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BY EMAIL

CONFIDENTIAL — PRIVILEGED

April 9, 2019

Pegasus Global Holdings, Inc.
1750 Emerick Road
Cle Elum, WA 98922

Attention: Dr. Patricia D. Galloway
Chairman
William Riggins
President and CEO

Re: Retainer Letter Agreement – Ontario Power Generation

Dear Sirs/Mesdames,

We represent Ontario Power Generation ("OPG") in connection with its pending payment amounts application (the "Application") to the Ontario Energy Board (the "Board").

We confirm that, on behalf of and to assist us in providing legal advice to OPG in connection with the Application, Torys LLP ("Torys") has engaged Pegasus Global Holdings, Inc. (the "Consultant" or "you") effective as of the date first written above ("Effective Date") to assist us in advising OPG in connection with the Application. By signing back a copy of this letter, the Consultant agrees that this letter contains the agreed-upon terms and conditions of its retainer with Torys effective on the Effective Date, subject to amendment by written agreement between the parties (the "Retainer Agreement").

1. **No Conflict**

The Consultant does not have any conflict of interest or other constraints on its ability to provide expert advice in connection with this Retainer Agreement. You confirm that you are free to provide your services to Torys in connection with Torys' representation of OPG in the Application. You agree that during this engagement you will not provide, directly or indirectly, any services to the Board or any other party in connection with the matters at issue in the Application.

2. **Consultant Expertise**

The Consultant has been selected to provide Services (as defined below) to Torys in connection with the Application. The sponsors of the work of the Consultant and the persons who have the relevant expertise will be:

- Dr. Patricia Galloway-Project Director

- William Riggins-Project Manager
- Jeremy Clark
- Jacob Odiaga
- Luanne Osiadacz

(together, the "Sponsors").

3. **Scope of Services and Work Product**

The Consultant will:

(a) complete an independent and objective assessment of OPG's project management approach and preparedness with respect to the planned refurbishment of Units 3, 1 and 4 of the Darlington Nuclear Generation Station, including: (i) whether the planning for Units 3, 1 and 4 has appropriately considered unit-over-unit scope differences and incorporated lessons learned from the execution of Unit 2 refurbishment to demonstrate unit-over-unit improvement, and (ii) whether the Consultant's prior assessment with respect to OPG's plan and approach to the execution of Unit 2 refurbishment continues to be applicable for Units 3, 1 and 4 (the "Assessment"), all subject to the understanding that the planning of the Unit 3 refurbishment is more advanced relative to that of Units 1 and 4 and that the Assessment with respect to Units 1 and 4 will be undertaken subject to the availability of information;

(b) if requested by Torys, produce a draft and/or final report detailing the Assessment's methodology, review performed and the Consultant's findings and recommendations (the "Report"), which may be filed with the Board in the Application; and

(c) if requested by Torys, provide support during the hearing of the Application and testify before the Board in the Application, in connection with the scope of the services provided hereunder ("Application Support" and, together with the Assessment and the Report, the "Services").

4. **Fees and Invoices**

(a) The Consultant's fee for its Services (including the Report and Application Support, if requested by Torys) shall be charged at the following hourly rates:

- Patricia Galloway [redacted]
- William Riggins
- Jeremy Clark [redacted]
- Jacob Odiaga [redacted]
- Luanne Osiadacz

(b) The Consultant shall direct all invoices relating to Services performed by it under this Retainer Agreement to OPG, to the attention of:

Mel Hogg
Assistant General Counsel, Law Division
Ontario Power Generation
700 University Avenue
Toronto, ON M5G 1X6
mel.hogg@opg.com

with a copy to Torys, to the attention of:

Charles Keizer
Torys LLP
79 Wellington St. W., 30th Floor
Box 270, TD South Tower
Toronto, Ontario M5K 1N2
ckeizer@torys.com

Due to the confidential nature of this assignment, the Consultant agrees to submit:

(i) a summary sheet only of each account, showing the fee, expenses, all applicable taxes, a subtotal (excluding taxes), and the grand total;

(ii) a detailed account which will include at least the following information:

(A) identification of the billing period to which the account relates;

(B) an itemized summary of the work that has been undertaken, including a brief description of each service, the date on which each service was rendered, the time spent on each service, the individual who performed the service and the billing rate of such individual; and

(C) an itemization and brief description of all expenses incurred during the billing period, with copies of supporting invoices for any expenses in excess of $100, unless Torys indicates that such invoices are not required.

(c) Torys will reimburse the Consultant for reasonable travel expenses (billed at cost with no mark-up) related to this Retainer Agreement only in accordance with OPG's Standard Form Business Expense Schedule, a copy of which is attached as **Schedule 1** hereto. Any disbursements for additional incidentals incurred by the Consultant in relation to this Retainer Agreement must be pre-approved by OPG or Torys in writing. In the event of conflict between any provisions of **Schedule 1** and any policies or fee schedules of the Consultant relating to the charging of travel expenses or other incidentals, the relevant provisions of **Schedule 1** shall prevail.

