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BY EMAIL AND RESS

September 22, 2020

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

Dear Ms. Long:

EB-2017-0194-Hydro One Networks Inc.'s Section 92 – East West Tie Station Project – Quarterly Report

On December 20, 2018, Hydro One Networks Inc. ("Hydro One") received approval from Ontario Energy Board (OEB) to construct the EWT Station Project to upgrade existing transmission station facilities in the Districts of Thunder Bay and Algoma. On July 29, 2019, the OEB issued reporting requirements to Hydro One to monitor the progress of Hydro One's EWT Station Project. On October 11, 2019, the OEB sent a letter to Hydro One outlining further reporting requirements.

In accordance with the aforementioned filing requirements, this Quarterly Report captures activities for the quarter ending August 2020.

An electronic copy of the complete Quarterly Report has been filed using the Board's Regulatory Electronic Submission System (RESS).

Sincerely,

Joanne Richardson

Hydro One - East-West Tie Station Project
OEB File Number EB-2017-0194
Quarterly Report
Period Ending Aug 31, 2020

Introduction

On December 20, 2018, Hydro One Networks Inc. (Hydro One or HONI) received approval from the Ontario Energy Board (OEB) to construct the EWT Station Project. The EWT Station project involves upgrades to Hydro One's Wawa Transmission Station, Marathon Transmission Station, and Lakehead Transmission Station located near the cities of Wawa, Marathon and Thunder Bay and is required to connect a new 230 kV transmission line (EWT Line) being constructed by NextBridge. The combined EWT projects have been identified as a priority in both the Ontario government's 2010 and 2013 Long-Term Energy Plans and the 2016 Order-in-Council.

In order to complete the connections at the three stations, Hydro One needs to modify some station facilities and install required station upgrades. On July 29, 2019, the OEB issued reporting requirements to Hydro One to monitor the progress of Hydro One's EWT Station Project. On October 11, 2019, the OEB sent a letter to Hydro One outlining further reporting requirements. Specifically, the additional reporting requirements requested that Hydro One (a) provide a status update on co-ordination efforts with NextBridge, (b) enhance the level of detail provided in the summary of the Status Upgrades Project progress to date, and (c) make a modification to the Project Cost table. This report addresses all reporting requirements.

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1. Summary of Quarterly Activities

Hydro One continues to adapt to the new working environment with new health and safety protocols in place in-line with local by-laws. Adjustments have been made to each of the stations to provide for a safe and workable environment for all employees. Although some time was lost due to the COVID pandemic causing the project to shutdown, through efficiency gains and other methods of making up lost time, construction activities have been effectively managed to bring costs and schedule back in-line to be able to maintain the current budget and schedule. Hydro One can confirm that the Project is currently on time and on budget.

Hydro One has reached another major milestone of having all three PCT buildings fully constructed which is in-line with the original planned schedule. This is important as it allows for the installation of the protection and control equipment which then paves the way for being able to commission the internal equipment, external equipment and the power lines. The PCT buildings at Lakehead TS and Marathon TS have all their equipment installed with wires being pulled and terminated inside. Within a few months, the internal equipment will be powered up and commissioned. Equipment installation in the Wawa TS PCT building has recently begun. The protection and control racks for Wawa TS have already been assembled and tested prior to the building being ready so to minimize the time required for commissioning later on which was also a part of the planned schedule.

Station connection and readiness timelines are still on track according to our current schedule. Lakehead TS and Wawa TS are now ready and prepared to accept cables from transmission towers outside each station's fence line. We continue to work with NextBridge in reviewing and developing the Staging Plan so to coordinate our efforts outlining various lines and station activities in conjunction with planned outage requirements. The Staging Plan is continuously being discussed with NextBridge to ensure that Hydro One's station schedules are aligned with NextBridge's line schedules, allowing all three stations and lines to be able to go into service at the same time.

In late July, Hydro One had been informed of a request by NextBridge to extend their schedule by five months. We are in discussions with NextBridge as to the impact this delay would have on the overall Staging Plan including their deliverables of having the cables ready for the stations. To date, Hydro One has understood that NextBridge had been working towards the October 2021 in-service date until the IESO confirmed that there would be no increased reliability risk due to the project in-service date delay. The IESO confirmed that it does not expect an increased risk to reliability if the project's in-service date is delayed to March 31, 2022 and, therefore, has determined that an in-service date of March 31, 2022 does not present an unacceptable risk to reliability. Given that the IESO confirmation is relatively new, Hydro One has just started discussions as to how the delay will affect both Hydro One's schedule and costs. In the meantime, we continue to work towards having the stations ready and connecting the lines in a timely manner.

1. Summary of Quarterly Activities - continued

Overall costs for the Project are forecast to be on budget, Hydro One does, however, plan to continue to monitor and track any costs directly attributable to COVID-19 and will do so until project completion.

