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January 10, 2022

Delivered by Email & RESS

Nancy Marconi
Acting Registrar
Ontario Energy Board
2300 Yonge Street
Suite 2701
Toronto, ON M4P 1E4

Dear Ms. Marconi:

**Re: Board File No. EB-2021-0280: Brantford Power Inc. and Energy+ Inc.
MAADs Application under Section 86 of the *Ontario Energy Board Act*,
1998 and Related Relief**

We are counsel to Brantford Power Inc. ("BPI") and Energy+ Inc. ("Energy+") (the "Applicants") in connection with the above-noted MAADs application (the "Application").

Schedule H of the Application attaches the Merger Participation Agreement ("MPA") which has been entered into by the Applicants, their holding companies and the municipal shareholders of those parent corporations. The Applicants requested redacted treatment for certain information provided in the MPA, pursuant, *inter alia*, to the Ontario Energy Board (the "Board" or "OEB") Rules of Practice and Procedure and the OEB's latest Practice Direction on Confidential Filings dated December 17, 2021.

Pursuant to Procedural Order No. 1, also issued by the OEB on December 17, 2021, the Board directed the Applicants to provide further explanation as to which redactions are proposed on the basis of the categories listed in the original cover letter submitted in connection with the Application, and reasons for the classification in accordance with Procedural Order No. 1.

In response, the Applicants have prepared a table that categorizes seven (7) redactions into two categories: (i) information that is not relevant for purposes of the Application and the Board's consideration and application of its "no harm" test and (ii) confidential information. Originally, the Applicants sought confidential treatment of eleven redactions in total, but four of those redactions are no longer necessary for the reasons provided below.

Certain redactions have been identified as falling into more than one category and have been organized within the following table and aggregated as Groups 1, 2 or 3 as further described in the narratives below to provide further rationale regarding why redacted treatment is appropriate.

Category	Practice Direction Ref. Appendix A and B	Group	Reference	Page in Application	Description
Not Relevant Information		Group 1			
		Calculation of Post-Closing Adjustments			
			Section 2.5(c)	93-96	Provides threshold values applicable to the calculation of adjustments contemplated in sections 2.5(a) and (b) of the MPA.
			Schedule D	179	Provides illustrative examples of the calculations of the adjustments contemplated by section 2.5 of the MPA.
		Group 2			
		Implementation of Post-Closing Adjustments	Section 2.6(a)(iii)	97	Pertains to redemption terms applicable to Class C Special Shares.
			Section 2.6(a)(vi)	97	Pertains to redemption terms applicable to

Category	Practice Direction Ref. Appendix A and B	Group	Reference	Page in Application	Description
					Class D Special Shares.
			Schedule C, Section D	175, 176, 179	Describes definitions, requirements, and processes applicable to a certain redemption right and redemption amount associated with Class C Special Shares.
		Group 3			
		Assets & Debt	Section 6.1 (g)	142-143	Pertains to completed sales of real property considered in previous proceedings.
			Section 8.5	152	Provides for municipal shareholder cost reimbursement and indemnity pertaining to the assets contemplated

Category	Practice Direction Ref. Appendix A and B	Group	Reference	Page in Application	Description
					by section 6.1 (g).
Confidential Information					
	Appendix A: Confidential information related to an outstanding dispute.	Group 1 and 2 Calculation of Adjustments and Implementation of Adjustments	Section 1.1 Section 2.6(a)(iii)	77-78 97	<p>Defines certain terms pertaining to financial adjustments contemplated by the provisions listed in Group 1 that are subject to an ongoing but unresolved dispute.</p> <p>Disclosure of these terms may disclose information regarding a party's future litigation strategy or financial outcomes forecasts and therefore prejudice the outcome of a future financial or</p>

Category	Practice Direction Ref. Appendix A and B	Group	Reference	Page in Application	Description
					legal transaction.
	Appendix B: Non-public financial information of unregulated affiliates	Group 1 Calculation of Adjustments	Section 2.5(c), (iv), (xx), (xxii),(xxxiv) Schedule D	93-96 179	Provides financial values applicable to the calculation of adjustments contemplated in the MPA pertaining to unregulated affiliate companies.