(d) OPG reserves the right to deduct any applicable non-resident withholding taxes from any amounts owing to the Consultant under this Retainer Agreement and remit such amounts to the applicable taxation authority.

5. Confidentiality

All work performed by the Consultant in connection with this Retainer Agreement, including all findings, opinions and conclusions the Consultant reaches in relation to this Retainer Agreement, and any communications relating thereto, are strictly privileged and confidential and shall not be disclosed to any other person or party without the prior written consent of Torys or OPG. The Consultant agrees to designate all written communications and material accordingly. The Consultant further agrees to notify Torys in the event that the Consultant receives a request to disclose information relating to this matter, and agrees to cooperate with Torys, to the fullest extent permitted by law, to prevent or limit the disclosure of such material or otherwise preserve the privileged and confidential status of such material.

The Consultant agrees to hold in confidence: (a) the fact and existence of this Retainer Agreement, (b) all information provided to the Consultant, and (c) the Consultant's opinions to Torys and to OPG as they relate to the information, whether the information or opinions are documentary or oral (collectively, the "Confidential Information"). The Consultant will not disclose the Confidential Information to any person unless Torys or OPG authorizes you in writing to do so, or as may be required for purposes of providing testimony before the Board in which case the Consultant shall identify and only disclose Confidential Information in accordance with the Board's protocols for the treatment of confidential information. All documents given to the Consultant in connection with this Retainer Agreement remain the property of Torys or of OPG, and are held in trust by the Consultant as agent. The Consultant agrees to return these documents on request. During the engagement, the Confidential Information shall be segregated from other Consultant or OPG data (including on electronic information systems) and shall not be accessible to individuals other than the Consultant, Torys, and OPG employees requiring access).

The Consultant will not refer to Torys or to OPG, directly or indirectly, in connection with the promotion of its services, without obtaining the prior written consent of Torys or OPG, as the case may be.

6. Intellectual Property

Nothing in this Retainer Agreement shall be deemed to transfer, license, assign, permit the use of, or otherwise convey an interest in whole or in part to the Consultant of any intellectual property belonging to OPG or any of its representatives or any third party whose intellectual property is in OPG's custody or control, and the use by the Consultant of any such intellectual property shall be subject to the prior written approval of OPG.

Torys and OPG shall at all times have full rights and title to all works prepared, generated or created by the Consultant pursuant to this Retainer Agreement, including without limitation any reports, presentations, status updates, or other documents created by the Consultant, and any related works, modifications or additions thereto (the "Work Product"), and may at all times take possession of or use any completed or partially completed Work Product, notwithstanding any provision, express or implied, to the contrary. Without limiting the generality of the foregoing, OPG shall own all intellectual property rights in all Work Product, and the Consultant hereby waives and assigns to OPG any such rights, and agrees to give OPG and its representatives all assistance as may be reasonably required to perfect such rights including, without limitation, obtaining waiver of moral rights from any of the Consultant's employees, partners or other representatives.

Anything contained in this agreement to the contrary notwithstanding, nothing in this Retainer Agreement shall prevent Consultant from utilizing any general know-how, ideas, techniques, concepts, methods, processes, or other knowledge applied in performing the Services, on behalf of itself or its future customers. Subject to Section 1 above, Consultant may (i) perform the same or similar services for others, and (ii) retain one copy of deliverables produced in connection with the Services hereunder for the sole purpose of documenting the conduct of its work and its exercise of due professional care in connection with the Services, provided that any of OPG's confidential information is treated in accordance with the confidentiality requirements of this Retainer Agreement.

7. Controlled Nuclear Information

The Consultant has been made aware of certain Canadian federal requirements relating to the import and export of controlled nuclear information, and recognizes that it is an offence for any person to export controlled nuclear information from Canada without an export permit issued for the purpose by the Canadian Nuclear Safety Commission. The Consultant agrees not to remove or cause to be removed from Canada any controlled nuclear information during the performance of the Services, and will promptly raise the issue with OPG where the Consultant is in doubt as to whether information to be removed from Canada as part of the Services may be – or contain – controlled nuclear information.

8. Termination

Torys may terminate this Retainer Agreement at any time on written notice to the Consultant. Torys will pay, or will cause OPG to pay, for work performed up to the date of the notice of termination. Upon the termination or expiration of this Retainer Agreement, the Consultant shall return to Torys and delete any and all electronic copies the Consultant may have of all documents and materials in its possession relating to the Services or this Retainer Agreement, including all Confidential Information (defined above) and Work Product, whether completed or not.

