

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

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

**Reporting Period: July 1, 2021 to September 30, 2021**

**Date Submitted: October 22, 2021**

- 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. 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	<b>Summary of the EWT Project Progress to September 30, 2021</b>	<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"> <li>• Table of Key Project Status;</li> <li>• Table of Activities in the Work Fronts (WFs) for the Reporting Period; and</li> <li>• Summary of Activities within the Reporting Period.</li> </ul>
2	<b>Construction Schedule Update</b>	<p>Construction milestones for the Project were originally identified in the LTC proceedings, specifically in NextBridge's responses to Procedural Order #3, filed May 3, 2018, and updated September 24, 2018. On September 3, 2020, in accordance with Conditions 2 and 3 of the LTC Order, NextBridge notified the OEB of a change in construction schedule to reflect a change to the in-service date from 4Q 2021 to March 31, 2022.</p> <p>This section provides an overview of the updated milestones based on the permitting and approval/authorization requirements as they relate to the updated construction schedule and includes:</p> <ul style="list-style-type: none"> <li>• Project Map; and</li> <li>• Updated Table of Milestone Updates.</li> </ul> <p>Where applicable, impacts from changes to HONI's station work will be noted.</p>
3	<b>Construction Cost Update</b>	<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"> <li>• Actual spent;</li> <li>• Percentage of budgeted costs spent to date;</li> <li>• Updated forecast; and</li> <li>• Material forecast variance (if applicable).</li> </ul> <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	<b>Risk Management</b>	<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"> <li>• Risk Management Issues, Potential Impacts, and Mitigation Measures Table.</li> </ul>
5	<b>Reference Materials</b>	<p>This report includes correspondence from the Ontario Ministry of Natural Resources and Forestry (MNRF) related to an Emergency Area Order (EAO) and related Implementation Orders (IOs) due to forest fires which impacted construction activities of the Project during the Reporting Period. Copies of the relevant correspondence to these Orders can be found in this section.</p>

## 1. Summary of the EWT Project Progress During Reporting Period

### A. Table of Key Project Statuses

Key Status	Summary
Stage of Construction	<p><b>Construction activities continued in all WFs</b></p> <ul style="list-style-type: none"> <li>- Clearing and access activities across the project are complete.</li> <li>- Access work in the caribou nursery habitat area has started to be restored as of the permit allowance date of September 15, 2021.</li> <li>- All work camps remain open on the Project.</li> <li>- Staffing during 3Q 2021 has involved approximately 450-500 workers. <ul style="list-style-type: none"> <li>• As foundation/anchors, and assembly activities complete in 4Q 2021, the worker count will continue to decrease.</li> </ul> </li> <li>- Stringing activities progressed in WFs 7 and 8.</li> <li>- Reclamation crews have completed almost 250 structures during 2021 between WFs 1, 2, and 9. <ul style="list-style-type: none"> <li>• Reclamation work is now on hold for the remainder of the year as civil crews have moved to assist with restoring and constructing new all-season access roads in the caribou nursery habitat area. <ul style="list-style-type: none"> <li>○ If time permits following the completion of caribou nursery habitat area access, reclamation may continue during the first month of 4Q 2021.</li> </ul> </li> <li>• Reclamation work expected to resume in spring/summer 2022.</li> </ul> </li> <li>- A 6-structure monopole style dead-end at A002 has been completed and will be strung during the re-scheduled HONI outage on November 1-3, 2021. <ul style="list-style-type: none"> <li>• This will be the final stringing in WF1 and will allow for the connections of conductor and OPGW to be completed to the Lakehead Transformer Station (TS).</li> </ul> </li> <li>- Construction of towers E001 and E003 spanning White Lake Narrows will resume at the start of 4Q 2021 and are expected to be completed in the same quarter.</li> </ul>

Key Status	Summary
	<ul style="list-style-type: none"> <li>- Helicopter-erection activities in Kama Cliffs Provincial Park are ongoing as conventional access for structure erection was not allowed.</li> <li>• At the end of 3Q 2021, approximately 50% of the structures have been completed in this area and work is expected to continue into early 4Q.</li> </ul> <p>Additional information on this topic can be found in Section 1. B., below.</p>
<b>Costs</b>	<p><b>NextBridge continues to maintain focus on the budget.</b></p> <ul style="list-style-type: none"> <li>- Known construction costs for the Project are forecasted to be on budget as compared to the LTC application.</li> <li>- Costs associated with the COVID-19 Global Pandemic have not been estimated in their entirety and will not be known until well after construction is completed and the COVID-19 Global Pandemic is resolved.</li> <li>- Further to the requests made by the OEB in letters dated August 4, 2021, and August 27, 2021, respectively, costs associated with the suspension of construction activities related to the EAO and subsequent IOs will be captured in a Construction Cost Variance Account (CCVA).</li> <li>- Additional information on this topic can be found in Section 3., below.</li> </ul>
<b>Schedule</b>	<p><b>Construction activities are ongoing in WFs 1 and 3 - 11</b></p> <ul style="list-style-type: none"> <li>- Further to the requests made by the OEB in letters dated August 4, 2021, and August 27, 2021, respectively, schedule impacts related to the suspension of construction activities related to the EAO and subsequent IOs have been mitigated by NextBridge and the Project is still on schedule to be placed in-service on March 31, 2022.</li> <li>- Attended meetings with HONI to coordinate schedule and conductor/optical ground wire tie-ins to the Lakehead, Marathon, and Wawa TSs.</li> <li>- All foundations and assembly activities to be completed in 4Q 2021.</li> <li>- Crews remain active in almost all WFs across the Project.</li> <li>- During 3Q 2021, tower assembly and erection activities were completed in WFs 1, 3, 4, 5, 8, 9, 10, and 11.</li> </ul>

Key Status	Summary
	<ul style="list-style-type: none"> <li>• Over 200 towers were fully assembled and 170 erected during the Reporting Period.</li> <li>- Stringing crews completed approximately 135 structures throughout WFs 7 and 8 in 3Q 2021.</li> <li>• A001-A003 outage work has been rescheduled in coordination with IESO and HONI for Nov 1-3, 2021.</li> <li>• Completion of this work will allow conductor and OPGW to be strung to the Lakehead TS.</li> <li>- NextBridge is making continuous efforts with the applicable parties, Indigenous communities, and governmental agencies, including Ministry of the Environment, Conservation, and Parks (MECP), MNRF, Ministry of Energy, Northern Development and Mines, Ministry of Transportation (MTO), Infrastructure Ontario, NAV Canada, Indigenous Services Canada (ISC), Transport Canada, and others, in order to maintain the current schedule.</li> <li>- Additional information on Project schedule can be found throughout this Report.</li> </ul>
Emerging Risks	<p><b>Impacts of COVID-19 Global Pandemic on the Project.</b></p> <p>Construction Impacts</p> <ul style="list-style-type: none"> <li>- 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.</li> <li>- The Province of Ontario declared a provincewide shutdown to commence on December 26, 2020.</li> <li>• Following the identification of COVID-19 cases on the Project in early 1Q 2021, an investigation by the Thunder Bay District Health Unit (TBDHU) was completed to review COVID-19 policies and the related safety measures that were implemented the EWT Project.</li> <li>• The Project is in compliance with the resulting orders issued by the TBDHU for construction to continue.</li> <li>• These orders included: <ul style="list-style-type: none"> <li>○ Additional security and screening at work camps;</li> </ul> </li> </ul>

Key Status	Summary
	<ul style="list-style-type: none"> <li>○ Prescribing a maximum number of workers that could travel together in a work vehicle;</li> <li>○ Requiring additional personal protective equipment (PPE) use for workers and implementing further social distancing policies while working; and,</li> <li>○ Additional cleaning and sanitizing of all work equipment and work camps.</li> </ul> <ul style="list-style-type: none"> <li>- NextBridge has continued taking 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.</li> <li>- There are ongoing communications with the construction team to review COVID-19 impacts and discuss the need for potential further mitigation measures on site.</li> <li>- The Project did not record any positive COVID-19 cases during 3Q 2021.</li> <li>- Vaccination clinics are available in communities across the Project area and the amount of fully vaccinated individuals on the Project continues to increase each month.</li> <li>- Although provincial restrictions are starting to be removed, the Project continues to remain under strict testing and access guidelines to ensure the safety of all workers and the public.</li> <li>- As the COVID-19 Global Pandemic is continually evolving, including the mitigation measures required to continue construction activities, NextBridge is unable to estimate the associated costs related to the Pandemic in their entirety and the total costs will not be known until well after construction is completed and the COVID-19 Global Pandemic is resolved.</li> </ul> <p><b>Permitting and Authorization Impacts</b></p> <ul style="list-style-type: none"> <li>- At this time, many ministries, agencies, and Indigenous communities are also impacted by the COVID-19 Global Pandemic, including office closures, and may not be able to process NextBridge's requests for permits and authorizations in a timely manner.</li> </ul>

Key Status	Summary
	<ul style="list-style-type: none"> <li>Impacts due to a delay in permits and authorizations have been considered in the updated construction schedule.</li> </ul>
Indigenous Activities	<p><b>Engagement Continuing</b></p> <ul style="list-style-type: none"> <li>NextBridge continues to engage with the 18 identified Indigenous communities in the Project area.</li> <li>Engagement highlights include robust consultations on emerging information associated with culturally significant sites, archaeology, provincial parks, and conservation reserve specific permitting, the Indigenous Facilitator Program, ongoing monitoring of COVID-19 developments and discussions, Caribou Species at Risk (SAR) permits, and Section 28.2 Permits.</li> <li>Related to the Caribou SAR Permit, the MECP re-engaged with communities on a proposed amendment to the permit.</li> <li>NextBridge and Pic Mobert First Nation have nearly completed a formal mitigation agreement regarding the cultural and historic issues raised by the community related to the White Lake and Nursery Lake areas.             <ul style="list-style-type: none"> <li>Ongoing work is being pursued to ensure all contractors are aware of and upholding the commitments to adhere to culturally sensitive mitigation measures in the area.</li> </ul> </li> <li>The Indigenous Facilitator Program ran at full capacity during the majority of 3Q 2021, with the exception of the periods impacted by the MNRF IOs.             <ul style="list-style-type: none"> <li>One facilitator was absent from the field due to health issues, so alternative options were approved by the community to have other facilitators perform monitoring in the traditional territory.</li> </ul> </li> <li>NextBridge continued to work with Supercom Industries Inc. (Supercom) and community partners to ensure ongoing compliance with COVID-19 safety protocols, and discharge the Indigenous Facilitator Program:             <ul style="list-style-type: none"> <li>NextBridge continued discussions with the communities surrounding the flow of construction activities and impending decreased workload for some Indigenous Facilitators as reclamation begins on the west side of the Project.</li> </ul> </li> <li>NextBridge continues to be engaged with the six proximate Bamkushwada Limited Partnership communities in many aspects of the Project, including</li> </ul>

