily in the summer months. As such, the Alternative Route on the west side of Ouimet Canyon would not impact this potential (see Routing discussion below). It was also noted that Dorion has lost a number of recreational businesses such as the Dorion Inn and Canyon Country Service. Wayne pointed out that Crow Lake is also a camp site.



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**4.6. Data availability**

No new information sources were noted.

**5. OTHER BUSINESS**

Routing

Wayne pointed out that at the August Open House in Dorion community representatives discussed Consideration #3 with the NextBridge Project team. It was explained that when Consideration #3 was first identified, a detailed review was not conducted. Following that detailed evaluation (by the community), it was determined that this alignment would have significant visual impacts on users of the Ouimet Canyon viewing platform/recreational area. Wayne noted that for this reason, the community would like NextBridge to consider shifting the proposed right-of-way to the back (west side) of the Canyon. Syd agreed that the Alternative Route shown on this map (east side of Ouimet Canyon) would result in viewshed impacts from the Canyon. He also noted that the revised route should head north from the McTavish Township border on the west side of the Canyon.

**NextBridge** to follow-up with Dorion regarding the alignment of Consideration #3.

Michelle acknowledged that the Alternative Route illustrated on the map shared is currently under review by NextBridge. Chris confirmed that the NextBridge Engineering Team is looking at this routing consideration and understands the rationale for the requested re-alignment. He also noted that the group had marked the map at the Open House and this should be in the possession of Mario Buszynski (Dillon).

Cultural Heritage

Ashley inquired about an historical map illustrating lots and concessions and property ownership. Specifically of interest to the Project team is whether there is potential for cultural heritage resources in this area along the Alternative Route. It was stated that the newly proposed route will have the least impact on historical resources since no homesteads and residential areas exist on the backside of the Canyon, as much of it is Crown land. Ashley inquired on the date of this map, which was stated to be from ~ early 1905 to 1915.

Michelle inquired about any municipal resources regarding historical use and cultural heritage resources. Ed stated that the Dorion museum has a lot of historical information and that they are working on developing a list of cultural heritage resources. The contact at the museum would be Librarian, Mrs. Betty Chambers. Ed noted that the museum is only open Sunday's (1 – 4 p.m.) in the summer.

Visual Simulations

**Ed** to provide any additional pictures for inclusion in the visual impact assessment.

Wayne inquired about the opportunity to see computer simulation of towers along the Alternative Route. Michelle indicated that a Visual Impact Assessment is underway and viewsheds like Ouimet Canyon would be taken into consideration. Visual simulations in specific locations would form part of this report. Ed offered to take higher-quality pictures of this area and provide those to the Project team.

Ed is a member of Friends of Ouimet Canyon Provincial Park and received feedback





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from people at the site regarding the proposed electrical towers. Some visitors at the viewing pod replied that the biggest attraction of the canyon is that it is not disturbed by humankind.

Closing

Michelle thanked everyone for their feedback and participation today and throughout the Project to date. Ed expressed his appreciation for this meeting and noted that people on the line represent their own issues and the values of the community.

**ERRORS AND/OR OMISSIONS**

Michelle McCarthy should be notified of any errors and/or omissions.

**DISTRIBUTION**

All present and NextBridge.

## **NextBridge East-West Tie Transmission Project - Loon Lake Community Meeting Summary**

Date: July 26, 2016

Time: 7:30pm

Location: West Loon Lake Community Hall

### **Agenda:**

1. Review and address questions summary listed on page three of attached Appendix One.
2. Review and address additional topics within letter from Zoie Yurick (President, Thunder Bay's East Loon Lake Campers' Association Inc.) to Georgio Panici (Director - Field Services, CanACRE Ltd.), dated July 22, 2016, attached as Appendix Two.
3. Review residents' new route proposals.
4. Closing comments

### **Attendance:**

1. Zoie Yurick - President, Thunder Bay's East Loon Lake Campers' Association Inc.
2. Andy Ritchie - President, West Loon Lake Campers Association
3. Duff Stewart – Councillor, Municipality of Shuniah
4. Tom Whalley – North Shore Fishing Club Representative
5. Mike Swards – North Shore Fishing Club Representative
6. Eleven local residents with concerns and questions regarding the currently proposed Project route segment near Loon Lake
7. Aziz Brott – Engineering Team Lead, NextBridge Infrastructure
8. Chris Lupaschuk – Stakeholder Relations Team Lead, NextBridge Infrastructure
9. Rebecca Loosley, Land Services Team Lead, NextBridge Infrastructure
10. Carrie Wiklund, Environmental Team Lead, NextBridge Infrastructure
11. Georgio Panici, Director - Field Services, CanACRE Ltd.

### **Summary:**

The meeting began with introductions of the attendees at the meeting, and individuals were asked to fill in an attendance sheet (attached as Appendix Three).

An attendee at the meeting expressed, on behalf of the Campers' Associations, unequivocal opposition to the current proposed routing of the NextBridge East-West Tie Project through the Loon Lake area, including the local watershed.

Potential impacts to local roads during construction of the new East-West Tie Transmission Project (the Project) activities were discussed as the first topic of the meeting. NextBridge representatives explained the expected impacts to local municipal roads during construction, which included the movement of heavy equipment. Mitigation measures, such as utilizing designated road monitors to ensure speed

limits were adhered to, and soliciting local event information from the campers' associations to support scheduling traffic around local events were highlighted. Sub-topics arose as a result of this conversation;

- i. East Loon Lake Road is going to be paved in asphalt in the near future, and the local residents are concerned with damage to the upcoming new upgrades. The NextBridge Land Lead explained that NextBridge would approach the municipality for a road use agreement or permit for the use of the municipal road. NextBridge would anticipate the terms and conditions of the road use agreement or permit would include stipulations regarding maintenance, restoration of damages to the road, weight restrictions or timing restrictions, and potential bond requirements. NextBridge would ensure adherence to those conditions and would be responsible for damages caused to the road as a result of the construction activities. Councillor Stewart commented that Council would need to review their current standard road use conditions to ensure that long-term impacts that aren't immediately noticeable are taken into account if this soon to be upgraded road is to be used for construction purposes.
- ii. Safety of local residents was cited as a concern as the two Loon Lake roads are the only means of access to the lake, and are used by all residents, including those who live in the area year-round. It was also mentioned that the residents believe the local population can exceed 900 during the summer, which includes many children who actively use the road, especially throughout the summer months.
- iii. NextBridge agreed to review alternative access locations for the Loon Lake area based upon a concern expressed by an attendee that the East and West Loon Lake Roads could become major access points for the Project for significant distances. The attendee felt that these potential access points could create a noticeable increase in traffic and could cause possible road damage during construction and future maintenance activities.

The conversation then moved to potential environmental impacts of the proposed line if it were to be built along the current Preliminary Preferred Route. Local residents explained that they have new proposed routes which they would like to present to NextBridge for consideration, which, according to the group, could mitigate numerous public and environmental sensitivities, including avoidance of multiple lakes which contain brook trout (also known as speckled trout). It was agreed that the new proposed routes would be reviewed later in the meeting.

The President of East Loon Lake requested that a summary of the routing assessment for this area be included in the Environmental Assessment (EA), including the decision making process and rationale. It was committed that this comment would be captured in the EA.

The topic of potential water quality impacts on the lake due to the addition of another ROW adjacent to the existing Hydro One Networks Inc. (HONI) line was discussed. The NextBridge Environmental Team Lead explained that potential effects of the Project on the groundwater conditions will be assessed as part of the EA.

Attendees requested additional details on the collection of data to support the EA, namely clarification if NextBridge would be conducting new water sample collection with their field crews. The President of East Loon Lake explained that updated water quality samples would be beneficial as the previous Ministry of Environment and Climate Change (MOECC) sampling took place in 2013, prior to significant changes to the surrounding area. These recent significant changes were claimed to be primarily driven by impacts from a nearby former logging operation. It was also claimed that historical water wells dried up, allegedly from increased traffic associated with the recent logging operation. She continued to elaborate on her concerns, which were driven by a recent presentation from the MOECC to residents of Loon Lake, which she claimed, reported that the lake was near a “tipping point” due to the high density of population around the lake. The NextBridge Environmental Team Lead committed to requesting the previously-mentioned presentation and/or report from the MOECC.

The NextBridge Environmental Team Lead then discussed the anticipated schedule for the EA, including the timing of the submission of the Draft EA (January 2017), the next round of public Open Houses (February 2017), and the submission of the final EA to the MOECC (May 2017).

An attendee expressed concern that heavy equipment running over the construction area during the construction phase could potentially damage or disrupt the claimed underground water flows throughout the watershed of Loon Lake. He explained that these potential damages could disrupt or damage underwater springs which supply cold water to the lake. The resident also suggested that this cold water is essential to maintaining the speckled trout (brook trout) population in the lake. The attendee was concerned that potential disruption of the groundwater flow into the lake could affect the existence of underwater seeps along the bottom of the lake.

He then asked NextBridge, as part of its EA for the Preferred Preliminary Route, to study the groundwater flows into the lake. He requested the process, data and findings be shared with Loon Lake community members prior to the Draft EA and that all findings be part of this document. He also felt that water from the springs could create construction restrictions, and requested to see the data if available. He asked if NextBridge staff would physically be in the area conducting water studies. The NextBridge Environmental Team Lead explained that her team had collected field data in the area and was using both field data and existing data from a number of sources to determine if there are potential effects from the project on the surface water in the area. She also explained that mitigation measures will be determined for identified potential effects.

Another resident requested that NextBridge representatives review and forecast the anticipated impacts. It was agreed that this information would be shared with the group attending the meeting, with the intent of community members having sufficient additional time for review and discussions, prior to the Draft EA being submitted to the MOECC. A question was then asked regarding a nearby Ministry of Transportation Ontario highway widening project and its potential impacts on Loon Lake. The attendee emphasized that the Loon Lake community is surrounded by infrastructure and projects (the widening of the existing highway, electrical transmission lines on the north and south sides of the lake, a nearby pipeline, and the CP Rail ROW) and that they are concerned with potential additional cumulative impacts from the construction and operation of the Project. The residents also wanted to

know if existing public Ministry of Forestry and Natural Resources data took the recent logging operations' impacts into consideration, and reminded NextBridge representatives that the information could be flawed if it was older than 2013. The NextBridge Environmental Team Lead then explained that NextBridge could not comment specifically on the other projects in the area as NextBridge is not involved in those projects. However, cumulative effects of other projects in the area are considered as part of the EA.

The Shuniah Councillor stressed that the Loon Lake community was opposed to the current route due to the concerns and reasons previously mentioned during the meeting, and that they were supportive of the EA process. The East Loon Lake President added a request to review the previously assessed routes, including maps, and the NextBridge Environmental Team Lead committed to providing the group with the previously presented maps from the August 2014 open house identifying the route that were assessed in the area and a summary of the routing assessment for the area.

The group then reviewed the NextBridge-provided questions summary to ensure the list had been addressed by NextBridge representatives.

A review of remaining concerns and comments which were included in the letter from Thunder Bay's East Loon Lake Campers' Association Inc. to CanACRE Ltd., dated July 22, 2016, (attached as Appendix Two) was then undertaken.

The President of East Loon Lake then reaffirmed her opposition to the proposed route and access, citing previously-discussed safety concerns with potential road use, public, visual, and environmental impacts. She added to her rationale for opposition by explaining that the area has a high concentration of linear infrastructure, including rail lines, pipelines, a highway, and the existing transmission line, which negatively impact the community, in her opinion. She explained that adding another transmission line to the concentration was not in the best interests of the community.

A representative from the North Shore Fishing Club then explained that the potential effects are not isolated to Loon Lake, but the entire proposed "Brook Trout Triangle"

ROW maintenance was then discussed. The local residents were concerned about herbicide use in relation to trail and recreation users of the area, as well as run-off into the lake. Again, local residents reaffirmed their opposition to the Project, citing potential negative impacts to their community because of it. According to the local residents, HONI currently conducts manual vegetation removal, and they use the existing Loon Lake roads for access. An attendee then questioned the relationship between HONI and NextBridge regarding herbicide control, clearing and access to the existing ROW. A NextBridge representative indicated that they were not associated with HONI, and that they were not aware of HONI's vegetation control practices in this area. The residents explained that they are opposed to increased maintenance traffic due to maintaining a new transmission line. NextBridge representatives committed to reviewing the community concerns to support planning for the future operation maintenance practices on the line, and adhering to applicable legislation for herbicide use, as part of the EA.

The conversation then segued into potential public and environmental impacts, including concerns with potential impacts to water wells, related to rock blasting for anchors and foundations of the towers. The NextBridge Engineering Team Lead explained the types of foundations which were being proposed for the Project work well in rocky areas which reduces the likelihood of blasting. He noted that even though there was a low probability of blasting in the area, it could not be ruled out completely until additional geotechnical data was available. He added this data would not be available until NextBridge obtained full access to the ROW, which would likely be near the beginning of the construction phase of the Project. It was also noted that, in some cases, blasting may be utilized for certain access areas such as access road construction, and again, this information would not be available until more ground reconnaissance could be performed.

Two large visualization panoramic photos (See Appendices Four and Five) were displayed on a table in the meeting location; one presenting a view of the existing line from a public dock, and another with a computer-generated simulation of the proposed line as it would appear given the current Preliminary Preferred Route. Many attendees did not review the photos as they explained the vantage point was not a clear representation of the line, as it changes for each community member based on the time of day and year, the location of their residences and activities, and that they did not support the proposed Project in its current location. The NextBridge Environmental Team Lead explained that photos taken from public view points were standard practice for visualization.

Potential visual impacts caused by reflection of the sun on the proposed Project were also brought up by a local resident. Mitigation measures, such as dulling the towers as a potential strategy to minimize this concern, were discussed.

The next topic discussed was the area of the proposed ROW referred to by the locals as "Blueberry Mountain." The local residents informed NextBridge that the area is being used for recreation trails for off-road vehicles, hiking, and blueberry picking, among other activities. It is also an area where the ashes of many deceased local residents are claimed to have been scattered and annual ceremonies are believed to be held on Blueberry Mountain. The NextBridge Environmental Team Lead explained that these are important items to identify in the EA, and that the concerns have been noted. Further information may be required from the locals on location of remains and annual ceremonies.

A local resident then asked what the future intentions of NextBridge are in relation to the operation of the line, and the partnership. The NextBridge Stakeholder Relations Team Lead then explained that NextBridge is currently developing the proposed Project, and intends to construct and maintain the line. He then explained the partner companies who belong to NextBridge, and indicated that the transformer stations were to remain operated and maintained by HONI. The local resident then asked if any Aboriginal groups were involved in the partnership. The NextBridge Stakeholder Relations Team Lead informed the local resident that NextBridge signed a commercial term sheet with six First Nations, and that a list of the involved parties could be found in the panels from the second round of public Open Houses on NextBridge.ca. He also offered to send a link of the information to the individual following the meeting, but the individual declined.



Questions regarding the perceived lack of local benefits, the need for the Project and the direction of flow of power were then asked by a local resident. The NextBridge Stakeholder Relations Team Lead explained that the need for the Project, and management of the grid were managed by the IESO, and that their contact information could be shared with the individual following the meeting. Benefits were also addressed as being applicable to the greater area of the Northwest, and further information could be found in the most recent IESO needs assessment. Website links for additional information were also offered to the individual. The individual declined. The NextBridge Stakeholder Relations Team Lead then explained the recent provincial priority designation of the Project as an additional Project-supporting mechanism.

A request was then made by the President of the East Loon Campers' Association for the criteria and indicators for route assessment in the Terms of Reference to be forwarded to her. The NextBridge Environmental Team Lead committed to sending them as requested.

The President of the West Loon Lake Campers Association then provided NextBridge representatives copies of a petition recommending the relocation of the Project to be moved several kilometers north of Loon Lake on Crown land. The rationale listed on the petition is that "the project will negatively affect Loon Lake as well as our quality of life and our property values." The petition was signed by 154 local residents (See Appendices Six and Seven)

Local residents then presented two alternative routes (See Appendices Eight and Nine) using Google Earth, including select data overlays, which they requested NextBridge to evaluate. The first alternative route was considered their preferred option. According to the information presented, their preferred route travelled north of Loon Lake, deviating away from the existing line, west of Beck, ON. Their preferred route appeared to be approximately the same distance as the current Preliminary Preferred Route, and appeared to avoid, or intend to avoid, sensitive environmental features such as the proposed "Brook Trout Triangle." The route also appeared to eliminate the crossing of an existing transmission line near the Greenwich Wind Farm near Dorion, ON. However, the new proposal would now cross the said wind farm. This route appeared to travel through primarily Crown Land, avoiding private lands, and through many areas where aerial imagery appeared to show some existing access.

The representatives from the North Shore Fishing Club supported this alternative as well, and mentioned that, at first view, this appears to be a viable alternative.

The second alternative, which is routed south of Loon Lake near another existing 115kv transmission line and other linear infrastructure, was also suggested. NextBridge representatives indicated that this route may have already been evaluated during a previous route evaluation exercise, and would need to be confirmed. The representatives from the North Shore Fishing Club did not support this alternative, and they recommended a small deviation to the east to avoid the Jeff and Mutt Lakes. The Fishing Club representatives also recommended that the deviation should avoid the historic Breezy Lake portage route to Little Hilma Lake.

Based on the feedback from the North Shore Fishing Club, the local representative that created the maps committed to preparing and sending a third alternative which avoids the Jeff and Mutt Lakes to NextBridge representatives.

NextBridge agreed to review the three proposals through the route assessment process.

To conclude the meeting, it was agreed that a draft summary of the details of the meeting would be submitted to the Presidents of both campers' associations, the Councillor of Shuniah, and a representative from the Fishing Club by August 5<sup>th</sup>, 2016. These individuals will then take two weeks to review, and submit edits back to the NextBridge Stakeholder Relations Team Lead for finalization. Once complete, the summary will be circulated to the attendees who provided their email addresses on the sign-in sheets.

Once the summary is finalized, a list of action items will be compiled and shared with the four individuals mentioned above in order to ensure follow-up of commitments.

Everyone was thanked for their attendance, and it was agreed that a future meeting may be required, of which the timing and location are yet to be determined.

Notes from NextBridge Meeting – August 4, 2016

Board Room – Dorion Municipal Office – 2:30 p.m. – 3:40 p.m.

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Attendees:	Chris Lupaschuk -	NextBridge
	Ed Chambers –	Reeve
	Bob Beatty –	Councillor
	Wayne Tocheri –	Property Owner
	Syd Ellis-	Property Owner
	Mavis Harris-	Clerk-Treasurer (Recorder of Notes)

Chris Lupaschuk provided a hard copy of the presentation to those in attendance at this meeting, including the agenda for this information session.

### **AGENDA**

1. Introductions – All attendees individually introduced themselves.
2. Safety Moment – Chris briefly discussed reminders for Summer Driving.
3. Objective – Chris provided an update on the project, including newly proposed routes currently under evaluation.
4. Background – Chris provided background information on why newly proposed routes were under evaluation including;
  - Loon Lake residents made a deputation to Shuniah Council regarding the negative impact that the East-West Tie Transmission Line will have on Loon Lake, noting that Shuniah Council requested further research.
  - Loon Lake Community meeting was held outlining concerns and alternate routes.
5. Overview of Proposal – Chris gave an overview of the proposed alternate routes coming out of the Loon Lake Community meeting, providing hard copies of mapping and mapping using google earth. The alternatives were reviewed, noting that the preferred route would be the “blue” line on the google earth map, moving the route further west towards the Greenwich Wind Farm area. This would eliminate some of the concerns with regards to the speckle/brook trout in the Mutt and Jeff Lakes. Chris also noted that consultation would be required with the Greenwich Wind Farm.
6. Comments from Attendees – Discussions took place regarding the extension timelines of the project, noting that consultations are always ongoing and that input is welcome. Tentative time frames have been developed with the draft EA going to the MOECC in 2017. There will be a comment period with additional open houses in 2017.

Those in attendance did not have any concerns with moving the route further west, it is a more remote area; less impact on fishing, etc., it moves the transmission line further away from the Township of Dorion and even further west of the new Dorion route.



**DORION TOWNSHIP**  
*Canyon Country*

170 Dorion Loop Road  
Dorion, ON P0T 1K0  
170 Dorion Loop Road  
Dorion, ON P0T 1K0

E - [mavis@doriontownship.ca](mailto:mavis@doriontownship.ca)  
P - 807-857-2289  
F - 807-857-2203

May 8, 2017

Adam Wright, Special Project Officer, PCU  
Ministry of the Environment and Climate Change  
Environmental Approvals Branch  
135 St. Claire Avenue West  
Toronto, ON  
M4V 1P5

Re: Letter of support for NextBridge and the East West Tie EA

Dear Sir,

The Township of Dorion wishes to write a letter of support for Nextbridge involving the East West transmission line that will pass through our community.

From the very beginning, Nextbridge has engaged our community and has been very open and transparent.

When we have asked for information, Nextbridge has responded in a timely manner.

Our community had concerns about the original proposed route and Nextbridge scheduled additional meetings to address these matters. Several alternatives were discussed and finally one was proposed that alleviates our concerns.

We continue to have open channels of communication and look forward to working with them through the EA approval process.

We anticipate a very good working relationship with NextBridge in the future.

Yours truly,

TOWNSHIP OF DORION

Ed Chambers, Reeve

c.c. Jennifer Tidmarsh  
Project Director East-West Tie Transmission Project



390 Bay Street, Suite 1720  
Toronto • ON • M5H 2Y2 • Canada

# East-West Tie Transmission Project – Municipal Land Requirements

## MINUTES

FEBRUARY 6, 2017

TIME: 9:00AM EST

LOCATION: COUNCIL CHAMBERS

MEETING CALLED BY	Nadene Hunley
TYPE OF MEETING	Land/Permitting
FACILITATOR	David Biggar
NOTE TAKER	Ashley Ligas
ATTENDEES	<p><b>Haseeb Amirzada (Manager of Planning &amp; Permitting, CanACRE)</b>  <b>David Biggar (Project Manager, CanACRE)</b>  <b>Paul Greenwood (CAO/Deputy Clerk/Treasurer, Municipality of Shuniah)</b>  <b>Craig Baumann (Manager of Operations, Municipality of Shuniah)</b>  <b>Nadene Hunley (Clerk/Manager of Planning, Municipality of Shuniah)</b></p> <p><b>Late: None</b></p> <p><b>Called-in: Ashley Ligas (Planner, CanACRE)</b></p> <p><b>Regrets: Rebecca Loosley (Land Lead, NextBridge)</b></p>

## Agenda Topics

DISCUSSION	Brief Project Update		
Update – DB – An update was given on the Project in regard to the Draft Environmental Assessment, Open Houses and stakeholder engagement, the Leave to Construct Application with the Ontario Energy Board, and the status of the land acquisition program for the Project.			
CONCLUSIONS	Project Update Completed		
All parties have been updated in regard to the status of the Project.			
ACTION ITEMS		PERSON RESPONSIBLE	DEADLINE
None.		N/A	N/A

DISCUSSION	Review of Directly Affected Properties and Preliminary Construction Access Plan
<p>EWT1009 – DB – Municipality is considering industrial development on northern section of this property. PG inquired about power usage/servicing for proposed industrial site. CanACRE confirmed that power would need to come from Hydro One distribution, not from EWT line. Property is accessed by MacGregor Rd., a road that is currently under agreement for use (non-exclusive) by Technologic Timber for their operations. CB recommended that NextBridge consult with Technologic Timber regarding the use of this road. DB indicated that discussions with this property owner for various land rights were already underway and CanACRE would follow-up accordingly.</p> <p>EWT1013 and EWT2002: no comments/concerns raised.</p> <p>EWT1017 – DB – DB noted that property ownership on title is still in name of former property owner, not the Municipality. NH to look into updating the title record for the property to the Municipality of Shuniah.</p> <p>EWT1019 – DB – Property accessed via McKenzie Station Rd. or McKenzie Dr. NH noted potentially sensitive residents along road regarding proposed development and construction. CB noted that the laydown area is located in a wet portion of the property. CanACRE indicated that the location of laydown areas, along with proposed access roads, are preliminary and subject to field verification by the General Contractor.</p> <p>EWT1167 – DB – Access to northwest (through MTO property, EWT1014), used by Bruno Contracting. The property currently hosts the Municipality's landfill site. CB indicated that there are permanent monitoring wells to the north of the existing Hydro One corridor</p>	

that may fall within the proposed EWT easement area. CB to provide UTM coordinates for wells to NextBridge to review. CB raised general concerns regarding impact of construction on operations of landfill facility, as well as groundwater in this area.

EWT2006 – NH - noted that property to be accessed by McKenzie Heights Rd.

EWT2063 – DB - confirmed that property is now impacted by proposed transmission line corridor due to recent minor route revision.

Worker Facility – NH – Inquired about worker camp. NH stated that there are hotels available as an alternative to worker camps. DB noted that additional facility likely required and location subject to General Contractor's review and requirements.

Municipally-owned roads proposed for use: MacGregor Rd., McKenzie Station Rd., McKenzie Dr., McKenzie Heights Rd. All roads are subject to load restrictions and time-of-day usage.

<b>CONCLUSIONS</b>	Affected Municipal Properties/Access Plan
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Concerns/issues raised for some affected municipally-owned properties.

Access and construction plan preliminary, further information to be provided once available/following contractor due -diligence.

ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Follow-up with Technologic Timber regarding the use of MacGregor Rd. on EWT1009 property.	David Biggar	March 3, 2017
Investigate owner name on title record for EWT1017 property.	Nadene Hunley	February 28, 2017
Provide UTM coordinates for wells on EWT1167 property for NextBridge to review.	Craig Baumann	March 10, 2017

<b>DISCUSSION</b>	Discussion regarding Land Acquisition and Permitting Requirements
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Grant of Easement – DB – NextBridge is seeking a grant of easement from the Municipality for land rights required on municipally owned properties affected by proposed Project infrastructure. NextBridge to provide form of transmission easement agreement (for proposed, permanent, transmission line corridor), fixed-term road use easement agreement (for proposed, temporary, access roads) and ground lease agreement (for proposed, temporary, laydown yards) to the Municipality to review, along with compensation details. NextBridge will cover all reasonable costs (i.e. legal) associated with the Municipality's review of these agreements. DB noted that offer of compensation will be consistent with its compensation principles for the Project, based on the fair market value of lands to be taken. Unlike private property owners and similar with the land process adhered to with other government entities, NextBridge will not be seeking an Option Agreement. Execution of easement agreements on all municipally-owned properties will be subject to applicable governmental approvals.

Access Plan – CB – indicated that permits will be required for use of municipally-owned roads. Permits may include conditions, including potential for security to protect Municipality from barring cost of any damages caused by heavy equipment haulage, etc. to municipally-owned and maintained roads.

<b>CONCLUSIONS</b>	Land Agreement/Permit Requirements
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Land Agreement and Permit Requirements confirmed.

ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Provide easement agreements to NH, including compensation information, for Municipality to review.	David Biggar	March 17, 2017

# East-West-Tie Transmission Project - Municipal Land Requirements

## MINUTES

FEBRUARY 1, 2017

TIME 9:00AM EST:

LOCATION: CANACRE BOARD ROOM

MEETING CALLED BY	David Biggar
TYPE OF MEETING	Land/Permitting
FACILITATOR	David Biggar
NOTE TAKER	Ashley Ligas
ATTENDEES	<b>Ashley Ligas (CanACRE), David Biggar (CanACRE), Christopher Wray (Municipality of Wawa)</b>  <b>Late: None</b>  <b>Called In: Haseeb Amirzada (CanACRE)</b>

## Agenda Topics

DISCUSSION	Brief Project Update	
<p>Draft EA – DB – Hard copy of draft EA at Wawa Municipal Office and Public Library. Open House taking place next week on February 8<sup>th</sup> in Wawa. Period for public comment open until February 28, 2017.</p> <p>Start of construction – DB – End of 2018.</p> <p>General contractor – DB – Selection will be made this year.</p> <p>Land Acquisition – DB – Easements on Freehold, fee simple properties, commenced in August/September 2016. Approximately 50% of easements required on private lands have been attained.</p> <p>Draft EA – CW – Will be issuing comments shortly. Environmental Impact will be the primary focus of the comments. Time period for stakeholder comments is an issue and an objection is planned to be filed. Northern Ontario growth plan was not taken into consideration with electricity planning in the Region.</p> <p>Local Impact – CW – Laydown areas must be in the municipality, not outside the boundaries.</p>		
CONCLUSIONS	Comments	
Wawa will submit comments in regard to the draft EA.		
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Draft EA Comments Document	Christopher Wray	February 28, 2017

DISCUSSION	Review of Directly Affected Properties and Preliminary Construction Access Plan
<p>Worker Camp and Storage Yard – CW does not see any issues with the area proposed for the worker camp and storage yard in regard to zoning. It is industrially zoned.</p> <p>Access Plan – CW – Tremblay Flats is currently a seasonal road and is not maintained in the winter. EWTC0079 requires access from Tremblay Flats as there is a power dam on this property. Upgrades will be required for Tremblay Flats if heavy haulage is required. An agreement to have the road (Tremblay Flats) serviced in the winter will need to be arranged once additional information is available from the contractor on scope of use and upgrades. Tremblay Flats Rd., High Falls Rd., Mission Rd., and Government Rd., are all publicly owned and maintained roads. For access to the worker camp/storage yard site, Mission Rd. is a preferable routing to Toronto Ave. DB - once access road plan in Municipality is field verified by contractor, further details on vehicles/heavy-haulage and scope of road use can be provided to inform road use agreement with Municipality.</p>	



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PIN 311700116 – DB – Property is former ski hill. Small portion of property (south corner) will be required for transmission line corridor. CW indicated that Municipality is currently in process of selling property (sale timeline: 2-4 weeks), but otherwise has no issues with area required. CW to review possibility of severing/keeping portion of property for NextBridge easement in Municipal ownership. CW indicated this may be easier than NextBridge having to deal with the new owner for an easement. CW also noted that there is a cell tower on the property, owned by Rogers (should be registered on title, roughly 50m<sup>2</sup> lease area). DB indicated, given location, this should not impact NextBridge's proposed plans on this property.

CONCLUSIONS	Worker Camp/Storage Yard/Access Roads/Transmission Line	
Worker Camp and Storage Yard site is an ideal candidate from Municipalities' perspective.		
Road Use Agreement for use of municipal roads on hold until further information available.		
PIN 311700116 – Need to incorporate NextBridge plans with potential sale of property.		
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Update CW on status of proposed Access Road Plan once additional information and detail is available from contractor/field inspection.	David Biggar	N/A
Review possibility of keeping area required for NextBridge easement on PIN 311700116 in Municipal ownership.	Christopher Wray	March 3, 2017

DISCUSSION	Discussion regarding Land Acquisition and Permitting Requirements		
Permit Process (Roads) – CW – Municipality would prefer Road Use Agreement for use of municipal roads as opposed to a permit. As per above, Road Use Road Use Agreement for use of municipal roads is on hold until further information is available.			
PIN 311700116 – DB – NextBridge is seeking a grant of easement for the small portion of transmission corridor on this property. DB to send CW form of agreement for Municipality to review, along with compensation information. NextBridge is okay with covering reasonable legal/review costs of Municipality. Execution of easement agreement will be subject to applicable governmental approvals for the Project (i.e. Leave to Construct from Ontario Energy Board and Environmental Assessment Approval from MOECC). CW agreed with this approach. Agreement approval will need to go to Council. CW does not anticipate any issues from Council on agreement approval.			
CONCLUSIONS	Permits/Agreements		
NextBridge and Municipality of Wawa to enter into Road Use Agreement for use/upgrades required on municipal roads.			
NextBridge and Municipality of Wawa to enter into easement agreement for transmission line corridor on PIN 311700116.			
ACTION ITEMS		PERSON RESPONSIBLE	DEADLINE
Email PDF copy of Transmission Easement agreement to CW for Municipal Review.		David Biggar	March 10, 2017



# East-West Tie Transmission Project – Municipal Land Requirements

## MINUTES

FEBRUARY 7, 2017

TIME: 10:00AM EST LOCATION: NIPIGON COUNCIL CHAMBERS

MEETING CALLED BY	David Biggar
TYPE OF MEETING	Land/Permitting
FACILITATOR	David Biggar
NOTE TAKER	Ashley Ligas
ATTENDEES	<b>Haseeb Amirzada (Manager of Planning &amp; Permitting, CanACRE)</b> <b>David Biggar (Project Manager, CanACRE)</b> <b>Rebecca Loosley (Land Lead, NextBridge)</b> <b>Lindsay Mannila (CAO, Township of Nipigon)</b> <b>Kelly Paakkunainan (Deputy Clerk/By-Law Officer, Township of Nipigon)</b> <b>Geoff Aitken (Public Works, Township of Nipigon)</b>  <b>Late: None</b>  <b>Called-in: Ashley Ligas (Planner, CanACRE)</b>

### Agenda Topics

DISCUSSION	Brief Project Update		
Update – DB – An update was given on the Project in regard to the Draft Environmental Assessment, Open Houses and stakeholder engagement, the Leave to Construct Application with the Ontario Energy Board, and the status of the land acquisition program for the Project.			
CONCLUSIONS	Project Update Completed		
All parties have been updated in regard to the status of the Project.			
ACTION ITEMS		PERSON RESPONSIBLE	DEADLINE
None.		N/A	N/A

DISCUSSION	Review of Directly Affected Properties and Preliminary Construction Access Plan
<p>Access Plan – RL – Access Plan is preliminary and is subject to change based on field verification. The General Contractor will have a large say in where the worker camps, laydown areas and access roads will be located.</p> <p>Township Road Use – DB - Golf course Rd, Maatas Rd. Scope of improvements required to be determined closer to construction.</p> <p>EWT6028 - LM – This property is maintained by tenants who use the property for a Golf Club and Ski Club, respectively. The Township owns the property and the tenants have lease rights. RL indicated that NextBridge has been in touch previously with the tenants of these properties. RL to provide point-of-contacts from previous correspondence to LM to verify point-of-contacts are correct. KP noted that the proposed temporary access road on the property may intersect with one of the Ski Club's trails. LM to provide a map of Ski Club's trails on the property and in the general area for Nextbridge to review. NextBridge to coordinate meeting with Ski Club, Golf Club, to review proposed plans in the vicinity of this property and discuss any concerns that the tenants may have.</p> <p>EWT6141, EWT6142 – LM – Inquired as to why an access road was required on these properties. HA indicated that the road was likely proposed in that location to avoid a wetland to the north.</p> <p>All affected properties – LM – Indicated that Township will have general environmental concerns and want to review environmental information (i.e. water crossings) for each affected Township-owned property. KP noted that the Township would like to see affected properties overlaid with MNR's natural heritage squares/information. RL indicated that this information should be in the draft EA and can be provided, if required. LM indicated that Town staff can submit environmental comments to NextBridge.</p>	

<b>CONCLUSIONS</b> Affected Township Properties/Access Plan		
Access Plan preliminary, further information to be provided once available. Township will have general environmental concerns for all affected properties. NextBridge to consult further with Ski Club and Golf Club.		
<b>ACTION ITEMS</b>	<b>PERSON RESPONSIBLE</b>	<b>DEADLINE</b>
Confirm point-of-contact for Ski Club and Golf Club with Township.	Rebecca Loosley	March 3, 2017
Provide map of Ski Club trails to NextBridge.	Lindsay Mannila	March 10, 2017
Coordinate meeting with Ski Club, Golf Club.	David Biggar	March 17, 2017
Submit environmental comments on draft EA/affected Township properties.	Lindsay Mannila	February 28, 2017/ TBD.

<b>DISCUSSION</b> Discussion regarding Land Acquisition and Permitting Requirements		
Land Agreements – DB – Indicated that NextBridge is seeking a grant of easement from the Municipality for land rights required on Township-owned properties affected by proposed Project infrastructure. NextBridge to provide transmission easement agreement (for proposed, permanent, transmission line corridor), and fixed-term road use easement agreement (for proposed, temporary, access roads) to the Township to review, including compensation details. NextBridge will cover all reasonable costs (i.e. legal) associated with the Township's review. NextBridge will offer compensation to the Township consistent with its compensation principles for the Project, which is based on the fair market value of lands to be taken. Agreement execution will be subject to applicable governmental approvals (i.e. Ontario Energy Board Leave to Construct Approval). Permits – DB – Proposed Project is under the authority of the <i>Electricity Act</i> , and as such is not subject to <i>Planning Act</i> approvals.		
<b>CONCLUSIONS</b> Land Agreement/Permit Requirements		
Land agreement and permit requirements confirmed.		
<b>ACTION ITEMS</b>	<b>PERSON RESPONSIBLE</b>	<b>DEADLINE</b>
Provide easement agreements and compensation information to Township.	David Biggar	March 17, 2017

## East-West Tie Transmission Project – Project Update

### MINUTES

FEBRUARY 7, 2017

TIME: 2:00PM – 3:00PM

LOCATION: COUNCIL CHAMBERS,  
SCHREIBER MUNICIPAL COMPLEX

MEETING CALLED BY	David Biggar
TYPE OF MEETING	Municipal
FACILITATOR	David Biggar
NOTE TAKER	Ashley Ligas
ATTENDEES	<b>David Biggar (Project Manager, CanACRE)</b> <b>Haseeb Amirzada (Manager of Planning &amp; Permitting, CanACRE)</b> <b>Don McArthur (CAO/Clerk, Township of Schreiber)</b>  <b>Late: N/A</b>  <b>Called-in: Ashley Ligas (Planner, CanACRE)</b>

### Agenda Topics

DISCUSSION	Brief Project Update		
Update – DB – An update was given on the Project in regard to the Draft Environmental Assessment, Open Houses and stakeholder engagement, the Leave to Construct Application with the Ontario Energy Board, and the status of the land acquisition program for the Project.			
CONCLUSIONS	Project Update Completed		
All parties have been updated in regard to the Project.			
ACTION ITEMS		PERSON RESPONSIBLE	DEADLINE
None.		N/A	N/A

DISCUSSION	Review of Preliminary Construction Access Plan		
<p>Access Plan – DB – NextBridge is currently proposing to use Peary St. north from Highway 17 to access the proposed transmission line (which is north of the Township boundary). The Access Plan is preliminary and subject to field verification by the construction contractor, who will be selected later in 2017. As such, the scope of proposed use and any upgrades that may be required on this road is still to be determined.</p> <p>Peary St. – DM – A large portion of this road is passable and in good condition. The Township maintains this road and the road is already used to access a variety of existing uses. There are no foreseeable issues with NextBridge using this road at this time. The access road continues on as a trail north of Township property (towards proposed transmission line) and we are unsure of status of road in this area. HA indicated that CanACRE will follow-up with the MNRF in regard to that section of road.</p>			
CONCLUSIONS	Access Plan		
<p>Township currently has no issues with using Peary St.</p> <p>NextBridge to provide further details regarding scope of Township road use, once available.</p>			
ACTION ITEMS		PERSON RESPONSIBLE	DEADLINE
Confirm status of trail north of Peary St. with MNRF		Haseeb Amirzada	March 31, 2017

DISCUSSION	Land and Permitting Requirements
Access Plan – DB – Confirmation of any permits required from Township to be determined once access plan is field verified.	
EWT7505 – DM – The Township has available industrial land that could be used as an alternative site for construction staging and/or	
Project storage needs. The land is in close proximity to the Town, as well as the proposed transmission line. DB noted that they	

would pass this information along to NextBridge to review and consider and report back to DM. If an acceptable site, a simple Ground Lease agreement could be pursued between NextBridge and the Township for use of these lands.

<b>CONCLUSIONS</b>	Permits/Agreements
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Any permits for road use to be determined.  
EWT7505 property available as alternative site for construction staging and/or storage needs.

ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
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Review EWT7505 property with NextBridge to determine suitability for construction requirements and report back to DM.	David Biggar	March 31, 2017
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## East-West Tie Transmission Project – Project Update

### MINUTES

FEBRUARY 7, 2017

TIME: 3:15PM-4:00PM

LOCATION: COUNCIL CHAMBERS,  
TOWNSHIP OF TERRACE BAY

MEETING CALLED BY	David Biggar
TYPE OF MEETING	Municipal
FACILITATOR	David Biggar
NOTE TAKER	Ashley Ligas
ATTENDEES	<b>David Biggar (Project Manager, CanACRE)</b> <b>Haseeb Amirzada (Manager of Planning &amp; Permitting, CanACRE)</b> <b>Dean Main (Community Development Supervisor, Terrace Bay)</b> <b>Jonathan Hall (CAO/Clerk, Terrace Bay)</b>  <b>Late: N/A</b>  <b>Called-in: Ashley Ligas (Planner, CanACRE)</b>

### Agenda Topics

DISCUSSION	Brief Project Update		
Update – DB – An update was given on the Project in regard to the Draft Environmental Assessment, Open Houses and stakeholder engagement, the Leave to Construct Application with the Ontario Energy Board, and the status of the land acquisition program for the Project.			
CONCLUSIONS	Project Update Completed		
All parties have been updated in regard to the Project.			
ACTION ITEMS		PERSON RESPONSIBLE	DEADLINE
None.		N/A	N/A

DISCUSSION	Review of Preliminary Construction Access Plan/Worker Camp/Storage and Laydown Areas		
Access plan and locations of worker camp/laydown yard within Township boundary – DB - preliminary and subject to field verification by the construction contractor, who will be selected later in 2017. Current plan shows use of Mill Rd. and Airport access road, which are Township owned and maintained roads.			
Township Airport – JH and DM – no longer in use with the exception of a helicopter pad used periodically and for “drag racing” on the August long weekend. Township interested in economic benefit of the Project. Township airport available for use for either a worker camp or construction staging/storage area. Site has fuel storage and is in close proximity to the center of Town, as well as the proposed transmission line. DB noted that they would pass this information along to NextBridge to review and consider and report back to the Township. If an acceptable site, a simple Ground Lease agreement could be pursued between NextBridge and the Township for use of these lands.			
CONCLUSIONS	Worker Camp/Storage Yard/Laydown Yard		
Township airport available as an alternative site for a worker camp and/or construction staging and storage needs.			
ACTION ITEMS	PERSON RESPONSIBLE		DEADLINE
Review Township airport property with NextBridge to determine suitability for construction requirements and report back to Township.	David Biggar		March 31, 2017

# East-West Tie Transmission Project – Municipal Land Requirements

## MINUTES

FEBRUARY 8, 2017 TIME: 10:00AM-11:00AM LOCATION: TOWN OF MARATHON OFFICE

MEETING CALLED BY	David Biggar
TYPE OF MEETING	Land/Permitting
FACILITATOR	David Biggar
NOTE TAKER	Ashley Ligas
ATTENDEES	<b>Haseeb Amirzada (Manager of Planning &amp; Permitting, CanACRE)</b> <b>David Biggar (Project Manager, CanACRE)</b> <b>Daryl Skworchinski (CAO/Clerk, Town of Marathon)</b> <b>Rick Kerster (Building/Operations, Town of Marathon)</b>  <b>Late: N/A</b>  <b>Called-in: Ashley Ligas (Planner, CanACRE)</b>

### Agenda Topics

DISCUSSION	Brief Project Update		
Update – DB – An update was given on the Project in regard to the Draft Environmental Assessment, Open Houses and stakeholder engagement, the Leave to Construct Application with the Ontario Energy Board, and the status of the land acquisition program for the Project.			
CONCLUSIONS	Project Update Completed		
All parties have been updated in regard to the Project.			
ACTION ITEMS		PERSON RESPONSIBLE	DEADLINE
None.		N/A	N/A

DISCUSSION	Review of Directly Affected Properties and Preliminary Construction Access Plan
<p>List of Affected Town Properties – DB – List was reviewed, corresponded with Project reference map provided. DB noted Angler Mining Company lands as primary properties in Town's ownership. DS indicated that title/ownership is in process of being transferred to Town.</p> <p>EWT8011 – DB – Minor route revision under review, this property could not be required. Cultural heritage assessment identified POW camp on the lands. The POW location is located at the south end of the parcel. The former location of the camp will be avoided by proposed Project infrastructure. DB noted that final routing and affected Town properties in this area to be confirmed shortly.</p> <p>EWT8025 – DB – property is affected by proposed temporary access road. Property is in close proximity to a corner/dead-end structure and thus NextBridge may also require some additional temporary construction rights to allow for pulling of conductors on this property.</p> <p>Access Plan – DB – proposed access roads are preliminary and subject to contractor field verification. Currently there are no Town owned and maintained roads proposed to be used by NextBridge.</p> <p>Laydown Yard/Storage Yard – RK – Laydown Yard over-top of mining access road/trail. DB indicated that Laydown Yard would not obstruct/avoid overlap with existing road. RK indicated that area to north of proposed laydown yard is Town's gravel pit (not active, used for storage). Area is clear and could be used by NextBridge for storage. RK noted he would check with their operations department on availability and if there would be any restrictions for use (i.e. aggregate permit with Crown).</p>	

Worker Camp – DS – Recommended that NextBridge review former school site off-of Stevens Avenue as a potential alternative to current proposed worker camp location. The site has been rezoned Residential Multiple-2, is flat/cleared/fenced and has access to Town services. Current location of worker camp (off-of Peninsula Rd.) not serviceable by Town.

<b>CONCLUSIONS</b>	Affected Township Properties/Preliminary Construction Plan
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Town-owned properties affected by proposed Project infrastructure were reviewed and confirmed. Currently no Town roads are proposed to be used for access. Alternative locations for worker camp/storage yard are to be reviewed further.

ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Follow-up with RK on status of Town's gravel pit off-of Peninsula Rd.	Haseeb Amirzada	March 10, 2017
Review Stevens Ave. location with NextBridge for worker camp suitability and report back to Town.	David Biggar	March 31, 2017

<b>DISCUSSION</b>	Land Agreements and Permitting Requirements
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Grant of Easement – DB – NextBridge is seeking a grant of easement from the Town for land rights required on Town owned properties affected by proposed Project infrastructure. NextBridge to provide form of transmission easement agreement (for proposed, permanent, transmission line corridor), fixed-term road use easement agreement (for proposed, temporary, access roads) and ground lease agreement (for proposed, temporary, laydown yards) to the Town to review, along with compensation details. NextBridge will cover all reasonable costs (i.e. legal) associated with the Town's review of these agreements. DB noted that offer of compensation will be consistent with the compensation principles for the Project, based on the fair market value of lands to be taken. Agreement execution will be subject to applicable governmental approvals (i.e. Ontario Energy Board Leave to Construct Approval). Worker Camp – RK – Site Plan Control will be applicable.

<b>CONCLUSIONS</b>	Agreements/Permits
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Land Agreement and Permit Requirements confirmed.

ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Provide easement agreements to DS, including compensation information, for Town to review.	David Biggar	March 24, 2017



**The Corporation of the  
Municipality of Wawa**

**Regular Council Meeting**

**Tuesday, August 8, 2017**

**Council Chambers**

**6:00 PM**

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**MINUTES**

**(1) CALL TO ORDER & NOTE MEMBERS PRESENT**

The meeting was called to order at 6:00 p.m., and Mayor Ron Rody welcomed everyone to the meeting.

**Present:**

His Worship Mayor Ron Rody, Chair

**Councillors:**

Yvan Besner, Bill Chiasson

**Staff:**

Chris Wray, CAO/Clerk-Treasurer

Cathy Cyr, Deputy Clerk

Alex Patterson, Director of Community Services and Tourism

Cory Stainthorpe, Director of Infrastructure Services

**Public:** 3 Persons.

**News Media:** 3 Persons.

**Guest:** None.

**Absent:** Councillor Tamara Liddle  
Councillor Sandra Weitzel

**(2) PRESENTATIONS**

**2.1 Ms. Dalyce Rutland - Municipal By-Laws**

Ms. Dalyce Rutland thanked Council for the opportunity to speak regarding municipal by-laws. She expressed her concerns on receiving a parking ticket as per the municipal By-Law and respectfully requested Council to reimburse her for the traffic ticket fee. After explaining her case, Mayor Rody suggested she send a letter to the Police Services Board to review her case.

Other concerns discussed included the lack of Animal Control Officer, animals at large, noise (barking dogs, noisy vehicles), signage, speeding and disabled parking.

Mayor Rody mentioned that Council is currently looking at replacing the Chief Building Official and hoping to incorporate the By-Law Enforcement position to the job description. An announcement should be made in the early fall.



**AND WHEREAS** the Municipality of Wawa received a contribution from Brookfield Renewable Energy for the Scenic High Falls Improvement Project;

**NOWTHEREFORE BE IT RESOLVED** that the Council of The Corporation of the Municipality of Wawa does hereby gratefully accept the funding provided by Brookfield Renewable Energy for the Scenic High Falls Project;

**AND BE IT FURTHER RESOLVED THAT** the Municipality of Wawa will administer the Scenic High Falls Project, including budgeting for the completion of the Project between 2017 and 2019;

**AND FURTHER THAT** the Municipality of Wawa will work with the Project Partners, Brookfield Renewable Energy and the Rotary Club of Wawa, to develop interpretive and educational signage for the Site, as well as press releases about the Partnership and the Project.

CARRIED.

**Action:**

Copy of the resolution to be forwarded to the Director of Community Services & Tourism and Deputy Treasurer.

**(12) NOTICE OF MOTION**

None.

**(13) CONSIDERATION OF BY-LAWS**

**13.1 First, Second and Third Reading**

**Moved by:** B. Chiasson

**R.** RC17050

**Seconded by:** Y. Besner

**RESOLVED THAT** the following by-laws be introduced and read a first, second and third time and finally passed and that the Mayor and Clerk do sign and seal the same, any rule of this Council to the contrary notwithstanding:

**By-Law No. 3051-17** – to confirm the proceedings of Council at its meeting held on the 8th day of August, 2017.

**By-Law No. 3052-17** – to delegate authority to provide marriage solemnization services to Mr. Daniel McCoy.

**By-Law No. 3053-17** – to authorize the sale of Municipal Land located at 300 Highway 17 South, Roll No. 57-76-000-007-15503-0000, in the Municipality of Wawa to Mark Hughes and Dawn Hughes.

**By-Law No. 3054-17** – to authorize a Transmission Easement Agreement with Nextbridge Infrastructure for the East-West Tie project on property located at 300 Highway 17 South (PIN 31170-0116).

**By-Law No. 3055-17** – to authorize The Corporation of the Municipality of Wawa to enter into an agreement with J. Provost Contracting Ltd. for the supply of material, labour and equipment necessary for the stabilization of the overflow/drain outlet at the Michipicoten River Village elevated storage tank.

**By-Law No. 3056-17** - to enter into an Agreement with the Northern Ontario Heritage Fund Corporation for the Wawa Lake Waterfront Rejuvenation Project (Project #8100268).

**By-Law No. 3057-17** – to amend By-Law No. 2821-15 as amended, the Zoning By-law for the Municipality of Wawa with respect to lands located within the Mine Closure Boundary for the

former MacLeod Mine in The Corporation of the Municipality of Wawa, District of Algoma.

**By-Law No. 3058-17** – to enter into an encroachment agreement with Bonnie West and Larry Schneider, owners of the property located at 21 Broadway Avenue, and to maintain and use a portion of municipal property located adjacent to the subject land in the Municipality of Wawa and for fixing an annual fee for such privilege.

CARRIED.

**Action:**

Letters to be prepared as required.

- 13.2 By-Law No. 3051-17 - to confirm the proceedings of Council at its meeting held on the 8th day of August, 2017.**
- 13.3 By-Law No. 3052-17 - to delegate authority to provide marriage solemnization services to Mr. Daniel McCoy.**
- 13.4 By-Law No. 3053-17 - to authorize the sale of Municipal Land located at 300 Highway 17 South, Roll No. 57-76-000-007-15503-0000, in the Municipality of Wawa to Mark Hughes and Dawn Hughes.**
- 13.5 By-Law No. 3054-17 - to authorize a Transmission Easement Agreement with Nextbridge Infrastructure for the East-West Tie project on property located at 300 Highway 17 South (PIN 31170-0116).**
- 13.6 By-Law No. 3055-17 - to authorize The Corporation of the Municipality of Wawa to enter into an agreement with J. Provost Contracting Ltd. for the supply of material, labour and equipment necessary for the stabilization of the overflow/drain outlet at the Michipicoten River Village elevated storage tank.**
- 13.7 By-Law No. 3056-17 - to enter into an Agreement with the Northern Ontario Heritage Fund Corporation for the Wawa Lake Waterfront Rejuvenation Project (Project #8100268).**
- 13.8 By-Law No. 3057-17 - to amend By-Law No. 2821-15 as amended, the Zoning By-law for the Municipality of Wawa with respect to lands located within the Mine Closure Boundary for the former MacLeod Mine in The Corporation of the Municipality of Wawa, District of Algoma.**
- 13.9 By-Law No. 3058-17 - to enter into an encroachment agreement with Bonnie West, owner of property located at 21 Broadway Avenue, and to maintain and use a portion of municipal property located adjacent to the subject land in the Municipality of Wawa and for fixing an annual fee for such privilege.**

Mr. Wray informed Council that the Municipality of Wawa was notified that raw sewage was dumped into Wawa Lake at William Teddy Park. The park will be closed effective immediately for an undetermined period of time. Algoma Public Health and Ministry of Environment have been asked to review the situation.

Director of Community Services and Tourism will be looking at ways to revitalize the land.

## Meeting Agenda & Minutes

### NextBridge (NB) East-West Tie Transmission Project – Infrastructure Ontario (IO)

May 13, 2016

10:00 a.m. – 11:00 a.m. (EST)

**Location:** *Infrastructure Ontario Office  
1 Dundas Street West, Toronto*

**Attendees:** Rita Kelly, Project Manager Land Transactions, Hydro Corridors & Public Works (IO), Lisa Myslicki, Environmental Specialist (IO), Chris Gulsoy, Appraiser (IO), Pat Grace, Director Corridor Lands (IO), Andrew Cotter, Portfolio Real Estate Manager (IO), Chris Melchior, Director Asset Management, North and East Regions (IO), Frank Dieterman, Manager Heritage Projects (IO), Roman Dorfman, Sr. Real Estate Coordinator Facilities and Real Estate (HONI), Carrie Wiklund, Sr Environmental Analyst (NB), Jennifer Tidmarsh, Director Aboriginal Relations (NB), Rebecca Loosley, Land & ROW Specialist (NB), Haseeb Amirzada, Manager Permitting and Planning (CanACRE), Rob Thomson, Director Field Services (CanACRE)

- Agenda:**
1. Introductions
  2. Project Update
  3. IO permitting processes
    - a. Permission to Enter
    - b. Grant of Easement and Temporary Licences
    - c. Bill 58 Lands
  4. MEDEI requirements
    - a. EA
    - b. Duty to Consult

### Minutes

Agenda Item #	Notes
1	<p><u>IO</u></p> <p>Rita Kelly, Project Manager Land Transactions, Hydro Corridors &amp; Public Works</p> <p>Lisa Myslicki, Environmental Specialist</p> <p>Chris Gulsoy, Appraiser</p> <p>Pat Grace, Director Corridor Lands</p> <p>Andrew Cotter, Portfolio Real Estate Manager</p> <p>Chris Melchior, Director Asset Management North and East Regions</p> <p>Frank Dieterman, Manager Heritage Projects</p>

Agenda Item #	Notes
	<p><b><u>HONI</u></b> Roman Dorfman, Sr. Real Estate Coordinator Facilities and Real Estate</p> <p><b><u>NB</u></b> – EWT Leads Carrie Wiklund, Sr Environmental Analyst Jennifer Tidmarsh, Director Aboriginal Relations Rebecca Loosley, Land &amp; ROW Specialist</p> <p><b><u>CanACRE</u></b> – Land acquisition, permitting and planning consultants for the project Haseeb Amirzada, Manager Permitting and Planning (CanACRE) Rob Thomson, Director Field Services (CanACRE)</p>
2	R. Loosley gave an overview of the project, along with an update on project timelines, schedule, and activities.
3a.	<p>NextBridge will be conducting non-intrusive environmental studies this summer, beginning mid-June.</p> <p>For access to lands for the purposes of these studies, a permission to enter is required. Requests can be directed to Andrew Cotter and Chris Melchior with Asset Management.</p>
3b.	NextBridge will require agreements for the locations of infrastructure on IO managed lands. IO will provide a Grant of Easement and Temporary Licences for the proposed infrastructure. This will include the location of the transmission line and related facilities including access roads.
3c.	NextBridge will require agreements for the location of infrastructure on Bill 58 lands. Bill 58 lands are owned by MEDEI and managed by HONI. HONI will conduct a technical review of the location of the transmission line and related facilities including access roads. Following this review, NB will pursue a Grant of Easement and Temporary Licences with HONI for the proposed infrastructure.
4a.	<p>MEDEI</p> <p>Specific language to be included to address the requirements of MEDEI in relation to the Environmental Assessment and Duty to Consult obligations on MEDEI owned lands.</p>

**Presentation, meeting notes and points of contact to be circulated.**

**Meeting ended at 11:00 a.m.**



# Infrastructure Ontario - NextBridge EWT Project Update Along with Focus on Environmental and Real Estate Matters

## MINUTES

AUGUST 23, 2017

TIME: 2:30PM

LOCATION: INFRASTRUCTURE  
ONTARIO, 1 DUNDAS ST W

MEETING CALLED BY	Jointly by NextBridge and Infrastructure Ontario
TYPE OF MEETING	Project Update
FACILITATOR	Rita Kelly
NOTE TAKER	Rebecca Loosely
	<p>Herb Shields, Senior Communication Engagement Strategist, NextBridge Infrastructure LP  Rebecca Loosely, Land &amp; Right of Way Specialist, NextBridge Infrastructure LP  Tamara Skillen, Senior Environmental Impact Assessment Specialist, Golder Associates  Rob Thomson, Right of Way Services Director, CanACRE Ltd  Jennifer Tidmarsh, Project Director East-West Tie Transmission Line Project, NextBridge Infrastructure LP  Aaron Strand, Sr. Environmental Analyst, NextBridge Infrastructure LP</p> <p>Patrick Grace, Director, Land Transactions - Hydro Corridor &amp; Public Works, Infrastructure Ontario  Rita Kelly, Project Manager, Land Transactions - Hydro Corridors and Public Works, Infrastructure Ontario  Joe Vecchiolla, Policy Lead, Ministry of Infrastructure  Chris Gulsoy, Appraiser, Infrastructure Ontario  Cory Ostrowka, Environmental Specialist, Infrastructure Ontario  Kaye Boucher, Heritage Specialist, Infrastructure Ontario</p>

### Agenda Topics

DISCUSSION	<b>Project Update</b>
<p>J. Tidmarsh provided a status of the NextBridge East-West Tie Transmission Line Project (the "Project") including the rationale and intent of the recent August 4, 2017 letter from the Ministry of the Energy to the Independent Electricity System Operator (IESO).</p> <p>The IESO was provided until December 1, 2017, to perform a needs assessment update. NextBridge indicated the proposed EWT 230 kV Project continues to be required, to support increased electrical reliability within the Ontario transmission grid, and economic growth associated with other economic developments in northern Ontario.</p> <p>NextBridge indicated the Project received its designation for the development in 2014. In 2016 an Order in Council issued by the Lieutenant Governor in Council took effect declaring the Project as a priority project with a required in service date of 2020.</p> <p>A Leave to Construct application for the Project was submitted on July 31, 2017. The final Environmental Assessment (EA) was submitted July 5, 2017. The NextBridge General Contractor is anticipated to be commissioned, within the near future.</p> <p>J. Vecchiolla from Ministry of Infrastructure (MOI) asked if any land requirement changes to Infrastructure Ontario's properties?</p> <p>NextBridge denoted the land requirements have not changed but would re-confirm by verifying its last previous submission, to IO.</p> <p>J. Tidmarsh stated NextBridge is continuing with the Project activities, on the premise of "business as usual".</p>	
DISCUSSION	<b>Valuations and Reference Plans</b>
<p>IO and NextBridge have jointly agreed to the benchmark valuation approach, for the market value application on IO-owned and Bill 58 lands. IO's primary concern in NextBridge's land acquisition for its required land tenure rights is the assurance that the Ministry is receiving all applicable compensation policies similar to other private landowners. R. Loosley assured IO, the compensation for the Transmission Line Easements would be following the same market value approach as the payment to private landowners. In addition, for any temporary licenses, the IO's standard license payment would apply. An exception to the standard temporary use application and payment would be the proposed construction staff location.</p> <p>IO and NextBridge jointly concurred that a Reference Plan (R-Plan) will be prepared for each of the impacted properties, and will remain as draft until deposited with Land Registry. NextBridge is responsible for ensuring it easement interest is secured on land title through co-ordination with the IO legal department.</p>	
DISCUSSION	<b>IO Comments on Draft Environmental Assessment</b>
<p>T. Skillen discussed comments that were submitted by IO, in December 2016 and indicated that NextBridge and Golder were hoping to get clarity on how to best address the comments. Some items may be immaterial since, the final EA has been filed and IO may</p>	



have new or revised comments, on the final EA Report.

C. Ostrowka and K. Boucher indicated to date, they had not had an opportunity, to review the comments or the final EA report and would withhold any remarks on the approach or direction, until they had completed their final review. The IO letter from December 2016 is to be circulated with the Minutes of the Meeting. The comments, such as a request to identify IO as a co-proponent, were reviewed at a higher level within IO. IO indicated a subsequent meeting is to be scheduled, for further discussion. A. Strand and T. Skillen indicated that they would provide initial questions or responses in writing, in advance of the meeting, if necessary.

IO has been provided the Final EA report, however it was indicated the report is also available on the NextBridge website ([http://www.nextbridge.ca/project\\_info.htm#eafinal](http://www.nextbridge.ca/project_info.htm#eafinal)), and the MOECC's website (<https://www.ontario.ca/page/east-west-tie-transmission-project>).

Final EA review period ends on September 12, 2017.

NextBridge indicated that, if required by IO, it is prepared, to address IO's concerns and their process, by completing the following for MOI-owned lands

- Consultation and Documentation (C&D) Reports,
- A Summary of activities undertaken on affected properties including the findings (if there are any findings), from cultural, heritage and archaeology field studies, and
- Phase 1 Environmental Site Assessment (ESA) reports.

#### **DISCUSSION**      **Report Submission**

For the purpose of the C&D reports and related information it was proposed that required information could be packaged geographically, rather than requiring 20 reports or greater, for similar parcels.

The group discussed the best option as being three reports for the groupings of contiguous properties (1 for Nipigon properties, and 1 for each of the other two properties). C. Ostrowka agreed to confirm this approach would work for IO.

#### **DISCUSSION**      **Duty to Consult**

NextBridge is speaking with indigenous communities, and making specific reference to MOI/IO lands, where applicable. Information materials being presented include a map showing the proposed EWT transmission line route and where MOI/IO parcels are crossed. In addition a poster board was presented with specific information, to the Class EA process and disposition of land rights being required from MOI/IO. Comments regarding MOI/IO lands are being requested however, to date no specific comments have been made by indigenous communities with respect to these lands. Indigenous communities are not distinguishing lands crossed based on who administers the properties, they are primarily concerned with impacts to the lands, within their territories. The six most impacted First Nation communities have been participating in the field work, for the Stage 2 archeology and other environmental surveys.

Ongoing meetings with communities will continue with emphasis on the Class EA requirement. Hyperlinks to Record of Consultation embedded in presentation materials circulated.

NextBridge stated the proposed EWT 230 kV Transmission Line Project is widely accepted and supported. Indigenous communities have profoundly stated they view the proposed Project as a benefit however; this viewpoint must not be construed as fulfilling the Duty to Consult. NextBridge will need to continue with further discussions and meetings with the indigenous communities and fulfill on the commitments within the EA.

#### **DISCUSSION**      **Archaeology Studies**

Stage 1 Archaeology completed and report provided to IO.

Stage 2 Archaeology field work currently underway and will be completed by the end of September 2017, with reports being drafted in Q4 2017. To date, there have been no reported findings in the field (significant or not). In the event of any findings, NextBridge would inform MTCS and submit a written request for information as to whether a Stage 3, is required. IO would be notified in advance of Stage 3 occurring, should it arise.

#### **DISCUSSION**      **Phase 1 ESA**

Site visits initiated by Golder and interviews with Regional IO representatives has been completed. Reporting will proceed similar to the C&D reports by grouping contiguous parcels.

Findings on IO properties should be mapped, specifically.

Record of Consultation to be provided.

Duty to Consult (DTC) & EA at same time with table included showing issues or comments, with responses

#### **DISCUSSION**      **Provincial Park Reserve**

Confirm MOI PINS within Provincial Park Reserve  
IO to advise if specific requirements for lands within Provincial Park Reserve

#### **ACTION ITEMS**

Meeting to be scheduled with environment in advance of September 12 to review IOs concerns prior to close of Public Comment period

December 16<sup>th</sup> IO letter to be circulated

Properties impacted to be confirmed including identification of parcel within provincial reserve

Circulate meeting notes

#### **PERSON RESPONSIBLE**

#### **DEADLINE**

**Aaron Strand**

September 12, 2017

**Rebecca Loosley**

September 8, 2017

**Rebecca Loosley**

September 8, 2017

**Rebecca Loosley**

September 8, 2017



# Meeting Agenda & Minutes

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## NextBridge (NB) East-West Tie Transmission Project – Ministry of Transportation (MTO) Permitting Meeting

Tuesday, April 19, 2016

2:00 p.m. – 3:30 p.m. (EST)

- Location:** MTO Northwest Regional Office (615 James St. S., Thunder Bay, ON)
- Attendees:** Cindy Brown (MTO – Head, Corridor Management Section), Kevin Ellis (MTO – Planner, Corridor Management Section), Linda Kaszuba (MTO – Head, Property Section), Ian McKenzie (MTO – Conveyancing Supervisor, Property Section), Doug Cooper (MTO – Head, Planning & Design Section), Rebecca Loosley (NB - Land & Right of Way Specialist, Land Lead), Haseeb Amirzada (CanACRE), David Biggar (CanACRE)
- Agenda:**
1. Safety Moment
  2. Introductions
  3. Project Update
  4. MTO permitting processes
    - a. Access for various environmental studies
    - b. Transmission Line crossings and proximities
    - c. Construction Access routes
    - d. Acquisitions on excess lands
      - Status of Highway 11/17 four-lane project from Thunder Bay to Nipigon
- 

## Minutes

Agenda Item #	Notes
1	R. Loosley (NB) opened the meeting by sharing a safety moment – “safe digging”
2	<p><u>MTO</u> – representatives from Northwest Region Corridor Management, Property, and Planning &amp; Design</p> <p><u>NB</u> – R. Loosley, Land &amp; Right of Way Specialist, Land Lead for East-West Tie (EWT) project</p> <p><u>CanACRE</u> – planning &amp; permitting consultants for EWT project</p> <p><b>Point of Contact(s):</b></p> <p><u>MTO</u>: C. Brown to be POC for with respect to pre-consultation matters and K. Ellis (via C. Brown), to be POC for permit application submissions.</p> <p><u>NB</u>: R. Loosley to be POC for high-level project-related matters, CanACRE to be POC for permitting pre-consultation and submissions (with R. Loosley cc'd and C. Brown cc'd).</p>
3	R. Loosley gave an overview of the project, along with an update on project timelines, schedule, and activities.



Agenda Item #	Notes
4a.	<p>NextBridge will be conducting non-intrusive environmental studies this summer, beginning mid-June.</p> <p>For access to MTO's corridor, NB will require an encroachment permit from Corridor Management. For access to MTO's surplus/excess properties, NB will require a permission sign-off from Property.</p>
4b.	<p>For transmission line crossings of MTO corridor, NB will require an encroachment permit. Preliminary numbers indicate a total of 19 transmission line crossings. An encroachment permit will be required for each crossing. NB will engage MTO on a pre-consultation basis for all crossings prior to submitting encroachment permit applications.</p> <p>For transmission line proximity, NB will require a Building and Land Use Permit from MTO for all properties within 400m of a controlled access highway (Highway 11/17, Peninsula Road, and Highway 614). H. Amirzada (CanACRE) proposed submitting permits for different segments of the transmission line and/or a blanket Building and Land Use Permit for the project. K. Ellis and C. Brown indicated that they were open to this approach, however they will need to review and assess impacted properties (on a pre-consultation basis) prior to confirming that this is acceptable.</p> <p>K. Ellis and C. Brown noted that there is one crossing (White River area) that may/may not be part of MTO's Northeast Region. If so, NB will need to engage MTO's Northeast regional offices for applicable permits. MTO confirmed that the crossing near Wawa is part of the Northeast Region and NB will need to contact them separately to determine their requirements. Point of Contact for Northeast Region is Marcia Mora.</p>
4c.	<p>The EWT project will require the construction of a number of transmission line access routes, including several entrances off-of MTO's highway corridor. The preliminary construction access plan includes 118 entrances off-of provincial highways – some of-which are existing but may require upgrades. Some entrances will be removed following construction and some entrances will remain for operations &amp; maintenance access.</p> <p>For each temporary or permanent entrance off-of a provincial highway, NB will require an entrance permit from MTO. NB will engage MTO on a pre-consultation basis for all entrances prior to submitting entrance permit applications.</p>
4d.	<p>For transmission line and/or access road crossings on MTO surplus/excess properties, NB and MTO will enter into an easement agreement. NB discussed process for market valuation of acquisition properties and MTO was open to reviewing NB's methodology to determine fair-market value for potential MTO surplus/excess land acquisition.</p> <p>MTO provided an update on the status of the Highway 11/17 four-lane project from Thunder Bay to Nipigon. C. Brown and R. Loosley confirmed that upon initial review, there does not appear to be conflict with the proposed EWT project. However, this will need to be confirmed once MTO data is incorporated into the EWT project data set (for example, there may be some access road or entrance conflicts to assess).</p>

#### Action Items

Task	Person Responsible	Due Date	Status
Send copy of meeting presentation, minutes, open house materials to C. Brown (MTO). C. Brown will distribute materials to relevant MTO staff.	R. Loosley (NB)	April 29, 2016	Not yet complete

Prepare Encroachment Permit application, including appendix of parcels and/or description of corridor where access is required for environmental studies and submit to C. Brown.  <b>*Update (26/04/2016) – it has been confirmed that no MTO lands will be required for access related to the environmental studies.</b>	D,Biggar (CanACRE)	Not required	Not required
Prepare list of properties and corresponding sketches where access is required for environmental studies and submit to L. Kaszuba via C. Brown.  <b>*Update (26/04/2016) – it has been confirmed that no MTO lands will be required for access related to the environmental studies.</b>	D.Biggar (CanACRE)	Not required	Not required
Send template easement agreement to NB for review.	L. Kaszuba (MTO)	May 6, 2016	Complete - MTO requested form of NB easement be provided for review. R. Loosley to circulate.
To initiate permitting pre-consultation, CanACRE to incorporate MTO data/SHP files of Highway 17/11 corridor and 4-laning project plans into EWT project data set.  CanACRE to send SHP files and PDF maps of proposed project infrastructure to MTO Geomatics via C. Brown.	H. Amirzada (CanACRE)	May 6, 2016	Not yet complete
MTO Geomatics to send CanACRE SHP files of MTO's highway designations and surplus/excess lands data (including relevant attributes like Land Management Files) that intersect with the proposed infrastructure SHP files.	C. Brown/Geomatics (MTO)	May 13, 2016	Not yet complete
CanACRE to prepare list of properties for MTO with attributes from MTO's SHP files, along with property sketches showing proposed plans/infrastructure on excess/surplus properties. Submit to L. Kaszuba via C. Brown.	D.Biggar (CanACRE)	May 6, 2016	In progress
MTO to confirm agreement/permit types for each property listed as being directly affected in CanACRE's list, noted above.	L. Kaszuba (MTO)	June 10, 2016	Not yet complete
Send copy of updated land market valuation study to MTO for review.	R. Loosley (NB)	June 10, 2016	Not yet complete
Send additional information on Thunder Bay-Nipigon 4-Laning project to NB, including information on how to participate in public input processes.	D. Cooper (MTO)	April 29, 2016	Not yet complete
Send data (via MTO's geotechnical department) on locations of MTO aggregate sites.	K. Ellis (MTO)	May 27, 2016	Not yet complete

# Meeting Agenda & Minutes

## NextBridge (NB) East-West Tie Transmission Project – Ministry of Transportation (MTO) Northeastern Region Permitting Meeting

Friday, July 8, 2016

11:00 a.m. – 12:00 p.m. (EST)

**Location:** Teleconference

**Attendees:** Christopher Marsh (MTO – Corridor Management Officer), Rebecca Loosley (NB - Land & Right of Way Specialist, Land Lead), Haseeb Amirzada (CanACRE – Manager, Planning & Permitting), David Biggar (CanACRE - Planner).