The overall risk profile of the Project is being maintained due to the current and potential affects that the COVID-19 pandemic may have on maintaining scheduled outages and potentially how it may affect the overall execution of the project. Again, appropriate mitigation measures have been established and implemented to enable the safe execution of work for workers and the public when on-site as well as after hours as it pertains to travel, lodging, etc. In totality, the risks of the Project are being continuously monitored and assessed to determine if the staging plan, budget and schedule will be affected and if the existing unutilized contingency will need to be modified. The schedule is also continuously monitored and some construction activities continue to be accelerated in an effort to mitigate risks even further. The Project schedule at this point remains unchanged and Hydro One remains on target for Project completion.

A. Lakehead TS - Construction Activities

i. Summary of Activities from last Reporting Period to Next Reporting Period

- **Work completed between Jun 01, 2020 – Aug 31, 2020**
    - **Civil Construction**
        - Excavation/grading/backfill/stoning
            - Formed, Poured and Backfilled Sections 16 & 17 (Total 34 Piers & Foundations)
        - Footings/Piers & Foundations
            - Formed and Poured revised Oil Water Separator tank
        - Cable trench & road crossings
            - Completed all Cast in Place Road Crossings (Total 7)
    - **Electrical Construction**
        - Grid grounding
            - Installed cable trench grounding in the north end of bays 9 & 10
        - Structures - install
            - Installed the switch and CVT structures for lines coming in from Marathon TS
        - Bus – rigid/strain
            - Installed the 2303 type strain drops from the bus to the disconnect switches for the lines coming in from Marathon TS
        - Switches – breaker/ground/line
            - Installed disconnect switches along with drive pipes, mechanical boxes, and grounding for lines coming in from Marathon TS
    - **Equipment**
        - CVT's – install/wire
            - Wired P/H CVT's
        - Station Service/ATS – install/wire
            - Wired AC panel in yard
    - **Buildings**
        - New PCT building
            - Completed second AC supply and Installed DC panel
            - 33 of 37 racks complete
        - Existing Control building –work performed
            - Installed DC station service

A. Lakehead TS - Construction Activities - continued

i. Summary of Activities from last Reporting Period to Next Reporting Period

- **Anticipated work to be completed between Sep 2020 - Nov 2020**
    - **Civil Construction**
        - Excavation/grading/backfill/stoning
            - Excavate for Section 18
        - Footings/Piers & Foundations
            - Complete Spill Pit and Reactor Foundation, lightening spike
        - Cable trench & road crossings
            - Complete Cable Trench in Section 6 of yard
    - **Electrical Construction**
        - Grid grounding
            - Completion of grid for Reactor and surrounding area
        - Structures
            - Installation of switch/bus support structures for reactor, lightning spike
        - Bus – rigid/strain
            - Installation of rigid bus for reactor
        - Switches – breaker/ground/line
            - Installation of reactor switch
    - **Equipment**
        - Breakers – install/wire
            - Wire the HL38, PL37, W1L37, and W1L38
        - CVT's – install/wire
            - Install M37L & M38L CVT's
            - Wire the M37L&M38L CVT's
        - Station Service/ATS – install/wire
            - Complete AC 10&11
    - **Buildings**
        - New PCT building
            - Complete wiring racks and battery charger
        - Existing Control building – work to be performed
            - Complete DC station service

ii. Life-to-Date Status of Major Items

Lakehead TS

Approvals	Rec'd	% Comp
ECA drainage	Yes	100

Civil / Electrical Installation	Project Total	Unit of Measure	Installed	% Comp
Civil / Electrical Installation - On Track				
Foundations	2	ea	**1**	**50.0%**
Footings - Piers	224	ea	**184**	**82.1%**
Cable Trench	1500	m	1110	74.0%
Grounding Grid	3330	m	900	27.0%
Structures	101	ea	50	49.5%
Rigid bus	390	m	65	16.7%
Strain bus	2210	m	706	31.9%

Equipment Installation	Project Total	Unit of Measure	Rec'd/ Built	Installed	Wired	Comm'd	% Comp
Equipment Installation - On Track							
Breakers	8	ea	**8**	4	0	0	**40.0%**
Reactors/Cap Banks	2	ea	1	0	0	0	5.0%
Switches - Line, Disc & Grnd	20	ea	**20**	**12**	0	0	**60.0%**
CVT (Current Voltage Transformer)	25	ea	25	**15**	0	0	**40.0%**
AC Station Service	4	ea	**4**	2	0	0	**45.0%**
DC Station Service	2	ea	**2**	2	0	0	**70.0%**
Protection racks (IED modules)	116	ea	**58**	37	33	0	**75.0%**
Control equipment	13	ea	**3**	2	0	0	**5.4%**
Telecom/Teleprotion racks (IED modules)	71	ea	**2**	0	17	0	**20.0%**