Key Status	Summary
	<p>the COVID-19 decision making process, and the construction and reclamation schedule.</p> <ul style="list-style-type: none"> <li>- Additional information on this topic can be found in Section 1. C. below.</li> </ul>
<b>HONI Coordination</b>	<ul style="list-style-type: none"> <li>- NextBridge continued engagement and coordination activities with HONI on multiple fronts, including: <ul style="list-style-type: none"> <li>• Outage scheduling and crossings;</li> <li>• Overall Project schedule;</li> <li>• Construction and commissioning coordination;</li> <li>• The latest draft of the Construction Cost Recovery Agreement (CCRA);</li> <li>• The latest draft of the Connection Facilities Agreement (CFA); and,</li> <li>• The expected timing of the execution of the HONI/Supercom Operations and Maintenance Service Level Agreement (SLA).</li> </ul> </li> <li>- NextBridge continues to coordinate activities with HONI around the updated construction schedule. <ul style="list-style-type: none"> <li>• Monthly coordination meetings continue, and standalone meetings are being held, as needed.</li> </ul> </li> <li>- Additional information on this topic can be found in Section 1. C. below.</li> </ul>



## B. Table of Activities In Work Fronts for the Reporting Period

Work Front	Environmental Permit Submissions	Construction
1	<ul style="list-style-type: none"> <li>Detailed Project Plan (DPP) package submitted and 30-day review period has concluded.</li> </ul>	<ul style="list-style-type: none"> <li>100% access completed.</li> <li>99% tower assembly completed.</li> <li>99% tower foundations completed.</li> <li>99% towers erected.</li> <li>99% conductor strung.</li> <li>80% reclamation completed</li> </ul>
7	<ul style="list-style-type: none"> <li>DPP package re-submitted and 30-day review period has concluded.</li> <li>Related permit applications submitted and received.</li> </ul>	<ul style="list-style-type: none"> <li>100% access completed.</li> <li>97% tower assembly completed.</li> <li>99% foundations completed.</li> <li>87% of towers erected.</li> </ul>
2	<ul style="list-style-type: none"> <li>DPP Package submitted and 30-day review period has concluded.</li> <li>Related permit applications submitted and received.</li> </ul>	<ul style="list-style-type: none"> <li>100% access completed.</li> <li>100% tower assembly completed.</li> <li>100% foundations completed.</li> <li>100% towers erected.</li> <li>100% conductor strung.</li> <li>66% reclamation completed</li> </ul>
6	<ul style="list-style-type: none"> <li>DPP Package submitted and 30-day review period has concluded.</li> <li>Related permit applications. submitted and received.</li> <li>Received MECP approval for amended OBP to support all season access road construction.</li> </ul>	<ul style="list-style-type: none"> <li>100% access completed.</li> <li>93% tower assembly completed.</li> <li>100% foundations completed.</li> <li>60% towers erected.</li> </ul>
8	<ul style="list-style-type: none"> <li>DPP Package submitted and 30-day review period has concluded.</li> <li>Related permit applications submitted and received.</li> <li>Fly yard applications to support stringing operations submitted and received.</li> </ul>	<ul style="list-style-type: none"> <li>100% access completed.</li> <li>98% tower assembly completed.</li> <li>100% foundations completed.</li> <li>98% towers erected.</li> </ul>

Work Front	Environmental Permit Submissions	Construction
3	<ul style="list-style-type: none"> <li>• DPP Package submitted and 30-day review period has concluded.</li> <li>• Kama Cliffs Conservation Reserve DPP has been approved.</li> <li>• Related permit applications submitted and received.</li> <li>• Fly yard application to support stringing operations submitted and received.</li> </ul>	<ul style="list-style-type: none"> <li>• 100% access completed.</li> <li>• 97% tower assembly completed.</li> <li>• 100% foundations completed.</li> <li>• 94% towers erected.</li> <li>• 56% conductor strung.</li> </ul>
9	<ul style="list-style-type: none"> <li>• DPP Package submitted and 30-day review period has concluded.</li> <li>• Related permit applications submitted and received.</li> <li>• Fly yard applications to support stringing operations submitted and received.</li> </ul>	<ul style="list-style-type: none"> <li>• 100% access completed.</li> <li>• 100% towers assembly completed.</li> <li>• 100% foundations completed.</li> <li>• 99% of towers erected.</li> <li>• 76% of conductor strung.</li> <li>• 62% reclamation completed</li> </ul>
5	<ul style="list-style-type: none"> <li>• DPP Package submitted and 30-day review period has concluded.</li> <li>• Related permit applications submitted and received.</li> <li>• Fly yard applications to support stringing operations submitted and received.</li> </ul>	<ul style="list-style-type: none"> <li>• 100% access completed.</li> <li>• 96% foundations completed.</li> <li>• 90% assembly completed.</li> <li>• 36% of towers erected.</li> </ul>
4	<ul style="list-style-type: none"> <li>• DPP Package submitted and 30-day review period has concluded.</li> <li>• Related permit applications submitted and received.</li> <li>• Fly yard applications to support stringing operations submitted and received.</li> </ul>	<ul style="list-style-type: none"> <li>• 100% access completed.</li> <li>• 100% foundations completed.</li> <li>• 100% assembly completed.</li> <li>• 100% erection completed.</li> </ul>
11	<ul style="list-style-type: none"> <li>• DPP Package submitted and 30-day review period has concluded.</li> </ul> <p>Related permit applications submitted and received.</p>	<ul style="list-style-type: none"> <li>• 100% access completed.</li> <li>• 98% foundations completed.</li> <li>• 92% assembly completed.</li> <li>• 27% erection completed.</li> </ul>

Work Front	Environmental Permit Submissions	Construction
10	<ul style="list-style-type: none"> <li>• DPP Package submitted and 30-day review period has concluded.</li> <li>• Related permit applications submitted and received.</li> </ul>	<ul style="list-style-type: none"> <li>• 100% access completed.</li> <li>• 100% foundations completed.</li> <li>• 47% assembly completed.</li> <li>• 20% erection completed.</li> </ul>

## **C. Summary of Activities Within Reporting Period**

### **Environment**

#### **- SAR**

- Received Overall Benefits Permit (OBP) for SAR from the MECP.
- Bat Gate Installation Plan submitted to MECP.
- Ongoing evaluation of rock pile options for habitat mitigation.
- Coordinating with Nature Conservancy of Canada on bat habitat restoration.
- The OBP included multiple conditions requiring actions to avoid impact to SAR and mitigate for impacts to habitat.
- NextBridge received an amendment to allow all season access to be constructed in caribou nursery habitat December 3, 2020.
  - Although NextBridge does not intend to use all season access in the winter of 2021/2022, the amendment was obtained to mitigate potential other force majeure events (e.g., increased COVID-19 infections) which could jeopardize the Project schedule.
- As a condition of the OBP, NextBridge filed a Caribou Transfer Strategy (CTS) on March 31, 2021 and will continue to develop this strategy in consultation with the MECP, MNRF, and Indigenous communities (including Michipicoten First Nation).
- While the CTS requires the translocation of 8 female caribou and 4 male caribou, multiple factors are impacting the finalization of the plan, such as:
  - Confirmation of potential impacts on the current caribou population if 12 animals were removed through transfer; and,
  - Confirmation that the host island is predator-free.
- Ultimately, the CTS will need to balance the regulatory and biological requirements of the government with the biological and spiritual beliefs of Indigenous communities (including Michipicoten First Nation).
- While the transfer plan does not impact the construction schedule, NextBridge requires MECP approval on the final CTS before all the OBP condition requirements are satisfied.
- The federal Species at Risk Act (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 have been submitted.

- Permits were issued for all WFs.
  - 13 Fly yard permit applications to support stringing operations have been submitted and approved by MNRF for WFs 3 to 11.
- Continued productive discussions with:
  - MECP on Provincial Parks and Conservation Reserves work and land use permits, etc.; and,
  - MNRF on work and land use permits, etc.
- Permitting Requirements
  - Continued consultation with MECP, MNRF, Fisheries and Oceans Canada, Canadian Wildlife Service and other agencies regarding the Environmental Assessment (EA).
- EA Conditions
  - Internal and contractor resources are ensuring continuous compliance with the conditions of the EA Approval using a comprehensive Construction Compliance Matrix for tracking purposes.
- Environment-Related Indigenous Discussions
  - Continued solicitation and incorporation of feedback and Traditional Ecologic Knowledge information provided by Indigenous communities and agencies.
  - Responded to inquiries received from Indigenous communities with respect to the Project.
  - Related to the Caribou SAR Permit, the MECP re-engaged with communities on a proposed amendment to the permit needed in order to clarify certain requirements in the development and implementation of a 'caribou transfer strategy'. The notification letter sought the feedback of communities on three amendments to the permit.
- 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.
    - The Facilitator Program was suspended by NextBridge with the support of local Indigenous communities in response to evolving COVID-19 Global Pandemic and requirements for social distancing.
  - The program was restructured and fully relaunched in September 2020 with all communities' facilitators actively engaged in the field.
  - The newly structured program ensures ongoing compliance with COVID-19 protocols and upholds safety as a top priority.
  - As invasive construction activities have been completed, increased independence of the Indigenous Facilitators in the field has been implemented in collaboration with Supercom and field staff.

- NextBridge has begun work with Project partners and Indigenous communities to prepare for reclamation activities, upcoming decreased workloads, and the natural evolution of the Indigenous Facilitator Program.

## Land

- Privately Held Land
  - All outstanding land agreements are now complete/acquired.
  - Merchantable Timber and Damage Settlements are ongoing as construction activities and reclamation activities continue.
- Government Land and Permits
  - NextBridge continues to follow up 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 MNRF has advised the land has been added to the multi-site Land Use Permit and that registration of the land transfer could take up to one year.
    - NextBridge continues to follow up on the progress of the land transfer.
    - This development is not expected to impact the Project schedule.
  - Continued engagement with third party utility and rail companies for permit renewals to support construction activities across the Project.
  - 100% of required third party crossings have been secured.
- Continued working with Mining Leaseholder for revised Consent to Disposition of Surface Rights to support the revisions required due to concerns raised by the community in the White Lake Narrows area.
  - NextBridge had been working with an existing Mining Leaseholder to obtain a revised consent to the Disposition of Surface Rights for this location since August 2020.
  - NextBridge recently became aware of a sale between the existing Mining Leaseholder for the transfer of land rights to a new Mining Leaseholder in late November 2020.
  - NextBridge immediately initiated consultation with the new Mining Leaseholder to obtain a revised consent to the Disposition of Surface Rights to allow construction to proceed.
  - NextBridge continues to work expeditiously to obtain the required consent.
- 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 and reclamation activities.