Information not relevant to the MAADs proceeding

In section 5.1.9 of the revised Practice Direction on Confidential Filings, the Board indicates that as a preliminary matter, the OEB may determine whether the information is relevant to the proceeding and “where the OEB determines that the information is not relevant to the proceeding, it may issue a decision accepting the redactions without assessing the grounds for confidentiality.”

- **Group 1 Information**

References: Section 2.59 (c) and Schedule D. The information contained in Group 1 relates to the calculation, to occur after closing, of certain financial adjustments pertaining to the corporate amalgamations. These financial adjustments apply to the parties to the MPA, including unregulated affiliates. These adjustments are necessary and standard practice in LDC and affiliate mergers in order to reconcile various changes in the financial positions of the various companies over the multi-month period from the time the MPA was executed to the closing of the transactions.

These Group 1 financial adjustments will have no LDC customer impacts, they will not change the equity allocations agreed upon by the municipal shareholders as reflected in the MPA, and they play no role in the Board’s consideration and application of the no harm test in the context of a MAADs proceeding. Accordingly, the Applicants submit that the information pertaining to these post-closing financial adjustments is not relevant to the issues before the Board.

- **Group 2 Information**

References: sections 2.6(a)(iii), 2.6(a)(vi), Schedules C and D. The information contained in Group 2 pertains to the post-closing mechanism through which the financial adjustments contemplated in Group 1 are implemented: specifically, through a special share class dividend of Amalco Holdco. In short, after reconciling the financial positions of all legacy companies (the LDC and all affiliates) against the MPA execution date financial positions (which will not occur until approximately 6 months after closing), an adjustment payment will be made (through a special share dividend) to either the City of Brantford or to the City of Cambridge and the Township of North Dumfries. The Special Share Class dividend mechanism is not relevant in a MAAD's proceeding as it has no connection to the cost base of the distributors or to the Board's no harm test.

- **Group 3 Information**

Reference: sections 1.1, 6.1(g) and 8.5 deal with two Brantford Power Inc. land sales (130 Savannah Oaks and 37 Empey Street). Both of these land dispositions have already been considered in previous OEB proceedings.

130/150 Savannah Oaks

EB-2019-0022 involved BPI making an ICM application to the Board in 2019 in connection with its new distribution utility office and operations facility in Brantford known as 150 Savannah Oaks. This proceeding included BPI's proposal relating to non-regulated land; that is, surplus land which the LDC did not require (known as 130 Savannah Oaks). BPI's proposal to the Board was to assume 100% of the risk associated with the unused/non-regulated portion. In this regard BPI set out its proposed allocation of land between regulated and non-regulated including methodology proposed by KPMG.¹ OEB staff and intervenors supported BPI's proposed approach including the accounting treatment for the excess land to be sold (i.e. treatment as a non-utility asset)². VECC's final argument specifically mentioned BPI's plan to exclude land from rate base while other intervenors indirectly referenced the efforts to "right size" the utility.³

Further, in BPI's recent 2022 Cost of Service Application (EB-2021-009), the OEB staff submission on the Settlement Proposal, which was ultimately accepted by the Board, refers to the 2019 ICM application referred to in the preceding paragraph and notes that the Savannah Oaks lands added to BPI's rate base is limited to the distributor's portion of the facility.⁴ BPI also addressed the issue of these lands as "Non-

¹ EB-2019-0022, BPI COS Application, pages 65, 69-70 and 81-82.

² EB-2019-0022, OEB Staff Submission, December 6, 2019, pages 7, 15-16.

³ EB-2019-0022, BPI Reply Submission, December 20, 2019, pages 4-5.

⁴ EB-2021-009, OEB Staff Submission, October 6, 2021, page 15, footnote 34.

