

**UPPER CANADA TRANSMISSION, INC.
(d/b/a NextBridge Infrastructure)**

**East-West Tie Line
Quarterly Construction Progress Report**

Reporting Period: July 1, 2020 to September 30, 2020

Date Submitted: October 22, 2020

- In its Decision and Order dated August 7, 2013 (Designation Decision), the Ontario Energy Board (OEB or Board) named Upper Canada Transmission, Inc. (UCT), doing business as NextBridge Infrastructure (NextBridge), as the designated transmitter for the development of the East-West Tie transmission line (EWT Project or Project).
- On July 31, 2017, NextBridge submitted an application for leave to construct (LTC) the EWT Project, pursuant to section 92 of the Ontario Energy Board Act (OEB Act). On February 11, 2019, the OEB issued a Decision and Order approving the LTC application and amending the conditions of UCT's Electricity Transmission Licence to authorize it to proceed to the construction, expansion, or reinforcement of the transmission system for the EWT Project, pursuant to a directive to the OEB issued by the Minister of Energy, Northern Development and Mines and approved by Order in Council 52/2019 (OIC), dated January 30, 2019.
- On February 11, 2019, the OEB amended NextBridge's Electricity Transmission Licence to include conditions requiring NextBridge to report to the Independent Electricity System Operator (IESO) on the progress, timeliness, and cost-effectiveness of the EWT Project and provide such information that the OEB may from time to time require.
- On July 29, 2019, the OEB issued a letter outlining NextBridge's reporting requirements pursuant to sections 14.1 and 13.3 of its Electricity Transmission Licence.
- In accordance with the OEB's letter dated July 29, 2019, NextBridge is required to report quarterly on the 15th business day of each January, April, July, and October. NextBridge will continue to file such quarterly reports until the EWT Project is in-service and land restoration activities have been completed.

This report is organized as follows:

1	Summary of the EWT Project Progress to June 30, 2020	<p>A detailed summary of the status of the EWT Project, including work completed during the reporting period, overall progress, cost and construction schedule updates, and emerging risks. Where applicable, impacts from changes to Hydro One Network Inc.'s (HONI's) station work will be noted. This section includes:</p> <ul style="list-style-type: none"> • Table of Key Project Statuses; • Table of Activities in the Work Fronts (WFs) for the Reporting Period; and • Summary of Activities within the Reporting Period.
2	Construction Schedule Update	<p>Construction milestones for the Project were identified in NextBridge's responses to Procedural Order #3, filed May 3, 2018 and updated September 24, 2018. NextBridge provided a letter to the OEB on September 3, 2020, to request an amendment to the in-service date (ISD) within the approved amended Leave to Construct Application to March 31, 2022. This section provides an overview of the updated milestones based on the permitting and approval/authorization requirements as they relate to the newly proposed Construction Schedule and includes:</p> <ul style="list-style-type: none"> • Project Map • Updated Table of Milestone Updates; and • Permit and Approval/Authorization Requirements by WF. <p>Where applicable, impacts from changes to HONI's station work will be noted.</p>
3	Construction Cost Update	<p>Period-specific cost summaries providing details for each cost category in NextBridge's Project cost budget, including:</p> <ul style="list-style-type: none"> • Actual spent; • Percentage of budgeted costs spent to date; • Updated forecast; and • Material forecast variance (if applicable). <p>This section also includes a Project Cost Update Summary and associated rationale for forecast variance and associated mitigating measures for negative forecast variances.</p>
4	Risk Management	<p>A summary of risks that have occurred or could potentially occur during construction, including a discussion of potential impacts on schedule, cost, or scope, and potential options for mitigating or eliminating the risk. This section includes:</p> <ul style="list-style-type: none"> • Risk Management Issues, Potential Impacts, and Mitigation Measures Table.
5	Reference Materials	<p>This report includes references to a correspondence related to a proposed amendment to the ISD.</p> <ul style="list-style-type: none"> • Copies of related correspondence can be found in this section.

1. Summary of the EWT Project Progress During Reporting Period

A. Table of Key Project Statuses

Key Status	Summary
Stage of Construction	<p>Construction activities are ongoing in all work fronts</p> <ul style="list-style-type: none"> - Stringing activities started July 29, 2020. - Additional information on this topic can be found in Section 1. B. below.
Costs	<p>NextBridge continues to maintain focus on the budget and tracks updates monthly.</p> <ul style="list-style-type: none"> - Construction costs for the EWT Project are forecasted to be on budget as compared to the LTC application. - Costs associated with the COVID-19 Global Pandemic have not been estimated in their entirety and may not be known until well after construction is completed and the COVID-19 Global Pandemic is resolved. - Additional information on this topic can be found in Section 3. below.
Schedule	<p>Construction activities are ongoing in all work fronts</p> <ul style="list-style-type: none"> - The majority of permits have been obtained allowing for all construction phases to work simultaneously across the project. - NextBridge is working closely with contractor and associated regulators to obtain remaining outstanding permits. - Clearing and access activities ramped up when the September 1, 2020, clearing window opened. <ul style="list-style-type: none"> • Crews have cleared over 549 hectares and built over 119km of access road in September 2020. - NextBridge is making continuous efforts with the applicable parties and governmental agencies, including Ministry of the Environment, Conservation, and Parks (MECP), Ministry of Natural Resources and Forestry (MNR), Ministry of Energy, Northern Development and Mines (MENDM), Ministry of Transportation (MTO), Infrastructure Ontario (IO), Fisheries and Oceans

Key Status	Summary
	<p>Canada (DFO), Canada Wildlife Service (CWS), Environment and Climate Change Canada (ECCC), NAV Canada, Indigenous Services Canada (ISC), Transport Canada (TC), Indigenous engagement, and others, in order to maintain the current schedule.</p> <ul style="list-style-type: none"> - Due to the temporary suspension of the construction of the Project due to COVID-19 precautions in April 2020, the Project construction schedule has been evaluated for impacts. - On September 3, 2020, NextBridge submitted a Notice to the OEB advising the Board that it proposed a change in construction schedule for the East-West Tie Line to reflect a change to the ISD of the East-West Tie Line from the 4Q 2021 to March 31, 2022. - Additional information on this topic can be found throughout this Report.
<p>Emerging Risks</p>	<p>Impacts of COVID-19 Global Pandemic on the Project.</p> <p>Construction Impacts</p> <ul style="list-style-type: none"> - NextBridge and its Indigenous and local partners consider the health and safety of their employees, contractors, and the general public to be their top priority. - NextBridge has continued taking additional steps to monitor the daily safety of workers on site, including screening new workers and workers who have recently travelled, modifying accommodations and travel of workers, providing additional cleaning and PPE resources, and daily temperature checks of everyone on site. - Weekly calls are held with the construction team to review COVID-19 impacts and discuss the need for further mitigation measures on site. <p>Permitting and Authorization Impacts</p> <ul style="list-style-type: none"> - During the temporary suspension of construction activities, NextBridge continued to work with applicable ministries, agencies, and Indigenous communities to acquire remaining outstanding permits and authorizations. - At this time, many ministries, agencies, and Indigenous communities are also facing impacts due to the COVID-19 Global Pandemic, including office closures, and may not be able to process NextBridge’s requests in a timely manner.

Key Status	Summary
	<ul style="list-style-type: none"> • These impacts have been considered in the updated Project construction schedule.
<p>Indigenous Activities</p>	<p>Engagement Continuing</p> <ul style="list-style-type: none"> - NextBridge continues to engage with the 18 identified Indigenous communities in the Project area. - Engagement highlights include robust consultations on emerging information associated with culturally significant sites, provincial parks, and conservation reserve specific permitting, Indigenous facilitator program re-launch, ongoing monitoring of COVID-19 discussions, Caribou SAR permits and Section 28.2 Permits. - Ongoing engagement continues on capacity funding agreement for communities to retain third party experts or other engagement costs, where required. - Section 28.2 Permit process has concluded with Michipicoten First Nation and finalization of agreements are continuing with the one remaining community in which the Project crosses Pays Plat First Nations lands and progressing well towards conclusion. - Final negotiations have been completed with Pic Mobert First Nation, NextBridge, and the Federal Government on securing approvals for access requirements over ATR Lands where the Project requires temporary use. <ul style="list-style-type: none"> • NextBridge and Pic Mobert have nearly completed an agreement related to the cultural and historic issues which were raised by the community related to the White Lake and Nursery Lake areas • Mitigation plans are being developed to be put into place to minimize impacts, ensure the protection of cultural resources in the area to allow a modified construction plan to move forward in 4Q 2020. - NextBridge and its partners have officially relaunched the Indigenous Facilitator Program which was suspended in mid-March as a result of the COVID-19 Global Pandemic. <ul style="list-style-type: none"> • Currently, all seven communities have their facilitators back out in the field in a newly structured program being administered by Supercom Industries that ensures safety and compliance with COVID-19 safety protocols.

Key Status	Summary
	<ul style="list-style-type: none"> - NextBridge continues to be engaged with the six proximate Bamkushwada Limited Partnership (BLP) communities during the COVID-19 decision making process. - Additional information on this topic can be found in Section 1. C. below.
<p>HONI Coordination</p>	<ul style="list-style-type: none"> - NextBridge continued engagement and coordination activities with HONI on multiple fronts. - HONI approval was received for easements on the Lakehead and Marathon Transformer Stations (TSs). - HONI is completing its stakeholder review of the Wawa Transformer Station updated design drawings, related to the previously identified demarcation of the Project and expansion of their TS footprint which necessitated design changes. <ul style="list-style-type: none"> • NextBridge expects to finalize outstanding items regarding the Wawa TS lands with HONI in 4Q 2020. - Commenced discussions on Connection Facilities Agreement. - In response to correspondence received from the IESO¹ and OEB², discussions commenced with HONI to coordinate activities around the updated Project construction schedule. <ul style="list-style-type: none"> • A meeting has been scheduled between NextBridge and HONI in early October 2020. - NextBridge continued discussions with HONI regarding; <ul style="list-style-type: none"> • Outage Scheduling; • Overall Project schedule; • The latest draft of the Construction Cost Recovery Agreement including NextBridge suggested edits and comments; and, • The associated terms and conditions. - Additional information on this topic can be found in Section 1. C. below.