- Obtained settlements with property owners and Crown interest holders pertaining to damage and disturbance claims as a result of construction activities.

## Regulatory

- On August 19, 2021, the OEB issued the Revenue Requirement Order for the project in docket EB-2020-0150.
  - The order indicated that NextBridge's draft rate order and supporting schedules accurately reflected the OEB's Decision and Order issued on June 17, 2021.

## Indigenous Engagement

- Continued Engagement Activities
  - NextBridge has responded to inquiries and questions received from Indigenous communities with respect to the Project.
  - Ongoing engagement has promoted open dialogue with communities.
  - NextBridge is regularly engaged with interested communities consulting on Project permitting, construction progress, and other topics that arise during this phase of the Project.
  - NextBridge is consistently facilitating opportunities for community representatives and Indigenous Facilitators to observe construction and reclamation activities via helicopter in inaccessible areas, as requested.
- Pic Mobert First Nation Engagement
  - NextBridge and Pic Mobert First Nation have nearly completed a formal mitigation agreement related to the cultural and historic issues that were raised by the community related to the White Lake and Nursery Lake areas.
  - On October 21, 2020, the Pic Mobert First Nation Chief and Council approved the re-routing of the Project and removed the Stop Work Order on the condition that the Project would adhere to a list of mitigation measures.
  - A notification letter was sent to the MECP on December 3, 2020, which summarizes the activities leading to the removal of the Stop Work Order, as well as the agreed mitigation measures.
  - Construction has re-commenced in the area and is expected to be completed in 4Q 2021.
- Michipicoten First Nation Engagement
  - NextBridge has been engaging with Michipicoten First Nation, the MECP, and the MNRF on meeting the requirements of OBP Caribou Transfer Strategy which is expected to balance the regulatory and biological requirements of the government with the biological and spiritual beliefs of Michipicoten First Nation.
- Capacity Funding Agreements

- Capacity Funding Agreements 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 Capacity Funding Agreement 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.
  - Ongoing sensitivity surrounding in-person engagement and protection of vulnerable community members is present across the Project.
  - Generally, feedback from Indigenous communities continues to be positive related to the protocols NextBridge has implemented to ensure the safety of communities.

### **Community/Municipal Engagement**

- Continued Engagement Activities
- The Project's Facebook Group continues to grow steadily with approximately 180 members as of the end of Reporting Period.
  - Project website updated to inform public of temporary work stoppages related to the MNRF IOs and subsequent resumption of work on sections of the line.
  - The Project's email address and hotline is monitored for inquiries, and all inquiries have been answered.
- Complaint Resolution Process
- No formal complaints were submitted during this Reporting Period.

### **Engineering and Construction**

- Materials
- All conductor, optical ground wire, and overhead shield wire have been delivered.
  - The White Lake Narrows painted towers have been assembled and are awaiting the completion of foundation works before erection can commence.
- Construction
- Construction activities are ongoing in the majority of WFs across the Project.



- On July 19, 2021, due to ongoing wildfires in the region, the MNRF issued an IO which resulted in the stoppage of work for all construction activities within WFs 1-6.
  - This shutdown impacted all work sites from the Lakehead TS to Marathon or WFs 1-6.
  - As numerous construction crews were operating in this area at the time of the work stoppage, these crews were forced to stop all activities and relocate to new sites in WFs 7-11.
  - On August 11, 2021, restrictions were lifted in the areas from Nipigon to Marathon, reopening WFs 3-6 for construction activities.
  - On August 17, 2021, the final restrictions were lifted in WFs 1 and 2.
- On August 17, 2021, there was a non-Project related aircraft accident at the Thunder Bay airport resulting in a shutdown of the airport while an investigation occurred.
  - This resulted in numerous flight cancellations and delays for workers travelling to and from the Project and impacted the production of all activities on site.
- Helicopter construction in Kama Cliffs Provincial Park commenced in 3Q 2021 and is expected to be completed in 4Q 2021.
- All foundation and anchor activities to be completed in early 4Q 2021.
- Reclamation activities progressed in WFs 1, 2, and 9 during 3Q 2021.
- All activities for WF 1 have been completed with the exceptions of stringing structures A001-A003 and reclamation work near said structures.
- All activities in WF 2 are now complete with the exception of reclamation.
- All activities completed in WF4 with the exception of stringing and reclamation.
- Crews have completed approximately 210 km of conductor installation on over 560 structures.
- Detailed Engineering
  - Transmission line design Issued for Construction Review packages for all WFs have been issued.
    - Issued for Construction packages are being issued as ROW is cleared and ground-truthing is being performed.
    - 100% of towers have been ground-truthed and Issued for Construction.
    - All towers have been Issued for Construction as of 2Q 2021.
  - NextBridge is developing a plan to measure the high frequency tower resistance on a sample size of towers in order to validate grounding assumptions.
    - The initial campaign took place in 2Q 2021 and will conclude in early 3Q 2021.
  - Installation of tower lighting started at the end of 1Q 2021 and will continue through 4Q 2021.
    - NextBridge requested and has received a response 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 NextBridge selected Drake Lighting to supply and install the tower lights prescribed by Transport Canada.
- The majority of these lights 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 Federal Minister of Transport, who has determined these towers to be hazardous to air navigation.
  - the Honourable Marc Garneau was the Minister at the time of the confirmation of the newly proposed requirements.
- Tower light installations in WF 7 were completed in early 2Q 2021.
- Crews will remobilize in 4Q 2021 in WF 11 to install the remainder of the tower lights after the towers have been erected.
- A reroute to bypass a HONI transmission line (the W2C Line) outside of the Wawa TS was approved.
  - The bypass mitigated the need for an outage of the W2C line.
  - Due to HONI operating constraints, back to back outages are not allowed.
  - An additional structure was required to complete the bypass.

### **Coordination Efforts with HONI**

- Status and Changes to Access Road and Transmission Line Crossings
  - Met with HONI regarding overhead transmission line crossing designs and outages.
  - 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 and commissioning scheduling with transmission line termination construction.
    - HONI has asked NextBridge to have its facilities complete and ready for commissioning by February 25, 2022.
    - This date is 5 weeks prior to the anticipated in-service date.
    - NextBridge continues to seek efficiencies with HONI to shorten this time period, if possible.
  - Discussions with HONI regarding the negotiation of the CCRA.
    - NextBridge and HONI continued reviewing feedback and comments on the final draft of the CCRA.

- The CCRA and associated Terms and Conditions are under final review and is expected to be signed in 4Q 2021.
- Continued discussions on CFA.
  - NextBridge expects to provide an updated draft CFA to HONI in by end of August 2021.
  - September 2021 is the current completion target date for the CFA, as discussed with HONI.
- Discussions continued relating to the HONI/Supercom SLA.
  - HONI/Supercom has informed NextBridge that the formalization of their partnership has taken longer than anticipated and is now expected to be completed at the end of November 2021.
  - Execution of SLA expected to be completed in December 2021 following the completion of the HONI/Supercom partnership formalization.
- Other Material Developments, Issues, or Risks Related to the Coordination Between NextBridge and HONI

Risks related to the coordination efforts between NextBridge and HONI are discussed below in Section 4. A.

### **Registration Process with IESO**

- NextBridge started the entity registration process with IESO as required by the IESO membership rules.
  - Revised target date for completion of registration process is now 4Q 2021.
  - Operating Agreement discussions commenced in 2Q 2021 and are expected to conclude in 4Q 2021.

### **COVID-19 Global Pandemic**

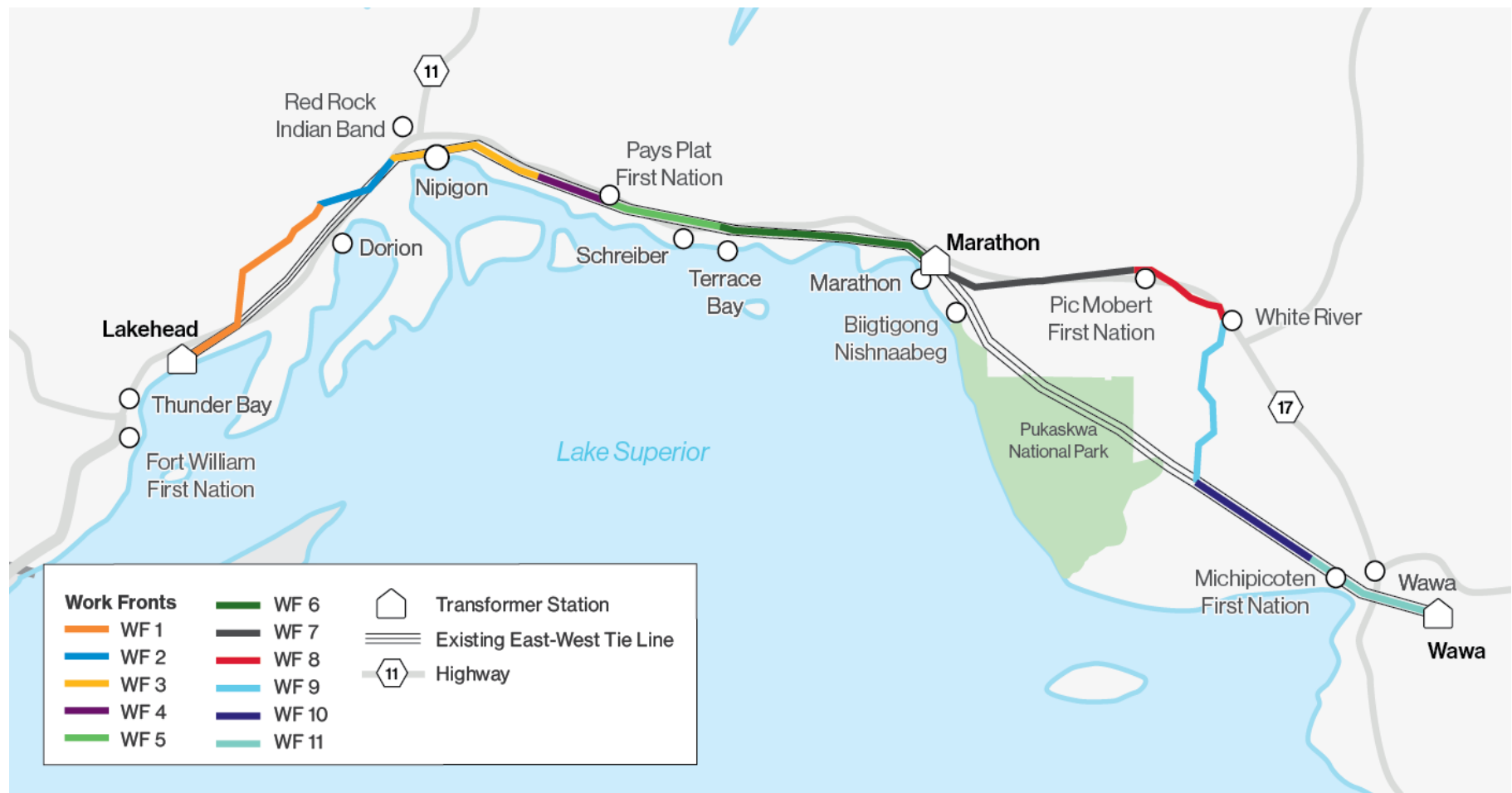
- On March 23, 2020, NextBridge provided an Intermediate Notice to the Board that, in order to help contain the spread of COVID-19, NextBridge was temporarily closing the work camps associated with the construction of the Project for the safety and health of the workers.
- NextBridge, in consultation with local municipalities and Indigenous communities and under the advisement of local health authorities, resumed limited construction activities on May 19, 2020.
- As the COVID-19 Global Pandemic is continually evolving, including the mitigation measures required to continue construction activities, NextBridge is unable to estimate the associated costs in their entirety and the total costs will not be known until well after construction is completed and the COVID-19 Global Pandemic is resolved.
- In accordance with the OEB's Decision and Order on NextBridge's Application for approval of electricity transmission revenue requirements, NextBridge is tracking incremental construction costs related to the COVID-19 Global Pandemic in Account 1509. NextBridge has reclassified COVID-19

incremental construction costs to date out of Account 2055 and into Account 1509. COVID-19 cost prudence and regulatory treatment is deferred by the OEB and will be determined in a separate application to dispose of these costs after ISD.