9. Liability and Indemnification

The Consultant shall be liable for and shall indemnify and hold harmless OPG and Torys from all claims, demands, actions, penalties, damages, losses, judgments and settlements, liabilities, costs, expenses, including legal fees and other related costs and expenses arising out of, related to, or incident to, the Consultant or any of its representatives' performance of the Services under this Retainer Agreement, including, without limitation:

a) any breach, violation or non-performance by the Consultant or any of its representatives of any terms, conditions, warranties, obligations or covenants contained in this Retainer Agreement;

b) any breach or violation by the Consultant or any of its representatives of any applicable laws; and

c) any actions, omissions, negligence or wilful misconduct of the Consultant or any of its representatives.

10. Intellectual Property Protection

The Consultant expressly warrants that the manufacture, delivery, sale or use of the Consultant's Services will not infringe any Canadian or foreign patents, trademarks, copyrights, industrial design or other intellectual property rights and the Consultant shall indemnify and save OPG harmless from all claims, judgments and decrees that may be entered against OPG or its representatives and against all damage, liability, costs and expenses (including legal fees and other attendant costs and expenses) OPG incurs by reason of any infringement or claim thereof.

11. Limitation of Liability

Except for breach of confidentiality obligations, gross negligence, wilful misconduct, fraud, breach of applicable laws, breach of privacy laws, and the Consultant's obligation to indemnify under section 10 (Intellectual Property Protection), the Consultant's total liability for any claim arising out of the performance of the Services, regardless of the form of claim, will in no event exceed total fees paid to Consultant hereunder and under no circumstances will either party be liable for any damages in respect of any incidental, punitive, special, indirect or consequential loss, even if that party had been advised of the possibility of such damages including, but not limited to, loss of profits, loss of revenues, failure to realize expected savings, loss of data, loss of business opportunity, or similar losses of any kind.

12. Insurance

(a) Unless otherwise specified in this Retainer Agreement, the Consultant shall, during the term of this Retainer Agreement, and at its own expense, maintain and keep in full force and effect:

i. commercial general liability insurance on an occurrence basis having a minimum inclusive coverage limit, including personal injury and property damage, of not less than one million dollars ($1,000,000.00) per occurrence, which shall be extended to cover contractual liability, products and completed operations liability, owners/contractors protective liability and must also contain a cross liability clause and a severability of interest clause, and must name OPG and its affiliates as additional insureds; and

ii. errors and omissions insurance (professional liability) in the amount of not less than two million dollars ($2,000,000.00).

(b) All insurance coverages and limits required to be maintained by the Consultant shall be primary to any insurance maintained by OPG, which shall be excess and non-contributory. Prior to the commencement of the delivery of the Services, the Consultant shall deliver to OPG a certificate of insurance which evidences the Consultant's compliance with this Section, including the provision of a thirty (30) day prior written notice of cancellation, non-renewal or adverse material change, to OPG. The Consultant agrees that the insurance described herein does in no way limit the Consultant's liability pursuant to the indemnity provisions of this Retainer Agreement.

13. Independence

By entering into this Retainer Agreement, the Consultant acknowledges and agrees that the Sponsors have received a copy of Rule 13A of the Board's *Rules of Practice and Procedure* concerning expert evidence, and agree to accept the responsibilities that are or may be imposed

on them by that rule with respect to testimony before the Board. A copy of the rule and the relevant form are attached as **Schedules 2 and 3** hereto.

14. **Entire Agreement**

This Retainer Agreement, together with all Schedules attached hereto and any agreements and other documents to be delivered pursuant to this Retainer Agreement, constitute the complete agreement between Torys and the Consultant or their respective agents with respect to the subject matter hereof and supersedes any and all prior agreements and understandings. This Retainer Agreement may be amended only in a writing that refers to this Retainer Agreement and is signed by both parties.

15. **Governing Law**

This Retainer Agreement shall be construed and otherwise governed pursuant to the laws of the Province of Ontario and the federal laws of Canada applicable therein.

Sincerely,

TORYS LLP

Charles Keizer
Partner

Agreed and Accepted by:

Pegasus Global Holdings, Inc.

By: _____
Name: William Riggins
Title: President and CEO

SCHEDULE 1

OPG's Standard Form Business Expense Schedule

(see attached)

Schedule C -
Business Expenses.p

STANDARD FORM BUSINESS EXPENSE SCHEDULE FOR CONTRACTORS

Effective June 17, 2009

ONTARIO POWER GENERATION INC.

Updated December 10, 2014

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BUSINESS EXPENSE SCHEDULE

RECITALS

A. Ontario Power Generation Inc., (**"OPG"**) entered into an Agreement (the **"Agreement"**) with the other party to the Agreement (the **"Contractor"**). This schedule (this **"Schedule"**) forms part of the Agreement. Under the Agreement, OPG agreed to reimburse the Contractor for certain business expenses incurred by employees of the Contractor (**"Eligible Employees"**) in performing work for OPG under the Agreement.

B. This Schedule sets out the terms on which OPG will reimburse the Contractor for business expenses incurred by Eligible Employees in performing work for OPG.