¹ A copy of the correspondence from the IESO can be found in Section 5 Appendix B

² A copy of the correspondence from the OEB can be found in Section 5 Appendix D

B. Table of Activities In Work Fronts³ for the Reporting Period

Work Front	Environmental Permit Submissions	Land-ROW ⁴	Land-Access ⁵	Clearing Progress	Construction
1	<ul style="list-style-type: none"> Detailed Project Plan (DPP) package submitted and 30-day review period has concluded. Received easement agreement with HONI for Lakehead TS. The easement agreement is undergoing closing and registration. Completion expected in early 4Q 2020. 	100%	100%	99%	<ul style="list-style-type: none"> 99% tower assembly completed. 99% tower foundations completed. 41% of towers erected. 69% of conductor strung.
7	<ul style="list-style-type: none"> DPP package re-submitted⁶ and 30-day review period has concluded. Related permit applications submitted and received. Minor permit amendments awaiting approval. 	100%	100%	85%	<ul style="list-style-type: none"> 85% tower assembly completed. 85% foundations completed. 74% access completed. 27% of towers erected.
2	<ul style="list-style-type: none"> DPP Package submitted and 30-day review period has concluded. Related permit applications submitted and received. 	100%	100%	100%	<ul style="list-style-type: none"> 92% tower assembly completed. 92% foundations completed. 100% access completed. 83% of towers erected.
6	<ul style="list-style-type: none"> DPP Package submitted and 30-day review period has concluded. 	100%	100%	90%	<ul style="list-style-type: none"> 32% structures assembled.

³ This is the currently proposed order of strategic WF execution and is subject to change.

⁴ Percentage of linear distance of route acquired in kilometers. Unencumbered Provincial Crown Land (Unpatented Land, Conservation Reserves, Parks) are assumed secured, but are still subject to receiving Provincial Government approvals.

⁵ Percentage of parcels with construction access requirements acquired. Construction access requirements on unencumbered Provincial Crown Land (Unpatented Land, Conservation Reserves, Parks) are subject to receiving Provincial Government approvals.

⁶ Comments were received from the MNRF in regards to the submission of the DPP for WF 7 and the DPP package was re-submitted based on this feedback.

Work Front	Environmental Permit Submissions	Land-ROW ⁴	Land-Access ⁵	Clearing Progress	Construction
	<ul style="list-style-type: none"> All related permit applications have been received. Awaiting MECP approval for amended OBP to support all season access road construction. 				<ul style="list-style-type: none"> 36% foundations installed. 89% access completed.
8	<ul style="list-style-type: none"> DPP Package submitted and 30-day review period has concluded. All related permits have been received. Minor permit amendments awaiting approval. 	100%	100%	66%	<ul style="list-style-type: none"> No access to Pic Moberg ATR lands. 56% access completed. 33% structures assembled. 26% foundations installed.
3	<ul style="list-style-type: none"> DPP Package submitted and 30-day review period has concluded. Kama Cliffs Conservation Reserve DPP has been approved. All other related permit applications received. Minor permit amendments awaiting approval. 	100%	100%	91%	<ul style="list-style-type: none"> Nipigon camp re-opened in June 2020. 61% tower assembly completed. 87% access completed. 59% foundations installed. 31% of towers erected.
9	<ul style="list-style-type: none"> DPP Package submitted and 30-day review period has concluded. All related permit applications received. Minor permit amendments are awaiting approval. 	100%	100%	80%	<ul style="list-style-type: none"> 82% access completed. 61% towers assembled. 70% foundations completed.
5	<ul style="list-style-type: none"> DPP Package submitted and 30-day review period has concluded. All permit applications have been received. All season crossing applications 	96%	100%	30%	<ul style="list-style-type: none"> Further site plan changes required to approve MNRF aggregate site permit. No access to Pays Plat

Work Front	Environmental Permit Submissions	Land-ROW ⁴	Land-Access ⁵	Clearing Progress	Construction
	<ul style="list-style-type: none"> have been approved. Minor permit amendments are awaiting approval. 				<ul style="list-style-type: none"> Reserve lands. 36% of access completed.
4	<ul style="list-style-type: none"> DPP Package submitted and 30-day review period has concluded. All MNRF permit applications have been submitted and approved. Minor permit amendments awaiting approval. 	100%	100%	46%	<ul style="list-style-type: none"> 40% of access completed.
11	<ul style="list-style-type: none"> DPP Package submitted and 30-day review period has concluded. Permit applications have been submitted and approved. Permit applications have been received. Minor permit amendments are awaiting approval. 	74%	100%	28%	<ul style="list-style-type: none"> 18% of access completed.
10	<ul style="list-style-type: none"> DPP Package submitted and 30-day review period has concluded. Permit applications have been submitted. Permit applications have been partially received. Minor permit amendments are awaiting approval. 	100%	100%	-	

C. Summary of Activities Within Reporting Period

Environment

- Species at Risk (SAR)
 - Received Overall Benefits Permit (OBP) for SAR from the MECP on December 24, 2019.
 - The OBP included multiple conditions requiring actions to avoid impact to SAR and mitigate for impacts to habitat.
 - The pre-construction conditions are being met and the post construction activities are in the process of being reviewed to understand the scope of the requirements.
 - NextBridge is seeking an amendment to allow all season access to be constructed in Caribou nursery habitat with an anticipated approval of 4Q 2020.
 - Although NextBridge does not intend to use all season access this winter, an approved amendment is being obtained in to mitigate potential other force majeure events occurring (e.g. increased COVID 19 infections) which could jeopardize the schedule.
 - The federal SARA Permit has been received.
- DPPs
 - DPPs have been submitted on all WFs.
 - All DPPs for Provincial Parks and Conservation Reserves have been submitted.
- WF Packages
 - Permit applications for all WFs were submitted.
 - Permits were issued for all WFs.
 - Some minor amendments related to watercourse crossing permits and access changes are being submitted across the Project as the need arises.
 - Continued productive discussions with:
 - MECP on Provincial Parks and Conservation Reserves work and land use permits, etc.; and,
 - MNR on work and land use permits, etc.
- Permitting Requirements
 - Continued consultation with MECP, MNR, DFO, CWS and other agencies regarding the Environmental Assessment (EA) and upcoming permitting requirements.
- EA Conditions

- Internal and contractor resources have been deployed to ensure continuous compliance with the conditions of the EA Approval using a comprehensive Construction Compliance Matrix for tracking purposes.
- NextBridge submitted an Annual Compliance Report outlining the results of the 2019 compliance monitoring program on May 27, 2020, to the Director of the Environmental Assessment and Permissions Branch of the MECP.
 - The final Report was approved by the Agency on August 25, 2020.
- Environment-Related Indigenous Discussions
 - Continued solicitation and incorporation of feedback and Traditional Ecologic Knowledge information provided by Indigenous communities and agencies.
 - Documented and responded to inquiries received from Indigenous communities with respect to the Project.
- Indigenous Facilitator Program
 - Indigenous Facilitators have been present along the right of way (ROW) since the commencement of construction, up until the temporary suspension of the Indigenous Facilitator Program on March 24, 2020.
 - This measure was taken in response to the evolving COVID-19 Global Pandemic and requirements for social distancing.
 - Planning was completed and the program relaunched in a phased in approach that saw all communities have their facilitator back in the field by fall 2020.
 - The newly structured program ensures that COVID-19 protocols are adhered to and upholds safety as a top priority.
 - NextBridge continues to work with Project partners and Indigenous communities to improve the Indigenous Facilitator Program structure and delivery.

Land

- Privately Held Land
 - Executed agreements with the Township of Nipigon to finalize easements on affected Township owned lands.
- Government Land and Permits
 - Obtained outstanding work permit approvals from the MNRF for WF 10.
 - Remaining work permits for WF 11 are still pending and expected to be issued by the MNRF in 4Q 2020.

- NextBridge continues to work with the MNRF to amend a site plan of permitted aggregate pit on Crown land in WF 5 to allow for the crossing of the Project.
- NextBridge continues to work with the MNRF to support the surrender of certain lands administered by Transport Canada and held by Her Majesty the Queen, in the Right of Canada to the Province of Ontario.
 - The lands are in WF 11 and are needed for the Project.
 - The MNRF expects to complete this process by the end of 4Q 2020.
- Continued engagement with third party utility and rail companies and secured remaining required access and overhead crossing approvals.
- 100% of required third party crossings have been secured.
- Finalized Acquisition with Outstanding Mining Leaseholders
 - NextBridge completed negotiations with all outstanding mining leaseholders and obtained the required consent agreements and easements required for the Project.
- General Updates
 - Continued legal surveys to support the land acquisition and permitting programs.
 - Responded to and tracked directly affected property owner and Crown interest holder inquiries and complaints regarding construction activities.
 - Obtained settlements with property owners and Crown interest holders pertaining to damage and disturbance claims as a result of construction activities.
 - Supported the acquisition of alternate worker camp and storage locations required for construction.

Regulatory

- Rate Case
 - NextBridge expects to submit a Rate Case Application to the OEB in Q4 2020.
- Mining and Land Tribunal (MLT) Proceedings
 - All proceedings have been successfully concluded and references will be removed from next Report.

Indigenous Engagement

- Continued Engagement Activities
 - NextBridge has documented and responded to inquiries and questions received from Indigenous communities with respect to the Project.