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

## 2. Construction Schedule Update

### A. Project Map



## B. Milestone Updates Table

NextBridge undertook an internal scheduling exercise to reflect a new construction schedule based on the new proposed March 31, 2022 ISD.

The following updated construction schedule resulted from this internal scheduling exercise, and was subsequently shared with HONI on October 5, 2020, to support alignment of Project schedules. NextBridge and HONI have continued regular update meetings to ensure that their respective schedules will be aligned to meet the ISD.

Activity	Post-LTC Decision Baseline Target Date	Proposed Revised Dates Based on New ISD	Variance Reason/Potential Impact
<b>Regulatory</b>			
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/Offer	December 2019		- Completed in 1Q 2020.
Obtain possession of expropriated lands for construction purposes	March 2020		- Completed in 1Q 2020.
<b>Environmental<sup>1</sup></b>			
Approval of the Amended EA	Completed		
Approval by MECP of ECA - Camp Wastewater	2Q 2020		- ECA – Camp Wastewater is no longer required.
Approval by MNRF of Water Crossing Permits	3Q 2019 to 1Q 2020		- Completed in 4Q 2020.

<sup>1</sup> 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	Proposed Revised Dates Based on New ISD	Variance Reason/Potential Impact
			-
Approval by MECP of Species at Risk Permits (Bat maternity roosts, Eastern whip-poor-will)	3Q 2019		- Completed in 3Q 2019.
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		- 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		- Completed in 4Q 2020.
Transport Canada Navigation Protection Act Canada permit	3Q-4Q 2019		- Completed in 3Q 2020.
Fisheries and Oceans Canada Letters of Advice	3Q 2019 to 1Q 2020		- Completed in 3Q 2020.
Indigenous Service Canada Section 67 for Reserve Lands	3Q-4Q 2019		- Completed in 3Q 2020.
Infrastructure Ontario Class Environmental Assessment	4Q 2019		- Completed in 1Q 2020.
MHSTCI– Heritage, Sport, Tourism and Cultural Industries acceptance	4Q 2019	1Q 2022	<ul style="list-style-type: none"> <li>- Archeological monitoring is required in the White Lake Narrows area during construction activities.</li> <li>- The Stage Two Draft report was shared with Indigenous Community in September for feedback and the draft Stage three will be shared in 4Q 2021.</li> </ul>

Activity	Post-LTC Decision Baseline Target Date	Proposed Revised Dates Based on New ISD	Variance Reason/Potential Impact
<b>Land Acquisition</b>			
Substantial completion of signing of option agreements	Completed		
Crown Land Disposition Application filed	3Q-4Q 2019		- Completed in 4Q 2019.
Third party Crossing agreements complete	3Q-4Q 2019		- Completed in 3Q 2020.
MNRF approval of Crown Lease/Land Use Permits	3Q 2019 to 1Q 2020		- Completed in 2Q 2020.
MNRF approval of Crown Land Work Permits	3Q 2019 to 1Q 2020		- Completed in 3Q 2020.
MTO approval of Land Use and Building Permits	3Q-4Q 2019		- Completed in 1Q 2020.
MTO approval of Entrance Permits	3Q-4Q 2019		- Completed in 1Q 2020.
MTO approval of Encroachment Permits	3Q-4Q 2019		- Completed in 1Q 2020.
<b>Indigenous Relations</b>			
Indigenous Service Canada (ISC approval of Land Related Permits	4Q 2019		- Approval received in 4Q 2020.
<b>HONI - Related</b>			
HONI approves Longitudinal Access	3Q 2019		- Completed in 3Q 2019.
HONI Approves Transmission Crossing Application	3Q 2019		- Completed in 4Q 2020.
NextBridge files Sec 101 Application (If not approved by HONI)	4Q 2019		- Section 101 application will likely no longer be required.
HONI Substations commissioned <sup>2</sup>	4Q 2021	TBD	- The coordination of schedules with HONI is underway.

<sup>2</sup> Per Exhibit B, Tab 11, Schedule 1 of Hydro One Station work LTC application.



Activity	Post-LTC Decision Baseline Target Date	Proposed Revised Dates Based on New ISD	Variance Reason/Potential Impact
			- The revised date will be populated once it has been confirmed by HONI.
<b>Engineering and Construction</b>			
Commence Clearing & Access	3Q 2019		- Activity completed in 2Q 2021.
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		- Commenced in 3Q 2020.
Work Front 1 - Commence Clearing & Access	3Q 2019		- Activity completed in 1Q 2021.
Work Front 1 - Commence Geotech and Foundations	4Q 2019		- Activity completed in 3Q 2021.
Work Front 1 - Commence Towers Assembly	4Q 2019		- Activity completed in 3Q 2021.
Work Front 1 - Commence Towers Erection	1Q 2020		- Activity completed in 3Q 2021.
Work Front 1 - Commence Conductor Stringing	1Q 2020		- Commenced in 3Q 2020.
Work Front 2 - Commence Clearing & Access	1Q 2020		- Activity completed in 1Q 2021.
Work Front 2 - Commence Geotech and Foundations	1Q 2020		- Activity completed in 1Q 2021.
Work Front 2 - Commence Towers Assembly	1Q 2020		- Activity completed in 1Q 2021.
Work Front 2 - Commence Towers Erection	1Q 2020		- Activity completed in 1Q 2021.
Work Front 2 - Commence Conductor Stringing	2Q 2020		- Activity completed in 1Q 2021.
Work Front 3 - Commence Clearing & Access	1Q 2020		- Activity completed in 1Q 2021.
Work Front 3 - Commence Geotech and Foundations	1Q 2020		- Activity completed in 3Q 2021.
Work Front 3 - Commence Towers Assembly	2Q 2020		- Commenced in 2Q 2020.
Work Front 3 - Commence Towers Erection	2Q 2020		- Commenced in 3Q 2020.
Work Front 3 - Commence Conductor Stringing	3Q 2020		- Commenced in 4Q 2020.
Work Front 4 - Commence Clearing & Access	2Q 2020		- Activity completed in 1Q 2021.
Work Front 4 - Commence Geotech and Foundations	2Q 2020		- Activity completed in 3Q 2021.

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

Activity	Post-LTC Decision Baseline Target Date	Proposed Revised Dates Based on New ISD	Variance Reason/Potential Impact
Work Front 9 - Commence Towers Erection	4Q 2020		- Commenced in 4Q 2020.
Work Front 9 - Commence Conductor Stringing	2Q 2021		- Commenced in 1Q 2021.
Work Front 10 - Commence Clearing & Access	3Q 2020		- Activity completed in 1Q 2021.
Work Front 10 - Commence Geotech and Foundations	3Q 2020		- Activity completed in 3Q 2021.
Work Front 10 - Commence Towers Assembly	4Q 2020	3Q 2021	- Commenced in 3Q 2021.
Work Front 10 - Commence Towers Erection	1Q 2021	4Q 2021	- Commenced in 3Q 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		- Commenced in 1Q 2021.
Work Front 11 - Commence Towers Assembly	1Q 2021		- Commenced in 1Q 2021.
Work Front 11 - Commence Towers Erection	2Q 2021		- Commenced in 1Q 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	-

### 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 total 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
<b>Engineering &amp; Construction</b>		52,193,878	555,549,701	572,761,388	17,211,687	3%	41,505,901	7%	614,267,289
1	Engineering, Design and Procurement	570,384	8,524,155	19,342,245	10,818,090	56%	(10,808,892)	-56%	8,533,353
2	Materials and Equipment	(939,046)	65,993,420	89,408,231	23,414,811	26%	(22,538,717)	-25%	66,869,514
8	Site Clearing, Access	1,651,394	137,830,603	107,463,339	(30,367,264)	-28%	33,169,524	31%	140,632,863
9	Construction	50,910,546	343,201,523	356,547,573	13,346,050	4%	41,683,986	12%	398,231,553
<b>Environmental &amp; Remediation Activities</b>		695,887	19,563,953	26,929,260	7,365,307	27%	4,620,902	17%	31,550,162
3	Environmental and Regulatory Approvals	695,887	18,743,951	13,030,561	(5,713,390)	-44%	6,066,463	47%	19,097,024
10	Site Remediation	-	820,003	13,898,699	13,078,697	94%	(1,445,561)	-10%	12,453,138
<b>Indigenous Activities</b>		1,866,669	21,861,657	20,211,000	(1,650,657)	-8%	3,442,555	17%	23,653,555
5	Indigenous Economic Participation	810,377	9,087,837	7,000,000	(2,087,837)	-30%	2,730,452	39%	9,730,452
6	Indigenous Consultation	1,055,693	12,773,820	13,211,000	437,180	3%	712,103	5%	13,923,103
4	Land Rights (excludes Aboriginal)	469,851	19,030,617	23,830,512	4,799,895	20%	0	0%	23,830,512
7	Other Consultation	52,068	1,439,539	2,530,194	1,090,655	43%	0	0%	2,530,194
11	Contingency	-	-	49,399,445	49,399,445	100%	(49,399,445)	-100%	-
12	Regulatory	270,751	5,233,031	5,405,078	172,047	3%	(0)	0%	5,405,078
13	EWT Management	195,268	4,705,586	4,900,644	195,058	4%	(0)	0%	4,900,644
<b>Total Project Spend</b>		55,744,373	627,384,084	705,967,521	78,583,437	11%	169,913	0%	706,137,434
14	Interest During Construction (IDC) <sup>1</sup>	3,536,888	22,537,208	31,003,000	8,465,792	27%	-	0%	31,003,000
<b>Total Construction Costs<sup>2,3,4</sup></b>		59,281,262	649,921,292	736,970,521	87,049,229	12%	169,913	0%	737,140,434

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

2 On the record (EB-2020-0150)

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

4 Construction related costs due to COVID-19 are not included in the table above; as of Q2 2021, \$1.0M has been incurred and is recorded in Account 1503

## **C. Project Cost Update Summary by Department**

### **Engineering and Construction (E and C)**

- The Project cost forecast for this department has not changed since the last Reporting Period.