SECTION 1 – INTERPRETATION

1.1 Three Types of Reimbursement

OPG will reimburse the Contractor for expenses that are eligible for reimbursement in accordance with the Schedule. OPG will make the reimbursements in 1 of 3 ways respecting each Eligible Employee in respect of whom reimbursements are payable. The 3 ways of reimbursements are:

(a) reimbursement of individually incurred Allowable Expenses as set out in section 2 through section 5;

(b) payment on a flat rate daily basis as set out in section 6; or

(c) payment on a flat rate monthly basis as set out in section 7.

Except as expressly set out in section 6 or section 7, if OPG pays the Contractor the daily or monthly rate in respect of an Eligible Employee, OPG will reimburse the Contractor no Allowable Expenses in respect of that Eligible Employee.

1.2 Definitions

In this Schedule, the following terms have the respective meanings set out below.

(a) **Agreement** is defined in Recital A.

(b) **Allowable Expenses** is defined in Section 2.1.

(c) **Business Day** means any day other than a Saturday, Sunday, New Year's Day, Family Day, Good Friday, Easter Monday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Remembrance Day, Thanksgiving Day, Christmas Day and Boxing Day.

(d) **Contractor** is defined in Recital A.

(e) **Eligible Employees** is defined in Recital A.

(f) **Home Base** means the permanent place of residence (home) of Eligible Employee.

(g) **Reporting Location** means the normal work location or base office for Eligible Employee. For all work at Darlington Nuclear (DN) and Pickering Nuclear (PN) sites, this is further defined as an area consisting of a 100km radius around the midpoint between DN and PN site. Bruce Nuclear (BN) is also considered a reporting location.

(h) **OPG Representative** is defined in Section 2.1 (d).

(i) **Schedule** is defined in Recital A.

(j) **Work Site** means a location at which the Eligible Employee may be required to provide service that is different from the Eligible Employee's normal reporting location.

1.3 Headings

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

1.4 Expanded Definitions

Unless otherwise specified, words importing the singular include the plural and vice versa and words importing gender include all genders. The term **"including"** means "including without limitations", and the terms **"include"**, **"includes"** and **"included"** have similar meanings. The term **"will"** means "shall".

1.5 Business Day

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

1.6 Payment Currency

Except as expressly set out in the Agreement, amounts to be paid or calculated under this Schedule will be paid or calculated in Canadian dollars. Any amounts to be paid or calculated which are denominated in a foreign currency will be converted into Canadian dollars, within three Business Days of the invoice date, using the Bank of Canada nominal noon exchange rate, as posted on the Bank of Canada website (currently located at www.bankofcanada.ca).

1.7 Conflict

If there is conflict between any term of this Schedule and any term in another part of the Agreement, the relevant term in the other part of the Agreement will prevail.

1.8 Notice

Any notices to be given under this Schedule will be given in accordance with the notice terms set out elsewhere in the Agreement.

SECTION 2 – REIMBURSEMENT OF ALLOWABLE EXPENSES

2.1 Allowable Expenses

OPG will only reimburse the Contractor for the following eligible expenses (**"Allowable Expenses"**) to the extent they otherwise meet the requirements of this Schedule and the rest of the Agreement:

(a) air, rail and bus travel expenses permitted under section 3;

(b) vehicle expenses permitted under section 4;

(c) lodging expenses permitted under section 5; and

(d) any other expenses which have been approved in writing by the OPG individual managing the Agreement (the **"OPG Representative"**).

2.2 Expenses Minimised

Notwithstanding any term in this Schedule, the Contractor will use all reasonable efforts to ensure that Eligible Employees minimise Allowable Expenses and the Contractor will ensure that all Allowable Expenses are reasonable and properly incurred in a manner consistent with effective and efficient business practice. OPG is not obliged to reimburse any expenses which are not so incurred. Eligible Employees who normally live together are expected to share accommodations and vehicle expenses, where reasonable.

2.3 Excluded Items

Notwithstanding any term in this Schedule, OPG will not reimburse any amounts to the Contractor or any Eligible Employee for any hospitality, food or incidental expenses, including, but not limited to, in respect of the following:

(a) meals, snacks, alcoholic and non-alcoholic beverages;

(b) any expense whatsoever if the one way distance between the Eligible Employee's Home Base or Reporting Location and the Work Site is less than 100 kilometers;

(c) gratuities;

(d) airline or railway club dues, fees or other charges;

(e) personal service expenses, including hair care, shoe shine, toiletry and spa treatment expenses;

(f) laundry, dry cleaning or valet expenses;

(g) hotel telephone charges or internet access;

(h) personal telephone calls;

(i) cellular telephones, data devices (for example, Blackberries) or other communication devices;

(j) entertainment or recreation expenses, including pay-per-view, video, compact disk or DVD rental, in-room entertainment, games, gaming, reading, sports or exercise expenses;

(k) headsets or other in-flight expenses;

(l) dependent care expenses;

(m) pet care expenses;

(n) mini bar charges or sundry items (including gum and snacks);

(o) credit card interest or other credit card expenses;

(p) automobile washes;

(q) fines or other expenses assessed or otherwise incurred in respect of traffic or parking violations; or

(r) fees or other expenses for toll highways or vehicle rental agency administration charges for use of toll highways.