- Ongoing engagement has promoted open dialogue with communities.
- During the late summer the Project engagement team conducted a socially distanced tour of the ROW and met with all six BLP communities to participate in cultural ceremonies, conclude agreements and negotiations, and attend other engagement activities to ensure ongoing relationship building.
- NextBridge is regularly engaged with interested communities consulting on Project permitting, construction progress and other topics that arise during this phase of the Project.
- Biinjitiwabik Zaaging Anishnabek (BZA) Engagements
 - BZA continues to pursue an appeal and judicial review on the issuance of the LTC and OIC to NextBridge.
 - NextBridge, the Crown and BZA are in the final stages of negotiations related to the withdrawal of the proceedings.
- Pic Mobert Engagement
 - NextBridge remains engaged with Pic Mobert on the development of a mitigation plan for construction in the area of White Lake and Nursery Lake to ensure risk of impacts to cultural/traditional resources is minimized.
 - NextBridge and Pic Mobert are working through a process whereby an alternative crossing option will be engineered to avoid the placement of any structures on the island in White Lake in an effort to avoid cultural impacts up to and including the potential for burials on the sacred island.
 - While the construction contract anticipated skipping certain areas for potential cultural issues, the length of delay and potential design changes for crossing of White Lake may result in increased cost to NextBridge.
 - NextBridge anticipates re-commencement of construction activities in the area noted above in late fall 2020 once the First Nation lifts the Stop Work Order issued.
 - NextBridge is in the final stages of completing the Federal permit required to allow for ROW access over Pic Mobert ATR lands and expects those permits in fall 2020.
- NextBridge concluded work with Michipicoten First Nation (MFN) required to secure the Federal permit to traverse the ROW.
 - NextBridge, MFN and the Federal government fully executed the permit on June 30, 2020, and construction activities are commencing on Reserve lands in fall 2020.
- Pays Plat Engagements
 - NextBridge concluded the Federal 28.2 permit required to construct the line over Pays Plat Reserve lands in fall 2020.
 - Pre-construction activities have commenced.
- Capacity Funding Agreements (CFAs)

- CFAs had previously been offered to the 18 identified Indigenous communities to ensure adequate resources to continue with engagement on the Project during the construction phase.
 - Progress has been made on finalizing all agreements where requested.
 - In some cases, communities were not interested in additional capacity funding.
 - NextBridge continues to provide Project information to communities whether a CFA is in place or not.
- Impacts of COVID-19 Global Pandemic on Indigenous Communities
- NextBridge continues to engage regularly with Indigenous communities on the impacts of COVID-19.
 - Generally, feedback from Indigenous communities has largely been positive related to the protocols NextBridge has implemented to ensure the safety of communities.

Community/Municipal Engagement

- Continued Engagement Activities
- Finalized agreement with the Township of Nipigon and Rendezvous Ski Club for trail replacement/relocation.
 - Engaged with Township of White River and Township of Dorion during ROW tour of Indigenous communities and municipalities from August 31 to September 4, 2020.
 - Provided statement and photos to the Marathon Mercury regarding the purpose of the ROW tour to Indigenous communities and municipalities.
 - Conducted interview with a Dougall Media reporter on September 4, 2020, regarding construction progress, the purpose of the ROW tour, and community investment donations to the Township of Dorion.
 - Attained approval from the Township of White River to construct a camp at an alternate location in the Township.
 - At request of Township of Terrace Bay, confirmed that two parcels of highway commercial land would not be needed for the Project and the option to lease the lands could be terminated, permitting potential development on the parcels by an interested party.
 - Construction awareness signs continue to be posted on the ROW as construction crews progress and gain access.
 - Posted 2019 Compliance Report to the Project website.
 - Project Facebook Group continued to grow steadily with approximately 120 members as of the end of Reporting Period.
 - Monitored the Project email address and hotline for Project inquiries.

- Complaint Resolution Process
 - No formal complaints were submitted during this Reporting Period.

Engineering & Construction

- Materials
 - All deliveries of conductor, Optical Ground Wire, Overhead Ground Wire, and transmission towers were completed in Thunder Bay and continue to be delivered to the Marathon laydown yard.
 - Deliveries of towers continued to be slowed due to leftover backup from earlier CN rail blockades in February 2020, along with protests at the port of Montreal.
 - Alternate delivery options continue to be evaluated.
- Construction
 - Clearing and access crews have been working since the clearing window opened on September 1, 2020.
 - NextBridge expects to complete all clearing and access work by the end of spring 2021.
 - Additional foundation crews were engaged in activities in the summer to complete all available cleared sites in advance of new ones being cleared.
 - This initiative proved successful as crews were able to triple their historical monthly production.
 - Foundation crews began ramping down in September while focus moved to geotechnical investigations.
 - An additional erection crew was recently added to help close the gap between erected and assembled towers.
 - The first stringing span of 15 structures was completed on July 29, 2020.
 - Since the start of stringing activities, crews have completed approximately 40 km of conductor installation on over 100 structures.
- Detailed Engineering
 - Transmission line design Issued for Construction Review packages for all WFs have been issued and Issued for Construction packages are being issued as ROW is cleared and ground-truthing is being performed.
 - NextBridge is developing a plan to measure the high frequency tower resistance on a sample size of towers in order to validate grounding assumptions.
 - Working with vendors to supply lighting and marking for 35 towers which has been prescribed by Transport Canada.

- NextBridge requested and has received rationale from Transport Canada confirming its newly-proposed requirements.
- Transport Canada's newly-proposed requirements are related to the installation of lights and application of safety paint on a selection of towers.
- Through a competitive bidding process Drake lighting has been selected to supply the tower lights prescribed by Transport Canada.
- The majority of the lights prescribed by Transport Canada fall under the Canadian Aviation Regulations SOR/96-433 Part VI General Operating and Flight Rules-601.25 and are required at the discretion of the Minister who has determined these towers to be hazardous to air navigation.
- Conducting a feasibility study of a potential bypass of a HONI transmission line outside of the Wawa TS to mitigate the need for an extended outage period.

Coordination Efforts with HONI

- Status and Changes to Access Road and Transmission Line Crossings
 - Continued engagement with HONI to acquire necessary land rights and/or obtain permits.
 - Obtained amended approvals from HONI for longitudinal (land) access associated with WF8.
 - Met with HONI and IESO regarding overhead transmission line crossing designs and outages.
 - Obtained the land agreements associated with Lakehead and Marathon TS.
 - The land agreements associated with the Wawa TSs are outstanding.
 - NextBridge revised design drawings to incorporate HONI feedback for the Lakehead, Marathon, and Wawa TSs which has delayed the approval of these land agreements.
 - Expect to execute the Wawa TS agreement by the end of 4Q 2020.
 - Work sequence has been adjusted to address timing of land agreements and no schedule impacts are expected as a result of this outcome.
- Overview of Key Negotiations, Agreements, and Coordination Efforts Between NextBridge and HONI
 - Continued discussions related to HONI's Staging Plan which includes the coordination of facility upgrades with cable connections and outage requirements.
 - Discussions with HONI regarding the negotiation of the Construction Cost Recovery Agreement (CCRA).
 - NextBridge and HONI continued reviewing feedback and comments on the preliminary draft of the CCRA in 3Q 2020.
 - The CCRA and associated Terms and Conditions are under internal review and will undergo additional reviews by both parties in 4Q 2020.

- Commenced discussions on Connection Facilities Agreement.
- September 2021 is the current completion target date for the Connection Facilities Agreement, as discussed with HONI.
- As per letters received by NextBridge from the IESO dated August 28, 2020⁷, and from the OEB on September 24, 2020⁸, a schedule coordination meeting has been arranged with HONI on October 6, 2020.
 - A draft copy of the updated construction schedule⁹ will be provided to HONI in advance of the meeting.
- Other Material Developments, Issues, or Risks Related to the Coordination Between NextBridge and HONI
 - NextBridge expects to conclude Grant of Easements for all three TSs with HONI by the end of 4Q 2020.
 - HONI is currently completing its stakeholder review of the updated design drawings for the Wawa Transformer Station, for the previously identified issue related to the demarcation of the Project and expansions of HONI's TS footprints that necessitated design changes at the TS lands.
 - This issue has delayed the finalization of land rights for the EWT Project on HONI TS lands, but is not expected to impact Project schedule at this time.

Risks related to the Coordination efforts between NextBridge and HONI can be found below in Section 4. A.

Registration Process with IESO

- NextBridge started the entity registration process with IESO as required by the IESO membership rules.
 - Target date for completion of registration process is in Q1 2021.

COVID-19 Global Pandemic

- On March 23, 2020, NextBridge provided an Intermediate Notice to the Board that, in order to help contain the spread of COVID-19, NextBridge was temporarily closing the work camps associated with the construction of the Project for the safety and health of the workers.
- After additional discussions with the local municipalities and Indigenous communities in Northwestern Ontario regarding the possible spread of COVID-19 and its potential impact on the

⁷ A copy of the letter can be found in Section 5 Appendix B

⁸ A copy of the letter can be found in Section 5 Appendix D

⁹ A copy of the letter can be found in Section 2.B.

safety and health of its workers and communities, NextBridge decided to temporarily suspend all construction activities as of April 3, 2020.

- NextBridge, in consultation with local municipalities and Indigenous communities and under the advisement of local health authorities, resumed limited construction activities on May 19, 2020.
- NextBridge has since resumed all construction activities on the Project, and has subsequently made a request to the OEB¹⁰ for an amendment to the ISD within the approved amended Leave to Construct Application to be changed to March 31, 2022, based on an updated construction schedule.
- The OEB responded to the requested amendment to the ISD within the approved amended Leave to Construct Application on March.
- NextBridge is tracking incremental construction costs related to the COVID-19 Global Pandemic and requested the Board to approve the creation of a subaccount of Account 2055 to do so in its April 22, 2020 letter to the Board.