Utility Excess Lands” on pages 104 and 796 of its 2022 Cost of Service Application.⁵ These Non-Utility Excess lands were sold to an arms length third party on January 6, 2022.

37 Empey Street

The anticipated sale of 37 Empey Street was raised during BPI’s recent rate case (BPI COS Application EB-2021-0009). For example, in a response to an interrogatory submitted by VECC, BPI explained that 37 Empey Street had the potential to be sold in the near future. BPI can advise that this property was sold to the City of Brantford on December 15, 2021.

Accordingly, as both the Savannah Oaks and Empey street land sales have already been considered in previous OEB rate proceedings, they require no duplication of consideration by the OEB at this time and, in any event, the Applicants submit that these sales are not relevant to the Board’s considerations relating to the amalgamation of electricity distributors.

Confidential Information

- **Group 1 Information**

Reference: sections 1.1, 2.6(a)(iii). An additional specific financial adjustment in Group 1 involves an unsettled dispute between one of the MPA parties and a third party. At this time it is unclear whether this dispute will be resolved or whether the issue will proceed to arbitration or civil litigation. Disclosure of information related to this matter may negatively impact the interests of the MPA party with respect to dispute resolution, settlement, and/or litigation strategy.

Reference: section 2.5(c), (iv), (xx), (xxii) and (xxxiv). These financial adjustments apply to the unregulated affiliates of the Applicants and represent financial information which is not in the public domain.

Information for which the Applicants no longer seek redacted treatment

References: sections 1.1, 2.5(a)(ii)(G) and Section 6.1 (h). Upon further review, the Applicants advise that the loan agreement provision in question was previously filed in unredacted form with the Board and intervenors at a 2012 OEB proceeding (BPI Cost of Service, EB-2012-0109). Accordingly, the Applicants no longer seek redacted treatment for this matter.

References: section 6.3 (f) and Schedule E. In our cover letter accompanying the Application filed with the Board on November 1, 2021, the Applicants requested confidential treatment of certain information related to section 6.3(f) and Schedule E of the MPA. This information related to post-amalgamation

⁵ The relevant COS Application excerpt is as follows: “As the land has not been subject to any rate recovery, BPI intends to keep 100% of any gains or losses on the sale of the non-utility land (this is consistent with the treatment proposed in BPI’s ICM).”

integration that will impact certain employees of the former BPI and Energy+ LDCs with respect to their work locations and functions at Amalco facilities located in the City of Brantford and the City of Cambridge.

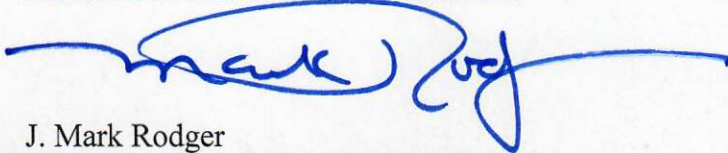
At the time of Application filing on November 1, 2021, this information had not yet been shared with Applicant utility employees. The Applicant's objective in claiming confidentiality with respect to this information was to avoid causing needless uncertainty and concern for its employees by releasing high-level work place allocations before the integration plan was presented to utility staff. However, information about post-merger integration workplace plans has now been disclosed to the Applicant's employees so our clients no longer require confidential treatment of this information.

We attach hereto unredacted Application "slip sheet" pages with respect to the changes described above.

An electronic copy of this correspondence will be filed through the Board's Regulatory Electronic System (RESS) today.

Yours truly,

BORDEN LADNER GERVAIS LLP



J. Mark Rodger
Incorporated Partner*

*Jonathan Rodger Professional Corporation

Encl.

Copy to: Ian Miles, President & CEO, Energy+ Inc.
 Paul Kwasnik, President & CEO, Brantford Power Inc.
 Sarah Hughes, CFO, Energy + Inc.
 Brian D'Amboise, CFO & Vice President Corporate Services, Brantford Power Inc.