**Agenda:**

1. Safety Moment
2. Introductions
3. Project Update
4. MTO Permitting Processes

### Minutes

Agenda Item #	Notes
1	R. Loosley opened the meeting by sharing a safety moment on tips to ensure proper fire management on household properties (i.e. for bonfires, etc.).
2	<p><u>MTO</u> – C. Marsh, Corridor Management Officer from Northeastern Region office in Sault Ste. Marie.</p> <p><u>NB</u> – R. Loosley, Land &amp; Right of Way Specialist, Land Lead for East-West Tie (EWT) project.</p> <p><u>CanACRE</u> – D. Biggar and H. Amirzada, planning &amp; permitting consultants for EWT project.</p> <p><b>Point of Contact(s):</b></p> <p><u>MTO</u>: C. Marsh to be POC with respect to pre-consultation matters and permit application submissions.</p> <p><u>NB</u>: R. Loosley to be POC for high-level project-related matters, CanACRE to be POC for permitting pre-consultation correspondence and submissions (with R. Loosley cc'd).</p>
3	R. Loosley gave an overview of the project, along with an update on project timelines, schedule, and current activities.
4	<p>D. Biggar noted that the preliminary scope of the project within MTO's Northeastern Region consists of the following:</p> <ul style="list-style-type: none"> <li>• Two proposed transmission line crossings over provincial highway 17, with one</li> </ul>

Agenda Item #	Notes
	<p>crossing located just south of Wawa and one crossing located just west of White River (near the border of MTO's Northeastern and Northwestern regions).</p> <ul style="list-style-type: none"> <li>• Eight temporary access road entrances. Four of these access roads will require new entrance construction and four will utilize existing entrances with upgrades likely required.</li> <li>• Upon preliminary review, NB does not anticipate having to acquire any MTO excess properties.</li> </ul> <p>C. Marsh confirmed that the following permitting processes are applicable:</p> <ul style="list-style-type: none"> <li>• For transmission line crossings, an encroachment permit for each crossing will be required.</li> <li>• For transmission line and proposed infrastructure proximities, meaning properties with proposed infrastructure (temporary or permanent) within 400m of a provincial highway, a building and land use permit will be required. The MTO is open to issuing a blanket building and land use permit, grouping structures/installations by region/area, for the project.</li> <li>• For proposed permanent and temporary entrances, an entrance permit for each proposed entrance will be required. This permit applies to both new and existing entrances, as the latter may necessitate a change of use/ownership. Each permit application will require proof of land control from the neighboring property. The MTO will conduct a site review of all proposed entrances to confirm location suitability.</li> </ul> <p>C. Marsh confirmed that the MTO is open to a pre-consultation review of NB's proposed transmission line crossings and access road entrances prior to fee payment and formal permit application submissions. Construction of temporary entrances must begin within 6-months of permit issuance. CanACRE to ensure permit applications are complete and MTO is satisfied with the information provided prior to permit issuance.</p> <p>H. Amirzada indicated that CanACRE is open to incorporating MTO's highway designation and/or land title information (if applicable) into mapping &amp; permit application drawings, if applicable.</p> <p>C. Marsh confirmed that no major capital projects (i.e. highway widening) are currently planned in the area where the EWT project is proposed. Only routine maintenance projects such as resurfacing, culvert replacements, etc. are anticipated and the MTO can review NB's construction plans to determine if there are any potential conflicts.</p>



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#### Action Items

Task	Person Responsible	Due Date	Status
Send a copy of meeting minutes to meeting attendees.	R. Loosley (NB)	July 19, 2016	Completed
Submit PDF maps (and corresponding spreadsheet) showing proposed transmission line crossings and access road entrances within MTO's Northeastern Region.  MTO to review and inform NB of any concerns/issues prior to formal permit application submissions.	D. Biggar (CanACRE)	July 31, 2016	Not yet complete

# Nextbridge – EWT - MTO Corridor and Property Deliverables / Project Update MINUTES

FEBRUARY 6, 2017

TIME: 2:30PM-4:00PM

LOCATION: BOARDROOM 3N

MEETING CALLED BY	Cindy Brown
TYPE OF MEETING	Provincial Agency
FACILITATOR	Haseeb Amirzada
NOTE TAKER	Ashley Ligas
ATTENDEES	<p><b>Haseeb Amirzada (CanACRE), David Biggar (CanACRE), Rebecca Loosley (Nextbridge), Cindy Brown (MTO - NE), Kevin Ellis (MTO – NW), Linda Kaszuba (MTO – NW), Ian McKenzie (MTO – NW), Dave Kovacs (MTO – NW), Tudor Nisioiu (MTO – NW), Gay Lynne Nix (MTO – NW), Steve Zurevinski (MTO – NW)</b></p> <p><b>Called In: Ashley Ligas (CanACRE)</b></p>

## Agenda Topics

DISCUSSION	Brief Project Update		
Update – DB – An update was given on the Project in regard to the Draft EA, Open Houses, Stakeholder comments, Leave to Construct and Land acquisition.			
CONCLUSIONS			
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE	
N/A	N/A	N/A	

DISCUSSION	Review of Jan 30 CanACRE Deliverable	
<div>1. HA – MTO designations do not line up perfectly with Teranet data. There will be slight discrepancies in the mapping provided.</div> <div>2. CB – The designation is not necessary. MTO will state if traffic is an issue.</div> <div>3. HA to send updated spreadsheet to KE.</div> <div>4. RL stated that land agreements sent in August 2016 to LK may be outdated. LK stated that she did not submit these agreements to MTO's legal counsel for review. RL to send updated Nextbridge forms of agreements (easement documents) to LK for MTO's legal counsel to review.</div> <div>5. Aggregate Pits – HA – HA to follow up with SZ regarding documenting MTO aggregate pits affected by the proposed Project infrastructure.</div> <div>6. DB - MTO NE Region would be receiving a similar deliverable package. NextBridge had an introductory meeting with MTO NE Region in July of 2016 with Corridor Management Officer Christopher Marsh. There are two proposed transmission line crossings and approximately 8 access road entrances (mostly existing) proposed within the NE Region.</div>		
CONCLUSIONS		
<div>The deliverable has been discussed and both parties have an understanding of the data as well as the identification process.</div> <div>There is a discrepancy between Teranet parcel data and MTO's designations.</div> <div>CanACRE to get in touch with SZ directly regarding directly affected MTO aggregate sites.</div>		
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Send updated spreadsheet to KE	Haseeb Amirzada	Completed

Nextbridge to send updated forms of agreements to MTO legal for review	Rebecca Loosley	March 3, 2017
HA to follow up with SZ regarding MTO Aggregate Pits	Haseeb Amirzada	March 31, 2017

DISCUSSION	Review of Access Issues Identified to Date	
<div>1. DB – There is potential for every Access Road to require a separate permit. MTO to review and advise on permitting requirements.</div> <div>2. DB – there are a few temporary access roads where the entrances will need to be realigned to reflect the new boundary of Highway 11/17 and any new/re-located residential entrances.</div> <div>3. KE, GN – MTO will require proof of adjacent property owner consent (i.e. Nextbridge agreement in place) prior to issuing an entrance permit to enter private lands off of Highway 11/17. The same would be needed from MNRF for Crown lands.</div> <div>4. GN will be reviewing each of the proposed entrance points. HA to provide a shapefile of all proposed entrance points along with various attributes from the spreadsheet.</div>		
CONCLUSIONS	Access issues were identified.	
Permitting requirements and contacts have been established.		
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
CanACRE to provide MTO with shapefile of proposed entrance points.	Haseeb Amirzada	March 3, 2017

DISCUSSION	Update on Status of Highway 11-17 Lane Project	
<div>1. KE – Data provided by KE in October 2016, which included MTO highway and property designations, may not have accurate or most current boundaries for the 4-laning project (data delineates acquired and not acquired properties).</div> <div>2. DK to provide CanACRE with shapefiles of approved property requests for the future 4-laning of Highway 11/17 between Thunder Bay and Nipigon.</div> <div>3. KE – MTO indicated that construction schedules will have to be shared to ensure that there are no contractor conflicts with MTO construction projects.</div>		
CONCLUSIONS		
<div>Accurate data of approved property requests on the Highway 11/17 4-laning Project will be sent to CanACRE in the form of a shapefile.</div> <div>MTO will be able to provide construction and project schedules that may affect the EWT project.</div>		
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
DK to send HA shapefile of approved property requests.	Dave Kovacs	Completed
CanACRE to send MTO construction schedule.	Dave Biggar	March 3, 2017

DISCUSSION	Confirmation of Next Steps		
HA – A meeting with MTO will be scheduled regularly for Project update and progress and to address any comments related to the review of the deliverables.			
CONCLUSIONS			
Regular meetings with MTO will commence to provide updates and address comments and concerns.			
ACTION ITEMS		PERSON RESPONSIBLE	DEADLINE
Regular Meeting with MTO to be scheduled.		Haseeb Amirzada	April, 2017

<b>SPECIAL NOTES</b>		
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# NextBridge – East-West Tie – MTO Permitting Meeting

## MINUTES

NOVEMBER 27, 2017

TIME: 1:30PM-2:30 PM

LOCATION: CONFERENCE LINE

<b>MEETING CALLED BY</b>	Cindy Brown (MTO)
<b>TYPE OF MEETING</b>	Provincial Agency
<b>FACILITATOR</b>	Haseeb Amirzada (CanACRE)
<b>NOTE TAKER</b>	Ashley Ligas (CanACRE)
<b>ATTENDEES</b>	<b>Ashley Ligas (CanACRE)</b> <b>Cindy Brown (MTO)</b> <b>Gay Lynne Nix (MTO)</b> <b>Haseeb Amirzada (CanACRE)</b> <b>John Yu (CanACRE)</b> <b>Kevin Ellis (MTO)</b> <b>Linda Kaszuba (MTO)</b> <b>Rebecca Loosley (NextBridge)</b>
<b>AGENDA</b>	<b>Introduction</b> <b>Project Update</b> <b>MTO's comments and results of the map submissions review</b> <b>Finalize permitting and land acquisition processes for the following scenarios:</b> <ul style="list-style-type: none"> <li>• Grouping of entrance permits</li> <li>• Approval of long parallel transmission line segments within Permit Control Areas</li> <li>• Highway crossings</li> </ul> <b>Excess/surplus lands:</b> <ul style="list-style-type: none"> <li>• Easement agreement review</li> <li>• Survey plans and appraisals</li> </ul> <b>Next steps</b>

## Agenda Topics

DISCUSSION	Project Updates		
<p>Leave to construct – OEB issued notice of approval. NextBridge sent out notification letters. Comments were received through the government review team and other impacted stakeholders. MTO will receive a notice with respect to an amended EA that will be filed in January. The amended EA will acknowledge the feedback received from stakeholders.</p> <p>In December, the Contractor selection process will continue. The General Contractor will be chosen by January. Construction is still scheduled for Q4 of 2018.</p> <p>Construction will happen in segments from east to west, approximately 6 segments.</p>			
CONCLUSIONS	Construction schedule will be divided into approximately 6 segments.		
ACTION ITEMS		PERSON RESPONSIBLE	DEADLINE
Construction schedule including the segments to be provided to MTO		Rebecca Loosley	December 15, 2017

<b>DISCUSSION</b>	MTO comments and results of map submission
<p>MTO requests that questions be formulated for each parcel so they can provide accurate responses. A general review of the submission is overwhelming and MTO would prefer more specific inquiries.</p> <p>MTO will confirm control access highway designations upon receipt of a specific request from CanACRE, with the relevant maps extracted.</p> <p>The access plan including proposed entrances has been refined by the potential contractor, since the last map submission and future changes are expected to be minor once General Contractor is on board. MTO would prefer the refined access plan.</p>	





MTO has no concerns with providing temporary access off the highway as long as the safety requirements are met. Sections of Project may be within MTO construction zones. MTO will state limitations for entrances that are affected by highway construction.

MTO contractors are responsible for any issues that happen within the work area (entrances within the work area). Consent must be received from the contractors.

MTO states that there are more restrictions when the access is permanent, major concerns will be noted by MTO upon review. Traffic volumes will need to be provided for construction traffic and general maintenance traffic once construction is complete (i.e. utility vs. construction). These entrances should be distinguished from temporary entrances.

Information regarding the construction schedule segments will be within the EA. MTO prefers all future submissions to be broken down as per the proposed construction segments.

Updated map packages and submissions will be provided to MTO in December with a follow-up meeting to be scheduled in January 2018. This will be an in-person meeting to review various segments of the Project. Additional meetings will likely be needed along with the General Contractor present.

<b>CONCLUSIONS</b>	Future map submissions will be divided into the construction segments.
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MTO does not have concerns with temporary entrances.

An in-person meeting will be held to review the revised map submissions.

ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Submit revised map packages to MTO	Haseeb Amirzada	December 22, 2017
Schedule follow-up meeting with MTO	Haseeb Amirzada	January, 2018

<b>DISCUSSION</b>	Permitting and Land Acquisition Process
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Crossings - each crossing will need its own encroachment permit. Drawings will be prepared by the end of December and submitted in January 2018. Corridor limits and highway details will be outlined on the drawings.

Building and Land Use permits - CanACRE to provide a list of all properties in permit control areas and what their status is (i.e. consent from the landowner). MTO has no issue having Building and Land Use permits grouped together. MTO prefers the permits separated by each Segment and to have information for the transmission line and accessory facilities together (staging areas, laydown yards, worker camps). Site plans will be needed for the accessory facilities.

CanACRE will apply for permits on behalf of NextBridge with input from General Contractor. Permits will be issued to NextBridge. Some properties will require MTO to obtain input from other departments.

MTO to confirm deliverables for permanent and temporary entrances once revised package is submitted:

- Traffic Study (one memo to include details for all entrances), a full Traffic Impact Study will not be required
- Site plans will be created for various scenarios rather than one plan for each entrances
- Geotech report will not be required for permanent entrances

Basic facts will suffice if all information is provided (List of equipment, granular specs, etc.). Culvert should be a sufficient size for contractor.

Some entrances go to laydown areas, worker camps, etc. – CanACRE will identify which entrances and inform MTO so they are aware that these areas will have additional traffic.

MTO confirmed that they will need individual entrance permits.

MTO cannot confirm if additional review (e.g. in the field) may be required until the submission. They will make that determination if they feel extra review is necessary.

Marathon and Terrace Bay areas might be of concern for proposed entrances.

Permanent entrances may require gates at MTO's request.

For Crown lands adjacent to proposed entrances, permit documents will need to be provided to MTO from MNRF.

Signage – Traffic control plans will be provided for review to MTO when general contractor is on board.

Traffic control signage and entrance signage will be required. Temporary signage needs to be placed at the bush line. Permits are required for permanent signage.

A general traffic control plan will be created for all entrances unless some require site-specific plans. MTO confirmed this is suitable. Every encroachment onto designated lands will require an individual encroachment permit.

Laydowns may be proposed on designated lands but CanACRE will confirm. These might be able to be grouped under one encroachment permit. Timing for construction for MTO and NextBridge will need to be coordinated for any proposed infrastructure on designated lands from Thunder Bay to Nipigon.

MTO stated that construction has already started on certain segments of the 4-laning project, some segments haven't started and other segments are unclear as to construction commencement. The timelines are subject to change.

MTO would like submissions in stages so they can manage the work load.

Specific requests or needs will be identified to MTO. MTO will notify NextBridge of any major concerns.

<b>CONCLUSIONS</b>	Highway crossings require individual encroachment permits.
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Building and Land Use permits can be grouped by Segment for both Transmission and laydown areas.



Entrance permits will be required for each individual entrance. One general Traffic memo will suffice along with site plans per scenario and general traffic control plan.

Encroachment permits for infrastructure on designated lands (not yet a built-highway) may be grouped.

ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Crossing Drawings to be submitted.	Haseeb Amirzada	January 31, 2018
NextBridge to provide MTO a list of all properties within permit control area as well as their consent status.	Haseeb Amirzada	February 28, 2018
Traffic details for entrances will be submitted once General Contractor is officially on-board.	Haseeb Amirzada	March, 2018

DISCUSSION	Excess/Surplus Lands	
<p>MTO would like to deal with all excess lands in a grouped submission.</p> <p>Maps showing the excess lands that are impacted will be extracted specifically for LK's review.</p> <p>Draft survey plans will be provided for excess lands as well. They should be drafted by February 2018 and will be submitted to MTO for comment.</p> <p>If plans are provided in February 2018, an easement agreement could be finalized by October 2018.</p> <p>Benchmark valuation to be provided to MTO for review and comment. An updated appraisal is expected and can be sent by March 2018.</p> <p>Transmission Line easement agreement submitted is the same easement that will be used. Revisions are not expected.</p> <p>NextBridge does not have a preference between lease or license – MTO can determine what they prefer for temporary occupation (roads and laydowns).</p> <p>EWT1013 laydown will be outlined specifically so the Property section can handle the approval process.</p>		
CONCLUSIONS	Excess lands will be covered under one agreement. Benchmark valuation should suffice but will be confirmed. Timelines to complete acquisition by October 2018 is not a concern.	
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Benchmark valuation to be sent to LK.	Haseeb Amirzada	December 8, 2017
Appraisal and draft survey plans on excess lands to be submitted.	Haseeb Amirzada	March, 2018

STAFF INTERROGATORY #37

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit E, Tab 1, Schedule 1, page 3,

Preamble:

3.0 Use of Public Roads and Highways

"NextBridge intends to utilize existing roads where possible for the construction, operation, and maintenance of the New EWT Line Project and related facilities. The New EWT Line project facilities in certain instances will be located over, under, or on public streets or highways as permitted by s.41 of the *Electricity Act*. Specifically, Line Project infrastructure will be located over, under or on public streets or highways in unorganized territories; in the municipalities of Shuniah and Wawa; within the Townships of Dorion, Nipigon, Red Rock, Schreiber, and Terrace Bay; and in the Town of Marathon. NextBridge has engaged with community representatives regarding use of public roads and highways and is not aware of any disagreements related to public road crossings. NextBridge does not anticipate any impact to adjacent properties resulting in building restrictions. Public roads and highways on, under or over which New EWT Line Project infrastructure is planned to be located are identified in the maps at Exhibit C",

Questions:

- a) Will NextBridge also be applying under section 101 of the OEB Act: "for authority to construct a work upon, under or over a highway, utility line or ditch"?
- b) Will any portion of the spans of the proposed transmission line between the poles to be located on Municipal Road allowances or Provincial Highways sag or swing under certain weather conditions (E.g. heavy winds, ice buildup) over Municipal Roads, Provincial Highways or nearby private properties?
- c) What ESA, CSA or other standards has NextBridge relied on to address lateral swing of its transmission lines in the proximity of Municipal Roads, Provincial Highways or nearby private properties?
- d) Are there any municipal bylaws, zoning or other requirements regarding the placement of transmission towers within the proposed municipal road allowance and / or the setback from private property?
- e) Is the proposed transmission line running along any provincial highway corridor, in compliance with the MTO current Building and Land Use Policy (MTO – Policy)?

Please provide evidence that the MTO has no concerns with the proposed routing in respect to its Policy.

## RESPONSE

- a) The New EWT Line Project facilities in certain instances will be located over, under, or on public streets or highways as permitted by *s.41 of the Electricity Act*. As previously mentioned in its Application, to date, there are no disagreements related to public road crossings. Should any disagreements arise in relation to authority to construct the EWT Line Project upon, under or over a highway, utility line or ditch that cannot be resolved through negotiation, NextBridge will consider an application under Section 101 of the OEB Act.
- b) Yes, there will be spans of the proposed transmission line between the poles to be located on Municipal Road allowances or Provincial Highways, and for those poles the conductor swing for the proposed transmission line will be contained within the proposed transmission line right of way and will not be able to go outside the transmission line corridor because of swing under the weather conditions prescribed in:
- *CSA 22.3 No. 1-15, Canadian Standards Association, June 2015,*
  - *CSA 22.3 No. 60826-10, Canadian Standards Associations, December 2010,*
  - *NERC FAC-003-4, North American Electric Reliability Corporation, Transmission Vegetation Management, April 2016, and*
  - *OEB Minimum Technical Requirements for the Reference Option of the E-W Tie Line dated November 9, 2011 ("OEB MTR").*

Sufficient ground clearances will be maintained as per the ground clearance requirements outlined in *CSA 22.3 No. 1-15, Canadian Standards Association, June 2015*.

- c) NextBridge has relied on *CSA 22.3 No. 1-15, Canadian Standards Association, June 2015, CSA 22.3 No. 60826-10, Canadian Standards Associations, December 2010, NERC FAC-003-4, North American Electric Reliability Corporation, Transmission Vegetation Management, April 2016, and the OEB MTR* to calculate the ROW width and address lateral swing.
- d) Pursuant to *s. 41 of the Electricity Act*, NextBridge has the right to install project facilities over, under, or on public streets or highways. NextBridge does not currently anticipate placing transmission towers within municipal road allowances. As described in Exhibit E, Tab 1, Schedule 1, page 3 and in NextBridge's response to Board Staff Interrogatory #36(a) found at Exhibit I.E.NextBridge.STAFF.36.a, engagement has occurred with community representatives regarding the use of public roads. Through

consultations, NextBridge has not been made aware of any disagreements regarding overhead public road crossings or potentially applicable zoning or bylaw requirements that would result in tower building restrictions on properties adjacent to municipal road allowances. Should NextBridge be advised of potentially applicable zoning or bylaws through the municipal permitting and/or agreement negotiation process, NextBridge will work with municipalities in a fair, open, and transparent manner to seek to understand and comply with their requirements.

- e) NextBridge, and CanACRE Ltd., land advisor on behalf of NextBridge, have been engaging with MTO since April 2016 as part of the MTO pre-application consultation process in relation to the proposed EWT Line Project and areas crossing and/or running along the provincial highway corridor. NextBridge understands that the MTO's review of the proposed routing to ensure that it complies with the current MTO Building and Land Use Policy is ongoing. To date, no major concerns have been expressed. NextBridge anticipates that MTO will provide a Building and Land Use approval for each construction segment to allow for the placement of the proposed transmission line within MTO's Permit Control areas as requested by NextBridge. NextBridge will continue to work with MTO to ensure the proposed transmission line route is compliant with the current MTO Building and Land Use Policy and that the appropriate permits are issued.

STAFF INTERROGATORY #38

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit C, Tab 2, Schedule 1, pages 1-9, Attachment 1, 2

Preamble

“ The design of the New EWT Line is in accordance with good utility practice and meets the requirements of the *Transmission System Code* for licensed transmitters in Ontario”.

Questions:

- a) Please confirm that all engineering calculations used in the design of the EWT line have been completed by a Licenced Professional Engineer of the province of Ontario.
- b) Please confirm all electrical single line, tower structural engineering drawings and civil engineering drawings used in the design of the EWT line have been prepared by a Licenced Professional Engineer of the province of Ontario and all final drawings will be stamped.
- c) What engineering disciplines were involved in the preparation of all these drawings?

RESPONSE

The drawings at Exhibit C, Tab 2, Schedule 1, Attachments 1 and 2 are conceptual drawings based on preliminary engineering drawings that were produced under the direction and/or supervision of an Ontario professional engineer.

- a) Confirmed, all engineering calculations used in the design of the EWT Line Project have been performed under the direction and/or supervision of a Licenced Professional Engineer of the Province of Ontario.
- b) Confirmed, any NextBridge engineering drawings requiring an Ontario P.Eng stamp have been performed under the direction and/or supervision of a Licenced Professional Engineer of the Province of Ontario and will be stamped as required. As a note of clarification, the electrical single line drawings are reproductions of single line drawings

from the IESO System Impact Study, and, therefore, are not an engineering product of NextBridge.

- c) NextBridge's transmission line engineering design contains aspects of both Electrical Engineering and Civil / Structural Engineering disciplines.

STAFF INTERROGATORY #39

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit B, Tab 9, Schedule 1, page 8,

Preamble:

“In the designation phase, NextBridge committed to investigate increasing the strength parameters of the New EWT Line Project to be able to withstand a 1 in 100 year weather event due to severe weather and reliability concerns raised by stakeholders. During the structure selection phase, NextBridge confirmed that the increase in strength parameters could be accomplished for limited additional 1 cost (approximately 1 to 1.5% of total project cost). Based on this estimate, a 100-year return period (a statistical measurement to assess extreme ice and wind events that have a 1% probability of occurring in any one year in Northern Ontario) was used in the tower design instead of the 50-year return period”.

Question:

Please confirm that NextBridge has taken into account in the above analysis the potential impact of global warming will have on the weather patterns and thus the increased severity and frequency of severe weather events in the future along the proposed transmission route.

RESPONSE

NextBridge used recent climate data and standard industry practices to model anticipated local weather conditions while designing the New EWT Line Project. As part of this design activity, NextBridge did not analyze the potential impact that global warming will have on weather patterns, and, thus, the increased severity and frequency of severe weather events in the future along the proposed transmission route, nor is NextBridge aware of an industry accepted approach to conduct such an analysis.



STAFF INTERROGATORY #40

INTERROGATORY

Ref: Evidence EB-2017-0182, Exhibit H, Tab 1, Schedule 1, Attachment 2, Page 1-8:  
“Statement of Consultation and Support”

Preamble:

NextBridge filed a Statement of Consultation and Support (Statement), signed on June 15, 2017 by NextBridge and Fort William First Nation, Michipicoten First Nation, Red Rock Indian Band, Biigtigong Nishnaabeg, Pays Plat First Nation and Pic Moberg First Nation.

The Statement refers to “...a proposed 400 kilometre electricity transmission line...”. The route filed for approval in this proceeding is 450 kilometre long and in two locations deviates from the 400 kilometre route NextBridge filed in the designation proceeding.

Question:

Has NextBridge obtained an updated Statement, or other form of formal support from these First Nations, for the 450 kilometre route? Please explain and provide copies of any supporting documentation.

RESPONSE

NextBridge has obtained an updated Statement of Consultation and Support that reflects the 450 kilometre route. The Statement is attached to this response.

## STATEMENT OF CONSULTATION AND SUPPORT

This Statement confirms that each of Fort William First Nation, Michipicoten First Nation, Pays Plat First Nation, Pic Mobert First Nation, Biigtigong Nishnaabeg (formerly the Ojibways of the Pic River First Nation) and Red Rock Indian Band (collectively, the "**First Nations**") and NextBridge Infrastructure LP ("**NextBridge**") have engaged in good faith consultation with each other concerning the East-West Tie Transmission Project, a proposed 450 kilometre electricity transmission line between Wawa and Thunder Bay, Ontario (the "**Project**"), that is intended to be located on the traditional lands of the First Nations.

Each of the First Nations and NextBridge are pleased to confirm that these consultation activities have enhanced the First Nations' understanding of the Project, its potential impacts and benefits, and has also enhanced NextBridge's understanding of the concerns of the First Nations regarding their treaty and other rights in the Project lands, and other interests related to the Project.

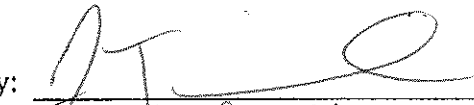
As a result of this positive dialogue, each of the First Nations hereby affirms: (a) its support for NextBridge's consultation interactions with the First Nations in respect of the Project; (b) its support for NextBridge's development of the Project and Project approvals sought by NextBridge, including the environmental assessment for the Project, and the leave-to-construction application to the Ontario Energy Board.

The First Nations and NextBridge have been, and will continue to be, respectful of each other's rights and interests, and will continue to engage and dialogue with each other and work cooperatively during the development, construction and operation of the Project.

Signed, this 19 day of January, 2018.

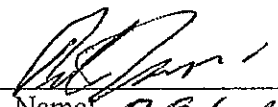
*[Signature Pages Follow]*

**NEXTBRIDGE INFRASTRUCTURE L.P.,**  
by its general partner, **UPPER CANADA  
TRANSMISSION, INC.**

By:   
Name: Jennifer Tidmarsh  
Title: Project Director


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

**FORT WILLIAM FIRST NATION**

By:   
Name: Orlan Collins  
Title: Chief  
President

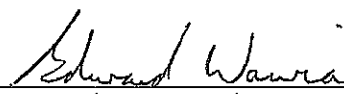
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**MICHIPICOTEN FIRST NATION**

By:   
Name: Patricia Longie  
Title: Chief

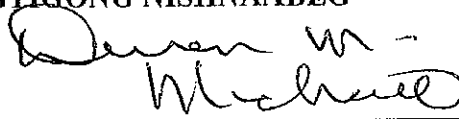
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**RED ROCK INDIAN BAND**

By:   
Name: Edward Wawia  
Title: CHIEF

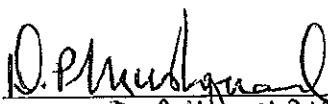
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**BIIGTIGONG NISHNAABEG**

By:   
Name: DUNCAN M. MICHAANG  
Title: CHIEF

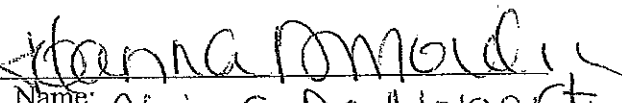
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**PAYS PLAT FIRST NATION**

By:   
Name: D.P. MUSHQUASH  
Title: Chief

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

**PIC MOBERT FIRST NATION**

By:   
Name: \_\_\_\_\_  
Title: Chief Pic Mobert

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

## STAFF INTERROGATORY #41

### INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit H, Tab 1, Schedule 1, page 1, lines 9-11

Preamble:

“Extensive engagement with FNM communities has occurred in order to understand, identify, record, and mitigate identified impacts to or within FNM traditional lands and activities arising out of the New EWT Line project”.

Question:

Please provide an update on the consultations that have occurred to-date including the First Nations that have executed the “Statement of Consultation and Support”.

### RESPONSE

NextBridge has completed an Environmental Assessment for the East-West Tie Line Project. As required under section 6.2 (1) of the Environmental Assessment Act (“Act”) and according to the Terms of Reference approved by the Minister of Environment on August 28, 2014, NextBridge submitted the Environmental Assessment Report to the Ministry of the Environment and Climate Change for review and approval on July 25, 2017. As part of the EA, a Record of Consultation capturing all consultation undertaken with First Nation and Métis communities up to the filing of the EA was included and can be found here [http://www.nextbridge.ca/project\\_info](http://www.nextbridge.ca/project_info) under “Appendix 2-IX: Indigenous Consultation and Engagement Record Log”.

Since the filing of the EA, NextBridge has been providing the Ministry of Environment and Climate Change periodic updates on Indigenous consultation activities. These updates are attached to this interrogatory response.

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## MEMORANDUM

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**TO** Ministry of Energy, and Ministry of the Environment and  
Climate Change

**DATE** October 10, 2017

**FROM** Herb Shields

**PROJECT No.** 1536607

### INDIGENOUS CONSULTATION MONTHLY UPDATE

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## 1.0 INTRODUCTION

NextBridge Infrastructure LP (NextBridge) has prepared the following update on Indigenous consultation and engagement activities between June 22, 2017<sup>1</sup> and September 30, 2017 for the East-West Tie Transmission Project (the Project). NextBridge will provide monthly updates to Ministry of Energy (MOE) and Ministry of the Environment and Climate Change (MOECC) during the review period of the Environmental Assessment (EA). Future updates will follow the same format as included in this memorandum. This response includes an update on consultation and engagement activities by Indigenous community, and an update on the status of outstanding (Traditional Ecological Knowledge) TEK and Traditional Land Use (TLU) reports and plans to incorporate outstanding TEK and TLU information into EA reporting and Project planning specific to each Indigenous community. Also included is an update on the receipt of comments on the draft and final EA Reports received from Indigenous communities and NextBridge's response. The supporting record of consultation and engagement for this same time period is included as Appendix A. Please refer to Section 2.2 of the EA Report (NextBridge 2017) for background information on NextBridge's approach to Indigenous engagement and consultation, including the process and methods.

## 2.0 INDIGENOUS COMMUNITY UPDATES

### 2.1 Animbiigoo Zaagi'igan Anishinaabek First Nation (Lake Nipigon Ojibway)

Since the submission of the EA report, Animbiigoo Zaagi'igan Anishinaabek First Nation submitted a letter that outlined the community's specific concerns and issues with the Project. NextBridge has drafted a response to this letter under separate cover, which was provided to MOECC on August 30, 2017 and Animbiigoo Zaagi'igan Anishinaabek First Nation on September 5, 2017. No additional Project concerns besides those reported in the letter and in the EA have been identified for this reporting period.

Animbiigoo Zaagi'igan Anishinaabek First Nation, along with Biinjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band, have engaged Shared Value Solutions to review the draft EA Report. NextBridge received Animbiigoo Zaagi'igan Anishinaabek First Nation's comments from Shared Value Solutions on September 12, 2017. NextBridge is currently drafting responses to Animbiigoo Zaagi'igan Anishinaabek First Nation's comments. The record of consultation and engagement for Animbiigoo Zaagi'igan Anishinaabek First Nation is included in Appendix A, Table A-1.

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<sup>1</sup> June 22, 2017 was the final date where updates to the consultation log could be included and considered in the EA Report.

## MEMORANDUM

### 2.2 Biigtigong Nishnaabeg<sup>2</sup>

NextBridge has met with Biigtigong Nishnaabeg during the reporting period of this update. One meeting occurred on July 20, 2017 and was a trade show style format meeting, where NextBridge was able to share Project information and hear Project concerns directly from community members. Concerns and issues recorded at this meeting are presented in Table 1. NextBridge also met with the board members of the Bamkushwada Limited Partnership (BLP) and SuperCom on September 25, 2017 to discuss commercial aspects of the Project. Red Rock Indian Band is a member of the BLP.

A Biigtigong Nishnaabeg monitor was also invited to participate in environmental field work occurring in July, August and September 2017, including archaeology and aquatics surveys. Biigtigong Nishnaabeg provided comments on the draft EA that were responded to in the final EA (see Appendix 1-III-B of the EA). To date, no further comments on the EA have been received. The record of consultation and engagement during this reporting period for Biigtigong Nishnaabeg is in Appendix A, Table A-2.

**Table 1: Biigtigong Nishnaabeg Issues and Concerns Update**

Concern/Issue Expressed	Communication Date	NextBridge Response / Proposed Mitigation
Interest in employment opportunities	July 20, 2017	<p>NextBridge will implement the following measures to support economic opportunities for Indigenous communities and individuals (Section 18.6 of the EA Report):</p> <ul style="list-style-type: none"> <li>■ Support local hiring of qualified personnel where appropriate</li> <li>■ Support local and regional procurement where practicable</li> <li>■ NextBridge intends to prioritize employment opportunities for local qualified Indigenous candidates</li> <li>■ NextBridge will communicate employment requirements to Indigenous communities in the labour market and economic development LSA.</li> </ul>
Compensation related to mining claim near the right-of-way	July 20, 2017	NextBridge referred the individual to the Ministry of Northern Development and Mines.

### 2.3 Biinjitiwaabik Zaaging Anishinaabek First Nation (Rocky Bay)

There have been no further meetings with Biinjitiwaabik Zaaging Anishinaabek First Nation since those reported in the EA Report and no additional concerns with the Project have been identified during this reporting period. Biinjitiwaabik Zaaging Anishinaabek First Nation, along with Animbiigoo Zaagi'igan Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band, have engaged Shared Value Solutions to review the draft EA Report. NextBridge received Biinjitiwaabik Zaaging Anishinaabek First Nation's comments from Shared Value Solutions on September 12, 2017. NextBridge is currently drafting responses to Biinjitiwaabik Zaaging Anishinaabek First Nation's comments.

<sup>2</sup> Ojibways of Pic River changed their name to Biigtigong Nishnaabeg in September 2015. Biigtigong Nishnaabeg requested that this name be used in the EA, therefore all references to this community will be under the name Biigtigong Nishnaabeg.

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Biinjitiwaabik Zaaging Anishinaabek First Nation has confirmed to NextBridge that they do not intend to collect or submit TLU and TEK information for the Project. The record of consultation and engagement during this reporting period for Biinjitiwaabik Zaaging Anishinaabek First Nation is in Appendix A, Table A-3.

### **2.4 Bingwi Neyaashi Anishinaabek (Sand Point First Nation)**

There have been no further meetings with Bingwi Neyaashi Anishinaabek since those reported in the EA Report and no additional concerns with the Project have been identified during this reporting period. Bingwi Neyaashi Anishinaabek along with Animbiigoo Zaagi'igan Anishinaabek First Nation, Biinjitiwaabik Zaaging Anishinaabek First Nation, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band have engaged Shared Value Solutions to review the draft EA Report. NextBridge received Bingwi Neyaashi Anishinaabek's comments from Shared Value Solutions on September 12, 2017. NextBridge is currently drafting responses to Bingwi Neyaashi Anishinaabek's comments.

Bingwi Neyaashi Anishinaabek has confirmed to NextBridge that they do not intend to collect or submit TLU or TEK information for the Project. The record of consultation and engagement during this reporting period for Bingwi Neyaashi Anishinaabek is included in Appendix A, Table A-4.

### **2.5 Fort William First Nation**

NextBridge met with the board members of the BLP and SuperCom on September 25, 2017 to discuss commercial aspects of the Project. Fort William First Nation is a member of the BLP. With this exception, there have been no further meetings with Fort William First Nation since those reported in the EA Report. Fort William First Nation, along with Animbiigoo Zaagi'igan Anishinaabek First Nation, Biinjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Pays Plat First Nation and Red Rock Indian Band, have engaged Shared Value Solutions to review the draft EA Report. NextBridge received Fort William First Nation's comments from Shared Value Solutions on September 12, 2017. NextBridge is currently drafting responses to Fort William First Nation's comments.

A Fort William First Nation monitor was also invited to participate in field work occurring in July, August and September 2017, including archaeology, wildlife and aquatics surveys. Fort William First Nation is also currently gathering TLU and TEK information in the community, and NextBridge expects to receive the results in November 2017. The record of consultation and engagement during this reporting period for Fort William First Nation is in Appendix A, Table A-5.

### **2.6 Ginoogaming First Nation**

Ginoogaming First Nation has indicated that they do not have interests in the area of the Project and have not engaged with NextBridge on the Project. As a result, there have been no further meetings with Ginoogaming First Nation and no additional concerns with the Project have been identified beyond those reported in the EA Report. The record of consultation and engagement during this reporting period with Ginoogaming First Nation is in Appendix A, Table A-6.



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### 2.7 Long Lake No. 58 First Nation

There have been no meetings with Long Lake No. 58 First Nation since the submission of the EA Report. No additional Project concerns have been identified by Long Lake No. 58 First Nation beyond those reported in the EA report. Long Lake No. 58 First Nation, Michipicoten First Nation, Missanabie Cree First Nation, Ojibways of Batchewana and Ojibways of Garden River contracted IBI Group to undertake a combined review of the draft EA Report. Each of these communities may provide comments based on the results of this review. To date, NextBridge has not received comments from Long Lake No. 58 First Nation, but expects that any comments would be submitted in November 2017. NextBridge does not expect any further TEK or TLU information related to the Project to be submitted by Long Lake No. 58 First Nation. The record of consultation and engagement during this reporting period with Long Lake No. 58 First Nation is in Appendix A, Table A-7.

### 2.8 Michipicoten First Nation

NextBridge met with the board members of the BLP and SuperCom on September 25, 2017 to discuss commercial aspects of the Project. Michipicoten First Nation is a member of the BLP. With this exception, there have been no other meetings between NextBridge and Michipicoten First Nation since the submission of the EA Report. Michipicoten First Nation is one of five communities that have contracted IBI Group to undertake a combined review of the draft EA Report. Each of these communities may provide comments based on the results of this review. Michipicoten First Nation submitted a letter to NextBridge on July 10, 2017 that outlined the community's initial specific concerns and issues with the Project based on a review of Project information provided by IBI Group. NextBridge is currently drafting a response to this letter under separate cover, which will be provided to MOECC and Michipicoten First Nation once complete. To date, NextBridge has not received final comments from Michipicoten, but expects that any comments would be submitted by November 2017. No additional Project concerns besides those reported in the letter and in the EA have been identified during this reporting period.

Michipicoten First Nation has identified the potential need for additional TEK and TLU data collection and NextBridge is currently in discussions with Michipicoten First Nation. It is NextBridge's understanding that any additional TEK and TLU data collection would be available for consideration in Project planning in Q4 of 2017. A member of Michipicoten First Nation was also invited to join archaeology and environmental surveys as a monitor in August and September 2017. The record of consultation and engagement during this reporting period with Michipicoten First Nation is in Appendix A, Table A-8.

### 2.9 Missanabie Cree First Nation

NextBridge has met with Missanabie Cree First Nation once since the submission of the EA Report at the 2017 Missanabie Cree First Nation Annual Gathering. No concerns were recorded at this meeting or during other Project correspondence during this reporting period but Missanabie Cree First Nation members did inquire about procurement and employment opportunities (Table 2). Missanabie Cree First Nation, along with Long Lake No. 58 First Nation, Michipicoten First Nation, Ojibways of Batchewana and Ojibways of Garden River have contracted IBI Group to undertake a combined review of the draft EA Report. Each of these communities may provide comments based on the results of this review. To date, NextBridge has not received comments from Missanabie Cree First Nation, but expects that any comments would be submitted by November 2017.

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Based on the consultation and engagement efforts to date, NextBridge does not expect any further TEK or TLU information related to the Project to be submitted by Missanabie Cree First Nation. The record of consultation and engagement during this reporting period with Long Lake No. 58 First Nation is in Appendix A, Table A-9.

**Table 2: Missanabie Cree First Nation Issues and Concerns Update**

Concern/Issue Expressed	Communication Date	NextBridge Response / Proposed Mitigation
Interest in employment opportunities	August 17, 2017	<p>NextBridge will implement the following measures to support economic opportunities for Indigenous communities and individuals (Section 18.6 of the EA report):</p> <ul style="list-style-type: none"> <li>■ Support local hiring of qualified personnel where appropriate</li> <li>■ Support local and regional procurement where practicable</li> <li>■ NextBridge intends to prioritize employment opportunities for local qualified Indigenous candidates</li> <li>■ NextBridge will communicate employment requirements to Indigenous communities in the labour market and economic development LSA.</li> </ul>

### 2.10 Ojibways of Batchewana

NextBridge has met with Ojibways of Batchewana twice since the submission of the EA Report, once in person and once by teleconference. Issues and concerns brought forward at these meetings are listed in Table 3. Ojibways of Batchewana along with four other Indigenous communities have contracted IBI Group to undertake a combined review of the draft EA Report. Ojibways of Batchewana provided the review presentation prepared by IBI Group to NextBridge on August 2, 2017. This presentation did not provide specific comments on the EA and it is NextBridge's understanding that Ojibways of Batchewana will not be submitting comments on the EA but does expect to enter into a permit process with NextBridge.

Ojibways of Batchewana and NextBridge are currently in discussions regarding the potential for Project-specific TLU and TEK data collection. The record of consultation and engagement during this reporting period with Ojibways of Batchewana is in Appendix A, Table A-10.

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**Table 3: Ojibways of Batchewana Issues and Concerns Update**

Concern/Issue Expressed	Communication Date	NextBridge Response / Proposed Mitigation
Interest in employment opportunities	August 2, 2017	<p>NextBridge will implement the following measures to support economic opportunities for Indigenous communities and individuals (Section 18.6 of the EA report):</p> <ul style="list-style-type: none"> <li>■ Support local hiring of qualified personnel where appropriate</li> <li>■ Support local and regional procurement where practicable</li> <li>■ NextBridge intends to prioritize employment opportunities for local qualified Indigenous candidates</li> <li>■ NextBridge will communicate employment requirements to Indigenous communities in the labour market and economic development LSA.</li> </ul>
Potential effects on black birch, which has significant cultural value. Ojibways of Batchewana has requested that any black birch cut on the right-of-way should be given to community Elders.	August 2, 2017	<ul style="list-style-type: none"> <li>■ The potential for the Project to result in changes to vegetation is addressed in Section 12 of the EA Report. Net effects on upland ecosystems, riparian ecosystems and wetland ecosystems are predicted to not significant.</li> <li>■ NextBridge will implement the following mitigation measures to reduce potential effects on the vegetation and wetlands from the Project during construction and operations: <ul style="list-style-type: none"> <li>■ Selective clearing and retention of shrub vegetation, trees, wildlife trees, and coarse woody debris in environmentally sensitive areas as much as practicable.</li> <li>■ Existing roads and trails will be used where feasible.</li> <li>■ Clearly mark known site-specific features (e.g., rare vegetation community, wetland, water body, significant wildlife habitat) and associated setbacks as indicated on the Environmental Alignment Sheets and Access and Construction Environmental Maps.</li> <li>■ Reclaim temporary access roads, the travel lane, water crossings, laydown yards, staging areas, and construction camps, or in accordance with the line list, following mitigation measures for reclamation in Appendix 4-II, Section 5.8.</li> <li>■ On provincial Crown land, allow for natural regeneration or use certified native seed in consultation with appropriate Land Administrator. Natural recovery is the preferred method of reclamation on level terrain where erosion is not expected.</li> <li>■ The Contractor will develop a Weed Management Plan for review and approval by the Owner that describes the appropriate management of construction materials and equipment to prevent the infiltration and spread of weeds.</li> </ul> </li> </ul>

### 2.11 Ojibways of Garden River

There have been no meetings between NextBridge and the Ojibways of Garden River since the submission of the EA Report and no additional Project concerns have been identified by the Ojibways of Garden River besides those in the EA report. Ojibways of Garden River and four other Indigenous communities have contracted IBI Group to undertake a combined review of the draft EA Report. Each of these communities may provide comments based on the results of this review. To date, NextBridge has not received comments from Ojibways of Garden River, but

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expects that any comments would be submitted by November 2017. NextBridge and Ojibways of Garden River are currently in discussions about the potential for Project-specific TLU and TEK data gathering. The record of consultation and engagement during this reporting period with Ojibways of Garden River is in Appendix A, Table A-11.

### **2.12 Pays Plat First Nation**

NextBridge has conducted two meetings with Pays Plat First Nation during this reporting period. On September 25, 2017, NextBridge met with the board members of the BLP and SuperCom to discuss commercial aspects of the Project. Pays Plat First Nation is a member of the BLP. NextBridge also met with Pays Plat First Nation on September 26, 2017 to discuss the release of the final version of the EA review completed by Shared Value Solutions. Pays Plat First Nation, along with Animbiigoo Zaagi'igan Anishinaabek First Nation, Biinjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation and Red Rock Indian Band, have engaged Shared Value Solutions to review the draft EA Report. NextBridge received Pays Plat First Nation's preliminary comments from Shared Value Solutions on September 12, 2017 and expects to receive the final version of comments in October 2017. NextBridge is currently drafting responses to Pays Plat First Nation's preliminary comments.

A Pays Plat First Nation monitor was also invited to participate in field work occurring in July, August and September 2017, including archaeology, wildlife and aquatics surveys. Pays Plat First Nation has confirmed that they are not undertaking any TEK or TLU data collection specific to the Project. The record of consultation and engagement during this reporting period for Pays Plat First Nation is in Appendix A, Table A-12.

### **2.13 Pic Mober First Nation**

NextBridge met with the board members of the BLP and SuperCom to discuss commercial aspects of the Project on September 25, 2017. Pic Mober First Nation is a member of the BLP. With this exception, there have been no other meetings with Pic Mober First Nation since the submission of the EA Report. NextBridge continues to engage with Pic Mober First Nation through other forms of communication, and has invited a Pic Mober First Nation monitor to join wildlife, archaeology and aquatic surveys in July, August and September 2017. Pic Mober First Nation provided comments on the draft EA Report and the responses to the comments are in Appendix 1-III-B of the EA Report. During this reporting period, no further comments on the EA Report have been received and no additional Project issues or concerns have been recorded during Project correspondence.

Pic Mober First Nation is continuing to collect additional TEK and TLU information through community mapping and interviews and NextBridge expects to receive the results in Q4 of 2017. The record of consultation and engagement during this reporting period for Pic Mober First Nation is in Appendix A, Table A-13.

### **2.14 Red Rock Indian Band**

NextBridge has met with Red Rock Indian Band twice since the submission of the EA. NextBridge met with the board members of the BLP and SuperCom to discuss commercial aspects of the Project on September 25, 2017. Red Rock Indian Band is a member of the BLP. NextBridge also met with Red Rock Indian Band leadership on September 22, 2017 to discuss access to private property for environmental surveys required for the Project and to present the results of the 2017 archaeology program. No concerns were raised at this meeting. NextBridge has invited a Red Rock Indian Band monitor to join wildlife, archaeology and aquatic surveys in July, August and

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September 2017. Red Rock Indian Band provided comments on the draft EA Report and responses to the comments are in Appendix 1-III-B of the EA Report. Red Rock Indian Band is also one of six Indigenous communities to have contracted Shared Value Systems to review the draft EA Report. NextBridge received Red Rock Indian Band's comments from Shared Value Solutions on September 12, 2017. NextBridge is currently drafting responses to Red Rock Indian Band's comments. Red Rock Indian Band has confirmed that they are not intending to submit any additional TEK or TLU information related to the Project. The record of consultation and engagement during this reporting period for Red Rock Indian Band is in Appendix A, Table A-14.

### **2.15 Métis Nation of Ontario**

Métis Nation of Ontario (MNO) represents the Thunder Bay Métis Council, the Superior North Shore Métis Council and the Greenstone Métis Council in discussions with NextBridge for the Project. NextBridge and MNO have met once during this reporting period on July 14, 2017. NextBridge responded to questions from MNO members during the meeting, and MNO members also expressed concerns related to the Project as listed in Table 5. MNO provided comments on the draft EA Report and responses to the comments are in Appendix 1-III-B of the EA Report. Additional comments on the final EA Report were received from MNO on September 12, 2017. NextBridge is currently drafting responses to these comments. NextBridge does not expect any further TEK or TLU information to be provided by the MNO as the MNO information has already been provided to NextBridge and included in the EA Report. The record of consultation and engagement during this reporting period for MNO is in Appendix A, Table A-15.

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**Table 4: Métis Nation of Ontario Issues and Concerns Update**

Concern/Issue Expressed	Communication Date	NextBridge Response / Proposed Mitigation
Concerns about potential effects on watercourses and spawning habitat	July 14, 2017	<p>The potential effects on fish and fish habitat are discussed in Section 13 of the EA Report. No primary effect pathways were identified for fish and fish habitat as a result of the Project. NextBridge will implement the following mitigation measures to reduce potential effects on fish and fish habitat (Section 13.6):</p> <ul style="list-style-type: none"> <li>■ Minimize the number of temporary and permanent water body crossings required for the Project (e.g., plan the development of upgraded existing and new access roads).</li> <li>■ Water body crossings will be constructed in compliance with LRCA, DFO, and/or MNRF regulatory permits and approvals (Table 1-1).</li> <li>■ Follow applicable and feasible measures from MNRF's <i>Environmental Guidelines for Access Roads and Water Crossings</i> (MNR 1990), and <i>Forest Management Guide for Conserving Biodiversity at the Stand and Site Scales</i> (MNR 2010a) and its associated <i>Background Rationale</i> document (MNR 2010b).</li> <li>■ Complete instream construction in isolation of flowing water (i.e., use isolation methods for the installation and removal of culverts where surface water exists at the time of construction) (Appendix 4-II, Figure B-5).</li> <li>■ Apply DFO's <i>Measures to Avoid Causing Harm to Fish and Fish Habitat Including Aquatic Species at Risk</i> (DFO 2016). Construct or install water body crossings structures in a manner that protects the banks from erosion and maintains the flows in the water body. For isolations/diversions, maintain 100% downstream flow. Pump intakes should not disturb the bed. Water diversion hoses will be screened as per the <i>Freshwater Intake End-of-Pipe Fish Screen Guidelines</i> (DFO 1995).</li> <li>■ To minimize the duration and severity of disturbance, complete instream activity in the shortest timeframe practicable.</li> <li>■ Use existing bridges to cross water bodies where available. The use of existing bridges will be subject to agreements with landowners and to permits and approvals by appropriate regulatory agencies. Regularly inspect and properly maintained the existing bridge as required.</li> <li>■ Under non-frozen conditions and where regulatory approvals allow, install rig mats to limit impacts to water bodies, if warranted and surface conditions require.</li> <li>■ Avoid construction during a fish and fish habitat restricted activity timing window. Work may not be conducted during the restricted activity timing window, or within a setback unless approval is obtained from the appropriate regulatory agencies, where required.</li> <li>■ For the equipment crossing structures, the restricted activity timing windows are applicable if any work is completed below the high water mark.</li> <li>■ For the equipment crossing structures, the restricted activity timing windows are not applicable if all work is completed above the high water mark, if the water body is frozen and an ice bridge/snow fill is constructed, or when using the equipment crossing structures.</li> <li>■ Remove temporary water body crossing structures (if constructed), restore and stabilize water body banks, and other disturbed areas when the crossing is no longer required.</li> <li>■ Construct water body crossing structures according to the crossing method identified on the Environmental Alignment Sheets and Access and Construction Environmental Maps and in accordance with regulatory approvals. Alternatives or modifications to the crossing requirements specified in approvals must be approved by the Owner before construction begins.</li> <li>■ Fording of water bodies is not permitted, unless approved by the regulatory agencies.</li> <li>■ Locate off-ROW workspaces outside the 30 m water body buffer, wherever practicable. If a water body is located within the boundary of an off-ROW workspace, Project activities will not occur within the 30 m water body buffer.</li> </ul>

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### 2.16 Red Sky Métis Independent Nation

Red Sky Métis Independent Nation provided comments on the draft EA Report and responses to the comments are in Appendix 1-III-B of the EA Report. To date, no further comments on the EA have been received from Red Sky Métis Independent Nation. NextBridge conducted a follow up teleconference with Red Sky Métis Independent Nation in September 2017 to discuss how Red Sky Métis Independent Nation's comments were addressed in the EA Report. Based on the consultation and engagement efforts to date, NextBridge does not expect any TEK or TLU information related to the Project to be submitted by Red Sky Métis Independent Nation. However, Red Sky Métis Independent Nation is comparing the location of archaeological survey sites with their known community sensitive sites. Red Sky Métis Independent Nation will inform NextBridge in the event of an overlap between these sites. The record of consultation and engagement with Red Sky Métis Independent Nation during this reporting period is in Appendix A, Table A-16.

### 3.0 TRADITIONAL KNOWLEDGE AND TRADITIONAL LAND AND RESOURCE USE INFORMATION UPDATES

NextBridge believes that active engagement of those Indigenous communities that hold and wish to share TEK and TLU information about the Project area is important to understand the potential effects of the Project and develop effective mitigation and strategies to reduce the potential for adverse effects. NextBridge continues to work with Indigenous communities to identify, collect, and evaluate TEK and TLU information to aid in the identification, mitigation and/or avoidance of potential adverse effects that may arise from Project routing, construction, and operations. Communities have been offered opportunities to share relevant data with NextBridge through the implementation of information sharing agreements. These agreements provided funding for communities for activities such as preparing TEK and TLU studies and community meetings.

NextBridge received TLU and TEK information from eight Indigenous communities prior to the completion of the EA Report. This information included Project-specific reports prepared independently by, or for, Indigenous communities, Project-specific TEK and TLU Geographic Information System (GIS) data, existing (i.e., not Project-specific) TEK and TLU GIS data, and non-digital maps of TLU data in relation to the Project footprint. This information was reviewed and incorporated into the EA Report (Section 17, Indigenous Current Use of Lands and Resources for Traditional Purposes). No site-specific locations of TLU or TEK that may require Project footprint adjustments have been identified by Indigenous communities to date.

NextBridge recognizes that not all potentially affected Indigenous communities have provided TEK and TLU information specific to the Project at this time. NextBridge continues to actively engage with those Indigenous communities that have expressed interest in collecting TEK and TLU specific to the Project or provide previously collected information that is relevant to the Project area. NextBridge intends to take the following actions when additional TEK and TLU information is received:

- Review the information for any site-specific interactions with the Project footprint.
- In the event there is an interaction between a location identified by an Indigenous community and Project footprint, NextBridge will engage the identifying community to discuss the importance of the site to the community, and potential mitigation measures.

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- Appropriate mitigation measures are expected to be dependent on the proximity of the site in relation to the Project footprint and the nature of the site (e.g., hunting location versus camping site). NextBridge intends to discuss appropriate mitigation measures with the identifying Indigenous community. Potential mitigation measures may include:
  - detailed mapping, recording, flagging and avoidance of the location, where possible;
  - in the event that avoidance of the site not be feasible, NextBridge will discuss other alternatives with the identifying Indigenous community;
  - implementation of mitigation measures to reduce potential for indirect effects on the site such as measures designed to reduce noise, or, where possible, the scheduling of construction outside of periods when the site will be used by Indigenous land users; and
  - all sites requiring non-standard mitigation will be added to the Environmental Protection Plan, Environmental Alignment Sheets, and Access and Construction Environmental Maps.

NextBridge intends to provide opportunities for communities to discuss the effectiveness of mitigation as observed while they undertake land and resource use activities in proximity to the Project. The current status of TEK and TLU data collection from Indigenous communities is presented in Table 5.



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**Table 5: Traditional Knowledge and Traditional Land and Resource Use Data Collection from Indigenous Communities**

Community Name	Community Provided Data Incorporated into the EA Report	Additional Data Collection Status	Change Since Last Update (August 2017)
Animbiigoo Zaagi'igan Anishinaabek First Nation (Lake Nipigon Ojibway)	No	Animbiigoo Zaagi'igan Anishinaabek First Nation submitted a summary of questions and concerns related to the EA Report and Project on July 11, 2017. NextBridge has reviewed the summary of questions and concerns, and this information indicated that Animbiigoo Zaagi'igan Anishinaabek First Nation members have high usage of the regional study area for traditional livelihoods, sustenance and ceremonial purposes, but no site-specific locations of concern were identified. NextBridge's understanding is that Animbiigoo Zaagi'igan Anishinaabek First Nation does not have any site-specific TLU or TEK concerns that would require adjustments to the Project footprint and that their interest in the Project relates to regional environmental effects. NextBridge will respond directly to Animbiigoo Zaagi'igan Anishinaabek First Nation questions and concerns under separate cover.	None
Biigtigong Nishnaabeg	Yes, Biigtigong Nishnaabeg provided NextBridge a cultural data assessment map on March 24, 2017. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	The map provides locations within 300 m of the October 19, 2016 preferred Project route; however, to date, Biigtigong Nishnaabeg has not expressed any site-specific TLU or TEK concerns that would affect Project routing. NextBridge continues to make themselves available for information gathering by attending community events to which they are invited. NextBridge most recently attended the Land Use Summit in July 2017.	None
Binjitiwaabik Zaaging Anishinaabek First Nation (Rocky Bay)	No	Binjitiwaabik Zaaging Anishinaabek First Nation verbally confirmed that they will not be submitting TEK and TLU information on November 17, 2014.	None
Bingwi Neyaaashi Anishinaabek (Sand Point First Nation)	No	Bingwi Neyaaashi Anishinaabek confirmed that they will not be submitting TEK and TLU information on August 18, 2014 and on August 3, 2017.	None
Fort William First Nation	No	Independently conducted community mapping and interviews are underway. NextBridge expects to receive this information in November 2017.	Information is now expected to be received in November 2017.
Ginoogaming First Nation	No	Ginoogaming First Nation has indicated that they do not have interests in the Project area and have not engaged with NextBridge on the Project.	None

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**Table 5: Traditional Knowledge and Traditional Land and Resource Use Data Collection from Indigenous Communities**

Community Name	Community Provided Data Incorporated into the EA Report	Additional Data Collection Status	Change Since Last Update (August 2017)
Long Lake No. 58 First Nation	Yes, an interim report provided to NextBridge on May 27, 2015. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	No further information is expected be provided by the community. To date, Long Lake No. 58 First Nation has not identified any site-specific TEK or TLU concerns that would affect Project routing.	None
Michipicoten First Nation	Yes, previously collected TEK and TLU GIS data was provided to NextBridge in 2014. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	NextBridge is currently engaged in ongoing discussions with Michipicoten First Nation that may result in additional TLU or TEK information being shared. NextBridge expects to receive any additional TLU or TEK information from Michipicoten First Nation in Q4 2017.	None
Missanabie Cree First Nation	Yes, previously collected TEK and TLU GIS data was provided to NextBridge on June 12, 2016. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	NextBridge's understanding is that Missanabie Cree First Nation will not be providing any additional TEK or TLU data. To date, Missanabie Cree First Nation has not identified any TLU or TEK concerns that would affect Project routing. NextBridge continues to make themselves available for information gathering by attending community events to which they are invited. NextBridge most recently attended the Land Use Summit in July 2017.	None
Ojibways of Batchewana	No	Ojibways of Batchewana have indicated that there is a need to identify and discuss culturally significant plants and animals in the Project area. NextBridge is currently in discussions with Ojibways of Batchewana to fund TEK and TLU data gathering and expects that any additional TEK or TLU information will be made available by Q4 2017.	None
Ojibways of Garden River	No	Ojibways of Garden River indicated that members harvest plants and animals in the general area of the Project at a community meeting on July 4, 2017. NextBridge is currently in discussions with Ojibways of Garden River regarding funding additional TEK or TLU data gathering.	None
Pays Plat First Nation	Yes, previously-collected traditional land and resource use (TLRU) GIS data was provided to NextBridge on May 17, 2016. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	Pays Plat First Nation have confirmed that they have not undertaken any additional community mapping or interviews and that the information submitted to date shall be considered their final submission. To date, Pays Plat First Nation has not indicated any TLU or TEK concerns that are expected to affect Project routing.	None

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**Table 5: Traditional Knowledge and Traditional Land and Resource Use Data Collection from Indigenous Communities**

Community Name	Community Provided Data Incorporated into the EA Report	Additional Data Collection Status	Change Since Last Update (August 2017)
Pic Mobert First Nation	Yes, Pic Mobert First Nation provided their land and occupancy maps to NextBridge on March 17, 2017. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	Additional independently conducted community mapping and interviews are underway. NextBridge expects to receive any additional TEK or TLU information in Q4 2017.	None
Red Rock Indian Band	Yes, NextBridge received an interim report from Red Rock Indian Band on May 24, 2016. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	Red Rock Indian Band confirmed on August 3, 2017 that no additional community mapping interviews have been conducted and that the information submitted to date shall be considered their final submission.	None
Métis Nation of Ontario (representing Greenstone Métis Council, Superior North Shore Métis Council and Thunder Bay Métis Council)	Yes, The Métis Nation of Ontario land use study was received by NextBridge on November 25, 2016. A secondary report was received by NextBridge on March 31, 2017 (with a revised version received on June 15, 2017). Information from MNO studies informed the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17), including in the identification of Métis specific indicators and in the identification of baseline conditions.	NextBridge does not expect any further TEK or TLU information to be provided by Métis Nation of Ontario.	None
Red Sky Métis Independent Nation	No	It is NextBridge's understanding that Red Sky Métis Independent Nation will not be providing site-specific TEK or TLU information, and that their interest in the Project relates to regional environmental effects.	None

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### 4.0 COMMENTS ON THE ENVIRONMENTAL ASSESSMENT

NextBridge acknowledges that consultation with Indigenous communities is one of the most important activities to be carried out during Project development. NextBridge has provided Indigenous communities with the opportunity to review the draft EA and EA Report. The status of comments received on the draft EA Report is presented in Table 6. NextBridge has provided funding for Indigenous communities to undertake a review of the EA Report. NextBridge is not aware of which communities will be submitting comments on the EA Report, but based on ongoing discussions with communities it is NextBridge's understanding that the majority of communities will not submit additional comments on the EA Report. NextBridge will update MOECC on the status of the response to these comments in the monthly Indigenous consultation updates.

NextBridge will continue to communicate and follow up with Indigenous communities to receive their feedback on the Project and the EA Report. NextBridge will respond to all written comments received from the Indigenous communities. For written comments received outside the MOECC EA Report review periods, NextBridge will respond to the comments directly to the Indigenous community and the response will be provided to MOECC and MOE in future monthly Indigenous consultation log updates. Similar to the approach taken during the review of the draft EA Report, for any new comments received after the EA Report is submitted, NextBridge will discuss and resolve issues with Indigenous communities through meetings and teleconference calls as required. For written comments received during the EA Report comment review period, NextBridge will respond and submit the responses to MOECC with comments received from other reviewers.

# MEMORANDUM

**Table 6: Status of Indigenous Community Comments on the Draft Environmental Assessment**

Community Name	Draft EA Report Comments		Final EA Report Comments	
	Status of Comments	NextBridge Action	Status of Comments	NextBridge Action
Animbiigoo Zaagi'igan Anishinaabek First Nation (Lake Nipigon Ojibway)	NextBridge received comments on the draft EA Report on September 12, 2017 from Shared Value Solutions who undertook a combined review on behalf of Animbiigoo Zaagi'igan Anishinaabek First Nation, Biinjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band.	NextBridge is currently drafting a response to comments in the Shared Value Solutions report and will provide the responses to Animbiigoo Zaagi'igan Anishinaabek First Nation, Biinjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band and the MOECC.	None received to date	Not applicable
Biigigong Nishnaabeg	Comments were received and are included in Appendix 1-III-B of the EA Report.	Responses were prepared and submitted in Appendix 1-III-B of the EA Report.	None received to date	Not applicable
Biinjitiwaabik Zaaging Anishinaabek First Nation (Rocky Bay)	NextBridge received comments on the draft EA Report on September 12, 2017 from Shared Value Solutions who undertook a combined review on behalf of Animbiigoo Zaagi'igan Anishinaabek First Nation, Biinjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band.	NextBridge is currently drafting a response to comments received in the Shared Value Solutions report and will provide the responses to Animbiigoo Zaagi'igan Anishinaabek First Nation, Biinjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band and the MOECC.	None received to date	Not applicable
Bingwi Neyaashi Anishinaabek (Sand Point First Nation)			None received to date	Not applicable
Fort William First Nation			None received to date	Not applicable
Ginoogaming First Nation	No comments have been received	Not applicable	None received to date	Not applicable
Long Lake No. 58 First Nation	Long Lake No. 58 First Nation, Michipicoten First Nation, Missanable Cree First Nation, Ojibways of Batchewana and Ojibways of Garden River contracted IBI Group to undertake a combined review of the draft EA Report. Each of these communities may provide comments based on the results of this review. To date, NextBridge has not received comments from Long Lake No. 58 First Nation or Missanable Cree First Nation, but expects that any comments would be submitted by November 2017.	NextBridge will respond to any comments received from these communities and will provide the responses to the community and MOECC.	None received to date	Not applicable
Michipicoten First Nation	Michipicoten First Nation, Long Lake No. 58 First Nation, Missanable Cree First Nation,	NextBridge is currently drafting a response to the letter containing initial overview of	None received to date	Not applicable

Date: October 10, 2017  
Project No. 1536607  
To: Ministry of Energy, and Ministry of the Environment and Climate Change

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# MEMORANDUM

**Table 6: Status of Indigenous Community Comments on the Draft Environmental Assessment**

Community Name	Draft EA Report Comments		Final EA Report Comments	
	Status of Comments	NextBridge Action	Status of Comments	NextBridge Action
	Ojibways of Batchewana and Ojibways of Garden River contracted IBI Group to undertake a combined review of the draft EA Report. Michipicoten First Nation provided an initial overview of specific concerns based on this review.	specific concerns and will respond to any additional comments submitted by Michipicoten First Nation should they be submitted.		
Missanabie Cree First Nation	Long Lake No. 58 First Nation, Michipicoten First Nation, Missanabie Cree First Nation, Ojibways of Batchewana and Ojibways of Garden River contracted IBI Group to undertake a combined review of the draft EA Report. Each of these communities may provide comments based on the results of this review. To date, NextBridge has not received comments from Long Lake No. 58 First Nation or Missanabie Cree First Nation, but expects that any comments would be submitted by November 2017.	NextBridge will respond to any comments received from these communities and will provide the responses to the community and MOECC.	None received to date	Not applicable
Ojibways of Batchewana	Long Lake No. 58 First Nation, Michipicoten First Nation, Missanabie Cree First Nation, Ojibways of Batchewana and Ojibways of Garden River employed IBI Group to undertake a combined review of the draft EA Report. Ojibways of Batchewana indicated that they have reviewed the IBI Group report and will not be providing any comments on the draft EA Report.	Not applicable	None received to date	Not applicable
Ojibways of Garden River	Long Lake No. 58 First Nation, Michipicoten First Nation, Missanabie Cree First Nation, Ojibways of Batchewana and Ojibways of Garden River employed IBI Group to undertake a combined review of the draft EA Report. Each of these communities may provide comments based on the results of this review. To date, NextBridge has not received comments from Ojibways of Garden River but expects that any comments would be submitted in October 2017.	NextBridge will respond to any comments received from Ojibways of Garden River. Responses to comments will also be provided to MOECC.	None received to date	Not applicable

Date: October 10, 2017  
 Project No. 1536607  
 To: Ministry of Energy, and Ministry of the Environment and Climate Change

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## MEMORANDUM

**Table 6: Status of Indigenous Community Comments on the Draft Environmental Assessment**

Community Name	Draft EA Report Comments		Final EA Report Comments	
	Status of Comments	NextBridge Action	Status of Comments	NextBridge Action
Pays Plat First Nation	NextBridge has received preliminary comments from Pays Plat First Nation as part of the Shared Value Solutions report described under Binjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaaashi Anishinaabek and Fort William First Nation. NextBridge expects to receive the final version of comments by November 2017.	NextBridge is currently drafting a response to comments received in the Shared Value Solutions preliminary report and will provide the responses to Pays Plat First Nation and the MOECC after the receipt of the final version of comments.	None received to date	Not applicable
Pic Mobert First Nation	Comments have been received and were included in Appendix 1-III-B of the EA Report.	Responses were prepared and submitted in Appendix 1-III-B of the EA Report.	None received to date	Not applicable
Red Rock Indian Band	Comments have been received and were included in Appendix 1-III-B of the EA Report. NextBridge expects additional comments from Pays Plat First Nation as part of the Shared Value Solutions report described under Binjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaaashi Anishinaabek and Fort William First Nation.	Responses received prior the submission of the EA Report were submitted in Appendix 1-III-B of the EA Report. NextBridge is currently drafting a response to comments received in the Shared Value Solutions report and will provide the responses to Animbigo Zaaging Anishinaabek First Nation, Binjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaaashi Anishinaabek, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band and the MOECC.	None received to date	Not applicable
Métis Nation of Ontario (representing Greenstone Métis Council, Superior North Shore Métis Council and Thunder Bay Métis Council)	Comments have been received and were included in Appendix 1-III-B of the EA Report.	Responses were prepared and submitted in Appendix 1-III-B of the EA Report.	Comments were received from MNO on September 12, 2017	NextBridge is currently drafting responses to MNO's comments.
Red Sky Métis Independent Nation	Comments were received and were included in Appendix 1-III-B of the EA Report.	Responses were prepared and submitted in Appendix 1-III-B of the EA Report.	None received to date	Not applicable

Date: October 10, 2017  
Project No. 1536607

To: Ministry of Energy, and Ministry of the Environment and Climate Change

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## MEMORANDUM

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### 5.0 CONCLUSION

NextBridge is committed to working with Indigenous communities to facilitate their review of the EA Report and in the continued identification of TEK and TLU information for the Project area. NextBridge intends to incorporate feedback into the Project design and planning, as appropriate. In addition to requesting feedback on the Project and the EA Report, NextBridge will also continue engagement and consultation through the development and construction of the Project with affected Indigenous communities to provide updates on Project design, construction planning, and schedule. NextBridge will continue to update regulators on the progress of this continued engagement through additional monthly updates during the EA review period.

### 6.0 REFERENCES

NextBridge (NextBridge Infrastructure LP). 2017. *East-West Tie Transmission Project Environmental Assessment Report*.



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## MEMORANDUM

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# APPENDIX A

## Record of Consultation and Engagement June 22, 2017 to August 31, 2017

## MEMORANDUM

**Table A-1: Animbiigoo Zaagi'igan Anishinaabek First Nation (Lake Nipigon Ojibway)**

Date	Communication	Communication Synopsis
July 11, 2017	Email (Received)	Animbiigoo Zaagi'igan Anishinaabek First Nation emailed NextBridge a list of the community's specific concerns and issues related to the Project.
July 12, 2017	Email (Received)	Animbiigoo Zaagi'igan Anishinaabek First Nation emailed NextBridge to request a physical print copy of the final EA executive summary and a digital copy of the complete final EA.
July 19, 2017	Surface mail (Sent)	NextBridge mailed Animbiigoo Zaagi'igan Anishinaabek First Nation a hardcopy of the Cover Letter, Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director and EA Executive Summary, and digital copies of the Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director, Project footprint shapefiles and complete EA report.
July 21, 2017	Phone call (Made)	NextBridge telephoned Animbiigoo Zaagi'igan Anishinaabek First Nation to confirm receipt of the surface mail sent on July 19, 2017 but the telephone call was unanswered.
August 22, 2017	Email (Sent)	NextBridge emailed Animbiigoo Zaagi'igan Anishinaabek First Nation providing the Letter of Authorization to conduct research in Parks and Conservation Reserves.  NextBridge emailed Animbiigoo Zaagi'igan Anishinaabek First Nation a follow up email providing the signed copy of the Letter of Authorization.  File attached: FINAL_RA_CorinneMiller_10Aug17.pdf
September 5, 2017	Email (Sent)	NextBridge emailed Animbiigoo Zaagi'igan Anishinaabek First Nation providing a response to the community's concerns raised on the Project (received by NextBridge on July 10, 2017). The cover letter (dated August 30, 2017) indicated that these comments could not be incorporated into the final EA Report submission as the report had already been submitted to the provincial government. The cover letter indicated that the concerns had been divided into 10 areas of concerns and a response was provided for each area of concern in order to adequately respond to Animbiigoo Zaagi'igan Anishinaabek First Nation's concerns.  File attached: East-West Tie Coverletter Final_Aug 30-signed.pdf File attached: AZAFN_Comments_and_NextBridge_Responses.pdf
September 12, 2017	Email (Received)	Shared Value Solutions Ltd. emailed NextBridge on behalf of Animbiigoo Zaagi'igan Anishinaabek First Nation providing Animbiigoo Zaagi'igan Anishinaabek First Nation's comments on the draft EA.

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## MEMORANDUM

**Table A-2: Biigtigong Nishnaabeg (Ojibways of the Pic River First Nation)**

Date	Communication	Communication Synopsis
July 2, 2017	Email (Received)	Biigtigong Nishnaabeg emailed NextBridge an invitation to participate in the land summit meeting. NextBridge responded confirming that they are pleased to participate and followed up with some additional logistical details.
July 6, 2017	Email (Received)	Biigtigong Nishnaabeg emailed NextBridge inviting NextBridge to participate in the Land Summit as part of the new engagement strategy for Biigtigong Nishnaabeg. Biigtigong Nishnaabeg noted that the Land Summit allows their community members to see the different projects, relationships and activities on the land base and allow companies to showcase their projects and activities directly with community members. Biigtigong Nishnaabeg requested to be notified if NextBridge has interest in participating.
		NextBridge responded by email to Biigtigong Nishnaabeg at 2:00 pm thanking them for the invitation and confirming their attendance. NextBridge had some logistical enquiries for Biigtigong Nishnaabeg.
July 17, 2017	Email (Sent)	NextBridge emailed the Biigtigong Nishnaabeg monitor providing the fieldwork schedule for the week of July 23, 2017.
		The Biigtigong Nishnaabeg monitor responded by email to NextBridge at 2:37 pm stating that they may participate in the fieldwork on July 22 and 23, 2017.
		NextBridge responded by email to the Biigtigong Nishnaabeg monitor thanking them for the notification.
July 19, 2017	Surface mail (Sent)	NextBridge mailed Biigtigong Nishnaabeg a hardcopy of the Cover Letter, Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director and EA Executive Summary, and digital copies of the Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director, Project footprint shapefiles and complete EA report.
July 20, 2017	Email (Sent)	NextBridge emailed the Biigtigong Nishnaabeg regarding meeting logistics for the July 20, 2017 land summit meeting.
July 20, 2017	Meeting (In-Person)	NextBridge attended the land summit meeting with Biigtigong Nishnaabeg. Community members expressed interest in employment opportunities. One individual discussed their mining claims on or near the right-of-way and whether or not they had to accept compensation. NextBridge referred the individual to the Ministry of Northern Development and Mines (MNDM).
July 24, 2017	Phone call (Made)	NextBridge telephoned Biigtigong Nishnaabeg to confirm receipt of the surface mail sent on July 19, 2017 but the telephone call was unanswered.
August 8, 2017	Email (Sent)	NextBridge emailed the Biigtigong Nishnaabeg monitor providing the fieldwork schedule for the week of August 14, 2017. NextBridge provided health and safety information and noted that they expect only one day of work in their respective territories. NextBridge noted that their consultant expects monitors to be responsible for their own equipment and to arrange the use of their own equipment for the fieldwork day(s). NextBridge stated that if communities are unable to get equipment, monitors can meet the consultant at the muster point and review their approach and ask questions.
August 9, 2017	Email (Received)	The Biigtigong Nishnaabeg monitor emailed NextBridge in response to NextBridge's August 8, 2017 email, confirming that they will be participating on August 15, 2017.
August 11, 2017	Email (Sent)	NextBridge responded by email to the Biigtigong Nishnaabeg monitor at 8:20 am, thanking them for their participation.
August 12, 2017	Email (Sent)	NextBridge emailed the Biigtigong Nishnaabeg monitors providing the fieldwork schedule for August 14, 2017. NextBridge noted the health and safety requirements.
		NextBridge emailed the Biigtigong Nishnaabeg monitor providing the fieldwork schedule for the week of August 14, 2017. NextBridge also provided health and safety information.

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## MEMORANDUM

**Table A-2: Biigtigong Nishnaabeg (Ojibways of the Pic River First Nation)**

Date	Communication	Communication Synopsis
August 13, 2017	Email (Received)	Biigtigong Nishnaabeg emailed NextBridge providing the invoices conducted on August 2, 11, and 12, 2017.
August 14, 2017	Email (Received)	A Biigtigong Nishnaabeg monitor and NextBridge exchanged four emails to discuss fieldwork logistics for the week of August 14, 2017.
August 18, 2017	Email (Sent)	NextBridge emailed the Biigtigong Nishnaabeg monitor providing the archaeology monitoring fieldwork schedule for the week of August 21, 2017 for the west end of the Project. NextBridge provided logistical health and safety information.
August 18, 2017	Email (Sent)	NextBridge emailed the Biigtigong Nishnaabeg monitor providing the archaeology monitoring fieldwork schedule for the week of August 21, 2017 for the east end of the Project. NextBridge requested to be notified if they have an interest in participating.
August 21, 2017	Email (Received)	The Biigtigong Nishnaabeg monitor emailed NextBridge in response to NextBridge's August 18, 2017 email regarding archaeological fieldwork for the west end of the Project. The Biigtigong Nishnaabeg monitor stated that they will not be participating in these surveys.
August 21, 2017	Email (Received)	The Biigtigong Nishnaabeg monitor emailed NextBridge in response to NextBridge's August 18, 2017 email regarding archaeological fieldwork for the east end of the Project. The Biigtigong Nishnaabeg monitor expressed interest in participating in the surveys on August 24 to 26, 2017.
		NextBridge responded by email to the Biigtigong Nishnaabeg monitor at 8:14 pm, thanking them.
		NextBridge emailed the Biigtigong Nishnaabeg monitor providing the aquatic survey fieldwork schedule for the week of August 23, 2017. NextBridge provided logistical health and safety information and requested a response if the monitor has interest in participating in the fieldwork.
August 21, 2017	Email (Sent)	The Biigtigong Nishnaabeg monitor responded by email to NextBridge at 1:03 pm expressing interest in participating in the surveys. The monitor asked logistical details about the fieldwork surveys.
		NextBridge responded by email to the Biigtigong Nishnaabeg monitor at 8:10 pm thanking them and stating that they will keep the monitor updated.
August 22, 2017	Email (Received)	Biigtigong Nishnaabeg emailed NextBridge providing the invoices for the monitoring fieldwork conducted on August 14, 2017.
August 22, 2017	Email (Sent)	File attached: Invoice for August 14 <sup>th</sup> 2017.pdf NextBridge emailed the Biigtigong Nishnaabeg monitor providing the detailed schedule for the aquatic survey fieldwork scheduled for the week of August 23, 2017.
August 22, 2017	Email (Sent)	NextBridge emailed the Biigtigong Nishnaabeg monitor providing notification of Stage 2 Archaeological assessment surveys for the week of August 18 and 21, 2017 (as per the Project specific condition #2 of the MNR Letter of Authorization to Conduct Research in a Provincial Park or Conservation Reserve). NextBridge noted that they will continue to send out weekly updates on surveys to ensure First Nations are aware of the archaeological consultant's activities and have opportunities to participate. NextBridge indicated that all identified Indigenous communities in the Project area have been sent the same notice letter.