Definition of terms used:

Rec'd/Built - *represents either inventory delivered and sitting at site/warehouse or racks built for building*

Installed - *represents equipment being installed on a structure, foundation, floor or in a rack*

Wired - *represents having all wiring and terminations completed to the equipment*

Comm'd - *represents 'Commissioned' being able to function as designed, for it's intended purpose*

% Compl - *represents % complete weighting: 10% for rec;d, 20% for Installed, 30% for wired, 40% for commissioned*

Building Installation	Project Total	Unit of Measure	Found'n	Walls /Roof	Mech/ Elect	Comm'd	% Comp
Building Installation - On Track							
PCT (Protection/Control/Telecom) Building	1	%	100.0%	100.0%	100.0%	100.0%	100.0%

Definition of terms used:

Found'n - *represents the concrete foundation slab*

Walls/Roof - *represents the pre-cast walls and roof being erected*

Mech/Elect - *represents having all HVAC, fire alarm, lighting and distribution panels completed in building*

Comm'd - *represents 'Commissioned' being substantially complete as designed, for it's intended purpose*

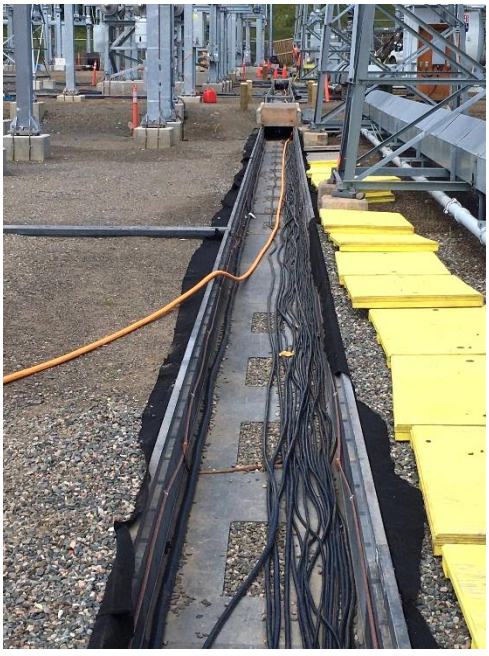
% Compl - *represents % complete weighting: 20% for foundations, 40% for Walls/Roof, 30% for Mech/Elect, 10% for commissioned*

iii. Progress Photos – Civil & Electrical

Lakehead – new footings for yard expansion

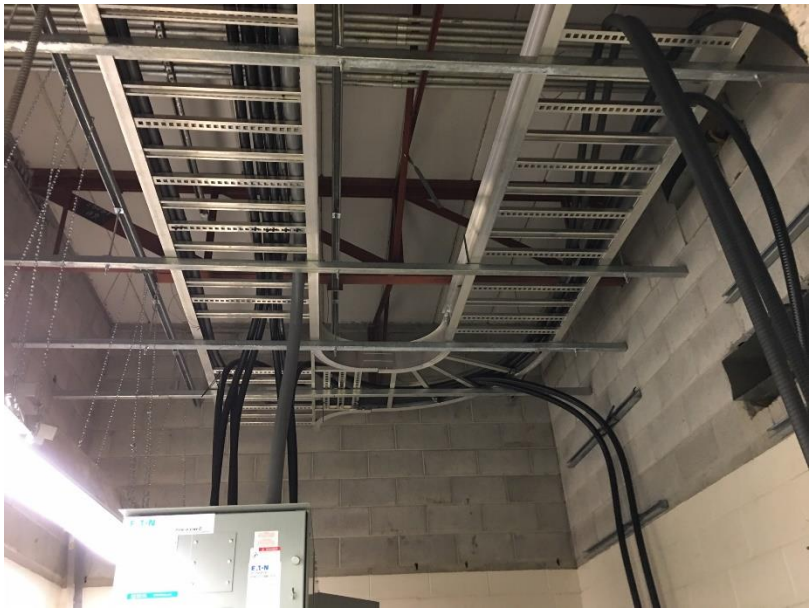
Lakehead – Various mechanical boxes being wired