2.4 Method of Reimbursement

OPG will reimburse the Contractor for Allowable Expenses which otherwise meet the requirements of this Schedule and the rest of the Agreement in accordance with the following terms.

(a) **Monthly Invoice.** The Contractor will deliver to OPG, to the address indicated in the purchase order or Agreement, on a monthly basis, an invoice for Allowable Expenses in a form and manner acceptable to the OPG Representative, acting reasonably. The Contractor will deliver to the OPG Representative, a copy of the invoice and will ensure that the invoice legibly itemises and, if necessary, briefly describes all allowable expenses. The Contractor will not invoice or otherwise charge OPG for any expenses other than allowable expenses. The Contractor will ensure that all expenses claimed on each such invoice meet the requirements of this Schedule and the rest of the Agreement and are first approved by the Contractor. If the Contractor fails to deliver an invoice

to OPG for an expense within six months of the expenses being incurred, OPG will not be obliged to reimburse the Contractor for such expense.

(b) **Receipts.** The Contractor will deliver to the OPG Representative, together with a copy of the invoice, original official itemised receipts for each allowable expense claimed (including airline, railway or bus ticket passenger coupons or electronic ticket, boarding passes, vehicle rental contracts, itemised hotel bills and travel itineraries). The Contractor will separate expenses for each Eligible Employee. Debit card and credit card receipts are not acceptable without the itemised receipt. OPG will accept electronic, photocopied or fax copies of receipts.

(c) **GST/HST Deducted.** The Contractor will deduct all Canadian goods and services tax/harmonized sales tax levied under the *Excise Tax Act* (Canada) recovered or recoverable by the Contractor on the payment of expenses before submitting any invoice to OPG covering any allowable expenses. The Goods and Services Tax/Harmonized Sales Tax levied under the *Excise Tax Act* (Canada) and reimbursable by OPG under this Schedule.

(d) **Reimbursement.** OPG will reimburse the Contractor for Allowable Expenses which meet all of the requirements of this Schedule, received and approved by OPG before the 25th of each month on the 25th of the following month. The Contractor will ensure that all Eligible Employees initially pay for expenses using their own payment methods. OPG will not provide any advances respecting allowable expenses. The Contractor is exclusively responsible for the reimbursement of expenses to all Eligible Employees. Failure by the Contractor to comply with the requirements of this Schedule and the rest of the Agreement may result in delay of reimbursement of expenses or rejection of any invoice in whole or in part.

2.5 Travel Agency

OPG has and may in the future negotiate rates with a travel service to reduce travel and lodging expenses. Unless OPG provides the Contractor with written notice stating otherwise, or the Contractor can demonstrate it can obtain lower rates from providers other than American Express Business Travel, the Contractor will ensure that all Eligible Employees process travel requirements through American Express Business Travel. OPG also encourages the Contractor to have all vehicle rental and hotel arrangements made through American Express Business Travel. American Express Business Travel may be reached in Canada and the United States at 1-866-868-4441. The Contractor will ensure that all Eligible Employees travelling for the purpose of providing services under the Agreement identify themselves to American Express Business Travel as such.

2.6 Confirming Rates

The Contractor will ensure that the rates booked by it or an Eligible Employee are the same or lower than that listed on the travel itinerary.

2.7 Home Base and Work Site

Where applicable, the Contractor will specify in each invoice the Home Base, Reporting Location and the Work Site for each Eligible Employee. At OPG's request, the Contractor will provide written confirmation from each Eligible Employees as to the employee's permanent residence and street address. A post office box is not acceptable street address.