“Energy Plus Group Systems” means all computer software, and computer hardware, servers, networks, platforms, peripherals, data communication lines and other information technology equipment and related systems that are owned or used by each member of the Energy Plus Group in the conduct of the Energy Plus Business.

“Energy Plus Group Valuation Amount” means the numerical value set forth in cell D10 of the spreadsheet entitled “Closing Adjustment Calc” within the excel file named “Final Financial Model – Project Phoenix_August 13, 2021” prepared by Grant Thornton LLP.

“Energy Plus Holdings” is defined in the preamble to this Agreement.

“Energy Plus Holdings Financial Statements” means the audited, consolidated balance sheet and audited, consolidated statement of income of Energy Plus Holdings for the financial year ended December 31, 2020 including notes to the financial statements.

“Energy Plus Shareholder Agreement” means the shareholders agreement dated January 1, 2000 between Cambridge, North Dumfries and Energy Plus Holdings in respect of Energy Plus Holdings, as amended.

“Energy Plus Solutions Financial Statements” means the audited balance sheet and audited statement of income of Energy Plus Solutions for the financial year ended December 31, 2020 including notes to the financial statements.

“Enersure Business” means the business of renting heating, ventilation, and air conditioning systems, water softeners, water heaters, furnaces, and central air conditioning systems.

“Environment” means the ambient air, all layers of the atmosphere, all water including surface water and underground water, all land, all living organisms and the interacting natural systems that include components of air, land, water, living organisms and organic and inorganic matter, and includes indoor spaces.

“Environmental Laws” means any Laws relating to the Environment and protection of the Environment, the regulation of chemical substances or products, health and safety including occupational health and safety, and the transportation of dangerous goods.

“ETA” means Part IX of the *Excise Tax Act* (Canada).

“Excluded Assets” means the real property owned by BPI located at the municipal address designated as 130 Savannah Oaks Drive, Brantford, Ontario, N3V 1E8 and 37 Empey Street, Brantford, Ontario N3S 7R2, respectively.

“Excluded Debt” means the indebtedness and liabilities for borrowed money, whether contingent, unmatured or otherwise, owed by BPI to Ontario Infrastructure and Lands Corporation pursuant to financing agreement No. 7079 dated December 3, 2007, financing agreement No. 9027 dated November 18, 2009, as amended by amending agreements dated November 16, 2010 and April 20, 2017, respectively, and financing agreement No. 11070

dated November 6, 2012, as amended by amending agreements dated April 20, 2017 and May 28, 2019, respectively.

“**Expert**” is defined in Section 2.4(j).

“**Fixed Assets**” means the aggregate sum of property, plant and equipment, net of deferred revenues. Property, plant and equipment includes, but is not limited to furniture, furnishings, parts, tools, personal property fixtures, plants, land, buildings, transformer stations and equipment, right of use assets, finance lease receivables, intangible assets, structures, erections, improvements, appurtenances, machinery, equipment, substations, transformers, vaults, vehicles, distribution lines, transmission lines, conduits, ducts, pipes, wires, rods, cables, fibre optic network and electronics, water heater units, water treatment systems, devices, appliances, material, poles, pipelines, fittings, major spare parts, and any other similar or related item, including work-in-progress, but excluding the Excluded Assets.

“**Governmental Authority**” means:

- (a) any federal, provincial, state, local, municipal, regional, territorial, aboriginal, or other government, governmental or public department, branch, ministry, or court, domestic or foreign, including any district, agency, commission, board, arbitration panel or authority and any subdivision of any of them exercising or entitled to exercise any administrative, executive, judicial, ministerial, prerogative, legislative, regulatory, or taxing authority or power of any nature; and
- (b) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of them, and any subdivision of any of them.

“**GRE**” means Grand River Energy Solutions Corporation, a corporation incorporated under the laws of the Province of Ontario.