### **Environment and Remediation Activities**

- The Project cost forecast for this department has not changed since the last Reporting Period.

### **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 March 25, 2020, the OEB issued an accounting order establishing a generic COVID Account 1509 with three sub-accounts to record impacts arising from COVID-19. One of the three sub-accounts established in the letter is sub-account “Other Costs” to record the other incremental identifiable costs beyond the costs recorded in the billing and system changes sub-account and lost revenue sub-account.
- On April 13, 2021, NextBridge received a letter from the OEB regarding the applicability of the COVID-19 deferral account guidelines to certain utilities.
  - In the letter the OEB clarified that the OEB panel from NextBridge’s ongoing application for 2022-2031 transmission revenue requirements will determine whether and how to address any pandemic-related issues.

- On June 17, 2021, the OEB issued a Decision and Order in NextBridge's revenue requirement proceeding. In accordance with this decision, NextBridge is tracking incremental construction costs related to the COVID-19 Global Pandemic in Account 1509. COVID-19 cost prudence and regulatory treatment is deferred by the OEB and will be determined in a separate application to dispose of these costs after ISD.

#### **E. Emergency Area Order Update**

- Prolonged dry and hot weather conditions in northwestern Ontario during the summer months of 2021 led to an abnormally busy fire season in the area. New fires were starting in the area every day, and as the dry, hot conditions continued, the landscape grew more susceptible to new fires. In response to these conditions, the MNRF issued an Emergency Area Order (EAO), EAO 2021-13, covering the northwest region of Ontario. Upon declaration of the EAO, a subsequent Implementation Order (IO), IO-2021-NWR-02, was made under the EAO within the identified emergency area on July 14, 2021. The IO ultimately prohibited construction activities associated with Project WFs 1-6. At the time of the announcement, the MNRF indicated that the IO would only be lifted once the fires were under control, and the expected duration of the work stoppage was unknown.
- In order to mitigate schedule impacts, workers and equipment impacted by the IO were re-mobilized to WFs 7-11 where construction activity restrictions did not exist. This mitigation measure allowed NextBridge to maintain the expected in-service date of March 31, 2022.
- On August 11, 2021, NextBridge was informed that IO-2021-NWR-02 had been revoked and that IO-2021-NWR-03 was now in effect. This update to the restrictions allowed construction activities to re-commence in WFs 3-6. However, new restriction measures, such as night-time only work, and rubber-tire only equipment use, were applied to the area covering WFs 1-2. Due to the nature of NextBridge's construction activities, continuing construction activities with these restrictions was impractical, and was unable to resume construction activities in these WFs.
- On August 18, 2021, the remaining restrictions resulting from IO-2021-NWR-03 were lifted on WFs 1-2 and crews returned to continue construction activities in those WFs shortly thereafter.
- Further to the requests made by the OEB in letters dated August 4, 2021, and August 27, 2021, respectively, NextBridge reported it was able to maintain the expected in-service date for the Project, but additional costs were incurred.
- With respect to the additional costs, NextBridge and its General Contractor estimated the cost increase to the Project due to the IO restrictions is \$20MM. Additional costs were incurred due to the General Contractor resequencing construction activities, unanticipated mobilization of resources and equipment, physical costs such as procurement of fire caches, construction of all-season access roads in the west section to maintain schedule, additional supervision on site to ensure adherence to restrictions, increased camp and personnel days, standby time and construction inefficiencies associated with the restrictions (e.g., working at certain times of the day).

- If these additional costs associated that were incurred to comply with the emergency orders related to wild fires result in an increase in actual construction costs that exceeds forecasted construction costs from Application EB-2020-0150, including IDC, the CCVA will be utilized, as described in Section 3.7 of the OEB's Decision and Order EB-2020-0150.

A chronology of events follows:

- On July 22, 2021, NextBridge received IO-2021-NWR-02 from the MNRF under Emergency Area Order EAO 2021-13 for the purposes of public safety and/or effectual fire suppression.
  - The prohibited activities listed in the IO resulted in NextBridge ceasing all construction activities in WFs 1 through 6.
  - Construction crews were re-mobilized to other WFs to complete activities which were originally scheduled to be completed later in the year.
- On July 23, 2021, NextBridge provided a Notice of Suspension of Construction Activities to the OEB.
- On August 11, 2021, NextBridge was informed that IO-2021-NWR-02 had been revoked and that IO-2021-NWR-03 was now in effect.
  - This change allowed construction activities to resume in WFs 3 through 6, but restrictions were still in effect for WFs 1 and 2.
  - Crews were subsequently mobilized to continue scheduled construction activities in WFs 3 through 6.
- On August 12, 2021, NextBridge provided an Updated Notice of Suspension of Construction Activities to the OEB.
- On August 18, 2021, NextBridge was informed that IO-2021-NWR-03 had been revoked.
  - This change allowed all construction activities to resume in all WFs across the Project.
- On August 19, 2021, NextBridge provided an Updated Notice of Suspension of Construction Activities to the OEB.
- A copy of IO-2021-NWR-02 has been attached in Section 5, Appendix A.
- A copy of an Updated Notice of Suspension of Construction Activities from NextBridge to the OEB has been attached in Section 5, Appendix B.
- A copy of IO-2021-NWR-03 has been attached in Section 5, Appendix C.
- A copy of the notification lifting the restrictions for IO-2021-NWR-02 has been attached in Section 5, Appendix D.
- A copy of an Updated Notice of Suspension of Construction Activities from NextBridge to the OEB has been attached in Section 5, Appendix E.



- A copy of the email notification lifting the restrictions for IO-2021-NWR-03 has been attached in Section 5, Appendix F.
- A copy of an Updated Notice of Suspension of Construction Activities from NextBridge to the OEB has been attached in Section 5, Appendix G.



## 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"> <li>Recent office closures and remote work environments due to the COVID-19 global pandemic has slowed permit issuance.</li> </ul>		<ul style="list-style-type: none"> <li>WF approach is designed to allow staggered issuance of permit approvals to facilitate staging of the start of construction in multiple segments simultaneously.</li> <li>Modified work sequence to maintain clearing activities, foundation installation, tower assembly, and reclamation progress.</li> <li>Delays experienced to date were analyzed as part of the scheduling exercise to determine if there were any schedule impacts to the updated construction schedule.</li> <li>The updated construction schedule can be found in Section 2.B.</li> </ul>

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

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Low

Medium /  
Moderate

High

Unknown

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
2	Delay in access to private, provincial, and federal lands		<ul style="list-style-type: none"> <li>If lands not accessible in time for construction commencement date, it will affect Project schedule. <ul style="list-style-type: none"> <li>Private lands not accessible through expropriation.</li> <li>Public lands not accessible through MNRF process.</li> <li>Federal lands not accessible through Reserve crossing permits.</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>Pursue regulatory avenues available (e.g., expropriation with OEB, provincial mining recorder order) where access is not granted.</li> <li>Established work around/ accommodation plans for “no access” parcels in construction planning.</li> <li>Work with government on public and federal land access.</li> </ul>
3	Delay in HONI station work		<ul style="list-style-type: none"> <li>If stations are not ready for energization, it will delay Project in-service date.</li> </ul>		<ul style="list-style-type: none"> <li>Communication and coordination with HONI during construction.</li> <li>Updated construction schedule and shared with HONI in 4Q 2020.</li> <li>Schedule coordination with HONI continues.</li> <li>HONI will report to the OEB on any updates to its station work schedule.</li> </ul>

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

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Low

Medium /  
Moderate

High

Unknown

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
4	Delay in accessing HONI's crossings of access roads and transmission lines		<ul style="list-style-type: none"> <li>If significant portions of lands not accessible in time for remaining Project activities, it will affect Project schedule.</li> </ul>		<ul style="list-style-type: none"> <li>Resolved crossing and access issues with HONI.</li> <li>A Section 101 application will not be required.</li> <li>This risk item will be removed in the next Reporting Period.</li> </ul>

\*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

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		<ul style="list-style-type: none"> <li>Parties may file applications for judicial review or appeal of OEB decisions or other permit approvals and seek to stay construction.</li> <li>Risk has materialized and been mitigated by the dismissal of BZA First Nation's judicial review of the Jan 30, 2019 Order in Council and an appeal of the Dec 20, 2018 and Feb 11, 2019 OEB decisions.</li> <li>There may be some cost risk involved with defending these legal challenges.</li> </ul>		<ul style="list-style-type: none"> <li>Continue to proactively engage with First Nation and Métis communities, landowners and all other stakeholders in order to identify and address concerns.</li> <li>Commit to addressing concerns at any point, even post issuance of permits and engage communities on an issue by issue basis.</li> </ul>
6	Public protests and/or displays of Project opposition	↓	<ul style="list-style-type: none"> <li>Potential for reputational impacts but is unlikely to prevent Project schedule given provincial approvals have been obtained.</li> <li>Potential for reputation impact of continuing construction</li> </ul>		<ul style="list-style-type: none"> <li>Additional discussion and attempts to satisfy concerns.</li> <li>Attentive and responsive to local needs related to COVID-19, so there is not a premature closure of work camps and temporary suspension of construction and continue to have</li> </ul>

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

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Low

Medium /  
Moderate

High

Unknown

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 during COVID-19		<p>NextBridge viewed favourably by local communities.</p> <ul style="list-style-type: none"> <li>Detailed Management Plan developed by Valard coupled with consultation with the Thunder Bay Public Health Unit and Algoma Public Health and local Indigenous and non-Indigenous communities along the Project route which provided confidence that appropriate measures being taken to protect communities and workers.</li> <li>Effective communication with local municipal departments and elected officials in proximate communities.</li> </ul>
7	Labour strikes		<ul style="list-style-type: none"> <li>Potential for labour actions and disruption/shutdown of construction activities, which could lead to cost and schedule impacts.</li> <li>Potential for media coverage and undesirable project optics.</li> </ul>		<ul style="list-style-type: none"> <li>Follow Project labour protocols as per master agreement with Canadian Union of Skilled Workers (CUSW).</li> <li>Foster and maintain good relations and communication with CUSW and its members.</li> <li>Be cognizant of and manage potential for other unions to approach and recruit any non-CUSW members.</li> </ul>