2.8 Non EPSCA Eligible Employees and Extended Staff

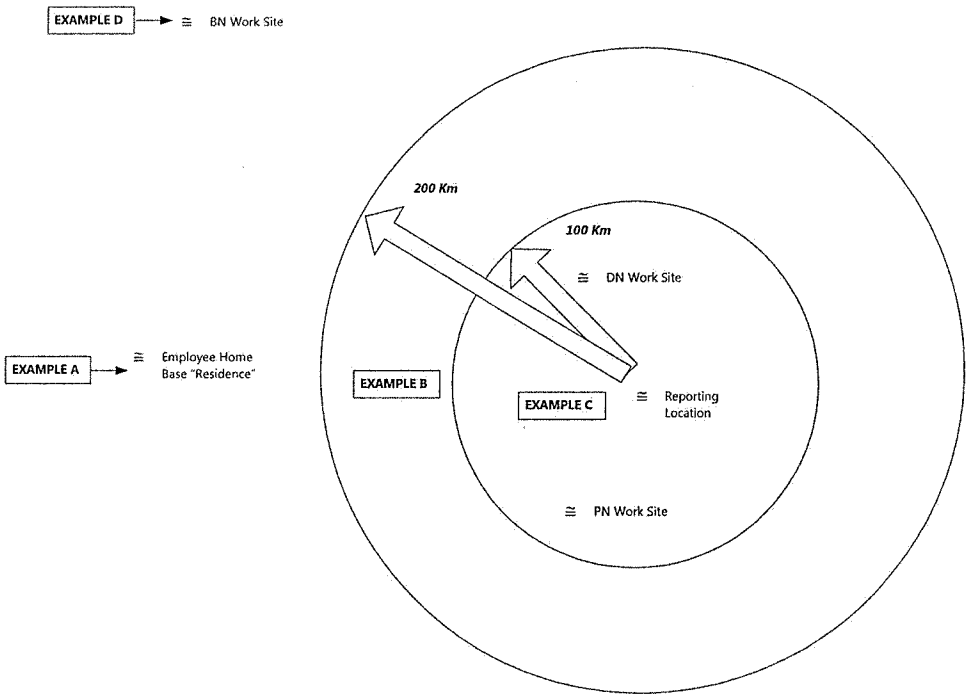
OPG will only reimburse the Contractor's Eligible Employees and extended staff, not subscribed to an EPSCA Agreement, expenses incurred from their Home Base to the designated reporting location as per the illustration below and detailed examples provided:

Example A: Home Base is outside the 200 kilometers ring from the reporting location. Prior approval from an OPG Representative is required and depending on the duration of the assignment, either section 6 or section 7 applies. If the duration is greater than one month, section 7 applies and the Eligible Employee will be paid an "all inclusive" monthly rate (or prorated portion of the month). If the assignment is less than one month, section 6 applies and the Eligible Employee will be paid an "all inclusive" daily rate.

Example B: Home Base is outside the 100 km ring but inside the 200 kilometers ring from the reporting location. Prior approval from an OPG Representative is required and OPG will pay the less of a daily "all inclusive" rate per section 6 or rates in accordance with sections 2 through 5. If sections 2 through 5 apply, the Eligible Employee will only be entitled to one round trip per week, from Home Base to the reporting location.

Example C: Home Base is within a 100 kilometers radius of the reporting location. In this scenario, the Eligible Employee is not entitled to any expenses whatsoever. This would include any and all trips to the Work Site within the 100 kilometers radius.

Example D: In this example, the reporting location and Work Site is one and the same. Prior approval from an OPG Representative is required and the preceding examples A, B and C apply.


EXAMPLE D
≅ BN Work Site
200 Km
100 Km
≅ DN Work Site
EXAMPLE A
≅ Employee Home Base "Residence"
EXAMPLE B
EXAMPLE C
≅ Reporting Location
≅ PN Work Site

SECTION 3 – AIR, RAIL OR BUS TRAVEL

3.1 Air, Rail or Bus Travel

The expense of air, rail and bus travel is an allowable expense to the extent the actual amount of airfare or, rail or bus fare was incurred by an Eligible Employee in providing services to OPG under the Agreement and to the extent of compliance with the other requirements of this Schedule and the rest of the Agreement. Pre approval by an OPG Representative is required for all air, rail or bus travel. The Contractor will cause Eligible Employees, to the extent possible, to take advantage of hotel and airport shuttles where available. OPG will reimburse the Contractor for the expenses actually incurred by an Eligible Employee for travel between the Eligible Employee's Home Base, reporting location or Work Site and the airport, rail way station or bus terminal where the Eligible Employee arrives or departs. In addition, the amount of any such reimbursement may not exceed the lesser of:

(a) the expense of the taxi fare or other similar out of pocket charge to travel to or from the airport, railway station or bus terminal; and

(b) if applicable, parking charges at the airport, railway station or bus terminal.

3.2 Economy Class

Air expenses are not Allowable Expenses unless the Eligible Employee travels on economy class or equivalent. Rail expenses will be permitted for travel by VIA 1 or equivalent.

3.3 Vehicle Instead of Air, Rail or Bus Travel

OPG will only reimburse the Contractor for use of a personal vehicle or rental car (the lesser of) for trips which would customarily be travelled by air, rail or bus, for the amount which is equal to the lesser of:

(a) the expense of the airfare, rail fare or bus fare that would have been reimbursed by OPG to the Contractor under section 3; and

(b) the amount that would otherwise be reimbursable by OPG to the Contractor for vehicle travel pursuant to section 4. OPG will not reimburse the Contractor for any lodging that would not have been incurred had the trip been made by air, rail or bus.

3.4 Visits Home

OPG will reimburse air, rail or bus travel expenses for a maximum of one round trip home per month for each Eligible Employee on assignment at a Work Site where the duration is more than 45 days and the Home Base of that employee is greater than 400 kilometers from the Work Site.

3.5 Minimising Expenses

The Contractor will, to the extent possible, cause all air travel, to be by "lowest logical airfare", to take advantage of weekend specials and other discount fares and to reduce overall expenses and plan ahead (booking at least 2 weeks before the departure date is expected).