Lakehead – Ground switches in Bay 9



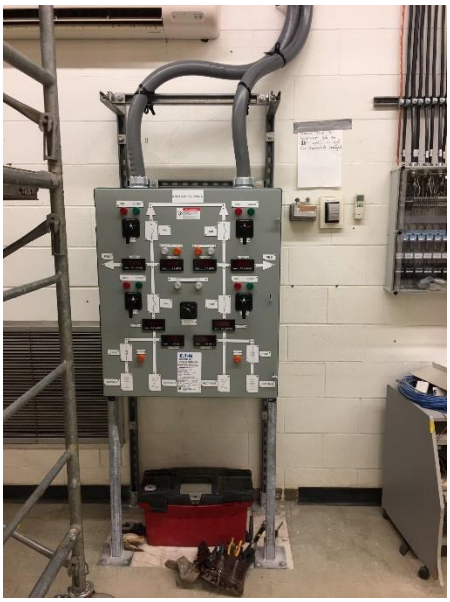
Lakehead – Field cable pulling throughout

iv. Progress Photos – Equipment & Building



Lakehead – New PCT building AC/DC power cable installation

Lakehead - New PCT building switchgear



Lakehead - New PCT building ATS panel wired

B. Marathon TS - Construction Activities

i. Summary of Activities from last Reporting Period to Next Reporting Period

- **Work Completed between Jun 01, 2020 – Aug 31, 2020**

  - **Civil Construction**
    - Excavation/grading/backfill/stoning
      - Various yard stoning in yard
    - Footings/Piers & Foundations
      - 47 piers
      - 3 CB's
      - 8 grade beams for 4 switches
      - Reactors 3 & 4
    - Cable trench & road crossings
      - Various cable trench installed in areas A,B,C,D,E
  - **Electrical Construction**
    - Grid grounding
      - Just over 60% complete
    - Structures - install
      - All structures for phase 1 installed
    - Bus – rigid/strain
      - All rigid bus for phase 1 installed
    - Switches – breaker/ground/line
      - 15 breaker/line/ground switches installed
  - **Equipment**
    - Breakers – install/wire
      - CB8, CB9, CB13 & CB14 installed
    - CVT's – install/wire
      - Installed M37L CVT's in preparation for incoming line
    - Station Service/ATS – install/wire
      - AC feeds to outdoor load center have been pulled
  - **Buildings**
    - New PCT building
      - A & B - DC switchgear installed
      - Approximately 45% of cables pulled and terminated inside building

B. Marathon TS - Construction Activities - continued

i. Summary of Activities from last Reporting Period to Next Reporting Period

- **Anticipated work to be completed between Sep 2020 - Nov 2020**

  - **Civil Construction**
    - Excavation/grading/backfill/stoning
      - Supporting Areas 23, 24, 26, 29, 30, 31, 34
    - Footings/Piers & Foundations
      - Complete Areas 23, 24, 26, 29, 30, 31, 34
    - Cable trench & road crossings
      - Area F completed
  - **Electrical Construction**
    - Grid grounding
      - Continue grounding in Bays 5-8 on east side of yard
    - Structures - install
      - Continue with the installation of remaining lattice steel structures
    - Bus – rigid/strain
      - Install L35, L36 strain bus
      - Install Jitney bus bays V-VI
      - Install Jitney bus bays VII-VIII
  - **Equipment**
    - Transformers/Reactors/Cap Banks– install/wire
      - Install 2 reactors
    - Breakers – install/wire
      - Wire breakers CB9, CB10, CB13, CB14 & CB17
    - CVT's – install/wire
      - Wire 12 CVT's
    - Station Service/ATS – install/wire
      - Complete the installation for outdoor load centers, transformers & disconnects
  - **Buildings**
    - New PCT building
      - Complete all internal cable pulling and terminating
    - Existing Control building –work performed
      - Install telecommunication JMUX racks

ii. Life-to-Date Status of Major Items

Marathon TS

Approvals	Rec'd	% Comp
EA approvals	Yes	100.0%
ECA drainage	Yes	100.0%

Civil / Electrical Installation	Project Total	Unit of Measure	Installed	% Comp
Civil / Electrical Installation - On Track				
Foundations	3	ea	**2**	**66.7%**
Footings - Piers	376	ea	**295**	**78.5%**
Cable Trench	1663	m	**1243**	**74.7%**
Grounding Grid	4220	m	**2812**	**66.6%**
Structures	97	ea	**60**	**61.9%**
Rigid bus	1247	m	**328**	**26.3%**
Strain bus	3090	m	**1750**	**56.6%**

Equipment Installation	Project Total	Unit of Measure	Rec'd/ Built	Installed	Wired	Comm'd	% Comp
Equipment Installation - On Track							
Breakers	12	ea	**12**	**6**	0	0	**20.0%**
Reactors	2	ea	0	0	0	0	0.0%
Switches - Line, Disc & Grnd	36	ea	36	**17**	0	0	**19.4%**
CVT (Current Voltage Transformer)	24	ea	24	**12**	0	0	**20.0%**
AC Station Service	2	ea	**2**	0	0	0	**10.0%**
DC Station Service	2	ea	**2**	**2**	**2**	0	**60.0%**
Protection racks (IED's)	132	ea	132	132	**75**	0	**47.0%**
Control equipment	15	ea	**15**	**10**	0	0	**23.3%**
Telecom/Teleprotion racks (IED's)	83	ea	**83**	**40**	0	0	**19.6%**