“**GRE Financial Statements**” means the audited balance sheet and audited statement of income of GRE for the financial year ended December 31, 2020 including notes to the financial statements.

“**Hazardous Substance**” means any substance, waste, liquid, gaseous or solid matter, fuel, micro-organism, sound, vibration, ray, heat, odour, radiation, energy vector, plasma, organic or inorganic matter which is or is deemed to be, alone or in any combination, hazardous, hazardous waste, solid or liquid waste, toxic, a pollutant, a deleterious substance, a contaminant or a source of pollution or contamination, regulated by any Environmental Laws.

“**Holdco Amalgamation**” is defined in Section 2.1(a).

Governmental Authority, and the term “applicable” with respect to Laws and in a context that refers to one or more Persons, means that the Laws apply to the Person or Persons, or its or their business, undertaking, property or Securities, and emanate from a Governmental Authority having jurisdiction over the Person or Persons or its or their business, undertaking, property or Securities, including COVID-19 Legislation and Emergency Orders.

“**LDC Amalco**” is defined in Section 2.2.

“**LDC Amalgamation**” is defined in Section 2.2.

“**Leased Premises**” means all of the lands and premises which are leased by any member of the BEC Group, as applicable or by any member of the Energy Plus Group, as applicable.

“**Loss**” means any loss, liability, damage, cost, expense, charge, fine, penalty or assessment including the costs and expenses of any action, suit, proceeding, demand, assessment, judgment, settlement or compromise and all interest, punitive damages, fines, penalties and reasonable professional fees and disbursements.

“**Make-Whole Payment**” means the amount of any break-fee and/or make whole payment that may be payable to Infrastructure Ontario and Lands Corporation by BPI in connection with repayment of the Excluded Debt.

“**Material Adverse Effect**” means a material adverse effect on the Energy Plus Business or the BEC Business, taken as a whole, or the operations, assets, liabilities, capital, property, condition (financial or otherwise) or results of operation of the Energy Plus Group or the BEC Group, all taken as a whole, excluding any effects of COVID-19 and/or COVID-19 Legislation and Emergency Orders.

“**Material Contract**” means a Contract in respect of the Energy Plus Business or the BEC Business, as applicable:

- (a) that involves or may result in the payment of money or money’s worth in an amount in excess of \$250,000 (excluding any collective bargaining agreements or employment agreements), including any Customer Contracts; or
- (b) the termination of which, or under which the loss of rights, would constitute a Material Adverse Effect.

“**MOU**” is defined in the recitals of the Parties above.

“**MTS Property**” means the real property owned by Energy+ described in the Energy Plus Disclosure Schedule as LRO 58 - PIN 22740-0164 LT – Block 3, Plan 58M663; together with an easement as in 1350771; subject to an easement as in WR1276173; subject to an easement for entry as in WR1291080; City of Cambridge.

2.5 Calculation of Adjustments

- (a) Upon the approval or deemed approval pursuant to Section 2.4 of the Closing Financial Statements for each member of the BEC Group,
 - (i) BEC shall calculate the sum of:
 - (A) the BEC Holdco Closing Net Asset Value *less* the BEC Holdco Target Closing Net Asset Value (which sum may be positive or negative),
 - (ii) BPI shall calculate the sum of:
 - (A) the BPI Closing Working Capital *less* the BPI Target Closing Working Capital (which sum may be positive or negative), *plus*
 - (B) the BPI Closing Net Fixed Assets *less* the BPI Target Closing Net Fixed Assets (which sum may be positive or negative), *plus*
 - (C) the BPI Closing Net Regulatory Balance *less* the BPI Target Closing Net Regulatory Balance (which sum may be positive or negative), *plus*
 - (D) the BPI Closing Net Other Assets and Liabilities *less* the BPI Target Closing Net Other Assets and Liabilities; *plus*
 - (E) the BPI Closing Total Net Debt *less* the BPI Target Closing Total Net Debt (which sum may be positive or negative); *plus*
 - (F) the value of the Tallgrass Appraisal; *plus*
 - (G) the amount of the Make-Whole Payment *less* the amount of any income Tax savings on account of the repayment of the Make-Whole Payment,
 - (iii) BHI shall calculate the sum of:
 - (A) the BHI Adjusted Closing Net Income/(Loss) excluding Other Comprehensive Income/(Loss) for calendar 2021 and the period to the Closing Date *less* the BHI Target Closing Adjusted Net Income/(Loss) excluding Other Comprehensive Income/(Loss) (which sum may be positive or negative), *less*
 - (B) the BHI dividends paid during fiscal 2021 and the period to the Closing Date less the budgeted BHI dividends of \$400,000 (which sum may be positive or negative), *plus*