SECTION 4 – VEHICLES

4.1 Reimbursable Vehicle Expenses

The expense of rental vehicles or personal vehicles (the lesser of) used by Eligible Employees will be and allowable expense to the extent that:

(a) the use of the vehicle was for official OPG business;

(b) the one way distance between the Eligible Employee's reporting location and the Work Site is greater than 100 kilometers;

(c) the use of the rental vehicle was pre-approved in writing by the OPG Representative; and

(d) the expense otherwise meets the requirements of this Schedule and the rest of the Agreement.

4.2 Personal Vehicle

If the Eligible Employee is required to provide services at a location other than the Eligible Employee's reporting location, OPG will reimburse the Contractor as an allowable expense for all personal vehicle travel by an Eligible Employee in excess of 200 kilometers (round trip), at the published rates per kilometre on the date of invoice, for vehicle expenses for Ontario set on the Canada Revenue Agency website (www.cra-arc.gc.ca/tx/llrts/menu-eng.html). This Canada Revenue Agency amount covers all vehicle related expenses, except parking.

4.3 Reducing Expenses

The Contractor will use all reasonable attempts to reduce the expenses of vehicle travel by:

(a) arranging for employees to share vehicles to minimise travel expense;

(b) requiring Eligible Employees to use rental vehicle and refuel it before returning it;

(c) considering a long-term lease for lengthy work assignments (that is, more than 30 consecutive days) when the Eligible Employee requires a rental vehicle; and

(d) requiring Eligible Employees to use public transit when travelling to locations within or around urban centres.

4.4 Multiple Users

OPG will only reimburse the Eligible Employee whose vehicle is used when two or more Eligible Employees travel in one vehicle. If two or more Eligible Employees share a rental vehicle, OPG will only reimburse the Eligible Employee who incurred the expense.

SECTION 5 – LODGING

5.1 Overnight Accommodation

The expense of overnight accommodation for Eligible Employees will be an allowable expense to the extent that the overnight stay was pre-approved in writing by OPG Representative and to the extent that the expense otherwise meets the requirements of this Schedule and the rest of the Agreement. The OPG Representative will not approve any overnight accommodation unless:

(a) the presence of the Eligible Employee is required at a Work Site which is more that 200 km (one way) from that Eligible Employee's reporting locations or;

(b) poor weather creates hazardous driving conditions and the Eligible Employee cannot safely return to the Eligible Employee's Home Base;

(c) the Contractor will include a written explanation for all overnight accommodation with the invoice.

SECTION 6 – DAILY RATES

6.1 Daily Rates Instead of Allowable Expenses

To the extent this section 6 applies to any Eligible Employee, none of the terms of section 2 to section 5 apply, except for any Allowable Expenses for air, rail or bus travel between an Eligible Employee's reporting location and a Work Site that is reimbursable in accordance with section 3. Notwithstanding the previous sentence, the temporary residence (where the Eligible Employee resides while working on the OPG project), or in some instances the Home Base will be

considered the reporting location for the purpose of calculating Allowable Expenses in the event the Eligible Employee is required to travel to a location other than the reporting location.

6.2 Daily Rates

Before the commencement of, or at any time during, a work assignment for any Eligible Employee, OPG may elect based on the remaining duration of the work assignment, the distance between the Eligible Employee's reporting location and the work site or for other reasons to pay the Contractor a daily rate in respect of that Eligible Employee rather than to reimburse the Contractor for allowable expenses.

6.3 All Inclusive

Except as expressly set out in this section 6, the daily rate set out in section 6.4 is inclusive of all expenses whatsoever that will be reimbursed by OPG, including expenses respecting accommodation, local transportation, work permits and fees, utilities, communication charges, furnishings, insurance and any Allowable Expenses that would otherwise be reimbursable to the Contractor under section 2 to section 5.

6.4 Rates

Subject to adjustment under section 6.5, the following are the daily rates that OPG will pay the Contractor in respect of Work Sites:

(a) City of Toronto, $150 and;

(b) all other locations, $120 (including Mississauga, Pickering, Whitby and Darlington).

6.5 Application of Rate

Where OPG has elected to pay the daily rate for an Eligible Employee, OPG will pay the daily rate to the Contractor on a monthly basis for that Eligible Employee for each full day that the Eligible Employee provided services under the Agreement and for each weekend day unless the Eligible Employee surrendered his or her accommodations. The daily rate will not be paid for any period of an unexcused absence or when the Eligible Employee has surrendered the Eligible Employee's accommodations during a home visit or absence (includes unavailability to work on weekends if trip home was taken on the weekend). The daily rate will be reduced by $35 for each day of approved trips home and on the last day of providing services under the Agreement. Where OPG has elected to pay the daily rate for Eligible Employees who normally live together, the Eligible Employees are expected to share accommodations. Adjustments may be made to the daily rate set out in section 6.4 if Eligible Employees share accommodations and other expenses.