Risks related to the COVID-19 Global Pandemic can be found below in Section 4. A.

¹⁰ A copy of this correspondence can be found in Section 5 Appendix C

2. Construction Schedule Update

A. Project Map



B. Milestone Updates Table

On July 22, 2020, NextBridge submitted a letter¹¹ to the IESO, requesting confirmation that there is no unacceptable risk to reliability if the East-West Tie Line comes into service on March 31, 2022. The IESO responded on August 28, 2020¹² that: "...the IESO 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." On September 3, 2020, NextBridge by letter¹³ advised the OEB that NextBridge proposed a change in construction schedule for the East-West Tie Line to reflect a change to the ISD of the East-West Tie Line from 4Q 2021 to March 31, 2022. The OEB responded by letter¹⁴ on September 24, 2020, and requested, "...NextBridge and Hydro One to work towards ensuring the timely connection of stations and lines. The OEB also expects NextBridge will advise the OEB when the project schedules have been aligned and will include the necessary supporting details." and "...provide detailed information on its budget and schedule changes resulting from delays in obtaining permit approvals, the COVID-19 pandemic, and any other factors. The OEB asks that an up-to-date cost estimate and detailed schedule be provided in NextBridge's next quarterly report to be filed in October 2020."

In order to provide an understanding of the details of the proposal to change the ISD to March 31, 2022, NextBridge undertook an internal scheduling exercise where previously-reported milestone dates were revised to meet a new construction schedule based on the new proposed ISD. Post-LTC Decision Baseline Target Dates and the most recently reported revisions to those dates are included in the below table adjacent to Proposed Revised Dates Based on New ISD to illustrate the variances which are expected to exist with the newly proposed ISD. In subsequent reports, the Revised Date from 2Q 2020 Reporting Period will be removed and future variances will be defined in the "Variance Reason/Potential Impact" column.

The following updated construction schedule resulted from this internal scheduling exercise, and subsequently it will be shared with HONI in early October to support alignment of Project schedules. NextBridge and HONI have discussed continuing regular update meetings to ensure that schedules will be aligned to meet a March 31, 2022 ISD.

¹¹ A copy of the letter can be found in Section 5 Appendix A

¹² A copy of the letter can be found in Section 5 Appendix B

¹³ A copy of the letter can be found in Section 5 Appendix C

¹⁴ A copy of the letter can be found in Section 5 Appendix D

Activity	Post-LTC Decision Baseline Target Date	Revised Date from 2Q 2020 Reporting Period	Proposed Revised Dates Based on New ISD	Variance Reason/Potential Impact
Regulatory				
Oral Hearing Start	Completed			
OEB LTC Decision and Order	Completed			
OEB approval of authority to expropriate	September 2019			- Completed in 3Q 2019
Register approved Plan of Expropriation and issue relevant Expropriation Act Notices/Offers	December 2019	1Q 2020		- Completed in 1Q 2020
Obtain possession of expropriated lands for construction purposes	March 2020			- Completed in 1Q 2020
Environmental¹⁵				
Approval of the Amended EA	Completed			
Approval by MECP of ECA - Camp Wastewater	2Q 2020			
Approval by MNR of Water Crossing Permits	3Q 2019 to Q1 2020	3Q 2020	4Q 2020	- The vast majority of permits have been received for all WFs, however a small number are outstanding in WFs 10 and 11 - Bridge amendment applications are being submitted on an as needed basis as construction starts in new WFs.
Approval by MECP of Species at Risk Permits (Bat maternity roosts, Eastern whip-poor-will)	3Q 2019			- Completed in 3Q 2019

¹⁵ Apart from the EA which has been issued, based on the WF approach to construction, not all permits are needed at start of construction on the Project as some WFs will have all necessary permits to start construction.

Activity	Post-LTC Decision Baseline Target Date	Revised Date from 2Q 2020 Reporting Period	Proposed Revised Dates Based on New ISD	Variance Reason/Potential Impact
Approval by MECP of Species at Risk Permits (Caribou, Bat hibernacula)	4Q 2019			- Completed in 4Q 2019
Approval of ECCC SARA Bat hibernacula and caribou permit	4Q 2019	3Q 2020		- Completed in 3Q 2020
Approval of MECP Provincial Park & Conservation Reserve Management Plan Amendments	4Q 2019			- Completed in 4Q 2019
Lakehead Region Conservation Authority Permit	3Q 2019			- Completed in 3Q 2019
Transport Canada Section 67 for Transport Canada Lands	3Q-4Q 2019		4Q 2020	- Section 67 application is required and is expected to be received in 4Q 2020.
Transport Canada Navigation Protection Act Canada permit	3Q-4Q 2019	3Q 2020		- Complete in 3Q 2020.
Fisheries and Oceans Canada Letters of Advice	3Q 2019 to 1Q 2020	3Q 2020		- Complete in 3Q 2020.
Indigenous Service Canada Section 67 for Reserve Lands	3Q-4Q 2019	3Q 2020		- Completed in 3Q 2020.
Infrastructure Ontario Class Environmental Assessment	4Q 2019	1Q 2020		- Completed in 1Q 2020.
MHSTCI– Heritage, Sport, Tourism and Cultural Industries acceptance	4Q 2019	3Q 2020	4Q 2020	- Additional archeological field work will now be required in the 2020 Fall field season. - Revised milestone date not anticipated to impact construction schedule.
Land Acquisition				
Substantial completion of signing of option agreements	Completed			

Activity	Post-LTC Decision Baseline Target Date	Revised Date from 2Q 2020 Reporting Period	Proposed Revised Dates Based on New ISD	Variance Reason/Potential Impact
Crown Land Disposition Application filed	3Q-4Q 2019			- Completed in 4Q 2019
Third party Crossing agreements complete	3Q-4Q 2019	3Q 2020		- Completed in 3Q 2020.
MNRF approval of Crown Lease/Land Use Permits	3Q 2019 to 1Q 2020	2Q 2020		- Completed in 2Q 2020.
MNRF approval of Crown Land Work Permits	3Q 2019 to 1Q 2020	3Q 2020		- Completed in 3Q 2020.
MTO approval of Land Use and Building Permits	3Q-4Q 2019	1Q 2020		- Completed in 1Q 2020.
MTO approval of Entrance Permits	3Q-4Q 2019	1Q 2020		- Completed in 1Q 2020.
MTO approval of Encroachment Permits	3Q-4Q 2019	1Q 2020		- Completed in 1Q 2020.
Indigenous Relations				
Indigenous Service Canada (ISC) approval of Land Related Permits	4Q 2019	2Q 2020	4Q 2020	<ul style="list-style-type: none"> - NextBridge is finalising negotiations with Pays Plat First Nation and the Federal government and anticipates approvals in 4Q 2020. - Revised milestone date is not anticipated to impact the construction schedule.
HONI - Related				
HONI approves Longitudinal Access	3Q 2019			- Completed in 3Q 2019.
HONI Approves Transmission Crossing Application	3Q 2019	3Q 2020	4Q 2020	<ul style="list-style-type: none"> - Additional time required to finalize agreement at Lakehead TS. - Milestone substantially complete.

Activity	Post-LTC Decision Baseline Target Date	Revised Date from 2Q 2020 Reporting Period	Proposed Revised Dates Based on New ISD	Variance Reason/Potential Impact
				<ul style="list-style-type: none"> - Revised milestone date not anticipated to impact construction schedule.
NextBridge files Sec 101 Application (If not approved by HONI)	4Q 2019	N/A	4Q 2020	<ul style="list-style-type: none"> - HONI has approved the majority of the HONI line crossings including the crossing of the T1M lines. - NextBridge continues to work with HONI regarding one outstanding overhead crossing agreement at the Lakehead TS and expects to receive this agreement in 4Q 2020. - Accordingly, a Section 101 application will likely not be required.
HONI Substations commissioned ¹⁶	4Q 2021		TBD	<ul style="list-style-type: none"> - The coordination of schedules with HONI is underway. - The revised date will be populated once it has been confirmed by HONI.
Engineering & Construction				

¹⁶ Per Exhibit B, Tab 11, Schedule 1 of Hydro One Station work LTC application.

Activity	Post-LTC Decision Baseline Target Date	Revised Date from 2Q 2020 Reporting Period	Proposed Revised Dates Based on New ISD	Variance Reason/Potential Impact
Commence Clearing & Access	3Q 2019			- Commenced in 3Q 2019.
Commence Geotech and Foundations	4Q 2019			- Commenced in 4Q 2019.
Commence Towers Assembly	4Q 2019			- Commenced in 4Q 2019.
Commence Towers Erection	1Q 2020			- Commenced in 1Q 2020.
Commence Conductor Stringing	2Q 2020	3Q 2020		- Commenced in 3Q 2020.
Work Front 1 - Commence Clearing & Access	3Q 2019			- Commenced in 3Q 2019.
Work Front 1 - Commence Geotech and Foundations	4Q 2019			- Commenced in 4Q 2019.
Work Front 1 - Commence Towers Assembly	4Q 2019			- Commenced in 4Q 2019.
Work Front 1 - Commence Towers Erection	1Q 2020			- Commenced in 1Q 2020.
Work Front 1 - Commence Conductor Stringing	1Q 2020	3Q 2020		- Commenced in 3Q 2020.
Work Front 2 - Commence Clearing & Access	1Q 2020			- Commenced in 1Q 2020.
Work Front 2 - Commence Geotech and Foundations	1Q 2020	2Q 2020		- Commenced in 2Q 2020.
Work Front 2 - Commence Towers Assembly	1Q 2020	2Q 2020		- Commenced in 2Q 2020.
Work Front 2 - Commence Towers Erection	1Q 2020	3Q 2020		- Commenced in 3Q 2020.
Work Front 2 - Commence Conductor Stringing	2Q 2020	3Q 2020	4Q 2020	
Work Front 3 - Commence Clearing & Access	1Q 2020			- Commenced in 1Q 2020.
Work Front 3 - Commence Geotech and Foundations	1Q 2020	2Q 2020		- Commenced in 2Q 2020.
Work Front 3 - Commence Towers Assembly	2Q 2020			- Commenced in 2Q 2020.
Work Front 3 - Commence Towers Erection	2Q 2020	3Q 2020		- Commenced in 3Q 2020.
Work Front 3 - Commence Conductor Stringing	3Q 2020		3Q 2021	
Work Front 4 - Commence Clearing & Access	2Q 2020	3Q 2020		- Commenced in 3Q 2020.
Work Front 4 - Commence Geotech and Foundations	2Q 2020	3Q 2020	2Q 2021	
Work Front 4 - Commence Towers Assembly	3Q 2020		2Q 2021	
Work Front 4 - Commence Towers Erection	3Q 2020		3Q 2021	
Work Front 4 - Commence Conductor Stringing	3Q 2020		4Q 2021	
Work Front 5 - Commence Clearing & Access	1Q 2020			- Commenced in 1Q 2020.