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## MEMORANDUM

**Table A-2: Biigtigong Nishnaabeg (Ojibways of the Pic River First Nation)**

Date	Communication	Communication Synopsis
August 23, 2017	Email (Received)	A Biigtigong Nishnaabeg monitor emailed NextBridge stating that they would like to participate in all of the aquatic survey locations from August 25 to 27, 2017. The monitor noted that they have access to an ATV for all three days pending any changes to the schedule. NextBridge responded to the Biigtigong Nishnaabeg monitor by email at 7:31 am stating that the consultant will provide exact logistical details later this week.
August 25, 2017	Email (Sent)	NextBridge emailed the Biigtigong Nishnaabeg monitor providing the schedule for the August 28 to September 2, 2017 fieldwork. NextBridge requested that the monitor respond if they are interested in participating.
August 28, 2017	Email (Received)	A Biigtigong Nishnaabeg monitor emailed NextBridge providing the invoice for fieldwork conducted August 25 to 27, 2017. NextBridge responded by email to the Biigtigong Nishnaabeg monitor at 10:55 am requesting that Biigtigong Nishnaabeg review and sign the Reimbursement letter sent in June 2017 (typically signed by the Band Manager). NextBridge provided logistical information about the order in which the Reimbursement letter is signed and provided a word version of the Reimbursement letter for their review and signature. File attached: NB Form of Monitor Reimbursement.docx
August 28, 2017	Email (Received)	Biigtigong Nishnaabeg emailed NextBridge requesting a copy of the monitoring agreement today to facilitate the processing of invoices from Biigtigong Nishnaabeg.
August 29, 2017	Email (Sent)	NextBridge and Biigtigong Nishnaabeg exchanged two additional emails regarding the monitoring agreement that day. NextBridge emailed Biigtigong Nishnaabeg providing the word and pdf versions of the monitoring agreement.
August 29, 2017	Email (Sent)	Files attached: BN EWT Monitoring agreement.docx BN EWT Monitoring agreement.pdf
August 29, 2017	Email (Sent)	NextBridge emailed the Biigtigong Nishnaabeg monitor providing the schedule for the August 22 to September 1, 2017 aquatic survey fieldwork. NextBridge also provided logistical health and safety information.
August 30, 2017	Email (Sent)	NextBridge emailed the Biigtigong Nishnaabeg monitor providing the schedule for the August 30 to September 11, 2017 environmental survey fieldwork. NextBridge also provided logistical health and safety information.
August 30, 2017	Email (Sent)	NextBridge emailed the Biigtigong Nishnaabeg monitor providing an update on the archaeology fieldwork. NextBridge indicated that the fieldwork will continue until September 4, 2017 and provided logistical information.
August 31, 2017	Email (Received)	Biigtigong Nishnaabeg emailed NextBridge informing them that Biigtigong Nishnaabeg would like to participate on September 7, 8, and 9, 2017 for the environmental survey fieldwork. NextBridge responded by email to Biigtigong Nishnaabeg, thanking them.

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## MEMORANDUM

**Table A-2: Biigtigong Nishnaabeg (Ojibways of the Pic River First Nation)**

Date	Communication	Communication Synopsis
September 2, 2017	Email (Sent)	NextBridge emailed Biigtigong Nishnaabeg monitor providing logistical information for the September 6 to 16, 2017 field survey program. NextBridge requested to be notified if the monitor has interest in participating in any of the surveys.  The Biigtigong Nishnaabeg monitor responded by email to NextBridge at 9:03 pm expressing interest in the surveys scheduled for September 7 to 12, 2017.  NextBridge responded by email to the Biigtigong Nishnaabeg monitor at 9:27 am thanking them.
September 2, 2017	Email (Sent)	NextBridge emailed Biigtigong Nishnaabeg monitor providing logistical information for the September 3 to 9, 2017 field survey program. NextBridge requested to be notified if the monitor has interest in participating in any of the surveys.
September 6, 2017	Email (Received)	Biigtigong Nishnaabeg emailed NextBridge requesting an update on the aquatic field survey schedule. Biigtigong Nishnaabeg expressed an interest in participating in upcoming aquatic field surveys.
September 10, 2017	Email (Sent)	NextBridge emailed the Biigtigong Nishnaabeg monitor providing logistical information for the September 11 to 15, 2017 archaeological field program. NextBridge requested to be notified if the monitor has interest in participating in the surveys.
September 10, 2017	Email (Sent)	NextBridge emailed the Biigtigong Nishnaabeg monitor providing logistical information for the September 9 to 16, 2017 archaeological field program. NextBridge requested to be notified if the monitor has interest in participating in the surveys.
September 16, 2017	Email (Sent)	NextBridge emailed the Biigtigong Nishnaabeg monitor providing logistical information for the September 17 to 22, 2017 archaeological field survey program. NextBridge requested to be notified if the monitor has interest in participating in any of the surveys.
September 16, 2017	Email (Sent)	NextBridge emailed the Biigtigong Nishnaabeg monitor providing logistical information for the September 18 to 22, 2017 archaeological field survey program. NextBridge requested to be notified if the monitor has interest in participating in any of the surveys.
September 21, 2017	Email (Sent)	NextBridge emailed the Biigtigong Nishnaabeg monitor providing logistical information for the September 17 to 29, 2017 environmental field survey programs.
September 22, 2017	Email (Sent)	NextBridge emailed the Biigtigong Nishnaabeg monitor providing logistical information for the September 26 to 29, 2017 archaeological field survey program. NextBridge requested to be notified if the monitor has interest in participating in the survey program.
September 25, 2017	Meeting (In-person)	NextBridge met with the Bankushwada Limited Partnership, which includes Biigtigong Nishnaabeg, and SuperCom to discuss commercial aspects of the Project.

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**MEMORANDUM**

**Table A-3: Biinjitiwaabik Zaaging Anishinaabek First Nation (Rocky Bay)**

Date	Communication	Communication Synopsis
July 12, 2017	Email (Received)	Biinjitiwaabik Zaaging Anishinaabek First Nation emailed NextBridge requesting the final EA in digital format and on four memory sticks.
July 19, 2017	Surface mail (Sent)	NextBridge mailed Biinjitiwaabik Zaaging Anishinaabek First Nation a hardcopy of the Cover Letter, Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director and EA Executive Summary, and digital copies of the Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director, Project footprint shapefiles and complete EA report.
July 21, 2017	Phone call (Made)	NextBridge telephoned Biinjitiwaabik Zaaging Anishinaabek First Nation to confirm receipt of the surface mail sent on July 19, 2017. Biinjitiwaabik Zaaging Anishinaabek First Nation indicated they had not received the package yet.
September 12, 2017	Email (Received)	Shared Value Solutions Ltd. emailed NextBridge on behalf of Biinjitiwaabik Zaaging Anishinaabek First Nation providing Biinjitiwaabik Zaaging Anishinaabek First Nation's comments on the draft EA.

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**MEMORANDUM**

**Table A-4: Bingwi Neyaashi Anishinaabek (Sand Point First Nation)**

Date	Communication	Communication Synopsis
June 28, 2017	Email (Received)	Bingwi Neyaashi Anishinaabek emailed NextBridge requesting a digital copy of the final EA report on a memory stick.
July 19, 2017	Surface mail (Sent)	NextBridge mailed Bingwi Neyaashi Anishinaabek a hardcopy of the Cover Letter, Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director and EA Executive Summary, and digital copies of the Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director, Project footprint shapefiles and complete EA report.
July 21, 2017	Phone call (Made)	NextBridge left a voicemail with Bingwi Neyaashi Anishinaabek requesting confirmation of receipt of the surface mail sent on July 19, 2017.
August 9, 2017	Email (Received)	Bingwi Neyaashi Anishinaabek emailed NextBridge to indicate that Bingwi Neyaashi Anishinaabek will not be submitting any TEK values and do not require any TEK studies for the Project.
September 12, 2017	Email (Received)	Shared Value Solutions Ltd. emailed NextBridge on behalf of Bingwi Neyaashi Anishinaabek providing Bingwi Neyaashi Anishinaabek's comments on the draft EA.

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# MEMORANDUM

**Table A-5: Fort William First Nation**

Date		Communication	Communication Synopsis
July 4, 2017	Email (Received)		Fort William First Nation emailed NextBridge, requesting a digital copy of the final EA on a memory stick.
July 17, 2017	Email (Sent)		NextBridge emailed the Fort William First Nation monitor providing the fieldwork schedule for the week of July 17, 2017. NextBridge stated that company policy continues to advise that monitors keep roughly to a 80 km distance of travel one-way per day and that monitors continue to use their own equipment, including safety equipment and transport.
July 19, 2017	Surface mail (Sent)		NextBridge mailed Fort William First Nation a hardcopy of the Cover Letter, Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director and EA Executive Summary, and digital copies of the Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director, Project footprint shapefiles and complete EA report.
July 21, 2017	Phone call (Made)		NextBridge left a voicemail with Fort William First Nation requesting confirmation of receipt of the surface mail sent on July 19, 2017.
August 8, 2017	Email (Sent)		NextBridge emailed the Fort William First Nation monitor providing the fieldwork schedule for the week of August 14, 2017. NextBridge provided health and safety information and noted that they expect only one day of work in their respective territories. NextBridge noted that their consultant expects monitors to be responsible for their own equipment and to arrange the use of their own equipment for the fieldwork day(s). NextBridge stated that if communities are unable to get equipment, monitors can meet the consultant at the muster point and review their approach and ask questions.
August 8, 2017	Letter (Received) via Email		The Chief of Fort William First Nation sent a letter via email to NextBridge, regarding capacity funding to support the Project EA review. The letter stated that Fort William First Nation are collaborating with five other First Nations to conduct a joint review of the EA using the consultant, Shared Value Solutions, who will provide NextBridge with a Final Report, endorsed by the First Nation. Fort William First Nation stated that the end goal is for Fort William First Nation to provide a letter of support (identifying no concerns) for the submission of the EA.
August 12, 2017	Email (Sent)		NextBridge emailed the Fort William First Nation monitor providing the archaeology fieldwork schedule for the week of August 14, 2017. NextBridge also provided health and safety information.
August 14, 2017	Email (Sent)		NextBridge emailed the Fort William First Nation monitor providing the bat hibernacula acoustic monitoring fieldwork schedule for the week of August 14, 2017. NextBridge requested to be notified if the monitor has interest in participating. NextBridge provided health and safety information.
			The Fort William First Nation monitor responded by email to NextBridge at 8:04 pm expressing interest in participating in the tailgate meeting on August 17, 2017.
			NextBridge responded by email to the Fort William First Nation monitor thanking them.
August 18, 2017	Email (Sent)		NextBridge emailed the Fort William First Nation monitor providing the archaeology monitoring fieldwork schedule for the week of August 21, 2017 for the west end of the Project. NextBridge provided logistical health and safety information.
August 21, 2017	Email (Sent)		NextBridge emailed the Fort William First Nation monitor providing the aquatic survey fieldwork schedule for the week of August 23, 2017. NextBridge provided logistical health and safety information and requested a response if the monitor has interest in participating in the fieldwork.
August 22, 2017	Email (Sent)		NextBridge emailed the Fort William First Nation monitor providing notification of Stage 2 Archaeological assessment surveys for the week of August 18 and 21, 2017(as per the Project specific condition #2 of the MNRF Letter of Authorization to Conduct Research in a Provincial Park or Conservation Reserve). NextBridge noted that they will continue to send out weekly updates on surveys to ensure First Nations are aware of the archaeological consultant's activities and have opportunities to participate. NextBridge indicated that all identified Indigenous communities in the Project area have been sent the same notice letter.

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## MEMORANDUM

**Table A-5: Fort William First Nation**

Date	Communication	Communication Synopsis
August 22, 2017	Email (Sent)	NextBridge emailed the Fort William First Nation monitor providing the updated aquatic survey fieldwork schedule for the week of August 23, 2017. NextBridge requested a response if the monitor has interest in participating in the fieldwork.
August 25, 2017	Email (Sent)	NextBridge emailed the Fort William First Nation monitor providing the schedule for the August 28 to September 2, 2017 archaeological fieldwork. NextBridge requested that the monitor respond if they are interested in participating.
August 29, 2017	Email (Sent)	NextBridge emailed the Fort William First Nation monitor providing the schedule for the August 22 to September 1, 2017 aquatic survey fieldwork. NextBridge also provided logistical health and safety information.
August 30, 2017	Email (Sent)	NextBridge emailed the Fort William First Nation monitor providing the schedule for the August 30 to September 11, 2017 environmental survey fieldwork. NextBridge also provided logistical health and safety information.
September 2, 2017	Email (Sent)	NextBridge emailed the Fort William First Nation monitor providing logistical information for the September 6 to 16, 2017 field survey program. NextBridge requested to be notified if the monitor has interest in participating in any of the surveys.
September 2, 2017	Email (Sent)	NextBridge emailed the Fort William First Nation monitor providing logistical information for the September 5 to 9, 2017 archaeological field program.
September 10, 2017	Email (Sent)	NextBridge emailed the Fort William First Nation monitor providing logistical information for the September 11 to 15, 2017 archaeological field program. NextBridge requested to be notified if the monitor has interest in participating in the surveys.
September 12, 2017	Email (Received)	Shared Value Solutions Ltd. emailed NextBridge on behalf of Fort William First Nation providing Fort William First Nation's comments on the draft EA.
September 16, 2017	Email (Sent)	NextBridge emailed the Fort William First Nation monitor providing logistical information for the September 17 to 22, 2017 archaeological field survey program. NextBridge requested to be notified if the monitor has interest in participating in any of the surveys.
September 21, 2017	Email (Sent)	NextBridge emailed the Fort William First Nation monitor providing logistical information for the September 17 to 29, 2017 environmental field survey programs.
September 25, 2017	Meeting (In-person)	NextBridge met with the Bamkushwada Limited Partnership, which includes Fort William First Nation, and SuperCom to discuss commercial aspects of the Project.
September 28, 2017	Email (Sent)	NextBridge emailed Fort William First Nation monitor providing logistical information for a pre-field meeting before the helicopter flight scheduled on September 29, 2017. NextBridge requested to be notified if the monitor has interest in participating in the pre-field meeting.

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**MEMORANDUM**

**Table A-6: Ginoogaming First Nation**

Date	Communication	Communication Synopsis
July 19, 2017	Surface mail (Sent)	NextBridge mailed Ginoogaming First Nation a hardcopy of the Cover Letter, Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director and EA Executive Summary, and digital copies of the Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director, Project footprint shapefiles and complete EA report.
July 21, 2017	Phone call (Made)	NextBridge telephoned Ginoogaming First Nation to confirm receipt of the surface mail sent on July 19, 2017 but the telephone call was unanswered.

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MEMORANDUM

Table A-7: Long Lake No. 58 First Nation

Date	Communication	Communication Synopsis
July 19, 2017	Surface mail (Sent)	NextBridge mailed Long Lake No. 58 First Nation a hardcopy of the Cover Letter, Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director and EA Executive Summary, and digital copies of the Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director, Project footprint shapefiles and complete EA report.
July 21, 2017	Phone call (Made)	NextBridge telephoned Long Lake No. 58 First Nation to confirm receipt of the surface mail sent on July 19, 2017.

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# MEMORANDUM

**Table A-8: Michipicoten First Nation**

Date	Communication	Communication Synopsis
June 22, 2017	Email (Sent)	NextBridge emailed Michipicoten First Nation to ask if Michipicoten First Nation would prefer a hardcopy or digital copy of the final EA. Michipicoten First Nation responded requesting both a hardcopy and digital copy of the final EA.
June 30, 2017	Email (Received)	NextBridge received an email from Michipicoten First Nation requesting only a digital copy of the final EA.
July 10, 2017	Email (Received)	<p>The Executive Secretary, on behalf of Chief of Michipicoten First Nation, emailed NextBridge providing a letter from Michipicoten First Nation regarding the Project. The letter stating that the Michipicoten First Nation recently had a precursory introduction to the Project. The letter stated that given the size and scope of the Project, they were unable to cover the majority of issues surrounding the Project in relation to their community and there is work ahead for the community to understand the Project and its impact but they are fully engaged and prepared to launch a meaningful consultation with NextBridge on the Project. The Chief provided some initial comments and concerns and indicated that it is likely they will identify more as engagement continues.</p>
		<p>The following issues and concerns were identified:</p> <ul style="list-style-type: none"> <li>• concerns regarding dependence on desktop studies and lack of 'boots on the ground' studies;</li> <li>• While the report stated that there were no material issues impacting First Nations, Michipicoten First Nation's position is that no comments were provided since they were not consulted and did not have an opportunity to provide meaningful comments or identify concerns, which could only be possible through meaningful consultation process and undertaking of traditional land use and traditional knowledge study. Michipicoten First Nation stated that this report comment raises their suspicions about NextBridge and the Project.</li> <li>• Concern about the assertion that NextBridge is discontinuing studies on key areas due to few or minimal impacts on topical areas. Michipicoten First Nation stated that it is difficult for them to know and/or accept whether or not a desktop study is sufficient to result in discontinuing further analysis.</li> <li>• Note that no hydrogeological study has been released for comment or monitoring program for the wells impacted along the corridor, or use or possible exemption of traditional lands or sensitive historical, spiritual or cultural sites; no supportive noise studies.</li> <li>• Community concerns related to Project impact on Forest Management Units; no information of what permits required and issued by the local, provincial and federal governments; concerns about potential floodings at water crossings; hazardous dust issues; and cumulative impacts of the Project.</li> <li>• Concern on the perceived impact on traditional traplines due to increased access, activity and traffic in Project corridor by workforce, vehicles and general disturbance. Concern about disturbance to wildlife, woodland caribou habitat, wildlife habitat; vegetation (red and white pine), and species of fish at risk.</li> <li>• Concern about fulsome of archaeological study and complaint that Michipicoten First Nation should have been included as active participant in any level of archaeological study;</li> <li>• Concern about electromagnetic frequency impacts on terrestrial life and vegetation;</li> <li>• Concern about NextBridge's consultation process, they acknowledge that there have been previous representations to the prior Michipicoten government but some past council members who are current members do not have this recollection.</li> <li>• Inquiry about lack of information on how the Project will impact planned or operating mining projects;</li> <li>• Inquiry about Project impact on off-reserve lands and buildings owned or occupied by First Nation communities (e.g. displacement and disruption of businesses);</li> <li>• Inquiry about Project impact on visual aesthetics for First Nation communities;</li> <li>• Concern about potential fuel leakages into water systems;</li> </ul>

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## MEMORANDUM

**Table A-8: Michipicoten First Nation**

Date	Communication	Communication Synopsis
July 14, 2017	Email (Received)	<ul style="list-style-type: none"> <li>Community residential opposition to Project crossing reserve land (lack of community consultation);</li> <li>Expressed interest in procurement, training and employment opportunities.</li> </ul> <p>File attached: 027-17 MFN to Herb Shields – NextBridge – July 10, 2017 .pdf</p> <p>Bell &amp; Bernard Ltd. emailed NextBridge providing a revised draft Memorandum of Understanding. Bell &amp; Bernard stated that they have limited availability today to discuss the document and stated that they will be out of office until August 4, 2017. Bell &amp; Bernard stated that they should keep moving forward on the Memorandum of Understanding while Bell &amp; Bernard are gone.</p> <p>File attached: MFN – NextBridge Draft MOU July 14-JKB edits.docx</p>
July 19, 2017	Surface mail (Sent)	NextBridge mailed Michipicoten First Nation a hardcopy of the Cover Letter, Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director and EA Executive Summary, and digital copies of the Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director, Project footprint shapefiles and complete EA report.
July 21, 2017	Phone call (Made)	NextBridge left a voicemail with Michipicoten First Nation to confirm receipt of the surface mail sent on July 19, 2017.
August 3, 2017	Email (Sent)	<p>NextBridge emailed Bell &amp; Bernard Ltd., requesting confirmation on the time and date for NextBridge's participation at the Michipicoten First Nation's youth and elder conference on August 8, 2017.</p> <p>Bell &amp; Bernard responded by email to NextBridge at 3:58 pm stating that they have the same date and time but noted that the event is quite informal and drop-in and has been moved to August 9 and 10, 2017. Bell &amp; Bernard inquired if they should reschedule the meeting in light of their prior email (See email below).</p> <p>NextBridge responded by email to Bell &amp; Bernard at 4:12 pm stating that the purpose of the information session was for the Elders and youth to hear about the Project, not to discuss negotiations and other matters. NextBridge stated that NextBridge's practice is to send the Memorandum of Understanding to legal. NextBridge discussed the Memorandum of Understanding and budgeting issues and legal costs. NextBridge stated that the new agreement will address both on and off reserve lands.</p> <p>Bell &amp; Bernard Ltd. emailed NextBridge, inquiring about the need for an agenda for the meeting scheduled for August 8, 2017 in Michipicoten. Bell &amp; Bernard Ltd. stated that NextBridge is to conclude the Memorandum of Understand and until it is done so, they are uncertain about why they are meeting with NextBridge on August 8, 2017. Bell &amp; Bernard stated that they are experiencing difficulties in relation to reimbursement and noted that Michipicoten and other First Nations have expressed that they do not have the funds to pay for the expenses at this time. Bell &amp; Bernard Ltd. proposed that NextBridge provide Michipicoten First Nation with a no-interest loan of \$50,000, with \$48,000 being reimbursed and \$2,000 as a community charitable donation. Bell &amp; Bernard Ltd. requested that NextBridge revise on the content and agenda of the August 8, 2017 meeting and stated that their preference is to move the Memorandum of Understanding forward until its execution.</p> <p>The Chief of Michipicoten First Nation emailed NextBridge to follow-up on the email sent by Bell &amp; Bernard that same day. The Chief stated that the purpose of the August 8, 2017 meeting would be for NextBridge to present the Project to the community since there would be more attendees there for the Youth &amp; Elders gathering. The Chief stated that they had hoped to report that there was a signed Memorandum of Understanding as well and stated that perhaps they do not need the meeting after all. The Chief stated that Michipicoten First Nation supports an interest free loan from NextBridge or its member affiliates and indicated that they cannot afford to subsidize the Project any longer.</p>

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## MEMORANDUM

**Table A-8: Michipicoten First Nation**

Date	Communication	Communication Synopsis
		NextBridge emailed a response indicating that the community has an existing capacity funding agreement that is expected to cover existing invoices. NextBridge also confirmed that they will be meeting with Bell & Bernard on August 10, 2017 to go over the Memorandum of Understanding. NextBridge indicated that they will not attend the Youth & Elders gathering at this time.
August 3, 2017	Email (Sent)	NextBridge emailed representatives of Michipicoten First Nation stating that they had received a telephone call from Manitoulin inquiring about monitoring opportunities. NextBridge inquired if Michipicoten First Nation had monitors available and inquired if they would like NextBridge to work directly with Manitoulin to see if Manitoulin has interest in monitoring.
August 4, 2017	Email (Sent)	NextBridge emailed Michipicoten First Nation monitors providing the fieldwork schedule for the week of August 6, 2017 around the Wawa and Michipicoten areas.
August 8, 2017	Email (Sent)	NextBridge emailed the Michipicoten First Nation monitors providing the fieldwork schedule for the week of August 14, 2017. NextBridge provided health and safety information and noted that they expect only one day of work in their respective territories. NextBridge noted that their consultant expects monitors to be responsible for their own equipment and to arrange the use of their own equipment for the fieldwork day(s). NextBridge stated that if communities are unable to get equipment, monitors can meet the consultant at the muster point and review their approach and ask questions.
		Michipicoten First Nation emailed NextBridge in response to NextBridge's August 3, 2017 email regarding monitoring opportunities. Michipicoten First Nation stated that they have been forwarding the monitoring correspondence to two community members who have undergone training. Michipicoten First Nation stated that they have left a voicemail for Manitoulin and will speak to them today.
August 9, 2017	Email (Received)	NextBridge responded by email to Michipicoten First Nation at 9:31 am inquiring if it would be more convenient to include the monitors on these weekly email updates.
		Michipicoten First Nation responded by email to NextBridge at 9:36 am confirming that it would be preferable to have the monitors included in the weekly email updates. Michipicoten inquired if NextBridge required the monitors' contact information.
		NextBridge responded by email to Michipicoten First Nation at 9:43 am, confirming that they require the monitors' contact information.
August 9, 2017	Email (Sent)	NextBridge emailed the Michipicoten First Nation monitors, informing them of current archaeological monitoring opportunities for the week of August 9, 2017. NextBridge invited them to participate and stated that they are available to discuss the details of the Monitoring Agreement with the monitors. NextBridge requested to be notified if the monitors can participate.
August 10, 2017	E-mail (Sent)	NextBridge emailed Michipicoten First Nation regarding monitoring opportunities. NextBridge provided the standard Monitoring Agreement and requested that they review the document.
		Michipicoten First Nation and NextBridge exchanged three additional emails that day discussing monitoring logistics.
August 11, 2017	E-mail (Sent)	NextBridge emailed the Michipicoten First Nation monitor providing the archaeology fieldwork schedule for August 14, 2017. NextBridge noted the health and safety requirements.
August 14, 2017	Email (Sent)	NextBridge emailed the Michipicoten First Nation monitors providing the bat hibernacula acoustic monitoring fieldwork schedule for the week of August 14, 2017. NextBridge requested to be notified if the monitors have interest in participating. NextBridge provided health and safety information.
August 14, 2017	E-mail (Received)	Michipicoten First Nation and NextBridge exchanged three emails discussing monitoring field work logistics. NextBridge provided a blank copy of the monitoring agreement that provided logistical details.

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## MEMORANDUM

**Table A-8: Michipicoten First Nation**

Date	Communication	Communication Synopsis
August 18, 2017	Email (Sent)	NextBridge emailed the Michipicoten First Nation monitors providing the archaeology monitoring fieldwork schedule for the week of August 21, 2017 for the east end of the Project. NextBridge requested to be notified if they have an interest in participating.
August 21, 2017	Email (Sent)	NextBridge emailed the Michipicoten First Nation monitors providing the aquatic survey fieldwork schedule for the week of August 23, 2017. NextBridge provided logistical health and safety information and requested a response if the monitor has interest in participating in the fieldwork.
August 22, 2017	Email (Sent)	NextBridge emailed the Michipicoten First Nation monitors providing notification of Stage 2 Archaeological assessment surveys for the week of August 18 and 21, 2017 (as per the Project specific condition #2 of the MNRF Letter of Authorization to Conduct Research in a Provincial Park or Conservation Reserve). NextBridge noted that they will continue to send out weekly updates on surveys to ensure First Nations are aware of the archaeological consultant's activities and have opportunities to participate. NextBridge indicated that all identified Indigenous communities in the Project area have been sent the same notice letter.
August 25, 2017	Email (Sent)	NextBridge emailed the Michipicoten First Nation monitors providing the schedule for the August 28 to September 2, 2017 fieldwork. NextBridge requested that the monitors respond if they are interested in participating.
August 29, 2017	Email (Sent)	NextBridge emailed the Michipicoten First Nation monitors providing the schedule for the August 22 to September 1, 2017 aquatic survey fieldwork. NextBridge also provided logistical health and safety information.
August 30, 2017	Email (Sent)	NextBridge emailed the Michipicoten First Nation monitors providing the schedule for the August 30 to September 11, 2017 environmental survey fieldwork. NextBridge also provided logistical health and safety information.
August 30, 2017	Email (Sent)	NextBridge emailed the Michipicoten First Nation monitors providing an update on the archaeology fieldwork. NextBridge indicated that the fieldwork will continue until September 4, 2017 and provided logistical information.
September 2, 2017	Email (Sent)	NextBridge emailed the Michipicoten First Nation monitor providing logistical information for the September 6 to 16, 2017 field survey program. NextBridge requested to be notified if the monitor has interest in participating in any of the surveys.
September 2, 2017	Email (Sent)	NextBridge emailed Michipicoten First Nation monitor providing logistical information for the September 3 to 9, 2017 field survey program. NextBridge requested to be notified if the monitor has interest in participating in any of the surveys.
September 5, 2017	Email (Sent)	NextBridge emailed Michipicoten First Nation providing updates to an archaeology survey being conducted around Michipicoten First Nation, notifying them that a helicopter will be used to access some lands northwest of Michipicoten First Nation tomorrow. NextBridge stated that their consultant is requesting Michipicoten First Nation's input and permission to access these lands and indicated that their consultant has not found anything to date during their Stage 2 archaeology surveys.
September 7, 2017	Email (Received)	The Chief of Michipicoten First Nation emailed NextBridge in response to NextBridge's September 5, 2017 email regarding approval and land access. The Chief requested additional information on the scope and purpose of the work, opportunities for their citizens to participate and opportunity for one of their citizen's companies to be utilized for these type of exercises.
		NextBridge responded by email to the Chief at 2:59 pm providing their responses to the Chief's enquiries. NextBridge noted that they are providing notification to Michipicoten First Nation of any activity taking place in the vicinity of the community as a courtesy in the event that community members ask questions of leadership but that approval of helicopter use is not necessary. NextBridge provided information on the Stage 2 archaeological assessment and indicated that they have made their consultant aware of opportunities for community members to participate. NextBridge stated that community members are not allowed on the helicopter flights for health and safety and liability reasons but that there are opportunities for monitors to

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**MEMORANDUM**

**Table A-8: Michipicoten First Nation**

Date	Communication	Communication Synopsis
		meet prior and after the surveys to discuss findings and concerns. NextBridge noted that the company the Chief mentioned will be included in their outreach for future procurement opportunities.
September 10, 2017	Email (Sent)	NextBridge emailed the Chief at 3:52 pm providing additional information on the bidding and subcontracting process.
September 21, 2017	Email (Sent)	NextBridge emailed the Michipicoten First Nation monitors providing logistical information for the September 9 to 16, 2017 archaeological field program. NextBridge requested to be notified if the monitor has interest in participating in the surveys.
September 25, 2017	Meeting (In-person)	NextBridge emailed the Michipicoten First Nation monitors providing logistical information for the September 17 to 29, 2017 environmental field survey programs. NextBridge met with the Bankushwada Limited Partnership, which includes Michipicoten First Nation, and SuperCom to discuss commercial aspects of the Project.

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## MEMORANDUM

**Table A-9: Missanabie Cree First Nation**

Date	Communication	Communication Synopsis
June 29, 2017	Letter (Received)	Missanabie Cree First Nation sent NextBridge a letter requesting that NextBridge send a physical print copy of the final EA Executive Summary and a digital copy of the complete final EA.
July 19, 2017	Surface mail (Sent)	NextBridge mailed Missanabie Cree First Nation a hardcopy of the Cover Letter, Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director and EA Executive Summary, and digital copies of the Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director, Project footprint shapefiles and complete EA report.
July 21, 2017	Phone call (Made)	NextBridge telephoned Missanabie Cree First Nation to confirm receipt of the surface mail sent on July 19, 2017 but the call was unanswered.
August 8, 2017	Email (Received)	Missanabie Cree First Nation emailed NextBridge, inviting them to the 2017 Missanabie Cree Annual Gathering on August 17, 2017.  NextBridge responded by email to Missanabie Cree First Nation at 3:58 pm thanking them for the invitation and stating that they will attend the gathering with their colleague.
August 17, 2017	Meeting (In-Person)	NextBridge met with the Chief, Councillors, staff, and members of Missanabie Cree First Nation at the 2017 Missanabie Cree Annual Gathering. The Ministry of Natural Resources and Forestry (MNRF), White River Forest SFL owner, and LaFarge were also in attendance. Missanabie Cree First Nation expressed no major concerns or issues. The following comments were made by Missanabie Cree First Nation: - Enquiries about procurement and employment opportunities; - Enquiries about the Project location and if the Project is even in their traditional territory;
		MNRF indicated that they are facing staffing pressures and it will take significant time to review and process MNRF permits separate from the EA. NextBridge indicated that the Province of Ontario has designated this Project as a priority and they have Indigenous support. The MNRF stated that they will make the Project a priority project for the MNRF district and offered to meet and assist with the Project to meet permitting timelines.  LaFarge discussed access issues and noted that they are working with NextBridge to provide access to LaFarge's property. LaFarge inquired about when they can receive more information about the amount of cement and aggregated needed for construction  White River Forest SFL owner stated that they can provide insight on the 600 series highway if needed and expressed interest in the wood fibre from the clearing. White River Forest SFL owner stated that they will need to do a detailed cost analysis for transporting the wood fibre to their co-generation facility in Hornepayne or White River.

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## MEMORANDUM

**Table A-10: Ojibways of Batchewana**

Date	Communication	Communication Synopsis
July 19, 2017	Surface mail (Sent)	NextBridge mailed Ojibway of Batchewana a hardcopy of the Cover Letter, Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director and EA Executive Summary, and digital copies of the Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director, Project footprint shapefiles and complete EA report.
July 21, 2017	Phone call (Made)	NextBridge telephoned Ojibway of Batchewana to confirm receipt of the surface mail sent on July 19, 2017 but the call was unanswered.
August 2, 2017	Meeting (In-Person)	NextBridge met with the Chief and Council of Ojibway of Batchewana. The following topics were discussed: <ul style="list-style-type: none"> <li>reviewed the June 13, 2017 letter from the Chief of Ojibway of Batchewana to NextBridge;</li> <li>the relationship between the First Nation and NextBridge;</li> <li>activities related to the asserted territory; and,</li> <li>community benefits, procurement opportunities, employment opportunities.</li> </ul>
		Action Item (Completed): Ojibway of Batchewana to forward a copy of the IBI report to NextBridge. Report has been accepted and the outstanding invoice has been processed.
		Action Item: Ojibway of Batchewana will prepare an assertion document that will outline the geographic boundary and will provide their historic and current connection to the lands.
		Action Item: NextBridge to provide and present the emergency spill response plan to Ojibway of Batchewana. The Ojibway of Batchewana Natural Resource Unit will be listed as contact in case of a spill of any kind.
August 2, 2017	Email (Received)	Action Item:
		1. NextBridge sent copy of map showing access routes to proposed Right of Way, Ojibway of Batchewana Natural Resources will be spot checking for plants of cultural value,
		2. Ojibway of Batchewana Natural Resources informed NextBridge that Black Birch has significant cultural value— Ojibway of Batchewana has informed NextBridge that any Black Birch cut in the RoW should be given to the Ojibway of Batchewana elders.
		Action Item: NextBridge will provide an opportunity for Ojibway of Batchewana to meet representatives of the general contractor, once selected. This meeting may be part of the proposed contractor tour of First Nation communities.
August 2, 2017	Email (Received)	Ojibways of Batchewana emailed NextBridge a copy of the IBI report.
August 22, 2017	Teleconference	NextBridge had a teleconference with Ojibways of Batchewana to discuss the following topics:
		- Ministry of Energy letter to <i>Independent Electricity System Operator</i>
		- Ojibways of Batchewana wants the Province of Ontario to know about their traditional territory;
		- Ojibways of Batchewana want to start consultation and participation discussions.
		Action Item: NextBridge send a letter to Batchewana.
		Action Item: NextBridge will arrange a meeting between Ojibways of Batchewana, NextBridge and Energy so Ojibways of Batchewana can send Ontario Notice.
		Action Item: Prior to the face-to-face meeting, NextBridge will attempt to have a teleconference between Ministry of Energy, Energy, NextBridge and BFN to discuss scope of assertion.
		Action Item: NextBridge internally will need to strategize on what is possible for economic participation for BFN given BLP is already done.

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## MEMORANDUM

**Table A-10: Ojibways of Batchewana**

Date	Communication	Communication Synopsis
August 25, 2017	Email (Received)	<p>Ojibways of Batchewana emailed NextBridge requesting confirmation of NextBridge's attendance for a meeting on September 6, 2017 between Ojibways of Batchewana, Independent Electricity System Operator, NextBridge and the Ministry of Energy.</p> <p>NextBridge responded by email to the Ojibways of Batchewana at 8:57 am stating that they spoke with the Ministry of Energy's staff who proposed a teleconference meeting on September 1, 2017. The Ministry of Energy indicated that after this teleconference, if Ojibways of Batchewana requires further discussions, they can organize meetings with the Ministry of Energy directly since discussions of assertion of traditional territory have broader implications than just NextBridge and speaks to the Duty to Consult relationship between the Crown and the First Nation. NextBridge indicated that the Ministry of Energy is aware that the Ojibways of Batchewana requested to meet in the first two weeks of September 2017 and will try to accommodate this timetable. NextBridge inquired if the Ojibways of Batchewana were available for a teleconference on September 1, 2017.</p>
August 28, 2017	Email (Sent)	NextBridge emailed Ojibways of Batchewana inquiring if the Ojibways of Batchewana have discussed having an introductory phone call with the Ministry of Energy on September 1, 2017.
September 1, 2017	Email (Received)	<p>Ojibways of Batchewana emailed NextBridge inquiring about the time for the September 1, 2017 teleconference.</p> <p>NextBridge responded by email to Ojibways of Batchewana at 8:41 am stating that no teleconference was set up as Ojibways of Batchewana had not provided confirmation. NextBridge stated that they can arrange a teleconference with the Ministry of Energy now.</p>
September 1, 2017	Teleconference	NextBridge and the Ministry of Energy had a teleconference with the Chief of Ojibways of Batchewana and members of Ojibways of Batchewana to discuss assertions, and Ojibways of Batchewana's expectations of NextBridge and the Crown.
September 11, 2017	Email (Received)	Ojibways of Batchewana's consultant emailed NextBridge providing the permit for their review.
September 14, 2017	Email (Sent)	NextBridge emailed Ojibways of Batchewana informing them that NextBridge has received the permit sent on September 11, 2017. NextBridge stated that a response is forthcoming and provided a Project map for consideration.
		File attached: Map160206Overview.pdf
September 19, 2017	Email (Received)	<p>Ojibways of Batchewana's consultant emailed NextBridge indicating that they are working on setting up a meeting with NextBridge on October 18, 2017. Ojibways of Batchewana's consultant requested a response to the permit on October 19, 2017 and indicated that they can provide an update on the meeting held with the Ministry of Energy on September 15, 2017 where the Ministry of Energy denied any responsibility for fulfilling the 'Duty to Consult' in a manner acceptable to the Ojibways of Batchewana.</p> <p>NextBridge responded by email to the Ojibways of Batchewana's consultant at 9:10 am requesting a teleconference next week with the Ojibways of Batchewana to walk through the permit and be clear on expectations and interpretations of key sections.</p>

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## MEMORANDUM

**Table A-11: Ojibways of Garden River**

Date	Communication	Communication Synopsis
June 29, 2017	Email (Sent)	NextBridge emailed Ojibways of Garden River regarding the Draft EA. NextBridge stated that the OECC has requested that a letter/note/email from the Ojibways of Garden River be on file that the EA document was requested. NextBridge requested a written request from Ojibways of Garden River for the final EA (hard copy and digital copy on USB).
July 19, 2017	Surface mail (Sent)	NextBridge mailed Ojibways of Garden River a hardcopy of the Cover Letter, Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director and EA Executive Summary, and digital copies of the Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director, Project footprint shapefiles and complete EA report.
July 24, 2017	Phone call (Made)	NextBridge telephoned Ojibways of Garden River to confirm receipt of the surface mail sent on July 19, 2017 but the telephone was unanswered.
August 4, 2017	Email (Received)	Ojibways of Garden River emailed NextBridge providing the draft Memorandum of Understanding (MOU) between Garden River First Nation and NextBridge for NextBridge's review.  NextBridge responded by email to Ojibways of Garden River at 2:29 pm, thanking them and stating that NextBridge will review.
August 14, 2017	Email (Received)	Ojibways of Garden River emailed NextBridge providing the draft Memorandum of Understanding between Ojibways of Garden River for NextBridge to review.
August 16, 2017	Email (Sent)	NextBridge emailed Ojibways of Garden River in response to the Ojibways of Garden River's email on August 14, 2017. NextBridge stated that the draft MOU will be sent to NextBridge's legal representative for review and suggested that the Ojibways of Garden River's legal council also review the document and correspond with NextBridge's legal representative directly to arrive at mutually agreed upon draft document. NextBridge stated that they will cover the Ojibways of Garden River's reasonable legal fees to their lawyer regarding the MOU. NextBridge indicated that they should discuss the overall budget in detail once the draft MOU is in place and agreed upon by both parties.
August 16, 2017	Email (Received)	Bell & Bernard emailed NextBridge in response to NextBridge's email on August 16, 2017 regarding the draft MOU. Bell & Bernard stated that they will discuss the draft MOU with NextBridge's legal representative and follow-up with NextBridge.
August 17, 2017	Email (Sent)	NextBridge emailed Ojibways of Garden River providing the letter of authorization from the Ministry of Natural Resources and Forestry to NextBridge to conduct Research in a Provincial Park or Conservation Reserve.  File attached: Letter of Authorization to conduct research in a Park.pdf
August 28, 2017	Email (Sent)	NextBridge emailed Ojibways of Garden River in response to the Ojibways of Garden River's August 14, 2017 email. NextBridge thanked them for providing the draft MOU and stated that they are reviewing the MOU in coordination with Michipicoten First Nation's MOU. NextBridge indicated that this is due to the similar structure and format and the processing of Michipicoten First Nation's MOU will provide direction on Ojibways of Garden River's MOU.

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A-20/30



## MEMORANDUM

**Table A-12: Pays Plat First Nation**

Date	Communication	Communication Synopsis
July 4, 2017	Email (Received)	Pays Plat First Nation emailed NextBridge, requesting a physical copy and digital copy of the final EA.
July 17, 2017	Email (Sent)	NextBridge emailed the Pays Plat First Nation CEO and monitors providing the fieldwork schedule for the week of July 17, 2017. NextBridge stated that company policy continues to advise that monitors keep roughly to an 80 km distance of travel one-way per day and that monitors continue to use their own equipment, including safety equipment and transport.
July 17, 2017	Email (Sent)	NextBridge emailed the Pays Plat First Nation CEO and monitors providing the fieldwork schedule for the week of July 23, 2017.
July 18, 2017	Email (Sent)	NextBridge emailed the Pays Plat First Nation CEO and monitors, stating that they have not received a response that monitors can join in the fieldwork scheduled for the week of July 23, 2017. NextBridge inquired if any Pays Plat First Nation monitors can participate.
July 19, 2017	Surface mail (Sent)	NextBridge mailed Pays Plat First Nation a hardcopy of the Cover Letter, Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director and EA Executive Summary, and digital copies of the Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director, Project footprint shapefiles and complete EA report.
July 24, 2017	Phone call (Made)	NextBridge telephoned Pays Plat First Nation to confirm receipt of the surface mail sent on July 19, 2017. NextBridge left a message with Pays Plat First Nation administration.
July 25, 2017	Email (Sent)	NextBridge emailed the Pays Plat First Nation monitors providing the fieldwork schedule for the week of July 22, 2017.
August 4, 2017	Email (Sent)	NextBridge emailed Pays Plat First Nation monitors providing the fieldwork schedule for the week of August 6, 2017 around the Wawa and Michipicoten areas.
August 8, 2017	Email (Sent)	NextBridge emailed the Pays Plat First Nation monitors providing the fieldwork schedule for the week of August 14, 2017. NextBridge provided health and safety information and noted that they expect only one day of work in their respective territories. NextBridge noted that their consultant expects monitors to be responsible for their own equipment and to arrange the use of their own equipment for the fieldwork day(s). NextBridge stated that if communities are unable to get equipment, monitors can meet the consultant at the muster point and review their approach and ask questions.
August 11, 2017	Email (Sent)	NextBridge emailed the Pays Plat First Nation monitor providing the fieldwork schedule for August 14, 2017. NextBridge noted the health and safety requirements.
August 12, 2017	Email (Sent)	NextBridge emailed the Pays Plat First Nation CEO and monitors providing the archaeology fieldwork schedule for the week of August 14, 2017. NextBridge also provided health and safety information.
August 14, 2017	Email (Sent)	NextBridge emailed the Pays Plat First Nation CEO and monitors providing the bat hibernacula acoustic monitoring fieldwork schedule for the week of August 14, 2017. NextBridge requested to be notified if the monitors have interest in participating. NextBridge provided health and safety information.
August 18, 2017	Email (Sent)	NextBridge emailed the Pays Plat First Nation CEO and monitors providing the archaeology monitoring fieldwork schedule for the week of August 21, 2017 for the west end of the Project. NextBridge provided logistical health and safety information.
August 21, 2017	Email (Sent)	NextBridge emailed the Pays Plat First Nation CEO and monitors providing the aquatic survey fieldwork schedule for the week of August 23, 2017. NextBridge provided logistical health and safety information and requested a response if the monitor has interest in participating in the fieldwork.

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## MEMORANDUM

**Table A-12: Pays Plat First Nation**

Date	Communication	Communication Synopsis
August 22, 2017	Email (Sent)	NextBridge emailed the Pays Plat First Nation CEO and monitors providing notification of Stage 2 Archaeological assessment surveys for the week of August 18 and 21, 2017 (as per the Project specific condition #2 of the MNRF Letter of Authorization to Conduct Research in a Provincial Park or Conservation Reserve). NextBridge noted that they will continue to send out weekly updates on surveys to ensure First Nations are aware of the archaeological consultant's activities and have opportunities to participate. NextBridge indicated that all identified Indigenous communities in the Project area have been sent the same notice letter.
August 25, 2017	Email (Sent)	NextBridge emailed the Pays Plat First Nation CEO and monitors providing the schedule for the August 28 to September 2, 2017 fieldwork. NextBridge requested that the monitors respond if they are interested in participating.
August 29, 2017	Email (Sent)	NextBridge emailed the Pays Plat First Nation monitor providing the schedule for the August 22 to September 1, 2017 aquatic survey fieldwork. NextBridge also provided logistical health and safety information.
August 30, 2017	Email (Sent)	NextBridge emailed the Pays Plat First Nation CEO and monitors providing the schedule for the August 30 to September 11, 2017 environmental survey fieldwork. NextBridge also provided logistical health and safety information.
September 2, 2017	Email (Sent)	NextBridge emailed the Pays Plat First Nation CEO and monitors providing logistical information for the September 6 to 16, 2017 field survey program. NextBridge requested to be notified if the monitor has interest in participating in any of the surveys.
September 2, 2017	Email (Sent)	NextBridge emailed the Pays Plat First Nation CEO and monitors providing logistical information for the September 3 to 9, 2017 field survey program. NextBridge requested to be notified if the monitor has interest in participating in any of the surveys.
September 10, 2017	Email (Sent)	NextBridge emailed the Pays Plat First Nation CEO and monitors providing logistical information for the September 11 to 15, 2017 archaeological field program. NextBridge requested to be notified if the monitor has interest in participating in the surveys.
September 12, 2017	Email (Received)	Shared Value Solutions Ltd. emailed NextBridge on behalf of Pays Plat First Nation providing Pays Plat First Nation's comments on the draft EA.
September 16, 2017	Email (Sent)	NextBridge emailed the Pays Plat First Nation CEO and monitors providing logistical information for the September 17 to 22, 2017 archaeological field survey program. NextBridge requested to be notified if the monitors has interest in participating in any of the surveys.
September 16, 2017	Email (Sent)	NextBridge emailed the Pays Plat First Nation CEO and monitors providing logistical information for the September 18 to 22, 2017 archaeological field survey program. NextBridge requested to be notified if the monitor has interest in participating in any of the surveys.
September 21, 2017	Email (Sent)	NextBridge emailed the Pays Plat First Nation CEO and monitors providing logistical information for the September 17 to 29, 2017 environmental field survey programs.
September 22, 2017	Email (Sent)	NextBridge emailed the Pays Plat First Nation CEO and monitors providing logistical information for the September 26 to 29, 2017 archaeological field survey program. NextBridge requested to be notified if the monitors have interest in participating in the survey program.
September 25, 2017	Meeting (In-person)	NextBridge met with the Bamkushwada Limited Partnership, which includes Pays Plat First Nation, and SuperCom to discuss commercial aspects of the Project.
September 26, 2017	Meeting (In-person)	NextBridge met with Pays Plat First Nation in Thunder Bay to discuss the Band Council Resolution and release of the final Shared Value Solutions report.
September 28, 2017	Email (Sent)	NextBridge emailed the Pays Plat First Nation CEO and monitors providing logistical information for a pre-field meeting before the helicopter flight scheduled on September 29, 2017. NextBridge requested to be notified if the monitors have interest in participating in the pre-field meeting.

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## MEMORANDUM

**Table A-13: Pic Mobert First Nation**

Date	Communication	Communication Synopsis
July 4, 2017	Email (Received)	Pic Mobert First Nation emailed NextBridge, requesting a physical copy of the final EA Executive Summary and a digital copy of the final EA on a memory stick.
July 17, 2017	Email (Sent)	NextBridge emailed the Pic Mobert First Nation monitor providing the fieldwork schedule for the week of July 17, 2017. NextBridge stated that company policy continues to advise that monitors keep roughly to an 80 km distance of travel one-way per day and that monitors continue to use their own equipment, including safety equipment and transport.
July 19, 2017	Surface mail (Sent)	NextBridge mailed Pic Mobert First Nation a hardcopy of the Cover Letter, Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director and EA Executive Summary, and digital copies of the Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director, Project footprint shapefiles and complete EA report.
July 24, 2017	Phone call (Made)	NextBridge telephoned Pic Mobert First Nation to confirm receipt of the surface mail sent on July 19, 2017 but the telephone was unanswered.
August 4, 2017	Email (Sent)	NextBridge emailed Pic Mobert First Nation monitors providing the fieldwork schedule for the week of August 6, 2017 around the Wawa and Michipicoten areas.
August 11, 2017	E-mail (Sent)	NextBridge emailed the Pic Mobert First Nation monitor providing the archaeology fieldwork schedule for August 14, 2017. NextBridge noted the health and safety requirements.
August 14, 2017	Email (Sent)	NextBridge emailed the Pic Mobert First Nation monitor providing the bat hibernacula acoustic monitoring fieldwork schedule for the week of August 14, 2017. NextBridge requested to be notified if the monitor has interest in participating. NextBridge provided health and safety information.
August 18, 2017	Email (Sent)	NextBridge emailed the Pic Mobert First Nation monitor providing the archaeology monitoring fieldwork schedule for the week of August 21, 2017 for the west end of the Project. NextBridge provided logistical health and safety information.
August 18, 2017	Email (Sent)	NextBridge emailed the Pic Mobert First Nation monitor providing the archaeology monitoring fieldwork schedule for the week of August 21, 2017 for the east end of the Project. NextBridge requested to be notified if they have an interest in participating.
August 21, 2017	Email (Sent)	NextBridge emailed the Pic Mobert First Nation monitor providing the aquatic survey fieldwork schedule for the week of August 23, 2017. NextBridge provided logistical health and safety information and requested a response if the monitor has interest in participating in the fieldwork.
August 22, 2017	Email (Sent)	NextBridge emailed the Pic Mobert First Nation monitor providing notification of Stage 2 Archaeological assessment surveys for the week of August 18 and 21, 2017 (as per the Project specific condition #2 of the MNRF Letter of Authorization to Conduct Research in a Provincial Park or Conservation Reserve). NextBridge noted that they will continue to send out weekly updates on surveys to ensure First Nations are aware of the archaeological consultant's activities and have opportunities to participate. NextBridge indicated that all identified Indigenous communities in the Project area have been sent the same notice letter.
August 25, 2017	Email (Sent)	NextBridge emailed the Pic Mobert First Nation monitor providing the schedule for the August 28 to September 2, 2017 fieldwork. NextBridge requested that the monitor respond if they are interested in participating.
September 2, 2017	Email (Sent)	NextBridge emailed the Pic Mobert First Nation monitor providing logistical information for the September 6 to 16, 2017 field survey program. NextBridge requested to be notified if the monitor has interest in participating in any of the surveys.
September 2, 2017	Email (Sent)	NextBridge emailed the Pic Mobert First Nation monitor providing logistical information for the September 3 to 9, 2017 field survey program. NextBridge requested to be notified if the monitor has interest in participating in any of the surveys.

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A-23/30



## MEMORANDUM

**Table A-13: Pic Mobert First Nation**

Date	Communication	Communication Synopsis
September 10, 2017	Email (Sent)	NextBridge emailed the Pic Mobert First Nation monitor providing logistical information for the September 11 to 15, 2017 archaeological field program. NextBridge requested to be notified if the monitor has interest in participating in the surveys.
September 10, 2017	Email (Sent)	NextBridge emailed the Pic Mobert First Nation monitor providing logistical information for the September 9 to 16, 2017 archaeological field program. NextBridge requested to be notified if the monitor has interest in participating in the surveys.
September 16, 2017	Email (Sent)	NextBridge emailed Pic Mobert First Nation monitor providing logistical information for the September 17 to 22, 2017 archaeological field survey program. NextBridge requested to be notified if the monitor has interest in participating in any of the surveys.
September 16, 2017	Email (Sent)	NextBridge emailed the Pic Mobert First Nation monitor providing logistical information for the September 18 to 22, 2017 archaeological field survey program. NextBridge requested to be notified if the monitor has interest in participating in any of the surveys.
September 21, 2017	Email (Sent)	NextBridge emailed the Pic Mobert First Nation monitor providing logistical information for the September 17 to 29, 2017 environmental field survey programs.
September 22, 2017	Email (Sent)	NextBridge emailed the Pic Mobert First Nation monitor providing logistical information for the September 26 to 29, 2017 archaeological field survey program. NextBridge requested to be notified if the monitor has interest in participating in the survey program.
September 25, 2017	Meeting (In-person)	NextBridge met with the Bamkushwada Limited Partnership, which includes Pic Mobert First Nation, and SuperCom to discuss commercial aspects of the Project.

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## MEMORANDUM

**Table A-14: Red Rock Indian Band**

Date	Communication	Communication Synopsis
June 27, 2017	Letter (Received) via Email	Red Rock Indian Band emailed NextBridge a letter attachment dated June 12, 2017 regarding capacity funding to support the Project EA review. The letter stated that Red Rock Indian Band are collaborating with five other First Nations to conduct a joint review of the EA using the consultant Shared Value Solutions, who will provide NextBridge with a Final Report, endorsed by the First Nation.
June 28, 2017	Email (Sent)	NextBridge emailed Red Rock Indian Band to confirm the community's preferred method for distribution of the final EA report.
June 12, 2017	Email (Sent)	NextBridge emailed Red Rock Indian Band following up on the community's preferred method for distribution of the final EA report.
July 17, 2017	Email (Sent)	NextBridge emailed the Red Rock Indian Band monitor providing the fieldwork schedule for the week of July 17, 2017. NextBridge stated that company policy continues to advise that monitors keep roughly to an 80 km distance of travel one-way per day and that monitors continue to use their own equipment, including safety equipment and transport.
July 18, 2017	Email (Received)	Red Rock Indian Band emailed NextBridge requesting the final EA in both print and digital format.
July 19, 2017	Surface mail (Sent)	NextBridge mailed Red Rock Indian Band a hardcopy of the Cover Letter, Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director and EA Executive Summary, and digital copies of the Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director, Project footprint shapefiles and complete EA report.
July 24, 2017	Phone call (Made)	NextBridge left a message with Red Rock Indian Band to confirm receipt of the surface mail sent on July 19, 2017.
August 8, 2017	Email (Sent)	NextBridge emailed the Red Rock Indian Band monitor providing the fieldwork schedule for the week of August 14, 2017. NextBridge provided health and safety information and noted that they expect only one day of work in their respective territories. NextBridge noted that their consultant expects monitors to be responsible for their own equipment and to arrange the use of their own equipment for the fieldwork day(s). NextBridge stated that if communities are unable to get equipment, monitors can meet the consultant at the muster point and review their approach and ask questions.
August 12, 2017	Email (Sent)	NextBridge emailed the Red Rock Indian Band monitor providing the archaeology fieldwork schedule for the week of August 14, 2017. NextBridge also provided health and safety information.
August 14, 2017	Email (Sent)	NextBridge emailed the Red Rock Indian Band monitor providing the bat hibernacula acoustic monitoring fieldwork schedule for the week of August 14, 2017. NextBridge requested to be notified if the monitor has interest in participating. NextBridge provided health and safety information.
August 18, 2017	Email (Sent)	NextBridge emailed the Red Rock Indian Band monitor providing the archaeology monitoring fieldwork schedule for the week of August 21, 2017 for the west end of the Project. NextBridge provided logistical health and safety information.
August 21, 2017	Email (Sent)	NextBridge emailed the Red Rock Indian Band monitor providing the aquatic survey fieldwork schedule for the week of August 23, 2017. NextBridge provided logistical health and safety information and requested a response if the monitor has interest in participating in the fieldwork.

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# MEMORANDUM

**Table A-14: Red Rock Indian Band**

Date	Communication	Communication Synopsis
August 21, 2017	Email (Received)	<p>The Red Rock Indian Band monitor emailed NextBridge requesting the archaeological findings from the archaeological consultant's fieldwork. The Red Rock Indian Band monitor stated that they have an interest in reviewing the findings along the line.</p> <p>NextBridge responded by email to the Red Rock Indian Band monitor at 12:01 pm stating that they can request a draft list of all finds from the archaeological consultant as well as the Stage 2 Archaeological Reports which will provide more detail.</p> <p>NextBridge and the Red Rock Indian Band monitor exchanged two additional emails later that day regarding archaeological findings. NextBridge stated that the archaeological consultant has stated that no artefacts have been found so far and the Stage 2 Archaeological Reports will be drafted after the field season in late fall and winter 2017 and finalized in winter 2018.</p> <p>NextBridge emailed the Red Rock Indian Band monitor providing notification of Stage 2 Archaeological assessment surveys for the week of August 18 and 21, 2017 (as per the Project specific condition #2 of the MNRF Letter of Authorization to Conduct Research in a Provincial Park or Conservation Reserve). NextBridge noted that they will continue to send out weekly updates on surveys to ensure First Nations are aware of the archaeological consultant's activities and have opportunities to participate. NextBridge indicated that all identified Indigenous communities in the Project area have been sent the same notice letter.</p>
August 22, 2017	Email (Sent)	<p>The Red Rock Indian Band monitor emailed NextBridge in response to NextBridge's August 21, 2017 email regarding the aquatic field surveys. The Red Rock Indian Band monitor inquired about map labelling.</p>
August 22, 2017	Email (Received)	<p>NextBridge responded by email to the Red Rock Indian band monitor at 12:26 pm providing a Google Earth kmz file and stated that their consultant can provide additional detail on the exact locations for watercourses.</p>
August 25, 2017	Email (Sent)	<p>NextBridge emailed the Red Rock Indian Band monitor providing the schedule for the August 28 to September 2, 2017 archaeological fieldwork. NextBridge requested that the monitor respond if they are interested in participating.</p>
August 25, 2017	Email (Sent)	<p>NextBridge emailed the Red Rock Indian Band monitor providing the schedule for the August 28 to September 2, 2017 fieldwork. NextBridge requested that the monitor respond if they are interested in participating.</p>
August 29, 2017	Email (Sent)	<p>NextBridge emailed the Red Rock Indian Band monitor providing the schedule for the August 22 to September 1, 2017 aquatic survey fieldwork. NextBridge also provided logistical health and safety information.</p>
August 30, 2017	Email (Sent)	<p>NextBridge emailed the Red Rock Indian Band monitor providing the schedule for the August 30 to September 11, 2017 environmental survey fieldwork. NextBridge also provided logistical health and safety information.</p>
September 2, 2017	Email (Sent)	<p>NextBridge emailed Red Rock Indian Band monitor providing logistical information for the September 6 to 16, 2017 field survey program. NextBridge requested to be notified if the monitor has interest in participating in any of the surveys.</p>
September 2, 2017	Email (Sent)	<p>NextBridge emailed Red Rock Indian Band monitor providing logistical information for the September 5 to 9, 2017 archaeological field program.</p>
September 2, 2017	Email (Sent)	<p>NextBridge emailed Red Rock Indian Band monitor providing logistical information for the September 3 to 9, 2017 field survey program. NextBridge requested to be notified if the monitor has interest in participating in any of the surveys.</p>
September 10, 2017	Email (Sent)	<p>NextBridge emailed Red Rock Indian Band monitor providing logistical information for the September 11 to 15, 2017 archaeological field program. NextBridge requested to be notified if the monitor has interest in participating in the surveys.</p>
September 12, 2017	Email (Received)	<p>Shared Value Solutions Ltd. emailed NextBridge on behalf of Red Rock Indian Band providing Animbigoo Zaagi'igan Red Rock Indian Band's comments on the draft EA.</p>

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## MEMORANDUM

**Table A-14: Red Rock Indian Band**

Date	Communication	Communication Synopsis
September 16, 2017	Email (Sent)	NextBridge emailed Red Rock Indian Band monitor providing logistical information for the September 17 to 22, 2017 archaeological field survey program. NextBridge requested to be notified if the monitor has interest in participating in any of the surveys.
September 16, 2017	Email (Sent)	NextBridge emailed Red Rock Indian Band monitor providing logistical information for the September 18 to 22, 2017 archaeological field survey program. NextBridge requested to be notified if the monitor has interest in participating in any of the surveys.
September 21, 2017	Email (Sent)	NextBridge emailed Red Rock Indian Band monitor providing logistical information for the September 17 to 29, 2017 environmental field survey programs.
September 22, 2017	Email (Sent)	NextBridge emailed Red Rock Indian Band monitor providing logistical information for the September 26 to 29, 2017 archaeological field survey program. NextBridge requested to be notified if the monitor has interest in participating in the survey program.
September 22, 2017	Meeting (In-person)	NextBridge met with Red Rock Indian Band to discuss access to private property for environmental surveys, as well as the 2017 archaeology monitoring program. No concerns were raised.
September 25, 2017	Meeting (In-person)	NextBridge met with the Bamkushwada Limited Partnership, which includes Red Rock Indian Band, and SuperCom to discuss commercial aspects of the Project.
September 28, 2017	Email (Sent)	NextBridge emailed Red Rock Indian Band monitor providing logistical information for a pre-field meeting before the helicopter flight scheduled on September 29, 2017. NextBridge requested to be notified if the monitor has interest in participating in the pre-field meeting.

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## MEMORANDUM

**Table A-15: Métis Nation of Ontario**

Date	Communication	Communication Synopsis
July 14, 2017	Meeting (In-person)	<p>NextBridge attended the Métis Nation of Ontario Community Information Session. NextBridge provided an overview of the Project, including an overview of the EA. Questions were related to the following topics: regulatory process, land acquisition process, construction design, operational questions about power generation and billing, EA approach, concerns about watercourses and spawning, reforestation plans, contracting opportunities, access roads, route questions, and what species of risk were considered in the EA.</p> <p>Action Item: Next-Bridge to follow-up with Métis Nation of Ontario to provide the number of hectares of Crown land to be crossed/acquired.</p>
July 19, 2017	Surface mail (Sent)	<p>NextBridge mailed Métis Nation of Ontario a hardcopy of the Cover Letter, Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director and EA Executive Summary, and digital copies of the Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director, Project footprint shapefiles and complete EA report.</p>
July 24, 2017	Phone call (Made)	<p>NextBridge telephoned Métis Nation of Ontario to confirm receipt of the surface mail sent on July 19, 2017. Métis Nation of Ontario confirmed receipt.</p>
September 5, 2017	Email (Sent)	<p>NextBridge emailed the Métis Nation of Ontario notifying them that the Final EA Report is now available on the MOECC's website. NextBridge requested confirmation that the Métis Nation of Ontario would like an electronic copy of the Final EA Report along with a printed copy of the Executive Summary.</p> <p>The Métis Nation of Ontario responded by email to NextBridge at 2:30 pm stating that they do not require further copies as they received the Final EA Report on USB sticks in July 2017 which have been distributed to the Métis Nation of Ontario's consultation committee. The Métis Nation of Ontario stated that their comments on the Final EA Report to the MOECC are due on September 12, 2017.</p>
September 12, 2017	Email (Received)	<p>NextBridge responded by email to the Métis Nation of Ontario at 12:37 pm thanking them for confirming.</p> <p>Métis Nation of Ontario emailed NextBridge their comments on the Final EA Report.</p> <p>Files Received: 12 09 2017 MOECC East West Tie Final EA.pdf; 11SEP17_Compiled EA Review for EWT_v3.pdf; 11SEP17_Final EA Review Chart for EWT_v3.docx; 11SEP18_AppendixB_v3.docx.</p>

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## MEMORANDUM

**Table A-16: Red Sky Métis Independent Nation**

Date	Communication	Communication Synopsis
July 19, 2017	Surface mail (Sent)	NextBridge mailed Red Sky Métis Independent Nation a hardcopy of the Cover Letter, Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director and EA Executive Summary, and digital copies of the Notice of Submission, Acknowledgement of Receipt Form, Letter to the MOECC Director, Project footprint shapefiles and complete EA report.
July 24, 2017	Phone call (Made)	NextBridge telephoned Red Sky Métis Independent Nation to confirm receipt of the surface mail sent on July 19, 2017 but the telephone call was unanswered.
September 5, 2017	Email (Sent)	<p>NextBridge emailed Red Sky Métis Independent Nation, notifying them that information on the Project is now available on the Ministry of Environment and Climate Change's website. NextBridge requested confirmation that the Red Sky Métis Independent Nation would like an electronic copy and a printed copy of the Executive Summary of the Final EA Report.</p> <p>Red Sky Métis Independent Nation responded by email to NextBridge at 4:44 pm thanking them for the website link and confirmed that they do not need further copies. Red Sky Métis Independent Nation stated that they have reviewed the Final EA Report and have noted that many of their concerns have not been addressed. Red Sky Métis Independent Nation stated that they did not receive feedback from the draft report they sent to NextBridge and it is unclear why the information Red Sky Métis Independent Nation provided to NextBridge was not integrated into the Final EA. Red Sky Métis Independent Nation noted that the deadline for comments is September 12, 2017 which leaves little opportunity to discuss alternatives and mitigation measures. Red Sky Métis Independent Nation requested that NextBridge provide a response and rationale to the report Red Sky Métis Independent Nation sent to NextBridge regarding the Draft EA Report.</p> <p>NextBridge responded to Red Sky Métis Independent Nation at 5:16 pm thanking them for their response. NextBridge requested that Red Sky Métis Independent Nation resend their initial comments prepared for the Project. NextBridge stated that they will work with their consultant to determine how to incorporate comments or if comments have been addressed, how to highlight better to Red Sky Métis Independent Nation that comments have been incorporated.</p> <p>NextBridge emailed Red Sky Métis Independent Nation to follow-up on a note sent by their colleague regarding the EA and Red Sky Métis Independent Nation's comments. NextBridge inquired if Red Sky Métis Independent Nation is available to discuss the comments this week.</p>
September 5, 2017	Email (Sent)	NextBridge telephoned Red Sky Métis Independent Nation, explaining that NextBridge has their comments and that they were incorporated into the Final EA. Red Sky Métis Independent Nation agreed to a teleconference on September 8, 2017 so that NextBridge can explain how each point or issue was incorporated.
September 6, 2017	Telephone (Sent)	NextBridge and their consultant had a teleconference with Red Sky Métis Independent Nation to discuss Red Sky Métis Independent Nation's comments on the Draft EA Report and explain how their comments were incorporated into the Final EA Report.
September 8, 2017	Conference Call	<p>Action Items:</p> <ul style="list-style-type: none"> <li>• NextBridge to initiate a Data Sharing Agreement with Red Sky Métis Independent Nation</li> <li>• NextBridge will setup a meeting between Red Sky Métis Independent Nation and their consultant to discuss archaeological sites of interest</li> <li>• NextBridge to provide a copy of the Attachment MNRF O/G-05</li> <li>• NextBridge to provide a copy of the Attachment Red Sky Métis Independent Nation-016</li> <li>• NextBridge to confirm which Highway the transmission line follows between White River to Wawa.</li> </ul> <p>NextBridge will revise the firearm and domestic animal prohibition statement in the construction EPP.</p>

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## MEMORANDUM

**Table A-16: Red Sky Métis Independent Nation**

Date	Communication	Communication Synopsis
September 8, 2017	Telephone (Sent)	NextBridge telephoned Red Sky Métis Independent Nation and discussed the design of the guyed towers. Red Sky Métis Independent Nation referenced an article that indicated that similar towers to NextBridge's were used in British Columbia, and due to the tower design, resulted in injured birds. NextBridge and Red Sky Métis Independent Nation discussed NextBridge's EA mitigation, including design that is specific to the northern Ontario environment.
September 14, 2017	Email (Sent)	NextBridge emailed Red Sky Métis Independent Nation providing the draft meeting minutes from September 8, 2017 teleconference for their review. NextBridge requested to be notified Red Sky Métis Independent Nation finds the minutes accurate or if it has omitted anything.
September 18, 2017	Email (Received)	Red Sky Métis Independent Nation emailed NextBridge in response to NextBridge's September 14, 2017 email regarding meeting minutes from September 8, 2017. Red Sky Métis Independent Nation indicated that they do not have anything to add to the draft meeting minutes and look forward to working with NextBridge on the action items.
September 19, 2017	Email (Sent)	NextBridge emailed Red Sky Métis Independent Nation inquiring if they are available this week (September 20 or 21, 2017) for a call with their consultant to discuss Stage 2 archaeology. NextBridge noted that this was one of the action items from the September 8, 2017 teleconference meeting.
September 21, 2017	Email (Sent)	NextBridge emailed Red Sky Métis Independent Nation inquiring about their availability for a call on the morning of September 22, 2017.  Red Sky Métis Independent Nation responded by email to NextBridge at 5:27 pm confirming their availability for a call on the morning of September 22, 2017.
September 22, 2017	Email (Sent)	NextBridge emailed Red Sky Métis Independent Nation providing the teleconference details.  NextBridge and Red Sky Métis Independent Nation to discuss to the findings of the 2017 archaeology program.
September 22, 2017	Conference call	Action item Red Sky Métis Independent Nation requested Stantec's shapefiles for their archaeology program for comparison against the locations of their sensitive sites. Red Sky Métis Independent Nation will inform NextBridge if there is overlap in sensitive sites and archaeological survey sites.

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## MEMORANDUM

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**TO** Agni Papageorgiou, Ministry of the Environment and Climate Change

**DATE** November 30, 2017

**FROM** Herb Shields, NextBridge Infrastructure LP

**PROJECT No.** 1536607/6000/7005

### INDIGENOUS CONSULTATION MONTHLY UPDATE

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## 1.0 INTRODUCTION

NextBridge Infrastructure LP (NextBridge) has prepared the following update on Indigenous consultation and engagement activities between September 27, 2017 and October 31, 2017 for the East-West Tie Transmission Project (the Project). Included is an update on consultation and engagement activities by Indigenous community and an update on the status of outstanding (Traditional Ecological Knowledge) TEK and Traditional Land Use (TLU) reports. The memo also includes plans to incorporate outstanding TEK and TLU information into EA reporting and Project planning specific to each Indigenous community. Also included is an update on the receipt of comments on the draft and final EA Reports received from Indigenous communities and NextBridge's response. The supporting record of consultation and engagement for this same time period is included as Appendix A. Please refer to Section 2.2 of the EA Report (NextBridge 2017) for further information on NextBridge's approach to Indigenous engagement and consultation, including the process and methods.

In order to maintain the current Project schedule, consultation information and comments received before the end of October 2017 will be addressed in the Amended EA Report. After that period, the consultation information will be incorporated as part of the monthly update memo while comments will be addressed in the amended EA as much as feasible (but not guaranteed).

## 2.0 INDIGENOUS COMMUNITY UPDATES

### 2.1 Animbiigoo Zaagi'igan Anishinaabek First Nation (Lake Nipigon Ojibway)

There have been no further meetings with Animbiigoo Zaagi'igan Anishinaabek First Nation since those reported in the EA Report and no additional concerns with the Project have been identified during this reporting period. As directed by the Ontario Energy Board (OEB), NextBridge couriered an information package to Animbiigoo Zaagi'igan Anishinaabek First Nation on October 18, 2017. The information package contained material regarding NextBridge's Leave to Construct the Project application under Section 92, OEB Act, Hydro One Networks (Transmission)'s Leave to Construct application to upgrade, Project schedule, and public notices in Ojibway, English, French and Cree. The public notices provided information related to each application and details on how to participate in the proceeding. The information package was electronically sent to Animbiigoo Zaagi'igan Anishinaabek First Nation on October 31, 2017. The record of consultation and engagement for Animbiigoo Zaagi'igan Anishinaabek First Nation is included in Appendix A, Table A-1.



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### 2.2 Biigtigong Nishnaabeg<sup>1</sup>

There have been no further meetings with Biigtigong Nishnaabeg since those reported in the EA Report and no additional concerns with the Project have been identified during this reporting period.

As directed by the OEB, NextBridge couriered an information package to Biigtigong Nishnaabeg on October 18, 2017. The information package contained material regarding NextBridge's Leave to Construct the Project application under Section 92, OEB Act, Hydro One Networks (Transmission)'s Leave to Construct application to upgrade, Project schedule, and public notices in Ojibway, English, French and Cree. The public notices provided information related to each application and details on how to participate in the proceeding. The information package was electronically sent to Biigtigong Nishnaabeg on October 27, 2017.

Bamkushwada, a group of six Northern Superior Anishinaabek First Nations (of which Biigtigong Nishnaabeg is a member of), provided a letter of support for the Project on October 30, 2017. The letter was addressed to the Ontario Minister of Energy and strongly encouraged the Minister to stand behind the Order in Council identifying the Project as a priority and support NextBridge's efforts to meet a 2020 in-service date.

The record of consultation and engagement during this reporting period for Biinjitiwaabik Zaaging Anishinaabek First Nation is in Appendix A, Table A-2.

### 2.3 Biinjitiwaabik Zaaging Anishinaabek First Nation (Rocky Bay)

There have been no further meetings with Biinjitiwaabik Zaaging Anishinaabek First Nation since those reported in the EA Report and no additional concerns with the Project have been identified during this reporting period. NextBridge is currently drafting responses to Biinjitiwaabik Zaaging Anishinaabek First Nation's comments on the EA report that were received on September 12, 2017.

As directed by the OEB, NextBridge couriered an information package to Biinjitiwaabik Zaaging Anishinaabek First Nation on October 18, 2017. The information package contained material regarding NextBridge's Leave to Construct the Project application under Section 92, OEB Act, Hydro One Networks (Transmission)'s Leave to Construct application to upgrade, Project schedule, and public notices in Ojibway, English, French and Cree. The public notices provided information related to each application and details on how to participate in the proceeding. The information package was electronically sent to Biinjitiwaabik Zaaging Anishinaabek First Nation on October 31, 2017. The record of consultation and engagement during this reporting period for Biinjitiwaabik Zaaging Anishinaabek First Nation is in Appendix A, Table A-3.

### 2.4 Bingwi Neyaashi Anishinaabek (Sand Point First Nation)

There have been no further meetings with Bingwi Neyaashi Anishinaabek since those reported in the EA Report and no additional concerns with the Project have been identified during this reporting period. NextBridge is currently drafting responses to Bingwi Neyaashi Anishinaabek's comments on the EA report that were received on September 12, 2017.

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<sup>1</sup> Ojibways of Pic River changed their name to Biigtigong Nishnaabeg in September 2015. Biigtigong Nishnaabeg requested that this name be used in the EA, therefore all references to this community will be under the name Biigtigong Nishnaabeg.

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As directed by the OEB, NextBridge couriered an information package to Bingwi Neyaashi Anishinaabek on October 18, 2017. The information package contained material regarding NextBridge's Leave to Construct the Project application under Section 92, OEB Act, Hydro One Networks (Transmission)'s Leave to Construct application to upgrade, Project schedule, and public notices in Ojibway, English, French and Cree. The public notices provided information related to each application and details on how to participate in the proceeding. The information package was electronically sent to Bingwi Neyaashi Anishinaabek on October 31, 2017. The record of consultation and engagement during this reporting period for Bingwi Neyaashi Anishinaabek is in Appendix A, Table A-4.

### 2.5 Fort William First Nation

There have been no further meetings with Fort William First Nation since those reported in the EA Report. Fort William First Nation has also not reported to NextBridge any additional concerns with the Project during this reporting period. NextBridge is currently drafting responses to Fort William First Nation's comments on the EA report received on September 12, 2017. Fort William First Nation provided the results of TLU and TEK information collection in their community in a report emailed to NextBridge on October 20, 2017. Fort William First Nation's TLU and TEK information will be incorporated into the Amended EA Report.

As directed by the OEB, NextBridge couriered an information package to Fort William First Nation on October 18, 2017. The information package contained material regarding NextBridge's Leave to Construct the Project application under Section 92, OEB Act, Hydro One Networks (Transmission)'s Leave to Construct application to upgrade, Project schedule, and public notices in Ojibway, English, French and Cree. The public notices provided information related to each application and details on how to participate in the proceeding. The information package was electronically sent to Fort William First Nation on October 31, 2017.

Bamkushwada, a group of six Northern Superior Anishinabek First Nations (of which Fort William First Nation is a member of), provided a letter of support for the Project on October 30, 2017. The letter was addressed to the Ontario Minister of Energy and strongly encouraged the Minister to stand behind the Order in Council identifying the Project as a priority and support NextBridge's efforts to meet a 2020 in-service date. The record of consultation and engagement during this reporting period for Fort William First Nation is in Appendix A, Table A-5.

### 2.6 Ginoogaming First Nation

Ginoogaming First Nation has indicated that they do not have interests in the area of the Project and have not engaged with NextBridge on the Project. As a result, there have been no further meetings with Ginoogaming First Nation and no additional concerns with the Project have been identified beyond those reported in the EA Report.