Definition of terms used:

Rec'd/Built - *represents either inventory delivered and sitting at site/warehouse or racks built for building*

Installed - *represents equipment being installed on a structure, foundation, floor or in a rack*

Wired - *represents having all wiring and terminations completed to the equipment*

Comm'd - *represents 'Commissioned' being able to function as designed, for it's intended purpose*

% Compl - *represents % complete weighting: 10% for rec;d, 20% for Installed, 30% for wired, 40% for commissioned*

Building Installation	Project Total	Unit of Measure	Found'n	Walls /Roof	Mech/ Elect	Comm'd	% Comp
Building Installation - On Track							
PCT (Protection/Control/Telecom) Building	1	%	100.0%	100.0%	100.0%	100.0%	100.0%

Definition of terms used:

Found'n - *represents the concrete foundation slab*

Walls/Roof - *represents the pre-cast walls and roof being erected*

Mech/Elect - *represents having all HVAC, fire alarm, lighting and distribution panels completed in building*

Comm'd - *represents 'Commissioned' being substantially complete as designed, for it's intended purpose*

% Compl - *represents % complete weighting: 20% for foundations, 40% for Walls/Roof, 30% for Mech/Elect, 10% for commissioned*

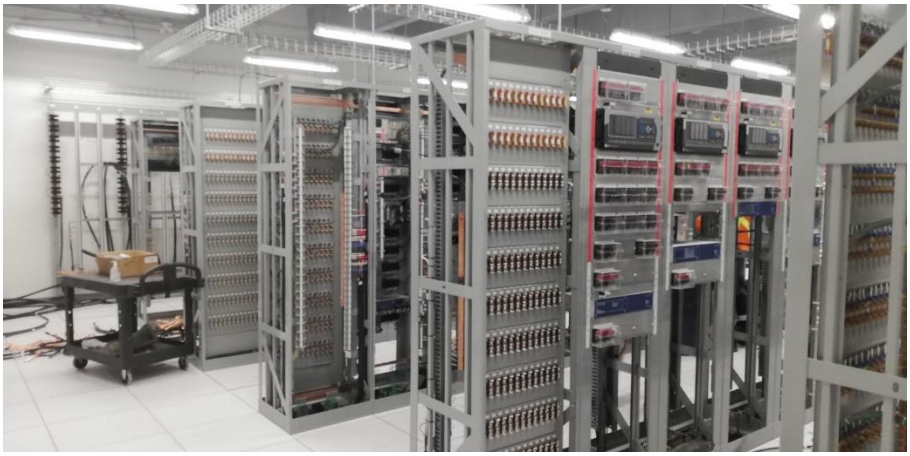
iii. Progress Photos – Civil & Electrical

Marathon – Reactor spill pits for R3 & R4

Marathon – Footings for phase 2

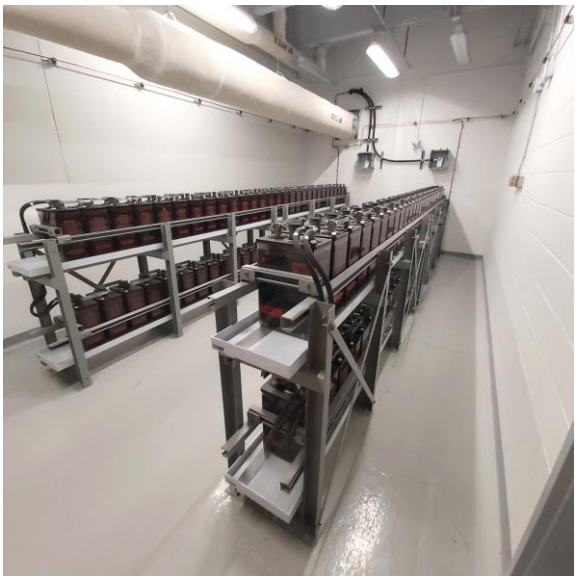
Marathon – Yard expansion overview

iv. Progress Photos – Equipment & Building



Marathon – 'B' room terminal racks installed in PCT building

Marathon – Cable pulling from PCT building to external equipment



Marathon – 'A' battery racks in PCT

C. Wawa TS - Construction Activities

i. Summary of Activities from last Reporting Period to Next Reporting Period

- **Work Completed between Jun 01, 2020 – Aug 31, 2020**
    - **Civil Construction**
        - Excavation/grading/backfill/stoning
            - Backfill 75% of cable tray
        - Footings/Piers & Foundations
            - Installed multiple transformer and station service pads
        - Cable trench & road crossings
            - Completed 6 of 10 road crossings
    - **Electrical Construction**
        - Grid grounding
            - Installed 100m
        - Bus – rigid/strain
            - Installed A Bus from bay 3 to bay 4
        - Switches – breaker/ground/line
            - Installed 8 switches in Bay 4 - grounded and set
    - **Equipment**
        - CVT's – install/wire
            - 5 sets are grounded with junction box installed
        - Station Service/ATS – install/wire
            - ATS installed
    - **Buildings**
        - New PCT building
            - All remaining racks (9) wired