[REDACTED]

[REDACTED]

- (h) **Excluded Debt.** Prior to Closing, BPI will repay all of the Excluded Debt and any Make-Whole Payment and arrange for the release and discharge of all Encumbrances held by Infrastructure Ontario and Lands Corporation as security for Excluded Debt.

6.2 Covenants of Cambridge and North Dumfries

- (a) **Conduct of Business Before Closing.** During the period beginning on the date of this Agreement and ending at the Closing Time, Cambridge and North Dumfries will cause the Energy Plus Group:
- (i) to conduct the Energy Plus Business in the ordinary course substantially consistent with past practice (except as may be otherwise required or contemplated by the provisions of this Agreement or with the prior written consent of Brantford, which shall not be unreasonably withheld);
 - (ii) except as required by the terms of and in accordance with the Energy Plus Collective Agreement (including as may be required in connection with the renewal of the Energy Plus Collective Agreement) or applicable Law, or with the prior written consent of Brantford, which shall not be unreasonably withheld, to refrain from:
 - (A) hiring, engaging or retaining any new employees or independent contractors to be employed, engaged or retained in connection with the Energy Plus Business except for new independent contractors with a term of no greater than 9 months and compensation that does not exceed an aggregate of \$75,000 per independent contractor;
 - (B) terminating any Energy Plus Group Employees or transferring any Energy Plus Group Employees to any other position;
 - (C) increasing remuneration of Energy Plus Group Employees before the Closing Date, except as consistent with its past practice; and
 - (D) taking any action to materially amend any Contract with any Energy Plus Group Employee;
 - (iii) except with the prior written consent of Cambridge and North Dumfries (which shall not be unreasonably withheld), to refrain from entering into any Material Contract;

signatory thereto and acknowledges having received a copy of the Confidentiality Agreement on or before the date of this Agreement. Notwithstanding any other provision of this Agreement, nothing shall prevent the disclosure of any agreement or information, and no party shall be held liable for the disclosure of any agreement or information, if and to the extent that any such disclosure is required by applicable Law, including the *Municipal Act, 2001* (Ontario) and the *Municipal Freedom of Information and Protection of Privacy Act* (Ontario).

- (d) **Amalco Holdco Shareholders Agreement and Amended and Restated Shared Services and Obligations Agreement.** On Closing each of Brantford, Cambridge, North Dumfries, Amalco Holdco and LDC Amalco shall execute and deliver the Shareholders Agreement and Brantford and LDC Amalco shall enter into an Amended and Restated Shared Services and Obligations Agreement in the form of Exhibit B which shall replace and supercede the Shared Services Agreement.
- (e) **Equity Issuances/Dividends.**
 - (i) Except as contemplated by Section 6.1(f), Brantford shall ensure that no member of the BEC Group issues any additional equity at any time prior to the Closing Time.
 - (ii) Cambridge and North Dumfries shall ensure that no member of the Energy Plus Group issues any additional equity at any time prior to the Closing Time.
 - (iii) Cambridge and North Dumfries shall continue to accept payment of all dividends declared by Energy Plus Holdings in the ordinary course in accordance with past practice (and shall not defer payment of same) or dividends declared for the purpose of meeting the target closing amounts set forth in Section 2.5.
 - (iv) Brantford shall continue to accept payment of all dividends declared by BEC in the ordinary course in accordance with past practice (and shall not defer payment of same) or dividends declared for the purpose of meeting the target closing amounts set forth in Section 2.5.
- (f) **Location of Facilities.** Amalco Holdco will operate in compliance with Schedule E with respect to the location of its facilities, functions and personnel for a period of seven (7) years from the date of Closing, provided that, two years from the date of Closing, Amalco Holdco shall retain an independent consultant to assess whether efficiencies might be gained for Amalco Holdco by allocating functions and locating facilities and personnel in a manner other than that provided for in Schedule E and to deliver a confidential report setting out such assessment, and conclusions relating thereto, to Amalco Holdco, Brantford, Cambridge and North Dumfries within four months following such retainer. The contents of such report shall not be disclosed to any persons other than councillors, directors, officers and