Activity	Post-LTC Decision Baseline Target Date	Revised Date from 2Q 2020 Reporting Period	Proposed Revised Dates Based on New ISD	Variance Reason/Potential Impact
Work Front 5 - Commence Geotech and Foundations	1Q 2020	2Q 2020		- Commenced in 2Q 2020.
Work Front 5 - Commence Towers Assembly	4Q 2020		1Q 2021	
Work Front 5 - Commence Towers Erection	1Q 2021		1Q 2021	
Work Front 5 - Commence Conductor Stringing	1Q 2021		4Q 2021	
Work Front 6 - Commence Clearing & Access	1Q 2020			- Commenced in 1Q 2020.
Work Front 6 - Commence Geotech and Foundations	1Q 2020			- Commenced in 1Q 2020.
Work Front 6 - Commence Towers Assembly	1Q 2020			- Commenced in 1Q 2020.
Work Front 6 - Commence Towers Erection	1Q 2020	4Q 2020	1Q 2021	
Work Front 6 - Commence Conductor Stringing	3Q 2020		1Q 2022	
Work Front 7 - Commence Clearing & Access	1Q 2020			- Commenced in 4Q 2019.
Work Front 7 - Commence Geotech and Foundations	2Q 2020			- Commenced in 1Q 2020.
Work Front 7 - Commence Towers Assembly	3Q 2020			- Commenced in 1Q 2020.
Work Front 7 - Commence Towers Erection	3Q 2020			- Commenced in 3Q 2020.
Work Front 7 - Commence Conductor Stringing	4Q 2020		2Q 2021	
Work Front 8 - Commence Clearing & Access	1Q 2020			- Commenced in 1Q 2020.
Work Front 8 - Commence Geotech and Foundations	3Q 2020			- Commenced in 3Q 2020.
Work Front 8 - Commence Towers Assembly	4Q 2020			- Commenced in 3Q 2020.
Work Front 8 - Commence Towers Erection	4Q 2020		2Q 2021	
Work Front 8 - Commence Conductor Stringing	1Q 2021		3Q 2021	
Work Front 9 - Commence Clearing & Access	1Q 2020			- Commenced in 1Q 2020.
Work Front 9 - Commence Geotech and Foundations	3Q 2020			- Commenced in 3Q 2020.
Work Front 9 - Commence Towers Assembly	4Q 2020			- Commenced in 3Q 2020.
Work Front 9 - Commence Towers Erection	4Q 2020		3Q 2021	
Work Front 9 - Commence Conductor Stringing	2Q 2021		3Q 2021	
Work Front 10 - Commence Clearing & Access	3Q 2020			- Commenced in 3Q 2020.
Work Front 10 - Commence Geotech and Foundations	3Q 2020		2Q 2021	

Activity	Post-LTC Decision Baseline Target Date	Revised Date from 2Q 2020 Reporting Period	Proposed Revised Dates Based on New ISD	Variance Reason/Potential Impact
Work Front 10 - Commence Towers Assembly	4Q 2020		3Q 2021	
Work Front 10 - Commence Towers Erection	1Q 2021		4Q 2021	
Work Front 10 - Commence Conductor Stringing	3Q 2021		4Q 2021	
Work Front 11 - Commence Clearing & Access	3Q 2020			- Commenced in 3Q 2020
Work Front 11 - Commence Geotech and Foundations	3Q 2020		1Q 2021	
Work Front 11 - Commence Towers Assembly	1Q 2021		1Q 2021	
Work Front 11 - Commence Towers Erection	2Q 2021		4Q 2021	
Work Front 11 - Commence Conductor Stringing	3Q 2021		1Q 2022	
Project Construction Substantially Complete	4Q 2021		1Q 2022	
Project Commissioning Commences	4Q 2021		1Q 2022	
Project Commissioning Complete - In Service	4Q 2021		1Q 2022	
Final acceptance and release of General Contractor	4Q 2021		1Q 2022	

C. Permit and Approval/Authorization Requirements by Work Front Table

Work Front	Remaining Major Permits and Approvals/Authorizations ¹⁷	Original Target Date Reported in 1 st OEB Quarterly Report	Revised Target Date	Variance Reason/Potential Impact
1	0 Species at Risk 0 Water Body Crossings 0 Overhead Crossings 0 Work Permit and Land Use Permit 0 Access	September 2019		
7	0 Species at Risk 0 Water Body Crossings 0 Overhead Crossings 0 Work Permit and Land Use Permit 0 Access	September 2019	May 2020 → August 2020	<ul style="list-style-type: none"> No major permits or approvals/authorizations outstanding in this WF at this time. Known schedule impacts have been assessed and incorporated into the updated construction schedule.
2	0 Species at Risk 0 Water Body Crossings 0 Overhead Crossings 0 Work Permit and Land Use Permit 0 Access	September 2019	January 2020	<ul style="list-style-type: none"> No major permits or approvals/authorizations outstanding in this WF at this time. Known schedule impacts have been assessed and incorporated into the updated construction schedule.
6	1 Species at Risk Amendment (including Caribou) 0 Water Body Crossings 0 Overhead Crossings	December 2019	May 2020 → November 2020	<ul style="list-style-type: none"> Awaiting agency approval of amended Overall Benefit Permit to allow construction of all season access roads if needed.

¹⁷ The number of Major Permits and Approvals/Authorizations are subject to change as access plans evolve.

Work Front	Remaining Major Permits and Approvals/Authorizations ¹⁷	Original Target Date Reported in 1 st OEB Quarterly Report	Revised Target Date	Variance Reason/Potential Impact
	0 Work Permit and Land Use Permit 1 Phase I ESA 0 Access			<ul style="list-style-type: none"> Known schedule impacts have been assessed and incorporated into the updated construction schedule.
8	0 Species at Risk 0 Water Body Crossings 0 Overhead Crossings 4 Work Permit and Land Use Permit 5 Access	September 2019	May 2020 → November 2020	<ul style="list-style-type: none"> Awaiting necessary federal permits and approvals on Pic Mobert ATR lands as mentioned earlier in the Report. Awaiting approval for Pic Mobert ATR Land from ISC in order to apply for necessary work permit. Known schedule impacts have been assessed and incorporated into the updated construction schedule.
3	0 Species at Risk 2 Water Body Crossings 0 Overhead Crossings 4 Work Permit and Land Use Permit 1 Phase I ESA 3 Access	September 2019	May 2020 → October 2020	<ul style="list-style-type: none"> Awaiting necessary provincial permits and approvals. Known schedule impacts have been assessed and incorporated into the updated construction schedule.
9	0 Species at Risk 1 Water Body Crossings 0 Overhead Crossings 1 Work Permit and Land Use Permit 0 Access	September 2019	October 2020	<ul style="list-style-type: none"> Awaiting necessary provincial permits and approvals. Known schedule impacts have been assessed and incorporated into the updated construction schedule.

Work Front	Remaining Major Permits and Approvals/Authorizations ¹⁷	Original Target Date Reported in 1 st OEB Quarterly Report	Revised Target Date	Variance Reason/Potential Impact
5	0 Species at Risk 2 Water Body Crossings 0 Overhead Crossings 2 Work Permit and Land Use Permit 0 Access	December 2019	May 2020 → October 2020	<ul style="list-style-type: none"> • Awaiting necessary provincial permits and approvals. • Known schedule impacts have been assessed and incorporated into the updated construction schedule.
4	0 Species at Risk 2 Water Body Crossings 0 Overhead Crossings 2 Work Permit and Land Use Permit 0 Access	November 2019	May 2020 → October 2020	<ul style="list-style-type: none"> • Awaiting necessary provincial permits and approvals. • Known schedule impacts have been assessed and incorporated into the updated construction schedule.
10	0 Species at Risk 3 Water Body Crossings 0 Overhead Crossings 4 Work Permit and Land Use Permit 2 Access	November 2019	May 2020 → October 2020	<ul style="list-style-type: none"> • Awaiting necessary provincial permits and approvals. • Known schedule impacts have been assessed and incorporated into the updated construction schedule.
11	0 Species at Risk 4 Water Body Crossings 0 Overhead Crossings 5 Work Permit and Land Use Permit 2 Access	December 2019	May 2020 → October 2020	<ul style="list-style-type: none"> • Awaiting necessary provincial permits and approvals. • Known schedule impacts have been assessed and incorporated into the updated construction schedule.