6.6 Method of Reimbursement

OPG will pay the Contractor the applicable daily rate in accordance with the following terms:

(a) **Monthly Invoice.** The Contractor will provide OPG, on a monthly basis, with an invoice listing the number of Eligible Employees from whom the Contractor is claiming the daily rate and the number of days being claimed for each Eligible Employee. The Contractor will ensure that the invoice includes a description of the work package or project name and project number (and work breakdown structure element if applicable).

(b) Evidence of Expenses. The Contractor will provide OPG with original or electronic photocopies itemised receipts and time sheets evidencing that the Eligible Employee attended the Work Site and made use of temporary accommodation on each day for which the daily rate is being requested. Debit card and credit card receipts are not acceptable without the itemised receipt. Failure by the Contractor to comply with the requirements of this Schedule and the rest of the Agreement may result in delay of reimbursement of expenses or rejection of any invoice whole or in part.

6.7 Absences

Unless authorised in writing by the OPG Representative, OPG will not be required to pay daily rates for an Eligible Employee where that Eligible Employee was absent from the Work Site without having been excused by the OPG Representative or where that Eligible Employee did not make use of the Eligible Employee's accommodations during an absence for the Work Site (other than an absence required to perform services to OPG under the Agreement). The OPG Representative may consider authorising payment of the daily rate for absences such as an infrequent sick day or medical appointments requiring exams or tests.

Section 7 – MONTHLTY RATES

To the extent this section 7 applies to any Eligible Employee, none of the terms of section 2 to section 6 apply, except for any Allowable Expenses for air, rail or bus travel between and Eligible Employee's reporting location and a Work Site that is reimbursable in accordance with section 3. Where OPG elects to pay on a monthly basis in respect of any Eligible Employee, OPG will pay the Contractor $1800 per month (on pro-rated portion of a month). All the terms of section 6 apply to the calculation of this monthly rate, with such modifications as the circumstances require.

SCHEDULE 2

Rule 13A of the Board's Rules of Practice and Procedure

13A. Expert Evidence

13A.01 A party may engage, and two or more parties may jointly engage, one or more experts to give evidence in a proceeding on issues that are relevant to the expert's area of expertise.

13A.02 An expert shall assist the Board impartially by giving evidence that is fair and objective.

13A.03 An expert's evidence shall, at a minimum, include the following:

(a) the expert's name, business name and address, and general area of expertise;

(b) the expert's qualifications, including the expert's relevant educational and professional experience in respect of each issue in the proceeding to which the expert's evidence relates;

(c) the instructions provided to the expert in relation to the proceeding and, where applicable, to each issue in the proceeding to which the expert's evidence relates;

(d) the specific information upon which the expert's evidence is based, including a description of any factual assumptions made and research conducted, and a list of the documents relied on by the expert in preparing the evidence;

(e) in the case of evidence that is provided in response to another expert's evidence, a summary of the points of agreement and disagreement with the other expert's evidence; and

(f) an acknowledgement of the expert's duty to the Board in **Form A** to these Rules, signed by the expert.

13A.04 In a proceeding where two or more parties have engaged experts, the Board may require two or more of the experts to:

(a) in advance of the hearing, confer with each other for the purposes of, among others, narrowing issues, identifying the points on which their views differ and are in agreement, and preparing a joint written statement to be admissible as evidence at the hearing; and

(b) at the hearing, appear together as a concurrent expert panel for the purposes of, among others, answering questions from the Board and others as permitted by the Board, and providing comments on the views of another expert on the same panel.

13A.05 The activities referred to in **Rule 13A.04** shall be conducted in accordance with such directions as may be given by the Board, including as to:

(a) scope and timing;

(b) the involvement of any expert engaged by the Board;

(c) the costs associated with the conduct of the activities;

(d) the attendance or non-attendance of counsel for the parties, or of other persons, in respect of the activities referred to in paragraph (a) of **Rule 13A.04**; and

(e) any issues in relation to confidentiality.

13A.06 A party that engages an expert shall ensure that the expert is made aware of, and has agreed to accept, the responsibilities that are or may be imposed on the expert as set out in this **Rule 13A** and **Form A**.

SCHEDULE 3

FORM A

Proceeding: .....

ACKNOWLEDGMENT OF EXPERT'S DUTY

1. My name is ..... (*name*). I live at ..... (*city*), in the ..... (*province/state*) of .....

2. I have been engaged by or on behalf of ..... (*name of party/parties*) to provide evidence in relation to the above-noted proceeding before the Ontario Energy Board.

3. I acknowledge that it is my duty to provide evidence in relation to this proceeding as follows:

   (a) to provide opinion evidence that is fair, objective and non-partisan;
   (b) to provide opinion evidence that is related only to matters that are within my area of expertise; and
   (c) to provide such additional assistance as the Board may reasonably require, to determine a matter in issue.

4. I acknowledge that the duty referred to above prevails over any obligation which I may owe to any party by whom or on whose behalf I am engaged.

Date .....

_____
Signature