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

Page 37 of 57

Low

Medium /  
Moderate

High

Unknown

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"> <li>Media response would be developed to provide public response as appropriate.</li> </ul>
8	COVID-19 Global Pandemic		<ul style="list-style-type: none"> <li>Global Pandemic caused the shutdown of work camps and temporary suspension of construction activities which are expected to lead to cost and schedule impacts.</li> <li>The Global Pandemic is ongoing, and duration is unknown.</li> <li>Potential for workers testing positive for COVID-19, while working in communities where health facilities are limited.</li> <li>Communities make decisions specific to their conditions which could impact the workers available for Project construction and also impact Project schedule.</li> </ul>		<ul style="list-style-type: none"> <li>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.</li> <li>Construction activities continued through 3Q 2021.</li> <li>Working with tower vendor to mitigate potential delivery delay impacts.</li> <li>Indigenous and stakeholder engagement continues in order to address concerns as they arise.</li> <li>The risk to the construction schedule is expected to be mitigated through the updated ISD; however, the duration and total associated impacts of the COVID-19 Global Pandemic, including costs, are unknown at this time.</li> </ul>

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

Page 38 of 57

Low

Medium /  
Moderate

High

Unknown

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
9	Difficulty to obtain timely outages to cross existing transmission lines		<ul style="list-style-type: none"> <li>The Project crosses several existing transmission lines, some of which require outages in order to perform construction works.</li> <li>The remaining outages include the A21L/A22L and T1M lines.</li> <li>IESO may not be able to provide scheduled outages due to system requirements.</li> <li>New IESO outage constraints, paired with low water levels in the region contribute to this risk.</li> </ul>		<ul style="list-style-type: none"> <li>Working closely with HONI to obtain outage coordination information and schedules.</li> <li>NextBridge is working with the IESO through HONI to coordinate these critical outages.</li> <li>Not obtaining scheduled outages could jeopardize Project schedule and costs.</li> </ul>

\*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

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
10	Extreme Weather Events	↑	<ul style="list-style-type: none"> <li>Extreme weather events such as drought (fires), excessive rain events, and ice storms can prevent construction activities from taking place, potentially impacting cost and schedule.</li> </ul>	↑	<ul style="list-style-type: none"> <li>Weather days have been built into the updated construction schedule.</li> <li>These weather days are expected to address limited duration events but can be exhausted if the events are prolonged.</li> <li>When possible, workers from impacted areas will be moved to areas where construction works are permitted.</li> </ul>

\*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



## 5. Reference Materials

### APPENDIX A – IO-2021-NWR-02

IO-2021-NWR – 02

#### IMPLEMENTATION ORDER

The actions and orders described below are made pursuant to the Emergency Area Order declared under the authority of Section 23(1) of *the Forest Fires Prevention Act* and described below.

Under the Emergency Area Order EAO 2021-13 declared on July 14, 2021 and the authority delegated to me by the Minister of Northern Development, Mines, Natural resources and Forestry, I Michael Gluck, Regional Director for the Northwest Region, order the following actions to be taken, which I deem necessary for the purposes of public safety and/or effectual fire suppression:

1. The following activities governed by an approved Forest Management Plan and associated Annual Work Schedule under the *Crown Forest Sustainability Act* are prohibited:
  - a) Road Construction including:
    - Stripping with bulldozer
    - Blasting without mats
    - Building, spreading and shaping sub-grade with back hoe/excavator
  - b) Harvesting using the following equipment:
    - Tracked equipment such as feller-bunchers, or machines with rotary cutting heads
    - Vehicles with tire chains (i.e., forwarders, skidders)
    - Mechanized equipment with rubber tires (no chains) (i.e., forwarders, skidders)
    - Power Saw /Chainsaw
  - c) Processing:
    - Delimbing, slashing, portable saw mills
    - Portable chipping
    - Power Saw / Chainsaw
  - d) Silviculture:
    - Mechanized site preparation
    - Mechanical tending with chain flails and mowers; hydro-axe; slash piling
    - Brush saw/chainsaw thinning
  - e) Other:
    - Hot work: welding, torch cutting and grinding

2. The following activities carried out in a forest area as part of an industrial operation as defined under Ontario Regulation 207/96 are prohibited unless carried out as part of emergency maintenance or repairs and all mitigation measures under subsection 19(2) of O. Reg. 207/96 are implemented:
- a) Operation that uses heavy machinery equipped with metal parts that may come into contact with rocks or similar material in the normal course of operation and cause a spark.
  - b) Stripping of the surface vegetation and forest floor with heavy machinery.
  - c) Hot work.
  - d) Rail production grinding.
  - e) Blasting of rock or soil without use of blasting mats.
  - f) Switch crossing grinding.
  - g) Operations using a channel saw where the surface vegetation and forest floor have not been removed up to a distance of at least three metres from the place where the channel saw is being operated on the worksite.
  - h) Delimbing or slashing felled trees with heavy machinery.
    - i) Using a portable saw mill.
    - j) Slash piling.
  - k) Building, spreading or shaping the sub-grade with a back hoe or excavator.
  - l) Operation using three or more brush saws.
  - m) Operation using heavy machinery with rubber tires and no chains.
  - n) Drilling operation that does not use water as a coolant or flushing agent and that is carried out in an area that has not been cleared of the surface vegetation and forest floor.
  - o) Induced polarization surveys using a power generator.

This Order is in effect at 12:01 Eastern Standard Time on July 21, 2021 until such time as the order is revoked.

  
\_\_\_\_\_  
Signature of delegated authority

2021/07/20  
\_\_\_\_\_  
Date

Cc: ADM, Regional Operations

## APPENDIX A

For reference, "industrial operations" is defined as follows under Ontario Regulation 207/96: Outdoor Fires:

**15. (1)** In this Part,

"industrial operations" means any of the following operations that are carried out in a forest area as part of an industrial activity described in subsection (2) and not for personal purposes:

1. Harvesting trees and processing them into log lengths, chips, biofuel or lumber.
2. Clearing land of trees or other vegetation.
3. Operation or use, in a forest area, of machinery with metal parts that, in the normal course of operations, may come into contact with rocks or similar material resulting in the creation of a spark or fire.
4. Hot work.
5. Trenching in areas of forest fuels.
6. The use of explosives in or adjacent to forest fuels.
7. Road construction;

(2) The following are the industrial activities referred to in the definition of "industrial operations" in subsection (1):

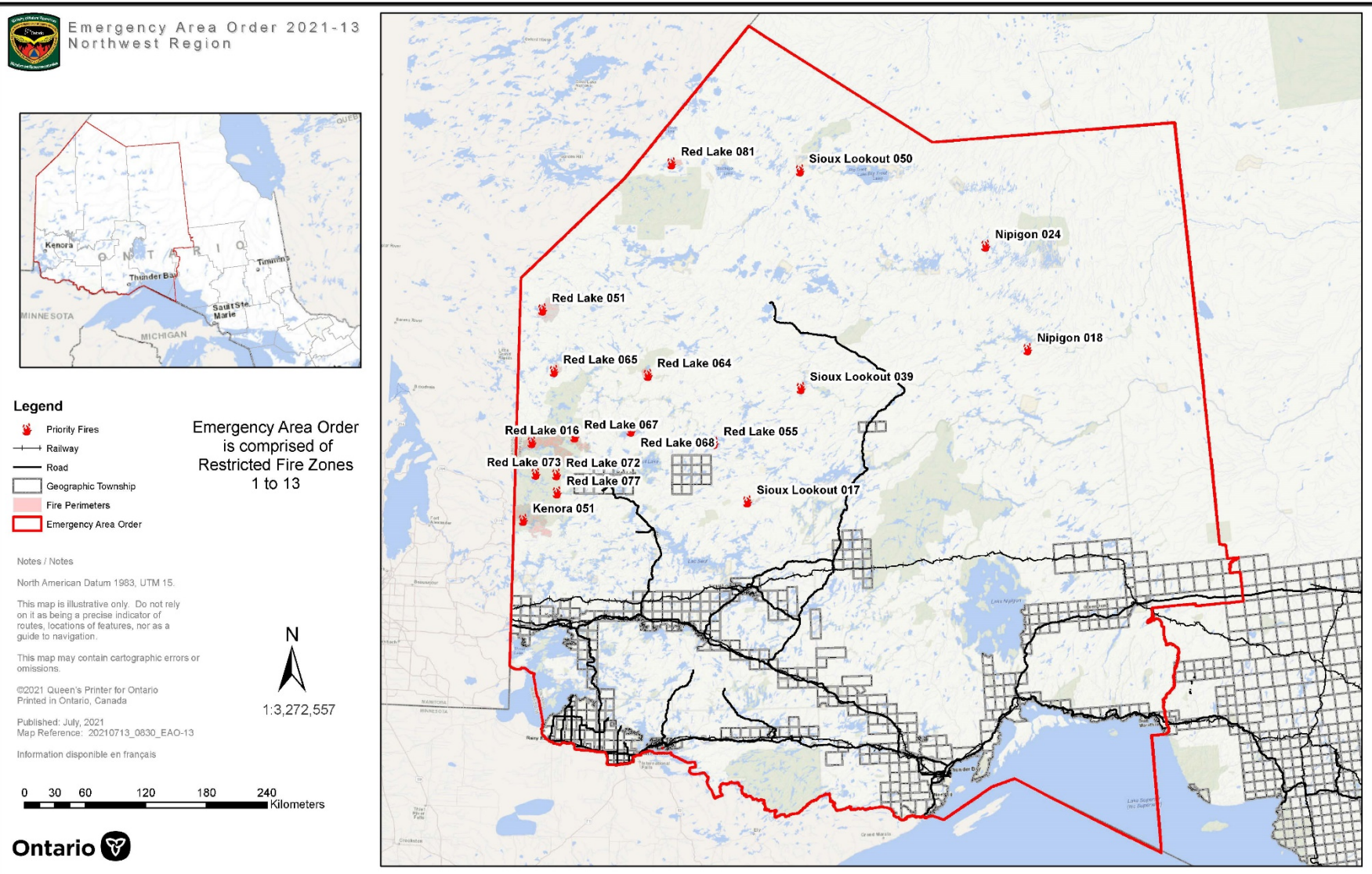
1. Timber harvesting and timber processing, unless the harvesting or processing is governed by a Forest Management Plan approved under the *Crown Forest Sustainability Act, 1994*.
2. Mechanical site preparations and other silvicultural treatments, other than those that are governed by a Forest Management Plan approved under the *Crown Forest Sustainability Act, 1994*.
3. Construction and maintenance of electrical power generation facilities.
4. Construction and maintenance of utility corridors, including any infrastructure that is part of the corridors.
5. Construction and maintenance on railway rights of way, including any infrastructure on the rights of way.
6. Peat harvesting.
7. Mining and mineral exploration.