3. Construction Cost Update

A. Project Cost Update Summary

Construction costs for the EWT Project are forecasted to be on budget when compared to the LTC application budget. While increases have been identified in certain budget areas, the use of the previously-budgeted value for contingency allows for sufficient allocation of funds to address areas where budget increases were identified. However, at this point in time the costs related to the COVID-19 Global Pandemic are unknown.

B. Project Cost Update Table

Cost Categories for NextBridge's Construction Costs Reporting	Actuals Spent		Budget			Forecast Budget Variance			
	A Spent This Reporting Period \$	B Total Spent To Date \$	C Budget Per LTC Application \$	D=C-B Budget Remaining	E=D/C*100 Budget Remaining %	F Forecast Budget Change \$	G Forecast Budget Change %	H Revised Total Budget	Reasons For Change
Engineering & Construction	95,084,019	305,996,709	572,761,388	266,764,679	47%	41,505,901	7%	614,267,289	Revised based on in-service date
1 Engineering, Design and Procurement	843,824	6,718,158	19,342,245	12,624,087	65%	(10,808,892)	-56%	8,533,353	
2 Materials and Equipment	8,756,688	42,361,934	89,408,231	47,046,297	53%	(22,538,717)	-25%	66,869,514	
8 Site Clearing, Access	28,339,917	83,664,617	107,463,339	23,798,722	22%	33,169,524	31%	140,632,863	
9 Construction	57,143,589	173,252,000	356,547,573	183,295,573	51%	41,683,986	12%	398,231,559	
Environmental & Remediation Activities	1,884,778	16,318,987	26,929,260	10,610,273	39%	4,620,902	17%	31,550,162	Revised based on in-service date
3 Environmental and Regulatory Approvals	1,302,033	15,702,526	13,030,561	(2,671,965)	-21%	6,066,463	47%	19,097,024	
10 Site Remediation	582,745	616,461	13,898,699	13,282,238	96%	(1,445,561)	-10%	12,453,138	
Indigenous Activities	2,350,239	15,606,953	20,211,000	4,604,047	23%	3,442,555	17%	23,653,555	Revised based on in-service date
5 Indigenous Economic Participation	935,148	6,667,201	7,000,000	332,799	5%	2,730,452	39%	9,730,452	
6 Indigenous Consultation	1,415,091	8,939,752	13,211,000	4,271,248	32%	712,103	5%	13,923,103	
4 Land Rights (excludes Aboriginal)	1,128,845	16,778,207	23,830,512	7,052,305	30%	0	0%	23,830,512	
7 Other Consultation	114,639	1,136,677	2,530,194	1,393,517	55%	0	0%	2,530,194	
11 Contingency	-	-	49,399,445	49,399,445	100%	(49,399,445)	-100%	-	Allocation of Contingency
12 Regulatory	262,697	3,875,667	5,405,078	1,529,411	28%	(0)	0%	5,405,078	
13 EWT Management	248,836	4,081,786	4,900,644	818,858	17%	(0)	0%	4,900,644	
Total Project Spend	101,074,053	363,794,985	705,967,521	342,172,536	48%	169,913	0%	706,137,434	
14 Interest During Construction (IDC) ¹	2,062,290	10,832,030	31,003,000	20,170,970	65%	-	0%	31,003,000	
Total Construction Costs^{2,3,4}	103,136,344	374,627,015	736,970,521	362,343,506	49%	169,913	0%	737,140,434	

¹IDC has not been reforecasted as interest rates will vary based on the OEB prescribed rates

²On the record (EB-2017-0182)

³Development Costs eligible for consideration as construction costs of \$5.3 MM not reflected in column B. (OEB Decision, December 20, 2018)

⁴Construction related costs due to COVID-19 are not included in the table above; as of Q3 2020, less than \$100 CAD have been incurred

C. Project Cost Update Summary by Department

Engineering & Construction (E&C)

- The Project cost forecast for this department has not changed since the last reporting period.
- However, there was a cost shift from category #8 Site Clearing, Access to #9 Construction to reflect updated work scope.
- The recently revised construction schedule allowed for a reduction in funds allocated to bridges (in category #8 Site Clearing, Access), which was used to offset a scope refinement in #9 Construction.

Environment & Remediation Activities

- The Project cost forecast for this department has slightly increased since the last reporting period, and was mostly funded by the remaining contingency.
 - Category #3 Environmental and Regulatory Approvals is due to incremental stage 2 archaeology required at White Lake.
 - Category #10 Site Remediation has increased as the requirements of the OBP have been finalized, as well as the timing of the activities that will be part of the construction stage.

Indigenous Activities

- The Project cost forecast for this department has not changed since the last reporting period.

Land Rights (Excludes Aboriginal Engagement)

- The Project cost forecast for this department has not changed since the last reporting period.

Other Consultation

- The Project cost forecast for this department has not changed since the last reporting period.

Regulatory

- The Project cost forecast for this department has not changed since the last reporting period.

EWT Management

- The Project cost forecast for this department has not changed since the last reporting period.

D. OEB Consultation on the Deferral Account – Impacts Arising from the COVID-19 Emergency

- On April 22, 2020, in a separate submittal, NextBridge requested that the OEB issue an order approving a subaccount to Construction Work in Progress – Electric (CWIP) account 2055 to track COVID-19 costs.
- NextBridge has requested that the subaccount be made effective March 23, 2020 when NextBridge first notified the Board of the impact of COVID-19 on construction.
- On May 28, 2020, NextBridge participated in the preliminary stakeholder meeting hosted by the OEB.
- On June 11, 2020, NextBridge submitted written comments on the draft issues list, specifically, requesting that an issue be added regarding what account should be used for distributors and transmitters currently constructing capital projects.
- On August 14, 2020, the OEB issued an Issues List in letter sent to all registered stakeholders concerning the Consultation of the Deferral Account – Impacts Arising from the COVID-19 Emergency.
- On September 24, 2020, the OEB issued a letter to all Licensed Electricity Distributors and Transmitters and all Rate-Regulated Natural Gas Distributors which notified recipients of the commissioning of two expert studies, one of which is applicable to the East-West Tie;
 - London Economics International (LEI) will be undertaking a *COVID-19 Impact Study* to assess the near- and long-term impacts of the COVID-19 pandemic on Ontario's energy sector and identify implications for the OEB's regulatory policy response to energy sector evolution.

4. Risk Management

A. Risk Management Issues, Potential Impacts and Mitigation Measures

Risk Item #	Risk Description	Likelihood of Risk Occurring (High, Medium, Low)	Description of Impact of the Risk on the Project	Risk on the Project (High, Medium, Low)	Mitigation of Risk and/or Impact
1	Agency delay in issuance of other environmental permit(s)	↓	<ul style="list-style-type: none"> Recent office closures and remote work environments due to the COVID-19 global pandemic has slowed permit issuance. 	↓	<ul style="list-style-type: none"> WF approach is designed to allow staggered issuance of permit approvals to facilitate staging of the start of construction in multiple segments simultaneously. Modified work sequence to maintain clearing activities, foundation installation, and tower assembly progress. Delays experienced to date were analyzed as part of the updated scheduling exercise to determine if there were any schedule impacts to the construction schedule. The updated construction schedule can be found in

*Change in colour level from previous Report is denoted with arrows where “↑” indicates an increase in risk and “↓” indicates a decrease in risk.

Risk Item #	Risk Description	Likelihood of Risk Occurring (High, Medium, Low)	Description of Impact of the Risk on the Project	Risk on the Project (High, Medium, Low)	Mitigation of Risk and/or Impact
					Section 2.B. and potential cost impacts have been incorporated in Section 3.A.
2	Delay in access to private, provincial, and federal lands	↓	<ul style="list-style-type: none"> • Lands not accessible in time for construction commencement date will affect Project schedule. <ul style="list-style-type: none"> ○ Private lands not accessible through expropriation. ○ Public lands not accessible through MNRF process. ○ Federal lands not accessible through Reserve crossing permits. 		<ul style="list-style-type: none"> • Pursue regulatory avenues available (e.g. expropriation with OEB, provincial mining recorder order) where access is not granted. • Establish work around/ accommodation plan for “no access” parcels in construction planning. • Work with government on public and federal land access.
3	Delay in HONI station work		<ul style="list-style-type: none"> • If stations are not ready for energization it will delay Project in-service date. 		<ul style="list-style-type: none"> • Communication and coordination with HONI during construction. • Updated construction schedule will be reviewed with HONI in 4Q 2020 to ensure coordination.

*Change in colour level from previous Report is denoted with arrows where “↑” indicates an increase in risk and “↓” indicates a decrease in risk.

Risk Item #	Risk Description	Likelihood of Risk Occurring (High, Medium, Low)	Description of Impact of the Risk on the Project	Risk on the Project (High, Medium, Low)	Mitigation of Risk and/or Impact
					<ul style="list-style-type: none"> HONI will report to the OEB on any updates to its station work schedule
4	Delay in accessing HONI's crossings of access roads and transmission lines		<ul style="list-style-type: none"> Significant portions of lands not accessible in time for access road construction and stringing across HONI ROW lands will affect Project schedule. 		<ul style="list-style-type: none"> Continue to work with HONI and IESO to resolve crossing and access issues. While a Section 101 application will likely not be required, this option remains in the event that NextBridge is unable to reach agreement on all required crossings.

*Change in colour level from previous Report is denoted with arrows where "↑" indicates an increase in risk and "↓" indicates a decrease in risk.