C. Wawa TS - Construction Activities - continued

i. Summary of Activities from last Reporting Period to Next Reporting Period

- **Anticipated work to be completed between Sep 2020 - Nov 2020**
    - **Civil Construction**
        - Excavation/grading/backfill/stoning
            - Excavate & install drainage pipe running E/W in front of New PCT building
        - Footings/Piers & Foundations
            - Install transformer station service vaults and pads
        - Cable trench & road crossings
            - Pour remaining 4 Road Crossings And complete remaining 135m of cable tray
            - Begin installation of perimeter fence
    - **Electrical Construction**
        - Grid Grounding
            - Complete grid grounding
        - Structures - install
            - Installed remaining structures in Bay 1
        - Bus – rigid/strain
            - Install A bus in Bay 1&2
            - Install drops from high bus to lower bus in Bay 4
        - Switches – breaker/ground/line
            - Install 2 switches in Bay 1
    - **Equipment**
        - Transformers/Reactors/Cap Banks – install/wire
            - Install ATS in Bay 1
        - Breakers – install/wire
            - Install 1 breaker in Bay 1
        - Station Service/ATS – install/wire
            - Install 2 more station service transformers
    - **Buildings**
        - New PCT building
            - Install all racks in new control building, install batteries and dc switch gear, install terminal racks and dc monitor cabinets. Start pulling cables inside and outside

ii. Life-to-Date Status of Major Items

Wawa TS

Approvals	Rec'd	% Comp
EA approvals	Yes	100.0%

Civil / Electrical Installation	Project Total	Unit of Measure	Installed	% Comp
Civil / Electrical Installation - On Track				
Foundations	n/a	n/a	n/a	n/a
Footings - Piers	163	ea	163	100.0%
Cable Trench	962	m	**810**	**84.2%**
Grounding Grid	2320	m	**1000**	**40.0%**
Structures	88	ea	80	90.9%
Rigid bus	384	m	300	78.1%
Strain bus	1310	m	**1190**	**84.0%**
Lines intermediate structures	3	ea	0	0.0%

Equipment Installation	Project Total	Unit of Measure	Rec'd/ Built	Installed	Wired	Comm'd	% Comp
Equipment Installation - On Track							
Breakers	6	ea	6	5	0	0	26.7%
Reactors/Cap Banks	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Switches - Line, Disc & Grnd	19	ea	19	15	0	0	25.8%
CVT (Current Voltage Transformer)	15	ea	15	12	0	0	26.0%
AC Station Service	2	ea	2	0	0	0	10.0%
DC Station Service	2	ea	0	0	0	0	0.0%
Protection racks	64	ea	**64**	0	0	0	**10.0%**
Control equipment	15	ea	**6**	0	0	0	**4.0%**
Telecom/Teleprotion racks	64	ea	57	0	0	0	8.9%

Definition of terms used:

Rec'd/Built - *represents either inventory delivered and sitting at site/warehouse or racks built for bulidng*

Installed - *represents equipment being installed on a structure, foundation, floor or in a rack*

Wired - *represents having all wiring and terminations completed to the equipment*

Comm'd - *represents 'Commissioned' being able to function as designed, for it's intended purpose*

% Compl - *represents % complete weighting: 10% for rec;d, 20% for Installed, 30% for wired, 40% for commissioned*

Building Installation	Project Total	Unit of Measure	Found'n	Walls /Roof	Mech/ Elect	Comm'd	% Comp
Building Installation - On Track							
PCT (Protection/Control/Telecom) Building	1	%	100.0%	100.0%	**100.0%**	**100.0%**	**100.0%**

Definition of terms used:

Found'n - *represents the concrete foundation slab*

Walls/Roof - *represents the pre-cast walls and roof being erected*

Mech/Elect - *represents having all HVAC, fire alarm, lighting and distribution panels completed in building*

Comm'd - *represents 'Commissioned' being substantially complete as designed, for it's intended purpose*