## **APPENDIX B**

Measures under subsection 19(2) of O. Reg. 207/96:

1. The worksite must be soaked with water or with a fire suppression foam mixture before the operations begin and after the operations are completed for the day and must be kept in a wet condition during operations.
2. At least one worker must be assigned to monitor the worksite while the industrial operations are being carried out to watch for sparks or other signs that a fire has been ignited and to take immediate actions to halt the spread of fire if it is safe to do so.
3. At least one worker must be employed to actively patrol the worksite for at least one hour after the operations are completed for the day and to extinguish any fires he or she may find if it is safe to do so.
4. Workers engaged in monitoring or patrolling a worksite under paragraph 2 or 3 must be equipped with telephones or other devices capable of immediate two-way communication with the local fire management headquarters and ensure that any fire that may occur and is not kept under control is immediately reported to the Ministry.
5. Workers conducting hot work operations must put in place non-combustible screens designed and able to catch any and all material capable of producing fire ignitions.





## APPENDIX B – NOTICE OF SUSPENSION OF CONSTRUCTION ACTIVITIES

### **BY EMAIL AND RESS**

July 23, 2021

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

### **Re: Notice of Suspension of Construction Activities – East-West Tie Transmission Project**

Dear Ms. Long:

The Ontario Ministry of Natural Resources and Forestry (MNRF) has issued an Emergency Area Order (EAO) in place covering the Northwest Region of Ontario (Restricted Fire Zones 1-13 – see map attached) due to extreme fire hazard and significant fire activity in the northwestern part of the province. Upon the declaration of the above-mentioned EAO, a subsequent Implementation Order (IO) was made under that EAO within the identified emergency area. See Attached IO. The IO prohibits construction activities associated with the East-West Tie Line Project as a result of the extreme fire events the province is experiencing this year.

Therefore, pursuant to the IO, NextBridge has temporarily suspended construction activities in Workfronts 1 through 7 (the Project has a total of 11 Workfronts) of the East-West Tie Transmission Project. The MNRF has indicated that the IO will be lifted when the fires are under control, the timing of which is uncertain but is anticipated to be multiple weeks from now. At this point in time NextBridge does not know what the impacts will be to the project costs and schedule. NextBridge will provide an update to the OEB and Independent Electricity System Operator when the IO suspensions are lifted and construction re-commences.

Sincerely,

 Digitally signed by  
Jennifer Tidmarsh  
Date: 2021.07.23  
09:53:06 -04'00'

Jennifer Tidmarsh  
Project Director, NextBridge

CC:

Nancy Marconi, Manager - Generation & Transmission Applications, OEB  
Ahmed Maria, Director - Transmission Planning, IESO

## APPENDIX C – LETTER REVOKING IO-2021-NWR-02

IO-2021-NWR-02

### Implementation Order

I, Michael Gluck, Regional Director for the Northwest Region, by authority delegated by the Minister of Northern Development, Mines, Natural Resources and Forestry, hereby revoke implementation Order IO-2021-NWR-02 made on July 21, 2021 pursuant to the Emergency Area Order (EAO) declared on July 14, 2021 under the authority of Section 23(1) of the *Forest Fires Prevention Act*.

Implementation Order IO-2021-NWR-02 is revoked as of 24:00 hrs EST on August 10, 2021.



\_\_\_\_\_  
Michael Gluck  
Regional Director  
Northwest Region, NDMNRF

\_\_\_\_\_  
2021 / 08 / 10

c: ADM, Regional Operations Division

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## APPENDIX D – IO-2021-NWR-03

IO-2021-13-NWR – 03

### IMPLEMENTATION ORDER

The actions and orders described below are made pursuant to the Emergency Area Order declared under the authority of Section 23(1) of the *Forest Fires Prevention Act* and described below.

Under the Emergency Area Order EAO 2021-13 declared on July 14, 2021 and the authority delegated to me by the Minister of Northern Development, Mines, Natural Resources and Forestry, I Michael Gluck, Regional Director for the Northwest Region, order the following actions to be taken in Restricted Fire Zones 1, 3, 9, 10 and 11, which I deem necessary for the purposes of public safety and/or effectual fire suppression:


1. The activities listed below which are governed by an approved Forest Management Plan and associated Annual Work Schedule under the *Crown Forest Sustainability Act, 1994* are prohibited unless one of following requirements are met:
  - i) operations occur exclusively on mineral soil, clay or gravel (e.g. roads or landings) where there is no continuous fuel component; or
  - ii) the following mitigation measures are implemented:
    - Operations are not permitted between 06:00 and 20:00, local daylight savings time;
    - A dedicated patrol of the area must be carried out for 2 hours after operations are shut down. Operators conducting the patrol must have the ability to immediately report fires; and
    - Operations must meet the criteria for 'trained and capable' as defined in subsection 5 of O. Reg. 207/96.
- a) Road Construction including:
  - Stripping with bulldozer on exposed bedrock or surfaces greater than 15% stoniness
  - Blasting without mats on exposed bedrock or surfaces greater than 15% stoniness
- b) Harvesting using the following equipment:
  - Tracked equipment such as feller-bunchers, or machines with rotary cutting heads
  - Vehicles with tire chains (i.e., forwarders, skidders)
- c) Silviculture:
  - Mechanized site preparation
  - Mechanical tending with chain flails and mowers; hydro-axe; slash piling
- d) Other:



- Hot work: welding, torch cutting and grinding provided that the following additional mitigation measures are implemented:
    - Soak the operational area with water or a fire suppression foam mixture using back pack pumps or another water delivery system prior to commencing the operation;
    - Keep the operational area in a wet condition during the operation;
    - Assign at least one person to monitor the area during the operation to watch for possible fire ignitions and to take action on any fires that do ignite; and
    - After operations are complete, soak the operational area with water or a fire suppression foam mixture using back pack pumps or another water delivery system.
2. The activities listed below, carried out in a forest area as part of an industrial operation as defined under Ontario Regulation 207/96, are prohibited unless one of the following requirements are met:
- i) operations occur exclusively on mineral soil, clay or gravel (e.g. roads or landings) where there is no continuous fuel component; or
  - ii) operations are carried out as part of emergency maintenance or repairs and all mitigation measures under subsection 19(2) of O. Reg. 207/96 are implemented; or
  - iii) the following mitigation measures are implemented:
    - Operations do not occur between 06:00 and 20:00, local daylight savings time;
    - A dedicated patrol of the area must be carried out for 2 hours after operations are shut down. Operators conducting the patrol must have the ability to immediately report fires; and
    - Operations must meet the criteria for 'trained and capable' as defined in subsection 5 of O. Reg. 207/96.
  - a) Operation that uses heavy machinery equipped with metal parts that may come into contact with rocks or similar material in the normal course of operation and cause a spark carried out on a stony surface.
  - b) Stripping of the surface vegetation and forest floor with heavy machinery carried out on a worksite with stony surface.
  - c) Blasting of rock or soil without use of blasting mats.
  - d) Operations on a worksite with stony surface using a channel saw where the surface vegetation and forest floor have not been removed up to a distance of at least three metres from the place where the channel saw is being operated on the worksite.
3. The activities listed below, carried out in a forest area as part of an industrial operation as defined under Ontario Regulation 207/96 are prohibited unless one of the following requirements are met:

- i. operations occur exclusively on mineral soil, clay or gravel (e.g. roads or landings) where there is no continuous fuel component; or
  - ii. operations are carried out as part of emergency maintenance or repairs and all mitigation measures under subsection 19(2) of O. Reg. 207/96 are implemented; or
  - iii. the following mitigation measures are implemented:
    - Operations do not occur between 06:00 and 20:00, local daylight savings time;
    - A dedicated patrol of the area must be carried out for 2 hours after operations are shut down. Operators conducting the patrol must have the ability to immediately report fires;
    - Operations must meet the criteria for 'trained and capable' as defined in subsection 5 of O. Reg. 207/96;
    - Soak the operational area with water or a fire suppression foam mixture using back pack pumps or another water delivery system prior to commencing the operation;
    - Keep the operational area in a wet condition during the operation;
    - Assign at least one person to monitor the area during the operation to watch for possible fire ignitions and to take action on any fires that do ignite; and
    - After operations are complete, soak the operational area with water or a fire suppression foam mixture using back pack pumps or another water delivery system.
- a) Hot work: welding, torch or saw cutting of metal and grinding, operations involving open flame
  - b) Thermite welding.
  - c) Rail production grinding.
  - d) Switch crossing grinding.

This Order is in effect at 12:01am Eastern Standard Time on August 11, 2021 until such time as the order is revoked.

  
\_\_\_\_\_  
Signature of delegated authority

2021/08/10  
\_\_\_\_\_  
Date

Cc: ADM, Regional Operations

## APPENDIX A

For reference, “industrial operations” is defined as follows under Ontario Regulation 207/96: Outdoor Fires:

**15. (1) In this Part,**

“industrial operations” means any of the following operations that are carried out in a forest area as part of an industrial activity described in subsection (2) and not for personal purposes:

1. Harvesting trees and processing them into log lengths, chips, biofuel or lumber.
2. Clearing land of trees or other vegetation.
3. Operation or use, in a forest area, of machinery with metal parts that, in the normal course of operations, may come into contact with rocks or similar material resulting in the creation of a spark or fire.
4. Hot work.
5. Trenching in areas of forest fuels.
6. The use of explosives in or adjacent to forest fuels.
7. Road construction;

(2) The following are the industrial activities referred to in the definition of “industrial operations” in subsection (1):

1. Timber harvesting and timber processing, unless the harvesting or processing is governed by a Forest Management Plan approved under the *Crown Forest Sustainability Act, 1994*.
2. Mechanical site preparations and other silvicultural treatments, other than those that are governed by a Forest Management Plan approved under the *Crown Forest Sustainability Act, 1994*.
3. Construction and maintenance of electrical power generation facilities.
4. Construction and maintenance of utility corridors, including any infrastructure that is part of the corridors.
5. Construction and maintenance on railway rights of way, including any infrastructure on the rights of way.
6. Peat harvesting.
7. Mining and mineral exploration.

## **APPENDIX B**

Measures under subsection 19(2) of O. Reg. 207/96:

1. The worksite must be soaked with water or with a fire suppression foam mixture before the operations begin and after the operations are completed for the day and must be kept in a wet condition during operations.
2. At least one worker must be assigned to monitor the worksite while the industrial operations are being carried out to watch for sparks or other signs that a fire has been ignited and to take immediate actions to halt the spread of fire if it is safe to do so.
3. At least one worker must be employed to actively patrol the worksite for at least one hour after the operations are completed for the day and to extinguish any fires he or she may find if it is safe to do so.
4. Workers engaged in monitoring or patrolling a worksite under paragraph 2 or 3 must be equipped with telephones or other devices capable of immediate two-way communication with the local fire management headquarters and ensure that any fire that may occur and is not kept under control is immediately reported to the Ministry.
5. Workers conducting hot work operations must put in place non-combustible screens designed and able to catch any and all material capable of producing fire ignitions.