Risk Item #	Risk Description	Likelihood of Risk Occurring (High, Medium, Low)	Description of Impact of the Risk on the Project	Risk on the Project (High, Medium, Low)	Mitigation of Risk and/or Impact
5	Legal challenges	High	<ul style="list-style-type: none"> Parties may file applications for judicial review or appeal of OEB decisions or other permit approvals and seek to stay construction. Risk has materialized, as BZA First Nation has filed both a judicial review of the Jan 30, 2019 Order in Council and an appeal of the Dec 20, 2018 and Feb 11, 2019 OEB decisions. There may be some cost risk involved with defending these legal challenges. 	High	<ul style="list-style-type: none"> Continue to proactively engage with First Nation and Métis communities, landowners and all other stakeholders in order to identify and address concerns. Actively engaged in continued negotiations with BZA related to the judicial review and appeal. Commit to addressing concerns at any point, even post issuance of permits and engage communities on an issue by issue basis.
6	Public protests and/or displays of Project opposition	Medium	<ul style="list-style-type: none"> Potential for reputational impacts but is unlikely to prevent forward progress given provincial approvals have been obtained. Potential for reputation impact of continuing construction activities during COVID-19 	Low	<ul style="list-style-type: none"> Additional discussion and attempts to satisfy concerns. Attentive and responsive to local needs related to COVID-19, such as premature closure of work camps and temporary suspension of construction

*Change in colour level from previous Report is denoted with arrows where “↑” indicates an increase in risk and “↓” indicates a decrease in risk.

Risk Item #	Risk Description	Likelihood of Risk Occurring (High, Medium, Low)	Description of Impact of the Risk on the Project	Risk on the Project (High, Medium, Low)	Mitigation of Risk and/or Impact
			<ul style="list-style-type: none"> Potential for reputation impact related to burning of wood on ROW. 		<p>viewed favourably by local communities.</p> <ul style="list-style-type: none"> Detailed Management Plan developed by Valard coupled with consultation with Local Health Units and communities provided confidence that appropriate measures being taken to protect communities and workers. Timely and effective response to concerns regarding wood burning activities on the ROW through media statements and direct communication with communities.

*Change in colour level from previous Report is denoted with arrows where “↑” indicates an increase in risk and “↓” indicates a decrease in risk.

Risk Item #	Risk Description	Likelihood of Risk Occurring (High, Medium, Low)	Description of Impact of the Risk on the Project	Risk on the Project (High, Medium, Low)	Mitigation of Risk and/or Impact
7	Labour strikes	High	<ul style="list-style-type: none"> Potential for labour actions and disruption/shutdown of construction activities, which could lead to cost and schedule impacts. Potential for media coverage and undesirable project optics. 	High	<ul style="list-style-type: none"> Follow Project labour protocols as per master agreement with Canadian Union of Skilled Workers (CUSW). Foster and maintain good relations and communication with CUSW and its members. Be cognizant of and manage potential for other unions to approach and recruit any non-CUSW members. Media response would be developed to provide public response as appropriate.

*Change in colour level from previous Report is denoted with arrows where “↑” indicates an increase in risk and “↓” indicates a decrease in risk.



Risk Item #	Risk Description	Likelihood of Risk Occurring (High, Medium, Low)	Description of Impact of the Risk on the Project	Risk on the Project (High, Medium, Low)	Mitigation of Risk and/or Impact
8	Delays in acquisition/resolution of mining leaseholders' interests		<ul style="list-style-type: none"> Impacts to schedule and costs associated with timely acquisition/resolution of required interests. 	↓	<ul style="list-style-type: none"> NextBridge resolved the remaining mining leaseholders' rights in 3Q 2020. This risk item will be removed in the next Reporting Period
9	Delay in resolution of overhead crossing agreement for existing utility	↓	<ul style="list-style-type: none"> Impacts to schedule and costs associated with timely acquisition/resolution of required interests. 	↓	<ul style="list-style-type: none"> NextBridge resolved the outstanding overhead crossing agreement in 3Q 2020. This risk item will be removed in the next Reporting Period
10	COVID-19 Global Pandemic		<ul style="list-style-type: none"> Global pandemic caused the shutdown of work camps and temporary suspension of construction activities which are expected to lead to cost and schedule impacts. Potential for workers testing positive for COVID-19, while 		<ul style="list-style-type: none"> Developed COVID-19 Task Force to ensure the safety of staff, contractors, subcontractors, partners, and the general public and mitigate the impacts of the pandemic on the Project. All construction activities

*Change in colour level from previous Report is denoted with arrows where "↑" indicates an increase in risk and "↓" indicates a decrease in risk.

Low	Medium / Moderate	High	Unknown
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Risk Item #	Risk Description	Likelihood of Risk Occurring (High, Medium, Low)	Description of Impact of the Risk on the Project	Risk on the Project (High, Medium, Low)	Mitigation of Risk and/or Impact
			working in communities where health facilities are limited.		<p>resumed in 3Q 2020</p> <ul style="list-style-type: none"> Working with tower vendor to mitigate potential delivery delay impacts. Indigenous and stakeholder engagement continues in order to address concerns as they arise. The risk to the construction schedule is expected to be mitigated through the updated ISD date; however, the duration and total associated impacts of the COVID-19 Global Pandemic are unknown at this time.
11	Difficulty to obtain timely outages to cross existing transmission lines		<ul style="list-style-type: none"> The Project crosses several existing transmission lines, some of which require outages in order to perform construction works. Timing and duration of outages may not align with construction schedule 		<ul style="list-style-type: none"> Working closely with HONI to obtain outage coordination information and schedules. Conducting a feasibility study of a potential bypass of an existing HONI line which may mitigate this risk. NB has engaged and will

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Risk Item #	Risk Description	Likelihood of Risk Occurring (High, Medium, Low)	Description of Impact of the Risk on the Project	Risk on the Project (High, Medium, Low)	Mitigation of Risk and/or Impact
			activities.		work with the IESO to coordinate outages.

*Change in colour level from previous Report is denoted with arrows where “↑” indicates an increase in risk and “↓” indicates a decrease in risk.

5. Reference Materials

APPENDIX A

Letter from NextBridge to the IESO Requesting Evaluation of New Proposed ISD



July 22, 2020

Ahmed Maria
Director, Transmission Planning
Independent Electricity System Operator
1600-120 Adelaide Street West
Toronto, ON M5H 1T1

Dear Mr. Maria,

NextBridge Infrastructure LP (“NextBridge”) is writing today to request that the Independent Electricity System Operator (“IESO”) confirm that there is no unacceptable risk to reliability if the East-West Tie Line comes into service on March 31, 2022. NextBridge is considering the potential for construction costs avoidance that could result if it is provided with the flexibility to extend construction to March 31, 2022.

Due to the potential impacts to the health and safety of its construction workers, NextBridge temporarily suspended all construction activities on April 3, 2020 and resumed again on May 19, 2020, resulting in the loss of over six weeks of winter construction. Since resuming construction, NextBridge has been working on its construction schedule in order to ensure the project will be in service for October 28, 2021, which per the Ontario Energy Board’s (“OEB”) February 11, 2019 Order was coordinated with Hydro One Network’s (“HONI”) projected completion of the station work. A key consideration in this schedule is the seasonal nature of construction that works within timing windows to avoid disturbances to species at risk, like caribou.

Current conditions of the Overall Benefits Permit (“OBP”) from the Ministry of Environment Conservation and Parks limit the time NextBridge can work by only using winter roads within the Lake Superior caribou habitat. Building winter roads result in less ground disturbance, are generally less environmentally impactful, and are less costly than building all season roads.

Due to winter road restriction in the OBP, only one winter construction season remains to complete construction on the approximately 80 kilometer transmission line segment in the Lake Superior caribou habitat. To mitigate this schedule risk and ensure an October 28, 2021 in service date, NextBridge is seeking an amendment to this condition which would allow for all season roads to be built in order to extend the construction season. However, the building of these roads could result in an increased cost to the project of between \$15-\$20 million. If acceptable to the IESO, NextBridge's preference would be to avoid these additional costs to customers and, at the same time, comply with the current condition, both of which would be achievable with increased flexibility to extend the in service date to March 31, 2022.

1-888-767-3006 | www.NextBridge.ca

NextBridge understands that on July 26, 2018 the IESO filed with the OEB an *Addendum to its Updated Needs Assessment* that continued to recommend that the transmission line be in-service by the end of 2020. However, to align the transmission and station work as required by the OEB, NextBridge and HONI have been working towards an in-service date for the new transmission line would be October 28, 2021. NextBridge will, therefore, not make any decision on moving the current projected October 28, 2021 in-service date until it receives the IESO's opinion related to the reliability risk of a March 31, 2022 in-service date

Please let me know if you have any questions regarding this request.

Kind Regards,



Jennifer Tidmarsh
Project Director, NextBridge

CC
Christine Long, Board Secretary, Ontario Energy Board

APPENDIX B

Letter from the IESO to NextBridge Confirming Evaluation of New Proposed ISD

August 28, 2020

Jennifer Tidmarsh
President NextEra Energy Transmission Canada
NextEra Energy Canada, LP
Suite 1720, 390 Bay Street
Toronto, Ontario
M5H 2Y2



Independent Electricity System Operator
1600-120 Adelaide Street West
Toronto, ON M5H 1T1
t 416.967.7474
www.ieso.ca

Dear Ms. Tidmarsh:

Re: NextBridge July 22, 2020 letter to the IESO on the In Service Date for the East West Tie Project

On July 23, 2020, the IESO received a letter from NextBridge Infrastructure LP ("NextBridge") requesting that the IESO advise on the risk to reliability if the in service date of the East-West Tie Line Project is delayed from Oct. 28, 2021 to March 31, 2022. This letter provides the IESO's perspective on the reliability risks associated with an in-service date of March 31, 2022.

Background

The IESO understands that NextBridge experienced a temporary suspension of construction activities on the East-West Tie Line Project, between April 3, 2020 and May 19, 2020, due to the potential COVID-19 related impacts to the health and safety of its construction workers. As per the Ontario Energy Board's February 11, 2019 Decision and Order, the East-West Tie Line Project is to be in-service for October 28, 2021. According to NextBridge, mitigating the schedule risk caused by the temporary suspension of construction could result in increased costs to the project (between \$15-\$20 million). The IESO understands that NextBridge's preference is to avoid these additional costs; however, doing so would require extending the in-service date to March 31, 2022.