% Compl - *represents % complete weighting: 20% for foundations, 40% for Walls/Roof, 30% for Mech/Elect, 10% for commissioned*

iii. Progress Photos – Civil & Electrical

Wawa – Bay 3 diameter work

Wawa – Bay 4 diameter work

Wawa – Bay 4 terminal ready for W35M & W36M circuits

iv. Progress Photos – Equipment & Building

Wawa – Bay 4 tower & PCT building

Wawa – Inside PCT building

Wawa – completed new 230kV PCT building

2. Co-ordination efforts with Upper Canada Transmission Inc., operating as NextBridge Infrastructure, LP (NextBridge)

A. Station Connection:

i. Hydro One and NextBridge project teams continue to hold monthly meetings (conference calls) to discuss the project status, schedules and milestones, as well as engineering, construction and outage issues related to connection of the NextBridge lines to Hydro One stations.

ii. Hydro One and NextBridge continue to develop a Construction Cost Recovery Agreement which describes the tasks and milestones/schedules for completing the connection of the NextBridge lines to Hydro One stations. A rough draft has been reviewed by both parties and is close to being finalized.

B. Occupancy of Hydro One Property

i. The Easement for the EWT line on Bill 58 lands are in the final process of being closed and registered with only the Hydro One's Wawa TS station reference plan remaining.

C. Staging Plan

i. The Staging Plan, which outlines various lines/station activities along with planned outage requirements, is continuously being updated through coordination efforts with NextBridge. Hydro One has been informed by NB of their application to extend the overall schedule due to their recent COVID-19 related temporary work suspension. This being the case, new dates will be have to be established and the current staging plan will be modified to reflect the new ISD. The latest Staging plan allows for the in-servicing of all three stations and lines, at the same time.

3. Project Schedule Update:

Station Related Work Lakehead TS	Baseline Forecast	Current Forecast	Status
Drainage Environmental Compliance Approval (ECA) received	*1-Apr-19*	*1-Apr-19*	Complete
Station Readiness (infrastructure) and connection from towers into station	*19-Apr-21*	*15-Jul-20*	Complete
Station ready for In-Service	*29-May-21*	*29-May-21*	On Track

Station Related Work Marathon TS	Baseline Forecast	Current Forecast	Status
Re-submission of ECA permit application	*1-Nov-18*	*1-Nov-18*	Complete
NextBridge EWT IEA approval obtained	*1-Mar-19*	*1-Mar-19*	Complete
Drainage ECA received	*1-Oct-19*	*1-Oct-19*	Complete
HONI EA approval	*15-Oct-19*	*15-Oct-19*	Complete
Tree cutting commencement	*15-Oct-19*	*15-Oct-19*	Complete
Station Readiness (infrastructure) and connection from towers into station	*19-Apr-21*	*19-Apr-21*	Complete-advanced
Station ready for In-Service	*14-Jun-21*	*14-Jun-21*	On Track

Station Related Work Wawa TS	Baseline Forecast	Current Forecast	Status
Direction from MECP to Hydro One regarding Screening Level EA and Part II Order Request	*8-Nov-18*	*8-Nov-18*	Complete
NextBridge EWT IEA approval obtained	*1-Mar-19*	*1-Mar-19*	Complete
HONI EA approval	*30-Sep-19*	*30-Sep-19*	Complete
Tree cutting commencement (no permits required)	*1-Oct-19*	*1-Oct-19*	Complete
Station readiness (infrastructure)	*7-Dec-20*	*7-Dec-20*	Complete-advanced
Connection from towers into station	*19-Apr-21*	*19-Apr-21*	Complete-advanced
Station ready for In-Service	*28-Oct-21*	*28-Oct-21*	On Track

Nextbridge Related Interface Work	Baseline Forecast	Current Forecast	Status
Connection structures ready outside Lakehead TS (1)	*30-Mar-20*	*30-Mar-20*	Not Complete
Connection structures ready outside Marathon TS (2)	*19-Apr-21*	*19-Apr-21*	May be delayed
Connection structures ready outside Wawa TS (2)	*31-Aug-21*	*31-Aug-21*	May be delayed
Conductor/OPGW/OHGW complete to structure outside Lakehead TS (1)	*15-Jul-20*	*15-Jul-20*	Not Complete
Conductor/OPGW/OHGW complete to structure outside Marathon TS (2)	*15-Jun-21*	*15-Jun-21*	May be delayed
Conductor/OPGW/OHGW complete to structure outside Wawa TS (2)	*31-Oct-21*	*17-Oct-21*	May be delayed
Lines/Grounding Spec deliverables for Lakehead TS	*19-Oct-20*	*19-Oct-20*	On Track
Lines/Grounding Spec deliverables for Marathon TS	*19-Oct-20*	*19-Oct-20*	On Track
Lines/Grounding Spec deliverables for Wawa TS	*19-Feb-21*	*19-Feb-21*	On Track

Note (1): Delay in schedule due to COVID-19 related temporary work suspension
Note (2): Project Schedule changes are pending as per request by NextBridge to extend schedule due to COVID-19 related delays

Note: The previous report had indicated a 'Complete' status in regards to the 'Connection structures ready outside Lakehead TS' when in fact it should have been a 'Not Complete' status which has been corrected in this report.