As directed by the OEB, NextBridge couriered an information package to Ginoogaming First Nation on October 18, 2017. The information package contained material regarding NextBridge's Leave to Construct the Project application under Section 92, OEB Act, Hydro One Networks (Transmission)'s Leave to Construct application to upgrade, Project schedule, and public notices in Ojibway, English, French and Cree. The public notices provided information related to each application and details on how to participate in the proceeding. The information package was electronically sent to Ginoogaming First Nation on October 31, 2017. The record of consultation and engagement during this reporting period with Ginoogaming First Nation is in Appendix A, Table A-6.

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## MEMORANDUM

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### 2.7 Long Lake No. 58 First Nation

There have been no meetings with Long Lake No. 58 First Nation since those reported in the EA Report. No additional Project concerns have been identified by Long Lake No. 58 First Nation beyond those reported in the EA report. To date, NextBridge has not received comments from Long Lake No. 58 First Nation, but expects that any comments would be submitted in November 2017. NextBridge does not expect any further TEK or TLU information related to the Project to be submitted by Long Lake No. 58 First Nation.

As directed by the OEB, NextBridge couriered an information package to Long Lake No. 58 First Nation on October 18, 2017. The information package contained material regarding NextBridge's Leave to Construct the Project application under Section 92, OEB Act, Hydro One Networks (Transmission)'s Leave to Construct application to upgrade, Project schedule, and public notices in Ojibway, English, French and Cree. The public notices provided information related to each application and details on how to participate in the proceeding. The information package was electronically sent to Long Lake No. 58 First Nation on October 31, 2017.

The record of consultation and engagement during this reporting period with Long Lake No. 58 First Nation is in Appendix A, Table A-7.

### 2.8 Michipicoten First Nation

There have been no meetings between NextBridge and Michipicoten First Nation since the submission of the EA Report. Michipicoten First Nation is also one of five communities that have contracted IBI Group to undertake a combined review of the draft EA Report. Each of these communities may provide comments based on the results of this review. To date, NextBridge has not received comments from Michipicoten, but expects that any comments would be submitted in November 2017.

Bell & Bernard, Michipicoten's consultant, emailed NextBridge on September 27, 2017 inquiring about when the Final EA Report will be sent to the First Nations. NextBridge responded on October 18, 2017 confirming that a copy of the Final EA Report was sent to Michipicoten First Nation on July 24, 2017 and provided the delivery receipt. Bell & Bernard thanked them for the clarification and noted that they have also sent a letter of issues and concerns (dated July 10, 2017). NextBridge has drafted a response to the letter and will provide it to Michipicoten First Nation in November 2017.

As directed by the OEB, NextBridge couriered an information package to Michipicoten First Nation on October 18, 2017. The information package contained material regarding NextBridge's Leave to Construct the Project application under Section 92, OEB Act, Hydro One Networks (Transmission)'s Leave to Construct application to upgrade, Project schedule, and public notices in Ojibway, English, French and Cree. The public notices provided information related to each application and details on how to participate in the proceeding. The information package was electronically sent to Michipicoten First Nation on October 27, 2017.

Bamkushwada, a group of six Northern Superior Anishinabek First Nations (of which Michipicoten First Nation is a member of), provided a letter of support for the Project on October 30, 2017. The letter was addressed to the Ontario Minister of Energy and strongly encouraged the Minister to stand behind the Order in Council identifying the Project as a priority and support NextBridge's efforts to meet a 2020 in-service date.

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## MEMORANDUM

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No Project concerns have been identified during this reporting period. The record of consultation and engagement during this reporting period with Michipicoten First Nation is in Appendix A, Table A-8.

### 2.9 Missanabie Cree First Nation

There have been no meetings with Missanabie Cree First Nation since those reported in the EA Report. No concerns were recorded during this reporting period. Missanabie Cree First Nation emailed NextBridge their Internal Review Report of the Draft EA Report on September 29, 2017. NextBridge acknowledged receipt of the email and report on October 17, 2017 and indicated that they will follow-up shortly to provide responses to the specific questions from the Internal Review Report and provide an update on amended EA documents. These comments will be addressed in the Amended EA Report and responded to under separate cover.

As directed by the OEB, NextBridge couriered an information package to Missanabie Cree First Nation on October 18, 2017. The information package contained material regarding NextBridge's Leave to Construct the Project application under Section 92, OEB Act, Hydro One Networks (Transmission)'s Leave to Construct application to upgrade, Project schedule, and public notices in Ojibway, English, French and Cree. The public notices provided information related to each application and details on how to participate in the proceeding. The information package was electronically sent to Missanabie Cree First Nation on October 27, 2017.

Michipicoten First Nation emailed NextBridge regarding the final payment as per their Capacity Funding Agreement on October 27, 2017 and NextBridge responded that day requesting an invoice for processing.

Based on the consultation and engagement efforts to date, NextBridge does not expect any further TEK or TLU information related to the Project to be submitted by Missanabie Cree First Nation. To date, NextBridge has not received comments from Missanabie Cree First Nation, but expects that any comments would be submitted by November 2017. The record of consultation and engagement during this reporting period with Missanabie Cree First Nation is in Appendix A, Table A-9.

### 2.10 Ojibways of Batchewana

There have been no meetings between and Ojibways of Batchewana since the last reporting period. NextBridge emailed Ojibways of Batchewana's consultant, IBI Group, requesting clarification on the presentation materials sent to NextBridge. A response from IBI Group has not been received to date. It is expected that Ojibways of Batchewana will not be providing formal comments on the Draft EA, however, general concerns regarding the consultation and engagement process have been expressed in a letter dated June 13, 2017. NextBridge will include and respond to these comments in the Amended EA Report and under separate cover.

As directed by the OEB, NextBridge couriered an information package to the Ojibways of Batchewana on October 18, 2017. The information package contained material regarding NextBridge's Leave to Construct the Project application under Section 92, OEB Act, Hydro One Networks (Transmission)'s Leave to Construct application to upgrade, Project schedule, and public notices in Ojibway, English, French and Cree. The public notices provided information related to each application and details on how to participate in the proceeding. The information package was electronically sent to Ojibways of Batchewana on October 27, 2017.

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Ojibways of Batchewana and NextBridge are currently in discussions regarding the potential for Project-specific TLU and TEK data collection. The record of consultation and engagement during this reporting period with Ojibways of Batchewana is in Appendix A, Table A-10.

### 2.11 Ojibways of Garden River

There have been no meetings between NextBridge and the Ojibways of Garden River since the submission of the EA Report and no additional Project concerns have been identified by the Ojibways of Garden River besides those in the EA report. Ojibways of Garden River and four other Indigenous communities have contracted IBI Group to undertake a combined review of the draft EA Report. Each of these communities may provide comments based on the results of this review. To date, NextBridge has not received comments from Ojibways of Garden River on the draft EA Report, but expects that any comments would be submitted in November 2017.

As directed by the OEB, NextBridge couriered an information package to the Ojibways of Garden River on October 18, 2017. The information package contained material regarding NextBridge's Leave to Construct the Project application under Section 92, OEB Act, Hydro One Networks (Transmission)'s Leave to Construct application to upgrade, Project schedule, and public notices in Ojibway, English, French and Cree. The public notices provided information related to each application and details on how to participate in the proceeding. The information package was electronically sent to Ojibways of Garden River on October 27, 2017.

NextBridge and Ojibways of Garden River are currently in discussions about the potential for Project-specific TLU and TEK data gathering. The record of consultation and engagement during this reporting period with Ojibways of Garden River is in Appendix A, Table A-11.

### 2.12 Pays Plat First Nation

There have been no meetings between NextBridge and Pays Plat First Nation during this reporting period. Pays Plat First Nation, along with Animbiigoo Zaagi'igan Anishinaabek First Nation, Biinjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation and Red Rock Indian Band, have engaged Shared Value Solutions to review the draft EA Report. NextBridge received Pays Plat First Nation's preliminary comments from Shared Value Solutions on September 12, 2017 and expects to receive the final version of comments in November 2017. NextBridge is currently drafting responses to Pays Plat First Nation's preliminary comments.

As directed by the OEB, NextBridge couriered an information package to the Pays Plat First Nation on October 18, 2017. The information package contained material regarding NextBridge's Leave to Construct the Project application under Section 92, OEB Act, Hydro One Networks (Transmission)'s Leave to Construct application to upgrade, Project schedule, and public notices in Ojibway, English, French and Cree. The public notices provided information related to each application and details on how to participate in the proceeding. The information package was electronically sent to Pays Plat First Nation on October 31, 2017.

Bamkushwada, a group of six Northern Superior Anishinabek First Nations (of which Pays Plat First Nation is a member of), provided a letter of support for the Project on October 30, 2017. The letter was addressed to the Ontario Minister of Energy and strongly encouraged the Minister to stand behind the Order in Council identifying the Project as a priority and support NextBridge's efforts to meet a 2020 in-service date.



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Pays Plat First Nation discussed developing a Consent Letter with NextBridge during a telephone call on October 31, 2017. Pays Plat First Nation requested that NextBridge draft a consent letter which Pays Plat First Nation will then use on their letterhead. Pays Plat First Nation stated that they are supportive of the Band Council Resolution and will have their legal counsel draft it.

Pays Plat First Nation has confirmed that they are not undertaking any TEK or TLU data collection specific to the Project. The record of consultation and engagement during this reporting period for Pays Plat First Nation is in Appendix A, Table A-12.

### **2.13 Pic Mobert First Nation**

There have been no meetings between NextBridge and Pic Mobert First Nation during this reporting period. No further comments on the EA Report have been received and no additional Project issues or concerns have been recorded during Project correspondence during this reporting period.

As directed by the OEB, NextBridge couriered an information package to the Pic Mobert First Nation on October 18, 2017. The information package contained material regarding NextBridge's Leave to Construct the Project application under Section 92, OEB Act, Hydro One Networks (Transmission)'s Leave to Construct application to upgrade, Project schedule, and public notices in Ojibway, English, French and Cree. The public notices provided information related to each application and details on how to participate in the proceeding. The information package was electronically sent to Pic Mobert First Nation on October 27, 2017.

Bamkushwada, a group of six Northern Superior Anishinabek First Nations (of which Pic Mobert First Nation is a member of), provided a letter of support for the Project on October 30, 2017. The letter was addressed to the Ontario Minister of Energy and strongly encouraged the Minister to stand behind the Order in Council identifying the Project as a priority and support NextBridge's efforts to meet a 2020 in-service date.

Pic Mobert First Nation is continuing to collect additional TEK and TLU information through community mapping and interviews and NextBridge expects to receive the results in Q4 of 2017. The record of consultation and engagement during this reporting period for Pic Mobert First Nation is in Appendix A, Table A-13.

### **2.14 Red Rock Indian Band**

There have been no meetings between NextBridge and Red Rock Indian Band during this reporting period. Red Rock Indian Band provided comments on the draft EA Report and responses to the comments are in Appendix 1-III-B of the EA Report. Red Rock Indian Band is also one of six Indigenous communities to have contracted Shared Value Systems to review the draft EA Report. NextBridge received Red Rock Indian Band's comments from Shared Value Solutions on September 12, 2017. NextBridge is currently drafting responses to Red Rock Indian Band's comments. Red Rock Indian Band has confirmed that they are not intending to submit any additional TEK or TLU information related to the Project.

As directed by the OEB, NextBridge couriered an information package to the Red Rock Indian Band on October 18, 2017. The information package contained material regarding NextBridge's Leave to Construct the Project application under Section 92, OEB Act, Hydro One Networks (Transmission)'s Leave to Construct application to upgrade, Project schedule, and public notices in Ojibway, English, French and Cree. The public notices provided

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information related to each application and details on how to participate in the proceeding. The information package was electronically sent to Red Rock Indian Band on October 31, 2017.

Bamkushwada, a group of six Northern Superior Anishinabek First Nations (of which Red Rock Indian Band is a member of), provided a letter of support for the Project on October 30, 2017. The letter was addressed to the Ontario Minister of Energy and strongly encouraged the Minister to stand behind the Order in Council identifying the Project as a priority and support NextBridge's efforts to meet a 2020 in-service date.

The record of consultation and engagement during this reporting period for Red Rock Indian Band is in Appendix A, Table A-14.

### **2.15 Métis Nation of Ontario**

Métis Nation of Ontario (MNO) represents the Thunder Bay Métis Council, the Superior North Shore Métis Council and the Greenstone Métis Council in discussions with NextBridge for the Project. NextBridge is currently drafting responses to the comments on the EA report received on September 12, 2017. NextBridge does not expect any further TEK or TLU information to be provided by the MNO as the MNO information has already been provided to NextBridge and included in the EA Report.

NextBridge and the MNO's Region 1 Consultation Committee (R1CC) have met once during this reporting period on October 13, 2017 to discuss the Amended EA Report. NextBridge, MNO R1CC and their respective consultants also had a teleconference discuss approaches to incorporate and respond to the outstanding comments that the MNO has in the Amended EA Report.

As directed by the OEB, NextBridge couriered an information package to the MNO on October 18, 2017. The information package contained material regarding NextBridge's Leave to Construct the Project application under Section 92, OEB Act, Hydro One Networks (Transmission)'s Leave to Construct application to upgrade, Project schedule, and public notices in Ojibway, English, French and Cree. The public notices provided information related to each application and details on how to participate in the proceeding.

The record of consultation and engagement during this reporting period for MNO is in Appendix A, Table A-15.

### **2.16 Red Sky Métis Independent Nation**

Red Sky Métis Independent Nation provided comments on the draft EA Report and responses to the comments are in Appendix 1-III-B of the EA Report. To date, no further comments on the EA have been received from Red Sky Métis Independent Nation. Based on the consultation and engagement efforts to date, NextBridge does not expect any TEK or TLU information related to the Project to be submitted by Red Sky Métis Independent Nation. However, Red Sky Métis Independent Nation is comparing the location of archaeological survey sites with their known community sensitive sites. Red Sky Métis Independent Nation will inform NextBridge in the event of an overlap between these sites.

As directed by the OEB, NextBridge couriered an information package to the Red Rock Indian Band on October 18, 2017. The information package contained material regarding NextBridge's Leave to Construct the Project application under Section 92, OEB Act, Hydro One Networks (Transmission)'s Leave to Construct application to upgrade, Project schedule, and public notices in Ojibway, English, French and Cree.

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The record of consultation and engagement with Red Sky Métis Independent Nation during this reporting period is in Appendix A, Table A-16.

### 3.0 TRADITIONAL KNOWLEDGE AND TRADITIONAL LAND AND RESOURCE USE INFORMATION UPDATES

NextBridge believes that active engagement of those Indigenous communities that hold and wish to share TEK and TLU information about the Project area is important to understand the potential effects of the Project and develop effective mitigation and strategies to reduce the potential for adverse effects. NextBridge continues to work with Indigenous communities to identify, collect, and evaluate TEK and TLU information to aid in the identification, mitigation and/or avoidance of potential adverse effects that may arise from Project routing, construction, and operations. Communities have been offered opportunities to share relevant data with NextBridge through the implementation of information sharing agreements. These agreements provided funding for communities for activities such as preparing TEK and TLU studies and community meetings.

NextBridge received TLU and TEK information from eight Indigenous communities prior to the completion of the EA Report. This information included Project-specific reports prepared independently by, or for, Indigenous communities, Project-specific TEK and TLU Geographic Information System (GIS) data, existing (i.e., not Project-specific) TEK and TLU GIS data, and non-digital maps of TLU data in relation to the Project footprint. This information was reviewed and incorporated into the EA Report (Section 17, Indigenous Current Use of Lands and Resources for Traditional Purposes). No site-specific locations of TLU or TEK that may require Project footprint adjustments have been identified by Indigenous communities to date.

NextBridge recognizes that not all potentially affected Indigenous communities have provided TEK and TLU information specific to the Project at this time. NextBridge continues to actively engage with those Indigenous communities that have expressed interest in collecting TEK and TLU specific to the Project or provide previously collected information that is relevant to the Project area. NextBridge intends to take the following actions when additional TEK and TLU information is received:

- Review the information for any site-specific interactions with the Project footprint.
- In the event there is an interaction between a location identified by an Indigenous community and Project footprint, NextBridge will engage the identifying community to discuss the importance of the site to the community, and potential mitigation measures.
- Appropriate mitigation measures are expected to be dependent on the proximity of the site in relation to the Project footprint and the nature of the site (e.g., hunting location versus camping site). NextBridge intends to discuss appropriate mitigation measures with the identifying Indigenous community. Potential mitigation measures may include:
  - detailed mapping, recording, flagging and avoidance of the location, where possible;
  - in the event that avoidance of the site not be feasible, NextBridge will discuss other alternatives with the identifying Indigenous community;



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## MEMORANDUM

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- implementation of mitigation measures to reduce potential for indirect effects on the site such as measures designed to reduce noise, or, where possible, the scheduling of construction outside of periods when the site will be used by Indigenous land users; and
- all sites requiring non-standard mitigation will be added to the Environmental Protection Plan, Environmental Alignment Sheets, and Access and Construction Environmental Maps.

NextBridge intends to provide opportunities for communities to discuss the effectiveness of mitigation as observed while they undertake land and resource use activities in proximity to the Project. The current status of TEK and TLU data collection from Indigenous communities is presented in Table 1.

## MEMORANDUM

**Table 1: Traditional Knowledge and Traditional Land and Resource Use Data Collection from Indigenous Communities**

Community Name	Community Provided Data Incorporated into the EA Report	Additional Data Collection Status	Change Since Last Update (September 2017)
Animbiigoo Zaagi'igan Anishinaabek First Nation (Lake Nipigon Ojibway)	No	Animbiigoo Zaagi'igan Anishinaabek First Nation submitted a summary of questions and concerns related to the EA Report and Project on July 11, 2017. NextBridge has reviewed the summary of questions and concerns, and this information indicated that Animbiigoo Zaagi'igan Anishinaabek First Nation members have high usage of the regional study area for traditional livelihoods, sustenance and ceremonial purposes, but no site-specific locations of concern were identified. NextBridge's understanding is that Animbiigoo Zaagi'igan Anishinaabek First Nation does not have any site-specific TLU or TEK concerns that would require adjustments to the Project footprint and that their interest in the Project relates to regional environmental effects. NextBridge will respond directly to Animbiigoo Zaagi'igan Anishinaabek First Nation questions and concerns under separate cover.	None
Biigtigong Nishnaabeg	Yes, Biigtigong Nishnaabeg provided NextBridge a cultural data assessment map on March 24, 2017. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	The map provides locations within 300 m of the October 19, 2016 preferred Project route; however, to date, Biigtigong Nishnaabeg has not expressed any site-specific TLU or TEK concerns that would affect Project routing. NextBridge continues to make themselves available for information gathering by attending community events to which they are invited. NextBridge most recently attended the Land Use Summit in July 2017.	None
Binjitiwaabik Zaaging Anishinaabek First Nation (Rocky Bay)	No	Binjitiwaabik Zaaging Anishinaabek First Nation verbally confirmed that they will not be submitting TEK and TLU information on November 17, 2014.	None
Bingwi Neyaaashi Anishinaabek (Sand Point First Nation)	No	Bingwi Neyaaashi Anishinaabek confirmed that they will not be submitting TEK and TLU information on August 18, 2014 and on August 3, 2017.	None
Fort William First Nation	No	Independently conducted community mapping and interviews were conducted and a report was provided to NextBridge on October 20, 2017. This information will be incorporated into the Amended EA Report, as appropriate.	NextBridge received FWFN's Traditional Land Use/Traditional Knowledge report on October 20, 2017.
Ginoogaming First Nation	No	Ginoogaming First Nation has indicated that they do not have interests in the Project area and have not engaged with NextBridge on the Project.	None

Date: November 30, 2017  
 Project No. 1536607/6000/7005  
 To: Agni Papageorgiou, Ministry of the Environment and Climate Change

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## MEMORANDUM

**Table 1: Traditional Knowledge and Traditional Land and Resource Use Data Collection from Indigenous Communities**

Community Name	Community Provided Data Incorporated into the EA Report	Additional Data Collection Status	Change Since Last Update (September 2017)
Long Lake No. 58 First Nation	Yes, an interim report provided to NextBridge on May 27, 2015. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	No further information is expected be provided by the community. To date, Long Lake No. 58 First Nation has not identified any site-specific TEK or TLU concerns that would affect Project routing.	None
Michipicoten First Nation	Yes, previously collected TEK and TLU GIS data was provided to NextBridge in 2014. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	NextBridge is currently engaged in ongoing discussions with Michipicoten First Nation that may result in additional TLU or TEK information being shared. NextBridge expects to receive any additional TLU or TEK information from Michipicoten First Nation in Q4 2017.	None
Missanabie Cree First Nation	Yes, previously collected TEK and TLU GIS data was provided to NextBridge on June 12, 2016. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	NextBridge's understanding is that Missanabie Cree First Nation will not be providing any additional TEK or TLU data. To date, Missanabie Cree First Nation has not identified any TLU or TEK concerns that would affect Project routing. NextBridge continues to make themselves available for information gathering by attending community events to which they are invited. NextBridge most recently attended the Land Use Summit in July 2017.	None
Ojibways of Batchewana	No	Ojibways of Batchewana have indicated that there is a need to identify and discuss culturally significant plants and animals in the Project area. NextBridge is currently in discussions with Ojibways of Batchewana to fund TEK and TLU data gathering and expects that any additional TEK or TLU information will be made available by Q4 2017.	None
Ojibways of Garden River	No	Ojibways of Garden River indicated that members harvest plants and animals in the general area of the Project at a community meeting on July 4, 2017. NextBridge is currently in discussions with Ojibways of Garden River regarding funding additional TEK or TLU data gathering.	None

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**Table 1: Traditional Knowledge and Traditional Land and Resource Use Data Collection from Indigenous Communities**

Community Name	Community Provided Data Incorporated into the EA Report	Additional Data Collection Status	Change Since Last Update (September 2017)
Pays Plat First Nation	Yes, previously-collected traditional land and resource use (TLRU) GIS data was provided to NextBridge on May 17, 2016. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	Pays Plat First Nation have confirmed that they have not undertaken any additional community mapping or interviews and that the information submitted to date shall be considered their final submission. To date, Pays Plat First Nation has not indicated any TLU or TEK concerns that are expected to affect Project routing.	None
Pic Mobert First Nation	Yes, Pic Mobert First Nation provided their land and occupancy maps to NextBridge on March 17, 2017. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	Additional independently conducted community mapping and interviews are underway. NextBridge expects to receive any additional TEK or TLU information in Q4 2017.	None
Red Rock Indian Band	Yes, NextBridge received an interim report from Red Rock Indian Band on May 24, 2016. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	Red Rock Indian Band confirmed on August 3, 2017 that no additional community mapping interviews have been conducted and that the information submitted to date shall be considered their final submission.	None

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## MEMORANDUM

**Table 1: Traditional Knowledge and Traditional Land and Resource Use Data Collection from Indigenous Communities**

Community Name	Community Provided Data Incorporated into the EA Report	Additional Data Collection Status	Change Since Last Update (September 2017)
Métis Nation of Ontario (representing Greenstone Métis Council, Superior North Shore Métis Council and Thunder Bay Métis Council)	Yes, The Métis Nation of Ontario land use study was received by NextBridge on November 25, 2016. A secondary report was received by NextBridge on March 31, 2017 (with a revised version received on June 15, 2017). Information from MNO studies informed the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17), including in the identification of Métis specific indicators and in the identification of baseline conditions.	NextBridge does not expect any further TEK or TLU information to be provided by Métis Nation of Ontario.	None
Red Sky Métis Independent Nation	No	It is NextBridge's understanding that Red Sky Métis Independent Nation will not be providing site-specific TEK or TLU information, and that their interest in the Project relates to regional environmental effects.	None

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## MEMORANDUM

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### 4.0 COMMENTS ON THE ENVIRONMENTAL ASSESSMENT

NextBridge acknowledges that consultation with Indigenous communities is one of the most important activities to be carried out during Project development. NextBridge has provided Indigenous communities with the opportunity to review the draft EA and EA Report. The status of comments received on the draft EA Report is presented in Table 2. NextBridge has provided funding for Indigenous communities to undertake a review of the EA Report. NextBridge is not aware of which communities will be submitting comments on the EA Report, but based on ongoing discussions with communities it is NextBridge's understanding that the majority of communities will not submit additional comments on the EA Report. NextBridge will update MOECC on the status of the response to these comments in the monthly Indigenous consultation updates.

NextBridge will continue to communicate and follow up with Indigenous communities to receive their feedback on the Project and the EA Report. NextBridge will respond to all written comments received from the Indigenous communities. For written comments received outside the MOECC EA Report review periods, NextBridge will respond to the comments directly to the Indigenous community and the response will be provided to MOECC and MOE in future monthly Indigenous consultation log updates. Similar to the approach taken during the review of the draft EA Report, for any new comments received after the EA Report is submitted, NextBridge will discuss and resolve issues with Indigenous communities through meetings and teleconference calls as required. For written comments received during the EA Report comment review period, NextBridge will respond and submit the responses to MOECC with comments received from other reviewers.

# MEMORANDUM

**Table 2: Status of Indigenous Community Comments on the Draft Environmental Assessment**

Community Name	Draft EA Report Comments		Final EA Report Comments	
	Status of Comments	NextBridge Action	Status of Comments	NextBridge Action
Animbiigoo Zaagi'igan Anishinaabek First Nation (Lake Nipigon Ojibway)	NextBridge received comments on the draft EA Report on September 12, 2017 from Shared Value Solutions who undertook a combined review on behalf of Animbiigoo Zaagi'igan Anishinaabek First Nation, Binjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band.	NextBridge is currently drafting a response to comments in the Shared Value Solutions report and will provide the responses to Animbiigoo Zaagi'igan Anishinaabek First Nation, Binjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band and the MOECC. Comments will be addressed in the Amended EA Report and responded to under separate cover.	None received to date	Not applicable
Biigtigong Nishnaabeg	Comments were received and are included in Appendix 1-III-B of the EA Report.	Responses were prepared and submitted in Appendix 1-III-B of the EA Report.	None received to date	Not applicable
Binjitiwaabik Zaaging Anishinaabek First Nation (Rocky Bay)	NextBridge received comments on the draft EA Report on September 12, 2017 from Shared Value Solutions who undertook a combined review on behalf of Animbiigoo Zaagi'igan Anishinaabek First Nation, Binjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation and Red Rock Indian Band.	NextBridge is currently drafting a response to comments received in the Shared Value Solutions report and will provide the responses to Animbiigoo Zaagi'igan Anishinaabek First Nation, Binjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band and the MOECC. Comments will be addressed in the Amended EA Report and responded to under separate cover.	None received to date	Not applicable
Bingwi Neyaashi Anishinaabek (Sand Point First Nation)			None received to date	Not applicable
Fort William First Nation			None received to date	Not applicable
Ginoogaming First Nation	No comments have been received	Not applicable	None received to date	Not applicable
Long Lake No. 58 First Nation	Long Lake No. 58 First Nation, Michipicoten First Nation, Missanabie Cree First Nation, Ojibways of Batchewana and Ojibways of Garden River contracted IBI Group to undertake a combined review of the draft EA Report. Each of these communities may provide comments based on the results of this review. To date, NextBridge has not received comments from Long Lake No. 58 First Nation, but expects that any comments would be submitted by November 2017.	NextBridge will respond to any comments received from Long Lake No. 58 first Nation and will provide the responses to the community and MOECC.	None received to date	Not applicable

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**Table 2: Status of Indigenous Community Comments on the Draft Environmental Assessment**

Community Name	Draft EA Report Comments		Final EA Report Comments	
	Status of Comments	NextBridge Action	Status of Comments	NextBridge Action
Michipicoten First Nation	Michipicoten First Nation, Long Lake No. 58 First Nation, Missanabie Cree First Nation, Ojibways of Batchewana and Ojibways of Garden River contracted IBI Group to undertake a combined review of the draft EA Report. Michipicoten First Nation provided an initial overview of specific concerns based on this review.	NextBridge is currently drafting a response to the letter containing initial overview of specific concerns and will respond to any additional comments submitted by Michipicoten First Nation should they be submitted.	None received to date	Not applicable
Missanabie Cree First Nation	Michipicoten First Nation, Long Lake No. 58 First Nation, Missanabie Cree First Nation, Ojibways of Batchewana and Ojibways of Garden River contracted IBI Group to undertake a combined review of the draft EA Report. NextBridge received comments from Missanabie Cree First Nation on the Draft EA Report on September 29, 2017.	NextBridge is currently drafting a response to Missanabie Cree First Nation's comments. Comments will be addressed in the Amended EA Report and responded to under separate cover.	None received to date	Not applicable
Ojibways of Batchewana	Long Lake No. 58 First Nation, Michipicoten First Nation, Missanabie Cree First Nation, Ojibways of Batchewana and Ojibways of Garden River employed IBI Group to undertake a combined review of the draft EA Report. Ojibways of Batchewana indicated that they have reviewed the IBI Group report and will not be providing any formal comments on the draft EA Report; however, general concerns were expressed regarding the consultation and engagement process in a letter date June 13, 2017.	NextBridge is currently drafting a response to the concerns expressed in the June 13, 2017 letter, which will be addressed in the Amended EA Report and responded to under separate cover.	None received to date	Not applicable
Ojibways of Garden River	Long Lake No. 58 First Nation, Michipicoten First Nation, Missanabie Cree First Nation, Ojibways of Batchewana and Ojibways of Garden River employed IBI Group to undertake a combined review of the draft EA Report. Each of these communities may provide comments based on the results of this review. To date, NextBridge has not received comments from Ojibways of Garden River but expects that any comments would be submitted in November 2017.	NextBridge will respond to any comments received from Ojibways of Garden River. Responses to comments will also be provided to MOECC.	None received to date	Not applicable
Pays Plat First Nation	NextBridge has received preliminary comments from Pays Plat First Nation as part of the Shared Value Solutions report described under Binjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek and Fort William First Nation.	NextBridge is currently drafting a response to comments received in the Shared Value Solutions preliminary report and will provide the responses to Pays Plat First Nation and	None received to date	Not applicable

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**Table 2: Status of Indigenous Community Comments on the Draft Environmental Assessment**

Community Name	Draft EA Report Comments		NextBridge Action		Final EA Report Comments	
	Status of Comments				Status of Comments	NextBridge Action
	NextBridge expects to receive the final version of comments by November 2017.		the MOECC after the receipt of the final version of comments.			
Pic Mobert First Nation	Comments have been received and were included in Appendix 1-III-B of the EA Report.		Responses were prepared and submitted in Appendix 1-III-B of the EA Report.		None received to date	Not applicable
Red Rock Indian Band	Comments have been received and were included in Appendix 1-III-B of the EA Report.  NextBridge expects additional comments from Pays Plat First Nation as part of the Shared Value Solutions report described under Binjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaaashi Anishinaabek and Fort William First Nation.		Responses received prior the submission of the EA Report were submitted in Appendix 1-III-B of the EA Report.  NextBridge is currently drafting a response to comments received in the Shared Value Solutions report and will provide the responses to Animiigoo Zaaging Anishinaabek First Nation, Binjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaaashi Anishinaabek, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band and the MOECC. Comments will be addressed in the Amended EA Report and responded to under separate cover.		None received to date	Not applicable
Métis Nation of Ontario (representing Greenstone Métis Council, Superior North Shore Métis Council and Thunder Bay Métis Council)	Comments have been received and were included in Appendix 1-III-B of the EA Report.		Responses were prepared and submitted in Appendix 1-III-B of the EA Report.		Comments were received from MNO on September 12, 2017	NextBridge is currently drafting responses to MNO's comments. Comments will be addressed in the Amended EA Report and responded to under separate cover.
Red Sky Métis Independent Nation	Comments were received and were included in Appendix 1-III-B of the EA Report.		Responses were prepared and submitted in Appendix 1-III-B of the EA Report.		None received to date	Not applicable

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## MEMORANDUM

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### 5.0 CONCLUSION

NextBridge is committed to working with Indigenous communities to facilitate their review of the EA Report and in the continued identification of TEK and TLU information for the Project area. NextBridge intends to incorporate feedback into the Project design and planning, as appropriate. In addition to requesting feedback on the Project and the EA Report, NextBridge will also continue engagement and consultation through the development and construction of the Project with affected Indigenous communities to provide updates on Project design, construction planning, and schedule. NextBridge will continue to update regulators on the progress of this continued engagement through additional monthly updates during the EA review period.

### 6.0 REFERENCES

NextBridge (NextBridge Infrastructure LP). 2017. *East-West Tie Transmission Project Environmental Assessment Report*.

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## MEMORANDUM

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# APPENDIX A

## Record of Consultation and Engagement September 27, 2017 to October 31, 2017

**Table A-1: Animiigoo Zaagi'igan Anishinaabek First Nation (Lake Nipigon Ojibway)**

Date	Communication	Communication Synopsis
October 18, 2017	Mail (Sent)	<p>NextBridge couriered an information package to the Animiigoo Zaagi'igan Anishinaabek First Nation as directed by the Ontario Energy Board. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in; Ojibway, English, French and Cree.</li> </ul>
October 31, 2017	Email (Sent)	<p>NextBridge emailed Animiigoo Zaagi'igan Anishinaabek First Nation providing an information package as directed by the Ontario Energy Board. NextBridge noted that a hard copy of the material has been couriered to Animiigoo Zaagi'igan Anishinaabek First Nation's offices. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in; Ojibway, English, French and Cree.</li> </ul>

**Table A-2: Biigtigong Nishnaabeg (Ojibways of the Pic River First Nation)**

Date	Communication	Communication Synopsis
October 18, 2017	Mail (Sent)	<p>NextBridge couriered an information package to Biigtigong Nishnaabeg as directed by the Ontario Energy Board. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in; Ojibway, English, French and Cree.</li> </ul>
October 27, 2017	Email (Sent)	<p>NextBridge emailed Biigtigong Nishnaabeg providing an information package as directed by the Ontario Energy Board. NextBridge noted that a hard copy of the material has been couriered to Biigtigong Nishnaabeg's offices. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in; Ojibway, English, French and Cree.</li> </ul>
October 30, 2017	Letter via Email	<p>Biigtigong Nishnaabeg responded by email to NextBridge at 1:21 pm thanking them for the update and stating that they will be in touch if they have any additional questions or concerns after reviewing the documents.</p> <p>NextBridge was copied on a letter of support for the Project from the Bamkushwada Limited Partnership (LP) communities. The letter was addressed to the Ontario Minister of Energy on behalf of Bamkushwada LP (consisting of Fort William First Nation, Red Rock Indian Band, Pays Plat First Nation, Biigtigong Nishnaabeg, Pic Mober First Nation and Michipicoten First Nation). The letter strongly encouraged the Minister of Energy to stand behind the Order in Council identifying the Project as a priority and support NextBridge's efforts to meet a 2020 in-service date.</p>

**Table A-3: Biinjitiwaabik Zaaging Anishinaabek First Nation (Rocky Bay)**

Date	Communication	Communication Synopsis
October 18, 2017	Mail (Sent)	<p>NextBridge couriered an information package to Biinjitiwaabik Zaaging Anishinaabek First Nation as directed by the Ontario Energy Board. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in; Ojibway, English, French and Cree.</li> </ul>
October 31, 2017	Email (Sent)	<p>NextBridge emailed Biinjitiwaabik Zaaging Anishinaabek First Nation providing an information package as directed by the Ontario Energy Board. NextBridge noted that a hard copy of the material has been couriered to Biinjitiwaabik Zaaging Anishinaabek First Nation's offices. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in; Ojibway, English, French and Cree.</li> </ul> <p>The Chief of Biinjitiwaabik Zaaging Anishinaabek responded by email at 3:29 pm stating that they appreciate NextBridge's attention to the matter.</p>

**Table A-4: Bingwi Neyaashi Anishinaabek (Sand Point First Nation)**

Date	Communication	Communication Synopsis
October 18, 2017	Mail (Sent)	<p>NextBridge couriered an information package to Bingwi Neyaashi Anishinaabek as directed by the Ontario Energy Board. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in; Ojibway, English, French and Cree.</li> </ul>
October 31, 2017	Email (Sent)	<p>NextBridge emailed Bingwi Neyaashi Anishinaabek providing an information package as directed by the Ontario Energy Board. NextBridge noted that a hard copy of the material has been couriered to Bingwi Neyaashi Anishinaabek's offices. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in; Ojibway, English, French and Cree.</li> </ul>

**Table A-5: Fort William First Nation**

Date	Communication	Communication Synopsis
October 18, 2017	Mail (Sent)	<p>NextBridge couriered an information package to Fort William First Nation as directed by the Ontario Energy Board. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in; Ojibway, English, French and Cree.</li> </ul>
October 20, 2017	Email (Received)	<p>Fort William First Nation emailed NextBridge the <i>Final Report of Fort William First Nation TK Study</i>.</p>
October 30, 2017	Letter via Email	<p>NextBridge was copied on a letter of support for the Project from the Bamkushwada Limited Partnership (LP) communities. The letter was addressed to the Ontario Minister of Energy on behalf of Bamkushwada LP (consisting of Fort William First Nation, Red Rock Indian Band, Pays Plat First Nation, Biigtigong Nishnaabeg, Pic Mober First Nation and Michipicoten First Nation). The letter strongly encouraged the Minister of Energy to stand behind the Order in Council identifying the Project as a priority and support NextBridge's efforts to meet a 2020 in-service date.</p>
October 31, 2017	Email (Sent)	<p>NextBridge emailed Fort William First Nation providing an information package as directed by the Ontario Energy Board. NextBridge noted that a hard copy of the material has been couriered to Fort William First Nation's offices. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in; Ojibway, English, French and Cree.</li> </ul>



**Table A-6: Ginoogaming First Nation**

Date	Communication	Communication Synopsis
October 18, 2017	Mail (Sent)	<p>NextBridge couriered an information package to Ginoogaming First Nation as directed by the Ontario Energy Board. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in; Ojibway, English, French and Cree.</li> </ul>
October 31, 2017	Email (Sent)	<p>NextBridge emailed Ginoogaming First Nation providing an information package as directed by the Ontario Energy Board. NextBridge noted that a hard copy of the material has been couriered to Ginoogaming First Nation's offices. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in; Ojibway, English, French and Cree.</li> </ul>

**Table A-7: Long Lake No. 58 First Nation**

Date	Communication	Communication Synopsis
October 18, 2017	Mail (Sent)	<p>NextBridge couriered an information package to Long Lake No.58 First Nation as directed by the Ontario Energy Board. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in; Ojibway, English, French and Cree.</li> </ul>
October 31, 2017	Email (Sent)	<p>NextBridge emailed Long Lake No.58 First Nation providing an information package as directed by the Ontario Energy Board. NextBridge noted that a hard copy of the material has been couriered to Long Lake No.58 First Nation's offices. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in; Ojibway, English, French and Cree.</li> </ul>

**Table A-8: Michipicoten First Nation**

Date	Communication	Communication Synopsis
September 27, 2017	Email (Received)	Bell & Bernard Ltd., Michipicoten First Nation's consultant, emailed NextBridge inquiring about when the Final EA Report is ready to be sent to the First Nations. Bell & Bernard stated that IBI was surprised to learn that they are to discuss their findings with MOECC given that they represent the First Nations.
October 3, 2017	Email (Sent)	NextBridge emailed Michipicoten First Nation's advisor a draft memorandum of understanding (MOU) for their review.
October 10, 2017	Email (Sent)	NextBridge emailed Michipicoten First Nation's advisor a revised draft MOU for their review.
October 17, 2017	Telephone (Made)	NextBridge telephoned Michipicoten First Nation's advisor, Chief, and a Councillor to discuss the terms and conditions of the MOU.
October 18, 2017	Email (Sent)	<p>NextBridge emailed Bell &amp; Bernard in response to Bell &amp; Bernard's September 27, 2017 email regarding the Final EA Report. NextBridge stated that Michipicoten First Nation was provided a copy of the Final EA Report via Canada post on July 24, 2017 and provided the delivery notification. NextBridge also provided the link to the electronic copy of the Final EA Report on the MOECC website and NextBridge website. NextBridge indicated that they are welcome to any questions or comments generated by IBI's technical review and Michipicoten First Nation's community meetings.</p> <p>Bell &amp; Bernard responded by email to NextBridge at 4:51 pm thanking them and stating that they also sent a letter of issues and concerns (dated July 10, 2017) and will be in touch.</p> <p>NextBridge couriered an information package to Michipicoten First Nation as directed by the Ontario Energy Board. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in: Ojibway, English, French and Cree.</li> </ul>
October 18, 2017	Mail (Sent)	<p>NextBridge emailed Michipicoten First Nation providing an information package as directed by the Ontario Energy Board. NextBridge noted that a hard copy of the material has been couriered to Michipicoten First Nation's offices. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in: Ojibway, English, French and Cree.</li> </ul>
October 27, 2017	Email (Sent)	<p>NextBridge emailed Michipicoten First Nation providing an information package as directed by the Ontario Energy Board. NextBridge noted that a hard copy of the material has been couriered to Michipicoten First Nation's offices. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in: Ojibway, English, French and Cree.</li> </ul>
October 30, 2017	Letter via Email	<p>NextBridge was copied on a letter of support for the Project from the Bamkushwada Limited Partnership (LP) communities. The letter was addressed to the Ontario Minister of Energy on behalf of Bamkushwada LP (consisting of Fort William First Nation, Red Rock Indian Band, Pays Plat First Nation, Biigtigong Nishnaabeg, Pic Mobert First Nation and Michipicoten First Nation). The letter strongly encouraged the Minister of Energy to stand behind the Order in Council identifying the Project as a priority and support NextBridge's efforts to meet a 2020 in-service date.</p>

**Table A-9: Missanabie Cree First Nation**

Date	Communication	Communication Synopsis
September 29, 2017	Email (Received)	Missanabie Cree First Nation emailed NextBridge providing the Internal Review on the Project. Missanabie Cree First Nation noted that they had community consultation during their annual gathering on August 17, 2017 and the internal review of the EA process has been completed. Missanabie Cree First Nation stated that they believed as per the Capacity Funding Agreement, all deliverables have been completed.
October 17, 2017	Email (Sent)	NextBridge emailed Missanabie Cree First Nation acknowledging receipt of Missanabie Cree First Nation's September 29, 2017 email. NextBridge stated that they will follow up shortly to provide an update on amended EA documents including General Contractor announcements as well as responses to their specific questions.
October 18, 2017	Mail (Sent)	<p>NextBridge couriered an information package to Missanabie Cree First Nation as directed by the Ontario Energy Board. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in: Ojibway, English, French and Cree.</li> </ul>
October 27, 2017	Email (Sent)	<p>NextBridge emailed Missanabie Cree First Nation providing an information package as directed by the Ontario Energy Board. NextBridge noted that a hard copy of the material has been couriered to Missanabie Cree First Nation's offices. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority); and,</li> <li>• Public Notices in: Ojibway, English, French and Cree.</li> </ul>
October 27, 2017	Email (Received)	<p>Missanabie Cree First Nation emailed NextBridge inquiring about the final payment from NextBridge which is outstanding from the Missanabie Cree First Nation's Capacity Funding Agreement. Missanabie Cree First Nation noted that they have fulfilled the remaining obligations set in place and advised when they can expect payment to be made and the form of payment (electronic fund transfer or cheque).</p> <p>NextBridge responded by email to Missanabie Cree First Nation at 3:20 pm requesting that Missanabie Cree First Nation draft an invoice for activities and the amount outstanding and then NextBridge can process for the remainder of the Capacity Funding Agreement. NextBridge indicated that they are available for a phone call on October 30, 2017 if Missanabie Cree First Nation is interested.</p>

**Table A-10: Ojibways of Batchewana**

Date	Communication	Communication Synopsis
October 12, 2017	Email (Sent)	NextBridge emailed Ojibways of Batchewana's requesting a word version of the draft development permit sent on September 11, 2017.
October 12, 2017	Email (Sent)	NextBridge emailed IBI Group, a consultant for Ojibways of Batchewana, requesting clarification on the IBI Presentation. NextBridge asked if other documents such as letters or formal questions and comments from other communities are forthcoming or if the IBI presentation is the final written product. NextBridge requested advice on how to incorporate this document into the EA and how to respond to questions if this is the final written product.
October 13, 2017	Email (Received)	File provided: ETP_EWT Draft EA Peer Review_2017-05-30.pdf Ojibways of Batchewana emailed NextBridge providing the draft development permit as requested on October 12, 2017.
October 18, 2017	Mail (Sent)	NextBridge responded by email to the Ojibways of Batchewana at 9:47 am thanking them.
		NextBridge couriered an information package to Ojibways of Batchewana as directed by the Ontario Energy Board. The following documents were included in the information package: <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in: Ojibway, English, French and Cree.</li> </ul>
October 27, 2017	Email (Sent)	NextBridge emailed Ojibways of Batchewana providing an information package as directed by the Ontario Energy Board. NextBridge noted that a hard copy of the material has been couriered to Ojibways of Batchewana's offices. The following documents were included in the information package: <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in: Ojibway, English, French and Cree.</li> </ul>

**Table A-11: Ojibways of Garden River**

Date	Communication	Communication Synopsis
October 18, 2017	Mail (Sent)	<p>NextBridge couriered an information package to the Ojibways of Garden River as directed by the Ontario Energy Board. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in; Ojibway, English, French and Cree.</li> </ul>
October 27, 2017	Email (Sent)	<p>NextBridge emailed Ojibways of Garden River providing an information package as directed by the Ontario Energy Board. NextBridge noted that a hard copy of the material has been couriered to Ojibways of Garden River's offices. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in; Ojibway, English, French and Cree.</li> </ul>

**Table A-12: Pays Plat First Nation**

Date	Communication	Communication Synopsis
October 18, 2017	Mail (Sent)	<p>NextBridge couriered an information package to Pays Plat First Nation as directed by the Ontario Energy Board. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order in Council indicating the project is a Ontario priority);</li> <li>• Public Notices in; Ojibway, English, French and Cree.</li> </ul>
October 30, 2017	Letter via Email	<p>NextBridge was copied on a letter of support for the Project from the Bamkushwada Limited Partnership (LP) communities. The letter was addressed to the Ontario Minister of Energy on behalf of Bamkushwada LP (consisting of Fort William First Nation, Red Rock Indian Band, Pays Plat First Nation, Biigtigong Nishnaabeg, Pic Mobert First Nation and Michipicoten First Nation). The letter strongly encouraged the Minister of Energy to stand behind the Order in Council identifying the Project as a priority and support NextBridge's efforts to meet a 2020 in-service date.</p>
October 31, 2017	Telephone (Sent)	<p>NextBridge telephoned Pays Plat First Nation. Pays Plat First Nation stated that they are very supportive of developing a consent letter and requested that NextBridge draft a consent letter and Pays Plat First Nation will use that language and put it on their letterhead. Pays Plat First Nation stated that they are supportive of the BCR but will ask their legal counsel to draft it.</p>
October 31, 2017	Email (Sent)	<p>NextBridge emailed Pays Plat First Nation providing an information package as directed by the Ontario Energy Board. NextBridge noted that a hard copy of the material has been couriered to Pays Plat First Nation's offices. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order in Council indicating the project is a Ontario priority);</li> <li>• Public Notices in; Ojibway, English, French and Cree.</li> </ul>

**Table A-13: Pic Mobert First Nation**

Date	Communication	Communication Synopsis
October 18, 2017	Mail (Sent)	<p>NextBridge couriered an information package to Pic Mobert First Nation as directed by the Ontario Energy Board. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in: Ojibway, English, French and Cree.</li> </ul>
October 27, 2017	Email (Sent)	<p>NextBridge emailed Pic Mobert First Nation providing an information package as directed by the Ontario Energy Board. NextBridge noted that a hard copy of the material has been couriered to Pic Mobert First Nation's offices. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in: Ojibway, English, French and Cree.</li> </ul>
October 30, 2017	Letter via Email	<p>NextBridge was copied on a letter of support for the Project from the Bamkushwada Limited Partnership (LP) communities. The letter was addressed to the Ontario Minister of Energy on behalf of Bamkushwada LP (consisting of Fort William First Nation, Red Rock Indian Band, Pays Plat First Nation, Biigtigong Nishnaabeg, Pic Mobert First Nation and Michipicoten First Nation). The letter strongly encouraged the Minister of Energy to stand behind the Order in Council identifying the Project as a priority and support NextBridge's efforts to meet a 2020 in-service date.</p>



**Table A-14: Red Rock Indian Band**

Date	Communication	Communication Synopsis
October 18, 2017	Mail (Sent)	<p>NextBridge couriered an information package to Red Rock Indian Band as directed by the Ontario Energy Board. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in; Ojibway, English, French and Cree.</li> </ul>
October 30, 2017	Letter via Email	<p>NextBridge was copied on a letter of support for the Project from the Bamkushwada Limited Partnership (LP) communities. The letter was addressed to the Ontario Minister of Energy on behalf of Bamkushwada LP (consisting of Fort William First Nation, Red Rock Indian Band, Pays Plat First Nation, Biigtigong Nishnaabeg, Pic Mobert First Nation and Michipicoten First Nation). The letter strongly encouraged the Minister of Energy to stand behind the Order in Council identifying the Project as a priority and support NextBridge's efforts to meet a 2020 in-service date.</p>
October 31, 2017	Email (Sent)	<p>NextBridge emailed Red Rock Indian Band providing an information package as directed by the Ontario Energy Board. NextBridge noted that a hard copy of the material has been couriered to Red Rock Indian Band's offices. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in; Ojibway, English, French and Cree.</li> </ul>

**Table A-15: Métis Nation of Ontario**

Date	Communication	Communication Synopsis
October 5, 2017	Email (Sent)	NextBridge emailed the Métis Nation of Ontario stating that they discussed the Métis Nation of Ontario's comments on the Final EA Report with their consultant and noted that the vast majority of the comments are similar to the Draft EA Report comments. NextBridge requested a phone call today (October 5, 2017) with Métis Nation of Ontario to discuss their comments and the next steps forward.
October 13, 2017	Meeting	NextBridge met with the Métis Nation of Ontario's Region 1 Consultation Committee (R1CC). NextBridge confirmed to the Métis Nation of Ontario R1CC that an amendment to the EA report is forthcoming. The Métis Nation of Ontario R1CC proposed having a teleconference call with NextBridge and their consultants to discuss the proposed amendment components. The teleconference call would provide an opportunity for the Métis Nation of Ontario R1CC to understand how substantial the changes are to the EA and may address their core concerns as well as avoid back and forth letter writing.
October 16, 2017	Email (Sent)	NextBridge emailed the Métis Nation of Ontario inquiring if they are available for a teleconference call on October 17 or 18, 2017 to discuss EA comments.
October 17, 2017	Email (Received)	<p>Métis Nation of Ontario emailed NextBridge thanking them for the October 13, 2017 meeting. The Métis Nation of Ontario requested that NextBridge provide the amended methodology that has been agreed upon with the Ministry of Environment and Climate Change before the teleconference call is set up. The Métis Nation of Ontario indicated that once they have received the amended methodology they can provide feedback on how the methodology could be used to respond to their comments and offer other specific resolutions. The Métis Nation of Ontario stated once this is received they can set up a teleconference call or an in-person meeting.</p> <p>NextBridge responded by email to the Métis Nation of Ontario at 12:47 pm thanking them and stating that this request has been forwarded to the Project Team.</p> <p>NextBridge couriered an information package to Métis Nation of Ontario as directed by the Ontario Energy Board. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in: Ojibway, English, French and Cree.</li> </ul>
October 18, 2017	Mail (Sent)	NextBridge emailed the Métis Nation of Ontario providing information about the proposed changes the Project is suggesting that addresses many of the Métis Nation of Ontario's comments. NextBridge noted that they have addressed many of the methodology questions in their changes to approach and their questions about the lack of MNO data in the body of the amended EA. NextBridge listed some outstanding questions that they want to have further discussion on and requested a meeting or teleconference call on either October 20, 23, or 24, 2017.
October 19, 2017	Email (Sent)	<p>File attached: EWT_Amend_EA_Section_05_Enviro-Effects-Assessment-Approach_20171018.docx;  EWT_Amend_EA_Section_05_Enviro-Effects-Assessment-Approach_20171018.pdf;  EWT_Amend_EA_Section_06_Geology-Terrain-Soils_20171018.docx; EWT_Amend_EA_Section_06_Geology-Terrain-Soils_20171018.pdf</p> <p>NextBridge left a voicemail for the Métis Nation of Ontario at 2:59 pm requesting to meet.</p>
October 20, 2017	Email (Received)	Métis Nation of Ontario emailed NextBridge to discuss the logistics of the planned teleconference with NextBridge.
October 23, 2017	Email (Received)	<p>Métis Nation of Ontario emailed NextBridge stating that they are available today to discuss their comments on the Final EA.</p> <p>Métis Nation of Ontario requested that NextBridge set up the conference call.</p>

**Table A-15: Métis Nation of Ontario**

Date	Communication	Communication Synopsis
October 23, 2017	Teleconference call	NextBridge, Métis Nation of Ontario and their consultants had a teleconference call to discuss the comments on the draft EA Report that Métis Nation of Ontario felt were not addressed adequately in the Final EA Report. Métis Nation of Ontario provided to NextBridge on how to adequately address these outstanding comments in the Amended EA Report.

**Table A-16: Red Sky Métis Independent Nation**

Date	Communication	Communication Synopsis
October 18, 2017	Mail (Sent)	<p>NextBridge couriered an information package to Red Sky Métis Independent Nation as directed by the Ontario Energy Board. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>• Cover Letter to First Nations and Indigenous communities;</li> <li>• Project Schedule;</li> <li>• NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>• Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>• Public Notices in: Ojibway, English, French and Cree.</li> </ul>

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## MEMORANDUM

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**TO** Agni Papageorgiou, Ministry of the Environment and Climate Change

**DATE** December 18, 2017

**FROM** Herb Shields, NextBridge Infrastructure LP

**PROJECT No.** 1536607/6000/7005

### INDIGENOUS CONSULTATION MONTHLY UPDATE

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## 1.0 INTRODUCTION

NextBridge Infrastructure LP (NextBridge) has prepared the following update on Indigenous consultation and engagement activities between November 1, 2017 and November 30, 2017 for the East-West Tie Transmission Project (the Project). Included is an update on consultation and engagement activities by Indigenous community and an update on the status of outstanding Traditional Ecological Knowledge (TEK) and Traditional Land Use (TLU) reports. The memo also includes plans to incorporate outstanding TEK and TLU information into EA reporting and Project planning specific to each Indigenous community. Also included is an update on the receipt of comments on the draft and final EA Reports received from Indigenous communities and NextBridge's response. The supporting record of consultation and engagement for this same time period is included as Appendix A. Please refer to Section 2.2 of the EA Report (NextBridge 2017) for further information on NextBridge's approach to Indigenous engagement and consultation, including the process and methods.

In order to maintain the current Project schedule, consultation information and comments received before the end of October 2017 will be addressed in the amended EA Report. After that period, the consultation information will be incorporated as part of the monthly update memo while comments will be addressed in the amended EA Report as much as feasible (but not guaranteed).

## 2.0 INDIGENOUS COMMUNITY UPDATES

### 2.1 Animbiigoo Zaagi'igan Anishinaabek First Nation (Lake Nipigon Ojibway)

There have been no further meetings with Animbiigoo Zaagi'igan Anishinaabek First Nation since those reported in the final EA Report and no additional concerns with the Project have been identified during this reporting period.

Animbiigoo Zaagi'igan Anishinaabek First Nation, along with Biinjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band, have engaged Shared Value Solutions to review the draft EA Report. NextBridge provided draft responses to Shared Value Solutions' technical review of the draft EA Report on November 21, 2017 and summarized the process for Indigenous communities to review and provide comments on the upcoming amended EA Report. NextBridge also informed Shared Value Solutions that they are available to meet to discuss the responses. Shared Value Solutions responded that they will review the draft responses and follow-up on the next steps. Shared Value Solutions also requested information about the timeline for the amended EA Report.

NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Animbiigoo Zaagi'igan Anishinaabek First Nation on November 20, 2017. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons.

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## MEMORANDUM

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NextBridge emailed Shared Value Solutions on November 22, 2017, informing them that the amended EA Report will be submitted to the Ministry of Environment and Climate Change (MOECC) in mid-January 2018 and that NextBridge is available to discuss any further comments, questions, or concerns after Shared Value Solutions have reviewed the questions.

The record of consultation and engagement for Animbiigoo Zaagi'igan Anishinaabek First Nation is included in Appendix A, Table A-1.

### 2.2 Biigtigong Nishnaabeg<sup>1</sup>

There have been no further meetings with Biigtigong Nishnaabeg since those reported in the final EA Report and no additional concerns with the Project have been identified during this reporting period.

NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Biigtigong Nishnaabeg on November 20, 2017. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons. NextBridge emailed Biigtigong Nishnaabeg on November 27, 2017 providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Biigtigong Nishnaabeg has also received the notice in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.

The record of consultation and engagement during this reporting period for Biinjitiwaabik Zaaging Anishinaabek First Nation is in Appendix A, Table A-2.

### 2.3 Biinjitiwaabik Zaaging Anishinaabek First Nation (Rocky Bay)

There have been no further meetings with Biinjitiwaabik Zaaging Anishinaabek First Nation since those reported in the final EA Report and no additional concerns with the Project have been identified during this reporting period.

Biinjitiwaabik Zaaging Anishinaabek First Nation along with Animbiigoo Zaagi'igan Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band, have engaged Shared Value Solutions to review the draft EA Report. NextBridge provided draft responses to Shared Value Solutions' technical review of the draft EA Report on November 21, 2017 and summarized the process for Indigenous communities to review and provide comments on the upcoming amended EA Report. NextBridge also informed Shared Value Solutions that they are available to meet to discuss the responses. Shared Value Solutions responded that they will review the draft responses and follow-up on the next steps. Shared Value Solutions also requested information about the timeline for the amended EA Report. NextBridge emailed Shared Value Solutions on November 22, 2017, informing them that the amended EA Report will be submitted to the MOECC in mid-January 2018 and that NextBridge is available to discuss any further comments, questions, or concerns after Shared Value Solutions have reviewed the questions.

NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Biinjitiwaabik Zaaging Anishinaabek First Nation on November 20, 2017. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and

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<sup>1</sup> Ojibways of Pic River changed their name to Biigtigong Nishnaabeg in September 2015. Biigtigong Nishnaabeg requested that this name be used in the EA, therefore all references to this community will be under the name Biigtigong Nishnaabeg.

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## MEMORANDUM

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interested persons. NextBridge emailed Biinjitiwaabik Zaaging Anishinaabek First Nation on November 22, 2017 providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Biinjitiwaabik Zaaging Anishinaabek First Nation has also received the notice in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.

The record of consultation and engagement during this reporting period for Biinjitiwaabik Zaaging Anishinaabek First Nation is in Appendix A, Table A-3.

### **2.4 Bingwi Neyaashi Anishinaabek (Sand Point First Nation)**

There have been no further meetings with Bingwi Neyaashi Anishinaabek since those reported in the final EA Report and no additional concerns with the Project have been identified during this reporting period.

Bingwi Neyaashi Anishinaabek along with Animbiigoo Zaagi'igan Anishinaabek First Nation, Biinjitiwaabik Zaaging Anishinaabek First Nation, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band, have engaged Shared Value Solutions to review the draft EA Report. NextBridge provided draft responses to Shared Value Solutions' technical review of the draft EA Report on November 21, 2017 and summarized the process for Indigenous communities to review and provide comments on the upcoming amended EA Report. NextBridge also informed Shared Value Solutions that they are available to meet to discuss the responses. Shared Value Solutions responded that they will review the draft responses and follow-up on the next steps. Shared Value Solutions also requested information about the timeline for the amended EA Report. NextBridge emailed Shared Value Solutions on November 22, 2017, informing them that the amended EA Report will be submitted to the Ministry of Environment and Climate Change in mid-January 2018 and that NextBridge is available to discuss any further comments, questions, or concerns after Shared Value Solutions have reviewed the questions.

NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Bingwi Neyaashi Anishinaabek on November 20, 2017. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons. NextBridge emailed Bingwi Neyaashi Anishinaabek on November 22, 2017 providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Bingwi Neyaashi Anishinaabek has also received the notice in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.

The record of consultation and engagement during this reporting period for Bingwi Neyaashi Anishinaabek is in Appendix A, Table A-4.

### **2.5 Fort William First Nation**

There have been no further meetings with Fort William First Nation since those reported in the final EA Report. Fort William First Nation has also not reported to NextBridge any additional concerns with the Project during this reporting period. Fort William First Nation provided the results of TLU and TEK information collection in their community in a report emailed to NextBridge on October 20, 2017. Fort William First Nation's TLU and TEK information will be incorporated into the amended EA Report.

Fort William First Nation, along with Bingwi Neyaashi Anishinaabek along with Animbiigoo Zaagi'igan Anishinaabek First Nation, Biinjitiwaabik Zaaging Anishinaabek First Nation, Pays Plat First Nation and Red Rock

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Indian Band, have engaged Shared Value Solutions to review the draft EA Report. NextBridge provided draft responses to Shared Value Solutions' technical review of the draft EA Report on November 21, 2017 and summarized the process for Indigenous communities to review and provide comments on the upcoming amended EA Report. NextBridge also informed Shared Value Solutions that they are available to meet to discuss the responses. Shared Value Solutions responded that they will review the draft responses and follow-up on the next steps. Shared Value Solutions also requested information about the timeline for the amended EA Report.

NextBridge emailed Shared Value Solutions on November 22, 2017, informing them that the amended EA Report will be submitted to the MOECC in mid-January 2018 and that NextBridge is available to discuss any further comments, questions, or concerns after Shared Value Solutions have reviewed the questions.

NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Fort William First Nation on November 20, 2017. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons. NextBridge emailed Fort William First Nation on November 22, 2017 providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Fort William First Nation has also received the notice in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.

The record of consultation and engagement during this reporting period for Fort William First Nation is in Appendix A, Table A-5.

### **2.6 Ginoogaming First Nation**

Ginoogaming First Nation has indicated that they do not have interests in the area of the Project and have not engaged with NextBridge on the Project. As a result, there have been no further meetings with Ginoogaming First Nation and no additional concerns with the Project have been identified beyond those reported in the final EA Report.

NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Ginoogaming First Nation on November 20, 2017. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons.

The record of consultation and engagement during this reporting period with Ginoogaming First Nation is in Appendix A, Table A-6.

### **2.7 Long Lake No. 58 First Nation**

There have been no meetings with Long Lake No. 58 First Nation since those reported in the final EA Report. No additional Project concerns have been identified by Long Lake No. 58 First Nation beyond those reported in the EA report. Long Lake No. 58 First Nation is one of five communities that have contracted IBI Group to undertake a combined review of the draft EA Report. Each of these communities may provide comments based on the results of this review. To date, NextBridge has not received comments from Long Lake No. 58 First Nation and does not expect any comments. NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Ojibways of Garden River on November 20, 2017. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons. NextBridge emailed Ojibways of Garden River on November 27, 2017 providing the Notice of



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Intent to Amend the EA Report for the Project. NextBridge noted that Ojibways of Garden River has also received the notice in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.

NextBridge and Ojibways of Garden River are currently in discussions about the potential for Project-specific TLU and TEK data gathering. The record of consultation and engagement during this reporting period with Ojibways of Garden River is in Appendix A, Table A-11.

### **2.8 Pays Plat First Nation**

There have been no meetings between NextBridge and Pays Plat First Nation during this reporting period.

Pays Plat First Nation, along with Animbiigoo Zaagi'igan Anishinaabek First Nation, Biinjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation and Red Rock Indian Band, have engaged Shared Value Solutions to review the draft EA Report. NextBridge received Pays Plat First Nation's preliminary comments from Shared Value Solutions on September 12, 2017 and expects to receive the final version of comments in January 2018. NextBridge provided draft responses to Shared Value Solutions' technical review of the draft EA Report on November 21, 2017 and summarized the process for Indigenous communities to review and provide comments on the upcoming amended EA Report. NextBridge also emailed the draft responses to the draft EA Report comments to Shared Value Solutions on November 21, 2017, informing them that they are available to meet to discuss the responses. Shared Value Solutions responded that day noting that they will review the draft responses and follow-up on the next steps. Shared Value Solutions also requested information about the timeline for the amended EA Report. NextBridge emailed Shared Value Solutions on November 22, 2017 informing them that the amended EA Report will be submitted to the MOECC in mid-January 2018 and that NextBridge is available to discuss any further comments, questions, or concerns after Shared Value Solutions have reviewed the questions. NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Pays Plat First Nation on November 20, 2017. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons. NextBridge emailed Pays Plat First Nation on November 22, 2017 providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Pays Plat First Nation has also received the notice in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.

Pays Plat First Nation has confirmed that they are not undertaking any TEK or TLU data collection specific to the Project. The record of consultation and engagement during this reporting period for Pays Plat First Nation is in Appendix A, Table A-12.

### **2.9 Pic Mobert First Nation**

There have been no meetings between NextBridge and Pic Mobert First Nation during this reporting period. No comments on the final EA Report have been received from Pic Mobert First Nation and no additional Project issues or concerns have been recorded during Project correspondence during this reporting period.

NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Pic Mobert First Nation on November 20, 2017. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons. NextBridge emailed Pic Mobert First Nation on November 27, 2017 providing the Notice of Intent to Amend the EA Report for

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the Project. NextBridge noted that Pic Mobert First Nation has also received the notice in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.

Pic Mobert First Nation is continuing to collect additional TEK and TLU information through community mapping and interviews and NextBridge expects to receive the results in Q4 of 2017. The record of consultation and engagement during this reporting period for Pic Mobert First Nation is in Appendix A, Table A-13.

### **2.10 Red Rock Indian Band**

There have been no meetings between NextBridge and Red Rock Indian Band during this reporting period. Red Rock Indian Band provided comments on the draft EA Report and responses to the comments are in Appendix 1-III-B of the final EA Report.

Red Rock Indian Band is also one of six Indigenous communities to have contracted Shared Value Systems to review the draft EA Report. NextBridge received Red Rock Indian Band's comments from Shared Value Solutions on September 12, 2017. NextBridge provided draft responses to Shared Value Solutions' technical review of the draft EA Report on November 21, 2017 and summarized the process for Indigenous communities to review and provide comments on the upcoming amended EA Report. NextBridge also informed Shared Value Solutions that they are available to meet to discuss the responses. Shared Value Solutions responded that day noting that they will review the draft responses and follow-up on the next steps. Shared Value Solutions also requested information about the timeline for the amended EA Report. NextBridge emailed Shared Value Solutions on November 22, 2017 informing them that the amended EA Report will be submitted to the MOECC in mid-January 2018 and that NextBridge is available to discuss any further comments, questions, or concerns after Shared Value Solutions have reviewed the questions.

NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Red Rock Indian Band on November 20, 2017. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons. NextBridge emailed Red Rock Indian Band on November 22, 2017 providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Red Rock Indian Band has also received the notice in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.

Red Rock Indian Band has confirmed that they are not intending to submit any additional TEK or TLU information related to the Project. The record of consultation and engagement during this reporting period for Red Rock Indian Band is in Appendix A, Table A-14.

### **2.11 Métis Nation of Ontario**

Métis Nation of Ontario (MNO) represents the Thunder Bay Métis Council, the Superior North Shore Métis Council and the Greenstone Métis Council in discussions with NextBridge for the Project. NextBridge does not expect any further TEK or TLU information to be provided by the MNO as the MNO information has already been provided to NextBridge and included in the final EA Report. There have been no meetings between NextBridge and the MNO during this reporting period.

Nextbridge emailed the MNO providing draft responses to the MNO's consultant's (Calliou Group) technical review of the final EA Report on November 21, 2017 and summarized the process for Indigenous communities to review

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and provide comments on the upcoming amended EA Report. NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to the MNO on November 20, 2017. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons. NextBridge emailed MNO on November 22, 2017 providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that MNO has also received the notice in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period. The MNO emailed responses to EA comments to NextBridge on November 23, 2017. The MNO stated that they look forward to reviewing the amended EA and undertaking further information sharing throughout the lifecycle of the Project. As directed by the OEB, NextBridge emailed an information package to the MNO on November 23, 2017. The information package contained material regarding NextBridge's Leave to Construct the Project application under Section 92, OEB Act, Hydro One Networks (Transmission)'s Leave to Construct application to upgrade, Project schedule, and public notices in Ojibway, English, French and Cree.

The record of consultation and engagement during this reporting period for MNO is in Appendix A, Table A-15.

### **2.12 Red Sky Métis Independent Nation**

Red Sky Métis Independent Nation provided comments on the draft EA Report and responses to the comments are in Appendix 1-III-B of the final EA Report. To date, no further comments on the final EA Report have been received from Red Sky Métis Independent Nation. Based on the consultation and engagement efforts to date, NextBridge does not expect any TEK or TLU information related to the Project to be submitted by Red Sky Métis Independent Nation. However, Red Sky Métis Independent Nation is comparing the location of archaeological survey sites with their known community sensitive sites. Red Sky Métis Independent Nation will inform NextBridge in the event of an overlap between these sites.

NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Red Sky Métis Independent Nation on November 20, 2017. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons. NextBridge emailed Red Sky Métis Independent Nation on November 22, 2017 providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Red Sky Métis Independent Nation has also received the notice in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period. As directed by the OEB, NextBridge emailed an information package to the Red Sky Métis Independent Nation on November 23, 2017. The information package contained material regarding NextBridge's Leave to Construct the Project application under Section 92, OEB Act, Hydro One Networks (Transmission)'s Leave to Construct application to upgrade, Project schedule, and public notices in Ojibway, English, French and Cree.

The record of consultation and engagement with Red Sky Métis Independent Nation during this reporting period is in Appendix A, Table A-16.

## **3.0 TRADITIONAL KNOWLEDGE AND TRADITIONAL LAND AND RESOURCE USE INFORMATION UPDATES**

NextBridge believes that active engagement of those Indigenous communities that hold and wish to share TEK and TLU information about the Project area is important to understand the potential effects of the Project and

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develop effective mitigation and strategies to reduce the potential for adverse effects. NextBridge continues to work with Indigenous communities to identify, collect, and evaluate TEK and TLU information to aid in the identification, mitigation and/or avoidance of potential adverse effects that may arise from Project routing, construction, and operations. Communities have been offered opportunities to share relevant data with NextBridge through the implementation of information sharing agreements. These agreements provided funding for communities for activities such as preparing TEK and TLU studies and community meetings.

NextBridge received TLU and TEK information from eight Indigenous communities prior to the completion of the final EA Report. This information included Project-specific reports prepared independently by, or for, Indigenous communities, Project-specific TEK and TLU Geographic Information System (GIS) data, existing (i.e., not Project-specific) TEK and TLU GIS data, and non-digital maps of TLU data in relation to the Project footprint. This information was reviewed and incorporated into the final EA Report (Section 17, Indigenous Current Use of Lands and Resources for Traditional Purposes). No site-specific locations of TLU or TEK that may require Project footprint adjustments have been identified by Indigenous communities to date.

NextBridge recognizes that not all potentially affected Indigenous communities have provided TEK and TLU information specific to the Project at this time. NextBridge continues to actively engage with those Indigenous communities that have expressed interest in collecting TEK and TLU specific to the Project or provide previously collected information that is relevant to the Project area. NextBridge intends to take the following actions when additional TEK and TLU information is received:

- Review the information for any site-specific interactions with the Project footprint.
- In the event there is an interaction between a location identified by an Indigenous community and Project footprint, NextBridge will engage the identifying community to discuss the importance of the site to the community, and potential mitigation measures.
- Appropriate mitigation measures are expected to be dependent on the proximity of the site in relation to the Project footprint and the nature of the site (e.g., hunting location versus camping site). NextBridge intends to discuss appropriate mitigation measures with the identifying Indigenous community. Potential mitigation measures may include:
  - detailed mapping, recording, flagging and avoidance of the location, where possible;
  - in the event that avoidance of the site not be feasible, NextBridge will discuss other alternatives with the identifying Indigenous community;
  - implementation of mitigation measures to reduce potential for indirect effects on the site such as measures designed to reduce noise, or, where possible, the scheduling of construction outside of periods when the site will be used by Indigenous land users; and
  - all sites requiring non-standard mitigation will be added to the Environmental Protection Plan, Environmental Alignment Sheets, and Access and Construction Environmental Maps.

NextBridge intends to provide opportunities for communities to discuss the effectiveness of mitigation as observed while they undertake land and resource use activities in proximity to the Project. The current status of TEK and

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TLU data collection from Indigenous communities is presented in Table 1. Information provided by Indigenous communities since the submission of the final EA Report will be incorporated into the amended EA Report, as appropriate.

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**Table 1: Traditional Knowledge and Traditional Land and Resource Use Data Collection from Indigenous Communities**

Community Name	Community Provided Data Incorporated into the EA Report	Additional Data Collection Status	Change Since Last Update (October 2017)
Animbiigoo Zaagi'igan Anishinaabek First Nation (Lake Nipigon Ojibway)	No	Animbiigoo Zaagi'igan Anishinaabek First Nation submitted a summary of questions and concerns related to the EA Report and Project on July 11, 2017. NextBridge has reviewed the summary of questions and concerns, and this information indicated that Animbiigoo Zaagi'igan Anishinaabek First Nation members have high usage of the regional study area for traditional livelihoods, sustenance and ceremonial purposes, but no site-specific locations of concern were identified. NextBridge's understanding is that Animbiigoo Zaagi'igan Anishinaabek First Nation does not have any site-specific TLU or TEK concerns that would require adjustments to the Project footprint and that their interest in the Project relates to regional environmental effects. NextBridge responded directly to Animbiigoo Zaagi'igan Anishinaabek First Nation questions and concerns on September 5, 2017.	None
Biigtigong Nishnaabeg	Yes, Biigtigong Nishnaabeg provided NextBridge a cultural data assessment map on March 24, 2017. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	The map provides locations within 300 m of the October 19, 2016 preferred Project route; however, to date, Biigtigong Nishnaabeg has not expressed any site-specific TLU or TEK concerns that would affect Project routing. NextBridge continues to make themselves available for information gathering by attending community events to which they are invited. NextBridge most recently attended the Land Use Summit in July 2017.	None
Binjitiwaabik Zaaging Anishinaabek First Nation (Rocky Bay)	No	Binjitiwaabik Zaaging Anishinaabek First Nation verbally confirmed that they will not be submitting TEK and TLU information on November 17, 2014.	None
Bingwi Neyaaashi Anishinaabek (Sand Point First Nation)	No	Bingwi Neyaaashi Anishinaabek confirmed that they will not be submitting TEK and TLU information on August 18, 2014 and on August 3, 2017.	None
Fort William First Nation	No	Independently conducted community mapping and interviews were conducted and a report was provided to NextBridge on October 20, 2017. This information will be incorporated into the amended EA Report, as appropriate.	None
Ginoogaming First Nation	No	Ginoogaming First Nation has indicated that they do not have interests in the Project area and have not engaged with NextBridge on the Project.	None

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**Table 1: Traditional Knowledge and Traditional Land and Resource Use Data Collection from Indigenous Communities**

Community Name	Community Provided Data Incorporated into the EA Report	Additional Data Collection Status	Change Since Last Update (October 2017)
Long Lake No. 58 First Nation	Yes, an interim report provided to NextBridge on May 27, 2015. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	No further information is expected be provided by the community. To date, Long Lake No. 58 First Nation has not identified any site-specific TEK or TLU concerns that would affect Project routing.	None
Michipicoten First Nation	Yes, previously collected TEK and TLU GIS data was provided to NextBridge in 2014. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	NextBridge is currently engaged in ongoing discussions with Michipicoten First Nation that may result in additional TLU or TEK information being shared. NextBridge expects to receive any additional TLU or TEK information from Michipicoten First Nation in Q4 2017.	None
Missanabie Cree First Nation	Yes, previously collected TEK and TLU GIS data was provided to NextBridge on June 12, 2016. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	NextBridge's understanding is that Missanabie Cree First Nation will not be providing any additional TEK or TLU data. To date, Missanabie Cree First Nation has not identified any TLU or TEK concerns that would affect Project routing. NextBridge continues to make themselves available for information gathering by attending community events to which they are invited. NextBridge most recently attended the Land Use Summit in July 2017.	None
Ojibways of Batchewana	No	Ojibways of Batchewana have indicated that there is a need to identify and discuss culturally significant plants and animals in the Project area. NextBridge is currently in discussions with Ojibways of Batchewana to fund TEK and TLU data gathering and expects that any additional TEK or TLU information will be made available by Q4 2017.	None
Ojibways of Garden River	No	Ojibways of Garden River indicated that members harvest plants and animals in the general area of the Project at a community meeting on July 4, 2017. NextBridge is currently in discussions with Ojibways of Garden River regarding funding additional TEK or TLU data gathering.	None

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**Table 1: Traditional Knowledge and Traditional Land and Resource Use Data Collection from Indigenous Communities**

Community Name	Community Provided Data Incorporated into the EA Report	Additional Data Collection Status	Change Since Last Update (October 2017)
Pays Plat First Nation	Yes, previously-collected traditional land and resource use (TLRU) GIS data was provided to NextBridge on May 17, 2016. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	Pays Plat First Nation have confirmed that they have not undertaken any additional community mapping or interviews and that the information submitted to date shall be considered their final submission. To date, Pays Plat First Nation has not indicated any TLU or TEK concerns that are expected to affect Project routing.	None
Pic Mobert First Nation	Yes, Pic Mobert First Nation provided their land and occupancy maps to NextBridge on March 17, 2017. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	Additional independently conducted community mapping and interviews are underway. NextBridge expects to receive any additional TEK or TLU information in Q4 2017.	None
Red Rock Indian Band	Yes, NextBridge received an interim report from Red Rock Indian Band on May 24, 2016. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	Red Rock Indian Band confirmed on August 3, 2017 that no additional community mapping interviews have been conducted and that the information submitted to date shall be considered their final submission.	None

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**Table 1: Traditional Knowledge and Traditional Land and Resource Use Data Collection from Indigenous Communities**

Community Name	Community Provided Data Incorporated into the EA Report	Additional Data Collection Status	Change Since Last Update (October 2017)
Métis Nation of Ontario (representing Greenstone Métis Council, Superior North Shore Métis Council and Thunder Bay Métis Council)	Yes, The Métis Nation of Ontario land use study was received by NextBridge on November 25, 2016. A secondary report was received by NextBridge on March 31, 2017 (with a revised version received on June 15, 2017). Information from MNO studies informed the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17), including in the identification of Métis specific indicators and in the identification of baseline conditions.	NextBridge does not expect any further TEK or TLU information to be provided by Métis Nation of Ontario.	None
Red Sky Métis Independent Nation	No	It is NextBridge's understanding that Red Sky Métis Independent Nation will not be providing site-specific TEK or TLU information, and that their interest in the Project relates to regional environmental effects.	None

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### 4.0 COMMENTS ON THE ENVIRONMENTAL ASSESSMENT

NextBridge acknowledges that consultation with Indigenous communities is one of the most important activities to be carried out during Project development. NextBridge has provided Indigenous communities with the opportunity to review the draft EA and final EA Report. The status of comments received on the draft EA Report is presented in Table 2. NextBridge has provided funding for Indigenous communities to undertake a review of the draft EA Report. NextBridge is not aware of which communities will be submitting comments on the draft EA Report, but based on ongoing discussions with communities it is NextBridge's understanding that the majority of communities will not submit additional comments on the amended EA Report. NextBridge will update MOECC on the status of the response to these comments in the monthly Indigenous consultation updates.