IESO Perspective on Reliability Risk

In its June 2018 Addendum to the 2017 Updated Assessment for the Need for the East-West Tie Expansion, as filed in EB-2017-0182, the IESO continued to recommend an in-service date of 2020 for the East-West Tie Line Project, based on applicable planning and reliability criteria. As part of this assessment, the IESO considered a number of potential options for interim measures to address an in-service date beyond 2020 and indicated that it does not support delaying the in-service date beyond the end of 2022 as the increased risk to system reliability and cost uncertainties associated with interim measures are unacceptable beyond this timeframe. An in-service date of March 31, 2022, as described in NextBridge's July 23, 2020 letter, is prior to that date when the IESO would consider a delay to be unacceptable.

Further, the IESO noted in its 2017 Updated Assessment for the Need for the East-West Tie Expansion, as filed in EB-2017-0182, that water conditions have a strong impact on overall supply availability in the Northwest region and the associated capacity need. Specifically, the reliability risk in the Northwest exists when the region is experiencing drought conditions and higher than expected electricity demand. Based on the time of year when drought conditions in the Northwest are likely to occur, the IESO does not expect a significant increase to system reliability risk, or costs for managing such risks, by extending the in-service date of the East-West Tie Line Project from October 28, 2021 to March 31, 2022.

To summarize, the IESO 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. If the in-service date is delayed beyond March 31, 2022, but before the end of 2022, there may be additional costs to manage the resulting reliability risks; however, these costs are expected to be within the costs of the measures previously identified in the IESO's 2018 Addendum. The IESO maintains that delays beyond the end of 2022 would create an unacceptable amount of increased risk and cost uncertainties as noted above and in the IESO's 2018 Addendum.

The IESO understands that the Ontario Energy Board will ultimately make the decision on project expenditures and in-service date. From the IESO's perspective, there should be a high degree of confidence that additional delays are unlikely before accepting a March 31, 2022 in-service date. The IESO also recommends that NextBridge confirm any scheduling and cost impacts associated with the Hydro One Station Upgrade Project in light of a possible extension to the in-service date of March 31, 2022.

COPY

Yours truly,



Ahmed Maria
Director, Transmission Planning
Independent Electricity System Operator (IESO)

cc: Robert Reinmuller, Hydro One Networks
Chuck Farmer, IESO
Devon Huber, IESO
Leonard Kula, IESO
IESO Records

APPENDIX C

Letter from NextBridge to the OEB to Request Amendment of ISD Within Leave to Construct Application



September 3, 2020

BY EMAIL AND RESS

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:

Re: EB-2017-0182: Notice of In-Service Date Change

Introduction and Summary

This letter is filed on behalf of Upper Canada Transmission Inc. operating as NextBridge Infrastructure (“NextBridge”) in respect to Conditions 3 and 4 of the Ontario Energy Board’s (the “Board” or the “OEB”) Order dated February 11, 2019, granting Leave to Construct the East-West Tie Line (EB-2017-0182 | EB-2017-0194 | EB-2017-0364). (the “Order”).

In summary, NextBridge is advising the Board that, in accordance with Conditions 3 and 4 of the Order, it is proposing a change in construction schedule for the East-West Tie Line to reflect a change to the in-service date of the East-West Tie Line from the fourth quarter of 2021 to March 31, 2022. As described in greater detail below, NextBridge submits that this delay will continue to meet reliability requirements while avoiding increases in construction costs caused by the temporary suspension of construction activities attributable to the potential impacts of the health and safety of its construction workers in April, 2020 due to COVID-19.

Discussion

Conditions 3 and 4 of the Order provide as follows:

3. Independent of any reporting requirements under NextBridge’s licence, NextBridge shall advise the OEB of any proposed material change in the NextBridge-EWT Project in respect of routing, construction schedule, necessary environmental approvals, and all other approvals, permits, licences, certificates and rights required to construct the proposed facilities.
4. NextBridge shall coordinate with Hydro One to align the in-service date of the NextBridge-EWT Project with the in-service date for the Hydro One-Station Upgrades Project.

With respect to Condition 3, in accordance with the directions in the Independent Electricity System Operator (the “IESO”) reliability assessments, NextBridge proposed as set forth in its quarterly reporting that the East-West Tie Line be brought into service in the fourth quarter of 2021.

As NextBridge advised the Board in its July 22, 2020 Report filed herein, “Due to the recent temporary suspension of the construction of the Project due to COVID-19 precautions, the Project execution schedule will be evaluated as construction progresses for impacts. In the event project schedule or construction costs are impacted, NextBridge will explain them in their quarterly report(s).” A copy of that report is provided as Attachment 1.

Also on July 22, 2020, NextBridge wrote the IESO inquiring whether, in light of these delays, the in-service date for the East-West Tie Line could be extended until March 31, 2022 without an adverse impact on reliability. That letter stated:

Due to the potential impacts to the health and safety of its construction workers, NextBridge temporarily suspended all construction activities on April 3, 2020 and resumed again on May 19, 2020, resulting in the loss of over six weeks of winter construction. . . . Due to winter road restriction in the OBP, only one winter construction season remains to complete construction on the approximately 80 kilometer transmission line segment in the Lake Superior caribou habitat. To mitigate this schedule risk and ensure an October 28, 2021 in service date, NextBridge is seeking an amendment to this condition which would allow for all season roads to be built in order to extend the construction season. However, the building of these roads could result in an increase in costs to the project of between \$15-\$20 million. If acceptable to the IESO, NextBridge’s preference would be to avoid these additional costs to customers and, at the same time, comply with the current condition, both of which would be achievable with increased flexibility to extend the in service date to March 31, 2022.

NextBridge’s Letter to the IESO is provided as Attachment 2.

On August 28, 2020, the IESO responded and concluded that “the IESO 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.” The IESO letter is provided as Attachment 3.

NextBridge is therefore advising the Board that, in accordance with Condition 3 of the Order, it is proposing a change in construction schedule for the East-West Tie Line to reflect an in-service date of March 31, 2022. NextBridge submits that this delay will continue to meet reliability requirements while avoiding unnecessary increases in construction costs.

In accordance with Condition 4 of the Order, NextBridge is coordinating with Hydro One Networks, Inc. (“HONI”) to align schedules to extend the in-service date of the East-West Tie line to March 31, 2022, which provides NextBridge additional construction flexibility that could save

customers from increases in construction costs. When the aligning of schedules is complete, NextBridge will notify the OEB.

Conclusion

Based on the unforeseen delay brought about by the suspension of the construction of the Project due to COVID-19, the cost of meeting a fourth quarter 2021 in-service date in light of those delays, and IESO's determination that extending the in-service date of the East-West Tie Line to March 31, 2022 does not present an unacceptable risk to reliability, and in accordance with Conditions 3 and 4 to the Order, NextBridge is hereby advising the Board of the change in construction schedule for the in-service date from the fourth quarter 2021 to March 31, 2022.

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Please advise if the Board has any questions or concerns.

Sincerely,



Jennifer Tidmarsh
Project Director, NextBridge

APPENDIX D

Response from the OEB to NextBridge's Request for Amendment of ISD Within Leave to Construct Application



BY E-MAIL

September 24, 2020

Ms. Jennifer Tidmarsh
Project Director
NextBridge Infrastructure, LP
290 Bay Street, Suite 1720
Toronto, ON M5H 2Y2
Jennifer.Tidmarsh@nexteraenergy.com

Dear Ms. Tidmarsh:

**Re: NextBridge Infrastructure LP
Quarterly Report on the East-West Tie Project
Board File No.: EB-2017-0182**

The Ontario Energy Board (OEB) acknowledges receipt of the letter from Upper Canada Transmission Inc., operating as NextBridge Infrastructure, LP (NextBridge), dated September 3, 2020 (September Letter), regarding the change to the in-service date for the East-West Tie Project to March 31, 2022.

On July 22, 2020, NextBridge copied the OEB on a letter it sent to the Independent Electricity System Operator (IESO) asking the IESO to confirm that there is no unacceptable risk to reliability if the East-West Tie Project were to come into service on March 31, 2022 – a five month delay from the planned in-service date. The September Letter noted the IESO's confirmation¹, among other things, that a March 31, 2022 in-service date for the East-West Tie Project does not present an unacceptable risk to reliability.

In the September Letter, NextBridge also stated that it is coordinating with Hydro One Networks Inc. (Hydro One) to align the schedules of the East-West Tie Project and Hydro One Station Upgrades Project for the in-service date of March 31, 2022. Through coordinating efforts and aligning construction schedules, the OEB expects NextBridge

¹ The IESO's response, dated August 28, 2020, to NextBridge's question was included as an attachment to the September Letter.

Ontario Energy Board

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and Hydro One to work towards ensuring the timely connection of stations and lines. The OEB also expects NextBridge will advise the OEB when the project schedules have been aligned and will include the necessary supporting details.

As per previous correspondence, the OEB expects NextBridge to provide detailed information on its budget and schedule changes resulting from delays in obtaining permit approvals, the COVID-19 pandemic, and any other factors. The OEB asks that an up-to-date cost estimate and detailed schedule be provided in NextBridge's next quarterly report to be filed in October 2020.

Please direct any questions relating to this matter to David Martinello at David.Martinello@oeb.ca or at 416-440-8142.

Regards,

COPY

Original Signed By

Brian Hewson
Vice President, Consumer Protection & Industry Performance

cc: Devon Huber, IESO, Sr. Manager, Regulatory Affairs
Joanne Richardson, Hydro One Networks Inc., Director, Major Projects and Partnerships