advisors of Amalco Holdco, Brantford, Cambridge and North Dumfries without the consent of all four such parties.

ARTICLE 7 CLOSING CONDITIONS

7.1 Conditions for the Benefit of Cambridge and North Dumfries

The obligation of Cambridge and North Dumfries to complete the Amalgamations is subject to the fulfilment of the following conditions at or before the Closing Time:

- (a) **Representations, Warranties and Covenants.** The representations and warranties of Brantford made in this Agreement or in any other agreement or document delivered pursuant to this Agreement will be true and accurate at the Closing Time with the same force and effect as though those representations and warranties had been made as of the Closing Time. At Closing, Brantford and the members of the BEC Group will have performed or complied with all covenants and agreements agreed to be performed or complied with by them under this Agreement and any other agreement or document delivered pursuant to this Agreement at or before the Closing Time. In addition, each of Brantford and each of the members of the BEC Group will have delivered to Cambridge and North Dumfries a certificate of a senior officer confirming the same. The receipt of those certificates and the completion of the Closing will not be deemed to constitute a waiver of any of the representations, warranties or covenants of Brantford or the members of the BEC Group contained in this Agreement or in any other agreement or document delivered pursuant to this Agreement. Those representations, warranties and covenants will continue in full force and effect as provided in Article 8, or, if Article 8 does not apply, the terms of the agreement or document in which they are made.
- (b) **No Material Adverse Effect.** Since the date of this Agreement there will not have been any change in any of the assets, financial condition, earnings, results of operations or prospects of the BEC Group, or in the BEC Business (whether or not covered by insurance) that has had, or might reasonably be expected to have, a Material Adverse Effect.
- (c) **Consents and Regulatory Approvals.** All filings, notifications, approvals and consents with, to or from Governmental Authorities and third parties, including the parties to the Material Contracts and the lessors of the BEC Group Leased Premises, will have been made, given or obtained on terms acceptable to BEC, acting reasonably, so that the transactions contemplated by this Agreement may be completed without resulting in the violation of, or a default under, or any termination, amendment or acceleration of any obligation under any Permit, BEC Real Property Lease, or Material Contract of or affecting the BEC Business, including the OEB Approval and the Competition Act Approval.

SCHEDULE E LOCATION OF AMALCO HOLDCO FACILITIES & FUNCTIONS

Facilities & functions to be located in Cambridge

39 Glebe Street

- Executive Functions (CEO, CFO, HR, Corporate Development)
- Finance Department
- Regulatory Department
- Engineering Services
- HR Department
- Billing Department

1500 Bishop Street

- Cambridge and North Dumfries Operations Department
- Vehicle garage, inventory, outdoor storage yard

Facilities & functions to be located in Brantford

150 Savannah Oaks Drive

- Executive Functions (COO, IT)
- Customer Service Department
- Engineering Services
- IT Department
- System Control Room
- Brantford and Brant County Operations Department
- Vehicle garage, inventory, outdoor storage yard
- Fibre optics affiliate
- Water heater rental affiliate