NextBridge will continue to communicate and follow up with Indigenous communities to receive their feedback on the Project and the amended EA Report. NextBridge will respond to all written comments received from the Indigenous communities. For written comments received outside the MOECC EA Report review periods, NextBridge will respond to the comments directly to the Indigenous community and the response will be provided to MOECC and MOE in future monthly Indigenous consultation log updates. Similar to the approach taken during the review of the draft EA Report, for any new comments received after the amended EA Report is submitted, NextBridge will discuss and resolve issues with Indigenous communities through meetings and teleconference calls as required. For written comments received during the EA Report comment review period, NextBridge will respond and submit the responses to MOECC with comments received from other reviewers.

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**Table 2: Status of Indigenous Community Comments on the Draft and Final Environmental Assessment Reports**

Community Name	Draft EA Report Comments		Final EA Report Comments	
	Status of Comments	NextBridge Action	Status of Comments	NextBridge Action
Animbiigoo Zaagi'igan Anishinaabek First Nation (Lake Nipigon Ojibway)	NextBridge received comments on the draft EA Report on September 12, 2017 from Shared Value Solutions who undertook a combined review on behalf of Animbiigoo Zaagi'igan Anishinaabek First Nation, Biinjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band.	NextBridge sent a preliminary response to comments in the Shared Value Solutions report on November 21, 2017 to Animbiigoo Zaagi'igan Anishinaabek First Nation, Biinjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band and the MOECC. Comments will be addressed in the amended EA Report.	None received to date	Not applicable
Biigtigong Nishnaabeg	Comments were received and are included in Appendix 1-III-B of the EA Report.	Responses were prepared and submitted in Appendix 1-III-B of the EA Report.	None received to date	Not applicable
Biinjitiwaabik Zaaging Anishinaabek First Nation (Rocky Bay)	NextBridge received comments on the draft EA Report on September 12, 2017 from Shared Value Solutions who undertook a combined review on behalf of Animbiigoo Zaagi'igan Anishinaabek First Nation, Biinjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation and Red Rock Indian Band.	NextBridge sent a preliminary response to comments received in the Shared Value Solutions report on November 21, 2017 to Animbiigoo Zaagi'igan Anishinaabek First Nation, Biinjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band and the MOECC. Comments will be addressed in the amended EA Report.	None received to date	Not applicable
Bingwi Neyaashi Anishinaabek (Sand Point First Nation)			None received to date	Not applicable
Fort William First Nation			None received to date	Not applicable
Ginoogaming First Nation	No comments have been received	Not applicable	None received to date	Not applicable
Long Lake No. 58 First Nation	Long Lake No. 58 First Nation, Michipicoten First Nation, Missanabie Cree First Nation, Ojibways of Batchewana and Ojibways of Garden River contracted IBI Group to undertake a combined review of the draft EA Report. Each of these communities may provide comments based on the results of this review. To date, NextBridge has not received comments from Long Lake No. 58 First Nation, but expects that any comments would be submitted by November 2017.	NextBridge will respond to any comments received from Long Lake No. 58 First Nation and will provide the responses to the community and MOECC.	None received to date	Not applicable

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**Table 2: Status of Indigenous Community Comments on the Draft and Final Environmental Assessment Reports**

Community Name	Draft EA Report Comments		Final EA Report Comments	
	Status of Comments	NextBridge Action	Status of Comments	NextBridge Action
Michipicoten First Nation	Michipicoten First Nation, Long Lake No. 58 First Nation, Missanabie Cree First Nation, Ojibways of Batchewana and Ojibways of Garden River contracted IBI Group to undertake a combined review of the draft EA Report. Michipicoten First Nation provided an initial overview of specific concerns based on this review on July 10, 2017.	NextBridge sent Michipicoten First Nation and MOECC preliminary responses to comments included in Michipicoten First Nation's July 10, 2017 overview letter on November 21, 2017. Comments will be addressed in the amended EA Report.  NextBridge will respond to any additional comments submitted by Michipicoten First Nation should they be provided.	None received to date	Not applicable
Missanabie Cree First Nation	Michipicoten First Nation, Long Lake No. 58 First Nation, Missanabie Cree First Nation, Ojibways of Batchewana and Ojibways of Garden River contracted IBI Group to undertake a combined review of the draft EA Report. NextBridge received comments from Missanabie Cree First Nation on the draft EA Report on September 29, 2017.	NextBridge sent Missanabie Cree First Nation and MOECC preliminary responses to Missanabie Cree First Nation's draft EA comments on November 21, 2017. Comments will be addressed in the amended EA Report.	None received to date	Not applicable
Ojibways of Batchewana	Long Lake No. 58 First Nation, Michipicoten First Nation, Missanabie Cree First Nation, Ojibways of Batchewana and Ojibways of Garden River employed IBI Group to undertake a combined review of the draft EA Report. Ojibways of Batchewana indicated that they have reviewed the IBI Group report and will not be providing any formal comments on the draft EA Report; however, general concerns were expressed regarding the consultation and engagement process in a letter date June 13, 2017.	NextBridge is currently drafting a PowerPoint presentation outlining how NextBridge will respond to their concerns.	None received to date	Not applicable
Ojibways of Garden River	Long Lake No. 58 First Nation, Michipicoten First Nation, Missanabie Cree First Nation, Ojibways of Batchewana and Ojibways of Garden River employed IBI Group to undertake a combined review of the draft EA Report. Each of these communities may provide comments based on the results of this review. To date, NextBridge has not received comments from Ojibways of Garden River but expects that any comments would be submitted by November 2017.	NextBridge will respond to any comments received from Ojibways of Garden River. Responses to comments will also be provided to MOECC.	None received to date	Not applicable
Pays Plat First Nation	NextBridge has received preliminary comments from Pays Plat First Nation as part of the Shared Value Solutions report described under Binjitiwaabik	NextBridge sent a preliminary response to comments received in the Shared Value Solutions report on November 21, 2017 to	None received to date	Not applicable

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**Table 2: Status of Indigenous Community Comments on the Draft and Final Environmental Assessment Reports**

Community Name	Draft EA Report Comments		Final EA Report Comments	
	Status of Comments	NextBridge Action	Status of Comments	NextBridge Action
	Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek and Fort William First Nation. NextBridge expects to receive the final version of comments by November 2017.	Animbigo Zaag'igan Anishinaabek First Nation, Biinjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band and the MOECC. Comments will be addressed in the amended EA Report.		
Pic Mobert First Nation	Comments have been received and were included in Appendix 1-III-B of the final EA Report.	Responses were prepared and submitted in Appendix 1-III-B of the final EA Report.	None received to date	Not applicable
Red Rock Indian Band	Comments have been received and were included in Appendix 1-III-B of the final EA Report. NextBridge expects additional comments from Pays Plat First Nation as part of the Shared Value Solutions report described under Biinjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek and Fort William First Nation.	Responses received prior the submission of the EA Report were submitted in Appendix 1-III-B of the final EA Report. NextBridge sent a preliminary response to comments received in the Shared Value Solutions report on November 21, 2017 to Animbigo Zaag'igan Anishinaabek First Nation, Biinjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band and the MOECC. Comments will be addressed in the amended EA Report.	None received to date	Not applicable
Métis Nation of Ontario (representing Greenstone Métis Council, Superior North Shore Métis Council and Thunder Bay Métis Council)	Comments have been received and were included in Appendix 1-III-B of the final EA Report.	Responses were prepared and submitted in Appendix 1-III-B of the final EA Report.	Comments were received from MNO on September 12, 2017	NextBridge sent a preliminary response to comments received to MNO and MOECC on November 21, 2017. Comments will be addressed in the amended EA Report and responded to under separate cover.
Red Sky Métis Independent Nation	Comments were received and were included in Appendix 1-III-B of the final EA Report.	Responses were prepared and submitted in Appendix 1-III-B of the final EA Report.	None received to date	Not applicable

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## MEMORANDUM

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### 5.0 CONCLUSION

NextBridge is committed to working with Indigenous communities to facilitate their review of the EA Report and in the continued identification of TEK and TLU information for the Project area. NextBridge intends to incorporate feedback into the Project design and planning, as appropriate. In addition to requesting feedback on the Project and the draft, final and amended EA reports, NextBridge will also continue engagement and consultation through the development and construction of the Project with affected Indigenous communities to provide updates on Project design, construction planning, and schedule. NextBridge will continue to update regulators on the progress of this continued engagement through additional monthly updates during the EA review period.

### 6.0 REFERENCES

NextBridge (NextBridge Infrastructure LP). 2017. *East-West Tie Transmission Project Environmental Assessment Report*.

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## MEMORANDUM

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# APPENDIX A

## Record of Consultation and Engagement November 1, 2017 to November 30, 2017

**Table A-1: Animbiigoo Zaagi'igan Anishinaabek First Nation (Lake Nipigon Ojibway)**

Date	Communication	Communication Synopsis
November 20, 2017	Mail (Sent)	NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Animbiigoo Zaagi'igan Anishinaabek First Nation. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons.
November 21, 2017	Email (Sent)	NextBridge emailed Animbiigoo Zaagi'igan Anishinaabek First Nation providing a response to Shared Value Solution's technical review of the draft EA Report. NextBridge indicated that specific environmental concerns, questions and issues raised in the technical review report will be responded to through the regulatory approvals process. NextBridge stated that they will continue to work towards a revised engagement plan to further relationship building activities that will need to be addressed. NextBridge stated that they have committed to amending the EA Report to address the feedback received from the provincial government review team, Indigenous communities and interested persons. NextBridge summarized the purpose of the amendment. NextBridge explained that they are circulating draft responses to the comments to make sure that the responses are as complete as possible at this time. NextBridge provided a pdf copy of NextBridge's interim responses to Animbiigoo Zaagi'igan Anishinaabek First Nation's comments on the EA Report. NextBridge summarized the process for stakeholders and Indigenous communities to review and provide comments on the amended EA Report.
November 21, 2017	Email (Sent)	NextBridge emailed Shared Value Solutions providing the draft responses to the EA Report for each First Nation that retained Shared Value Solutions. NextBridge requested to be notified about what kind of response communities will be looking for at this time or if they feel a meeting or conference call is needed.
November 22, 2017	Email (Sent)	Shared Value Solutions responded by email to NextBridge at 10:13 pm stating that they will review and brief their First Nation clients and get instructions on the next steps. Shared Value Solutions inquired about the timeline for the amended EA Report. NextBridge emailed Shared Value Solutions in response to Shared Value Solutions' November 21, 2017 email. NextBridge stated that the amended EA Report will be submitted to the MOECC in mid-January 2018 and indicated that NextBridge is available to discuss any further comments, questions, or concerns after Shared Value Solutions have reviewed the questions. NextBridge stated that they can also arrange a meeting in Guelph.



**Table A-2: Biigtigong Nishnaabeg (Ojibways of the Pic River First Nation)**

Date	Communication	Communication Synopsis
November 20, 2017	Mail (Sent)	NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Biigtigong Nishnaabeg. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons.
November 27, 2017	Email (Sent)	NextBridge emailed Biigtigong Nishnaabeg providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Biigtigong Nishnaabeg has also received the notices in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.

**Table A-3: Biinjitiwaabik Zaaging Anishinaabek First Nation (Rocky Bay)**

Date	Communication	Communication Synopsis
November 20, 2017	Mail (Sent)	NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Biinjitiwaabik Zaaging Anishinaabek First Nation. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons.
November 21, 2017	Email (Sent)	NextBridge emailed Biinjitiwaabik Zaaging Anishinaabek First Nation providing a response to Shared Value Solution's technical review of the draft EA Report. NextBridge indicated that specific environmental concerns, questions and issues raised in the technical review report will be responded to through the regulatory approvals process. NextBridge stated that they will continue to work towards a revised engagement plan to further relationship building activities that will need to be addressed. NextBridge stated that they have committed to amending the EA Report to address the feedback received from the provincial government review team, Indigenous communities and interested persons. NextBridge summarized the purpose of the amendment. NextBridge explained that they are circulating draft responses to the comments to make sure that the responses are as complete as possible at this time. NextBridge provided a pdf copy of NextBridge's interim responses to Biinjitiwaabik Zaaging Anishinaabek First Nation's comments on the EA Report. NextBridge summarized the process for stakeholders and Indigenous communities to review and provide comments on the amended EA Report.
November 21, 2017	Email (Sent)	NextBridge emailed Shared Value Solutions providing the draft responses to the EA Report for each First Nation that retained Shared Value Solutions. NextBridge requested to be notified about what kind of response communities will be looking for at this time or if they feel a meeting or conference call is needed.
November 22, 2017	Email (Sent)	Shared Value Solutions responded by email to NextBridge at 10:13 pm stating that they will review and brief their First Nation clients and get instructions on the next steps. Shared Value Solutions inquired about the timeline for the amended EA Report. NextBridge emailed Shared Value Solutions in response to Shared Value Solutions' November 21, 2017 email. NextBridge stated that the amended EA Report will be submitted to the MOECC in mid-January 2018 and indicated that NextBridge is available to discuss any further comments, questions, or concerns after Shared Value Solutions have reviewed the questions. NextBridge stated that they can also arrange a meeting in Guelph.
November 22, 2017	Email (Sent)	NextBridge emailed Biinjitiwaabik Zaaging Anishinaabek providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Biinjitiwaabik Zaaging Anishinaabek has also received the notices in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.

**Table A-4: Bingwi Neyaashi Anishinaabek (Sand Point First Nation)**

Date	Communication	Communication Synopsis
November 20, 2017	Mail (Sent)	NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Bingwi Neyaashi Anishinaabek. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons.
November 21, 2017	Email (Sent)	NextBridge emailed Bingwi Neyaashi Anishinaabek providing a response to Shared Value Solution's technical review of the draft EA Report. NextBridge indicated that specific environmental concerns, questions and issues raised in the technical review report will be responded to through the regulatory approvals process. NextBridge stated that they will continue to work towards a revised engagement plan to further relationship building activities that will need to be addressed. NextBridge stated that they have committed to amending the EA Report to address the feedback received from the provincial government review team, Indigenous communities and interested persons. NextBridge summarized the purpose of the amendment. NextBridge explained that they are circulating draft responses to the comments to make sure that the responses are as complete as possible at this time. NextBridge provided a pdf copy of NextBridge's interim responses to Bingwi Neyaashi Anishinaabek's comments on the EA Report. NextBridge summarized the process for stakeholders and Indigenous communities to review and provide comments on the amended EA Report.
November 21, 2017	Email (Sent)	NextBridge emailed Shared Value Solutions providing the draft responses to the EA Report for each First Nation that retained Shared Value Solutions. NextBridge requested to be notified about what kind of response communities will be looking for at this time or if they feel a meeting or conference call is needed.
November 22, 2017	Email (Sent)	Shared Value Solutions responded by email to NextBridge at 10:13 pm stating that they will review and brief their First Nation clients and get instructions on the next steps. Shared Value Solutions inquired about the timeline for the amended EA Report. NextBridge emailed Shared Value Solutions in response to Shared Value Solutions' November 21, 2017 email. NextBridge stated that the amended EA Report will be submitted to the MOECC in mid-January 2018 and indicated that NextBridge is available to discuss any further comments, questions, or concerns after Shared Value Solutions have reviewed the questions. NextBridge stated that they can also arrange a meeting in Guelph.
November 22, 2017	Email (Sent)	NextBridge emailed Bingwi Neyaashi Anishinaabek providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Bingwi Neyaashi Anishinaabek has also received the notices in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.

**Table A-5: Fort William First Nation**

Date	Communication	Communication Synopsis
November 20, 2017	Mail (Sent)	NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Fort William First Nation. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons.
November 21, 2017	Email (Sent)	NextBridge emailed Fort William First Nation providing a response to Shared Value Solution's technical review of the Draft EA Report. NextBridge indicated that specific environmental concerns, questions and issues raised in the technical review report will be responded to through the regulatory approvals process. NextBridge stated that they will continue to work towards a revised engagement plan to further relationship building activities that will need to be addressed. NextBridge stated that they have committed to amending the EA Report to address the feedback received from the provincial government review team, Indigenous communities and interested persons. NextBridge summarized the purpose of the amendment. NextBridge explained that they are circulating draft responses to the comments to make sure that the responses are as complete as possible at this time. NextBridge provided a pdf copy of NextBridge's interim responses to Fort William First Nation's comments on the EA Report. NextBridge summarized the process for stakeholders and Indigenous communities to review and provide comments on the Amended EA Report.
November 21, 2017	Email (Sent)	NextBridge emailed Shared Value Solutions providing the draft responses to the EA Report for each First Nation that retained Shared Value Solutions. NextBridge requested to be notified about what kind of response communities will be looking for at this time or if they feel a meeting or conference call is needed.
November 22, 2017	Email (Sent)	Shared Value Solutions responded by email to NextBridge at 10:13 pm stating that they will review and brief their First Nation clients and get instructions on the next steps. Shared Value Solutions inquired about the timeline for the amended EA Report. NextBridge emailed Shared Value Solutions in response to Shared Value Solutions' November 21, 2017 email. NextBridge stated that the amended EA Report will be submitted to the MOECC in mid-January 2018 and indicated that NextBridge is available to discuss any further comments, questions, or concerns after Shared Value Solutions have reviewed the questions. NextBridge stated that they can also arrange a meeting in Guelph.
November 22, 2017	Email (Sent)	NextBridge emailed Fort William First Nation providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Fort William First Nation has also received the notices in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.

**Table A-6: Ginoogaming First Nation**

Date	Communication	Communication Synopsis
November 20, 2017	Mail (Sent)	NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Ginoogaming First Nation. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons.

**Table A-7: Long Lake No. 58 First Nation**

Date	Communication	Communication Synopsis
November 20, 2017	Mail (Sent)	NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Long Lake No.58 First Nation. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons.

**Table A-8: Michipicoten First Nation**

Date	Communication	Communication Synopsis
November 20, 2017	Mail (Sent)	NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Michipicoten First Nation. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons.
November 21, 2017	Email (Sent)	NextBridge emailed the Chief and Council of Michipicoten First Nation and Bell & Bernard in response to the Chief's July 10, 2017 letter regarding EA comments. NextBridge apologized for the delay and indicated that they have been working on the EA amendment to address the EA comments. NextBridge provided their response to the July 10, 2017 letter and stated that they hope that some of the concerns have been addressed.
November 22, 2017	Email (Received)	Bell & Bernard emailed NextBridge in response to NextBridge's November 21, 2017 email. Bell & Bernard stated that they will review the document and respond. Bell & Bernard stated that they are discussing the consultation process with IBI and would like to review the most recent and updated version of the EA. Bell & Bernard indicated that they can then execute the MOU and move forward once this item is clarified.
November 27, 2017	Email (Sent)	NextBridge emailed Michipicoten First Nation providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Michipicoten First Nation has also received the notices in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.

**Table A-9: Missanabie Cree First Nation**

Date	Communication	Communication Synopsis
November 20, 2017	Mail (Sent)	NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Missanabie Cree First Nation. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons.
November 21, 2017	Email (Sent)	NextBridge emailed Missanabie Cree First Nation providing a response to IBI Group's technical review of the draft EA Report. NextBridge indicated that specific environmental concerns, questions and issues raised in the technical review report will be responded to through the regulatory approvals process. NextBridge stated that they have committed to amending the EA Report to address the feedback received from the provincial government review team, Indigenous communities and interested persons. NextBridge summarized the purpose of the amendment. NextBridge explained that they are circulating draft responses to the comments to make sure that the responses are as complete as possible at this time. NextBridge provided a pdf copy of NextBridge's interim responses to Missanabie Cree First Nation's comments on the EA Report. NextBridge summarized the process for stakeholders and Indigenous communities to review and provide comments on the amended EA Report. NextBridge requested a response to this email for receipt confirmation purposes and requested specific wording in the response email.
November 22, 2017	Email (Sent)	NextBridge emailed Missanabie Cree First Nation providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Missanabie Cree First Nation has also received the notices in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.



**Table A-10: Ojibways of Batchewana**

Date	Communication	Communication Synopsis
November 20, 2017	Mail (Sent)	NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Missanabie Cree First Nation. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons.

**Table A-11: Ojibways of Garden River**

Date	Communication	Communication Synopsis
November 20, 2017	Mail (Sent)	NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Ojibways of Garden River. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons.
November 27, 2017	Email (Sent)	NextBridge emailed Ojibways of Garden River providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Ojibways of Garden River has also received the notices in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.

**Table A-12: Pays Plat First Nation**

Date	Communication	Communication Synopsis
November 20, 2017	Mail (Sent)	NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Pays Plat First Nation. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons.
November 21, 2017	Email (Sent)	NextBridge emailed Pays Plat First Nation providing a response to Shared Value Solution's technical review of the draft EA Report. NextBridge indicated that specific environmental concerns, questions and issues raised in the technical review report will be responded to through the regulatory approvals process. NextBridge stated that they will continue to work towards a revised engagement plan to further relationship building activities that will need to be addressed. NextBridge stated that they have committed to amending the EA Report to address the feedback received from the provincial government review team, Indigenous communities and interested persons. NextBridge summarized the purpose of the amendment. NextBridge explained that they are circulating draft responses to the comments to make sure that the responses are as complete as possible at this time. NextBridge provided a pdf copy of NextBridge's interim responses to Pays Plat First Nation's comments on the EA Report. NextBridge summarized the process for stakeholders and Indigenous communities to review and provide comments on the amended EA Report.
November 21, 2017	Email (Sent)	NextBridge emailed Shared Value Solutions providing the draft responses to the EA Report for each First Nation that retained Shared Value Solutions. NextBridge requested to be notified about what kind of response communities will be looking for at this time or if they feel a meeting or conference call is needed.
November 22, 2017	Email (Sent)	Shared Value Solutions responded by email to NextBridge at 10:13 pm stating that they will review and brief their First Nation clients and get instructions on the next steps. Shared Value Solutions inquired about the timeline for the Amended EA Report. NextBridge emailed Shared Value Solutions in response to Shared Value Solutions' November 21, 2017 email. NextBridge stated that the Amended EA Report will be submitted to the MOECC in mid-January 2018 and indicated that NextBridge is available to discuss any further comments, questions, or concerns after Shared Value Solutions have reviewed the questions. NextBridge stated that they can also arrange a meeting in Guelph.
November 22, 2017	Email (Sent)	NextBridge emailed Pays Plat First Nation providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Pays Plat First Nation has also received the notices in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.

**Table A-13: Pic Mobert First Nation**

Date	Communication	Communication Synopsis
November 20, 2017	Mail (Sent)	NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Pic Mobert First Nation. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons.
November 27, 2017	Email (Sent)	NextBridge emailed Pic Mobert First Nation providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Pic Mobert First Nation has also received the notices in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.

**Table A-14: Red Rock Indian Band**

Date	Communication	Communication Synopsis
November 20, 2017	Mail (Sent)	NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Red Rock Indian Band. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons.
November 21, 2017	Email (Sent)	NextBridge emailed Red Rock Indian Band providing a response to Shared Value Solution's technical review of the Draft EA Report. NextBridge indicated that specific environmental concerns, questions and issues raised in the technical review report will be responded to through the regulatory approvals process. NextBridge stated that they will continue to work towards a revised engagement plan to further relationship building activities that will need to be addressed. NextBridge stated that they have committed to amending the EA Report to address the feedback received from the provincial government review team, Indigenous communities and interested persons. NextBridge summarized the purpose of the amendment. NextBridge explained that they are circulating draft responses to the comments to make sure that the responses are as complete as possible at this time. NextBridge provided a pdf copy of NextBridge's interim responses to Red Rock Indian Band's comments on the EA Report. NextBridge summarized the process for stakeholders and Indigenous communities to review and provide comments on the Amended EA Report.
November 21, 2017	Email (Sent)	NextBridge emailed Shared Value Solutions providing the draft responses to the EA Report for each First Nation that retained Shared Value Solutions. NextBridge requested to be notified about what kind of response communities will be looking for at this time or if they feel a meeting or conference call is needed.
November 22, 2017	Email (Sent)	Shared Value Solutions responded by email to NextBridge at 10:13 pm stating that they will review and brief their First Nation clients and get instructions on the next steps. Shared Value Solutions inquired about the timeline for the Amended EA Report. NextBridge emailed Shared Value Solutions in response to Shared Value Solutions' November 21, 2017 email. NextBridge stated that the Amended EA Report will be submitted to the MOECC in mid-January 2018 and indicated that NextBridge is available to discuss any further comments, questions, or concerns after Shared Value Solutions have reviewed the questions. NextBridge stated that they can also arrange a meeting in Guelph.
November 22, 2017	Email (Sent)	NextBridge emailed Red Rock Indian Band providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Red Rock Indian Band has also received the notices in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.

**Table A-15: Métis Nation of Ontario**

Date	Communication	Communication Synopsis
November 20, 2017	Mail (Sent)	NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Métis Nation of Ontario. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons.
November 21, 2017	Email (Sent)	NextBridge emailed Métis Nation of Ontario providing a response to Calliou Group's technical review of the Draft EA Report. NextBridge indicated that specific environmental concerns, questions and issues raised in the technical review report will be responded to through the regulatory approvals process. NextBridge stated that they have committed to amending the EA Report to address the feedback received from the provincial government review team, Indigenous communities and interested persons. NextBridge summarized the purpose of the amendment. NextBridge explained that they are circulating draft responses to the comments to make sure that the responses are as complete as possible at this time. NextBridge provided a pdf copy of NextBridge's interim responses to Métis Nation of Ontario's comments on the EA Report. NextBridge summarized the process for stakeholders and Indigenous communities to review and provide comments on the Amended EA Report. NextBridge requested a response to this email for receipt confirmation purposes and requested specific wording in the response email.
November 22, 2017	Email (Sent)	NextBridge emailed Métis Nation of Ontario providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Métis Nation of Ontario has also received the notices in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.
November 23, 2017	Email (Received)	NextBridge received an email from Métis Nation of Ontario in response to NextBridge's November 21, 2017 email that provided responses to EA comments. The Métis Nation of Ontario stated that they look forward to reviewing the Amended EA and undertaking further information sharing throughout the lifecycle of the Project.
November 23, 2017	Email (Sent)	<p>NextBridge emailed Métis Nation of Ontario providing an information package as directed by the Ontario Energy Board. NextBridge noted that a hard copy of the material has been couriered to Métis Nation of Ontario's offices. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>▪ Cover Letter to First Nations and Indigenous communities;</li> <li>▪ Project Schedule;</li> <li>▪ NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>▪ Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>▪ Public Notices in; Ojibway, English, French and Cree.</li> </ul> <p>NextBridge also provided the website links to the Project application and evidence and Hydro One's application and evidence.</p>

**Table A-16: Red Sky Métis Independent Nation**

Date	Communication	Communication Synopsis
November 20, 2017	Mail (Sent)	NextBridge couriered the Notice of Intent to Amend the EA Report for the Project to Red Sky Métis Independent Nation. The Notice stated that the amended EA Report will address the feedback received from the provincial government review team as well as the Indigenous communities and interested persons.
November 22, 2017	Email (Sent)	NextBridge emailed Red Sky Métis Independent Nation providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Red Sky Métis Independent Nation has also received the notices in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.
November 23, 2017	Email (Sent)	<p>NextBridge emailed Red Sky Métis Independent Nation providing an information package as directed by the Ontario Energy Board. NextBridge noted that a hard copy of the material has been couriered to Red Sky Métis Independent Nation's offices. The following documents were included in the information package:</p> <ul style="list-style-type: none"> <li>▪ Cover Letter to First Nations and Indigenous communities;</li> <li>▪ Project Schedule;</li> <li>▪ NextBridge LP, Leave to Construct the East West Tie Line Project application under Section 92, Ontario Energy Board Act;</li> <li>▪ Hydro One, Leave to Construct application to upgrade transmission station facilities under Section 92, Ontario Energy Board Act (included in the Hydro One package is a copy of the Order In Council indicating the project is a Ontario priority);</li> <li>▪ Public Notices in; Ojibway, English, French and Cree.</li> </ul> <p>NextBridge also provided the website links to the Project application and evidence and Hydro One's application and evidence.</p>

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## MEMORANDUM

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**TO** Agni Papageorgiou, Ministry of the Environment and Climate Change

**DATE** January 15, 2018

**FROM** Herb Shields, NextBridge Infrastructure LP

**PROJECT No.** 1536607/6000/7005

### INDIGENOUS CONSULTATION MONTHLY UPDATE

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## 1.0 INTRODUCTION

NextBridge Infrastructure LP (NextBridge) has prepared the following update on Indigenous consultation and engagement activities between December 1, 2017 and December 31, 2017 for the East-West Tie Transmission Project (the Project). Included is an update on consultation and engagement activities by Indigenous community and an update on the status of outstanding Traditional Ecological Knowledge (TEK) and Traditional Land Use (TLU) reports. The memo also includes plans to incorporate outstanding TEK and TLU information into EA reporting and Project planning specific to each Indigenous community. Also included is an update on the receipt of comments on the draft and final EA Reports received from Indigenous communities and NextBridge's response. The supporting record of consultation and engagement for this same time period is included as Appendix A. Please refer to Section 2.2 of the EA Report (NextBridge 2017) for further information on NextBridge's approach to Indigenous engagement and consultation, including the process and methods.

In order to maintain the current Project schedule, consultation information and comments received before the end of November 2017 will be addressed in the amended EA Report. After that period, the consultation information will be incorporated as part of the monthly update memo while comments will be addressed in the amended EA Report as much as feasible (but not guaranteed).

## 2.0 INDIGENOUS COMMUNITY UPDATES

### 2.1 Animbiigoo Zaagi'igan Anishinaabek First Nation (Lake Nipigon Ojibway)

Additional concerns have not been expressed by Animbiigoo Zaagi'igan Anishinaabek First Nation during this reporting period. Animbiigoo Zaagi'igan Anishinaabek First Nation is also one of six Indigenous communities to have contracted Shared Value Solutions to review the draft EA Report. NextBridge met with Shared Value Solutions on December 22, 2017 to discuss the next steps forward. NextBridge provided a Project update on the questions from the draft EA and amended EA Report schedule. Shared Value Solutions stated that they will confer with their clients if another round of reviews are needed. Shared Value Solutions requested a summary chart be created that consolidates all First Nation questions and NextBridge responses into a single document. Shared Value Solutions inquired if there is a summary document that highlights where the changes and amendments are in the amended EA Report. NextBridge indicated that they will follow-up on the summary document or if needed, a technical briefing can be made to Shared Value Solutions to review where the revisions were made.

On December 18, 2017, NextBridge requested confirmation on the format of the amended EA Report that Animbiigoo Zaagi'igan Anishinaabek First Nation would like to receive. Animbiigoo Zaagi'igan Anishinaabek First Nation emailed confirmation on the type of format on December 19, 2017.

The record of consultation and engagement for Animbiigoo Zaagi'igan Anishinaabek First Nation is included in Appendix A, Table A-1.



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## MEMORANDUM

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### 2.2 Biigtigong Nishnaabeg<sup>1</sup>

There have been no further meetings with Biigtigong Nishnaabeg since those reported in the final EA Report and no additional concerns with the Project have been identified during this reporting period.

On December 13, 2017, NextBridge requested confirmation on the format of the amended EA Report that Biigtigong Nishnaabeg would like to receive. Biigtigong Nishnaabeg emailed confirmation on the type of format on December 19, 2017.

The record of consultation and engagement during this reporting period for Biinjitiwaabik Zaaging Anishinaabek First Nation is in Appendix A, Table A-2.

### 2.3 Biinjitiwaabik Zaaging Anishinaabek First Nation (Rocky Bay)

Additional concerns have not been expressed by Biinjitiwaabik Zaaging Anishinaabek First Nation during this reporting period. Biinjitiwaabik Zaaging Anishinaabek First Nation is also one of six Indigenous communities to have contracted Shared Value Solutions to review the draft EA Report. NextBridge met with Shared Value Solutions on December 22, 2017 to discuss the next steps forward. NextBridge provided a Project update on the questions from the draft EA and amended EA Report schedule. Shared Value Solutions stated that they will confer with their clients if another round of reviews are needed. Shared Value Solutions requested a summary chart be created that consolidates all First Nation questions and NextBridge responses into a single document. Shared Value Solutions inquired if there is a summary document that highlights where the changes and amendments are in the amended EA Report. NextBridge indicated that they will follow-up on the summary document or if needed, a technical briefing can be made to Shared Value Solutions to review where the revisions were made.

On December 18, 2017, NextBridge requested confirmation on the format of the amended EA Report that Biinjitiwaabik Zaaging Anishinaabek First Nation would like to receive. Biinjitiwaabik Zaaging Anishinaabek First Nation emailed confirmation on the type of format that day.

The record of consultation and engagement during this reporting period for Biinjitiwaabik Zaaging Anishinaabek First Nation is in Appendix A, Table A-3.

### 2.4 Bingwi Neyaashi Anishinaabek (Sand Point First Nation)

Additional concerns have not been expressed by Bingwi Neyaashi Anishinaabek during this reporting period. Bingwi Neyaashi Anishinaabek is also one of six Indigenous communities to have contracted Shared Value Solutions to review the draft EA Report. NextBridge met with Shared Value Solutions on December 22, 2017 to discuss the next steps forward. NextBridge provided a Project update on the questions from the draft EA and amended EA Report schedule. Shared Value Solutions stated that they will confer with their clients if another round of reviews are needed. Shared Value Solutions requested a summary chart be created that consolidates all First Nation questions and NextBridge responses into a single document. Shared Value Solutions inquired if there is a summary document that highlights where the changes and amendments are in the amended EA Report.

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<sup>1</sup> Ojibways of Pic River changed their name to Biigtigong Nishnaabeg in September 2015. Biigtigong Nishnaabeg requested that this name be used in the EA, therefore all references to this community will be under the name Biigtigong Nishnaabeg.

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NextBridge indicated that they will follow-up on the summary document or if needed, a technical briefing can be made to Shared Value Solutions to review where the revisions were made.

On December 18, 2017, NextBridge requested confirmation on the format of the amended EA Report that Bingwi Neyaashi Anishinaabek would like to receive. Bingwi Neyaashi Anishinaabek emailed confirmation on the type of format on December 19, 2017.

The record of consultation and engagement during this reporting period for Bingwi Neyaashi Anishinaabek is in Appendix A, Table A-4.

### **2.5 Fort William First Nation**

Additional concerns have not been expressed by Fort William First Nation during this reporting period. Fort William First Nation is also one of six Indigenous communities to have contracted Shared Value Solutions to review the draft EA Report. NextBridge met with Shared Value Solutions on December 22, 2017 to discuss the next steps forward. NextBridge provided a Project update on the questions from the draft EA and amended EA Report schedule. Shared Value Solutions stated that they will confer with their clients if another round of reviews are needed. Shared Value Solutions requested a summary chart be created that consolidates all First Nation questions and NextBridge responses into a single document. Shared Value Solutions inquired if there is a summary document that highlights where the changes and amendments are in the amended EA Report. NextBridge indicated that they will follow-up on the summary document or if needed, a technical briefing can be made to Shared Value Solutions to review where the revisions were made.

On December 18, 19, and 20, 2017, NextBridge requested confirmation on the format of the amended EA Report that Fort William First Nation would like to receive. Fort William First Nation emailed confirmation on the type of format on December 20, 2017.

The record of consultation and engagement during this reporting period for Fort William First Nation is in Appendix A, Table A-5.

### **2.6 Ginoogaming First Nation**

Ginoogaming First Nation has indicated that they do not have interests in the area of the Project and have not engaged with NextBridge on the Project. As a result, there have been no further meetings with Ginoogaming First Nation and no additional concerns with the Project have been identified beyond those reported in the final EA Report.

NextBridge emailed Ginoogaming First Nation on December 15, 2017 providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Ginoogaming First Nation has also received the notice in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.

On December 18 and 19, 2017, NextBridge requested confirmation on the format of the amended EA Report that Ginoogaming First Nation would like to receive. Ginoogaming First Nation emailed confirmation on the type of format on December 20, 2017.

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The record of consultation and engagement during this reporting period with Ginoogaming First Nation is in Appendix A, Table A-6.

### **2.7 Long Lake No. 58 First Nation**

There have been no meetings with Long Lake No. 58 First Nation since those reported in the final EA Report. No additional Project concerns have been identified by Long Lake No. 58 First Nation beyond those reported in the EA report. Long Lake No. 58 First Nation is one of five communities that have contracted IBI Group to undertake a combined review of the draft EA Report. Each of these communities may provide comments based on the results of this review. To date, NextBridge has not received comments from Long Lake No. 58 First Nation and does not expect any comments.

NextBridge emailed Long Lake No. 58 First Nation on December 15, 2017 providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Long Lake No. 58 First Nation has also received the notice in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.

NextBridge requested confirmation on the format of the amended EA Report that Long Lake No. 58 First Nation would like to receive on December 18, 2017. Long Lake No. 58 First Nation emailed confirmation on the type of format on December 20, 2017.

The record of consultation and engagement during this reporting period with Long Lake No. 58 First Nation is in Appendix A, Table A-7.

### **2.8 Michipicoten First Nation**

There have been no meetings with Michipicoten First Nation since those reported in the final EA Report. No additional Project concerns have been identified by Michipicoten First Nation beyond those reported in the EA report.

Bell & Bernard, Michipicoten First Nation's consultant, proposed meeting with NextBridge on December 21 or 22, 2017. NextBridge met with Bell & Bernard to discuss the Project on December 21, 2017. Bell & Bernard confirmed that Michipicoten First Nation have a Memorandum of Understanding in place and NextBridge can proceed with engagement. Bell & Bernard inquired about land valuation and how to proceed with 28(2) permitting. NextBridge committed to providing some information on how Lands conducts land valuation. NextBridge committed to providing Bell & Bernard with an engagement workplan in early January 2018 that outlines month-by-month the tasks that need to be completed to align with schedule. NextBridge committed to working with Bell & Bernard to setup a Chief and Council meeting and community meetings in early 2018.

On December 18, 2017, NextBridge requested confirmation on the format of the amended EA Report that Michipicoten First Nation would like to receive. Michipicoten First Nation emailed confirmation on the type of format that day.

NextBridge emailed Bell & Bernard a copy of the finalized Memorandum of Understanding for the Project, indicating that they would like to turn the Memorandum of Understanding into a month-by-month engagement plan. NextBridge stated that they will send a draft copy of the engagement plan to Bell & Bernard for their input.

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The record of consultation and engagement during this reporting period with Michipicoten First Nation is in Appendix A, Table A-8.

### **2.9 Missanabie Cree First Nation**

There have been no meetings with Missanabie Cree First Nation since those reported in the final EA Report. No additional Project concerns have been identified by Michipicoten First Nation beyond those reported in the EA report.

On December 13, 2017, NextBridge requested confirmation on the format of the amended EA Report that Missanabie Cree First Nation would like to receive. Missanabie Cree First Nation emailed confirmation on the type of format on December 18, 2017.

The record of consultation and engagement during this reporting period with Missanabie Cree First Nation is in Appendix A, Table A-9.

### **2.10 Ojibways of Batchewana**

No additional Project concerns have been identified by Ojibways of Batchewana beyond those reported in the EA report. NextBridge emailed Ojibways of Batchewana a PowerPoint presentation of the Batchewana Agreement Outline on December 1, 2017. NextBridge met with Ojibways of Batchewana on December 6, 2017 to discuss the Project. NextBridge reviewed the Batchewana Agreement Outline presentation and explained NextBridge's position regarding the Permit Agreement for Ojibways of Batchewana. Ojibways of Batchewana agreed to proceed with a revised Permit Agreement based on the Batchewana Agreement Outline presentation re-format. Ojibways of Batchewana agreed to allow NextBridge re-draft the Permit Agreement and send a clean version of Ojibways of Batchewana in early 2018.

NextBridge emailed Ojibways of Batchewana on December 14, 2017 providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Ojibways of Batchewana has also received the notice in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.

On December 18, 2017, NextBridge requested confirmation on the format of the amended EA Report that Ojibways of Batchewana would like to receive. Ojibways of Batchewana emailed confirmation on the type of format on December 20, 2017.

The record of consultation and engagement during this reporting period with Ojibways of Batchewana is in Appendix A, Table A-10.

### **2.11 Ojibways of Garden River**

There have been no meetings with Ojibways of Garden River since those reported in the final EA Report. No additional Project concerns have been identified by Ojibways of Garden River beyond those reported in the EA report.

On December 13, 2017, NextBridge requested confirmation on the format of the amended EA Report that Ojibways of Garden River would like to receive. Ojibways of Garden River emailed confirmation on the type of format that day.

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The record of consultation and engagement during this reporting period with Ojibways of Garden River is in Appendix A, Table A-11.

### **2.12 Pays Plat First Nation**

Additional concerns have not been expressed by Pays Plat First Nation during this reporting period. Pays Plat First Nation is also one of six Indigenous communities to have contracted Shared Value Solutions to review the draft EA Report. NextBridge met with Shared Value Solutions on December 22, 2017 to discuss the next steps forward. NextBridge provided a Project update on the questions from the draft EA and amended EA Report schedule. Shared Value Solutions stated that they will confer with their clients if another round of reviews are needed. Shared Value Solutions requested a summary chart be created that consolidates all First Nation questions and NextBridge responses into a single document. Shared Value Solutions inquired if there is a summary document that highlights where the changes and amendments are in the amended EA Report. NextBridge indicated that they will follow-up on the summary document or if needed, a technical briefing can be made to Shared Value Solutions to review where the revisions were made.

On December 18, 2017, NextBridge requested confirmation on the format of the amended EA Report that Pays Plat First Nation would like to receive. Pays Plat First Nation emailed confirmation on the type of format that day.

NextBridge emailed Pays Plat First Nation on December 19, 2017 regarding invoices. NextBridge also inquired about opportunities to meet in January 2018 to provide updates on the Project and consent letters. NextBridge requested to be notified if Pays Plat First Nation wants NextBridge to undertake any writing or discussions with Pays Plat First Nation legal counsel.

Pays Plat First Nation has confirmed that they are not undertaking any TEK or TLU data collection specific to the Project. The record of consultation and engagement during this reporting period for Pays Plat First Nation is in Appendix A, Table A-12.

### **2.13 Pic Mobert First Nation**

There have been no meetings between NextBridge and Pic Mobert First Nation during this reporting period. No comments on the final EA Report have been received from Pic Mobert First Nation and no additional Project issues or concerns have been recorded during Project correspondence during this reporting period.

NextBridge emailed Pic Mobert First Nation on December 7, 2017 requesting updated TLRU data at the regional study area level. NextBridge provided zip files showing the new GIS data points and requested to be notified if Pic Mobert First Nation has such data and is willing to share with NextBridge for the amended EA Report. NextBridge is in the process of confirming with Pic Mobert First Nation if additional TEK and TLU information has been collected through community mapping and interviews and NextBridge.

On December 13, 18, 19 and 20, 2017, NextBridge requested confirmation on the format of the amended EA Report that Pic Mobert First Nation would like to receive. Pic Mobert First Nation emailed confirmation on the type of format on December 21, 2017.

The record of consultation and engagement during this reporting period for Pic Mobert First Nation is in Appendix A, Table A-13.

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### 2.14 Red Rock Indian Band

Additional concerns have not been expressed by Red Rock Indian Band during this reporting period. Red Rock Indian Band provided comments on the draft EA Report and responses to the comments are in Appendix 1-III-B of the final EA Report.

Red Rock Indian Band is also one of six Indigenous communities to have contracted Shared Value Solutions to review the draft EA Report. NextBridge met with Shared Value Solutions on December 22, 2017 to discuss the next steps forward. NextBridge provided a Project update on the questions from the draft EA and amended EA Report schedule. Shared Value Solutions stated that they will confer with their clients if another round of reviews are needed. Shared Value Solutions requested a summary chart be created that consolidates all First Nation questions and NextBridge responses into a single document. Shared Value Solutions inquired if there is a summary document that highlights where the changes and amendments are in the amended EA Report. NextBridge indicated that they will follow-up on the summary document or if needed, a technical briefing can be made to Shared Value Solutions to review where the revisions were made.

On December 18, 2017, NextBridge requested confirmation on the format of the amended EA Report that Red Rock Indian Band would like to receive. Red Rock Indian Band emailed confirmation on the type of format that day.

Red Rock Indian Band has confirmed that they are not intending to submit any additional TEK or TLU information related to the Project. The record of consultation and engagement during this reporting period for Red Rock Indian Band is in Appendix A, Table A-14.

### 2.15 Métis Nation of Ontario

Métis Nation of Ontario (MNO) represents the Thunder Bay Métis Council, the Superior North Shore Métis Council and the Greenstone Métis Council in discussions with NextBridge for the Project. NextBridge does not expect any further TEK or TLU information to be provided by the MNO as the MNO information has already been provided to NextBridge and included in the final EA Report. There have been no meetings between NextBridge and the MNO during this reporting period.

On December 18 and 19, 2017, NextBridge requested confirmation on the format of the amended EA Report that MNO would like to receive. The MNO emailed confirmation on the type of format on December 20, 2017.

The record of consultation and engagement during this reporting period for MNO is in Appendix A, Table A-15.

### 2.16 Red Sky Métis Independent Nation

Red Sky Métis Independent Nation provided comments on the draft EA Report and responses to the comments are in Appendix 1-III-B of the final EA Report. To date, no further comments on the final EA Report have been received from Red Sky Métis Independent Nation. Based on the consultation and engagement efforts to date, NextBridge does not expect any TEK or TLU information related to the Project to be submitted by Red Sky Métis Independent Nation.

Red Sky Métis Independent Nation emailed NextBridge on December 14, 2017 and requested a meeting with NextBridge in January 2018 to discuss the results of Red Sky Métis Independent Nation's review of archaeological



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survey sites with their known community sensitive sites. NextBridge expressed a preference to also have a call before January 2018 and both parties had a call on December 19, 2017 to discuss the archaeology results. Red Sky Métis Independent Nation noted that there are some sites that overlap with Red Sky Métis Independent Nation's sensitive sites and they would like to share their shapefiles with NextBridge's consultant to compare tower locations. Red Sky Métis Independent Nation noted that they do not have a lot of capacity to review EAs and would appreciate a technical briefing in January 2018 where NextBridge would provide an overview of the changes and highlight where Red Sky Métis Independent Nation's feedback was incorporated. Red Sky Métis Independent Nation also expressed interest in learning more about the General Contractor and procurement opportunities. NextBridge emailed Red Sky Métis Independent Nation on December 20, 2017 providing the list of action items from the December 19, 2017 call.

The record of consultation and engagement with Red Sky Métis Independent Nation during this reporting period is in Appendix A, Table A-16.

### **3.0 TRADITIONAL KNOWLEDGE AND TRADITIONAL LAND AND RESOURCE USE INFORMATION UPDATES**

NextBridge believes that active engagement of those Indigenous communities that hold and wish to share TEK and TLU information about the Project area is important to understand the potential effects of the Project and develop effective mitigation and strategies to reduce the potential for adverse effects. NextBridge continues to work with Indigenous communities to identify, collect, and evaluate TEK and TLU information to aid in the identification, mitigation and/or avoidance of potential adverse effects that may arise from Project routing, construction, and operations. Communities have been offered opportunities to share relevant data with NextBridge through the implementation of information sharing agreements. These agreements provided funding for communities for activities such as preparing TEK and TLU studies and community meetings.

NextBridge received TLU and TEK information from eight Indigenous communities prior to the completion of the final EA Report. This information included Project-specific reports prepared independently by, or for, Indigenous communities, Project-specific TEK and TLU Geographic Information System (GIS) data, existing (i.e., not Project-specific) TEK and TLU GIS data, and non-digital maps of TLU data in relation to the Project footprint. This information was reviewed and incorporated into the final EA Report (Section 17, Indigenous Current Use of Lands and Resources for Traditional Purposes). No site-specific locations of TLU or TEK that may require Project footprint adjustments have been identified by Indigenous communities to date.

NextBridge recognizes that not all potentially affected Indigenous communities have provided TEK and TLU information specific to the Project at this time. NextBridge continues to actively engage with those Indigenous communities that have expressed interest in collecting TEK and TLU specific to the Project or provide previously collected information that is relevant to the Project area. NextBridge intends to take the following actions when additional TEK and TLU information is received:

- Review the information for any site-specific interactions with the Project footprint.

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- In the event there is an interaction between a location identified by an Indigenous community and Project footprint, NextBridge will engage the identifying community to discuss the importance of the site to the community, and potential mitigation measures.
- Appropriate mitigation measures are expected to be dependent on the proximity of the site in relation the Project footprint and the nature of the site (e.g., hunting location versus camping site). NextBridge intends to discuss appropriate mitigation measures with the identifying Indigenous community. Potential mitigation measures may include:
  - detailed mapping, recording, flagging and avoidance of the location, where possible;
  - in the event that avoidance of the site not be feasible, NextBridge will discuss other alternatives with the identifying Indigenous community;
  - implementation of mitigation measures to reduce potential for indirect effects on the site such as measures designed to reduce noise, or, where possible, the scheduling of construction outside of periods when the site will be used by Indigenous land users; and
  - all sites requiring non-standard mitigation will be added to the Environmental Protection Plan, Environmental Alignment Sheets, and Access and Construction Environmental Maps.

NextBridge intends to provide opportunities for communities to discuss the effectiveness of mitigation as observed while they undertake land and resource use activities in proximity to the Project. The current status of TEK and TLU data collection from Indigenous communities is presented in Table 1. Information provided by Indigenous communities since the submission of the final EA Report will be incorporated into the amended EA Report, as appropriate.



## MEMORANDUM

**Table 1: Traditional Knowledge and Traditional Land and Resource Use Data Collection from Indigenous Communities**

Community Name	Community Provided Data Incorporated into the EA Report	Additional Data Collection Status	Change Since Last Update (November 2017)
Animbiigoo Zaagi'igan Anishinaabek First Nation (Lake Nipigon Ojibway)	No	Animbiigoo Zaagi'igan Anishinaabek First Nation submitted a summary of questions and concerns related to the EA Report and Project on July 11, 2017. NextBridge has reviewed the summary of questions and concerns, and this information indicated that Animbiigoo Zaagi'igan Anishinaabek First Nation members have high usage of the regional study area for traditional livelihoods, sustenance and ceremonial purposes, but no site-specific locations of concern were identified. NextBridge's understanding is that Animbiigoo Zaagi'igan Anishinaabek First Nation does not have any site-specific TLU or TEK concerns that would require adjustments to the Project footprint and that their interest in the Project relates to regional environmental effects. NextBridge responded directly to Animbiigoo Zaagi'igan Anishinaabek First Nation questions and concerns on September 5, 2017.	None
Biigtigong Nishnaabeg	Yes, Biigtigong Nishnaabeg provided NextBridge a cultural data assessment map on March 24, 2017. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	The map provides locations within 300 m of the October 19, 2016 preferred Project route; however, to date, Biigtigong Nishnaabeg has not expressed any site-specific TLU or TEK concerns that would affect Project routing. NextBridge continues to make themselves available for information gathering by attending community events to which they are invited. NextBridge most recently attended the Land Use Summit in July 2017.	None
Binjitiwaabik Zaaging Anishinaabek First Nation (Rocky Bay)	No	Binjitiwaabik Zaaging Anishinaabek First Nation verbally confirmed that they will not be submitting TEK and TLU information on November 17, 2014.	None
Bingwi Neyaaashi Anishinaabek (Sand Point First Nation)	No	Bingwi Neyaaashi Anishinaabek confirmed that they will not be submitting TEK and TLU information on August 18, 2014 and on August 3, 2017.	None
Fort William First Nation	No	Independently conducted community mapping and interviews were conducted and a report was provided to NextBridge on October 20, 2017. This information will be incorporated into the amended EA Report, as appropriate.	None
Ginoogaming First Nation	No	Ginoogaming First Nation has indicated that they do not have interests in the Project area and have not engaged with NextBridge on the Project.	None

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## MEMORANDUM

**Table 1: Traditional Knowledge and Traditional Land and Resource Use Data Collection from Indigenous Communities**

Community Name	Community Provided Data Incorporated into the EA Report	Additional Data Collection Status	Change Since Last Update (November 2017)
Long Lake No. 58 First Nation	Yes, an interim report provided to NextBridge on May 27, 2015. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	No further information is expected be provided by the community. To date, Long Lake No. 58 First Nation has not identified any site-specific TEK or TLU concerns that would affect Project routing.	None
Michipicoten First Nation	Yes, previously collected TEK and TLU GIS data was provided to NextBridge in 2014. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	NextBridge is currently engaged in ongoing discussions with Michipicoten First Nation that may result in additional TLU or TEK information being shared. NextBridge expects to receive any additional TLU or TEK information from Michipicoten First Nation in Q4 2017.	None
Missanabie Cree First Nation	Yes, previously collected TEK and TLU GIS data was provided to NextBridge on June 12, 2016. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	NextBridge's understanding is that Missanabie Cree First Nation will not be providing any additional TEK or TLU data. To date, Missanabie Cree First Nation has not identified any TLU or TEK concerns that would affect Project routing. NextBridge continues to make themselves available for information gathering by attending community events to which they are invited. NextBridge most recently attended the Land Use Summit in July 2017.	None
Ojibways of Batchewana	No	Ojibways of Batchewana have indicated that there is a need to identify and discuss culturally significant plants and animals in the Project area. NextBridge is currently in discussions with Ojibways of Batchewana to fund TEK and TLU data gathering and expects that any additional TEK or TLU information will be made available by Q4 2017.	None
Ojibways of Garden River	No	Ojibways of Garden River indicated that members harvest plants and animals in the general area of the Project at a community meeting on July 4, 2017. NextBridge is currently in discussions with Ojibways of Garden River regarding funding additional TEK or TLU data gathering.	None

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## MEMORANDUM

**Table 1: Traditional Knowledge and Traditional Land and Resource Use Data Collection from Indigenous Communities**

Community Name	Community Provided Data Incorporated into the EA Report	Additional Data Collection Status	Change Since Last Update (November 2017)
Pays Plat First Nation	Yes, previously-collected traditional land and resource use (TLRU) GIS data was provided to NextBridge on May 17, 2016. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	Pays Plat First Nation have confirmed that they have not undertaken any additional community mapping or interviews and that the information submitted to date shall be considered their final submission. To date, Pays Plat First Nation has not indicated any TLU or TEK concerns that are expected to affect Project routing.	None
Pic Mobert First Nation	Yes, Pic Mobert First Nation provided their land and occupancy maps to NextBridge on March 17, 2017. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	NextBridge continues to follow up with Pic Mobert First Nation to confirm if there community has additional TEK and TLU information that they wish to share with NextBridge.	In the November 2017 update, NextBridge indicated that they expected to receive any additional TEK or TLU information in Q4 2017. To date, Pic Mobert First Nation has not provided any additional information for consideration.
Red Rock Indian Band	Yes, NextBridge received an interim report from Red Rock Indian Band on May 24, 2016. Applicable information was incorporated into the baseline conditions of the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17).	Red Rock Indian Band confirmed on August 3, 2017 that no additional community mapping interviews have been conducted and that the information submitted to date shall be considered their final submission.	None

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## MEMORANDUM

**Table 1: Traditional Knowledge and Traditional Land and Resource Use Data Collection from Indigenous Communities**

Community Name	Community Provided Data Incorporated into the EA Report	Additional Data Collection Status	Change Since Last Update (November 2017)
Métis Nation of Ontario (representing Greenstone Métis Council, Superior North Shore Métis Council and Thunder Bay Métis Council)	Yes, The Métis Nation of Ontario land use study was received by NextBridge on November 25, 2016. A secondary report was received by NextBridge on March 31, 2017 (with a revised version received on June 15, 2017). Information from MNO studies informed the Indigenous Current Use of Lands and Resources for Traditional Purposes Section of the EA Report (Section 17), including in the identification of Métis specific indicators and in the identification of baseline conditions.	NextBridge does not expect any further TEK or TLU information to be provided by Métis Nation of Ontario.	None
Red Sky Métis Independent Nation	No	It is NextBridge's understanding that Red Sky Métis Independent Nation will not be providing a formal TEK or TLU submission, and that their interest in the Project relates to regional environmental effects. However, Red Sky Métis Independent Nation will discuss their sensitive site locations in relation to the Project footprint with NextBridge in January 2018.	None

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### 4.0 COMMENTS ON THE ENVIRONMENTAL ASSESSMENT

NextBridge acknowledges that consultation with Indigenous communities is one of the most important activities to be carried out during Project development. NextBridge has provided Indigenous communities with the opportunity to review the draft EA and final EA Report. The status of comments received on the draft EA Report is presented in Table 2. NextBridge has provided funding for Indigenous communities to undertake a review of the draft EA Report. NextBridge is not aware of which communities will be submitting comments on the draft EA Report, but based on ongoing discussions with communities it is NextBridge's understanding that the majority of communities will not submit additional comments on the amended EA Report. NextBridge will update MOECC on the status of the response to these comments in the monthly Indigenous consultation updates.

NextBridge will continue to communicate and follow up with Indigenous communities to receive their feedback on the Project and the amended EA Report. NextBridge will respond to all written comments received from the Indigenous communities. For written comments received outside the MOECC EA Report review periods, NextBridge will respond to the comments directly to the Indigenous community and the response will be provided to MOECC and MOE in future monthly Indigenous consultation log updates. Similar to the approach taken during the review of the draft EA Report, for any new comments received after the amended EA Report is submitted, NextBridge will discuss and resolve issues with Indigenous communities through meetings and teleconference calls as required. For written comments received during the EA Report comment review period, NextBridge will respond and submit the responses to MOECC with comments received from other reviewers.

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**Table 2: Status of Indigenous Community Comments on the Draft and Final Environmental Assessment Reports**

Community Name	Draft EA Report Comments		Final EA Report Comments	
	Status of Comments	NextBridge Action	Status of Comments	NextBridge Action
Animbiigoo Zaagi'igan Anishinaabek First Nation (Lake Nipigon Ojibway)	NextBridge received comments on the draft EA Report on September 12, 2017 from Shared Value Solutions who undertook a combined review on behalf of Animbiigoo Zaagi'igan Anishinaabek First Nation, Biinjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band.	NextBridge sent a preliminary response to comments in the Shared Value Solutions report on November 21, 2017 to Animbiigoo Zaagi'igan Anishinaabek First Nation, Biinjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band and the MOECC. Comments will be addressed in the amended EA Report.	None received to date	Not applicable
Biigtigong Nishnaabeg	Comments were received and are included in Appendix 1-III-B of the EA Report.	Responses were prepared and submitted in Appendix 1-III-B of the EA Report.	None received to date	Not applicable
Biinjitiwaabik Zaaging Anishinaabek First Nation (Rocky Bay)	NextBridge received comments on the draft EA Report on September 12, 2017 from Shared Value Solutions who undertook a combined review on behalf of Animbiigoo Zaagi'igan Anishinaabek First Nation, Biinjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation and Red Rock Indian Band.	NextBridge sent a preliminary response to comments received in the Shared Value Solutions report on November 21, 2017 to Animbiigoo Zaagi'igan Anishinaabek First Nation, Biinjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band and the MOECC. Comments will be addressed in the amended EA Report.	None received to date	Not applicable
Bingwi Neyaashi Anishinaabek (Sand Point First Nation)			None received to date	Not applicable
Fort William First Nation			None received to date	Not applicable
Ginoogaming First Nation	No comments have been received	Not applicable	None received to date	Not applicable
Long Lake No. 58 First Nation	Long Lake No. 58 First Nation, Michipicoten First Nation, Missanabie Cree First Nation, Ojibways of Batchewana and Ojibways of Garden River contracted IBI Group to undertake a combined review of the draft EA Report. Each of these communities may provide comments based on the results of this review. To date, NextBridge has not received comments from Long Lake No. 58 First Nation, but expects that any comments would be submitted by November 2017.	NextBridge will respond to any comments received from Long Lake No. 58 first Nation and will provide the responses to the community and MOECC.	None received to date	Not applicable

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**Table 2: Status of Indigenous Community Comments on the Draft and Final Environmental Assessment Reports**

Community Name	Draft EA Report Comments		Final EA Report Comments	
	Status of Comments	NextBridge Action	Status of Comments	NextBridge Action
Michipicoten First Nation	Michipicoten First Nation, Long Lake No. 58 First Nation, Missanabie Cree First Nation, Ojibways of Batchewana and Ojibways of Garden River contracted IBI Group to undertake a combined review of the draft EA Report. Michipicoten First Nation provided an initial overview of specific concerns based on this review on July 10, 2017.	NextBridge sent Michipicoten First Nation and MOECC preliminary responses to comments included in Michipicoten First Nation's July 10, 2017 overview letter on November 21, 2017. Comments will be addressed in the amended EA Report.  NextBridge will respond to any additional comments submitted by Michipicoten First Nation should they be provided.	None received to date	Not applicable
Missanabie Cree First Nation	Michipicoten First Nation, Long Lake No. 58 First Nation, Missanabie Cree First Nation, Ojibways of Batchewana and Ojibways of Garden River contracted IBI Group to undertake a combined review of the draft EA Report. NextBridge received comments from Missanabie Cree First Nation on the draft EA Report on September 29, 2017.	NextBridge sent Missanabie Cree First Nation and MOECC preliminary responses to Missanabie Cree First Nation's draft EA comments on November 21, 2017. Comments will be addressed in the amended EA Report.	None received to date	Not applicable
Ojibways of Batchewana	Long Lake No. 58 First Nation, Michipicoten First Nation, Missanabie Cree First Nation, Ojibways of Batchewana and Ojibways of Garden River employed IBI Group to undertake a combined review of the draft EA Report. Ojibways of Batchewana indicated that they have reviewed the IBI Group report and will not be providing any formal comments on the draft EA Report; however, general concerns were expressed regarding the consultation and engagement process in a letter date June 13, 2017.	NextBridge is currently drafting a PowerPoint presentation outlining how NextBridge will respond to their concerns.	None received to date	Not applicable
Ojibways of Garden River	Long Lake No. 58 First Nation, Michipicoten First Nation, Missanabie Cree First Nation, Ojibways of Batchewana and Ojibways of Garden River employed IBI Group to undertake a combined review of the draft EA Report. Each of these communities may provide comments based on the results of this review. To date, NextBridge has not received comments from Ojibways of Garden River but expects that any comments would be submitted by November 2017.	NextBridge will respond to any comments received from Ojibways of Garden River. Responses to comments will also be provided to MOECC.	None received to date	Not applicable
Pays Plat First Nation	NextBridge has received preliminary comments from Pays Plat First Nation as part of the Shared Value Solutions report described under Binjitiwaabik	NextBridge sent a preliminary response to comments received in the Shared Value Solutions report on November 21, 2017 to	None received to date	Not applicable

Date: January 15, 2018  
 Project No. 1536607/6000/7005  
 To: Agni Papageorgiou, Ministry of the Environment and Climate Change

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## MEMORANDUM

**Table 2: Status of Indigenous Community Comments on the Draft and Final Environmental Assessment Reports**

Community Name	Draft EA Report Comments		Final EA Report Comments	
	Status of Comments	NextBridge Action	Status of Comments	NextBridge Action
	Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek and Fort William First Nation. NextBridge expects to receive the final version of comments by November 2017.	Animbigo Zaag'igan Anishinaabek First Nation, Biinjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band and the MOECC. Comments will be addressed in the amended EA Report.		
Pic Mobert First Nation	Comments have been received and were included in Appendix 1-III-B of the final EA Report.	Responses were prepared and submitted in Appendix 1-III-B of the final EA Report.	None received to date	Not applicable
Red Rock Indian Band	Comments have been received and were included in Appendix 1-III-B of the final EA Report. NextBridge expects additional comments from Pays Plat First Nation as part of the Shared Value Solutions report described under Biinjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek and Fort William First Nation.	Responses received prior the submission of the EA Report were submitted in Appendix 1-III-B of the final EA Report. NextBridge sent a preliminary response to comments received in the Shared Value Solutions report on November 21, 2017 to Animbigo Zaag'igan Anishinaabek First Nation, Biinjitiwaabik Zaaging Anishinaabek First Nation, Bingwi Neyaashi Anishinaabek, Fort William First Nation, Pays Plat First Nation and Red Rock Indian Band and the MOECC. Comments will be addressed in the amended EA Report.	None received to date	Not applicable
Métis Nation of Ontario (representing Greenstone Métis Council, Superior North Shore Métis Council and Thunder Bay Métis Council)	Comments have been received and were included in Appendix 1-III-B of the final EA Report.	Responses were prepared and submitted in Appendix 1-III-B of the final EA Report.	Comments were received from MNO on September 12, 2017	NextBridge sent a preliminary response to comments received to MNO and MOECC on November 21, 2017. Comments will be addressed in the amended EA Report and responded to under separate cover.
Red Sky Métis Independent Nation	Comments were received and were included in Appendix 1-III-B of the final EA Report.	Responses were prepared and submitted in Appendix 1-III-B of the final EA Report.	None received to date	Not applicable



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## MEMORANDUM

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### 5.0 CONCLUSION

NextBridge is committed to working with Indigenous communities to facilitate their review of the EA Report and in the continued identification of TEK and TLU information for the Project area. NextBridge intends to incorporate feedback into the Project design and planning, as appropriate. In addition to requesting feedback on the Project and the draft, final and amended EA Reports, NextBridge will also continue engagement and consultation through the development and construction of the Project with affected Indigenous communities to provide updates on Project design, construction planning, and schedule. NextBridge will continue to update regulators on the progress of this continued engagement through additional monthly updates during the EA review period.

### 6.0 REFERENCES

NextBridge (NextBridge Infrastructure LP). 2017. *East-West Tie Transmission Project Environmental Assessment Report*.

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## MEMORANDUM

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# APPENDIX A

## Record of Consultation and Engagement December 1, 2017 to December 31, 2017

**Table A-1: Animbiigoo Zaagi'igan Anishinaabek First Nation (Lake Nipigon Ojibway)**

Date	Communication	Communication Synopsis
December 13, 2017	Email (Sent)	NextBridge emailed Animbiigoo Zaagi'igan Anishinaabek First Nation providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Animbiigoo Zaagi'igan Anishinaabek First Nation has also received the notices in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.
December 14, 2017	Email (Sent)	NextBridge emailed Shared Value Solutions inquiring about whether Shared Value Solutions has spoken to their clients regarding the next steps. NextBridge indicated that they are available to discuss before the holiday break.
December 15, 2017	Email (Received)	Shared Value Solutions emailed NextBridge in response to NextBridge's December 14, 2017 stating that they have been in touch with their clients and requested a call with NextBridge during the week of December 18, 2017.
December 18, 2017	Email (Sent)	NextBridge and Shared Value Solutions exchanged five further emails regarding the meeting the week of December 22, 2017.
December 18, 2017	Email (Sent)	NextBridge and Shared Value Solutions exchanged three emails to discuss the logistics of meeting on December 22, 2017. NextBridge emailed Animbiigoo Zaagi'igan Anishinaabek First Nation requesting that Animbiigoo Zaagi'igan Anishinaabek First Nation confirm the format of the amended EA Report they would like to receive.
December 19, 2017	Email (Received)	Animbiigoo Zaagi'igan Anishinaabek First Nation emailed NextBridge in response to NextBridge's December 18, 2017 email. Animbiigoo Zaagi'igan Anishinaabek First Nation confirmed that they would like one printed hardcopy of the Executive Summary, remaining documentation on USB memory sticks, and a separate USB memory stick that includes the updated shapetile of the Project footprint.
December 22, 2017	Meeting	NextBridge responded by email to Animbiigoo Zaagi'igan Anishinaabek First Nation at 12:25 pm thanking them. NextBridge met with Shared Value Solutions to provide a Project update on the questions from the draft EA and amended EA Report schedule. Shared Value Solutions stated that they will confer with their clients if another round of reviews are needed. Shared Value Solutions requested a summary chart be created that consolidates all First Nation questions and NextBridge responses into a single document. Shared Value Solutions inquired if there is a summary document that highlights where the changes and amendments are in the amended EA Report. NextBridge indicated that they will follow-up on the summary document or if needed, a technical briefing can be made to Shared Value Solutions to review where the revisions were made.

**Table A-2: Biigtigong Nishnaabeg (Ojibways of the Pic River First Nation)**

Date	Communication	Communication Synopsis
December 13, 2017	Email (Sent)	<p>NextBridge emailed Biigtigong Nishnaabeg requesting that Biigtigong Nishnaabeg confirm the format of the amended EA Report they would like to receive.</p> <p>Biigtigong Nishnaabeg responded by email to NextBridge at 12:50 pm requesting a hard copy of the summary and remaining documentation on USB memory sticks (including a separate USB memory stick containing an updated shapefile of the Project footprint).</p>
December 19, 2017	Email (Sent)	<p>NextBridge emailed Biigtigong Nishnaabeg in response to Biigtigong Nishnaabeg's November 6, 2017 email requesting a signed copy of the monitoring agreement. NextBridge provided the signed copy of the monitoring agreement and requested to be notified if they are any other outstanding action items.</p>

**Table A-3: Biinjitiwaabik Zaaging Anishinaabek First Nation (Rocky Bay)**

Date	Communication	Communication Synopsis
December 14, 2017	Email (Sent)	NextBridge emailed Shared Value Solutions inquiring about whether Shared Value Solutions has spoken to their clients regarding the next steps. NextBridge indicated that they are available to discuss before the holiday break.
December 15, 2017	Email (Received)	Shared Value Solutions emailed NextBridge in response to NextBridge's December 14, 2017 stating that they have been in touch with their clients and requested a call with NextBridge during the week of December 18, 2017.
December 18, 2017	Email (Sent)	NextBridge and Shared Value Solutions exchanged five further emails regarding meeting the week of December 22, 2017. NextBridge and Shared Value Solutions exchanged three emails to discuss the logistics of meeting on December 22, 2017.
December 18, 2017	Email (Sent)	NextBridge emailed Biinjitiwaabik Zaaging Anishinaabek requesting that Biinjitiwaabik Zaaging Anishinaabek confirm the format of the amended EA Report they would like to receive.
		Biinjitiwaabik Zaaging Anishinaabek responded by email to NextBridge at 2:01 pm stating that they would like the amended EA Report to be on USB memory sticks (including a separate USB memory stick containing an updated shapefile of the Project footprint).
		NextBridge responded by email to Biinjitiwaabik Zaaging Anishinaabek at 2:03 pm thanking them.
December 22, 2017	Meeting	NextBridge met with Shared Value Solutions to provide a Project update on the questions from the draft EA and amended EA Report schedule. Shared Value Solutions stated that they will confer with their clients if another round of reviews are needed. Shared Value Solutions requested a summary chart be created that consolidates all First Nation questions and NextBridge responses into a single document. Shared Value Solutions inquired if there is a summary document that highlights where the changes and amendments are in the amended EA Report. NextBridge indicated that they will follow-up on the summary document or if needed, a technical briefing can be made to Shared Value Solutions to review where the revisions were made.

**Table A-4: Bingwi Neyaashi Anishinaabek (Sand Point First Nation)**

Date	Communication	Communication Synopsis
December 14, 2017	Email (Sent)	NextBridge emailed Shared Value Solutions inquiring about whether Shared Value Solutions has spoken to their clients regarding the next steps. NextBridge indicated that they are available to discuss before the holiday break.
December 15, 2017	Email (Received)	Shared Value Solutions emailed NextBridge in response to NextBridge's December 14, 2017 stating that they have been in touch with their clients and requested a call with NextBridge during the week of December 18, 2017.
December 18, 2017	Email (Sent)	NextBridge and Shared Value Solutions exchanged five further emails regarding meeting the week of December 22, 2017.
December 18, 2017	Email (Sent)	NextBridge and Shared Value Solutions exchanged three emails to discuss the logistics of meeting on December 22, 2017.
December 19, 2017	Email (Received)	<p>NextBridge emailed Bingwi Neyaashi Anishinaabek requesting that Bingwi Neyaashi Anishinaabek confirm the format of the amended EA Report they would like to receive.</p> <p>Bingwi Neyaashi Anishinaabek emailed NextBridge in response to NextBridge's December 18, 2017 email regarding what format of the amended EA Report they would like to receive. Bingwi Neyaashi Anishinaabek confirmed that they would like a hard copy of the Executive Summary, remaining documentation on USB memory sticks and a separate USB memory stick for the updated shapefile of the Project footprint.</p> <p>NextBridge responded by email to Bingwi Neyaashi Anishinaabek at 6:32 pm thanking them.</p>
December 22, 2017	Meeting	NextBridge met with Shared Value Solutions to provide a Project update on the questions from the draft EA and amended EA Report schedule. Shared Value Solutions stated that they will confer with their clients if another round of reviews are needed. Shared Value Solutions requested a summary chart be created that consolidates all First Nation questions and NextBridge responses into a single document. Shared Value Solutions inquired if there is a summary document that highlights where the changes and amendments are in the amended EA Report. NextBridge indicated that they will follow-up on the summary document or if needed, a technical briefing can be made to Shared Value Solutions to review where the revisions were made.

**Table A-5: Fort William First Nation**

Date	Communication	Communication Synopsis
December 14, 2017	Email (Sent)	NextBridge emailed Shared Value Solutions inquiring about whether Shared Value Solutions has spoken to their clients regarding the next steps. NextBridge indicated that they are available to discuss before the holiday break.
December 15, 2017	Email (Received)	Shared Value Solutions emailed NextBridge in response to NextBridge's December 14, 2017 stating that they have been in touch with their clients and requested a call with NextBridge during the week of December 18, 2017.
December 18, 2017	Email (Sent)	NextBridge and Shared Value Solutions exchanged five further emails regarding meeting the week of December 22, 2017.
December 18, 2017	Email (Sent)	NextBridge and Shared Value Solutions exchanged three emails to discuss the logistics of meeting on December 22, 2017.
December 19, 2017	Email (Sent)	NextBridge emailed Fort William First Nation requesting that Fort William First Nation confirm the format of the amended EA Report they would like to receive.
December 20, 2017	Email (Received)	NextBridge emailed Fort William First Nation requesting that Fort William First Nation confirm the format of the amended EA Report they would like to receive.
		Fort William First Nation emailed NextBridge in response to NextBridge's December 18 and 19, 2017 emails regarding the format of the amended EA Report. Fort William First Nation confirmed that they would like the amended EA Report on USB memory sticks.
		NextBridge responded by email to Fort William First Nation at 11:58 am thanking them.
December 20, 2017	Email (Sent)	NextBridge emailed two representatives Fort William First Nation and Red Sky Métis Independent Nation. NextBridge noted that in a conversation with Red Sky Métis Independent Nation expressed interest in learning more about announcements regarding Indigenous training, education and procurement opportunities for the Project. NextBridge stated that SuperCom is taking the lead on many of these aspects and suggested that the Fort William First Nation representative be the first contact for presentation material and training and procurement activities. NextBridge suggested that the two representatives have a teleconference in January 2018.
December 22, 2017	Meeting	NextBridge met with Shared Value Solutions to provide a Project update on the questions from the draft EA and amended EA Report schedule. Shared Value Solutions stated that they will confer with their clients if another round of reviews are needed. Shared Value Solutions requested a summary chart be created that consolidates all First Nation questions and NextBridge responses into a single document. Shared Value Solutions inquired if there is a summary document that highlights where the changes and amendments are in the amended EA Report. NextBridge indicated that they will follow-up on the summary document or if needed, a technical briefing can be made to Shared Value Solutions to review where the revisions were made.