4. Project Cost Update:

Hydro One-Stations Upgrades Project Reporting Costs Table										
COST CATEGORIES FOR HYDRO ONE'S STATION UPGRADES PROJECT REPORTING		ACTUALS SPENT		ORIGINAL BUDGET	FORECAST BUDGET VARIANCE					
		A SPENT THIS REPORTING PERIOD $	**B** TOTAL SPENT TO DATE $	**C** BUDGET PER LTC APPLICATION $ 000S	**D** FORECAST BUDGET CHANGE FROM LAST REPORT $	**E** FORECAST BUDGET CHANGE FROM LAST REPORT %	**F** REVISED TOTAL BUDGET	**G=F-B** BUDGET REMAINING $	**H=G/F*100** BUDGET REMAINING %	REASONS FOR CHANGE
1	**Materials**	9,871,929	57,784,316	51,337,000	0	0.00%	48,006,000	-9,778,316	-20.37%	no change
2	**Labour**	4,241,764	30,738,678	56,895,000	0	0.00%	56,150,000	25,411,322	45.26%	no change
3	**Equipment Rental and Contractor Costs**	1,525,759	10,275,595	8,920,000	0	0.00%	12,534,000	2,258,405	18.02%	no change
4	**Sundry**	195,995	2,051,108	1,305,000	0	0.00%	1,767,000	-284,108	-16.08%	no change
5	**Contingencies**	0	0	19,227,000	0	0.00%	19,227,000	19,227,000	100.00%	no change
6	**Overhead**	1,581,047	11,006,358	13,367,000	0	0.00%	13,367,000	2,360,642	17.66%	no change
7	**Allowance for Funds During Construction**	1,039,551	4,485,473	6,264,000	0	0.00%	6,264,000	1,778,527	28.39%	no change
8	**Other Costs**									
TOTAL CONSTRUCTION COSTS		**18,456,046**	**116,341,529**	**157,315,000**	**0**	**0%**	**157,315,000**	**40,973,471**	**26.05%**	

Please note, for clarification, this table captures all costs incurred up until August 31, 2020

The overall budget for the project remains healthy and sufficient to complete the Project. At a sub-level, the individual categories of Materials and Sundry are overrun due to additional support being required for regulatory approvals to complete the Environmental Assessment and construction modifications to the PCT buildings.

5. Risk Management Update:

Risk Description	Likelihood of Risk Occurring (High, Medium, Low)	Description of Impact of the Risk on the Project	Impact of the Risk on the Project	Mitigation of Risk and/or Impact
Delays in obtaining required EA approvals for Wawa TS	**No risk - complete**	Project delays/ cost overrun	High	Complete – approval granted
Delays in construction of 230kV Control building due to EA approval delay	**No risk - complete**	Project delays/ cost overrun	High	Complete – approval granted
Delays in obtaining required EA approvals for Marathon TS	**No risk - complete**	No impact	No impact	Complete – approval granted
Delays in obtaining funding for engineering and long-lead material	**No risk - complete**	No impact	No impact	Complete – funding received
Outage availability considerations due to COVID-19 pandemic disruption	**Meduim**	Project delays/ cost overrun	High	Coordinate and bundle outage requirements. Delays could cause activities to slide affecting both schedule and possibly cost.
Material delivery delay considerations	**Low**	Delay in procurement/delivery	Low	Monitor material status reports and contact vendor on a periodic basis. Delays could cause activities to slide affecting both schedule and possibly cost.
Soil conditions do not match samples in soil report	**No risk - complete**	No impact	No impact	Complete - risks have been mitigated using alternative construction measures.
NextBridge dead-end structure not designed to Hydro One standards	**Low**	Project delays/ cost overrun	Medium	Communication with NextBridge and monitoring of design. By not meeting HONI standards could cause re-design and delays to project schedule.
Commissioning resource availability due to compressed schedule	**Low**	Project delays/ cost overrun	Medium	Commissioning looking at efficiency gains for pre-commissioning racks. Assessing whether construction/commissioning activities can occur in tandem in an efficient manner
Cost & Schedule impacts due to COVID-19 pandemic disruption.	**Meduim**	Project delays/ cost overrun	High	Looking for efficiency gains in work methods. Monitor affect of working with new social distancing measures and make adjustments as required.
NextBridge not being able to meet Hydro One's deliverable commitments and/or the in-service date	**Meduim**	Project delays/ cost overrun	High	Communication with NextBridge and tracking the Staging Plan. By not meeting HONI standards could cause re-design and delays to project schedule.