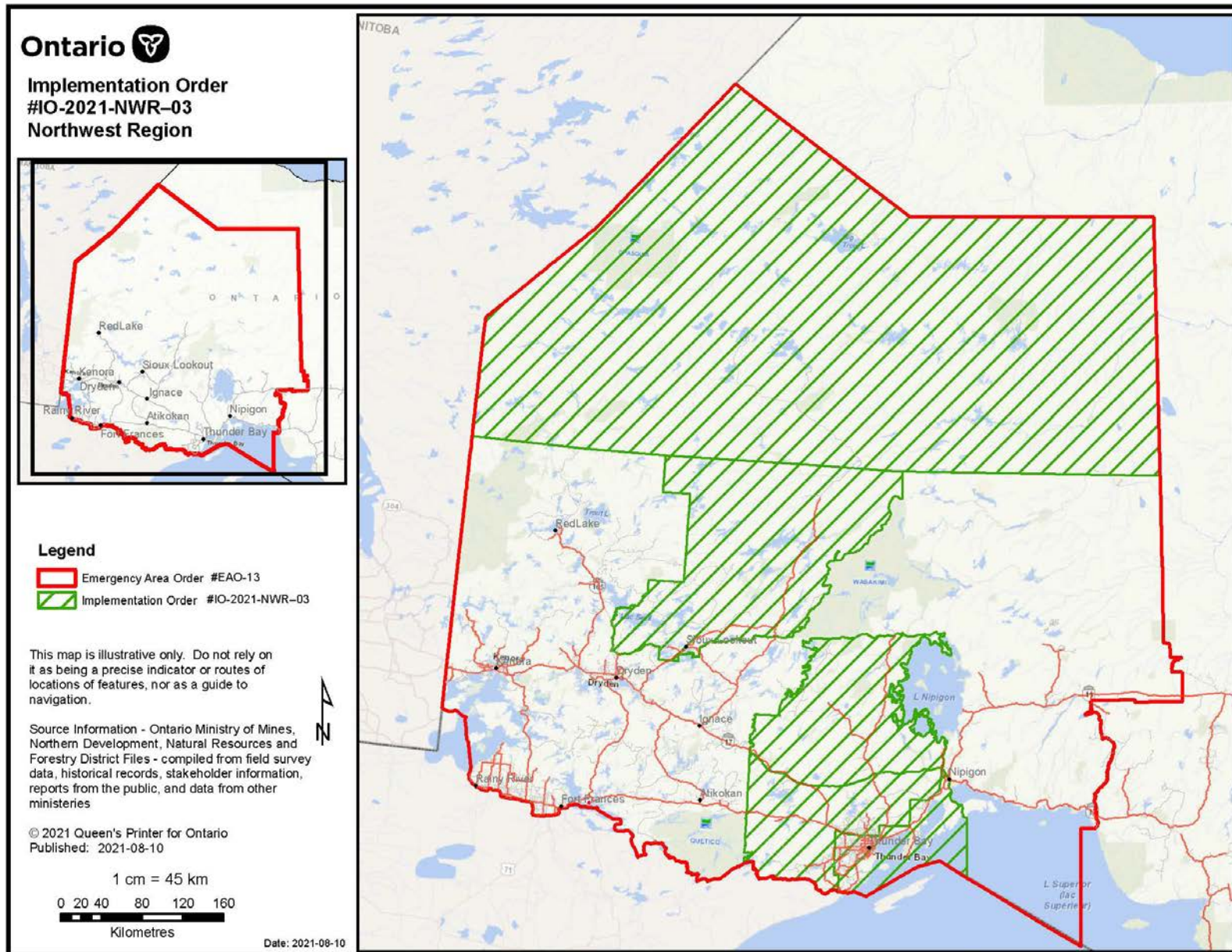
## APPENDIX C

Criteria for 'trained and capable' as defined in subsection 5 of O. Reg. 207/96:

(5) For the purposes of subsections (3) and (4), an industrial operation is considered to be a trained and capable industrial operation if,

- (a) the operator has prepared a fire prevention and preparedness plan in accordance with section 24, is following the plan and has equipped the worksite with the fire suppression equipment required under section 26;
- (b) at least one person at the operation's worksite is equipped with a telephone or other device capable of immediate two-way communication with the local fire management headquarters and other workers at the worksite are capable of contacting that person at all times; and
- (c) at least 25 per cent of the persons working at the operation's worksite have received forest fire suppression training using training material prepared by the Ministry.





## **APPENDIX E – UPDATED NOTICE OF SUSPENSION OF CONSTRUCTION ACTIVITIES**

### **BY EMAIL AND RESS**

August 12, 2021

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

**Re: UPDATE: Notice of Suspension of Construction Activities – East-West Tie  
Transmission Project**

Dear Ms. Long:

This letter serves as an update to the letter filed on July 22, 2021 regarding the suspension of construction on the East West Tie Transmission Project (“Project”) resulting from wildfires in northwestern Ontario. The Ontario Ministry of Natural Resources and Forestry (“MNRF”) has issued an update and revoked the Implementation Order IO-2021-NWR-02 (attached) that halted construction activities for a portion of the Project. This will allow NextBridge to resume work on the Project. NextBridge will, therefore, be able to construct in Workfronts 3 to 11.

However, an Implementation Order (attached IO-2021-NWR-03) is still in place and that Order affects Workfronts 1 and 2, with some modifications. Construction activities are allowed in Workfronts 1 and 2 if mandated fire prevention measures are in place. Some of these measures include nighttime work and rubber-tire only equipment. The nature of the construction activities that NextBridge needs to perform makes it impractical to meet these measures, and, therefore, we are unable to resume activities in these Workfronts at this time.

The MNRF has indicated that Implementation Order IO-2021-NWR-03 will be lifted when the fires are under control, the timing of which is uncertain. At this point in time NextBridge still does not know what the impacts will be to the Project costs and schedule and will not know until the entire Project is available to resume construction activities. NextBridge will provide an update to the OEB and Independent Electricity System Operator when the Implementation Order suspensions are lifted, and full construction re-commences.

Sincerely,



Digitally signed by  
Jennifer Tidmarsh  
Date: 2021.08.12  
13:56:30 -04'00'

Jennifer Tidmarsh  
Project Director, NextBridge

## APPENDIX F – EMAIL NOTIFICATION REVOKING IO-2021-NWR-03

Good Evening Industry Partners,

I'm writing today to share another update regarding the current fire situation in the Northwest region and to inform you of changes to the Implementation Order impacting industrial operations.

As you are aware, the Ministry is carefully monitoring the situation, including weather patterns and availability of firefighting resources to assess current and future risk. Our goal is to ensure that businesses can get back to operations, while ensuring the safety of the public and protecting our natural resources, during this unprecedented fire season.

The number of active fires is close to the 30-year max and is remaining steady. The potential for ignition by lightening remains high through the southern parts of the region around Fort Frances and Kenora and has returned to normal for the northern, central and eastern parts of the region.

As a result of our most recent assessment, the current Implementation Orders restricting certain activities associated with industrial operations will be **lifted effective 12:01am on August 18, 2021**. As a result, operations can resume in accordance with the *Modifying Industrial Operations Protocol* (MIOP) for the forest industry and the *Industrial Operating Protocol* (IOP) for other industrial operations.

I trust the resumption of your activities will be good news. Please understand though, that while we are able return to the MIOP and IOP processes, the Ministry will be continuing to monitor fire activity, weather conditions and patterns and resourcing on a daily basis and may be required to re-introduce restrictions if warranted. We continue to see varying levels of risk across the region in terms of existing fires and potential for new ones. It is critical that both the ministry and industry partners recognize the speed at which fire hazard can change due to the drought conditions, and that we remain nimble and flexible in responding to the evolving situation. **We ask you to continue to exercise exceptional caution when operating in forest areas and to follow all requirements as identified in the MIOP and IOP. Please have your Fire Preparedness Plan ready and available when conducting very high and high risk activities as per the MIOP and IOP.**

For your reference here are the links to the Industrial Operating Protocol:  
[http://www.affes.mnr.gov.on.ca/extranet/bulletin\\_Boards/Protocol\\_manual.pdf](http://www.affes.mnr.gov.on.ca/extranet/bulletin_Boards/Protocol_manual.pdf)

If you require additional information about your operations and the ongoing fire situation please do not hesitate to reach out to Michael Gluck, Regional Director Northwest Region at [Michael.gluck@ontario.ca](mailto:Michael.gluck@ontario.ca).

On behalf of the Ministry, we truly appreciate your continued support and patience.

Most Sincerely,

Jennifer

Please note: if this email is not accessible to you or you would like to request an alternate format, please contact me.



Jennifer Barton  
Assistant Deputy Minister  
Regional Operations Division  
Ontario Ministry of Northern Development, Mines, Natural Resources and  
Forestry (NDMNRF)  
P: 705-875-8601  
E: [jennifer.barton@ontario.ca](mailto:jennifer.barton@ontario.ca)



## **APPENDIX G – UPDATED NOTICE OF SUSPENSION OF CONSTRUCTION ACTIVITIES**

**BY EMAIL AND RESS**

August 19, 2021

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

**Re: UPDATE: Notice of Suspension of Construction Activities – East-West Tie  
Transmission Project**

Dear Ms. Long:

This letter serves as an update to the letter filed on August 12, 2021 regarding the suspension of construction on the East West Tie Transmission Project (“Project”) resulting from wildfires in northwestern Ontario. The Ontario Ministry of Natural Resources and Forestry (“MNRF”) has lifted the Implementation Orders that restricted certain activities associated with construction effective 12:01am on August 18, 2021. However, the MNRF will be continuing to monitor fire activity, weather conditions and patterns and resourcing on a daily basis and may be required to re-introduce restrictions if warranted. This will allow NextBridge Infrastructure, LP (“NextBridge”) to resume work on the Project. NextBridge will, therefore, be able to construct in all Workfronts.

NextBridge has begun to remobilize crews back to the previously affected areas with a target to resume full productivity as soon as possible. As requested in OEB’s letter to NextBridge on August 4, 2021, NextBridge will provide an update to the OEB on any cost and schedule impacts resulting from this suspension of construction in its next quarterly report.

Sincerely,

 Digitally signed by  
Jennifer Tidmarsh  
Date: 2021.08.19  
10:49:56 -04'00'

Jennifer Tidmarsh  
Project Director, NextBridge Infrastructure, LP