**Table A-6: Ginoogaming First Nation**

Date	Communication	Communication Synopsis
December 15, 2017	Email (Sent)	NextBridge emailed Ginoogaming First Nation providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Ginoogaming First Nation has also received the notices in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.
December 18, 2017	Email (Sent)	NextBridge emailed Ginoogaming First Nation requesting that Ginoogaming First Nation confirm the format of the amended EA Report they would like to receive.
December 19, 2017	Email (Sent)	NextBridge emailed Ginoogaming First Nation requesting that Ginoogaming First Nation confirm the format of the amended EA Report they would like to receive. NextBridge stated that if they do not receive a response, they are compelled to print and ship a hard copy to Ginoogaming First Nation.
December 20, 2017	Email (Sent)	NextBridge emailed the Band Manager of Ginoogaming First Nation stating that the band administrators of Ginoogaming First Nation have confirmed that they would like to receive a hard copy of the Executive Summary, USB memory sticks of the remaining documentation and a separate USB memory stick of the shapefile of the updated Project footprint. NextBridge requested to be notified if the Band Manager has any changes.



**Table A-7: Long Lake No. 58 First Nation**

Date	Communication	Communication Synopsis
December 15, 2017	Email (Sent)	NextBridge emailed Long Lake No.58 First Nation providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Long Lake No.58 First Nation has also received the notices in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.
December 18, 2017	Email (Sent)	NextBridge emailed Long Lake No.58 First Nation requesting that Long Lake No.58 First Nation confirm the format of the amended EA Report they would like to receive.
December 20, 2017	Email (Received)	Long Lake No.58 First Nation emailed NextBridge in response to NextBridge's December 18, 2017 email regarding the format of the amended EA Report. Long Lake No.58 First Nation confirmed that they would like a hard copy of the Executive Summary, USB memory stick for remaining documentation and a separate USB for the updated Project footprint.  NextBridge responded by email to Long Lake No.58 First Nation at 1:31 pm thanking them.

**Table A-8: Michipicoten First Nation**

Date	Communication	Communication Synopsis
December 13, 2017	Email (Sent)	NextBridge emailed Michipicoten First Nation, Bell & Bernard and IBI Group requesting that Michipicoten First Nation confirm the format of the amended EA Report they would like to receive.
December 13, 2017	Email (Sent)	NextBridge emailed Bell & Bernard, Michipicoten First Nation's consultant, inquiring if they are available to meet on December 15, 2017.
December 14, 2017	Email (Received)	Bell & Bernard emailed NextBridge stating that they are unavailable to meet on December 15, 2017. Bell & Bernard stated that the Memorandum of Understanding was approved yesterday by the Council of Michipicoten First Nation and they will forward it to NextBridge as soon as possible. Bell & Bernard proposed meeting on December 21 or 22, 2017.
December 15, 2017	Email (Sent)	NextBridge emailed Bell & Bernard in response to Bell & Bernard's December 14, 2017 email. NextBridge confirmed that they are available on December 21 or 22, 2017.
December 18, 2017	Email (Sent)	NextBridge emailed Michipicoten First Nation, Bell & Bernard and IBI Group to follow-up on NextBridge's December 13, 2017 email. NextBridge requested that Michipicoten First Nation confirm the format of the amended EA Report they would like to receive.
		IBI Group responded by email to NextBridge at 2:26 pm stating that they prefer a digital copy of the amended EA Report either through USB or secure file transfer site.
		NextBridge responded by email to IBI Group at 2:28 pm thanking them. NextBridge requested a response from Michipicoten First Nation.
		Bell & Bernard responded by email to NextBridge at 4:02 pm requesting two USBs containing a copy of the amended EA Report.
		IBI Group responded by email to NextBridge at 4:20 pm inquiring if there would be a list of the changes made between the draft and final documents.
December 21, 2017	Meeting	Michipicoten First Nation responded by email to NextBridge at 4:09 pm requesting a copy of the amended EA Report on USB. Michipicoten First Nation noted that they still have a laptop from the draft EA period.
		NextBridge responded by email to IBI Group at 4:28 pm stating that they will ask their consultant if that is available. NextBridge stated that they can provide a technical briefing on the changes.
		NextBridge responded by email to Michipicoten First Nation at 4:29 pm thanking them.
December 24, 2017	Email (Sent)	NextBridge met with Bell & Bernard to discuss the Project. Bell & Bernard confirmed that Michipicoten First Nation have a Memorandum of Understanding in place and NextBridge can proceed with engagement. Bell & Bernard inquired about land valuation and how to proceed with 28(2) permitting. NextBridge committed to providing some information on how Lands conducts land valuation. NextBridge committed to providing Bell & Bernard with an engagement workplan in early January 2018 that outlines month-by-month the tasks that need to be completed to align with schedule. NextBridge committed to working with Bell & Bernard to setup a Chief and Council meeting and community meetings in early 2018.
		NextBridge emailed Bell & Bernard requesting a copy of the finalized Memorandum of Understanding for the Project. NextBridge indicated that they would like to turn the Memorandum of Understanding into a month-by-month engagement plan and will send a draft copy to Bell & Bernard for their input.

**Table A-9: Missanabie Cree First Nation**

Date	Communication	Communication Synopsis
December 13, 2017	Email (Sent)	NextBridge emailed Missanabie Cree First Nation requesting that Missanabie Cree First Nation confirm the format of the amended EA Report they would like to receive.
December 18, 2017	Email (Received)	<p>Missanabie Cree First Nation emailed NextBridge in response to NextBridge's December 13, 2017 regarding the format of the amended EA Report. Missanabie Cree First Nation requested that NextBridge provide seven USBs containing the amended EA Report. Missanabie Cree First Nation requested that a hardcopy also be provided if any new maps will be included for the amended EA Report.</p> <p>NextBridge responded by email to Missanabie Cree First Nation at 2:52 pm thanking them.</p>

**Table A-10: Ojibways of Batchewana**

Date	Communication	Communication Synopsis
September 7, 2017	Meeting	NextBridge met with the Ojibways of Batchewana to discuss the Project. Ojibways of Batchewana provided an overview of their assertions of traditional territory which overlaps with the Project from roughly Pukaskwa National Park to Wawa. Ojibways of Batchewana and NextBridge discussed in detail the Ojibways of Batchewana letter of June 13, 2017 that outlined their position regarding the Project and expectations to build a relationship. NextBridge provided an overview of economic participation opportunities available to Ojibways of Batchewana given ongoing discussions with Bamkushwada and Métis Nation of Ontario. Both parties agreed to meet again to discuss an Ojibways of Batchewana community permit and the next steps forward.
December 1, 2017	Email (Sent)	NextBridge emailed the Ojibways of Batchewana to discuss the December 6, 2017 meeting. NextBridge provided a PowerPoint presentation of the Batchewana Agreement Outline that reviews the proposed changes to the permit structure but noted that NextBridge is attempting to keep the content intact as much as possible. NextBridge noted that they will share a word version of the marked-up changes to the permit as soon as they receive legal approval.
December 6, 2017	Meeting	NextBridge telephoned the Ojibways of Batchewana later that day to discuss the logistics of the December 6, 2017 meeting and sending preparatory information regarding agreements between Ojibways of Batchewana and NextBridge. NextBridge met with the Ojibways of Batchewana to discuss the Project. NextBridge reviewed the Batchewana Agreement Outline presentation and explained NextBridge's position regarding the Permit Agreement for Ojibways of Batchewana. Ojibways of Batchewana agreed to proceed with a revised Permit Agreement based on the Batchewana Agreement Outline presentation re-format. Ojibways of Batchewana agreed to allow NextBridge re-draft the Permit Agreement and send a clean version of Ojibways of Batchewana in early 2018.
December 14, 2017	Email (Sent)	NextBridge emailed Ojibways of Batchewana providing the Notice of Intent to Amend the EA Report for the Project. NextBridge noted that Ojibways of Batchewana has also received the notices in the mail. NextBridge indicated that the amended EA Report will be based on feedback received during the review period.
December 18, 2017	Email (Sent)	NextBridge emailed Ojibways of Batchewana requesting that Ojibways of Batchewana confirm the format of the amended EA Report they would like to receive.
December 20, 2017	Email (Received)	Ojibways of Batchewana emailed NextBridge in response to NextBridge's December 18, 2017 regarding the format of the amended EA Report. Ojibways of Batchewana confirmed that they would like electronic copies of the amended EA Report. NextBridge responded by email to Ojibways of Batchewana at 11:55 am thanking them.

**Table A-11: Ojibways of Garden River**

Date	Communication	Communication Synopsis
December 13, 2017	Email (Sent)	<p>NextBridge emailed Ojibways of Garden River requesting that Ojibways of Garden River confirm the format of the amended EA Report they would like to receive.</p> <p>Ojibways of Garden River responded by email to NextBridge at 12:23 pm requesting one hard copy of the Executive Summary and remaining documentation be provided on USB memory sticks (including a separate USB memory stick of the updated shapefile of the Project footprint).</p>

**Table A-12: Pays Plat First Nation**

Date	Communication	Communication Synopsis
December 14, 2017	Email (Sent)	NextBridge emailed Shared Value Solutions inquiring about whether Shared Value Solutions has spoken to their clients regarding the next steps. NextBridge indicated that they are available to discuss before the holiday break.
December 15, 2017	Email (Received)	Shared Value Solutions emailed NextBridge in response to NextBridge's December 14, 2017 stating that they have been in touch with their clients and requested a call with NextBridge during the week of December 18, 2017.
December 18, 2017	Email (Sent)	NextBridge and Shared Value Solutions exchanged five further emails regarding meeting the week of December 22, 2017. NextBridge and Shared Value Solutions exchanged three emails to discuss the logistics of meeting on December 22, 2017.
December 18, 2017	Email (Sent)	NextBridge emailed Pays Plat First Nation requesting that Pays Plat First Nation confirm the format of the amended EA Report they would like to receive.  Pays Plat First Nation responded by email to NextBridge at 4:32 pm confirming that they would like a hard copy of the Executive Summary, remaining documentation on USB memory sticks and a separate USB memory stick containing the updated shapefile of the Project footprint.
December 19, 2017	Email (Sent)	NextBridge responded by email to Pays Plat First Nation at 5:07 pm thanking them.  NextBridge emailed Pays Plat First Nation regarding invoices. NextBridge indicated that they are aware that Pays Plat First Nation is preparing an updated invoice and noted that NextBridge is keen to process the invoice as soon as possible. NextBridge inquired about opportunities to meet in January 2018 to provide updates on the Project and consent letters. NextBridge requested to be notified if Pays Plat First Nation wants NextBridge to undertake any writing or discussions with Pays Plat First Nation legal counsel.
December 22, 2017	Meeting	NextBridge met with Shared Value Solutions to provide a Project update on the questions from the draft EA and amended EA Report schedule. Shared Value Solutions stated that they will confer with their clients if another round of reviews are needed. Shared Value Solutions requested a summary chart be created that consolidates all First Nation questions and NextBridge responses into a single document. Shared Value Solutions inquired if there is a summary document that highlights where the changes and amendments are in the amended EA Report. NextBridge indicated that they will follow-up on the summary document or if needed, a technical briefing can be made to Shared Value Solutions to review where the revisions were made.

**Table A-13: Pic Mobert First Nation**

Date	Communication	Communication Synopsis
December 7, 2017	Email (Sent)	NextBridge emailed Pic Mobert First Nation requesting updated traditional land and resource use data at the regional study area level. NextBridge provided zip files showing the new GIS data points and requested to be notified if Pic Mobert First Nation has such data and is willing to share with NextBridge for the amended EA Report.
December 13, 2017	Email (Sent)	NextBridge emailed Pic Mobert First Nation requesting that Pic Mobert First Nation confirm the format of the amended EA Report they would like to receive.
December 18, 2017	Email (Sent)	NextBridge emailed Pic Mobert First Nation requesting that Pic Mobert First Nation confirm the format of the amended EA Report they would like to receive. NextBridge noted that the MOECC requests that written confirmation be provided.  Pic Mobert First Nation responded by email to NextBridge at 2:13 pm, copying the Pic Mobert Lands and Resources Manager who will provide a response shortly.
December 18, 2017	Email (Sent)	NextBridge emailed Pic Mobert First Nation's Lands and Resources Manager requesting that they confirm the format of the amended EA Report they would like to receive.
December 19, 2017	Email (Sent)	NextBridge emailed Pic Mobert First Nation's Lands and Resources Manager requesting that they confirm the format of the amended EA Report they would like to receive.
December 20, 2017	Email (Sent)	NextBridge emailed Pic Mobert First Nation's Lands and Resources Manager requesting that they confirm the format of the amended EA Report they would like to receive.
December 21, 2017	Email (Received)	Pic Mobert First Nation's Chief Executive Officer emailed NextBridge in response to NextBridge's December 20, 2017 email regarding the format of the amended EA Report. The Chief Executive Office requested a full printed copy of the entire amended EA Report.

**Table A-14: Red Rock Indian Band**

Date	Communication	Communication Synopsis
December 14, 2017	Email (Sent)	NextBridge emailed Shared Value Solutions inquiring about whether Shared Value Solutions has spoken to their clients regarding the next steps. NextBridge indicated that they are available to discuss before the holiday break.
December 15, 2017	Email (Received)	Shared Value Solutions emailed NextBridge in response to NextBridge's December 14, 2017 stating that they have been in touch with their clients and requested a call with NextBridge during the week of December 18, 2017.
December 18, 2017	Email (Sent)	NextBridge and Shared Value Solutions exchanged five further emails regarding meeting the week of December 22, 2017. NextBridge and Shared Value Solutions exchanged three emails to discuss the logistics of meeting on December 22, 2017.
December 18, 2017	Email (Received)	Red Rock Indian Band emailed NextBridge in response to NextBridge's November 22, 2017 inquiring about the format of the amended EA Report they would like to receive. Red Rock Indian Band confirmed that they would like a hard copy of the Executive Summary, remaining documentation on USB memory sticks and a separate USB memory stick for updated shapefile of the Project footprint.
December 22, 2017	Meeting	NextBridge responded by email to Red Rock Indian Band at 6:31 pm thanking them. NextBridge met with Shared Value Solutions to provide a Project update on the questions from the draft EA and amended EA Report schedule. Shared Value Solutions stated that they will confer with their clients if another round of reviews are needed. Shared Value Solutions requested a summary chart be created that consolidates all First Nation questions and NextBridge responses into a single document. Shared Value Solutions inquired if there is a summary document that highlights where the changes and amendments are in the amended EA Report. NextBridge indicated that they will follow-up on the summary document or if needed, a technical briefing can be made to Shared Value Solutions to review where the revisions were made.



**Table A-15: Métis Nation of Ontario**

Date	Communication	Communication Synopsis
December 18, 2017	Email (Sent)	NextBridge emailed the Métis Nation of Ontario requesting that Métis Nation of Ontario confirm the format of the amended EA Report they would like to receive.
December 19, 2017	Email (Sent)	NextBridge emailed the Métis Nation of Ontario requesting that Métis Nation of Ontario confirm the format of the amended EA Report they would like to receive.
December 20, 2017	Email (Sent)	<p>The Métis Nation of Ontario emailed NextBridge in response to NextBridge's December 19, 2017 regarding the format of the amended EA Report. The Métis Nation of Ontario confirmed that they would like digital copies of the amended EA Report.</p> <p>NextBridge responded by email to the Métis Nation of Ontario at 8:35 am thanking them.</p>

**Table A-16: Red Sky Métis Independent Nation**

Date	Communication	Communication Synopsis
September 26, 2017	Email (Sent)	NextBridge emailed Red Sky Métis Independent Nation providing the shapefiles related to Stage 2 archaeology for the Project. NextBridge requested that Red Sky Métis Independent Nation compare their files with these shapefiles and notify NextBridge if there are any questions.
December 14, 2017	Email (Received)	<p>Red Sky Métis Independent Nation emailed NextBridge stating that they have completed their GIS analysis of the Project route and requested a meeting to discuss the results in early January 2018. Red Sky Métis Independent Nation also inquired whether they could be included in the accommodations cited in the Thunder Bay News Watch article (dated December 12, 2017).</p> <p>NextBridge responded by email to Red Sky Métis Independent Nation at 12:33 pm stating that they can schedule the call but also noting that they would also prefer to have a short call before the holiday break. NextBridge inquired about Red Sky Métis Independent Nation's availability for a call on December 15, 2017 or the following week.</p> <p>Red Sky Métis Independent Nation responded by email to NextBridge at 3:27 pm stating that they are available for a call on December 19, 2017. NextBridge confirmed that they are also available to attend the call.</p> <p>NextBridge emailed the Red Sky Métis Independent Nation requesting that Red Sky Métis Independent Nation confirm the format of the amended EA Report they would like to receive.</p> <p>Red Sky Métis Independent Nation responded by email to NextBridge at 2:10 pm requesting that the Amended EA report be sent on USB memory sticks.</p> <p>NextBridge responded by email to Red Sky Métis Independent Nation at 12:13 pm thanking them.</p>
December 18, 2017	Email (Sent)	<p>NextBridge telephoned Red Sky Métis Independent Nation to discuss archaeology. Red Sky Métis Independent Nation stated that they have reviewed the shapefiles and noted that there are some sites that overlap with Red Sky Métis Independent Nation sensitive sites and would like to share their shapefiles with NextBridge's consultant to compare tower locations. Red Sky Métis Independent Nation noted that they do not have a lot of capacity to review EAs and would appreciate a technical briefing in January 2018 where NextBridge would provide an overview of the changes and highlight where Red Sky Métis Independent Nation's feedback was incorporated. Red Sky Métis Independent Nation expressed interest in learning more about the General Contractor and procurement opportunities.</p> <p>NextBridge emailed Red Sky Métis Independent Nation providing the action items from the December 19, 2017 telephone call. The action items are as follows:</p> <ul style="list-style-type: none"> <li>• NextBridge is available to discuss the route in more detail now that Red Sky Métis Independent Nation has conducted their review.</li> <li>• NextBridge will review the Capacity Funding Agreement in relation to the sharing of GIS files.</li> <li>• NextBridge stated that Red Sky Métis Independent Nation should get approval from Chief and Council to allow NextBridge access to Red Sky Métis Independent Nation's GIS website, then compare sites to the draft location of towers and NextBridge will send locations which they overlap. NextBridge will also conduct a real-time Google Earth review of those sites over video conference in January 2018 and take screenshots of the overlaps.</li> <li>• NextBridge provided a screenshot of the Capacity Funding Agreement regarding data deletion.</li> <li>• Fort William First Nation representative will provide additional information on procurement and training programs.</li> <li>• NextBridge is available to meet Red Sky Métis Independent Nation in January or February 2018 to discuss the Project. NextBridge indicated that the General Contractor can also be included in the meeting.</li> </ul>
December 20, 2017	Email (Sent)	

Table A-16: Red Sky Métis Independent Nation

Date	Communication	Communication Synopsis
December 20, 2017	Email (Sent)	NextBridge emailed two representatives Fort William First Nation and Red Sky Métis Independent Nation. NextBridge noted that in a conversation with Red Sky Métis Independent Nation expressed interest in learning more about announcements regarding Indigenous training, education and procurement opportunities for the Project. NextBridge stated that SuperCorn is taking the lead on many of these aspects and suggested that the Fort William First Nation representative be the first contact for presentation material and training and procurement activities. NextBridge suggested that the two representatives have a teleconference in January 2018.

STAFF INTERROGATORY #42

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit H, Tab 1, Schedule 1, page 6, lines 14-18

Preamble:

“In order to cross First Nations reserves, authorization pursuant to the *Indian Act* is required. NextBridge is working with both Michipicoten First Nation and Pays Plat First Nation representatives, as well as INAC, with respect to the issuance of the requisite permits.”

Questions:

- a) Please provide a status of the land negotiations with Michipicoten and Pays Plat First Nation.
- b) Please confirm whether NextBridge intends to commence construction routing on the transmission outside of these two reserves prior to completion of the above land negotiations?
- c) Please provide the status of any authorization or permit, including any EA, that is required to cross these two reserves.

RESPONSE

- a) NextBridge has been discussing the New EWT Line Project crossing through the respective reserves and has provided capacity funding to the Michipicoten and Pays Plat First Nation communities to support these discussions. Each First Nation has provided its support to the New EWT Line Project crossing reserve lands, and both are members of Bamkushwada, with whom NextBridge has an economic partnership. Attached to this response are letters dated September 22, 2014 and September 24, 2014 from the Michipicoten and Pays Plat First Nation, respectively, in this regard. NextBridge has had collective discussions with the First Nations and Indian and Northern Affairs Canada (“INAC”) on the process for crossing the reserve lands. Surveying of the reserve land for the purposes of permitting the New EWT Line Project will begin in the Spring of 2018.

- b) NextBridge does not intend to commence construction routing on the transmission line immediately outside of these two reserves prior to completion of the above land negotiations; however, construction on the route not in close proximity to the reserves may commence upon approval of this Application and receipt of other required approvals.
- c) Below are status updates on the following authorizations or permits required to cross the two reserves:

**Indian and Northern Affairs Canada (“INAC”)**

***Canadian Environmental Assessment Act, 2012 (CEAA 2012), section 67***

The New EWT Line Project is not a designated project under the Regulations Designating Physical Activities and does not require a federal EA under CEAA 2012. However, under section 67 of CEAA 2012, INAC is required to determine whether projects on federal lands, including First Nation reserves, are likely to cause significant adverse environmental effects before it may permit the project to proceed. Issuance of a permit for occupation or use of a First Nation land (e.g., a permit under subsection 28(2) of the *Indian Act*), requires a section 67 determination. INAC has developed an Environmental Review Process (“ERP”) to meet the legislative requirements. As a result, NextBridge has consulted with INAC and INAC has initiated the ERP, which involves documentation of the Project and potential effects as they pertain to the reserve lands. As part of this process, INAC is consulting with NextBridge and Environment and Climate Change Canada (“ECCC”) to confirm that any potential species at risk-related environmental effects can be appropriately mitigated on the reserve lands. NextBridge is supporting the process by providing project-specific information as requested. This process is not contingent on the provincial EA approval process.

***Indian Act - subsection 28(2) permit***

Permits for the non-exclusive use and occupation of non-designated reserve lands are required under subsection 28(2) of the *Indian Act* to allow for the crossing of the First Nation reserves. A permit will be issued by the Minister for each of the reserves, with the consent of the council of the band, to occupy or use the reserves or to reside or otherwise exercise rights on the reserves. NextBridge has consulted with INAC and is initiating the steps to be undertaken to complete this process. Typically, subsection 28(2) permits have been used for transmission line crossings.

Other mechanisms for reserve crossings may be deemed by INAC and/or the First Nations as more applicable, however the consultation process with the

communities is similar and NextBridge has consulted with INAC and is initiating the steps to be undertaken to complete this process.



September 22, 2014

Jennifer Tidmarsh  
Project Director, Community Engagement (NextBridge)  
NexEra Energy Canada, LP  
Suite 500, 214 King St. West  
Toronto, ON M5H 3S6  
[Jennifer.Tidmarsh@nexteraenergy.com](mailto:Jennifer.Tidmarsh@nexteraenergy.com)

Re: East West Transmission Tie Preferred Route

This is to confirm that Michipicoten First Nation supports "in principle" the preferred route through Michipicoten First Nation reserve lands rather than the alternate route around reserve lands, based on continued on the current information and mapping received regarding the preferred route.

This does not constitute full consent nor an acknowledgement of any other permitting or application processes which have been instituted by the proponent and for which Michipicoten First Nation has yet to be engaged in, through a formalized community engagement process.

We look forward to communication on the existing corridor.

Sincerely,  
MICHIPICOTEN FIRST NATION

Chief Joe Buckell

cc. Franco Crupi, Pays Plat First Nation, Joe Donio, Merv McLeod, Brian Hay



10 Central Place Pays Plat, ON P0T 3C0 PH: (807) 824-2541 FAX: (807) 824-2206

September 24, 2014

Jennifer Tidmarsh  
Project Director, Community Engagement (NextBridge)  
Nextera Energy Canada, LP  
Suite 500, 214 King St. West  
Toronto, ON M5H 3S6

[Jennifer.Tidmarsh@nexteraenergy.com](mailto:Jennifer.Tidmarsh@nexteraenergy.com)

**Re: East-West Transmission Tie Preferred Route**

I wish to confirm that Pays Plat First Nation supports “in principle” the preferred route through Pays Plat First Nation reserve lands rather than the alternate route around reserve lands.

This does not constitute full consent nor an acknowledgement of any other permitting or application processes which have been instituted by the proponent and for which Pays Plat First Nation has yet to be engaged in through a formalized community engagement process.

We look forward to discussions on the existing corridor.

Sincerely,

Chief Xavier Thompson  
Pays Plat First Nation



STAFF INTERROGATORY #43

INTERROGATORY

Ref: Evidence EB-2017-0182 Exhibit J, Tab 1, Schedule 1, page 1,

Preamble:

“The final EA was submitted to MOECC on July 5, 2017 and will be available for public review and comment and on NextBridge’s website on July 25, 2017”.

Questions:

- a) Please provide an update on the status of the final EA and anticipated approval date.
- b) Please discuss if there are any anticipated delays of the EA approval that would affect the proposed in-service date of December 2020?
- c) Does NextBridge anticipate any appeals of its EA and the impact of such an appeal on the construction schedule?

RESPONSE

- a) A final EA Report was submitted to MOECC in July 2017, with the comment period ending in September 2017. During the comment period, NextBridge received comments on the final EA Report and corresponded with the MOECC and MNRF to discuss feedback on the draft and final EA reports. On October 2, 2017, NextBridge filed a letter with the MOECC committing to amend the EA report to address the feedback received from the provincial government review team, Indigenous communities and other interested persons. The amended EA Report will be submitted in Q1 2018 and it is anticipated that the MOECC will approve the EA in early Q4 2018.
- b) There are currently no anticipated delays of the EA approval that would affect the proposed in-service date of December 2020.
- c) NextBridge is not aware of any third party plans to appeal the amended EA.

STAFF INTERROGATORY #44

INTERROGATORY

Ref: Evidence EB-2017-0192 Exhibit E, Tab 3, Schedule 1, page 1

Preamble:

NextBridge requires early access to land to conduct surveys and other activities and studies necessary for preparing site of the Project for work. According to the evidence NextBridge acquired about two thirds of private access land it needs. The negotiations have been ongoing, however NextBridge stated that if it is not able to obtain early access to remaining private properties or encumbered Crown lands it would apply under subsection 98(1.1)(a) of the OEB Act for an interim order prior to receiving approval under section 92 of the OEB Act.

Question:

Please update the status and prospects of NextBridge's negotiations with private landowners and with Crown land encumberers for early access to land. Does NextBridge still anticipate a need for early access applications?

RESPONSE

NextBridge does not currently anticipate a need to apply for early access to land.

CCC INTERROGATORY #1

INTERROGATORY

Ex. B/T1/S1/p. 3

The evidence states that the proposed in-service date of the New EWT Line is December 2020, with construction scheduled to commence no later than Q4 2018.

- a) When does NextBridge require an OEB Decision in order to commence construction as proposed?
- b) What are the implications that would arise if construction does not commence in Q4 2018? Would a delay impact the project costs?

RESPONSE

- a) NextBridge requires a decision approving its Leave to Construct from the OEB by the end of July 2018 in order to commence construction as proposed, and achieve an in-service date by the end of 2020.
- b) The construction schedule for the EWT has seasonal constraints and the anticipated cost effective clearing must commence during the winter months. Depending on the duration of the delay beyond Q4 of 2018, construction clearing may have to be postponed until the next winter season (resulting in up to 12 months delay to the in-service date and increase to costs), or be done out of season, but the latter would have considerable environmental permitting impacts (cost and time delays), in addition to higher costs. Without knowing the duration of the delay beyond the fourth quarter of 2018, it is not possible to determine the impact that any delay may have on project costs.

CCC INTERROGATORY #2

INTERROGATORY

Ex. B/T1/S1/p. 3

The evidence indicates that EA approval is not anticipated to be received prior to the Board making its determination on the Application. When is EA approval expected?

RESPONSE

Please refer to NextBridge's response to Board Staff Interrogatory #43, found at Exhibit I.B.NextBridge.STAFF43.

CCC INTERROGATORY #3

INTERROGATORY

Ex. B/T1/S1/p. 4

In the Application NextBridge sets out the relief it is requesting regarding the EWT Line. Please indicate what specific relief NextBridge is seeking through this application regarding the costs of the project.

RESPONSE

NextBridge is not seeking any financial relief through the Leave to Construct application but, instead, if the Leave to Construct is approved, the request is for the OEB to allow NextBridge to make the deferral account balance the starting balance for the CWIP account for the EWT Line Project beginning on the approval date of the Leave to Construct application.

CCC INTERROGATORY #4

INTERROGATORY

Ex. B/T1/S1/p. 4

In the Application NextBridge is requesting that the Board declare the final balance of the Development Cost Deferral Account as the opening balance of the requested CWIP account. Is NextBridge seeking approval of that final balance in this proceeding? Or in the alternative, will all of those costs be subject to approval when the final revenue requirement for the project is established in a future proceeding?

RESPONSE

Please refer to NextBridge's response to Board Staff Interrogatory #18, found at Exhibit I.B.NextBridge.STAFF.18.

CCC INTERROGATORY #5

INTERROGATORY

Ex. B/T2/S1/p. 4

One of the OEB's statutory considerations when evaluating whether projects are in the public interest is – the interests of consumers with respect to prices. Is it NextBridge's position that the project is in the public interest because there is a minimal impact on the monthly bills of a typical residential consumers? Does NextBridge agree that another important consideration for the OEB should be the overall cost of the project relative to alternative proposals? How does NextBridge demonstrate to the OEB that its EWT Line Project proposal represents the most cost-effective approach for electricity consumers?

RESPONSE

In accordance with the *Updated Assessment of the Need for the East-West Tie Expansion* ("Updated Need Assessment") issued by the IESO on December 1, 2017, in response to the August 4, 2017 direction from the Minister of Energy, NextBridge's position is that the New EWT Line Project continues to be in the public interest to maintain a reliable and cost-effective supply of electricity to the Northwest for the long term and is cost-effective relative to alternative proposals which, in turn, minimizes the impact on the monthly bills of a typical residential customer.

Effective March 4, 2016, the Lieutenant Governor in Council issued Order in Council 326/2016 declaring that the construction of the New EWT Line is needed as a priority project. The order states that

Ontario considers it necessary to expand Ontario's transmission system in order to maintain a reliable and cost-effective supply of electricity in the Province's Northwest, increase operational flexibility, reduce congestion payments and remove a barrier to resource development in the region....

NextBridge is in agreement with the order that confirms that the construction of the East-West Tie Project is in the public's interest.

As outlined on page 18 of the Updated Need Assessment, the IESO found that the New EWT Line Project provides approximately \$200 million in net cost savings to the rate payer compared to the least-cost local generation alternative. The IESO also considered high

and low sensitivities on a number of key parameters, such as the assumed cost of the generation alternative. Based on the sensitivities, the New EWT Line Project, compared to the least-cost local generation option, ranges from a net cost savings of approximately \$500 million to a net cost of just under \$100 million<sup>1</sup>. The IESO used the current project costs provided by both NextBridge and Hydro One in their Leave to Construct filings. Thus, NextBridge considers that the New EWT Line Project continues to be in the public interest to maintain a reliable and cost-effective supply of electricity to the Northwest for the long term and is cost effective relative to alternative proposals which in turn, minimizes the impact on the monthly bills of a typical residential customer.

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<sup>1</sup> Page 18/19 of the IESO Updated Assessment of the Need for the East-West Tie Expansion



CCC INTERROGATORY #6

INTERROGATORY

Ex. B/T4/S1/Attachment 2

The IESO update report filed on December 15, 2015 indicated that the Project is projected to provide a net economic benefit of \$1.1 billion compared to a local generation alternative under the reference assumptions used in the studies. Has the IESO done any subsequent studies related to the overall costs and benefits of the EWT Project? If so, please provide any further studies prepared by the IESO. Does the IESO intend to undertake any further analysis prior to the commencement of the EWT Project? Does the net economic benefit include all costs including the Hydro One Networks Inc.'s component of the project?

RESPONSE

The IESO produced an updated need assessment titled *Updated Assessment of the Need for the East-West Tie Expansion* on December 1, 2017 ("Updated Need Assessment"), a copy of which was submitted in this proceeding and is attached. The Updated Need Assessment was prepared in response to the August 4, 2017 direction from the Minister of Energy requesting the IESO to prepare an updated need assessment, similar in scope to the previous update reports prepared for the Ontario Energy Board. The Updated Need Assessment confirms the rationale for the EWT Line Project based on updated information, including cost information from both NextBridge and Hydro One's Leave to Construct applications, and study results. The Project continues to be the IESO's recommended option to maintain a reliable and cost-effective supply of electricity to the Northwest for the long term.

The IESO was consulted in response to this interrogatory, and indicated the following to NextBridge on January 17, 2018:

The IESO will continue to perform its normal planning and monitoring functions for the Northwest but does not, at this time, intend to undertake any further analysis of the E-W Tie Project.

The IESO's 2015 and 2017 need update reports included all relevant costs in the net economic benefit calculation including the cost of Hydro One Network Inc.'s component of the E-W Tie Project. The cost of the stage one facilities was considered in all scenarios while the cost of the stage two facilities was included as required based on the capacity need in the study period for the relevant demand outlook.

The station costs have been updated since the 2015 update report. The current cost and staging of facilities is outlined in the IESO's evidence in Exhibit B, Tab 4, Schedule 1, Attachment 2.

# Updated Assessment of the Need for the East-West Tie Expansion

Submitted to the Ministry of Energy

December 1, 2017

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## 1.0 KEY FINDINGS/RECOMMENDATIONS

This report has been prepared in response to the August 4, 2017 direction from the Minister of Energy (“Minister”) requesting the IESO to prepare an updated need assessment, similar in scope to the previous update reports prepared for the Ontario Energy Board (“OEB”). This report confirms the rationale for the East-West Tie (“E-W Tie”) Expansion project based on updated information and study results. This project continues to be the IESO’s recommended option to maintain a reliable and cost-effective supply of electricity to the Northwest for the long term.

The E-W Tie Expansion project provides approximately \$200 million in net cost savings compared to the least-cost local generation alternative. The IESO also considered high and low sensitivities on a number of key parameters, such the assumed cost of the generation alternative. Based on the sensitivities tested for the Reference outlook, the E-W Tie Expansion project, compared to the least-cost local generation option, ranges from a net cost savings of approximately \$500 million to a net cost of just under \$100 million.

The IESO continues to recommend an in-service date of 2020 for the E-W Tie Expansion project. Discussions with the transmitters confirmed their ability to meet this date, dependent on timely regulatory approvals. The IESO will continue to support the implementation of the project and monitor electricity supply and demand in the Northwest until the E-W Tie Expansion project comes into service.

## 2.0 INTRODUCTION

The Ontario Government’s 2010<sup>1</sup> and 2013<sup>2</sup> Long-Term Energy Plans (“LTEP”) have both identified the expansion of the E-W Tie transmission line as a priority project. The E-W Tie Expansion project is intended to increase the transfer capability into the Northwest by adding a new transmission line roughly parallel to the existing E-W Tie transmission line, which extends between Wawa and Thunder Bay.<sup>3</sup>

The Minister’s letter to the OEB of March 29, 2011 was the impetus for the OEB undertaking a designation process to select the most qualified and cost-effective transmitter to undertake development work for the E-W Tie project. Early in that proceeding (EB-2011-0140), the OEB

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<sup>1</sup> Ontario’s 2010 Long-Term Energy Plan: Building Our Clean Energy Future, Figure 12, page 47.

<sup>2</sup> Ontario’s 2013 Long-Term Energy Plan: Achieving Balance, page 52.

<sup>3</sup> The route deviates from that of the existing E-W Tie by travelling around Pukaskwa National Park rather than through, and travelling north of Loon Lake and west of Ouimet Canyon Provincial Park.

1 requested that the former Ontario Power Authority ("OPA")<sup>4</sup> – now the Independent Electricity  
2 System Operator ("IESO") and hereinafter referred to as the IESO – provide a report  
3 documenting the preliminary assessment of the need for the E-W Tie Expansion. In response,  
4 the IESO filed its original report in June 2011, titled "Long Term Electricity Outlook for the  
5 Northwest and Context for the East-West Tie Expansion" ("June 2011 Report"). As a result of  
6 the designation proceeding, Upper Canada Transmission, Inc. (o/a "NextBridge Infrastructure")  
7 was selected as the proponent to develop the E-W Tie.

8 The OEB's Phase 2 Decision and Order Regarding Reporting by Designated Transmitter, and  
9 the subsequent update due to the deferral of the in-service date from 2018 to 2020,  
10 dated September 26, 2013 and January 22, 2015<sup>5</sup> respectively, required the IESO to provide  
11 updates to the OEB on the need for the E-W Tie Expansion. In response, three previous E-W Tie  
12 reports were prepared by the IESO for the OEB: i) the first update report, was filed in  
13 October 2013, titled "Updated Assessment of the Rationale for the East-West Tie Expansion"  
14 ("October 2013 Report"); ii) the second update report titled "Assessment of the Rationale for the  
15 East-West Tie Expansion" was filed with the OEB on May 5, 2014 ("May 2014 Report"); and iii)  
16 the third update report titled "Assessment of the Rationale for the East-West Tie Expansion"  
17 was filed on December 15, 2015 ("December 2015 Report").

18 Following the December 2015 Report, the former Ontario Minister of Energy, Bob Chiarelli,  
19 issued a letter to the OEB stating that the E-W Tie Expansion continues to be the IESO's  
20 recommended alternative to maintaining a reliable and cost-effective supply of electricity in  
21 Northwestern Ontario for the long term and that the government had accordingly issued an  
22 Order in Council ("OIC") on March 10, 2016 declaring that the E-W Tie Expansion was needed  
23 as a priority project. Consequently, on December 6, 2016, the OEB issued an additional revision  
24 to their Phase 2 Decision and Order Regarding Reporting by Designated Transmitter relieving  
25 the IESO of the obligation of completing a 2016 need update report.

26 On July 31, 2017, NextBridge and Hydro One Networks Inc. ("Hydro One") filed Leave to  
27 Construct ("LTC") applications<sup>6</sup> with the OEB for the E-W Tie Expansion project. Their

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<sup>4</sup> On January 1, 2015, the Ontario Power Authority ("OPA") merged with the Independent Electricity System Operator ("IESO") to create a new organization that combines the OPA and IESO mandates. The new organization is called the Independent Electricity System Operator. Any assessments prior to January 1, 2015 were provided by the former OPA.

<sup>5</sup> OEB Decision and Order Regarding Reporting by Designated Transmitter dated September 26, 2013, page 4, and January 22, 2015, page 5.

<sup>6</sup> The OEB assigned file numbers EB-2017-0182 and EB-2017-0194 to the NextBridge and Hydro One applications respectively.

1 applications included new evidence provided by the IESO related to the preferred staging of the  
2 project's station facilities. Staging the construction of the station facilities was recommended to  
3 reduce the cost of the project, by deferring costs until the facilities are needed. The OIC, issued  
4 under the authority of section 96.1(1) of the *Ontario Energy Board Act, 1998*, satisfies the usual  
5 need requirement for obtaining section 92 approval.

6 The project costs included by NextBridge in its LTC application are higher than what was  
7 assumed in the IESO's December 2015 Report. Therefore, on August 4, 2017 the Minister  
8 requested the IESO to prepare an updated need assessment, consistent with the scope of  
9 previous need assessments requested by the OEB. The 2017 LTEP, published in October 2017,  
10 also addressed the need to review all options for meeting capacity needs in the Northwest to  
11 ensure ratepayers are protected as the E-W Tie Expansion project continues to be developed.<sup>7</sup>

12 This report provides an updated assessment of the E-W Tie Expansion project, reflecting  
13 changes that have taken place since the December 2015 Report, namely revised project costs and  
14 an updated demand and supply outlook for the Northwest.

### 15 **3.0 CHANGES TO THE PLANNING ASSUMPTIONS**

16 Major changes to the planning assumptions since the December 2015 Report are identified here  
17 in order to provide context for the updated results and the information presented in subsequent  
18 sections of this report.

#### 19 **Cancellation of TransCanada's Energy East Pipeline Project**

20 The December 2015 Report included demand associated with TransCanada's Energy East  
21 project, in both the Reference and High demand outlooks. On October 5, 2017, TransCanada  
22 announced the termination of the Energy East project.<sup>8</sup> As a result, the anticipated demand  
23 associated with the Energy East project is no longer considered in any of the demand outlooks.

24 The Energy East project accounted for approximately 110 MW of peak demand and 1 TWh of  
25 energy demand in the December 2015 Report's Reference demand outlook.

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<sup>7</sup> Ontario's 2017 Long-Term Energy Plan: Delivering Fairness and Choice, page 39.

<sup>8</sup> "TransCanada Announces Termination of Energy East Pipeline and Eastern Mainline Projects",  
<https://www.transcanada.com/en/announcements/2017-10-05-transcanada-announces-termination-of-energy-east-pipeline-and-eastern-mainline-projects/>.

## **Updated Load Supply Needs**

The analysis in the December 2015 Report included a westbound E-W Tie limit of 155/175 MW<sup>9</sup> based on the thermal limitation of the underlying 115 kV circuit from Marathon TS to Lakehead TS. It is assumed that this limit remains the planning limit for the existing E-W Tie. This limit, however, relies on support from Manitoba following contingencies on the E-W Tie. The magnitude of support required is the highest for the loss of the E-W Tie from Wawa TS to Marathon TS since that contingency separates Northwestern Ontario from the rest of the province and leaves it connected only to Manitoba and Minnesota.

Relying on short-term support from neighbouring jurisdictions is an assumption made when operating the system province-wide. However, this support should not be relied on for an extended period of time without an agreement with the neighboring jurisdiction. The current practice is to operate the system such that we're not counting on this support for more than 30 minutes following a disturbance.<sup>10</sup>

The requirement to return the flow on the Manitoba and Minnesota interfaces to zero, or to the scheduled flow, within 30 minutes following a contingency on the E-W Tie is a requirement that is now being included in this update report when determining whether the Northwest has adequate resources to reliably meet its outlook for demand.

## **Staging of Station Facilities**

In September 2014, as a result of the findings of the May 2014 Report, the IESO wrote a letter to the OEB recommending the deferral of the in-service date of the E-W Tie Expansion from 2018 to 2020. The letter indicated that the additional time would allow for the optimization of equipment and system design, including the staged construction of station facilities. Prior to Hydro One's LTC application being filed in July 2017, the IESO worked closely with Hydro One to evaluate the technical and economic feasibility of different staging alternatives for the required station facilities. The IESO's evidence outlines the staging alternatives that were compared and the rationale behind the recommended staged implementation of the station facilities.

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<sup>9</sup> The planning limit for the existing E-W Tie is a thermal limitation, 155 MW reflects summer conditions and 175 MW reflects winter conditions.

<sup>10</sup> Market Manual 7.4: IESO Grid Operating Policies



1 The recommended staging includes an initial stage that provides 450 MW of transfer capability,  
2 with a station facility cost of \$147 million. The second stage would be implemented only once  
3 the full 650 MW transfer capability of the line is needed, at an additional cost of \$60 million.

#### 4 **Updated Transmission Cost Estimates**

5 For this update, the IESO used the updated capital cost estimates for the new line and the  
6 station upgrades that the transmitters filed with the OEB on July 31, 2017 in their LTC  
7 applications. Based on its filed evidence, NextBridge estimates a cost of \$777 million for the  
8 E-W Tie line, an increase from the previous planning estimate of \$500 million used in the  
9 December 2015 Report. NextBridge has stated that the cost increase reflects unbudgeted costs,  
10 new scope requirements, other unforeseeable factors such as the delay to the in-service date,  
11 and development phase project refinements.

12 As previously outlined, the cost of the station facilities required for the 650 MW E-W Tie  
13 Expansion project is approximately \$207 million, up from the previous planning estimate of  
14 \$150 million. This estimate accounts only for costs directly attributable to the E-W Tie  
15 Expansion project. As outlined in the IESO's evidence filed with the OEB in support of Hydro  
16 One's LTC application, facilities required to address the existing high voltage problem at  
17 Lakehead TS are required regardless of whether the E-W Tie project proceeds and are not  
18 considered as part of the cost of the E-W Tie station facilities.

19 The total project cost for the initial 450 MW stage is \$924 million, and implementing the full  
20 650 MW would increase overall costs to \$984 million.

#### 21 **4.0 NORTHWEST DEMAND OUTLOOK**

22 Throughout the planning and development of the E-W Tie Expansion project, the IESO has held  
23 regular discussions with stakeholders, customers and communities in the Northwest and the  
24 IESO continues to monitor developments that may affect electricity demand in the region. The  
25 demand outlook in this report reflects updated information and engagement which has taken  
26 place since the Minister's request for the IESO to provide a need update. Engagement with  
27 stakeholders and communities in the Northwest continues to provide valuable insight into the  
28 status of future developments. The IESO's outlook considers the likelihood of identified projects  
29 proceeding under three potential economic outlooks.

30 The Reference, Low and High demand outlooks reflect the inherent uncertainties related to  
31 industrial development in the Northwest. As noted in the previous three need update reports,  
32 Northwest electrical demand is dominated by large, industrial customers and can fluctuate  
33 significantly in response to changing economic and market conditions. The Northwest remains

1 a winter-peaking region, in contrast to Southern Ontario, where electricity demand usually  
2 peaks during the summer months.

3 In this update, the demand outlook has materially decreased in magnitude. This is driven by  
4 two significant developments: a continued decline in historical demand in the Northwest and  
5 the cancellation of TransCanada's Energy East Pipeline project and its subsequent removal from  
6 the Reference and High demand outlooks.<sup>11</sup>

#### 7 **4.1 Historical Northwest Demand**

8 Historical electricity demand in the Northwest is presented in Figure 1 below. This update  
9 includes actual energy and peak demand data from 2015 and 2016 and preliminary data from  
10 2017, which was not available when the December 2015 Report was prepared. While the winters  
11 of 2013 and 2014 saw an increase in demand in the Northwest, this was primarily driven by  
12 extreme low temperatures in the Northwest caused by a southward shift of the North Polar  
13 Vortex.<sup>12</sup> This resulted in a higher than average electric heating demand, driving winter peak  
14 demand to its highest level in five years.

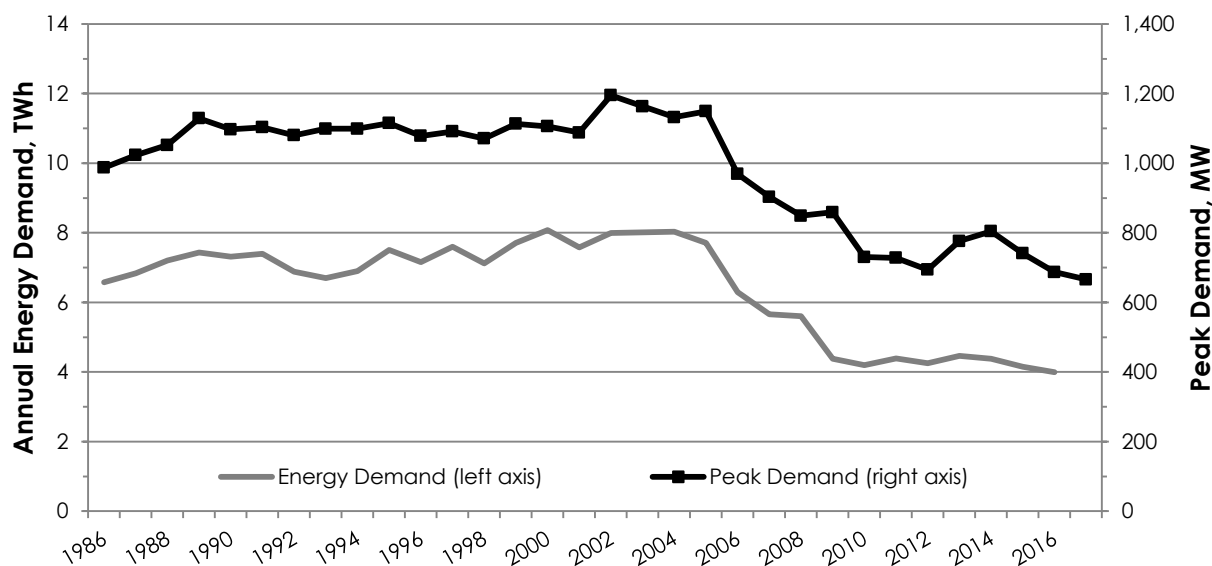
15 Historical data now available for 2015 and 2016 and preliminary data available for 2017 shows a  
16 continuation of the declining trend for electrical demand in the Northwest due to the impacts of  
17 continued population decline, conservation, distributed generation and continued decline of the  
18 pulp and paper industry. This provides a lower starting point than in the December 2015  
19 Report.

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<sup>11</sup> The Energy East project was never included in the Low demand scenario.

<sup>12</sup> "Thunder Bay has coldest winter in 35 years, stats say", <http://www.cbc.ca/news/canada/thunder-bay/thunder-bay-has-coldest-winter-in-35-years-stats-say-1.2580059>.

**Figure 1. Historical Northwest Electricity Demand**



## 4.2 Drivers of Northwest Demand

The IESO continues to work with interested parties to understand the drivers of demand in the Northwest, engaging with stakeholders such as Common Voice Northwest (“CVNW”), mining companies, industry associations, and the Ontario Ministry of Northern Development and Mines. The updated outlook reflects changes in the status of developments throughout the Northwest.

In comparison to the December 2015 Report, the Northwest demand outlook has been impacted by a few key factors including: updated information on the status of mining developments; cancellation of TransCanada’s proposed Energy East project; and continuing decline in the pulp and paper sector.

### Mining Sector

The IESO has continued to engage mining companies with developments in Ontario and review technical documents to understand the feasibility, timing, and likelihood of potential mining developments. Factors such as commodity prices, access to capital and environmental considerations are indicators of potential growth in the sector. A mining project in the Fort Frances area has advanced to construction and initial production, and various other projects throughout the region have had success raising capital and advancing both their feasibility and environmental assessments. However, several other projects have experienced set-backs due to factors such as low commodity prices. The demand outlook considers the latest available information on the location, size, and stage of development of mining projects in the Northwest.

## **Pulp and Paper Sector**

Ontario's pulp and paper sector has been in decline for over 10 years and this decline has continued since the December 2015 Report was published. While there is potential for demand stabilization, a return to the demand levels of a decade ago is considered unlikely.

## **TransCanada Energy East Pipeline**

Demand associated with the Energy East Pipeline project which was previously included in both the Reference and the High demand outlooks has been removed.

## **Remote Communities**

Connection of remote communities is assumed to begin in 2024, a delay of four years compared with the December 2015 Report.

## **Other Components of the Demand Outlook**

Minimal or no change has been made to account for the remaining components of the Northwest demand outlook since the December 2015 Report:

- Forestry sector
- Natural growth in residential, commercial and other industrial sectors

The IESO continues to work with local distribution companies ("LDCs") to implement the Conservation First Framework, consistent with both the 2013 and 2017 LTEPs and the March 31, 2014 Conservation First Directive from the Ministry of Energy to the IESO. LDC progress towards meeting the conservation targets was tracked through Conservation and Demand Management ("CDM") Plans and evaluation, measurement and verification ("EM&V") activities, and the conservation assumptions for the Northwest were updated accordingly.

## **4.3 Northwest Demand Outlooks**

An updated demand outlook for the Northwest was developed, taking into account the impacts of the drivers described above. Consistent with the previous three update reports, the IESO has represented demand growth uncertainty in the region by developing three outlooks to explore the robustness and flexibility of options to meet the need in the Northwest under a range of outcomes. Key aspects of the outlooks are as follows:

- **Reference demand outlook** - In this outlook, mining sector demand includes proposed mines that have passed significant development milestones. Mining loads are assumed to persist for the expected lifetime of the proposed developments. This outlook assumes

1 modest growth in the forestry sector in the short term and assumes stabilization of the  
2 pulp and paper sector.

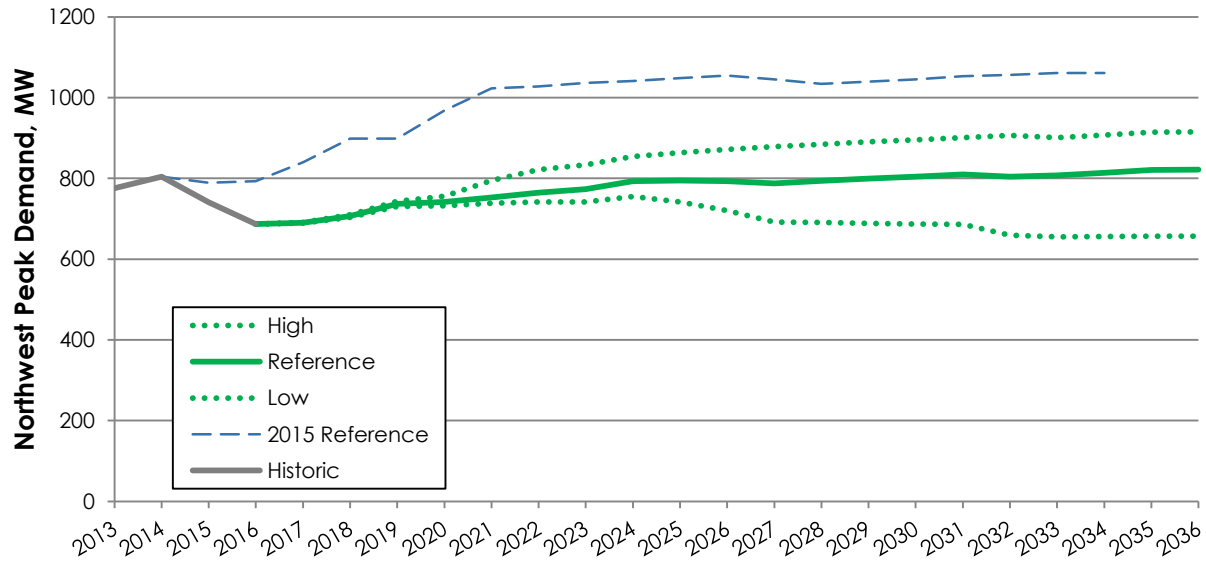
- 3 • **High demand outlook** - This outlook considers the impact of stronger and faster  
4 development in the mining sector which could potentially be driven by factors such as  
5 increased commodity prices. This outlook also reflects modest growth in the forestry  
6 sector and the stabilization of the pulp and paper sector.
- 7 • **Low demand outlook** - This outlook describes a more restrained outlook in the mining  
8 sector and continuing decline in the pulp and paper sector.

9 The demand assumptions for Remote Communities, residential, commercial and other  
10 industries (other than those mentioned above) are the same in each outlook. The Energy East  
11 Pipeline project is not included in any outlook.

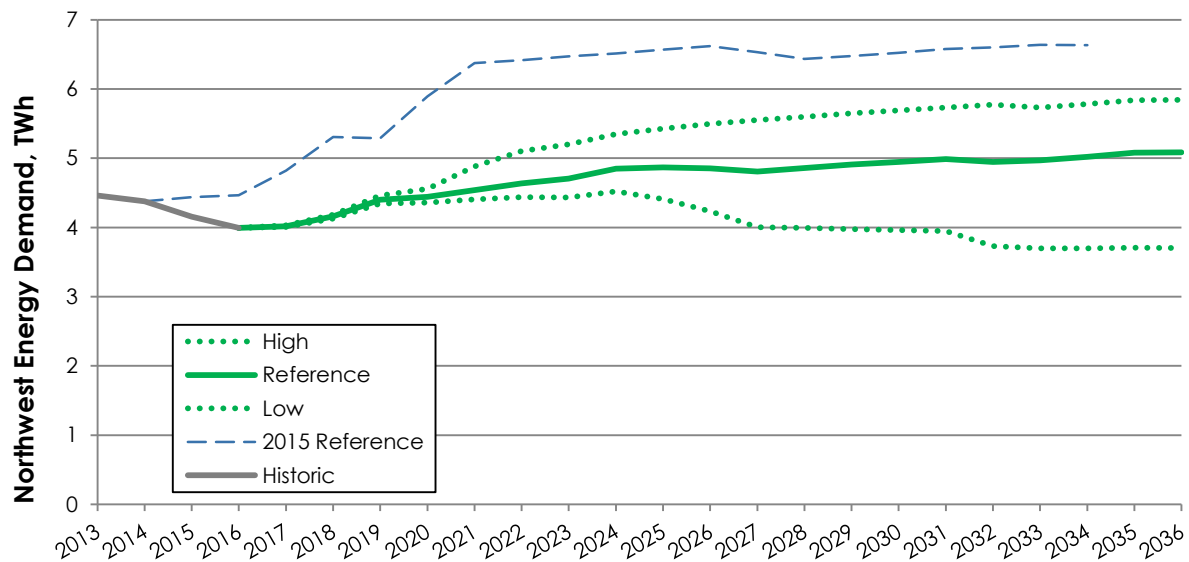
12 The resulting Northwest peak and annual energy demand outlooks, net of savings from  
13 planned conservation, are shown below in Figure 2 and Figure 3. The Reference demand  
14 outlook shows demand in the Northwest increasing quickly in the medium term, due to  
15 advancing mining developments that are expected to come online, followed by more gradual  
16 growth in the long term. The range between the High and Low outlooks reflects the uncertainty  
17 in the assumptions underlying the electricity demand growth in the Northwest.

18 For comparison, the Reference outlook prepared for the December 2015 Report has also been  
19 included in Figures 2 and 3. The current Reference outlook has a slower near-term growth rate  
20 than the December 2015 Reference outlook and is lower in the long term due to the continued  
21 decline in Northwest historical electrical demand and the cancellation of the Energy East  
22 Pipeline project.

**Figure 2. Northwest Net Peak Demand Outlooks**



**Figure 3. Northwest Net Energy Demand Outlooks**



## 5.0 EXISTING RESOURCES TO SUPPLY NORTHWEST DEMAND

The Northwest relies upon both internal resources (generation located in the Northwest) and external resources (generation outside the Northwest accessed through existing ties) to meet its electricity supply and reliability requirements. An update on the Northwest supply outlook since the December 2015 Report is provided below.

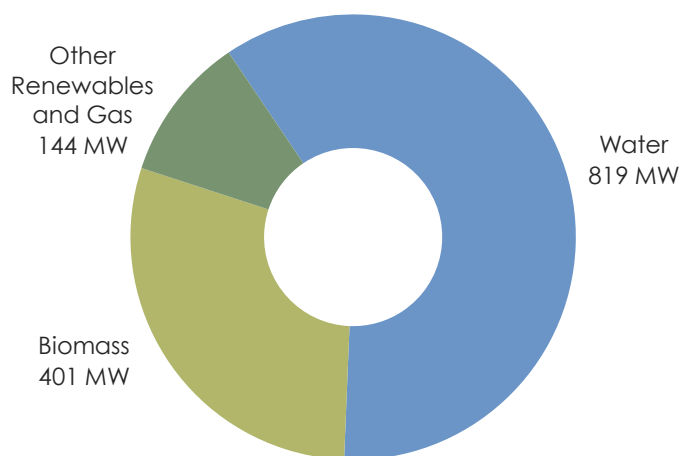
## 5.1 Internal Resources in the Northwest

The IESO has updated its assumptions regarding supply resources in the Northwest, where new information is available. The following material changes have been made since the December 2015 Report:

- Improved representation of water resources in the Northwest to better reflect run-of-river limitations.
- Incorporation of additional historical water data for the Northwest to better inform the probability of low water conditions.
- Some small-scale distribution-connected generation that began operation prior to 2017 is now included in the demand outlook as embedded generation; these resources have been removed from the supply-side model.

The installed capacity of internal resources in the Northwest for the year 2018 is approximately 1,360 MW and is shown by fuel type in Figure 4.

**Figure 4. Northwest Internal Resources - Installed Capacity**



## 5.2 External Resources Supplying the Northwest

Additional supply is provided to the Northwest through the existing E-W Tie; a 230 kV double-circuit transmission line that extends between Wawa TS and Lakehead TS, linking the Northwest system to the rest of Ontario.

The E-W Tie planning limit, consistent with the December 2015 Report, is 155/175 MW which respects the loss of the E-W Tie from Marathon TS to Lakehead TS. Staying under this limit ensures that, following contingencies on the E-W Tie, voltage levels in the Northwest are within

1 acceptable ranges, and equipment, including the Manitoba and Minnesota ties, stays within  
2 thermal limits.

3 However, as previously discussed, this E-W Tie planning limit relies on support from Manitoba  
4 following contingencies on the E-W Tie, which cannot be counted on for more than 30 minutes.  
5 As a result, there must be sufficient capacity in the Northwest to not only adequately supply the  
6 expected demand in the Northwest while staying under this planning limit, but also to reduce  
7 flows on the Manitoba and Minnesota ties to zero (or the scheduled transfer level) within  
8 30 minutes.

9 For example, following the loss of the E-W Tie from Wawa TS to Marathon TS, the Northwest  
10 will be separated from the rest of Ontario and power will automatically flow from Manitoba  
11 and Minnesota to supply the Northwest. Action must then be taken to re-dispatch resources  
12 within the Northwest to return to scheduled flow levels and there must be sufficient capacity in  
13 the Northwest to do so.

## 14 **6.0 THE NEED FOR ADDITIONAL SUPPLY FOR THE NORTHWEST**

15 As described in previous reports, the outlook for supply needs in the Northwest comprises both  
16 capacity and energy components. The IESO updated its assessment of resource adequacy in the  
17 Northwest system, which is described below.

### 18 **6.1 Capacity Adequacy Requirement**

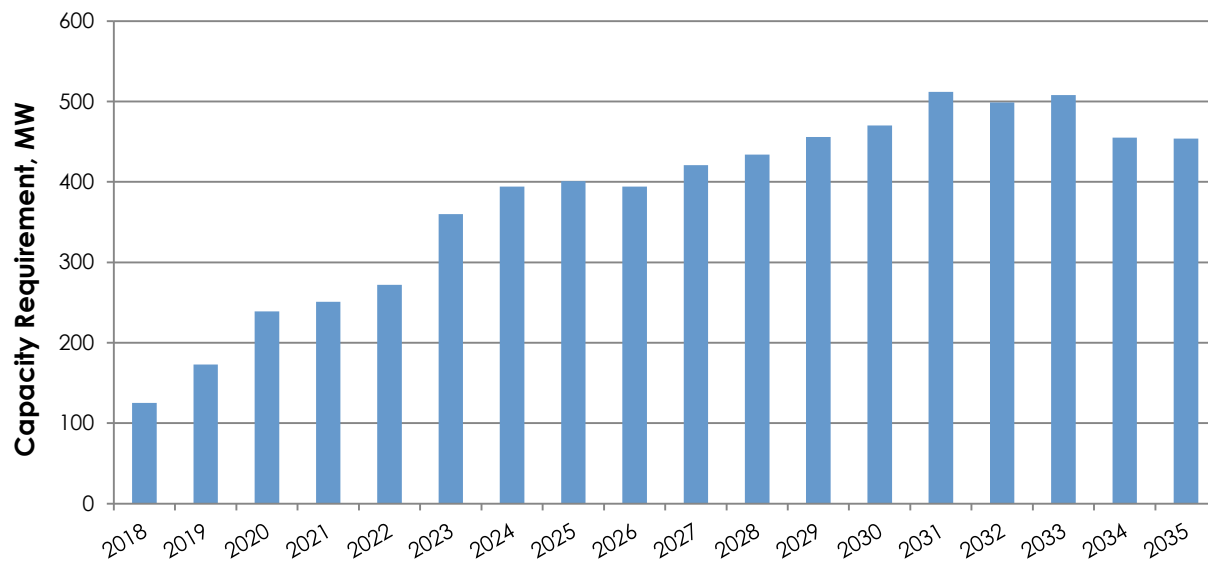
19 Consistent with the December 2015 Report, the IESO conducted a reliability assessment using a  
20 probabilistic approach to determine capacity requirements in the Northwest. As water  
21 conditions have a strong impact on overall supply availability in the Northwest, the  
22 probabilistic approach reflects a range of water conditions.

23 The updated capacity need, based on the Reference demand outlook with no E-W Tie  
24 Expansion, is shown in Figure 5. A 100 MW capacity need already exists today, and this need  
25 continues to grow to approximately 240 MW by the original 2020 in-service date. By 2022, the  
26 capacity need exceeds 260 MW, and grows to approximately 400 MW by 2024. The need for  
27 additional capacity increases to about 500 MW by 2035 as demand continues to grow and as  
28 supply changes.

29 As noted in earlier need update reports, there is a projected capacity need in the interim years  
30 before the E-W Tie Expansion in-service date, based on an assessment of applicable planning  
31 criteria. The near-term need is higher than in the December 2015 Report because it includes the  
32 capacity needed to reduce the flow from Manitoba to zero (or the scheduled flow level)  
33 following a contingency on the E-W Tie.



**Figure 5. Expected Incremental Northwest Capacity Requirement under Reference Demand**

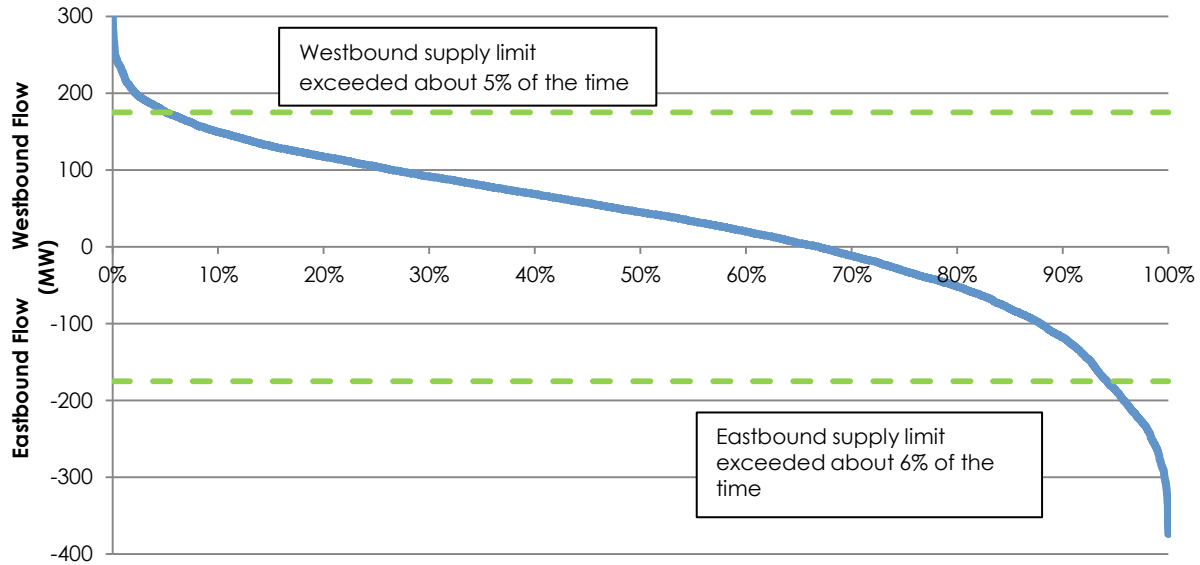


## 6.2 Energy Requirement

The expected energy requirement in the Northwest is defined by the energy demand outlook, as well as the supply capabilities of local generation and the existing E-W Tie. Figure 6 provides an updated E-W Tie flow duration curve, for all hours of the year 2023,<sup>13</sup> based on the updated Reference demand outlook and median water conditions. In this update, expected westbound flows exceed the existing E-W Tie capability approximately 5% of the time. This is based on application of the winter rating of 175 MW throughout the year. Applying the more restrictive limit of 155 MW during the summer months would result in a higher level of westbound congestion. Eastbound congestion is expected to occur approximately 6% of the time in 2023. The westbound energy requirement is expected to increase with the demand outlook over the planning horizon.

<sup>13</sup> The year 2023 has been shown for illustrative purposes. The energy assessment was carried out for years 2022 to 2035.

**Figure 6. Unconstrained Flow and Planning Limits on the Existing E-W Tie for the Year 2023**



## 7.0 ANALYSIS OF ALTERNATIVES TO MEET NORTHWEST SUPPLY NEEDS

In this updated need assessment, a number of alternatives to the E-W Tie Expansion were assessed taking into consideration updated information since the December 2015 Report. The two lowest cost options to meet the Northwest capacity and energy needs were identified to be:

- meeting Northwest needs through the addition of new local natural gas-fired generation, and
- expanding the existing E-W Tie. These options are described further below:

(1) **No E-W Tie Expansion** - In this option, all of the identified capacity and energy needs are met through the addition of new natural gas-fired simple cycle gas turbine ("SCGT") generation in the Northwest, with the size of units and the timing of installation defined to meet the needs as they arise during the planning period. Under the Reference demand outlook, a total of 500 MW of generation is added. As in the previous update, it was assumed that, due to the difficulty and cost associated with obtaining firm gas service in the Northwest, all new-build natural gas-fired generation utilizes on-site reserve fuel.

(2) **E-W Tie Expansion** - In this option, the E-W Tie Expansion project provides a foundation for meeting the Northwest needs, with additional generation installed to meet any incremental supply requirements. In this update, a staged implementation of the E-W Tie Expansion was adopted, with the interim 450 MW E-W Tie stage and the final stage, to provide the full 650 MW transfer capability, added as required to meet the

1 capacity needs throughout the study period. Under the Reference demand outlook only  
2 the interim stage of the E-W Tie Expansion is required.

3 The assumptions and the results of the economic analysis comparing these two options are  
4 presented in section 7.1. As in the previous update reports, the economic analysis includes an  
5 assessment of the sensitivity of the results to changes in key variables to better understand their  
6 impact on the economic merits of both options.

## 7 **No E-W Tie Expansion Option – Other Considered Alternatives**

8 A number of the non-gas options for meeting Northwest needs were discussed in the May 2014  
9 and December 2015 Reports. These were re-examined in the IESO's 2017 assessment. These  
10 options include utilizing existing biomass resources in the Northwest, building new non-  
11 emitting generation including storage, and firm imports from Manitoba. Although  
12 opportunities may exist to develop these resources to meet future provincial electricity needs,  
13 they were found to be insufficient for meeting the identified need in the Northwest due to  
14 technical and economic considerations.

15 New non-emitting resources such as wind and/or storage were also considered in this  
16 assessment. These were identified to be uneconomic for meeting Northwest needs relative to  
17 new natural gas-fired generation, and additional investments in transmission would be  
18 required to connect these resources. In addition, without expansion of the bulk transmission  
19 system, additional non-emitting generation resource development in the Northwest would  
20 increase surplus energy and congestion during periods of increased energy production from  
21 existing hydroelectric resources.

22 The use of the existing Manitoba intertie for either a short-term deferral of the need, or as part  
23 of an integrated solution for the long term, was also revisited. As discussed in the December  
24 2015 Report, without major system expansion, only about 150-200 MW of firm capacity imports  
25 from Manitoba can be accommodated before running into constraints on the transmission  
26 system between Kenora and Dryden. Due to the magnitude of the need, firm Manitoba imports  
27 alone would not be sufficient to meet Northwest needs and would need to be paired with other  
28 resources.

## 29 **7.1 Cost-Effectiveness Comparison of Generation and Transmission Alternatives**

30 Consistent with previous E-W Tie Expansion need update reports, an economic analysis of the  
31 E-W Tie Expansion and the lowest cost generation option was conducted and their relative net  
32 present value ("NPV") was compared. A sensitivity analysis was performed to test the  
33 robustness of the results under a variety of conditions. Among the sensitivities tested were the

Reference, Low and High demand outlooks, ranges in the cost of the generation and transmission alternatives, and other cost-related assumptions.

Changes in assumptions since the December 2015 Report are as follows:

- The Reference demand outlook was updated as per the changes identified in section 4.3. Sensitivities to test the impacts of the updated Low and High demand growth outlooks on the NPV were performed.
- Existing supply resources were updated as described in section 5.
- Operating conditions were used in the energy assessment to better reflect the potential economic impact of each option.
- The transmission costs for the E-W Tie Expansion were assumed to be \$777 million for the line and \$207 million for the stations (see section 3). A portion of the station cost is deferred consistent with the staged expansion of the E-W Tie included in this update. The second stage is only required under the High demand outlook.
- The study period extends to 2051, when the first asset replacement decision is expected; this decision is associated with the generation alternative. Sensitivities of a 20-year and 70-year study period were assessed based on the typical planning horizon and the lifetime of a transmission line, respectively.
- Natural gas prices were assumed to be an average of \$5.80/MMBtu throughout the study period – inclusive of carbon price. Sensitivities were assessed with the combined gas and carbon price ranging from \$4.50/MMBtu to \$10.50/MMBtu.
- The USD/CAD exchange rate was assumed to be 0.78. Sensitivities were assessed for 0.67 and 1.
- Additional sensitivities were analyzed including +20% and -15% for transmission capital costs, a +/- 75 MW margin of error on the capacity need analysis, and the impacts of electricity trade on energy prices.
- The NPV of all cash flow is expressed in 2017 \$CDN.

The following assumptions remain unchanged from the December 2015 Report:

- The NPV analysis was conducted using a 4% real social discount rate. Sensitivities at 2% and 8% real social discount rate were also performed.
- The assessment is performed from an electricity ratepayer perspective.
- Median-water hydroelectric energy output was used for energy simulation in the economic analysis.
- Dual-fuel gas-fired generation was assumed to be added to the Northwest due to natural gas fuel supply limitations. Oil was assumed as the on-site reserve fuel. Other

options, such as compressed natural gas and liquefied natural gas stored on site, were also considered. However, these are expected to be higher cost than oil back-up.

- A sensitivity of +/- 25% was assessed on the capital and ongoing fixed costs for generation in the Northwest.
- The life of the station upgrades was assumed to be 45 years; the life of the line was assumed to be 70 years; and the life of the generation assets was assumed to be 30 years.
- New capacity in the Northwest and the rest of Ontario was added, as required, to satisfy Northeast Power Coordinating Council, Inc. ("NPCC") resource adequacy criteria.<sup>14</sup> These capacity needs were determined as described in section 6.1.

Under the Reference case assumptions, the E-W Tie Expansion project is approximately \$200 million lower in net present cost compared to the no-expansion alternative. To test the robustness of this result against uncertainty in the assumptions, the IESO considered high and low sensitivities on a number of key parameters, of which changes to the demand outlook, discount rates, and assumed cost of the generation alternative had the largest impacts. Based on the sensitivities tested, the E-W Tie Expansion project, compared to new gas-fired generation in the Northwest, ranges from a net cost savings of approximately \$500 million to a net cost of about \$100 million.

The E-W Tie Expansion provides additional benefits, beyond meeting the reliability requirements of the Northwest, which are unique to a transmission solution. These include system flexibility, removal of a barrier to resource development, reduced congestion payments, reduced line losses, increased economic imports from Manitoba, decreased carbon emissions, and improved operational flexibility. These benefits are additive to the economic benefits and form an important part of the rationale for the project.

## 8.0 COMMUNITY INPUT

Stakeholder and community input is an important aspect of the planning process. Providing opportunities for input throughout the IESO's planning processes enables the views and preferences of stakeholders throughout the community to be considered in the development of demand outlooks and in the consideration and development of different alternatives to address identified needs.

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<sup>14</sup> NPCC Regional Reliability Reference Directory # 1. Design and Operation of the Bulk Power System.

1 As part of the E-W Tie need update process, stakeholders throughout the Northwest were  
2 contacted to provide input into the outlook for electricity demand. The stakeholders directly  
3 involved included mining customers and other large industrial power consumers, CVNW, the  
4 Ministry of Northern Development and Mines, Union Gas Limited, TransCanada PipeLines  
5 Limited, and Thunder Bay Hydro Electricity Distribution Inc. Stakeholder input helped inform  
6 the status of developments in the region and their associated demand impacts. The list of  
7 stakeholders contacted throughout the development of the demand outlooks was consistent  
8 with previous update reports. The IESO also received written feedback from a variety of  
9 stakeholders, speaking to their continued support for the East-West Tie Expansion.

10 Finally, the IESO hosted a planning forum in Thunder Bay in October 2017 where stakeholders  
11 once again voiced their support for the project. Some have provided recommendations  
12 regarding alternatives to be considered for meeting Northwest capacity needs. Stakeholders at  
13 the forum also commented that the chosen solution should have the flexibility to accommodate  
14 demand uncertainty, decreasing the impediment to additional developments.

## 15 **9.0 CONCLUSIONS AND RECOMMENDATIONS**

16 The IESO's updated assessment of Northwest capacity needs and the options to address them  
17 demonstrates that the E-W Tie Expansion project continues to be the preferred option for  
18 meeting Northwest supply needs under a range of system conditions.

19 The IESO continues to recommend an in-service date of 2020 for the E-W Tie Expansion project.  
20 Discussions with the transmitters confirmed their ability to meet this date, dependent on timely  
21 regulatory approvals. The IESO will continue to support the implementation of the project and  
22 monitor electricity supply and demand in the Northwest until the E-W Tie Expansion project  
23 comes into service.

CCC INTERROGATORY #7

INTERROGATORY

Ex. B/T9/S1/p. 1

Table 2 is provided in the evidence - which is the current cost estimate for the New EWT Line at the in-service date. Please recast Table 2 to include the estimates provided in the designation proceeding. Please provide a variance analysis for each of the items listed.

RESPONSE

Please see NextBridge's response to SEC Interrogatory #6, found at Exhibit I.B.NextBridge.SEC.6, for a comparison of the current estimate and the estimate provided in the designation proceeding as well as a variance analysis for each of the items.

CCC INTERROGATORY #8

INTERROGATORY

Ex. B/T9/S1/p. 1

For each of the items included in Table 2 – Construction Cost Estimate – please provide a detailed budget.

RESPONSE

See attached document that provides a detailed budget. Certain of the information in the attachment is confidential and commercially sensitive, and therefore is not appropriately disclosed publicly. A redacted version of the attachment is provided with this response. The unredacted attachment is being provided to the Board in accordance with the Board's *Practice Direction On Confidential Filings*.



**Ontario East West Tie Project**

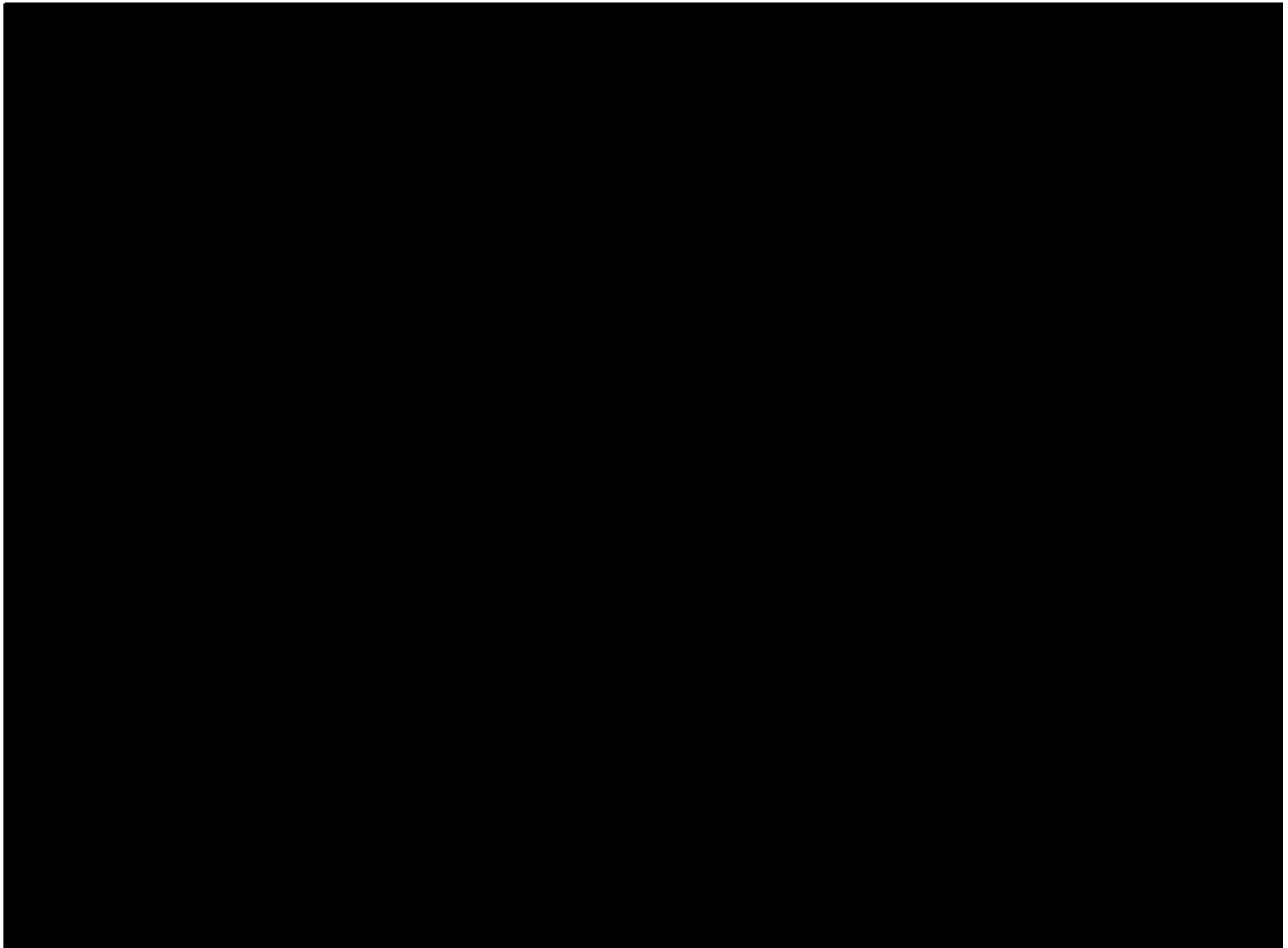
**Table 2: Construction Cost Estimate**

<b><u>Line</u></b> <b>(a)</b>	<b><u>Description</u></b> <b>(b)</b>	<b><u>LTC</u></b> <b>(c)</b>
1	Engineering	\$ 19,342,245
2	Materials & Equipment	89,408,231
3	Environmental	13,030,561
4	Land Rights	23,830,512
5	First Nation and Métis Participation	7,000,000
6	First Nation and Métis Consultation	13,211,000
7	Other Consultation	2,530,194
8	Site Clearing, Access	107,463,339
9	Construction	356,547,573
10	Site Remediation	13,898,699
11	Interest During Construction	31,003,000
12	Contingency	49,399,445
13	Regulatory	5,405,078
14	Project Management	4,900,644
15	<b>Total Construction Phase</b>	<b><u>\$ 736,970,521</u></b>

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]



CCC INTERROGATORY #9

INTERROGATORY

Ex. B/T9/S1/p. 1

Please provide a detailed break-down of the \$40.210 Development Costs. What is the amount that NextBridge is seeking to include as the opening balance in the CWIP Account?

RESPONSE

The \$40.21MM value included at Exhibit B, Tab 9, Schedule 1, Table 1 as the development costs in the Leave to Construct application ("LTC") represented the actual amount spent from August 7, 2013 (designation) to June 30, 2017, plus an estimate of development costs to be incurred from July 1, 2017 through July 31, 2017 (LTC filing date).

Subsequent to filing of the LTC, NextBridge filed its quarterly report with the OEB showing the actual development cost spend through July 31, 2017 of \$40.25MM. The detail of this spend is below and also can be found at page 8 of the NextBridge East-West Tie Line Report submitted to the OEB on October 23, 2017.

**TABLE 1 PROJECT COSTS STATUS - EXTENDED DEVELOPMENT PERIOD (AUGUST 2013 THROUGH JULY 2017)**

	Actual <sup>1</sup>	Prior period project to date Actual	Extended Development Period Budget <sup>2</sup>	Actual as % of Extended Development Period Budget
Engineering, Design and Procurement Activity	10,263,464	10,216,486	10,793,292	95.1%
Permitting and Licensing	84,781	84,781	151,031	56.1%
Environmental and Regulatory Approvals	7,817,680	7,080,898	8,482,680	92.2%
Land Acquisition (Excludes Aboriginal)	5,800,532	5,976,155	4,571,000	126.9%
First Nation and Métis Consultation	3,254,002	3,091,546	5,474,000	59.4%
Other Consultation	1,587,015	1,511,770	3,042,554	52.2%
Regulatory	1,873,499	1,847,175	2,675,000	70.0%
Interconnection Studies	83,859	83,859	160,000	52.4%
Project Management	4,966,784	4,907,439	5,002,015	99.3%
Contingency and Escalation	-	-	2,416,429	0.0%
<b>Subtotals</b>	<b>35,731,616</b>	<b>31,800,109</b>	<b>42,768,001</b>	<b>83.5%<sup>3</sup></b>
First Nation and Métis Land Acquisition	16,862	16,862		
First Nation and Métis Participation	3,415,388	3,359,137		
Other Costs	1,085,637	1,048,672		
<b>Subtotals</b>	<b>4,517,887</b>	<b>4,424,671</b>		
<b>TOTALS</b>	<b>40,249,503</b>	<b>39,224,780</b>		

1 "Actual" refers to actual costs plus estimated accruals.

2 The original Development Phase budget amount of \$22,398,001 as approved by the Board in file EB-2011-0140 Phase 2 Decision and Order dated August 7, 2013 plus incremental development costs as submitted to the Board on May 15, 2015 and updated on June 24, 2015 of \$20,370,000. This does not include funds related to First Nation and Métis Land Acquisition and First Nation and Métis Participation and Other Costs.

3 Calculating Actual budgeted costs as a percentage of the original Development Period budget of \$22,398,001, the percentage would be 159.5%. NextBridge considers the calculation in the table to be a more informative and representative comparison as some recorded costs were incurred as a result of extended development period activity not contemplated in the original Development Period budget.

NextBridge proposes to include as the starting balance of the CWIP account both the development period costs of \$40.25MM and the amount spent between filing of the Leave

to Construct application on July 31, 2017 and approval of the Leave to Construct application.

CCC INTERROGATORY #10

INTERROGATORY

Ex. B/T9/S1/p. 2

The evidence states that to develop the total project cost estimate NextBridge undertook a number of steps. This included: a) comparing the new EWT Line project against similar projects; and b) receiving external cost estimates from competitive procurements involving RFPs; and c) developing estimates and revised costs due to new project scope requirements, the extension in the New EWT Line's in-service date to 2020, cost of imported materials, and other project refinements that are subject to change over the course of the development of the New EWT Line

- a) Please specifically set out the various steps of the process that NextBridge used to finalize the Total Project Cost. Please provide a timeline.
- b) Please set out a list of the "similar projects", and for each project provide the budgeted and actual costs.
- c) Please provide a complete list of comparable projects that have been undertaken by NextEra or Enbridge Inc. Please provide the budgeted and actual costs for each of those projects.
- d) Please explain the process NextBridge undertook that involved cost estimates from competitive procurements.
- e) Please present a timeline as to when this analysis was undertaken.

RESPONSE

- a) The various steps of the process that NextBridge used to finalize the Total Project Cost were:
  - i. Conducting a comparison of the New EWT Line Project against similar projects;
  - ii. Receiving external cost estimates from competitive procurements involving request for proposals; and
  - iii. Developing estimates and revised costs due to new project scope requirements, the extension in the New EWT Line's in-service date to 2020, cost of imported materials, and other project refinements that are subject to change over the course of the development of the New EWT Line (from Exhibit B, Tab 9, Schedule 1, page 2 of 11– 1.1 Cost Estimating Processes).

The timeline was as follows:

Construction budget review kick-off (except Engineering & Construction)		November 2016
Team leads reviewed construction budgets		November 2016 to January 2017
Updated construction budget submitted to Project management		January 2017
Project control review of submitted construction budgets		January 2017
Construction budget reviews by workstream		February 2017
Summary construction budget for Board review		February 2017
Board presentation		March 2017

Post April 2017 additional refinements, including reviews by the Project Director, Partner organizations, the team leads, and the project controls group were completed in order to finalize the Total Project Cost estimate that was submitted with the Leave to Construct application on July 31, 2017.

- b) Please refer to NextBridge's response to HONI Interrogatory #7(b), found at Exhibit I.B.NextBridge.HONI.7.
- c) Please refer to NextBridge's response to SEC Interrogatory #16, found at Exhibit I.NextBridge.SEC.16.
- d) NextBridge invited 5 "pre-selected" Engineering, Procurement and Construction (EPC) companies to participate and submit proposals to an RFP process to construct this project. After receiving these proposals, NextBridge trued-up and validated its in-house project cost estimates with actual labour and material project costs received from these competitive bid proposals. Please also refer to NextBridge's response to Board Staff Interrogatory #9(a), found at Exhibit I.B.NextBridge.STAFF.9 and NextBridge's response to Board Staff Interrogatory #24 for further information related to NextBridge's cost estimates. For information related to competitive procurements in addition to the EPC RFP, please refer to NextBridge's response to SEC Interrogatory #8, found at Exhibit I.B.NextBridge SEC.8.
- e) NextBridge sent out an EPC RFP in April 2016. Proposals were received in January 2017. Upon receiving these proposals, NextBridge initiated the engineering and



construction project estimating effort that concluded with the filing of the project LTC application in July 2017. For disciplines other than engineering and construction, please refer to NextBridge's response to part a) of this interrogatory for analysis timelines.

CCC INTERROGATORY #11

INTERROGATORY

Ex. B/T9/S1/p. 2

The evidence indicates that the original project cost estimate was developed in 2012. Since then, as the project has progressed through the Development phase, consultation has taken place, and refinements to the project have resulted. Has NextBridge at any point in the process obtained an independent assessment of its proposed project cost estimate? If so, please provide that independent assessment. If not, why not?

RESPONSE

NextBridge retained Charles River Associates to prepare an independent benchmarking study assessment of its proposed project cost estimate. The study is attached.



**Prepared for:**

NextBridge Infrastructure

# Transmission Cost Benchmarking Study

**Prepared by:**

Charles River Associates

401 Bay Street, Suite 600

PO Box 46

Toronto, Ontario, M5H 2Y4

Date: January 18, 2018

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## **1. Overview**

### **1.1. Mandate**

Charles River Associates (“CRA”) was engaged by NextBridge Infrastructure (“NextBridge”) to prepare a benchmarking study of transmission projects comparable to that of its East-West Tie Line (“New EWT Line”) as described in detail in Ontario Energy Board (“OEB”) matter EB-2017-0182.

To complete this study, CRA reviewed publicly available data from transmission solicitations, public documents, regulatory filings, and benchmarking reports in an effort to present benchmarks against which to assess the reasonableness of the proposed costs of the New EWT Line. Wherever possible when choosing benchmarks, CRA considered the specifics related to the New EWT Line’s construction including project requirements, terrain, and technology.

Transmission projects are highly unique and there are a variety of factors that can contribute to differences in cost estimates across projects. Therefore, the ultimate goal of this benchmarking study is to employ objective research and analysis in order to provide the OEB with a basis for assessing the relative reasonableness of the projected costs of the New EWT Line. CRA has applied a sensitivity analysis on its benchmark results in order to account for variation that can exist across cost escalation approaches.

### **1.2. Approach**

In order to develop a robust set of comparable benchmarks, CRA reviewed a number of publicly available sources and ultimately included the following in this study:

- Hydro One’s 2007 Bruce to Milton application and relevant transmission rate filings thereafter;
- BC Hydro’s information on the Northwest Transmission Line project;
- Black & Veatch’s 2014 transmission expansion planning report for the Western Electricity Coordinating Council (“WECC”); and,
- Alberta Electric System Operator’s (“AESO”) transmission cost benchmarking database.

CRA analyzed each of these and gathered information on reported costs of comparable transmission benchmarks. We have noted some particular challenges in benchmarking the New EWT Line against existing projects. In general, the overarching challenge is the many factors that make the New EWT Line unique from an engineering standpoint. This includes the challenging terrain of Northern Ontario and use of double circuit guyed-Y tower type structures. It was challenging to find projects that were an exact technical match so in order to incorporate the uniqueness of the New EWT Line in this benchmarking study as effectively as possible,

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CRA endeavored to include only those benchmarks that were as technically similar to the New EWT Line as reasonably possible. The fundamental requirement was that benchmarks be as close to 240 kilovolt ("kV") as possible (only 230 kV, 240 kV and 287 kV projects were included), double circuit (if possible), and have relatively longer line lengths (greater than 100 km was preferred, with the understanding that due to lack of available public cost information, lengths as low as 80 km were accepted). The difference between 230 kV, 240 kV and 287 kV was considered immaterial to overall cost. Bruce to Milton is an exception as it is 500 kV. In order to scale the Bruce to Milton project from 500 kV to 230 kV, CRA used the WECC 2014 study by Black and Veatch which provided the base capital cost per mile for projects of both voltages. On average, this study found that the base capital cost of a 500 kV double circuit project was 1.99 times more expensive than a 230 kV double circuit project. Therefore, CRA applied the factor of 1.99 to scale the 2012 reported cost of Bruce to Milton to approximate what a 230 kV would cost and then escalated this to 2017 dollars. Again, the difference between 240 kV and 230 kV was considered immaterial. While CRA considers this factor derived from WECC is the best available, its application in Ontario adds a degree of uncertainty to the results. CRA has accordingly applied a wider, +/- 5%, sensitivity band to this project to produce a wider range of potential benchmark cost results.

In general, all historical costs have been escalated to 2017 Canadian dollars ("CAD") using the 2017 Handy-Whitman Index for utility construction costs in the United States ("US") Plateau region<sup>1</sup> and the Canadian Price Index ("CPI"). The CAD to US Dollar ("USD") annual average exchange rate was taken as published by the Board of Governors of the Federal Reserve System.<sup>2</sup>

For the sensitivity analysis, CRA applied +2% to -2% on the base 2017 CAD millions per km ("M/km") benchmark results to account for potential variations and subjectivity that can exist in cost escalation approaches. Once again, for Bruce to Milton this was extended to +/-5% to

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<sup>1</sup> The Handy-Whitman Index is prepared by Whitman, Requardt and Associates and is representative of cost trends for different types of utility construction. Separate Indices are published for the electric, gas and water industries. These are used by regulatory bodies, operating bodies, operating utilities, service companies, valuation engineers as well as insurance companies. For example, PJM uses this index to complete its annual update of Maintenance Adder Escalation Index Numbers. Handy-Whitman Index values are widely used to trend earlier valuations and original cost records to estimate reproduction cost at prices prevailing at a certain date. (Source: <https://wrallp.com/about-us/handy-whitman-index>)

<sup>2</sup> Board of Governors of the Federal Reserve System (US), Canada / U.S. Foreign Exchange Rate [AEXCAUS], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/AEXCAUS>, November 30, 2017.

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capture potential uncertainties inherent in using the WECC 2014 model to scale the project from 500 kV to get a cost representative of a 230 kV.

## **2. Assumptions and Calculations**

### **2.1. Foreign Exchange and Cost Escalation**

Two primary data sources are expressed in USD: The WECC 2014 study and the Handy-Whitman index. The exchange rates used for this purpose and for adaptation of the Handy-Whitman index was the annual average of the USD to CAD daily exchange rates for the applicable year as published by the Board of Governors of the Federal Reserve System.

In order to estimate benchmark escalation, where granular costs were available CRA grouped them into three categories: (i) Materials; (ii) Construction; and (iii) Other. CRA calculated the cost share of each of these categories as a percentage of the project's total cost.

To escalate Materials costs, CRA used a blend of Handy-Whitman's Towers & Fixtures and Overhead Conductors and Devices indices. Materials involved in transmission project costs have large commodity components, even within Canada, these material elements would be expected to track the CAD equivalent of the USD index. The index escalation is therefore compounded with the exchange rate changes to arrive at an effective CAD Handy-Whitman index. Furthermore, Material costs are driven largely by the economy at the time the project's materials were tendered and changes in the price of the raw materials used for the physical infrastructure elements of the project (i.e., towers, conductors, and wires). Changes in the price of commodities such as steel, aluminum and to a lesser extent, copper drive changes to the price of materials. The volatility exhibited by these commodities makes it difficult to determine an accurate annual growth rate for the purposes of cost escalation. Therefore, it is prudent in this case, to go with industry standard best practice and use the Handy-Whitman Indices for transmission material costs. The Handy-Whitman index has been used by expert economic consulting firms in total factor productivity studies presented as evidence in matters before the OEB. There is no Canadian equivalent of the Handy-Whitman index suitable for escalating transmission project costs.

For Construction costs and Other costs, CRA has used the Canadian CPI to escalate benchmark costs. The labour element (at least) of Construction and Other costs is not freely traded between Canada and the US, so is much less impacted by exchange rate changes. CRA analyzed the 10-year compound annual growth rates ("CAGR") for Transmission Project Construction related costs reported by Statistics Canada's Electric Utility Consumer Price Index ("EUCPI") and found that these costs escalated ~2.3% per year on average from 2004 to 2014.

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Since the EUCPI is currently being reviewed by Statistics Canada, it was not used in this study.<sup>3</sup> However, comparatively, CRA decided that CPI at a 10-year CAGR of 1.6% (CAD CPI) and 1.7% in the case of US CPI were appropriate and conservative escalators for Construction and Other costs.

The relative shares of construction costs to total project cost varied widely across projects studied. Construction costs depend on the supply, demand and price of labour, but to a greater extent on the location of a project, its terrain, structures, geography, land use, and environmental considerations. Each of these factors influences the degree of construction and engineering complexity and ultimately, this impacts cost. Going from flat to mountainous terrain increases the cost of a transmission line as terrain influences where structures are located, how many structures will be required and which type (strength) of structures will be required. As terrain becomes more rugged, access to the site and construction also gets more complex and costly. Construction costs for utility specific applications such as transmission or distribution are extremely dependent on the aforementioned factors.

Other costs include all other costs not classified as Materials or Construction. These can include but are not limited to, regulatory, engineering, development, and project management costs. For Other costs, CRA applied the CPI to escalate costs to 2017.

Handy-Whitman indices used for escalating Materials cost were taken from its Plateau Region, which includes Montana, Idaho, Wyoming, Nevada, Utah, Colorado, New Mexico, and Arizona. The Plateau region was chosen for a number of reasons. First, the population density and terrain of Montana, Wyoming, Idaho, and Colorado are generally similar to that of Northern Ontario with densely forested regions and mountainous terrain. Second, as depicted by Figure 1 and Figure 2, the Plateau indices for each of Towers and Fixtures and Conductors and Devices exhibit escalation generally at the lower end of the range, so that escalated cost results will be at the conservative end of the range of HW regions.

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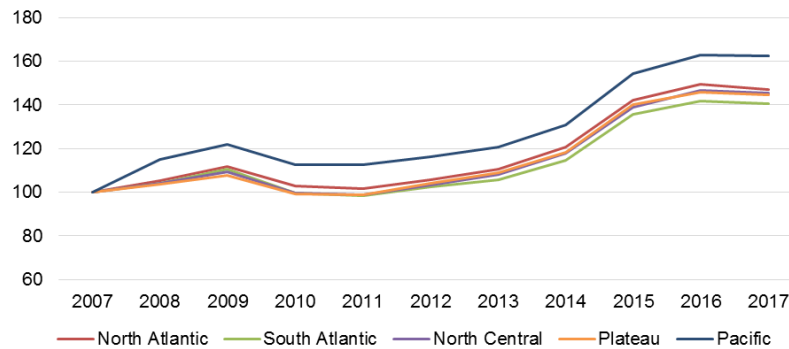
<sup>3</sup> In 2014 Statistics Canada suspended the Electric Utility Construction Price Index ("EUCPI") series which measured the price change for constructing distribution systems and transmission lines systems. The EUCPI provided users with information that could be employed in contract escalation, cost-benefit analysis, benchmarking studies and time series analysis. The EUCPI is currently under review to ensure that the models used in its future computation will take into account current practices in construction. Source: Statistics Canada. Table 327-0011 - Electric utility construction price index (EUCPI), annual (Index, 1992=100) and CRA Analysis.



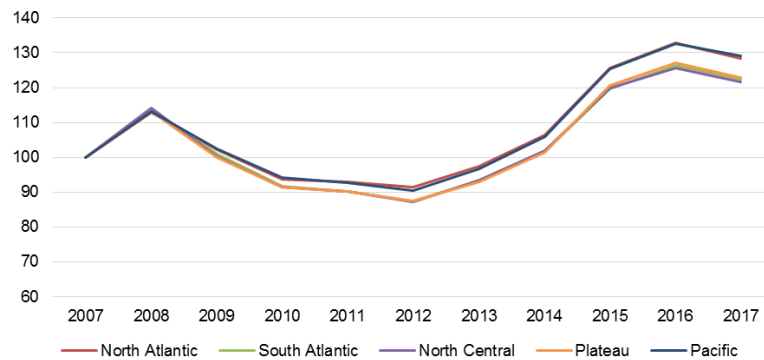
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**Figure 1. Handy-Whitman Towers and Fixtures (All Regions, CAD)**



**Figure 2. Handy-Whitman Overhead Conductors and Devices (All Regions, CAD)**



## 2.2. Benchmark Calculations

### 2.2.1. New EWT Line

Costs for the New EWT Line will occur starting in 2017 and will culminate in 2020 when the project is anticipated to reach commercial operation. For comparative purposes, CRA has taken the present value of the annual project costs for the New EWT Line so that all benchmark results could be compared in 2017 dollars. Costs as provided by NextBridge are included in Figure 3 while the costs de-escalated to 2017 CAD are shown in Figure 4.

**Figure 3. New EWT Line Annual Project Costs**

	Total	2017	2018	2019	2020
<b>Construction</b>	\$ 447,677	\$ -	\$ 30,591	\$ 233,538	\$ 183,548
<b>Materials</b>	\$ 89,408	\$ -	\$ 17,882	\$ 44,704	\$ 26,822
<b>Other</b>	\$ 209,093	\$ 42,055	\$ 41,158	\$ 54,322	\$ 71,558
<b>subtotal</b>	\$ 746,178	\$ 42,055	\$ 89,631	\$ 332,564	\$ 281,928
<b>AFUDC</b>	\$ 31,003	\$ 326	\$ 2,269	\$ 9,136	\$ 19,272
<b>Total</b>	\$ 777,181	\$ 42,381	\$ 91,900	\$ 341,700	\$ 301,200

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**Figure 4. New EWT Costs in 2017 CAD**

Costs	Index & Discount Factors	2017	2018	2019	2020
Construction	CPI 1.6%	\$ -	\$ 30,116	\$ 226,336	\$ 175,123
Material	Handy Whitman 3.4%	\$ -	\$ 17,290	\$ 41,792	\$ 24,244
Other	CPI 1.6%	\$ 42,055	\$ 40,518	\$ 52,647	\$ 68,273
AFUDC	CPI 1.6%	\$ 326	\$ 2,234	\$ 8,854	\$ 18,387
<b>Total</b>		<b>\$ 42,381</b>	<b>\$ 90,157</b>	<b>\$ 329,629</b>	<b>\$ 286,028</b>

<b>Total Cost</b>	<b>\$ 748,195</b>
<b>Cost M/km</b>	<b>\$ 1.66</b>

### 2.2.2. Bruce to Milton

In their initial 2007 application, Hydro One estimated that the total cost of the 500 kV Bruce to Milton project would be \$635 million with \$68 million, or 11%, estimated for station work.<sup>4</sup> However, in 2012 Hydro One submitted their 2013 - 2014 transmission rate application and cited in it that the cost of the Bruce to Milton project had increased to \$732 million.<sup>5</sup> CRA has therefore assumed a total line cost of \$651 million which is based on the updated total project cost estimate of \$732 million (nominal \$) included in Hydro One's rate application less 11% (\$80.5 million) estimated for station work. Figure 5 provides CRA's assumptions for the Bruce to Milton project.

**Figure 5. Bruce to Milton Calculations**

<b>Reported Costs</b>		<b>Reporting Year</b>		2012
2012 Reported Costs (\$)	\$ 732,000,000	Length (km)		180
Less Station Cost (\$)	\$ (80,520,000)	Voltage		500 kV
2012 Line Cost (\$)	\$ 651,480,000			
Scaling Factor	1.99			
2012 Line Cost Scaled to 230 kV (\$)	\$ 327,376,884			

Indices Used	2012	2017	CAGR	Growth
HW - Towers & Fixtures	494	701	7.3%	7.3%
HW - Overhead Conductors & Devices	536	763	7.3%	
Construction Costs - CPI	104	112	1.4%	1.4%
Other Costs - CPI	104	112	1.4%	1.4%

Cost Breakdown	% of total cost
Materials	38.4%
Construction	13.4%
Other	48.1%

Cost Escalation	2012 Costs	Assumed Growth	Escalation Factor	2017 Cost
Materials	\$ 125,869,772	7.3%	1.42	\$ 179,037,855
Construction	\$ 43,881,205	1.4%	1.07	\$ 46,942,163
Other	\$ 157,625,907	1.4%	1.07	\$ 168,621,192
<b>Total Assumed Scaled Cost</b>	<b>\$ 327,376,884</b>			<b>Total Cost \$ 394,601,210</b>
				<b>Cost M/km \$ 2.19</b>

<sup>4</sup> Hydro One. *Project Cost, Economics and other Public Interest Considerations*. EB-2007-0050. Exhibit B. Tab 4. Schedule 1. March 29, 2007. pp. 1-2.

<sup>5</sup> Hydro One. *In-Service Capital Additions*. EB-2012-0031. Exhibit D1, Tab 1, Schedule 2. August 15, 2012. p2.

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From there, CRA scaled the 500 kV project to a 230 kV project using the ratio between the baseline capital costs for each type of system as reported in the Black & Veatch's 2014 transmission expansion planning report for the WECC. According to this report a 500 kV system would be 1.99 times more costly per mile, than a 230 kV system.<sup>6</sup> After scaling, the 2012 total line cost is approximately \$327 million.

### 2.2.3. BC Hydro's Northwest Transmission Line

The Northwest Transmission Line is a 344 km, 287 kV single circuit guyed lattice tower transmission line<sup>7</sup> between Skeena BC and Bob Quinn Lake. It was completed in 2014 at a total reported cost of \$746 million.<sup>8</sup> This includes costs for substations but because the project was exempt from the Utilities Commission Act and a regulatory review was not undertaken, detailed cost estimates, annual project cash flows, and substation costs are not publically available. CRA has therefore assumed 11% (or \$82 million) of the total cost of the project was attributable to substations work consistent with the Bruce to Milton project. CRA also recognizes that some of the project costs would have been incurred in years prior to 2014. CRA has taken the conservative approach by escalating the total project cost from 2014 to 2017 by assuming that all costs were incurred in 2014. Figure 6 provides the calculations for the Northwest Transmission Line benchmark results under these assumptions.

**Figure 6. Northwest Transmission Line Calculations**

Reported Costs		Reporting Year		2014
2014 Reported Costs	\$	746,000,000	Length (km)	344
Less Substation Cost Estimate	\$	(82,060,000)	Voltage	287 kV
2014 Total Cost	\$	663,940,000		

Indices Used	2014	2017	CAGR	Growth
HW - Towers & Fixtures	494	701	12.4%	12.5%
HW - Overhead Conductors & Devices	536	763	12.5%	
Construction Costs - CPI	107	112	1.3%	1.3%
Other Costs - CPI	107	112	1.3%	1.3%

Average Annual Growth Rate	5.0%
2017 Estimated Project Cost	\$ 840,445,552
Cost M/km	\$ 2.44

<sup>6</sup> WECC 2014 includes new line cost 2014 (USD/mile) of \$3,071,750 for a 500 kV double circuit system and \$1,536,400 for a 230 kV double circuit system.

<sup>7</sup> Burns and McDonnell. *Northwest Transmission Line*. <<https://www.burnsmcd.com/projects/northwest-transmission-line>>.

<sup>8</sup> Correspondence with BC Hydro Stakeholder Engagement. January 2, 2018.

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## 2.2.4. Alberta Projects

All transmission facility capital cost estimates and final costs for projects built in Alberta since 2005 are entered into the AESO cost benchmark database.<sup>9</sup> CRA filtered through the AESO database to display the actual costs for two 100+ km double circuit, 240 kV projects. Both projects used in this analysis as benchmarks are actual projects constructed in Alberta in 2010<sup>10</sup> with costs reported by the AESO in 2013 nominal CAD. Costs included and reported by AESO were grouped into categories by CRA as follows and escalated from 2013 to 2017:

- **Materials:** Conductor, Hardware, Lattice Structures
- **Labor:** Construction, ROW Preparation Brush, Engineering, Survey
- **Others:** Contingency and Escalation, Owner Costs, Project and Construction Management, Salvage, AFUDC, and E&S

This data provided granular enough cost categories such that CRA was able to take proportionate shares of materials, construction and other costs into consideration when escalating costs. These assumptions and calculations are shown in Figure 7.

**Figure 7. Alberta Benchmark Calculations**

<b>Reported Costs Project 1 Line ID: L_10311336112</b>			<b>Reporting Year</b> 2013	
2013 Reported Costs	\$	3,261,617	Length km	450
2013 Line Cost (per km)	\$	3,261,617	Voltage	240 kV
2013 Line Cost (450 km)	\$	1,467,727,650		

<b>Reported Costs Project 2 Line ID: L_10607745763</b>			<b>Reporting Year</b> 2013	
2013 Reported Cost	\$	2,962,952	Length km	450
2013 Line Cost (per km)	\$	2,962,952	Voltage	240 kV
Line Cost (per 450 km)	\$	1,333,328,400		

Indices Used	2013	2017	CAGR	Growth
HW - Towers & Fixtures	529	701	7.3%	7.5%
HW - Overhead Conductors & Devices	569	763	7.6%	
Construction Costs - CPI	105	112	1.5%	1.5%
Other Costs - CPI	105	112	1.5%	1.5%

<b>Project 1: Cost Breakdown</b>		<b>% of total cost</b>
Materials		16.3%
Construction		33.0%
Other		50.7%

<b>Project 2: Cost Breakdown</b>		<b>% of total cost</b>
Materials		16.6%
Construction		33.6%
Other		49.8%

<sup>9</sup> AESO. Transmission Costs. <<https://www.aeso.ca/grid/transmission-costs>>

<sup>10</sup> Project 1 is representative of the AESO's Line Facility ID: L10611336112 and Project 2 is representative of the AESO's Line Facility ID: L\_10607745763.

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Project 1 Cost Escalation	2013 Amount (per km)	Annual Growth	Escalation Factor	2017 Amounts
Materials	\$ 530,346	7.5%	1.33	\$ 707,166
Construction	\$ 1,076,247	1.5%	1.06	\$ 1,140,619
Other	\$ 1,655,024	1.5%	1.06	\$ 1,754,013
				<b>Total Cost \$ 3,601,798</b>
				<b>Cost M/km \$ 3.60</b>
				<b>Cost (450 km) \$ 1,620,809,051</b>

Project 2 Cost Escalation	2013 Amount (per km)	Annual Growth	Escalation Factor	2017 Amounts
Materials	\$ 491,421	7.5%	1.33	\$ 655,263
Construction	\$ 996,451	1.5%	1.06	\$ 1,056,050
Other	\$ 1,475,080	1.5%	1.06	\$ 1,563,307
				<b>Total Cost \$ 3,274,620</b>
				<b>Cost M/km \$ 3.27</b>
				<b>Cost (450 km) \$ 1,473,578,867</b>

## 2.2.5. Western Electricity Coordinating Council 2014 Study

CRA took the base capital cost for a 230 kV double circuit project from the Black & Veatch 2014 transmission expansion planning report done for the WECC in 2014 and applied cost escalation of 1.3% per year to determine the 2017 base capital cost in USD per mile. CRA then applied the following multipliers and adders to this base 2017 USD capital cost:

- **Conductor Type:** ACSR, cost multiplier of 1.00
- **Transmission Structure:** Lattice, cost multiplier of 0.90
- **Transmission Length:** > 10 miles, cost multiplier of 1.00
- **Terrain:** Forested, PG&E, cost multiplier of 1.50<sup>11</sup>
- **Right of Way Widths:** 64m, equating to 25.44 ROW/acres per mile<sup>12</sup>
- **Land Cost/Acre:** BLM zone 6, equating to a land cost of \$1,024 USD per acre<sup>13</sup>

CRA then applied the 2017 CAN/USD exchange rate of 1.30 and converted miles to km to arrive at the total cost per km in 2017 CAD. Figure 8 provides the calculation breakdown for the WECC benchmark.

<sup>11</sup> CRA utilized the terrain cost multiplier selected by NextBridge.

<sup>12</sup> CRA relied on a 65m ROW width provided by NextBridge. Acres/mile values were calculated in accordance with the WECC study, by multiplying the right of way width by 5,280 feet per mile and dividing by 43,560 sq. ft. per acre.

<sup>13</sup> CRA relied on the selection of BLM 6 by NextBridge.

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**Figure 8. WECC Benchmark Calculations**

Reported Capital Costs		Reporting Year		2014
Total Capital Cost (2014 USD per Mile)	\$			1,536,400
Multipliers and Adders		Capital Cost Multiplier		
Conductor: ACSR			1.0	
Transmission Structure: Lattice			0.9	
Length: >10 miles			1.0	
Terrain: Forested			1.5	
ROW/acres per mile			25.44	
Land Cost/acre: BLM Zone 6			1,024	
Length km				450
Length (mile)				280
ROW Width for New EWT (miles)				64
Voltage				230 kV
miles to km				1.60934

Indices Used (USD)	2014	2017	CAGR	Growth
HW - Towers & Fixtures	507	539	2.1%	1.7%
HW - Overhead Conductors & Devices	565	587	1.3%	
Construction Costs - CPI	109	112	1.1%	1.1%
Other Costs - CPI	109	112	1.1%	1.1%
CAN/USD FX	1.10	1.30	5.6%	

Average Annual Growth Rate		1.3%
Total Capital Cost (2017 USD per Mile)	\$	1,595,816
Total Cost Per Mile (incl. Multipliers & Adders)	\$	2,180,407
Total Cost Per Mile (2017 CAD)	\$	2,835,785
Total Cost Per Km (2017 CAD)	\$	1,762,079
Total Cost (M/km)	\$	1.76

### 3. Results

CRA has benchmarked the current estimated New EWT Line capital cost<sup>14</sup> against other projects using the approach and assumptions described above. CRA has included the indices used in cost escalation in Appendix A. Figure 9 provides an overview of the benchmarking results, which shows that the current estimated costs for the New EWT Line at \$1.66 M/km are competitive and quite reasonable when compared to other similar transmission projects.

To ensure robustness of analysis CRA has also provided results when base M/km results are scaled up and down by 2%. The results for this sensitivity analysis are shown in Figure 10. The resulting range around the base results and how they compare to the New EWT cost are shown graphically in Figure 11 where the vertical lines represent the variation around the base case with the base case represented by the small blue diamonds. This graphic illustrates that even under the most extreme ranges of sensitivity on the cost escalation indices used it is clear that the cost of the New EWT Line remains comparatively reasonable.

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Capital cost is an all-in amount, including development and constructions costs.

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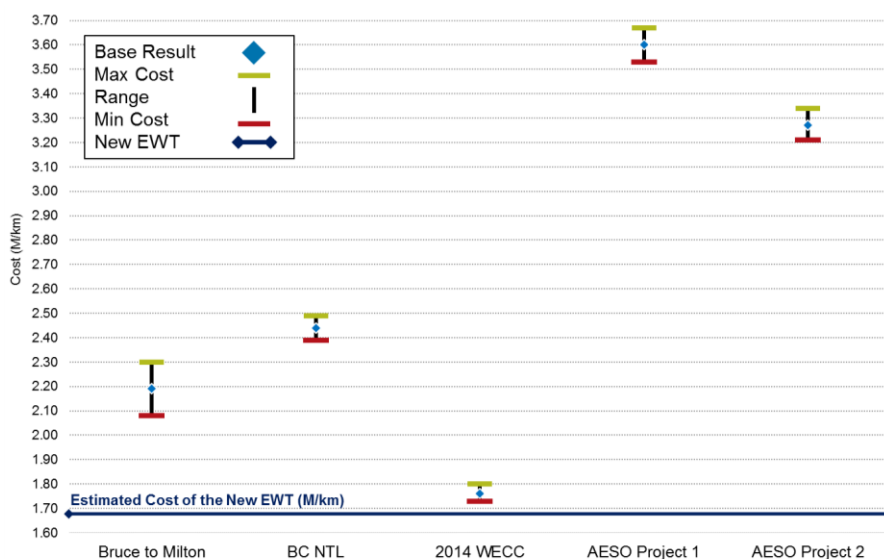
**Figure 9. Benchmarking Base Results<sup>15</sup>**

	New EWT	Bruce to Milton	BC NTL	2014 WECC	AESO Project 1	AESO Project 2
Voltage (kV)	240 kV	500 kV	287 kV	230 kV	240 kV	240 kV
Length (km)	450	180	344	450	450	450
Costs reported in \$	2017	2012	2014	2014	2013	2013
Total Cost Line Only (\$M)	777	651	716	611	1468	1333
Line Cost (adjusted to 2017 \$M)	748	395	824	794	1621	1474
2017 Cost M/km	1.66	2.19	2.40	1.76	3.60	3.27

**Figure 10. Sensitivity Analysis Results**

	Bruce to Milton	BC NTL	2014 WECC	AESO Project 1	AESO Project 2
<b>Base Result</b>	2.19	2.40	1.76	3.60	3.27
<b>Escalation Sensitivity</b>					
5%	2.30				
4%	2.28				
3%	2.26				
2%	2.24	2.44	1.80	3.67	3.34
1%	2.21	2.42	1.78	3.64	3.31
-1%	2.17	2.37	1.74	3.57	3.24
-2%	2.15	2.35	1.73	3.53	3.21
-3%	2.13				
-4%	2.10				
-5%	2.08				

**Figure 11. Range of Benchmark Results**



The estimated average project capital cost per km for the New EWT Line in 2017 CAD is approximately \$1.66 M/km which is calculated by discounting annual Construction project costs

15

Note: Bruce to Milton has been scaled to 230 kV by a factor of 1.99, consistent with the differences in base capital cost in the WECC 2014 study.

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by 10-year CAGR for CPI, annual Materials costs by the 10-year CAGR of the Handy-Whitman Plateau Indices, and by discounting Other costs again, by CPI. This brings the New EWT Line total 2017 project cost to \$748M and at \$1.66 M/km makes it a lower cost project compared to the benchmarks presented in Figure 9. Costs per km for the New EWT Line remain lower than the benchmarks even under forecasting sensitivity tests.

The Bruce to Milton benchmark ranges from \$2.08 M/km to \$2.19 M/km. This project has been scaled down to a 240 kV using the WECC study but even under the widest bands of sensitivity, the New EWT Line is still relatively inexpensive.

BC's Northern Transmission Line is estimated at \$2.44 M/km in the benchmarking base case. Compared to this project in BC, the estimated New EWT cost per km is far less.

A WECC study from 2014 estimated that a 230 kV transmission line located in a forested area that uses the same conductor type (ACSR) as the New EWT Line would be \$1.76 M/km.

Finally, the AESO's cost benchmark database offers two technically similar project costs, one project at a cost of \$3.60 M/km and another at \$3.27 M/km. Both of these projects are 240 kV double circuit transmission lines larger than 100 km in Alberta constructed in 2010.



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## Appendix A: Benchmarking Analysis Inputs

**Figure 12. Indices Used in Analysis**

Handy Whitman Plateau (USD)	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	10-Year CAGR	5-Year CAGR
HW - Towers & Fixtures	424	463	471	458	474	494	514	507	523	526	539	2.4%	1.8%
HW - Overhead Conductors & Devices	559	613	678	551	543	536	552	565	582	601	587	0.5%	1.8%
<b>Average</b>												<b>1.5%</b>	<b>1.4%</b>
US CPI (2010 = 100)	94.9	98.7	98.4	100.0	103.2	105.3	106.8	108.6	108.7	110.1	112.2	1.7%	1.3%
CAN CPI (2010=100)	95.6	98.0	98.3	100.0	102.9	104.5	105.5	107.5	108.7	110.2	111.8	1.6%	1.4%
FX USD/CAD	1.07	1.07	1.14	1.03	0.99	1.00	1.03	1.10	1.28	1.32	1.30		
Handy Whitman Plateau (CAD)	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	10-Year CAGR	5-Year CAGR
HW - Towers & Fixtures	455	494	537	472	469	494	529	560	669	697	701	4.4%	7.3%
HW - Overhead Conductors & Devices	600	653	774	567	537	536	569	624	744	796	763	2.4%	7.3%
<b>Average</b>												<b>3.4%</b>	<b>6.9%</b>
US CPI (2010 = 100)	94.9	98.7	98.4	100.0	103.2	105.3	106.8	108.6	108.7	110.1	112.2	1.7%	1.3%
CAN CPI (2010=100)	95.6	98.0	98.3	100.0	102.9	104.5	105.5	107.5	108.7	110.2	111.8	1.6%	1.4%

**Figure 13. Electric Utility Construction Price Index (Indicative Only)<sup>16</sup>**

Transmission Construction Price Index Components	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	10-Year CAGR	5-Year CAGR
Initial grading and clearing	136.6	149.7	160.4	176.7	194.5	191.4	191.2	195.6	198.3	186.6	189.2	3.3%	-0.2%
Installation labour	127.2	125.3	127.5	130.3	127.7	127.2	132.8	143.4	147.1	142.1	138.8	0.9%	1.8%
Installation equipment	139	142.9	144.6	144.7	154	156.1	149.3	150	153	156.7	164.4	1.7%	1.0%
Construction indirects	122.3	121.3	123.5	128.9	131	140.5	143.4	147.8	146.9	146.3	152.8	2.3%	1.7%
Engineering	130.4	130.8	133	138.9	142	154.2	158.1	164.5	166.4	164.2	172.4	2.8%	2.3%
Head office administration	129.5	130	132.2	137.8	140.9	152	155.8	161.7	163.5	161.7	169.5	2.7%	2.2%
<b>Average</b>												<b>2.3%</b>	<b>1.5%</b>

<sup>16</sup>

Statistics Canada. Table 327-0011 - Electric utility construction price index, annual (index, 1992=100) which was discontinued in 2014.

CCC INTERROGATORY #12

INTERROGATORY

Ex. B/T9/S1/p. 3

Please provide an update on the RFP process for the general contractor. Please provide copies of the RFP. Please provide a complete list of the selection criteria. If contracts have been signed with the general contractor, please provide copies of those contracts.

RESPONSE

The RFP process referenced in Exhibit B, Tab 9, Schedule 1, page 3 has been completed and the contract was executed on December 6, 2017 with Valard Construction. The contract price is a lump sum arrangement with fixed unit rates established to address possible changes in scope. The scope of the contract includes permitting support, all labour, equipment, and materials necessary to construct the project. NextBridge will provide major materials such as structures and conductors. Please refer to NextBridge's response to Board Staff Interrogatory #7 found at Exhibit I.B.NextBridge.STAFF.7 (Attachment #2) for a redacted version of the RFP. Please refer to NextBridge's response to Board Staff Interrogatory #7 found at Exhibit I.B.NextBridge.STAFF.7 (Attachment #3) for a redacted version of the contract. The selection criteria for the RFP are set forth in Sections 2 and 5 of the RFP Letter sent to all Proponents. Unredacted copies of the RFP (including the unredacted RFP letter) and the executed contract will be provided in accordance with the Board's *Practice Direction on Confidential Filings*.

CCC INTERROGATORY #13

INTERROGATORY

Ex. B/T9/S1/p. 3

Once the general contractor has been selected what is the next stage in the process? To what extent does NextBridge actually manage the project, or is it managed by the general contractors? Does NextBridge intend on subcontracting any of the work to Hydro One Networks Inc.?

RESPONSE

NextBridge selected Valard Construction as the general contractor for the Project in December 2017. With the construction contract executed, the Contractor will support the permitting efforts, continue their pre-construction planning and site reconnaissance (access road optimization, etc.) and continue their engagement with the Aboriginal Communities and local businesses in anticipation of a Q4 2018 construction start. The Contractor has responsibility for the day-to-day construction activities and NextBridge will continue to provide executive and project management oversight of all project activities including the contract administration of the construction and consulting agreements. NextBridge does not intend to subcontract any of the Project work to Hydro One.

CCC INTERROGATORY #14

INTERROGATORY

Ex. B/T9/S1/p. 4

Table 3 sets out “Potential Project Risks”. Please explain who ultimately bears these risks – NextBridge or Ontario electricity customers? To what extent does NextBridge intend to build in risk sharing arrangements with its contractors? Please explain whether NextBridge prepared to accept responsibility for cost overruns for the project? If not, why not?

RESPONSE

NextBridge intends to follow the prescribed regulatory process with the Ontario Energy Board (“OEB”). During the rate case, the OEB will evaluate expenditures sought to be recovered from ratepayers. The OEB will determine if these expenditures were reasonable and prudent, and if not, disallowances may be imposed on NextBridge. The OEB ultimately determines who bears the risk of cost overruns (NextBridge or the rate payer). However, if costs come in under those outlined in the Leave to Construct, the rate payers will receive all the benefits.

NextBridge shares risk with its general contractor. The contractor’s scope is contracted with firm pricing so that execution risks are borne by the contractor for construction activities. However, project costs are still subject to risks outside the contractor’s control; such as unanticipated environmental permit conditions or delays, delays in land acquisition and expropriation, or weather conditions.

CCC INTERROGATORY #15

INTERROGATORY

Ex. B/T9/S1/p. 6

NextBridge has provided a detailed list of the contributing factors to the overall cost estimate (relative to the original forecast). For each of those factors – First Nation and Metis Participation and Land Acquisition, IDC, Pic River Appeal, New Scope Requirements, Project Delay, Cost of Materials etc. please set out the specific cost increases.

RESPONSE

Please see NextBridge's response to Board Staff Interrogatory #24, found at Exhibit I.B.NextBridge.STAFF.24.

Witness: P. Smith

CCC INTERROGATORY #16

INTERROGATORY

Ex. B/T12/S1/p. 1

Please explain how NextBridge arrived at the estimate of OM&A expenses for the project, amounting to 1% of the capital investment. Is this typical for a project of this magnitude? Please provide examples of similar projects where the OM&A costs were 1%.

RESPONSE

Please see NextBridge's response to Board Staff Interrogatory #30, found at Exhibit I.B.NextBridge.STAFF.30. NextBridge's OM&A estimates provided at designation and during the LTC application are based upon NextBridge's bottoms up expectations of OM&A in relation to analysis of the project management and controls, operations, land, regulatory, environmental, stakeholder and aboriginal relations disciplines.

Each project requires its own OM&A estimation in accordance with the circumstances of the project.

NextBridge does not have specific examples of other projects where OM&A costs were 1% of the project costs.

CCC INTERROGATORY #17

INTERROGATORY

Ex. E/T4/S1

To what extent could the Land Acquisition Process increase the overall project costs?  
Please explain this risks related to the land Acquisition process.

RESPONSE

Costs to complete the specific activities identified as part of the Land Acquisition Process have been incorporated into the project cost estimate at Table 1 of Exhibit B, Tab 9, Schedule 1. Should circumstances change and/or the assumptions used to calculate the land acquisition component of the cost estimate not be borne out and land acquisition costs increase as a result, increased overall project costs could arise.

NextBridge has identified the following risks specifically related to the land acquisition process at this time:

- i. Land acquisition and expropriation not completed in time for construction or unavailability of ROW access due to landowner non-participation;
- ii. Existing access roads or existing ROW corridor (owned by Hydro One) are not allowed to be used for Project construction or maintenance activity purposes;
- iii. Landowners claim mineral or mining rights delaying acquisition;
- iv. Highway/road repairs;
- v. Material increase in or change to Project footprint; and
- vi. Increased market value of land.

In response to the risks identified, NextBridge is applying the following mitigation measures to reduce the potential for these risks to affect the Project:

- i. Develop a land acquisition process and compensation policy to ensure engagement is undertaken in an open and respectful manner, with timely, meaningful and transparent dialogue as it relates to property owner compensation and land rights;
- ii. Provide fair and equitable compensation to property owners as part of the land acquisition process;
- iii. Engage impacted utilities and agencies early in the process and undertake pre-application consultation to minimize risk to Project schedule and cost;

- iv. Identify areas of concern regarding the Project footprint raised by property owners and interest holders, and engage engineering & construction as well as the general contractor in the issue resolution process to minimize or adjust Project footprint where noted to be of concern; and
- v. Support the development of the Project contingency to ensure that major potential risks related to land acquisition are properly accounted for in the Project contingency.

With the application of the above risk responses, NextBridge has minimized the likelihood that these risks will materially affect the overall project costs.



CCC INTERROGATORY #18

INTERROGATORY

The OEB has not precluded the possibility that other entities will apply for approval for LTC regarding the EWT Line Project. If another application, or applications are filed, what process would NextBridge propose that the OEB follow? Should the applications be heard in tandem, or separately?

RESPONSE

NextBridge is currently aware that another entity, Hydro One Networks Inc. ("Hydro One"), may file a competing Leave to Construct ("LTC") for the New EWT Line Project as indicated in Hydro One's correspondence filed with the OEB on November 6, 2017 and January 2, 2018. On November 13, 2017, NextBridge wrote to the OEB outlining its concerns with Hydro One's participation in the proceeding. In that submission, NextBridge emphasized the need for a timely decision on its LTC as outlined on page 6 of NextBridge's November 13, 2017 letter to the OEB:

It is incumbent on the OEB to respect the Order in Council designating the EWT Line Project as a priority project and proceed to consider NextBridge's application expeditiously so as not to jeopardize the 2020 in-service date, among other reasons. If and when a Competing LTC is filed for the EWT Line Project by Hydro One or another party, NextBridge expects the OEB will ensure that any such application meets all relevant requirements and is subject to rigorous scrutiny and assessment as is the typical practice of this Board.

Consistent with this statement, NextBridge maintains that any process that is implemented by the OEB should ensure ratepayer's interests are protected and the project is in service by 2020, in accordance with the IESO's December 2017 need assessment and the Lieutenant Governor in Council's Order declaring that the construction of the New EWT Line is needed as a priority project.

## HONI INTERROGATORY #1

### INTERROGATORY

#### References:

- (i) "As EA approval is not anticipated to be received prior to the Board making its determination on the Application, NextBridge requests that the Board grant leave to construct approval conditional on EA approval." Exhibit B, Tab 1, Schedule 1 - Page 3
  - (ii) "NextBridge requests a decision on this Application in the first quarter of 2018 in order to meet the in-service date of December 2020." Exhibit B, Tab 1, Schedule 1 - Page 6
  - (iii) "Project Schedule" Exhibit B, Tab 1, Schedule 1 - Attachment 1
- 
- a) Please provide an update on any environmental applications before the Ministry of Environment and Climate Change ("MOECC") and an estimate of when NB anticipates that the MOECC will provide NB approval on those applications? (Reference i)
  - b) Is the Environmental Assessment ("EA") approval still anticipated by Q2 of 2018? (Reference iii)
  - c) Should NB not receive leave to construct approval prior to the end of Q1 of 2018 and/or EA approval prior to the end of Q2 of 2018, please explain the relative impact on the in-service date of December 2020. (Reference ii)
  - d) Please describe, in detail, the purpose, extent and impact of the EA Amendments filed with the MOECC on November 14, 2017, "*Notice of Intent to Amend the Environmental Assessment Report NextBridge Infrastructure - East-West Tie Transmission Project*", provided as Attachment 1.
  - e) Please provide the current expected schedule of completion, submission, review and approval for the EA amendment.
  - f) If required, please provide a revised Project Schedule. Does NB anticipate that it will need to delay the start of construction to wait for EA Approvals?

- g) Have any of these amendments impacted the development costs as proposed in the application?

## RESPONSE

- a) Please refer to NextBridge's response to Board Staff Interrogatory #43, found at Exhibit I.B.NextBridge.STAFF.43.
- b) No. Please refer to NextBridge's response to Board Staff Interrogatory #43, found at Exhibit I.B.NextBridge.STAFF.43.
- c) NextBridge does not currently anticipate any impact on the in service date of December 2020 should it not receive leave to construct approval prior to the end of Q1 of 2018 and/or EA approval prior to the end of Q2 of 2018. Should leave to construct approval be delayed beyond July 2018 and/or EA approval beyond early Q4 2018, the December 2020 in service date could be impacted.
- d) NextBridge, to date, has not filed any EA Amendments with MOECC. The Attachment 1 *Notice of Intent to Amend the Environmental Assessment Report* that was published on November 14, 2017 announced NextBridge's intent to amend the EA in response to feedback received. The amended EA is expected to be submitted in Q1 of 2018.

During the EA reviews, the MOECC identified that the EA methodology, which used a 'pathways effects analysis' approach and terminology differed from that typically seen in EA's completed under the Ontario *Environmental Assessment Act* ("EAA"). NextBridge and the MOECC collaborated on the EA methodology and pathways approach on drafts leading up to the submission of the EA in an effort to improve the MOECC's understanding of this approach. In September 2017, NextBridge held a collaborative workshop with staff from the MOECC and Ministry of Natural Resources and Forestry ("MNRF") to discuss the concerns and options to address them. During this workshop, it was determined that simplifying the methodology and aligning it with typical EAs completed under the EAA would be the best approach for EA review and approval. This was tabled by NextBridge.

As a result, the EA methodology has been revised in the amended EA Report to address the comments received. The following provides an overview of the changes made to the EA methodology since the final EA Report was submitted in July 2017.

- The term "effect pathway" has been removed and replaced by the term "potential effect" throughout.
- "Assessment endpoints" are no longer used in the effects assessment.

- Project footprint and local-scale effects have been identified more clearly and examined within the context of their individual impact on the local environment.
- Net effects remaining after implementation of mitigation are no longer classified as secondary or primary pathways. All net effects are now considered in the net effects characterization.
- The structure of each assessment section has been revised to include a section called “Potential Effects, Mitigation and Net Effects” for each criteria. Within this section, each indicator is assessed consecutively and has subsections with a description of the potential effects, mitigation, and net effects relevant to the indicator (these are now presented in a sequential manner in the text using subheadings).
- The net effects characterization for the environmental, social, or cultural component sections includes a table summarizing the factors of significance and other information about the predicted net effects.
- All predicted net effects are characterized to determine magnitude, duration, geographic extent and other factors of significance, and the concept of ecological context (e.g., population sustainability, adaptability, and resiliency) is included in the net effects characterization and assessment of significance, where relevant.
- An Annex (Site-Specific Mitigation Table) has been added to provide a list of features/values anticipated to be directly affected by the Project, their location, what Project component they are affected by (e.g., ROW, access road, laydown area), a description of the potential effect to the feature, and a list of mitigation that applies for each feature type.
- The Construction Environmental Protection Plan has been revised with additional detail and specific mitigation measures for Project effects in the Project ROW, access roads and construction disturbances.
- An Operations Environmental Management Plan has been added, and conceptual operations and maintenance plans (e.g., draft Vegetation Management Plan) are appended therein.

In addition, during consultation with the MOECC, the MOECC raised questions regarding the incorporation of information from Indigenous consultation, Traditional Ecological Knowledge and Traditional Land Use Study reports and comments available from Indigenous communities on the EA reports (draft and final). The amended EA Report has been updated to include updates on comments and studies received, as well as to incorporate responses and relevant information into the EA.

NextBridge has also completed additional wildlife and water body field surveys and received additional data since the submission of the final EA Report. Specifically, the amended EA Report has been updated with additional data provided by MNRF (e.g., for species at risk) and Indigenous communities throughout, where available and

applicable. Incorporation of the new data from the wildlife and water body field surveys has also been incorporated in the amended EA Report where appropriate.

As consultation and engagement continued after submission of the final EA Report, the Consultation and Engagement Summary and associated appendices have been updated to include details on consultation and engagement activities occurring between July 2017 and November 2017.

- e) The current expected schedule of completion, submission, review and approval for the EA amendment is below:

Submit Amended EA Report to MOECC	Q1 2018
Amended EA Review Period	Q1 – Early Q4 2018
Lieutenant Governor in Council Decision	Early Q4 2018

- f) NextBridge does not currently anticipate that it will need to delay the start of construction to wait for EA Approvals and associated permits.
- g) No, none of these amendments have impacted the development costs as proposed in the application because the development period closed with the filing of the Leave to Construct (“LTC”) application on July 31, 2017. Expenditures associated with EA amendment activity are being recorded in the post-LTC Application filing period. The scope of work was not anticipated at the time of the filing the LTC application and work continues with respect to these amendments. At this time, NextBridge is not able to conclude whether the expenditures will ultimately impact total project cost as presented in Exhibit B, Tab 9, Schedule 1, Table 1.

## HONI INTERROGATORY #2

### INTERROGATORY

#### References:

- (i) "Begin Stage 2 Archaeological Assessments Q2 2017" Exhibit B, Tab 1, Schedule 1 - Attachment 1, Page 1
  - (ii) "Construction Start Q4 2018" Exhibit B, Tab 1, Schedule 1 - Attachment 1, Page 1
  - (iii) "NextBridge will obtain all applicable regulatory approvals, licences, and permits as required prior to construction." Exhibit J, Tab 1, Schedule 1 - Page 1, Line 19
- 

- a) Please provide an update on any Stage 2 Archaeological Assessments completed, on-going or planned. (Reference i)
- b) Please provide an update on any recommendations that came from the Stage 2 Archaeological Assessments. (Reference i)
- c) Please provide anticipated additional costs associated with any further Archaeological Assessments.
- d) Please provide an anticipated date for the completion of the studies and the proposed timelines for future planned Archaeological studies.
- e) Please explain how NB will meet the proposed Construction Start of Q4 2018 while still completing any Stage 2 Archaeological Assessments, fulfilling subsequent archaeological study recommendations and obtaining receipt of Clearance Letters from the Ministry of Tourism, Culture and Sport. (Reference ii & iii). Does NB anticipate that it will need to delay the start of construction due to these Stage 2 Archaeological Assessments?

### RESPONSE

- a) Field work for Stage 2 archaeological assessments was conducted between June and September 2017. Study of approximately 97% of the area requiring Stage 2 archaeological assessment was completed during this period. Reporting for the Stage 2 archaeological assessments conducted in 2017 is currently underway and is

expected to be submitted to MTCS in Q1 2018. The remaining sites are scheduled to be assessed in 2018.

- b) During the 2017 Stage 2 archaeological assessments, one archaeological site that required Stage 3 archaeological assessment was identified. The Stage 3 archaeological assessment of the site was conducted in September 2017. Based on the results of the Stage 3 archaeological assessment, the archaeologist determined that the Cultural Heritage Value or Interest of the site was sufficiently documented during the Stage 3 archaeological assessment and that a Stage 4 archaeological assessment was not required.
- c) While NextBridge anticipates expenditures related to further archaeological assessment work to be incurred in 2018, there are currently no anticipated additional costs associated with further archaeological assessment as the costs for this work have been incorporated in the Project Cost Estimate at Exhibit B, Tab 9, Schedule 1, Table 1.
- d) Field work for the remaining Stage 2 assessments in areas where construction is scheduled to commence in late 2018 is expected to commence in June 2018, with receipt of clearance letters from MTCS expected by October 2018. The balance of areas are expected to be studied later in 2018.
- e) Since the majority of the project area has been assessed to date, NextBridge does not anticipate difficulty completing Stage 2 archaeological assessments, fulfilling subsequent archaeological study recommendations or obtaining required MTCS clearance letters in advance of the proposed Construction Start date in Q4 2018. NextBridge does not currently anticipate that it will need to delay the start of construction due to Stage 2 archaeological assessment requirements.

### HONI INTERROGATORY #3

#### INTERROGATORY

##### References:

- (i) "NextBridge reviewed the alternatives proposed by the concerned citizens, and after an extensive route evaluation, a revised version of one of the newly-proposed routes was selected to become part of the New EWT Line preferred route." Exhibit I, Tab 1, Schedule 1 - Page 4, Lines 1-3
  - (ii) "As a result, a change in the preliminary preferred route was brought forward that addressed the concerns of the community." Exhibit B, Tab 1, Schedule 1 - Page 4, Lines 11-12
  - (iii) "To accommodate the additional 50 km to bypass the Park, Loon Lake and Ouimet Canyon, there are corresponding increases in costs, including costs associated with an increase in number of transmission towers, amount of line required, land acquisition, stakeholder engagement, site remediation and environmental studies." Exhibit B, Tab 9, Schedule 1 - Page 8, Lines 1-4
- 
- a) Please explain how the "extensive route evaluation" adequately considered the environment and socio-economic impacts and how that evaluation justifies the resultant cost increases. (Reference i & iii)
  - b) Please explain how the "change in preliminary preferred route" adequately considered the environment and socio-economic impacts and how that evaluation justifies the resultant cost increases. (Reference ii & iii)

#### RESPONSE

- a) Alternative route segments and local route refinements were identified and considered to address specific concerns identified by property owners, local and Indigenous communities, municipalities or other stakeholders, including to avoid or minimize Project effects on environmental or socio-economic features (i.e., as a mitigation measure).



Three main types of criteria were used to identify and assess alternative corridor segments: natural environment; socio-economic; and technical criteria, including constructability and typical costs which are derived primarily from technical constraints.

Natural environment criteria generally included minimizing effects to significant natural features such as wetlands, waterbodies, wildlife and protected areas, to the extent practicable, adhering to appropriate setback requirements, minimizing the number of watercourse crossings, and minimizing use of areas with unstable slopes.

Socio-economic criteria included maximizing conformity with local land use policy, minimizing incompatibility with existing sensitive land uses, minimizing the use of private property, and minimizing potential disturbance to features such as cultural heritage resources, residences, camps, recreational properties, tourist areas, water wells, commercial and industrial developments, built-up areas, local traffic, mines and other infrastructure, constrained infrastructure corridors, and Indigenous traditional land used for traditional activities, to the extent practicable.

Technical routing considerations included finding the shortest and most direct route, selecting the best topographical terrain for the route, and minimizing rail and road crossings, areas with insufficient construction work space, challenging or uneven terrain, and overhead electric transmission line crossings.

The assessment of the alternative routes included using the criteria and indicators list in Appendix D of the approved Environmental Assessment Terms of Reference to the extent practical, as well as input from the public, agencies and Indigenous communities to determine which route had more technical, environmental and socio-economic advantages and disadvantages, while meeting regulatory requirements and screening criteria. Table 3 of the Alternative Route Assessment (Appendix 03-I of the July 2017 final EA Report) lists the Alternative Assessment Criteria and Indicators.

Additional data, such as information from Indigenous communities relating to knowledge and values in traditional territory, and from private landowners where access has been granted, as well as comments and concerns from Ministry representatives, has also been incorporated into Project planning to refine the preferred route.

Specific consideration of changes to the preliminary preferred route is discussed in NextBridge's response to HONI Interrogatory #3 b), in relation to how the evaluation considered the environment and socio-economic impacts and how that evaluation justifies the resultant cost increases.

Details of the assessment of each alternative route segment and local route refinement will be provided in Section 3 of the amended EA report. An overview of the assessment of alternative route segments and the process of identifying a preferred

route for the Project will be included in detail in the amended EA Report in Appendix 3-I.

- b) The following provides an overview of how changes to the preliminary preferred route considered the environment and socio-economic impacts and how that evaluation justifies the resultant cost increases.

Alternative Routes around Federal Lands: Alternative routes were identified to avoid Pukaskwa National Park and the Pays Plat First Nation and Michipicoten First Nation reserves. Alternative routes around these federal lands that were identified are described and shown on Figures 9 and 10 of Appendix 3-I of the final EA Report. The reference route used for comparison purposes generally paralleled the existing Hydro One corridor.

The existing Hydro One corridor crosses Pukaskwa National Park and was built prior to the designation of the National Park. NextBridge produced a Project Description Report for Parks Canada which documented the proposed undertaking, the environment crossed by the Project, potential environmental and socio-economic effects, and mitigation measures that could be applied to minimize adverse effects. Although the reference route through Pukaskwa National Park offered more advantages compared to the identified alternatives around the Park, Parks Canada determined that they were not prepared to authorize access to study a new transmission line through Pukaskwa National Park. Parks Canada re-iterated this position in 2015. Therefore, the alternative route around the Park was considered the best available route and became a segment of the preferred route. Cost increases are primarily because the shortest most direct route would not be approved and was not a viable option; therefore, a longer more expensive route is the only alternative.

Alternative routes were also identified around Pays Plat First Nation Reserve and the Michipicoten First Nation Reserve lands. The route through Pays Plat First Nation was identified as the reference route because there are no existing, previously disturbed ROWs to follow around the reserve and therefore the alternative was considered a greenfield route. For the Michipicoten lands, the reference route was determined when comparing to the alternative routes as it best met the screening criteria. There were no changes or resultant cost increases as a result of the alternative assessment.

Alternative Routes around Loon Lake and Dorion: An alternative route assessment was conducted for an alternative route segment around Loon Lake which extended to avoid the Town of Dorion. Consultation on the preliminary preferred route with local residents, landowners, and fishing club representatives near Loon Lake, including feedback received at the second and third round of open houses, resulted in identification of alternative route segments around Loon Lake. The Township of Dorion requested that NextBridge review additional alternative route segments to avoid

affecting property in the Dorion area and potential effects to the Ouimet Canyon area. In December 2015, NextBridge prepared the Alternative Route Assessment for the East-West Tie Transmission Project (NextBridge 2015), which included an evaluation of alternative route segments, as requested by the MNRF and other stakeholders. The reference route was assessed in each area in comparison to alternative route segments representing other route options to identify the preliminary preferred route.

NextBridge assessed three separate route segments including the preferred route segment around Loon Lake, a Preliminary Preferred Loon Lake Segment and a twinning option that follows the existing East-West Tie transmission line. The alternatives assessment criteria and indicators were used in the alternative route report (NextBridge 2015) to assess the new alternative route segments. Field work has since been conducted along the segments of the refinements of the reference route around Loon Lake and for greenfield route segments to assess the natural factors. A comparative evaluation of the alternative route segments around Loon Lake and the Town of Dorion and the criteria and indicator tables were used to support the analysis.

The assessment of alternative route segments around Loon Lake resulted in the identification of a preferred alternative route segment in this area. The preferred alternative route segment around Loon Lake is the alternative identified by Loon Lake stakeholders as the preferred alternative, with minor refinements to improve constructability. This greenfield route is the preferred route segment as it has the smallest area of mapped waterbodies, largest area with previous logging disturbances, the least number of transmission line crossovers and has the most advantages when compared to the preliminary preferred route.

Based on the evaluation described above, NextBridge determined that the alternatives assessment adequately considered the socio-economic and environmental impacts, and justified the resulting cost increases associated with the current preferred route around Pukaskwa Park, and the communities of Dorion and Loon Lake.

HONI INTERROGATORY #4

INTERROGATORY

References:

- (i) Regarding the clearing of the proposed 450km ROW line routing - Exhibit B, Tab 9, Schedule 1 - Pages 7-8, New Scope Requirements

- 
- a) Please confirm that all costs regarding the clearing, reforestation, storage and handling of timber materials etc, are included in the current construction cost estimates. If these costs are not included, please provide an estimate.

RESPONSE

Yes, the cost of clearing is included in the current construction cost estimates. The cost of reforestation, as described in the Environment Assessment, is included in the current construction cost estimates. Also, per Exhibit B, Tab 9, Schedule 1, page 8, Rows 10 to 14, the cost of handling timber is included in the current construction cost estimates.

HONI INTERROGATORY #5

INTERROGATORY

References:

- (i) "NextBridge has secured Option Agreements with 73% of private landowners to date." Exhibit E, Tab 1, Schedule 1 - Page 3
- (ii) "Designation does not carry with it an exclusive right to build the line or an exclusive right to apply for leave to construct the line. A transmitter may apply for leave to construct the East-West Tie line, designated or not." EB-2011-0140 – Phase 2 Decision – Page 4

- 
- a) Please confirm that NB has negotiated the required land rights as the designated transmitter chosen to complete the development component of the East West Tie line.
  - b) If so, please confirm that these option agreements are transferrable and amendable by another transmitter in the event that another transmitter is selected to construct the line.
  - c) Please confirm whether the land rights referred to in Reference (i) are included in NB's development costs or construction costs. If these costs are not included, please provide an estimate.
  - d) Please confirm if the land rights not obtained at the date of the submission of NB's Leave to Construct Application are expected to increase NB's development and/or construction costs, as filed in their Leave to Construct evidence. If so, please provide an updated cost estimate.
  - e) Does NB have an estimated time as to when they will secure the remaining 27% of the option agreements? If not attained, could this impact the construction schedule or in-service date?

RESPONSE

- a) NextBridge has negotiated land rights under NextBridge Infrastructure LP by and through its general partner, Upper Canada Transmission Inc., as indicated in the forms of land agreement. Please refer to Exhibit E, Tab 5, Schedule 1, Attachments 1 through 5 and Attachment 7 at page 7 of 12, and Attachments 6 and 8 at page 7 of 11.
- b) NextBridge option agreements are assignable and amendable in accordance with the general provisions of the option agreement. Please refer to Exhibit E, Tab 5, Schedule 1, Attachments 1 and 3 at pages 5 and 6 of 12, Attachment 6 at page 6 of 11 and Attachment 8 at pages 5 and 6 of 11.
- c) NextBridge optioning costs are included in the development costs captured in Table 1 of Exhibit B, Tab 9, Schedule 1, page 1 of 11.
- d) NextBridge does not currently expect acquisition of options not obtained at the date of the submission of its Leave to Construct Application to increase the development and/or construction costs as filed in the Leave to Construct evidence.
- e) NextBridge is expecting the remaining 27% of option agreements will be secured by the end of Q1 2018. If not attained by that time, NextBridge does not anticipate an impact to the construction schedule or in-service date.

HONI INTERROGATORY #6

INTERROGATORY

References:

- (i) “Effective March 4, 2016, the Lieutenant Governor in Council made an order declaring that the construction of the New EWT Line is needed as a priority project”. Exhibit B, Tab 7, Schedule 1 - Page 1
  - (ii) “Table 3 – Potential Project Risks” Exhibit B, Tab 9, Schedule 1 – Page 4
  - (iii) “Table 2 – Construction Cost Estimates” Exhibit B, Tab 9, Schedule 1 – Page 1
- 

- a) NB does not thoroughly elaborate on the risks associated with their Leave to Construct Application in Reference (i). However, further information is provided in Reference (ii) and (iii). Please verify that the contingency identified in Reference (iii) will sufficiently address all potential project risks identified in Reference (ii), including both ‘systemic and unpredictable project risks’ (as mentioned in line 5 and 6 on page 11). If not, please provide an updated estimate on how costs can be expected to increase if any of the potential risks identified in Reference (ii) materialize.
- b) Please identify any other project risks that may impact the cost of the project that will ultimately be recovered from ratepayers?
- c) Please update Table 3 with any known changes to project risks (impact, mitigation, probability).

RESPONSE

- a) NextBridge disagrees with the assertion that it has not thoroughly elaborated on the risks associated with its Leave to Construct Application.

Contingency identified in Exhibit B, Tab 9, Schedule 1, Table 2 addresses the project risks outlined in Exhibit B, Tab 9, Schedule 1, Table 3. These risks are deemed reasonable as known potential risks, and current contingency planning has incorporated them into the construction cost estimate. Contingency does not address systemic and unpredictable project risks. Please refer to NextBridge’s response to Board Staff Interrogatory #11, found at Exhibit I.B.NextBridge.STAFF.11, for further information on project risk and NextBridge’s approach.

- b) Please see NextBridge's response to Board Staff Interrogatory #29, found at Exhibit I.B.NextBridge.STAFF.29 for additional risks that were outlined in the Designation proceeding and an update on their status and whether they increased project costs.
- c) NextBridge is currently not aware of any known changes to project risks (impact, mitigation, probability) in Table 3.



HONI INTERROGATORY #7

INTERROGATORY

References:

- (i) Exhibit B, Tab 9, Schedule 1
- 

- a) Are the total project costs stated in Table 1, of \$777.2 M, stated in 2020 dollars?
- b) Page 2 of Reference (i) above, lines 7 and 8 indicate to “develop the total project cost estimate presented above, NB: a) compared the New EWT Line project against similar projects...” What are the similar projects that NB used?
- c) Page 2, lines 14 and 15, says the “cost estimate is based on a project definition equivalent to a Class 2 under the AACE International cost estimate classification system”. Please confirm that this could result in total construction costs rising to \$884 M (20% upper variance limit of a Class 2 estimate)?
- d) Are there any known potential increases to the project’s scope that would impact the project cost estimates as of this date? If so, please provide.

RESPONSE

- a) No. The total project cost in Table 1 is stated in nominal dollars, which is sometimes referred to as outturn dollars.
- b) NextBridge employed a high level review of three resources for this purpose: Hydro One’s East West Tie Project Definition Report (2010), Western Electricity Coordinating Council *Capital Costs for Transmission and Substations – Updated Recommendations for WECC Transmission Expansion Planning* (2014), and the Alberta Electric System Operator Cost Benchmark Database.

Since the date of filing this Application, NextBridge retained Charles River Associates to prepare an independent benchmarking study assessment of the NextBridge cost estimate. See NextBridge’s response to CCC Interrogatory #11, found at Exhibit I.B.NextBridge.CCC.11 for a copy of the study.

- c) Per AACE, the construction cost could go up 20% or go down -15%, which could decrease construction costs to \$626 M. The potential higher construction cost is limited due to the lump sum construction contract between Valard and NextBridge, as

further described in response to Board Staff Interrogatory #7, found at Exhibit I.B.NextBridge.STAFF.7 .

- d) NextBridge outlines known potential increases in the project scope at Exhibit B, Tab 9, Schedule 1, Table 3 at page 4. There is no update to Exhibit B, Tab 9, Schedule 1, page 4, Table 3 at this time.

HONI INTERROGATORY #8

INTERROGATORY

The following questions relate to the economic parameters included in the cost estimate.

References:

(i) Exhibit B, Tab 9, Schedule 1

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- a) Page 3, lines 10 to 12 indicate that, “the construction and equipment procurement plans provided by the potential general contractors also include recognition of the risks associated with reasonable escalation rates over the life cycle of the new EWT Line Project”. What escalation rate is included in this estimate? What proportion of the total project cost of \$777.2M would be impacted by a rate escalation change? Please confirm that NB would seek recovery of any resultant increases from Ontario ratepayers.
- b) Page 7, line 4 to 6, indicates that estimated interest during construction of approximately \$31M is included in the cost estimate. Please clarify the interest rate used? Please confirm that NB would seek recovery of any resultant increases from Ontario ratepayers.
- c) On pages 9 and 10, the evidence says, “The cost of imported materials for components such as transmission conductor and steel towers have increased significantly since Designation, in part due to the decline in the Canadian dollar relative to other international currencies. Further changes in the exchange rate could impact the project cost, positively or negatively.” It also says that “approximately 90% or more of all material used for the construction of the New EWT Line is impacted by global commodity pricing for steel and aluminum.”
  - a. What is the dollar value of project costs subject to foreign exchange adjustments? What is the foreign exchange rate included in the project estimate?
  - b. What is the dollar value of project costs subject to commodity price variations? What commodity prices are assumed in the NB project estimate?
  - c. Does NB have foreign exchange or commodity hedges in place to protect these costs?

RESPONSE

- a) The potential general contractors were not required to identify the escalation rate(s) assumed in their bids, rather their proposals were based on the Contractor's knowledge of the construction market and the Contractors have committed to pricing of their construction services based on the current East West Tie Line project schedule and in-service date. The construction contract would not be subject to escalation adjustments, unless the Project is delayed beyond the in service date of the end of 2020. Of the total estimated project cost, the general contractor scope of work represents almost 60%; accordingly, less than one-half of the total cost may be impacted by the actual escalation incurred. NextBridge will seek recovery of the actual escalation for the non-general contractor scope of work, assuming the Project is not delayed beyond the in-service date of the end of 2020, whether it is higher or lower, during its first request for recovery of its revenue requirements.
- b) The estimated interest during construction reflects the use of the prescribed interest rate of 1.1% for the deferral account through March of 2018, and the use of the prescribed second quarter 2017 interest rate of 2.81% for the period April, 2018 through December, 2020. NextBridge will seek recovery of the actual approved interest rate, whether it is higher or lower, in accordance with OEB policy.
- c)
  - i. The dollar value of project costs subject to foreign exchange adjustment is \$86M for materials only and the assumed foreign exchange rate is 1.328 CAD/USD.
  - ii. The dollar value of project costs subject to commodity price variations is \$86M and the assumed cost of steel is \$0.975/lb.
  - iii. No, NextBridge does not have foreign exchange or commodity hedges in place in relation to the identified costs.

HONI INTERROGATORY #9

INTERROGATORY

The following questions relate to the OM&A costs included in NB's application.

References:

- (i) Exhibit B, Tab 9, Schedule 1
- (ii) Exhibit B, Tab 12, Schedule 1

Reference (ii) says "The operating and maintenance expenses are estimated at approximately 1% of the capital investment" which the DCF spreadsheet shows as approximately \$7.4M.

- 
- a) Please reconcile the cost of operations and maintenance ("O&M") provided by NB at designation bidding time with the O&M costs provided in this application and explain the differences between the cost estimates?
  - b) Given the movement in the capital project estimate, and the change in these O&M amounts, please comment on the certainty of these amounts and whether these costs are likely to increase? What are the major risk factors that could drive O&M cost increases?

RESPONSE

- a) Please refer to NextBridge's response to Board Staff Interrogatory #30, found at Exhibit I.B.NextBridge.STAFF.30.
- b) Please refer to NextBridge's response to Board Staff Interrogatory #30, found at Exhibit I.B.NextBridge.STAFF.30. NextBridge cannot state with 100% certainty whether the OM&A is likely to increase or decrease. Many factors can drive OM&A cost increases and decreases including change in project (construction) scope, operating conditions, vegetation management, regulatory requirements, and economic conditions.

HONI INTERROGATORY #10

INTERROGATORY

The following questions relate to the rate impacts and DCF included in the application.

References:

- (i) Exhibit B, Tab 9, Schedule 1
- (ii) Exhibit B, Tab 12, Schedule 1

- 
- a) Reference (i), page 1 and Attachment 1 shows a maximum rate impact of 7.7% on the transmission pool in 2021. However, Table 1 of the same exhibit illustrates an impact of 6.42%.
    - i. Please recalculate and provide Exhibit B, Tab 12, Schedule 1, "Table 1 - Impact on Typical Residential Customer", with the maximum rate impact of 7.7%.
    - ii. Please explain the reasons why NB chose to calculate Table 1 of Exhibit B, Tab 12, Schedule 1 with an impact of 6.42% when the rate impact is expected to be 7.7%.
    - iii. Please explain why NB did not assume a half year rule for the first year of in-service?
  - b) In Reference (i) NB lists 'Project Costs Land Rights' (acquisitions or options), including consultation and negotiation with landowners of approximately \$23.8M. However, Exhibit B, Tab 12, Schedule 1 has the entire project expenditures including development cost with a Capital Cost Allowance ("CCA") of 8%. As per the Canadian Revenue Agency "Most land is not depreciable property."<sup>1</sup>
    - i. Why did NB assume land acquisition to have a CCA of 8% for land instead of 0%?
    - ii. Are there other assets in NB's application which have been assumed to have a CCA of 8% in the economic evaluation in Exhibit B, Tab 12, Schedule 1, which are subject to a different rate?
  - c) Please provide an update to the maximum rate impacts (Exhibit B, Tab 12, Schedule 1) which illustrates taxes calculated with the appropriate CCA rate for

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<sup>1</sup> <https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/sole-proprietorships-partnerships/report-business-income-expenses/claiming-capital-cost-allowance/classes-depreciable-property.html>

land, if other CCA rates apply to other assets please update accordingly. Additionally, please provide an update to Table 1 of Exhibit B, Tab 12, Schedule 1 to reflect these changes.

## RESPONSE

- a)
- i. The following is Exhibit B, Tab 12, Schedule 1, "Table 1 - Impact on Typical Residential Customer", with the maximum rate impact of 7.7%.

Table 1 - Impact on Typical Residential Customer

A. Typical 2017 monthly bill (@ 750 kilowatt hour ("kWh") per month) <sup>1</sup>	\$116.73 per
B. Transmission component of monthly bill (A x 7.11%) <sup>2</sup>	\$8.30 per month
C. Network Pool share of Transmission component (B x 55.88%) <sup>3</sup>	\$4.64 per month
D. First Year Impact on Network Pool Provincial Uniform Rate (2021) <sup>4</sup>	7.7%
E. Increase in Transmission charges on a typical residential customer bill (C x D) <sup>5</sup>	\$0.35 per month or \$4.26 per year
F. Net increase on typical residential customer bill (E / A)	0.30%

<sup>1</sup>\$116.73 is the typical June 2017 monthly bill for a customer of Thunder Bay Hydro at 750kWh per the Ontario estimated residential bill calculator

<http://www.ontarioenergyboard.ca/OEB/Consumers/Electricity/Your+Electricity+Utility>

<sup>2</sup> 7.11% is the transmission component of the typical Thunder Bay Hydro monthly bill which is based on the transmission rates in the delivery component of Thunder Bay Hydro's tariff

<sup>3</sup> 55.88% is the Network Pool share of the Transmission Component as shown in the 2016 Uniform Transmission Rates

<sup>4</sup> Base year for the comparison is the 2016 Network Pool Provincial Uniform Revenue Requirement

<sup>5</sup> This represents estimated direct rate impact from the capital spend. Impact may be less as the New EWT Line is likely to provide benefits such as reduced congestion and improved operational flexibility which could result in potential system savings and operational efficiencies.

The 7.7% represents the rate impact during the first year of operation, and the 6.42% represents the average rate impact over 25 years. Please note that the above rate impacts do not assume the reduced amount of OM&A as referenced in NextBridge's response to SEC Interrogatory #14, found at Exhibit I.NextBridge.SEC.14. With the reduction in OM&A, the first year rate Network Pool Provincial Uniform Rate impact is approximately 7.4% and the 25 year average Network Pool Provincial Uniform rate impact is approximately

6.1%. The typical residential customer bill net increase as result of the OM&A reduction is 0.29% for the first year and 0.24% over the 25 year average.

- ii. The OEB's Chapter 4 Filing Requirements for Electricity Transmission Applications, Section 4.3.2.11 states:

The Board requires information relating to the rate impacts anticipated from transmission investments. Information must cover the short-term impacts as well as long-term impacts of the proposed project.

Given that the estimated life and associated revenue requirements of the project cover more than just the first year, NextBridge presented the long term view in the table.

- iii. For the rate impact, NextBridge assumed that the assets would be placed into service on December 31, 2020 and would have a full year of rate impact in 2021. Given that NextBridge is a new company with no prior rates and the full value of the asset would be in-service for the full year, NextBridge assumed a full year of depreciation expense and an average rate base for its estimated revenue requirement in 2021. If NextBridge had not included a full year of depreciation, NextBridge would have significantly understated the first year revenue requirement.
- b)
- i. NextBridge does not have any fee simple land acquisitions in the forecast for the project, therefore a 0% CCA is not appropriate. NextBridge has assumed approximately 3% of the project capital spend for land easements which would be subject to a 5% CCA, not 8% CCA.
  - ii. No, there are no other assets assumed to have a CCA of 8%.
- c) After adjusting CCA rates, there is no impact to Table 1 of Exhibit B, Tab 12, Schedule 1 since the change to the first year annual rate is less than a penny per month.



SEC INTERROGATORY #1

INTERROGATORY

Please place all Nextbridge evidence, interrogatory responses and submissions from EB-2011-0140 on the record in this proceeding. [Note: It is sufficient for SEC's purposes for Nextbridge to agree to simply deem the materials as part of the record in this proceeding].

RESPONSE

NextBridge agrees to deem the following NextBridge evidence, interrogatory responses, and submissions from EB-2011-0140 to be part of the record in this proceeding, with the understanding that the following evidence, interrogatory responses, and submissions EB-2011-0140 could be out of date, and, therefore, NextBridge is not agreeing that the information contained therein is currently accurate.

Specifically, NextBridge agrees to deem the following NextBridge EB-2011-0140 materials to be part of the record in this proceeding:

1. UCT Registration for Participation Letter dated September 20, 2011;
2. UCT Phase 1 Submissions dated May 7, 2012;
3. UCT Phase 2 Reply Submissions dated May 22, 2012;
4. UCT Declaration and Undertaking – Confidential Filings dated July 5, 2012;
5. UCT Additional Request for Access to Confidential Information dated December 10, 2012;
6. UCT Declaration and Undertaking dated December 12, 2012;
7. UCT Application for Designation cover letter dated January 4, 2013;
8. UCT Application for Designation dated January 4, 2013;
9. UCT Proposed Interrogatories dated January 30, 2013;
10. UCT Interrogatory Responses dated March 28, 2013;
11. UCT Argument in Chief dated April 18, 2013;
12. UCT Reply Argument dated June 3, 2013;
13. UCT Correction of the Record dated June 14, 2013;
14. UCT Compliance Filing dated August 28, 2013;
15. UCT Response to AltaLink September 10, 2013 Letter dated September 20, 2013;
16. UCT Amended Draft Accounting Order – Development Cost Deferral Account dated September 25, 2013;
17. UCT Certificates of Destruction – Confidential Filings dated April 3, 2014;
18. NextBridge-OPA Response to OEB Letter dated December 19, 2014;
19. NextBridge Request for Direction dated January 14, 2015;

- 20. NextBridge Project Update Letter dated April 7, 2015;
- 21. NextBridge Response to 20150122 Decision and Order dated May 15, 2015;
- 22. NextBridge Update to Response to 20150122 Decision and Order dated June 24, 2015.

The monthly and quarterly reports submitted in EB-2011-0140 are addressed in NextBridge's response to SEC Interrogatory #2, found at Exhibit I.NextBridge.SEC.2.

## SEC INTERROGATORY #2

### INTERROGATORY

Please place all project Nextbridge monthly and quarterly reports filed with the Board on the record in this proceeding. [Note: It is sufficient for SEC's purposes for Nextbridge to agree to simply deem the materials as part of the record in this proceeding].

### RESPONSE

NextBridge agrees to deem all of NextBridge's monthly and quarterly reports filed with the Board to be part of the record in this proceeding, with the understanding that this information could be out of date, and, therefore, NextBridge is not agreeing that the information contained therein is currently accurate.

Specifically, NextBridge agrees to deem the following NextBridge monthly and quarterly reports to be part of the record in this proceeding:

1. Monthly Report dated October 21, 2013;
2. Monthly Report dated November 21, 2013;
3. Monthly Report dated December 20, 2013;
4. Monthly Report dated January 22, 2014;
5. Monthly Report dated February 24, 2014;
6. Monthly Report dated March 21, 2014;
7. Monthly Report dated April 22, 2014;
8. Monthly Report dated May 22, 2014;
9. Monthly Report dated June 23, 2014;
10. Monthly Report dated July 22, 2014;
11. Monthly Report dated August 22, 2014;
12. Monthly Report dated September 23, 2014;
13. Monthly Report dated October 22, 2014;
14. Report dated January 22, 2015;
15. Report dated April 23, 2015;
16. Report dated July 22, 2015;
17. Report dated October 22, 2015;
18. Report dated January 22, 2016;
19. Report dated April 21, 2016;
20. Report dated July 22, 2016;
21. Report dated October 24, 2016;
22. Report dated January 23, 2017;

- 23. Report dated April 24, 2017;
- 24. Report dated July 24, 2017;
- 25. Report dated October 23, 2017;
- 26. Report dated January 22, 2018.

SCHOOL ENERGY COALITION INTERROGATORY #3

INTERROGATORY

**SEC-UCT-3**

Please provide a copy of the governing Nextbridge shareholders agreement and partnership agreement of NextBridge Infrastructure LP.

RESPONSE

NextBridge Infrastructure LP, an Ontario limited partnership (“NextBridge”) respectfully declines to provide copies of the requested agreements. The Upper Canada Transmission, Inc. Second Amended and Restated Unanimous Shareholders’ Agreement (the “USA”) and the NextBridge Infrastructure LP Third Amended and Restated Partnership Agreement (the “LPA”) are not relevant to this Application. The documents setting out the detailed economic relationships between the partners and the organization’s corporate structure are not relevant to this leave to construct proceeding where (i) price (ii) reliability (iii) quality of electricity service (iv) promotion of the use of renewable energy sources and (v) the forms of agreement offered to landowners affected by the route or location of the transmission line and station facilities are to be considered in an evaluation of whether the proposed project is in the public interest.

In addition, NextBridge notes that both the USA and the LPA contain confidential and commercially sensitive information which is not appropriately disclosed in a public forum. In accordance with the Ontario Energy Board’s (“OEB”) *Practice Direction On Confidential Filings*, only materials that are clearly relevant to the proceeding should be filed given the administrative issues associated with the management of those filings.

While NextBridge does not accept that the requested agreements are relevant to the proceeding and has declined to produce them, in the interests of transparency and in order to be helpful, NextBridge has prepared a summary of NextBridge’s corporate governance structure including detail with respect to the governance and ownership arrangements of NextBridge to assist parties in understanding the relationships between the partners.

Ownership Structure:

NextBridge is comprised of three limited partners and one general partner.

The limited partners are: (a) NextEra Energy NextBridge Holding, ULC ("NextEra LP"), a British Columbia unlimited liability company, (b) Enbridge Inc. ("Enbridge LP"), a Canadian corporation and (c) Borealis NB Holdings Inc. ("Borealis LP"), an Ontario corporation. NextEra LP, Enbridge LP and Borealis LP hold 50%, 25% and 25% of NextBridge's issued and outstanding limited partnership units respectively.

The general partner of NextBridge is Upper Canada Transmission, Inc. ("UCT"), a New Brunswick corporation. UCT has three shareholders: (a) NextEra Energy UCT Holding, Inc. ("NextEra Shareholder"), a New Brunswick corporation, (b) Enbridge Transmission Holdings Inc. ("Enbridge Shareholder"), a Canadian corporation and (c) Borealis EWT Inc. ("Borealis Shareholder"), an Ontario corporation. NextEra Shareholder, Enbridge Shareholder and Borealis Shareholder hold 50%, 25% and 25% of UCT's issued and outstanding shares respectively.

The OEB has named UCT a licensed transmitter (ET-2011-0222) and designated UCT as the electricity transmitter to undertake development work for the EWT transmission expansion ("Project"). UCT, as general partner of NextBridge, holds the designation and the transmission license for the benefit of NextBridge and its limited partners. In connection with the anticipated economic participation by Bamkushwada, LP ("BLP") in the Project, NextBridge expects to request the OEB's permission to transfer the transmission license from UCT to a newly established special purpose vehicle such that the transmission license and all or substantially all of the Project assets are held by a single entity.

Please see the NextBridge organizational chart attached to this response as Attachment 1 for additional detail.

Each of NextEra LP and NextEra Shareholder are indirect subsidiaries of NextEra, Energy, Inc. ("NEE"), a Florida corporation that is listed on the New York Stock Exchange. Enbridge LP is the ultimate parent entity of the Enbridge group of companies, and is listed on the Toronto Stock Exchange and Enbridge Shareholder is an indirect subsidiary of Enbridge LP. Each of Borealis LP and Borealis Shareholder are indirect subsidiaries of OMERS Administration Corporation ("OMERS"), the defined benefit pension plan for over 470,000 active, deferred and retired employees from nearly 1,000 municipalities, school boards, libraries, police and fire departments, and other local agencies in communities across the Province of Ontario.

#### Governance:

The LPA sets forth the powers of, and governs the relationship between, NextBridge's limited and general partners. It contains covenants and commitments with respect to the following: (a) capital calls, (b) taxes, (c) records and financial information, (d) expenses, (e) liability and indemnification, (f) restrictions on transfer, (g) events of default and

termination, (h) financing, (i) confidentiality and (j) dispute resolution. Other than with respect to a limited number of actions for which the unanimous consent of the limited partners is required, UCT has full and exclusive power to manage and control the business and affairs of NextBridge.

The USA sets forth the powers of, and governs the relationship between, UCT's shareholders and UCT. It contains covenants and commitments with respect to the following: (a) management of UCT, (b) restrictions on transfer, (c) records and financial information, (d) confidentiality and (e) dispute resolution. The board of directors of UCT consists of five (5) directors. Three NextEra Shareholder appointees, Brian M. Duncan, Vincent Scrima and Paul G. Smith, one Enbridge appointee, Veenu Narula and one Borealis appointee, Matthew Liddle. A summary of the experience of each of the directors is attached to this response as Attachment 2. Other than with respect to a certain number of actions for which the unanimous consent of the shareholders and/or approval of a majority of the board of directors of UCT is required, NextBridge's day to day operations are managed by an affiliate of NEE pursuant to certain services agreements described below.

#### Management and Services:

On July 31, 2017 NextBridge and NextEra Energy Canadian Operating Services, Inc. ("NECOS"), entered into an Affiliate Services Agreement ("ASA") whereby NECOS agreed to provide all day to day management of the operations of and services to NextBridge in respect of the Project. NECOS provides development, operation, and maintenance services to NEE's Canadian assets and is an indirect subsidiary of NEE. The ASA contains negotiated covenants with respect to (a) the provision and the standard of services provided by NECOS, (b) third party service providers, (c) books and records, (d) reporting requirements, (e) events of default and termination, (g) compensation and payment, (h) liability, indemnification and insurance, (i) confidentiality and dispute resolution. Attached to this response as Attachment 3 is Schedule C of the ASA which schedule sets forth the scope of services to be provided by NECOS to NextBridge.

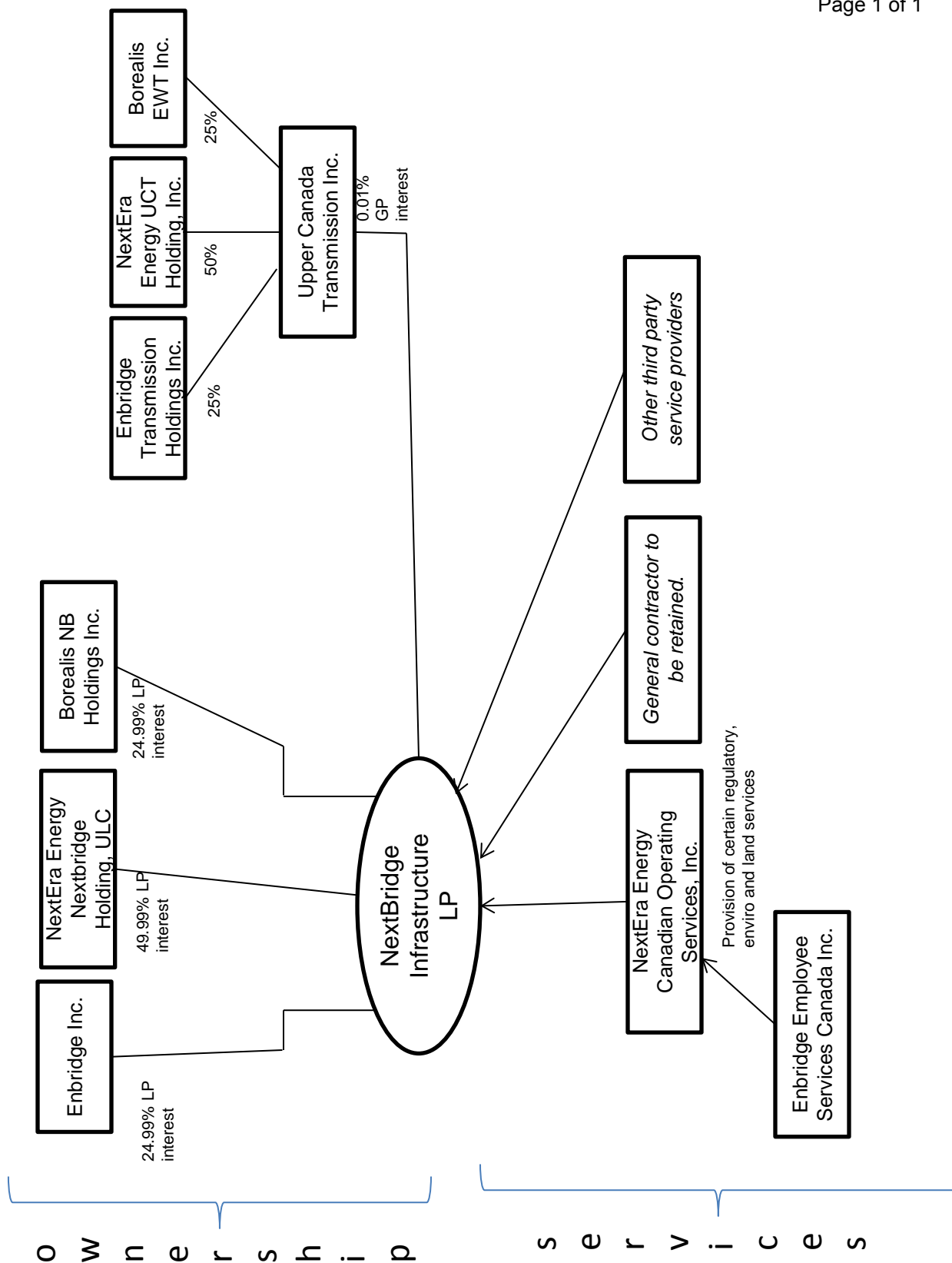
In connection with the execution and delivery of the ASA, NECOS and Enbridge Employee Services Inc. ("Enbridge Services"), entered into a Services Agreement ("ENB SA") whereby Enbridge Services agreed to provide certain services to NECOS in connection with the Project. The terms and conditions of the ENB SA are substantially similar to the terms and conditions of the ASA. Attached to this response as Attachment 4 is Schedule C of the ENB SA which schedule sets forth the scope of services to be provided by Enbridge Services to NECOS.

Enbridge Services is acting as a subcontractor to NECOS because NextBridge determined that it was in the best interest of the Project for a single affiliated entity, NECOS, to have day to day responsibility for every aspect of the execution of the

construction phase of the Project. The Enbridge Shareholder, the Borealis Shareholder and the NextEra Shareholder, continue to provide guidance and strategic oversight through their respective representatives on the board of UCT.



# East-West Tie Project – Joint Venture Structure



Brian M. Duncan, Board of Directors	
Biography	
<p>Mr. Duncan is Executive Director, Development at NextEra Energy Transmission, LLC (NEET) where he is responsible for leading efforts to develop, construct, operate and acquire regulated and contracted power transmission and related assets in the U.S. and Canada. Mr. Duncan is formerly an attorney, with over fourteen years of energy, finance, and development experience.</p>	
Professional Experience	
<p><b>NextEra Energy – Juno Beach, FL</b></p> <p><b>Executive Director, Transmission Development</b></p>	<ul style="list-style-type: none"> <li>Responsible for leading efforts to develop, construct, operate and acquire regulated and contracted power transmission and related assets in the U.S. and Canada</li> </ul>
<p><b>NextEra Energy – Juno Beach, FL</b></p> <p><b>Senior Director, Business Management</b></p>	<ul style="list-style-type: none"> <li>Profit and loss responsibility for more than 40 wind and solar projects across the U.S. North region including MISO, PJM, NYISO and portions of SPP, as well as three fossil fuel power plants in New Jersey and New York</li> <li>Profit and loss responsibility for NextEra’s Canadian wind and solar portfolio</li> </ul>
<p><b>NextEra Energy – Juno Beach, FL</b></p> <p><b>Senior Attorney</b></p>	<ul style="list-style-type: none"> <li>Supported NextEnergy Power Marketing, responsible for compliance and implementation of new Dodd-Frank regulatory regime</li> </ul>
<p><b>Skadden, Arps, Slate, Meagher &amp; Flom, LLP – Washington, DC</b></p> <p><b>Associate</b></p>	<ul style="list-style-type: none"> <li>Derivatives regulatory attorney representing financial services and energy clients</li> <li>Tax attorney representing financial services, energy and individual clients</li> </ul>
<p><b>Burns &amp; McDonnell Engineering – Kansas City, MO</b></p> <p><b>Engineer</b></p>	<ul style="list-style-type: none"> <li>Project manager for combined heat and power initiative</li> <li>Led financial feasibility studies for transmission, generation and environmental projects</li> </ul>
<p><b>US Army – Ft. Riley, KS</b></p> <p><b>Captain</b></p>	<ul style="list-style-type: none"> <li>Led air defense artillery platoon</li> <li>Led national guard headquarters company</li> </ul>
Education and Credentials	
<ul style="list-style-type: none"> <li>J.D., Georgetown University Law Center, Washington, DC</li> <li>B.S., Engineering Management, United States Military Academy, West Point, NY</li> </ul>	

<b>Vincent Scrima (Jimmy), Board of Directors</b>	
<b>Biography</b>	
<p>Mr. Scrima is Project Director, Engineering and Construction at NextEra Energy Resources, LLC (NEER) where he is responsible for leading regulated and unregulated early stage construction efforts for transmission, wind, and solar power plants in the U.S. and Canada. Mr. Scrima is a Certified Public Accountant, with over fifteen years of accounting, finance, and construction experience.</p>	
<b>Professional Experience</b>	
<p><b>NextEra Energy – Juno Beach, FL</b></p> <p><b>Project Director, Engineering and Construction</b></p>	<ul style="list-style-type: none"> <li>Responsible for leading regulated and unregulated early stage construction efforts for transmission, wind, and solar power plants in the U.S. and Canada</li> </ul>
<p><b>NextEra Energy – Juno Beach, FL</b></p> <p><b>Sr. Manager, Project Controls</b></p>	<ul style="list-style-type: none"> <li>Responsible for leading cost control, project scheduling, and forecasting/reporting efforts for the Engineering and Construction portfolio consisting of wind, solar, transmission, gas infrastructure, and combined cycle power plants in the U.S. and Canada</li> </ul>
<p><b>Deloitte &amp; Touche LLP – Boca Raton, FL</b></p> <p><b>Audit Manager</b></p>	<ul style="list-style-type: none"> <li>Managed and executed financial statement audits, reviews, and examinations for a broad range of industries including energy (wind, gas, solar, &amp; hydro), manufacturing, construction, and retail</li> </ul>
<b>Education and Credentials</b>	
<ul style="list-style-type: none"> <li>B.S., Accountancy, Florida Atlantic University, Boca Raton, FL</li> <li>B.S., Real Estate, Florida Atlantic University, Boca Raton, FL</li> <li>Certified Public Accountant, State of Florida</li> </ul>	

<b>Paul Smith, Board of Directors</b>
<b>Biography</b>
<p>Paul Smith is Senior Director, Business Management for NextEra Energy Transmission, LLC. NextEra Energy Transmission is a leader in competitive transmission development in North America, operating transmission assets in Texas and New Hampshire, and having been awarded, or recommended for, competitively bid transmission projects in Ontario, California and New York.</p> <p>Mr. Smith is responsible for the company's financial activities including accounting and reporting, budgeting and forecasting, and investment analytics. In addition, he manages the preparation of regulatory and rate filings, and is responsible for compliance monitoring.</p> <p>Mr. Smith has over thirty years of experience in the utility industry, and was a financial and regulatory executive with Duke Energy Corporation before joining NextEra Energy Transmission.</p>
<b>Professional Experience</b>
<p><b>NextEra Energy Transmission, LLC. (2012 – Present )</b></p> <p><b>Senior Director, Business Management</b></p> <ul style="list-style-type: none"> <li>• Responsible for financial analysis and reporting, and budgeting and forecasting for the company's operating transmission utilities and development-stage transmission investments</li> <li>• Leads the investment and financial analytics for acquisition and development opportunities</li> <li>• Responsible for the preparation of regulatory reporting and rate filings</li> <li>• Responsible for monitoring compliance activities</li> <li>• Provides strategic leadership, direction and guidance to enhance development and operational success across North America</li> </ul> <p><b>Duke Energy Corporation (1987 – 2011)</b></p> <p><b>Vice President</b></p> <ul style="list-style-type: none"> <li>• Responsible for the start-up of a competitive retail energy business including the development of the strategic plan and marketing campaigns, acquiring staff, and implementing back-office processes and systems</li> <li>• Managed state and federal regulatory activities for the company's electric and natural gas utilities in Ohio and Kentucky</li> <li>• Managed the integration and regulatory due diligence processes for the merger of two Fortune 500 utility holding companies</li> <li>• Responsible for the company's budgeting, financial forecasting, and monthly variance analysis reporting activities</li> <li>• Prepared economic and strategic evaluations of regulated and non-regulated corporate development initiatives</li> <li>• Coordinated financial communications to equity analysts, rating agencies and institutional investors</li> </ul>
<b>Education and Credentials</b>
<ul style="list-style-type: none"> <li>• M.B.A., University of Chicago</li> <li>• B.S., Industrial Management, Purdue University</li> <li>• Certified Public Accountant</li> </ul>

<b>Veenu Narula, Board of Directors</b>	
<b>Biography</b>	
<p>Veenu Narula is the Vice President of New Ventures Transmission &amp; Distribution with Enbridge Inc. In his current role, Veenu actively works in the gas and electric utilities and power transmission industry sectors and focuses on the commercial development of business opportunities to extend and grow Enbridge's investment in these areas.</p> <p>Veenu has been with Enbridge since 2004 and has previously worked in the Mainline Business Development, Upstream Business Development and Corporate Development areas of the company. A professional with 20 years of experience, Veenu has worked in various finance and business advisory roles with CN and Bearing Point (formerly KPMG Consulting) before joining Enbridge.</p>	
<b>Professional Experience</b>	
<b>Enbridge Inc., AB</b>  <b>Vice President, New Ventures, Transmission &amp; Development</b>	<ul style="list-style-type: none"> <li>Responsible for commercial development to grow Enbridge's investment in Transmission &amp; Distribution sectors.</li> </ul>
<b>Enbridge Pipelines Inc., AB</b>  <b>Vice President, Mainline Business Development</b>	<ul style="list-style-type: none"> <li>Led commercial development and securing of expansions and new builds of the mainline system (oil pipelines and terminals).</li> </ul>
<b>Enbridge Pipelines Inc., AB</b>  <b>Director, Upstream Business Development</b>	<ul style="list-style-type: none"> <li>Led commercial development of liquids pipeline and terminal projects in the oil sands region of Alberta.</li> </ul>
<b>Sr. Manager, AB</b>  <b>Bearing Point, (formerly KPMG Consulting)</b>	<ul style="list-style-type: none"> <li>Managed development and delivery of client consulting projects in the area of finance, supply chain and business process management.</li> </ul>
<b>Sr. Financial Partner, QC</b>  <b>CN</b>	<ul style="list-style-type: none"> <li>Led a team of analytical resources and provided strategy and financial planning support to business functions.</li> </ul>
<b>Education and Credentials</b>	
<ul style="list-style-type: none"> <li>B. Eng. - Mechanical Engineering, Delhi University</li> <li>MBA, McGill University</li> </ul>	

**Matt Liddle, Board of Directors**

**Biography**

Mr. Liddle joined Borealis Infrastructure (Borealis) as an Associate Director in its Toronto office in October 2013. Mr. Liddle's role includes evaluating, diligencing, and executing on new transactions across a variety of infrastructure subsectors. These sectors include Energy (gas and electric utilities, power and renewables), Transportation, and Social Infrastructure. Mr. Liddle was actively involved in Borealis' acquisition alongside its consortium partners of the Chicago Skyway in February 2016. He also has an active role as part of the asset management team overseeing a number of Borealis' North American investments. These have included: Teranet, LifeLabs, Brampton Civic Hospital, Niagara Health System, Royal Ottawa Hospital and BPC District Energy.

Prior to joining Borealis, Mr. Liddle was a Vice President at Macquarie Capital Markets. In his eight years with Macquarie, Mr. Liddle advised clients on M&A transactions, capital raisings and strategic reviews, with a primary focus on power and utilities and infrastructure which included the electricity transmission sector. In 2011, Mr. Liddle advised Macquarie Essential Assets Partnership on the sale of its 23% ownership interest in AltaLink, Alberta's largest electricity transmission operator. Mr. Liddle's roles at Macquarie included financial analysis and modeling, due diligence, and transaction project management. While at Macquarie, Mr. Liddle also spent time in its diversified, leveraged finance and sponsor coverage teams.

Mr. Liddle holds a Master of Finance degree from INSEAD and a Bachelor of Arts, Honors Business Administration from the Richard Ivey School of Business at the University of Western Ontario.

## **SCHEDULE C**

### **SCOPE OF SERVICES**

#### **A. GENERAL/ADMINISTRATION**

1. Manage and coordinate all aspects of the Project and overall delivery and integration of the Project, including administrative support services for the development and construction phases of the Project. Services may include, but are not limited to: project management, finance, treasury, accounting, law, tax, risk management, government affairs, insurance, human resources, information systems, financial reporting, regulatory, compliance, and such other technical, administrative, reporting and management services as may be required from time to time to support the Project.

#### **CORPORATE:**

Provide sufficient resources and infrastructure necessary to support the Project in accordance with the Project Schedule and Project Budget and ensure resources under Service Provider's management are conducting business in a safe and ethical manner that endeavours to (i) protect the environment and the safety of people and (ii) engage, learn from, respect and support the communities and culture affected by the Project.

Project management in the areas of:

#### **Scope Management:**

- i) Establish a Project charter that defines the scope of the Project, including roles and responsibilities.
- ii) Establish a change control process to ensure all Project changes in schedule and cost are documented, tracked and communicated.
- iii) Define and establish systems and processes for document retention, control and sharing among the Project team, with consideration for transfer of documentation during transition to the operations phase.

#### **Risk Management:**

- i) Create and maintain a cross functional risk matrix for the Project for all known or perceived issues and Project risk, including impacts, accountability, mitigation plan, forecast or actual date for mitigation execution, etc., listing all past, current and future risks identified by the team.

#### **Compliance Management:**

- i) Establish a process and system to track and manage compliance requirements and commitments to ensure that the Services are being performed in a timely manner consistent with the Project development and construction schedule and in accordance with all Applicable Law.
- ii) Ensure that all activities undertaken during construction of the Project are prudent and recoverable.
- iii) Preparation of rate application in accordance with the then-current OEB Filing Requirements for Rate Applications for Electricity Transmitters and filed sufficiently in advance of in-service date so that a rate would be approved by the OEB in time for in-service date.
- iv) Comply with IESO registration requirements to ensure that the Project is properly licensed to operate by the Commercial Operation Date

Governmental Engagement:

- i) Provide resources for and lead the execution of processes for government relations.
- ii) Provide government relations support, as required for other areas related to the Project.
- iii) Provide prompt updates to representatives of each Limited Partner on all developments and issues concerning government relations.

TAX:

- i) Timely preparation and filing of Utility tax returns, GST/HST return, non-resident withholding tax, and other necessary tax forms in accordance with Applicable Law.
- ii) Provide the Utility with Utility tax returns 30 days prior to filing for review and comment.
- iii) No later than 90 days after the end of each fiscal year, provide the Utility tax information reasonably required to prepare and complete year-end financial reporting, including a statement of the amount and category of total revenues, costs and expenses relating to the Project as at the end of each fiscal year.
- iv) Comply with section 105 of the Income Tax Regulations and calculate, withhold and remit non-resident withholding tax and obtain all information necessary in order to file complete and accurate annual T4A-NR Information Returns. If applicable, Service Provider will prepare and file the annual T4A-NR Information returns and relevant slips for each limited partner of the Utility, and provide such Persons with copies of the filed T4A-NR Information within 30 days of the return due date.
- v) Provide the Utility, no later than thirty (30) days of the receipt of a request, reasonable supporting documentation and explanations of third party audit responses (including the Canada Revenue Agency).

LEGAL & REGULATORY:

- i) Legal support with respect to (i) contract review, (ii) tax law compliance, (iii) financial and corporate oversight, (iv) disputes and damages, (v) review of regulations and laws applicable to the Project, and such other matters as are required by Service Provider.
- ii) Maintain complete, current, itemized technical, and accurate financial books and records related to the Project in accordance with Prudent Industry Practices and Applicable Law. These records will be maintained for such time period as required by Applicable Law; otherwise such records will be maintained in accordance with Section 2.3(b) of this Agreement.
- iii) Lead, coordinate and manage OEB tariff and rate filings and proceedings
- iv) Lead, coordinate and manage regulatory activities, leave to construct and other generic and technical filings before the OEB, including support of rate proceedings, and of case planning activities, strategy development, witness selection and preparation, filing logistics, discovery protocol, hearing logistics, and other applicable services. For clarity, Supplier shall act in a support role for any rate proceedings and other rate related matters.

**B. PROJECT CONTROLS**

**1. Cost Management and Reporting:**

- i) Prepare and deliver one or more Project Budgets
- ii) Manage and control roll up of budget and forecast for the Project
- iii) Establish and oversee forecasting and variance reporting processes
- iv) Establish and oversee operating procedures and processes for procurement
- v) Manage and report cost, schedule and scope updates, as needed for both internal and external stakeholders
- vi) Establish and maintain an accounting cost structure.



2. Schedule Management:

- i) Develop and manage Project schedules and ensure appropriate communication of such to all Project resources and relevant internal stakeholders
- ii) Establish issues list and process for capturing and elevating issues
- iii) Establish and distribute recovery plans to relevant internal stakeholders to maintain Project schedule.
- iv) Track key progress metrics to assess the schedules provided by the contractor and inform decision making.
- v) Maintain a historical archive of each schedule update throughout the life of the Project.

**C. ABORIGINAL AFFAIRS**

- 1. Develop internal and external resources to manage Aboriginal affairs activities.
- 2. Develop, implement and maintain an Aboriginal consultation plan.
- 3. Develop, implement and maintain an Aboriginal participation plan.
- 4. Facilitate the completion of archeological and traditional use studies for Crown identified First Nation and Métis communities.
- 5. Consult with relevant Aboriginal communities to eliminate or accommodate any objections to the Project.
- 6. Track and manage Project-related Aboriginal affairs contractual commitments with communities.
- 7. Track and manage the construction contractor's compliance with the Utility's Aboriginal participation plan requirements, and that such participation is fairly administered.
- 8. Manage relationship with potential Aboriginal economic partners.
- 9. Manage Aboriginal Advisory Board and relationship with its members.
- 10. Provide internal and recommend external resources (where applicable) to support Aboriginal affairs activities, including policy.
- 11. Provide internal and recommend external resources (where applicable) to support an Aboriginal Participation Plan.
- 12. Support the Environment team in facilitating the completion of archeological and traditional use studies for Crown-identified First Nation and Metis communities.
- 13. Assist in evolving the strategy to consult with relevant Aboriginal communities to eliminate or accommodate any objections to the Project.
- 14. Participate in legal matters relating to Aboriginal affairs.
- 15. Participate in meetings relating to Aboriginal affairs.
- 16. Participate in the management of the relationship with potential Aboriginal economic partners.
- 17. Participate in the development and implementation of the economic participation elements of the Project.
- 18. Participate with the Aboriginal Advisory Board and relationship with its members.

**D. LAND SERVICES**

- 1. Provide and manage a fixed asset system for the Project including property tax support.
- 2. Provide and perform geographic information system ("GIS") mapping services and coordinate all GIS activities for the Project.
- 3. Complying with the obligations under and pursuant to the lease, easement, crossing and other real property agreements of the Project.
- 4. Comply with all specific land owner requirements pertinent or related to construction and remediation/restoration activities as provided by Enbridge Service Provider.

5. Provide and manage internal and external resources to lead land assembly activities, including appropriately scheduling and budgeting all supporting services in connection with the land acquisition services such as surveying, title diligence, expropriations, legal support and the like
6. Responsible as the primary point of contact for the land stakeholder interface, including those landowners and occupants directly affected by, adjacent to and interests that may be impacted by the location of the project.
7. Communicate Project standards, policies and practices to all Project resources.
8. Prepare or manage the preparation of all other land deliverables required for the Project (excluding Aboriginal lands).
9. Provide land assembly support, as required, for other areas related to the Project.
10. Provide legal support in relation to all land or right-of-way acquisition-related matters, including the preparation of real estate agreements.
11. Provide all specific land owner requirements pertinent or related to construction activities, and restoration activities for compliance.

**E. SAFETY**

1. Establish and reinforce the Project's safety plan.
2. Monitoring, managing, enforce and adhering to each applicable Additional Contractor's Project safety plan
3. Support safety inspections for consultants and contractors under Service Provider's management
4. Require or provide an Additional Contractor training as necessary to address deficiencies.
5. Implement and monitor a safety recognition program that promotes safety-focused behavior.
6. Ensure Project activities under the management of Service Provider remain within all relevant health, safety and environmental standards.
7. Supervising the contractor's provision and maintenance of the security for the Project site.

**F. ENVIRONMENTAL**

The Service Provider (or the Service Provider will cause the Enbridge Service Provider to) and Additional Contractors to:

1. Identify how Additional Contractors interact with and impact the environment by conducting and documenting environmental inspections of all facilities and monitoring, managing and enforcing environmental permit compliance.
2. Comply with all applicable laws, regulations; permit conditions, industry standards, as well as environmental commitments made in the Project's environmental assessment, interrogatory responses and to any regulators and/or stakeholders, as well as the Project's environmental protection plan.
3. Cause the Additional Contractors to minimize adverse environmental effects through effective planning and execution.
4. Effectively respond to unanticipated events by notifying the Utility and all applicable regulatory agencies immediately in the event of environmental incidents, including but not limited to hazardous material and/or petroleum product releases related to construction of the facility, regardless of quantity; monitoring the Additional Contractors spill plan.
5. Effectively respond to unanticipated cultural (archaeological) finds by immediately notifying NextEra Environmental Services Project team and all applicable regulatory agencies as required.
6. Ensure that the NextEra Environmental Services Project team is consulted with prior to bringing on site or using any hazardous materials on site.
7. Provide appropriate training to ensure employees and contract workers understand their responsibility to protect the environment.

8. Promote a culture where environmental excellence is everyone's responsibility.
9. Actively engage with the public, government and other interested stakeholders regarding our environmental activities.
10. Learn from past experiences in order to continually improve competency and performance and incorporate best practices.
11. Maintain a non-retaliatory culture that encourages reporting and investigation of environmental hazards, potential hazards, near-misses, incidents and non-compliances.
12. Ensure that the NextEra Environmental Services Project team is given adequate notice to review Contractor's proposed scope changes to environmental work.
13. Provide and manage internal and external resources to lead environmental activities, including:
14. Leading the Environmental Assessment approval process for the Project.
15. Leading all necessary environmental permits for the Project.
16. Coordinating all environmental field studies in support of the Project.
17. Managing the relationship with the relevant environmental regulators.
18. Communicating Project status and providing information related to Project environmental standards, policies and practices to all internal and external resources directly supporting the Project.
19. Preparing and managing the preparation of all other environmental deliverables required for the Project.
20. Providing environmental support, as required, for other areas related to the Project.

## **G. PROCUREMENT AND CONSTRUCTION SERVICES**

### **1. ENGINEERING**

- i) Provide and manage internal and external resources to perform all Project engineering activities.
- ii) Communicate Project technical standards and practices to all Project resources through a centralized document sharing system.
- iii) Manage conceptual and detailed design and specifications of all components of the overall Project.
- iv) Prepare or manage the preparation of all other engineering deliverables required for the Project to prevent construction delays.
- v) Provide engineering support, as required, for other areas related to the Project.  
Verify all engineering deliverables and documents are provided in accordance with the applicable Contract requirements such that the documents can be reasonably transitioned to operations via document control processes.

### **2. PROCUREMENT/CONTRACTING**

- i) Support the preparation, solicitation, commercial evaluation and award of bids for the purchase and installation of materials, equipment, supplies and contractor services necessary for the Project.
- ii) Support the procurement and expediting of all (a) Utility furnished materials (other than materials to be permanently incorporated into the Project infrastructure (e.g., towers, conductor, foundations)) critical Project components) and (b) services, in each case, required for the Project, including providing commercial review of material requisitions and documentation;
- iii) Provide quality assurance including inspection and documentation of defect to factory components at the time of acceptance.
- iv) Support the contracting of appropriate Project pre-construction work, including consulting services for routing studies, land appraisal services, surveys, permitting, rights-of-way acquisition and engineering studies.

- v) Provide guidance regarding contracting strategies for facility construction services.
- vi) Support the commercial review and selection of consultant/contractors, issuance of contract and support post-award management of contracts for all pre-construction and construction activities as requested.
- vii) Ensuring primary contractor and all other subcontractors have appropriate certificates of insurance.

### 3. CONSTRUCTION SERVICES

- i) Organize, manage and plan the resources, staff, and equipment needed for construction of all components of the Project; facilitate work sequencing, and evaluation of schedules and budgets.
- ii) Provide Site support for dealing with issues involving local agencies, township representatives, landowners, and general members of the public.
- iii) Provide contractor reporting as per template attached as in Schedule J.
- iv) Administering the performance by the Additional Contractors of their obligations and covenants under the Contracts.
- v) Reviewing all invoices and milestone payments, and related completion certificates, of the Additional Contractors and determining whether they should be recommended for payment; monitoring and tracking all costs.
- vi) Ensure all construction activities are compliant with Policies.
- vii) Supervising the contractor's provision and maintenance of the security for the Project site.
- viii) Ensure all Additional Contractors' supply of critical items are provided the QA/QC plans as applicable to ensure materials compliant with specifications and standards are supplied.
- ix) Overseeing the completion of any warranty work and punch list items remaining to be performed from construction.
- x) Any other pre-Commercial Operation Date activities required to ensure an orderly and successful transition from construction to operations.
- xi) QA/QC Services:
  - a. Establish and enforce the Project's Quality plan
  - b. Complete quality inspections and audits on key suppliers as appropriate to the scope on the Project.
  - c. Establish and enforce a high level materials handling & quality plan for all receipt, storage and handling of materials related to construction
  - d. Monitor and Audit all Construction contractors and provide training as required.
  - e. Managing commissioning, performance and other testing of equipment and assets of the Project in connection with the finalization of the items on the punch list and each of the milestones required for final completion of the Project

### H. TRANSITION TO OPERATIONAL PHASE

- i) Preparatory work establishing operations and maintenance practices, methods, materials, supplies, equipment and standards of safety, performance and services that are commonly applied in the electric utility industry in North America and/or specifically required in the Province of Ontario to operate and maintain transmission facilities similar to the Project or as applicable to high voltage AC transmission facilities in anticipation of transitioning from construction to operation. This includes:
  - i) the use of, and adherence to, equipment, practices and methods, consistent with Prudent Industry Practices that would be reasonably expected to accomplish the desired result that protect the Project, the facilities to which the Project is interconnected and any Person or property from damage, loss or injury.
  - ii) the preparation and turnover of Project-related documentation required to be in the possession of and maintained by the operator of the Project.

- iii) Any other pre-Commercial Operation Date activities mutually agreed upon to ensure an orderly and successful transition from construction to operations.

## **SCHEDULE C**

### **SCOPE OF SERVICES**

#### **GENERAL/ADMINISTRATION**

- Coordinate and manage aspects of the Project for which it is responsible to facilitate delivery and integration of the Project.
- Ensure appropriate staffing and resources are available to provide the Services in a timely manner.

#### **A. REGULATORY AND LAW**

- Lead, coordinate and manage regulatory activities, leave to construct and other generic and technical filings before the OEB, including support of rate proceedings, and of case planning activities, strategy development, witness selection and preparation, filing logistics, discovery protocol, hearing logistics, and other applicable services. For clarity, Supplier shall act in a support role for any rate proceedings and other rate related matters.

#### **B. ABORIGINAL AFFAIRS**

- Provide internal and recommend external resources (where applicable) to support Aboriginal affairs activities, including policy.
- Provide internal and recommend external resources (where applicable) to support an Aboriginal Participation Plan.
- Support the Environment team in facilitating the completion of archeological and traditional use studies for Crown-identified First Nation and Metis communities.
- Assist in evolving the strategy to consult with relevant Aboriginal communities to eliminate or accommodate any objections to the Project.
- Participate in legal matters relating to Aboriginal affairs.
- Participate in meetings relating to Aboriginal affairs.
- Participate in the management of the relationship with potential Aboriginal economic partners.
- Participate in the development and implementation of the economic participation elements of the Project.
- Participate with the Aboriginal Advisory Board and relationship with its members.

#### **C. STAKEHOLDER MATTERS (except for Aboriginal matters)**

- Provide resources for and lead the execution of processes for stakeholder relations.
- Provide stakeholder relations support, as required, for other areas related to the Project.

**D. LAND SERVICES**

- Provide and manage internal and external resources to lead land assembly activities, including appropriately scheduling and budgeting all supporting services in connection with the land acquisition services such as surveying, title diligence, expropriations, legal support and the like
- Responsible as the primary point of contact for the land stakeholder interface, including those landowners and occupants directly affected by, adjacent to and interests that may be impacted by the location of the project.
- Communicate Project standards, policies and practices to all Project resources.
- Prepare or manage the preparation of all other land deliverables required for the Project (excluding Aboriginal lands).
- Provide land assembly support, as required, for other areas related to the Project.
- Provide legal support in relation to all land or right-of-way acquisition-related matters, including the preparation of real estate agreements.
- Provide all specific land owner requirements pertinent or related to construction activities, and restoration activities for compliance.

**E. ENVIRONMENTAL**

- Provide and manage internal and external resources to lead environmental activities, including:
  - Leading the Environmental Assessment approval process for the Project.
  - Leading all necessary environmental permits for the Project.
  - Coordinating all environmental field studies in support of the Project.
  - Managing the relationship with the relevant environmental regulators.
  - Communicating Project status and providing information related to Project environmental standards, policies and practices to all internal and external resources directly supporting the Project.
  - Preparing and managing the preparation of all other environmental deliverables required for the Project.
  - Providing environmental support, as required, for other areas related to the Project.

**E. GOVERNMENTAL AFFAIRS**

- Provide resources for and lead the execution of processes for government relations until at least the issuance of Leave to Construct for the Project by the OEB and then for such further period during construction of the Project as Supplier may choose (unless earlier terminated by Company in accordance with this Agreement).
- Provide government relations support, as required for other areas related to the Project. Provide prompt updates to representatives of each Limited Partner on all developments and issues concerning government relations.

## SEC INTERROGATORY #4

### INTERROGATORY

[EB-2011-0140 UCT Designation Application, p.80] Please add a column to Figure 11 to show the project specifications for the project in this LTC application.

### RESPONSE

The following table adds a column to Figure 11 to show the project specifications for the project in this LTC application.

Specification	Reference Plan	NextBridge Recommended Plan 2013	NextBridge Leave to Construct Application Proposal 2017
<b>Line Length</b>	400 km	400 km	~450 km
<b>Number of circuits</b>	2	2	2
<b>Circuit Voltage (phase to phase)</b>	230 kV nominal, 250 kV maximum	230 kV nominal, 250 kV maximum	230 kV nominal, 250 kV maximum
<b>Load carrying capacity</b>	1,235 Amps	1,235 Amps	1,235 Amps
<b>Summer continuous rating (MVA). Based on an operating voltage of 240 kV, ambient temperature of 30°C and conductor temperature of 93°C</b>	466 MVA	466 MVA	466 MVA



Specification	Reference Plan	NextBridge Recommended Plan 2013	NextBridge Leave to Construct Application Proposal 2017
Summer emergency rating (MVA). Based on an operating voltage of 240 kV, ambient temperature of 30°C and conductor temperature of 127 °C	599 MVA	599 MVA	599 MVA
Resulting total transfer capability for the East-West Tie line (MW)	650 MW	650 MW	650 MW
Anticipated lifetime of the line	50 years	50 years	50 years
Number and average spacing of towers	1,012 towers with an average span of 395 metres.	1,012 towers with an average span of 395 metres.	1,233 towers with an average span of 365 metres.
Tower structure types (lattice, monopole, etc.) and composition (wood, steel, concrete, hybrid, etc.)	Self-Supported Steel-Lattice	Guyed-Y steel-lattice (Guyed-Y)	~65% Guyed-Y steel-lattice (Guyed-Y), ~35% Self-Supported Steel-Lattice

Specification	Reference Plan	NextBridge Recommended Plan 2013	NextBridge Leave to Construct Application Proposal 2017
<b>Conductor size and type</b>	1192 kcmil ACSR 54/19 stranding "Grackle", one per phase	1192 kcmil ACSR 54/19 stranding "Grackle", one per phase	1192 kcmil ACSR 54/19 stranding "Grackle", one per phase
<b>Protection against cascading failure and conductor galloping</b>	NextBridge has incorporated anti-cascading structures and evaluated extreme weather events. The estimate assumes a dead-end structure every 16 km. Structure designs were based on phase spacing required by galloping study.	NextBridge has incorporated anti-cascading structures and evaluated extreme weather events. The estimate assumes a dead-end structure every 16 km. Structure designs were based on phase spacing required by galloping study.	NextBridge has incorporated anti-cascading structures and has performed a weather study to evaluate extreme weather events. The design has a dead-end structure every 16 km and cascade limiting structures approximately every 10 structures. Structure designs were based on CSA clearances and the phase spacing for galloping recommended by Lilien & Havard, Cigre TF B2.11.06.

Specification	Reference Plan	NextBridge Recommended Plan 2013	NextBridge Leave to Construct Application Proposal 2017
<b>Overall Impact on Existing Transmission System</b>	Meets the benefits for the Reference Case as they are described in IESO's Feasibility Study: "An assessment of the westward transfer capability of various options for reinforcing the East-West Tie", dated August 18, 2011. (Final Version)	Meets the benefits for the Reference Case as they are described in IESO's Feasibility Study: "An assessment of the westward transfer capability of various options for reinforcing the East-West Tie", dated August 18, 2011. (Final Version)	Meets the benefits for the Reference Case as they are described in IESO's Feasibility Study: "An assessment of the westward transfer capability of various options for reinforcing the East-West Tie", dated August 18, 2011. (Final Version)
<b>Basic Right-of-Way Width</b>	50 Metres	50-56 Metres	56-64 Metres
<b>Typical Tower Height</b>	50 Metres	43 metres	43 metres

SEC INTERROGATORY #5

INTERROGATORY

[B-1-1, Attach 1] Please provide a detailed project work schedule.

RESPONSE

Below is a current detailed project work schedule, subject to change as efforts continue.

Activity	Target Date
Begin Stage 2 Archaeological Assessments	Q2 2017
Begin environmental field work for environmental permitting activity	Q2 2017
Submit Environmental Assessment to MOECC	Q3 2017
Submit Section 92 Application to OEB	Q3 2017
Execute Contract with General Contractor	Q4 2017
Submit Amended Environmental Assessment to MOECC	Q1 2018
Projected Decision and Order for Section 92	Q2 2018
Substantial Completion of Property Rights Acquisition	Q4 2018
Obtain Environmental Assessment approval	Q4 2018
Obtain majority of environmental permits for construction	Q4 2018
Begin follow up Geotechnical Investigations	Q4 2018
Construction Start	Q4 2018
Anticipated Start Segment C-D (Caribou Zone)	Q4 2018
Anticipated Start Segment F	Q4 2018
Anticipated Start Segment E	Q1 2019
Anticipated Structure Delivery Start	Q1 2019
Anticipated Conductor/OPGW/Shield Wire delivery Start	Q3 2019
Anticipated Start Segment C	Q3 2019
Anticipated Start Segment B	Q3 2019

Anticipated Start Segment D	Q3 2019
Anticipated Finish Segment C-D (Caribou Zone)	Q4 2019
Anticipated Finish Segment F	Q4 2019
Property Rights Acquisition Completed (should expropriation be required)	Q1 2020
Anticipated Finish Segment E	Q1 2020
Anticipated Start Segment A	Q1 2020
Anticipated Finish Segment C	Q2 2020
Anticipated Structure Delivery End	Q2 2020
Anticipated Conductor/OPGW/Shield Wire delivery End	Q3 2020
Anticipated Finish Segment A	Q4 2020
Anticipated Finish Segment B	Q4 2020
Anticipated Finish Segment D	Q4 2020
In Service Date	Q4 2020

SEC INTERROGATORY #6

INTERROGATORY

[B-9, p.1] Please add two columns to Table 2 to show the cost estimate at the time of the designation application, and the cost estimate at the time of the designation application in 2020 dollars (i.e. on the same basis as the current forecast construction cost estimate).

RESPONSE

Following is a revised Table 2 including the cost estimate at the time of the designation application, and the cost estimate at the time of the designation application in nominal dollars.

At the time of the designation application, the construction cost estimate was not prepared in 2020 dollars and therefore such amounts are not available. However, to provide information in the context of this interrogatory, each line item cost from the designation application has been converted to nominal dollars by assuming an escalation rate of 3% per year for an additional 3 years. By converting the designation application cost estimate to nominal dollars, it brings the designation cost estimate on the same basis as the current forecast construction cost estimate which is also in nominal dollars.

Construction Cost Estimate (\$'000)

	Leave to Construct Application (nominal\$)	Designation Application (2012\$)	Designation Application (nominal\$)	% variance of LTC (nominal\$) and designation application (nominal\$)
Engineering, Design & Procurement	\$ 19,342	\$ 13,236	\$ 14,463	34%
Materials & Equipment	89,408	52,169	57,007	57%
Permitting & Licensing	-	193	211	N/A
Environmental and Regulatory Approvals	13,031	3,027	3,308	294%
Land Rights (acquisitions or options), including consultation and negotiation with landowners	23,831	17,135	18,724	27%
First Nation and Metis Participation	7,000	-	-	- N/A
First Nation and Metis Consultation	13,211	5,526	6,039	119%
Other Consultation	2,530	841	919	175%
Site Clearing and Preparation	107,463	52,293	57,142	88%
Construction	356,548	180,234	196,947	81%
Site Remediation	13,899	10,308	11,264	23%
IDC	31,003	-	-	N/A
Contingency	49,399	35,708	39,019	27%
Regulatory	5,405	3,642	3,980	36%
Project Management	4,901	3,198	3,495	40%
Escalation	-	19,148	20,924	N/A
Total Construction Cost	\$ 736,971	\$ 396,662	\$433,442	70%

Note: The line item cost estimates in the Leave to Construct Application included escalation, whereas the Designation Application included a separate escalation line item.

SEC INTERROGATORY #7

INTERROGATORY

[B-9-1, p.3] Has Nextbridge completed the RFP process to date? If so, please provide full details of the contracts signed and provide copies of them.

RESPONSE

Yes, the RFP process referenced in Exhibit B, Tab 9, Schedule 1, at page 3 has been completed and the contract was executed on December 6, 2017 with Valard Construction. The contract price is a lump sum arrangement with fixed unit rates established to address possible changes in scope. The scope of the contract included permitting support, all labour, equipment and materials necessary to construct the project. NextBridge will provide major materials such as structures and conductors. Details related to contract pricing have not been included in this response as NextBridge considers this contract to be highly confidential. Please refer to NextBridge's response to Board Staff Interrogatory #7 found at Exhibit I.B.NextBridge.STAFF.7 (Attachment #3) for a redacted version of the contract. The unredacted contract is being provided to the Board in accordance with the Board's *Practice Direction On Confidential Filings*.



SEC INTERROGATORY #8

INTERROGATORY

[B-9-1, p.3] For each individual RFP, please provide the scope of the work and the type of arrangement that is to be contracted (i.e. fixed price, target price, etc.).

RESPONSE

For each individual RFP other than the construction and procurement RFP, below is a list of the scope of work or services that were procured through an RFP process. Not all RFPs requested a prescriptive pricing arrangement that capped the price such as a fixed price or target price arrangement would.

<b>Workstream</b>	<b>RFP Scope of work/services</b>
Land	GIS and Land Agreements
	Surveying
	Market Appraisal
	Timber Valuation
Environmental	Environmental Assessment & Permitting
Regulatory	Modelling
	Regulatory Counsel
Community and Stakeholder Consultation	Printing and mailing services
Engineering & Construction	Engineering Design
	Survey
	Survey
	LIDAR
Indigenous Relations	Indigenous Consultation
	Indigenous Consultation
	Legal Counsel

For scope of work and type of arrangement for the construction and procurement RFP, please see NextBridge's response to CCC Interrogatory #12 found at Exhibit I.B.NextBridge.CCC.12.

## SEC INTERROGATORY #9

### INTERROGATORY

[B-9-1, p.8-9] Nextbridge states that changes were made to the design during the designation phase in response to concerns raised by stakeholders. Please provide a summary of comments provided by stakeholders regarding the project, Nextbridge's response to them, and if they did/would have had a material impact on the cost of the project.

### RESPONSE

Outlined below is a summary of the notable design changes to the East West Tie line which were based on consultations with stakeholders. Most of these changes had a material impact on the cost of the East West Tie Line. If additional detailed information on stakeholder comments is desired, please see the comments submitted as part of NextBridge's Environmental Assessment, which can be found at this link: [http://www.nextbridge.ca/project\\_info](http://www.nextbridge.ca/project_info) at the appendices cited below.

### **Summary of comments from Stakeholders**

- Comments received from the Ministry of Natural Resources and Forestry ("MNRF") resulted in changes to the design near conservation reserves. These comments led to two additional self-supporting structures and the replacement of nine guyed Y towers with self-supporting towers.
  - see Appendix 19-IV of the Final Environmental Assessment application: Project Activities in Provincial Parks and Conservation Reserves
- During a meeting in April 2016 with the Common Voice Northwest Energy Task Force historical weather events were discussed which resulted in NextBridge performing a weather study to better understand the climate implications on the East West Tie Line in Northern Ontario. The weather study results predicted that icing conditions along the easternmost portion of the line could be in excess of those indicated in Canadian Standards Association standards. These findings resulted in revised transmission structure spotting in those areas to account for additional ice loading in accordance with the weather study predictions.
  - Appendix 2-III: Stakeholder Consultation and Engagement Record (Table 2-III-53: Record of Consultation Other Stakeholders and Industry Groups)

- Based on comments during a meeting with Hydro One in February 2017 regarding the need to increase system reliability, NextBridge has worked with Hydro One to reduce the number of initially proposed transmission line crossings from 23 to 15.
  - Please refer to NextBridge's response to Board Staff Interrogatory #12 found at Exhibit I.C.NextBridge.STAFF.12 for further information on interactions with Hydro One on line crossings, relocations and tower design changes.

SEC INTERROGATORY #10

INTERROGATORY

[B-9-1, p.7-11] Nextbridge has provided a list of reasons why the cost estimates have increased since the designation application under 4 different categories. Please further break down each category, by each of the listed reasons for the cost increase.

RESPONSE

Please see NextBridge's response to Board Staff Interrogatory #24, found at Exhibit I.B.NextBridge.STAFF.24.

SEC INTERROGATORY #11

INTERROGATORY

[B-13-1, p.2] Please confirm that Nextbridge is not seeking approval of the balance in the DADA at this time, and under its proposal the prudence of those amounts will be determined at its first revenue requirement application in which it will seek to add those amounts to its rate base. If not, please explain its proposal.

RESPONSE

Please refer to NextBridge's response to Board Staff Interrogatory #18, found at Exhibit I.B.NextBridge.Staff.18.

SEC INTERROGATORY #12

INTERROGATORY

[B-14-1, p.1] Please confirm that contrary to its application for designation, Nextbridge is not bringing forward a proposal for performance based ratemaking in its leave to construct application, and has decided to simply rely on the Board's filing requirement for electricity transmitters for its first revenue requirement proposal. Please explain why this is appropriate.

RESPONSE

NextBridge confirms it is not bringing forward a proposal for performance based ratemaking in its leave to construct application. Rather, it will put forward a proposal consistent with the Board's February 11, 2016, Chapter 2 filing requirement for Revenue Requirement Applications for electricity transmitters in its first revenue requirement application. Given the relatively recent issuance of the requirements, NextBridge believes it is more appropriate for it to study those requirements and propose an approach during its first request to recover its revenue requirements than during the consideration of a leave to construct application.

SEC INTERROGATORY #13

INTERROGATORY

[EB-2011-0140, Board Interrogatory 32 to All] Please update Nextbridge's response to Board interrogatory 31-32 to include any additional projects planned or completed since the filing of the response to the interrogatory in EB-2011-0140.

RESPONSE

EB-2011-0140, Board Interrogatory #32 pertained to:

...detailing all transmission projects greater than 100 km in length, undertaken by the applicant, its partners, shareholders, affiliates, or any other entities which the applicant is relying on for the purposes of its application, in the past 10 years in all jurisdictions.

This interrogatory requests EB-2011-0140, Board Interrogatory #32 be updated for any additional projects planned or completed since the filing of the response to the interrogatory in EB-2011-0140. There were no additional projects planned or completed of greater than 100 km in length, undertaken by the applicant, its partners, shareholders, affiliates, or any other entities since the filing of the response to the interrogatory in EB-2011-0140.



SEC INTERROGATORY #14

INTERROGATORY

[EB-2011-0140, UCT Designation Application, p.11; B-1-12, Attach] Please explain the increase in forecast OM&A costs at the time of designation from \$4.4M to 7.416M in this application.

RESPONSE

Please refer to NextBridge's response to Board Staff Interrogatory #30, found at Exhibit I.B.NextBridge.Staff.30.

SEC INTERROGATORY #15

INTERROGATORY

[EB-2011-0140 UCT Designation Application, p.92] In Nextbridge's designation application it recognized that there was a possibility that permission may not be granted to construct the line through Pukaskwa National Park and identified a route variant to bypass the area that is similar to the proposed route in this application. Please provide any project cost forecast that Nextbridge had at the time of the designation application regarding the alternative route.

RESPONSE

There is no project cost forecast to provide, because at the time of the designation application NextBridge had estimated the additional length of the alternative route, but had not estimated the additional cost of such an alternative route.

## SEC INTERROGATORY #16

### INTERROGATORY

Please provide a table showing, for all capital projects completed by any of the three shareholders of Nextbridge or any of their affiliates within the last 10 years with an original budgeted cost of at least \$400M, the i) name of the project, ii) type of project, iii) utility who undertook the project, iv) budgeted cost, v) actual cost, vi) forecast in-service date at a comparable point in time to the budget for the proposed line project, vii) actual in-service date, viii) variance analysis of cost, ix) variance analysis of schedule, x) lessons learned that are applicable to the proposed line project.

### RESPONSE

NextBridge is a partnership between affiliates of NextEra Energy Canada, Enbridge and OMERS Infrastructure. The responses below are presented by the respective partners.

#### NextEra Energy:

The table below includes those projects executed by affiliates of NextEra Energy, Inc. with an original budget of \$400M (\$U.S.) or greater over the last 10 years. FPL in the table is Florida Power and Light Company, while “NEER” identified indirect wholly-owned subsidiaries of NextEra Energy Resources, LLC (NEER), which are not utilities, but are provided as representative projects. A positive cost variance means the project came in below the management approved budget. A positive schedule variance means the project came in on or ahead of the planned schedule date and a negative variance means the actual in-service date was later than planned.

There are lessons to be learned on all projects however the only transmission project that is responsive to the request for information and is applicable to the proposed line project is the Lone Star Transmission project. This project was constructed in central Texas and was approximately 330 miles of 345kV double circuit transmission built on more than 2500 concrete and steel monopole structures. There were also three switching stations and two reactive compensation stations in Lone Star’s project scope. The major lessons learned included 1) the need for early procurement of structures, insulators, conductor and OPGW to ensure timely delivery for the contractor to remain on schedule and 2) unencumbered access to land when scheduled to again ensure the contractor and its subcontractors can work sequentially without delay.

Name of the Project	Type of Project	Utility who undertook the project	Budgeted Cost	Actual Cost	Variance analysis of cost	Forecasted I/S date	Actual I/S date	Variance analysis of schedule	Lessons learned
Turkey Point Unit 5	Fossil	FPL	\$580	\$552	5%	06/01/07	05/01/07	31	
West County 1	Fossil	FPL	\$689	\$742	-8%	06/01/09	08/27/09	(87)	
West County 2	Fossil	FPL	\$632	\$579	8%	06/01/10	11/03/09	210	
West County 3	Fossil	FPL	\$865	\$842	3%	06/01/11	05/23/11	9	
Cape Canaveral	Fossil	FPL	\$1,115	\$963	14%	06/01/13	04/24/13	38	
Riviera Beach	Fossil	FPL	\$1,276	\$1,271	0%	06/01/14	04/01/14	61	
Port Everglades Energy Center	Fossil	FPL	\$1,185	\$1,140	4%	06/01/16	04/01/16	61	
Lauderdale & Ft. Myers Peakers	Fossil	FPL	\$774	\$619	20%	12/31/16	12/31/16	0	
Martin Solar - Thermal	Solar	FPL	\$476	\$410	14%	12/31/10	12/10/10	21	
Solar Project 1	Solar	NEER	\$1,122	\$977	13%	09/01/13	06/01/13	92	
Solar Project 2	Solar	NEER	\$1,111	\$1,171	-5%	04/01/14	03/07/14	25	
Solar Project 3	Solar	NEER	\$1,096	\$1,075	2%	02/27/15	12/01/14	88	
Solar Project 4	Solar	NEER	\$542	\$535	1%	09/30/16	04/28/16	155	
Solar Project 5	Solar	NEER	\$672	\$651	3%	11/30/16	06/15/16	168	
Solar Project 6	Solar	NEER	\$1,121	\$1,041	7%	09/30/16	06/21/16	101	
Lone Star	Transmission	Lone Star	\$794	\$740	7%	03/31/13	03/31/13	0	see narrative
Wind Project 1	Wind	NEER	\$556	\$530	5%	12/31/07	11/30/07	31	
Wind Project 2	Wind	NEER	\$443	\$469	-6%	12/31/09	12/19/09	12	
Wind Project 3	Wind	NEER	\$406	\$405	0%	12/31/12	12/06/12	25	
Wind Project 4	Wind	NEER	\$426	\$409	4%	12/31/14	12/03/14	28	
Wind Project 5	Wind	NEER	\$400	\$401	0%	12/31/15	12/14/15	17	

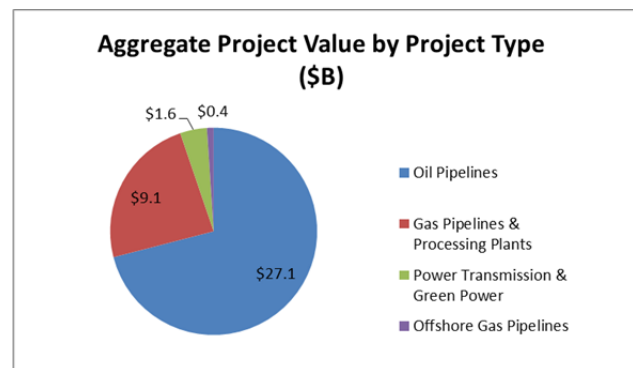
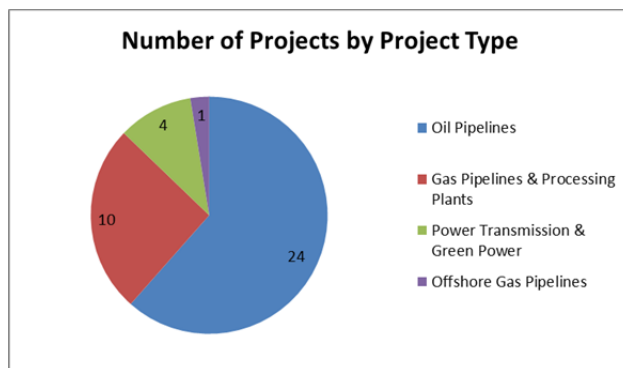
## Enbridge Inc.

Enbridge projects include energy pipelines, associated facilities and terminals, power generation, power transmission, rail loading, gas processing plants and offshore energy projects.

Below is a summary of Enbridge's performance since 2008. Please note that in 2017 Enbridge acquired Spectra Energy. As such, information on legacy Spectra and Union Gas projects has also been included.

Since 2008 Enbridge has placed into service 39 projects (each worth over \$0.4B) at a total cost of \$38B at less than 1% over budget and 27 delivered early or on time. Enbridge's successful cost and schedule performance is a result of the Major Project organization that executes projects and by employing a proven project management framework which is based upon disciplined processes, strong leadership and skilled resources.

Projects Statistics			Number of Projects by Project Type	Aggregate Project Value by Project Type (\$Billions)
# Projects Under/On Budget	27	Oil Pipelines	24	\$ 27.1
# Projects Over Budget	12	Gas Pipelines & Processing Plants	10	\$ 9.1
# Projects Early/On Time	27	Power Transmission & Green Power	4	\$ 1.6
# Projects Late	12	Offshore Gas Pipelines	1	\$ 0.4
% capital under/over budget	0.6%			
% projects under or on budget	69.2%			
% projects early or on schedule	69.2%			
USD is considered to be on par with CAD				



- Underpinning the project management framework that is used to execute all projects is the Life Cycle Gating Control process which helps to ensure schedule, cost, safety and quality objectives are on track and met for each stage of a project's development and execution. Lessons learned is contained within the Life Cycle Gating Control process to ensure continuous improvement on how projects are executed.

In recent years, opposition to energy projects has impacted permitting and Enbridge found this to be one of its biggest challenges. Enbridge mitigates this challenge through the coordination of highly experienced Enbridge and external specialists in law, regulatory, permitting, land acquisition, and public and government relations at the local, state, provincial and federal levels.

### OMERS Infrastructure

While OMERS Infrastructure has not completed any capital projects directly in the utilities it has invested in, it is an investor in various electric, gas and water utilities globally. OMERS Infrastructure has direct equity investments in:

- i. Alectra Utilities, an electric local distribution company servicing communities in southern Ontario,
- ii. Oncor, the largest electric transmission and distribution utility in Texas,
- iii. Caruna, Finland's largest electricity distribution company,
- iv. Ellevio, Sweden's second largest electricity distributor,
- v. Net4Gas, the exclusive gas transmission operator in the Czech Republic,
- vi. Scotia Gas Networks, the second largest gas distribution network in the UK, and
- vii. Thames Water, the largest water utility in England and Wales.

OMERS Infrastructure has minority holdings in Alectra Utilities and Oncor and does not control capital projects. OMERS Infrastructure has significant ownership interests in Caruna, Ellevio, Net4Gas, Scotia Gas Networks and Thames Water. Neither Caruna, Ellevio, Net4Gas, Scotia Gas Networks nor Thames Water have undertaken capital projects of at least \$400M since OMERS Infrastructure invested in each business.